City Council Agenda Item Report

FROM: Ryan Cummins, City Manager

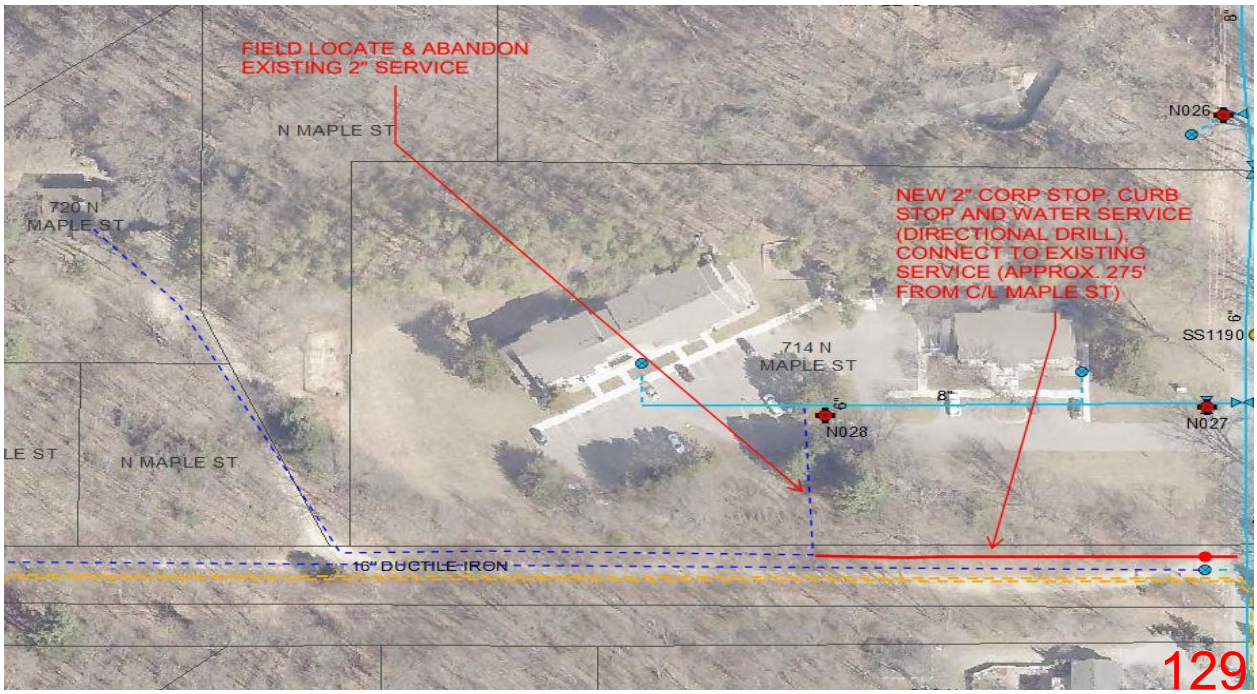
MEETING DATE: October 14, 2025

SUBJECT: Proposed Cost Sharing Agreement for 720 N Maple Water Service Line Replacement and Installation of 8" Water Main Stub

DESCRIPTION:

In May 2022, KLSWA shut off water at the Old Mille Apartments, which also cut service to 720 N Maple. Fleis & VandenBrink (F&V) found that 720 N Maple was improperly tied into Old Mille's line instead of the public main on Maple Street. F&V obtained quotes of $17,880–$21,800 to correct the issue. Although connection cost is normally the property owner's responsibility, the owner, Victor Rodriguez, believes the City should share costs since the improper connection was previously approved. A 50/50 cost share was discussed but never completed.

With design engineering underway for the Maple Street project, Mr. Rodriguez has requested the work in the following diagram be included. F&V estimates the cost would drop to $8,000–$12,000 if done as part of the larger project. Consistent with prior discussions, staff recommends City Council consider a 50/50 cost share.



8" Water Main Stub for Future Development
In addition, Mr. Rodriguez is asking that the City consider installing a separate 8" water main stub for future development in the area. F&V estimates the cost to be $7,000 - $11,000. I recommend including the stub so long as Mr. Rodriguez pays for 100% of the cost.

Draft Agreement
Attached is a draft cost sharing agreement for both the water service line replacement and installation of 8" water main stub. Mr. Rodriguez has reviewed the draft of the agreement and agreeable to it.

BUDGET ACTION REQUIRED:
None at this time. Sufficient dollars are budgeted for the Maple Street project.

LEGAL REVIEW:
The City Attorney prepared the draft agreement and will be at your meeting to answer any questions.

SAMPLE MOTION:
Motion to approve the cost sharing agreement with Victor Rodriguez for a water service line replacement at 720 North Maple Street and installation of 8" water main stub.

COST SHARING AGREEMENT

THIS AGREEMENT is made _____, 2025 between the City of Saugatuck, a Michigan home rule city, 102 Butler Street, Saugatuck, Michigan 49453 ("City") and Victor Rodriguez, an individual and property owner, _____ ("Mr. Rodriguez") (collectively the "Parties").

RECITALS

WHEREAS, the City is currently improving and repairing the water main, service lines, sanitary sewers and additional infrastructure located on and below the west lane of Maple Street that runs between the Blue Star Highway and North Street (the "Maple Street Project"); and

WHEREAS, the City has engaged the engineering firm Fleis & VandenBrink to complete preliminary specifications and plans for the Maple Street Project; and

WHEREAS, Mr. Rodriguez is the owner of the property located at 720 North Maple Street, Saugatuck, Michigan 49453 (the "Property") which is currently connected to a private water main and along the Maple Street Project route; and

WHEREAS, the City and Mr. Rodrguez desire the Property's connection be removed from the private water main and be connected to the City's public water main (the "Project"), identified in Exhibit A; and

WHEREAS, the City and Mr. Rodriguez desire to share all costs related to the Project, including but not limited to engineering costs, construction costs, and the costs of connection to the City's public water main, subject to the terms set forth herein.

TERMS AND CONDITIONS

NOW THEREFORE, in exchange for the consideration of the promises and of the mutual undertakings in this Agreement, the Parties agree as follows:

ARTICLE I

Construction

1.1 Construction Plans and Specifications. Final plans and specifications for the Project are being prepared by the City's engineer, Fleis & VandenBrink, and will comply with all applicable laws, ordinances, rules and regulations ("Project Plans").

1.2 Permits/Approvals. Prior to beginning construction of the Project, the City will obtain all permits or approvals required by law to construct the Project. To the extent any permits, approvals, or permissions are required from the Kalamazoo Lake Sewer & Water Authority or any third party, the Parties shall cooperate in obtaining the same.

1.3 Construction Engineering. The City Engineer (Fleis & VandenBrink), on behalf of the City, will provide engineering services for the Project pursuant to a separate contract between the City Engineer and the City.

1.4 Construction. The City shall ensure that the Project is constructed by a contractor or others strictly in accordance with the Project Plans or any amendments thereto. Construction may not begin until all pre-construction requirements under this Agreement have been met, including without limitation, those in sections 1.2.

ARTICLE II

Payment

2.1 Estimated Costs. The City and Mr. Rodriguez will split the design, engineering, and construction costs of the Project in the proportions identified in Exhibit B, which exhibit is incorporated by reference.

2.3 Final Costs. The Parties acknowledge and agree that the current engineering costs and construction costs set forth in Exhibit B are estimates only, and that the Parties' obligation to pay their respective share of the final costs will remain and be binding. To this end, once the final construction costs are established, the Parties' representatives shall meet and amend Exhibit B to reflect such developments. That amended Exhibit B shall, upon completion, be initialed by representatives of each party and the amendment shall thereafter be deemed to reflect the final costs to be paid by the Parties.

2.4 Payment. The City shall initially pay all costs of engineering for and construction of the Project. Upon receiving an invoice for construction or engineering services, the City shall invoice Mr. Rodriguez for his percentage of the costs as set forth in Exhibit B, along with a copy of the original invoice. Mr. Rodriguez shall submit payment to the City within thirty (30) days of receiving the City's invoice. In the event of a payment that is more than sixty (60) days delinquent, the City reserves the right to assess such outstanding costs as a lien against the Property enforceable in the same manner as real property taxes. Late payments shall accumulate interest at a rate of 1.5%.

ARTICLE III

Ownership

3.1 Ownership. The City shall retain all ownership rights in all publicly owned components associated with the Project. Mr. Rodriguez shall retain ownership of the 8" stub and service connections in accordance with applicable City and Kalamazoo Lake Sewer & Water Authority ordinances and policies. In the event the 8" stub is extended to serve future development, ownership shall transfer to the City and become public infrastructure. The City shall assume any ongoing maintenance obligations imposed by law for the street and right of way for so long as the portion of North Maple Street remains a part of the City's street system.

3.2 No Security Interest. Mr. Rodriguez shall not have or attempt to obtain and hereby waives any security interest in or lien on the Project or North Maple Street.

3.3 Usage. Mr. Rodriguez's use of the Project to obtain public water service shall comply with all applicable laws, rules and regulations, and is subject to all applicable fees, charges and rates imposed by the City, in addition to the costs shared pursuant to this Agreement.

3.4 Claims. This Agreement does not provide Mr. Rodriguez any rights to the perpetual existence of North Maple Street or any cause of action for damages or otherwise as a result of any discontinuance, abandonment or vacation of North Maple Street.

ARTICLE IV

Term

4.1 Term. This Agreement shall terminate upon the Mr. Rodriguez's final payment to the City as provided for in Section 2.4 following the completion of the Project.

ARTICLE V

Miscellaneous

5.1 Addresses. All payments that are required or authorized to be given under the terms of this Agreement shall be made by depositing the same in United States first-class mail with postage prepaid, addressed to the party to whom such notice is given or personally delivered at the addresses first written above or such other address as the recipient party shall have previously notified the other party. The effective date of any such payment shall be the date it was deposited in a United States mail receptacle, and the date of any such notice shall be the first business day following the date of deposit of such notice in a United States mail receptacle or the date of actual delivery, whichever occurs first.

5.2 Assignment. Neither party shall have the right to assign its rights, duties, obligations or interests under this Agreement without the prior written consent of the other party, which written consent will not be unreasonably refused and which will be given or denied with reasons given for the denial within thirty (30) days of a written request therefore.

5.3 Entire Agreement. This writing constitutes the entire Agreement between the Parties to it. No oral or written, prior or contemporaneous agreement shall have any force or effect, nor shall any subsequent agreements have any force or effect unless made in writing and signed by both Parties.

5.4 Governing Law and Venue. This Agreement was made in and shall be interpreted, construed, enforced and performed pursuant to the laws of the State of Michigan. The jurisdiction and venue for any action to enforce this Agreement or any payment to be made pursuant to this Agreement shall be in Allegan County, Michigan, in accordance with the laws and rules governing the jurisdictional amounts and equity jurisdiction.

5.5 Contacts and Action. Any submissions to or requests of the City shall be directed to the City Manager who is empowered to act on behalf of the City pursuant to this Agreement. The City Manager will so act within fifteen (15) days of receiving a request or submission unless City Council action is required, in which case such action will be sought and taken as soon as is practicable, given the regularly scheduled meeting dates of the City Council. Any submissions to or requests of Mr. Rodriguez shall be directed toward him. Mr. Rodriguez will so act within fifteen (15) days of receiving a request or submission.

5.7 No Third-Party Beneficiaries. No third party, except permitted representatives, successors, and assigns of Parties shall be a beneficiary of any provision of this Agreement.

5.8 Severability. Any provision or portion of any provision of this Agreement which is found to be illegal or void shall be treated as if it had never been a part hereof and shall have no effect whatsoever on the entire Agreement or provisions hereof.

5.9 Binding Upon Successors. The covenants, representations, understandings, promises and agreements in this Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted representatives, successors and assigns.

5.10 Captions. The captions of this Agreement shall not be considered as part of this Agreement but shall be considered as descriptive only.

5.11 Authorization. The undersigned representatives of each party warrant and represent that they are properly authorized to enter into this Agreement.

The Parties have executed this Agreement as of the date first above written.

CITY OF SAUGATUCK

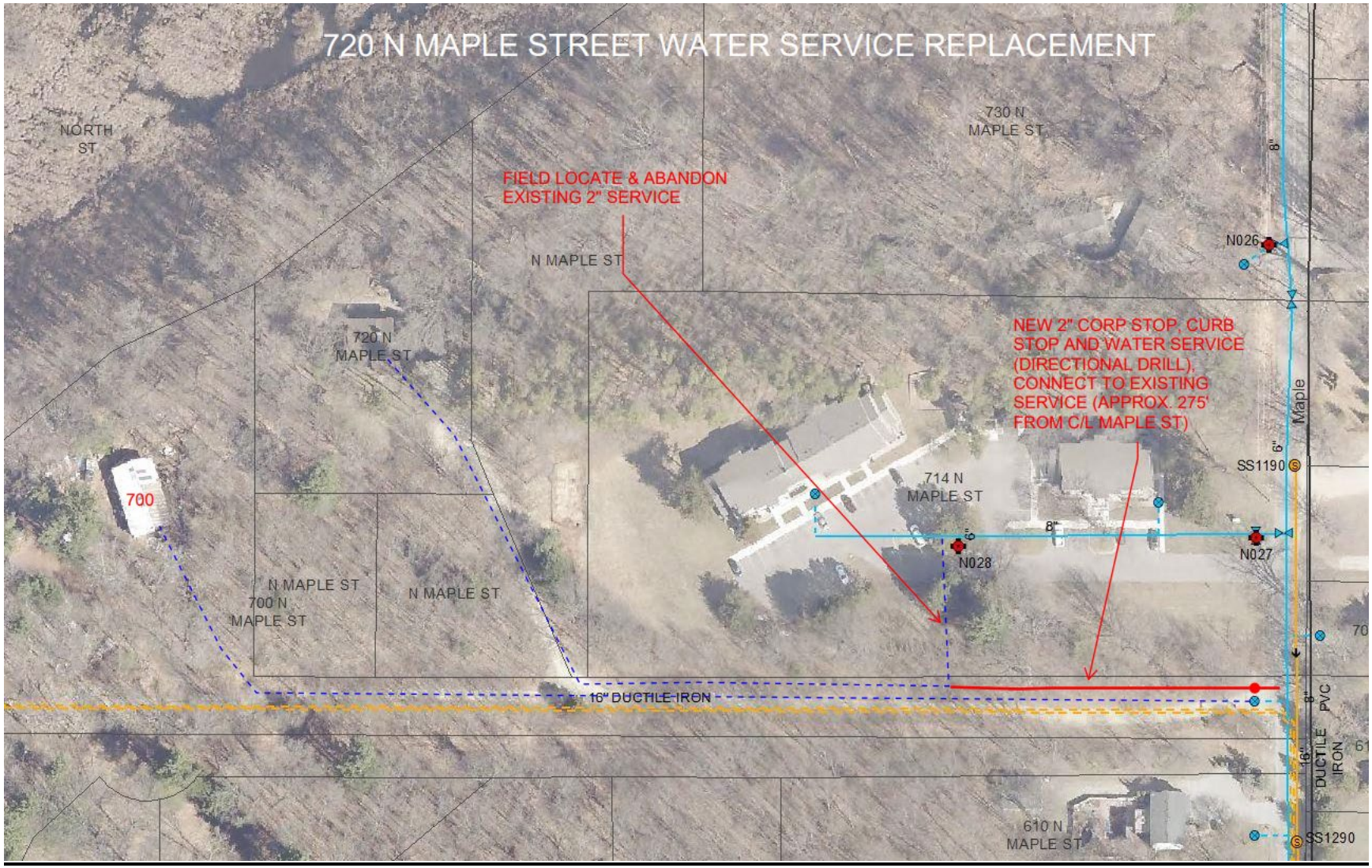
By: _____

By: _____

VICTOR RODRIGUEZ

By: _____

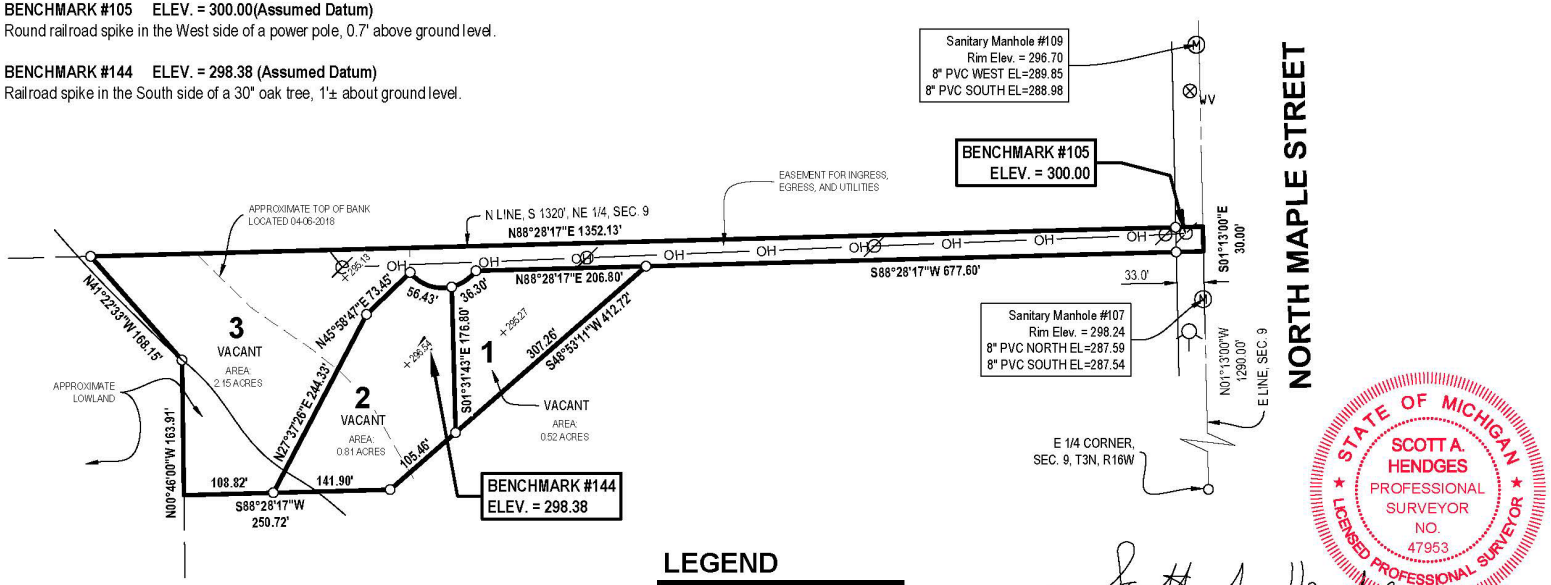
EXHIBIT A


720 N MAPLE STREET WATER SERVICE REPLACEMENT
NORTH ST
730 N MAPLE ST
FIELD LOCATE & ABANDON EXISTING 2" SERVICE
N MAPLE ST
N026
720 N MAPLE ST
NEW 2" CORP STOP, CURB STOP AND WATER SERVICE (DIRECTIONAL DRILL), CONNECT TO EXISTING SERVICE (APPROX. 275' FROM C/L MAPLE ST)
Maple
SS1190
714 N MAPLE ST
700
N028
N027
N MAPLE ST
700 N MAPLE ST
N MAPLE ST
16" DUCTILE IRON
8" PVC
16" DUCTILE IRON
610 N MAPLE ST
SS1290

BENCHMARKS

BENCHMARK #105 ELEV. = 300.00(Assumed Datum)
Round railroad spike in the West side of a power pole, 0.7' above ground level.

BENCHMARK #144 ELEV. = 298.38 (Assumed Datum)
Railroad spike in the South side of a 30" oak tree, 1'± about ground level.



LEGEND

●	Iron - Set
○	Iron - Found
⊘	Utility Pole
—— OH ——	Overhead Utility
	Hydrant
Ⓜ	Manhole
⊗WV	Water Valve

PARTIAL DESCRIPTION

Part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan.
(See Sheet 2 of 2 for complete descriptions)

This survey was made from the legal description shown above. The description should be compared with the Abstract of Title or Title Policy for accuracy, easements and exceptions.

STATE OF MICHIGAN
SCOTT A. HENDGES
PROFESSIONAL SURVEYOR
NO. 47953
LICENSED PROFESSIONAL SURVEYOR

By: Scott A. Hendges

Scott A. Hendges Licensed Professional Surveyor No. 47953

SCALE: 1" = 150' 0' 75' 150' NORTH

Travis Edmonds
27643 W Drake Dr #256
Channahon, IL 60410

N Maple Street

DRAWN BY: JV DATE: 04-06-2018 PRJ #: 18200487
REV. BY: REV. DATE:
REV.:
2 OF 2

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Holland, MI 49423
Ann Arbor, Chicago, Columbus, Grand Rapids, Indianapolis, St. Louis

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DESCRIPTION

PARCEL "1" DESCRIPTION: Part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section; thence S88°28'17"W 677.60 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38) to the Point of Beginning; thence S48°53'11"W 307.26 feet along the Northwesterly line of Lots 8 and 9 of said Singapore Estates; thence N01°31'43"W 176.80 feet; thence Northeasterly 36.30 feet along a 50.00 foot radius curve to the left, said curve having a central angle of 41°35'35", and a chord bearing N56°08'16"E 35.51 feet; thence N88°28'17"E 206.80 feet to the Point of Beginning. Containing 0.52 acres. Subject to easements, restrictions, and rights-of-way of record. Together with an easement for ingress, egress, and utilities over part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section to the Point of Beginning of said easement; thence S88°28'17"W 884.40 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38); thence Westerly 92.73 feet along a 50.00 foot radius curve to the right, said curve having a central angle of 106°15'37", and a chord bearing S88°28'17"W 80.00 feet; thence N01°31'43"W 30.00 feet; thence N88°28'17"E 964.57 feet along the North line of the South 1320.00 feet of the NE 1/4 of said Section; thence S01°13'00"E 30.00 feet along the East line of said Section to the Point of Beginning.

PARCEL "2" DESCRIPTION: Part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section; thence S88°28'17"W 677.60 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38); thence S48°53'11"W 307.26 feet along the Northwesterly line of Lots 8 and 9 of said Singapore Estates to the Point of Beginning; thence S48°53'11"W 105.46 feet; thence S88°28'17"W 141.90 feet (the previous two courses being along the Northerly line of Lot 7 of said Singapore Estates); thence N27°37'26"E 244.33 feet; thence N45°58'47"E 73.45 feet; thence Southeasterly 56.43 feet along a 50.00 foot radius curve to the left, said curve having a central angle of 64°40'01", and a chord bearing S70°43'55"E 53.48 feet; thence S01°31'43"E 176.80 feet to the Point of Beginning. Containing 0.81 acres. Subject to easements, restrictions, and rights-of-way of record. Together with an easement for ingress, egress, and utilities over part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section to the Point of Beginning of said easement; thence S88°28'17"W 884.40 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38); thence Westerly 92.73 feet along a 50.00 foot radius curve to the right, said curve having a central angle of 106°15'37", and a chord bearing S88°28'17"W 80.00 feet; thence N01°31'43"W 30.00 feet; thence N88°28'17"E 964.57 feet along the North line of the South 1320.00 feet of the NE 1/4 of said Section; thence S01°13'00"E 30.00 feet along the East line of said Section to the Point of Beginning.

PARCEL "3" DESCRIPTION: Part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section to the Point of Beginning; thence S88°28'17"W 884.40 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38); thence Westerly 92.73 feet along a 50.00 foot radius curve to the right, said curve having a central angle of 106°15'37", and a chord bearing S88°28'17"W 80.00 feet; thence S45°58'47"W 73.45 feet; thence S27°37'26"W 244.33 feet; thence S88°28'17"W 108.82 feet along the Northerly line of Lot 7 of said Singapore Estates; thence N00°46'00"W 163.91 feet parallel with the East line of Lot 32 of Judson's Addition to the City of Saugatuck (as recorded in Liber 43 of Plats on Page 19); thence N41°22'33"W 168.15 feet; thence N88°28'17"E 1352.13 feet along the North line of the South 1320.00 feet of the NE 1/4 of said Section; thence S01°13'00"E 30.00 feet along the East line of said Section to the Point of Beginning. Containing 2.15 acres. Subject to highway right-of-way for Maple Street over the most Easterly 33.00 feet thereof. Also subject to easements, restrictions, and rights-of-way of record. Subject to and together with an easement for ingress, egress, and utilities over part of the NE 1/4 of Section 9, T3N, R16W, City of Saugatuck, Allegan County, Michigan, described as: Commencing at the East 1/4 corner of said Section; thence N01°13'00"W 1290.00 feet along the East line of said Section to the Point of Beginning of said easement; thence S88°28'17"W 884.40 feet along the North line extended of Singapore Estates (as recorded in Liber 14 of Plats on Pages 37-38); thence Westerly 92.73 feet along a 50.00 foot radius curve to the right, said curve having a central angle of 106°15'37", and a chord bearing S88°28'17"W 80.00 feet; thence N01°31'43"W 30.00 feet; thence N88°28'17"E 964.57 feet along the North line of the South 1320.00 feet of the NE 1/4 of said Section; thence S01°13'00"E 30.00 feet along the East line of said Section to the Point of Beginning.

STATE OF MICHIGAN
SCOTT A. HENDGES
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SCALE: 1" = 150' 0' 75' 150'

NORTH

Travis Edmonds
27643 W Drake Dr #256
Channahon, IL 60410

N Maple Street

DRAWN BY: JV DATE: 04-06-2018
REV. BY: REV. DATE:
REV.:

PRJ #: 18200487
2 OF 2

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This survey was made from the legal description shown above. The description should be compared with the Abstract of Title or Title Policy for accuracy, easements and exceptions.

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EXHIBIT B

1) Project Scope:

- Water Service Line Replacement - Includes constructing water service line from Property to City operated water main.
    - Cost breakdown:
        - City:
            - 50%
        - Mr. Rodriguez:
            - 50%
- Installation of 8" Water Main Stub across Maple Street for future development and water service at certain parcels owned by Mr. Rodriguez with addresses of 612, 616 and 620 North Maple Street.
    - Cost breakdown: Mr. Rodriguez – 100%

2) Estimated Project Cost Breakdown:

	Estimated Total COST	City Share	Mr. Rodriguez Share
Construction and Connection to City Water Main	$8,000-$12,000	$4,000-$6,000	$4,000-$6,000
Installation of 8" Water Main Stub	$3,000-$5,000	$0.00	$3,000-$5,000
Estimated Shared Total Cost	$11,000-$17,000	$4,000-$6,000	$7,000-$11,000