



CITY COUNCIL WORKSHOP MEETING MINUTES

June 17, 2026

The City Council met for a Workshop Meeting at 4:00 p.m.

City Hall

102 Butler St., Saugatuck, MI 49453.

Call to Order:

The meeting was called to order by Mayor Anderson at 4:00 p.m.

Attendance:

Present: Mayor Anderson, Mayor Pro Tem Clark and Councilmembers, Dean, Gardner, Muncey, Peterson and Stanton.

Motion by Peterson, second by Stanton to make accommodation for a medical need for councilmember Muncy to join via zoom. Via roll call vote, motion carried 6-0. Councilmember Muncey joined meeting at 4:05 p.m. via zoom.

Absent: None.

Others Present: City Manager Cummins, Attorney Witte, DPW Director Ondersma, Treasurer Bredeweg, and Clerk Wolters.

Agenda Changes: None.

Public Comment on Agenda Items Only: None.

Approval of Minutes:

Regular City Council Meeting Minutes – June 8, 2026:

Motion by Clark, second by Stanton to approve the regular city council meeting minutes from June 8, 2026, as presented. Via roll call vote, unanimously.

Guest Speaker: None.

Discussion Items:

Palette Themed Bike Rack Placement:

DPW Director Mark Ondersma presented the bike rack and explained it was designed and built by Saugatuck High School students and outlined the Public Works committee's recommendation to install it at Coghlin Park. The plan involves relocating a couple of existing benches so the rack can be oriented toward oncoming traffic without bikes intruding on the sidewalk. He highlighted that existing concrete at the chosen site should minimize installation work and that the prominent entrance-to-town location would showcase the student project. Questions were raised about the exact concrete pad being used, potential proximity to another recently installed bike rack near Scooters, and the need to consider that in final placement. The council's discussion on the palette-themed bike rack focused on its origin, design quality, and optimal placement.

Survey Results and Updated Plan for Proposed Warming Station:

Executive Director of the CVB Ashley Siebelink explained that the CVB-led project was updated after the survey: they worked with the same metal fabricator that did the Holland Ice Rink fire pits to design a custom structure. She clarified that the overall layout remains similar—replacing the existing fence along the sidewalk with a concrete sitting wall, keeping the rose garden and existing plantings largely intact, and adding some exterior landscaping. Siebelink confirmed the CVB board has now voted to fund the entire project capital cost, with no upfront city dollars, and that design input has come from community members (including local business owners/designers Martin Horner and John Cannarsa). Some councilmembers emphasized that the concept aligns with shoulder-season goals, the business community survey responses were largely positive, and the CVB’s willingness to fully fund construction makes it an attractive infrastructure amenity. It could create a welcoming gathering space in colder months without materially disrupting current priorities if the CVB manages the project and the city’s role is limited to plan review, snow removal, and routine maintenance. They also noted that other communities like Holland and Fennville have similar amenities and that this fits a broader trend of CVBs investing assessment dollars in public infrastructure rather than just marketing. Some councilmembers voiced concerns such that the Rose/Mize Garden was originally intended as a quiet memorial space tied to the Mize family’s donation. They questioned whether this project belongs in the city’s current priority list, worried about underestimating future DPW time to keep the feature operating and presentable. Other concerns were that survey participation (171 respondents) may not fully reflect broader community sentiment. Alternative locations—particularly Village Square/Village Park—were suggested as potentially better fits to both respect the memorial garden and The conversation ended with a procedural consensus: thanked the CVB and Ashley for the work and generous funding offer, and send the updated Rose Garden concept back to the PPW committee for a new recommendation—particularly on location, fence treatment, and maintenance—followed by Historic District Commission review, then a return to council at a future workshop and, ultimately, a regular meeting vote.

Consent Agreement for Fire Department Sewer Connection and Request to Waive Fees:

City Manager Ryan Cummins explained that the Saugatuck Township Fire Department building on Blue Star Highway currently relies on a small septic system and wants to connect to the city’s sanitary sewer. Because there is no sewer under Blue Star yet, the plan is to connect via Maple Street, which requires going across a neighboring property (subject to an easement) and installing a stub under Maple now so it’s ready when they complete the connection. Under the existing sewer operations contract, this sort of connection is allowed but, due to distance and parcel characteristics, requires a special consent agreement between the city and township. Cummins outlined a draft agreement, developed with legal counsel, in which the city provides the necessary sewer capacity from its allocation, with a baseline usage calculated at roughly six Residential Equivalent Units based on water flow data. If in the future the fire property changes use or expands such that usage exceeds that baseline by more than 15%, the additional capacity would be treated as township capacity. The fire district also asked that connection fees be waived because it is a joint, tax-funded essential service. Council members expressed general support, noting consistency with broader sewer discussions, and the logic of finally getting the fire station off septic. Staff will finalize the red-lined consent agreement with the township and fire district and bring it back for formal approval, assuming no deal-breaking changes.

Employee Health Insurance Benefits for Fiscal Year 2026/2027:

Treasurer Nicole Bredeweg presented a recommendation to largely maintain the structure adopted the prior year while adjusting for cost increases. Last year the city moved from a single low-deductible plan to a menu of options: a higher-deductible HSA-eligible plan and a “low” deductible plan with increased deductibles compared to historical levels. Most employees chose the HSA plan, though some opted for the lower-deductible option, which staff saw as evidence that maintaining both choices is valuable. For the coming fiscal year, the Priority Health renewal comes with about an 11.9% premium increase (roughly \$18,000 more annually), which has already been built into the budget. Staff reviewed alternative carriers and plan designs with their consultant but did not find savings large enough to switch to another carrier. To help offset the increased deductible on the high-deductible option, Bredeweg recommended raising the city’s annual HSA contribution per participating

employee by \$100 (from \$2,500 to \$2,600). The city would continue to pay 100% of employee health insurance premiums, which staff stressed is a major recruitment and retention tool in a competitive municipal labor market. Council questions focused on how employees feel about the plans and whether Priority Health is the right carrier; Cummins reported generally positive feedback, no notable network or service complaints, and strong appreciation for the no-premium structure and HSA support. Gardner suggested periodically gauging employee satisfaction more formally, but overall, the council appeared supportive of renewing the current offerings with the modest HSA contribution increase and avoiding another major plan overhaul this year.

Property and Liability Insurance Renewal for 2026/2027:

Treasurer Nicole Bredeweg explained details of the property and liability insurance policy renewal, it will maintain the city's existing primary liability limits, including \$5 million in municipal general liability, personal injury, public officials liability, and automobile liability, while updating property and payroll exposures to current levels. Property values rose, and payroll exposure increased and the number of insured vehicles remains at 11. These changes, together with broader conditions in the insurance market, result in the annual premium increasing from approximately \$36,775 to \$44,467—an increase of about \$3,692—which has already been included in the budget, so no amendment is required. Councilmember Gardner, who asked whether MML offers a risk review service to help members identify and manage liability exposures. Bredeweg agreed to ask whether such a review is available. Overall, council seemed comfortable with the renewal as presented, seeing the increase as largely market-driven rather than due to city-specific losses.

Budget Amendments for Fiscal Year 2025/2026:

Treasurer Nicole Bredeweg presented the final year-end budget amendments and explained that the amendments. She ensured that no account ends the year over budget. On the revenue side, several categories are performing better than forecast—such as permit fees, Oval Beach revenues, interest earnings, and some smaller items—which reduces the amount of fund balance the city will need to use this year. On the expenditure side, some line items are being increased to reflect actual costs that came in above earlier estimates, as well as changes in how certain operations are structured. A key example is the Oval Beach concession operation, which is now being run under a lease instead of as a city-operated concession; for the current year, related concession revenues and expenditures are being adjusted and folded into the broader Oval Beach operation, and future budgets will reflect this new structure. Overall, she characterized the amendments as routine year-end alignment for compliance and accuracy—capturing stronger-than-expected revenues, normal operational shifts, and specific cost overruns—so the final budget numbers accurately match what the city is actually doing by June 30.

Investment Update:

Treasurer Nicole Bredeweg's investment update showed that the city continues to hold its surplus funds primarily in safe, short-term instruments—CDs, U.S. Treasury bills, and money market/pool accounts—and that overall invested balances remain stable with normal seasonal movement. Total invested funds are about \$13.3 million, slightly down from \$13.7 million at the last report, which she stressed is not a loss but simply reflects shifting some money back into the regular bank account to cover operating needs such as payroll, payables, and other cash flow around year-end. Since the previous report, two CDs matured: one was moved into CDARS (the insured CD program) and one was rolled over for another year, including a new relationship with Consumers Credit Union, where she spread investments across the major street, local street, and motor pool funds. A Treasury bill also matured and was rolled forward for another year (with a minor correction to the maturity year noted on the report). Overall, the portfolio remains heavily weighted toward pooled funds for liquidity, with CDs making up a slightly larger share than before and Treasury bills still a relatively small portion, balancing interest earnings with ready access to cash.

Closed Session:

Motion by Stanton, second by Dean to move into a closed session for the following reasons: Pursuant to MCL 15.268(a) to complete the annual personnel evaluation of the City Manager; and Pursuant to MCL 15.268(e) to consult with the City Attorney regarding the ongoing lawsuits filed against the City by Dune Ridge, captioned Dune Ridge v. City of Saugatuck (Case No. 22-65713-CK) and Dune Ridge v City of Saugatuck (Case No. 21-64709-CZ) regarding trial or settlement strategy, which if discussed in an open meeting would have a detrimental financial effect. Via roll call vote, motion carried unanimously.

City Council moved into closed session at 5:06 p.m.

Motion by Stanton, second by Dean to move into open session. Via roll call vote motion carried unanimously.

City Council moved into open session at 5:56 p.m.

Council Comments:

Councilmember Peterson thanked everyone and commented that it had been a good meeting with strong discussions that advanced several financial items. She then requested follow-up information on three points: (1) an update on how SagaTaco is performing at Oval Beach—both operationally and financially; (2) a return to the more user-friendly, analytical format previously used by Allegan County for police response-time reports; (3) a summary of any current legal lawsuits or claims pending against the City, so council has a clear picture of outstanding legal exposure.

Councilmember Gardner relayed a resident request for basic usage statistics on Saugatuck Wilds. Second, he reported concerns from a neighbor about the Hoffman–Culver Street round stairs near the church, which appear to be shifting and affected by erosion; he observed visible wear there and also on the stairs leading down toward Twin Gables, and he asked that these be inspected soon from both a safety and preservation standpoint, given their iconic nature. Finally, he shared that he had spotted what he thought was an albino red squirrel near his home, then later saw a confirming photo posted on Facebook, mentioning it as an unusual and fun local sighting.

Mayor Pro Tem Clark remarked that it had been a good meeting and expressed appreciation for everyone's input, particularly on the financial and policy items covered.

Councilmember Dean did not have comment.

Councilmember Muncey followed up on Gardner's comment about Saugatuck Wilds by sharing his own observations: he visits the Wilds about once a week and nearly always sees at least one or two cars parked there. He also reminded everyone that Music in the Park was scheduled to start that day; due to rain, the outdoor event had been canceled, but the band would still perform indoors at Wicks Park Bar & Grille.

Councilmember Stanton stated that she had no further comments to add at the end of the meeting.

Mayor Anderson closed by confirming that Tuesday, June 30 would be the city picnic day for staff. She also thanked staff for their thorough reports and well-prepared packet materials for the workshop.

Adjournment:

Motion by Peterson, second by Dean to adjourn the meeting. Upon voice vote, motion unanimously. Mayor Anderson adjourned the meeting at 6:01 p.m.

Respectfully Submitted

Jamie Wolters, City Clerk