



**CITY COUNCIL AGENDA
JANUARY 9, 2012 – 7:00 P.M.**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF MINUTES
 - A. **Regular City Council Meeting of December 27, 2011**
5. MAYOR'S COMMENTS
6. CITY MANAGER'S COMMENTS
7. AGENDA CHANGES (ADDITIONS/DELETIONS)
8. GUEST SPEAKERS:
 - A. **Terry Burns – County Commissioner**
9. PUBLIC COMMENT *Agenda Items Only (Limit 3 minutes)*
10. REQUESTS FOR PAYMENT
 - A. **Approval of Accounts Payable**
11. PUBLIC HEARINGS: **None**
12. UNFINISHED BUSINESS: **None**
13. NEW BUSINESS
 - A. – **Coghlin Park Dock Lease Agreement Renewal – ROLL CALL.**
 - B. – **Resolution No. 120109-A KLSWA Sewer Improvement Financing – ROLL CALL.**
14. CONSENT AGENDA: **None**
15. PUBLIC COMMENTS *(Limit 3 minutes)*
16. COMMUNICATIONS: **None**
17. BOARDS, COMMISSIONS & COMMITTEE REPORTS
 - A. **Tree Board**
18. COUNCIL COMMENTS
19. ADJOURN

NOTICE

This facility is wheelchair accessible with accessible parking spaces available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact Saugatuck City Clerk at 269-857-2603 or monica@saugatuckcity.com for further information.

Proposed Minutes
Saugatuck City Council Meeting
Saugatuck, Michigan, December 27, 2011

The City Council met in regular session at 7:00 p.m. at City Hall, 102 Butler Street, Saugatuck, Michigan.

1. **Call to Order** by Mayor Pro-Tem Hess at 7:00 p.m.
2. **Pledge of Allegiance**
3. **Attendance:**
Present: Spangler, Bekken, Johnson, Hess & Van Singel
Absent: Porzondek & Verplank
Others Present: City Manager Harrier & City Clerk Looman

A motion was made by Johnson, 2nd by Spangler, to excuse Council Member Porzondek & Mayor Verplank for cause with prior notification. Upon voice vote the motion carried unanimously.

4. **Approval of Minutes:** A motion was made by Van Singel, 2nd by Bekken, to approve the, 2011 regular meeting minutes as presented. Upon voice vote the motion carried unanimously.
5. **Mayor Pro-Tem Comments:** Happy Holidays
6. **City Manager's Report:** None
7. **Agenda Changes:** None
8. **Guest Speakers:** None
9. **Public Comment:** None
10. **Request for Payment:** A motion was made by Johnson, 2nd by Spangler, to approve the accounts payable in the amount of \$295, 242.24. Upon voice vote the motion carried unanimously.
11. **Public Hearings:** None
12. **Unfinished Business:** None
13. **New Business:** None
14. **Consent Agenda:** None
15. **Public Comment:** None
16. **Communications:**
A. **Saugatuck Township Fire Board Meeting Minutes**– *Accepted as information.*
17. **Boards, Commissions & Committee Reports:** Council received reports from the following committee(s): Planning Commission & KLSWA
18. **Council Comments:** Council Member Johnson inquired about the Saugatuck Harbor Natural Area (SHNA) endowment.
19. **Adjournment:** Mayor Pro-Tem Hess adjourned the meeting at 7:13 p.m.

Respectfully Submitted,

Monica Looman, CMC
City Clerk

EXP CHECK RUN DATES 01/09/2012 - 01/09/2012
BOTH JOURNALIZED AND UNJOURNALIZED
BOTH OPEN AND PAID

10. A

Vendor Name	Description	Amount
1. ALLEGAN COUNTY TREASURER		
	PROPERTY TAXES	44,169.84
2. ASSOCIATION OF PUBLIC TREASURERS		
	TREASURER DUES	140.00
3. BRENNER OIL CO.		
	GASOLINE	399.73
4. CARDMEMBER SERVICE		
	POSTAGE & DPW TOOLS	217.58
	STERNBERGS & UNIFORMS	782.67
	TOTAL	1,000.25
5. CONSUMERS ENERGY		
	STREET LIGHTS	2,192.40
6. FILLMORE EQUIPMENT INC		
	CHAIN SAW OIL	30.98
7. FLEIS & VANDENBRINK ENGINEERING INC		
	2011 STREET PROJECTS	7,145.43
8. FRIS OFFICE OUTFITTERS		
	OFFICE SUPPLIES	52.18
9. INTERURBAN TRANSIT AUTHORITY		
	PROPERTY TAXES	14,001.78
10. MICHIGAN GAS UTILITIES		
	NATURAL GAS	808.61
11. MMTA		
	TREASURER DUES	50.00
12. NEXTEL		
	CELL PHONES	331.43
13. NORTH AMERICAN SALT		
	ROAD SALT	3,241.08
14. OBSERVER NEWSPAPERS		
	PRINTING NOTICES	205.80
15. OTTAWA AREA INTERMEDIATE SCHOOL DIS		
	PROPERTY TAXES	4,383.22
16. OVERISEL LUMBER COMPANY		
	SUPPLIES	197.04
17. SAUGATUCK DOUGLAS LIBRARY		
	PROPERTY TAXES	14,900.50
18. SAUGATUCK PUBLIC SCHOOLS		
	PROPERTY TAXES	188,363.92
19. SAUGATUCK TOWNSHIP		
	PROPERTY TAXES	33,277.34
20. SISTERS IN INK		
	DPW WINTER SHIRTS	174.56
21. TOM ALLEN ENTERPRISES, INC		
	CHAIN FERRY DRUG TESTING	66.50
22. VALLEY CITY LINEN INC		
	SHOP TOWELS	70.20
23. VITA NOVA GROUP		
	PLANNING & HDC SERVICES	1,730.78
24. WEST MICHIGAN CHAPTER AGA		
	TRAINING TREASURER	90.00
TOTAL - ALL VENDORS		317,023.57
FUND TOTALS:		
Fund 101 - GENERAL FUND		5,927.16
Fund 202 - MAJOR STREETS		1,628.99
Fund 203 - LOCAL STREETS		8,765.97
Fund 661 - MOTOR POOL FUND		1,604.85
Fund 701 - CURRENT TAX FUND		299,096.60

01/06/2012 CHECK REGISTER FOR CITY OF SAUGATUCK				
CHECK DATE FROM 12/01/2011 - 12/31/2011				
Check Date	Check	Vendor Name	Description	Amount
Bank GEN GENERAL POOLED CASH				
12/09/2011	12462	BULTMAN, LINDA		1,059.78
12/09/2011	12463	HALLGREN, JON		1,152.17
12/09/2011	12464	HARRIER, KIRK		2,215.83
12/09/2011	12465	JONES, MICHAEL		1,098.36
12/09/2011	12466	LOOMAN, MONICA		1,345.76
12/09/2011	12467	SIMONSON, BRUCE		1,699.68
12/09/2011	12468	STANISLAWSKI, PETER		1,400.17
12/09/2011	12469	VAN OSS, BLAIR		1,213.89
12/09/2011	EFT344(E)	457-VALIC		1,461.50
12/09/2011	EFT345(E)	MERS HYBRID		587.79
12/09/2011	EFT346(E)	FEDERAL TAX DEPOSIT		3,848.62
12/12/2011	12470	ALLEGAN COUNTY SHERIFF'S OFFICE	DEBT CREW	522.00
12/12/2011	12471	APPROVED FIRE PROTECTION	CITY HALL ANNUAL FIRE INSPECTION	1,066.88
12/12/2011	12472	BLAIR VAN OSS	SAFETY SHOES	81.46
12/12/2011	12473	BRENNER OIL CO.	GASOLINE	1,194.43
12/12/2011	12474	BRONNER'S CHRISTMAS WONDERLAND	HOLIDAY LIGHTING	298.00
12/12/2011	12475	CARDMEMBER SERVICE	ELECTIONS, STREET LAMPS & POSTAGE	950.47
12/12/2011	12476	CHEF CONTAINER, LLC	TRASH	278.72
12/12/2011	12477	CITY OF THE VILLAGE OF DOUGLAS	POLICE SERVICES	44,913.14
12/12/2011	12478	DEMONDS SUPER VALU	SUPPLIES	3.64
12/12/2011	12479	ERLANDSON CONCRETE LLC	WICKS PARK BOARDWALK	7,404.00
12/12/2011	12480	FRIS OFFICE OUTFITTERS	OFFICE SUPPLIES	212.28
12/12/2011	12481	H.J. UмбаUGH & ASSOCIATES	ROAD BOND FILING	450.00
12/12/2011	12482	HALLGREN ELECTRIC INC	WICKS PARK & CITY HALL	495.70
12/12/2011	12483	HOLLAND MEDI-CENTER	MDOT PHYSICALS	117.00
12/12/2011	12484	HSBC BUSINESS SOLUTIONS	HOLIDAY LIGHTING	209.82
12/12/2011	12485	JOHN HOEKSEMA, INC	SNOW BLOWER	264.65
12/12/2011	12486	KENDALL ELECTRIC INC	LIGHT BULBS	25.49
12/12/2011	12487	MEADOWBROOK INSURANCE GROUP	FUEL STORAGE TANKS INSURANCE	844.38
12/12/2011	12488	MICHIGAN OFFICE SOLUTIONS	COPIER USAGE	116.58
12/12/2011	12489	MIKA MEYERS BECKETT & JONES	LEGAL FEES CHARTER AMENDMENTS	427.50
12/12/2011	12490	MINER SUPPLY CO	SUPPLIES	119.36
12/12/2011	12491	OBSERVER NEWSPAPERS	PUBLISHING	75.60
12/12/2011	12492	OVERISEL LUMBER COMPANY	SUPPLIES	223.88
12/12/2011	12493	PETER STANISLAWSKI	HOLIDAY LIGHTING	140.00
12/12/2011	12494	RATHCO SAFETY SUPPLY CO	ORANGE CAUTION SIGNS PARK STREET	74.93
12/12/2011	12495	RIVER TOWN ENTERPRISES LLC	ELECTION	35.00
12/12/2011	12496	SHAGS-SHOP, INC.	REPAIR BOX OF FORD TRUCK	520.00
12/12/2011	12497	SISTERS IN INK	DPW UNIFORMS	51.10
12/12/2011	12498	TRIANGLE EXCAVATORS INC	2011 STREET IMPROVEMENTS	110,406.48
12/12/2011	12499	VALLEY CITY LINEN INC	SHOP TOWELS	87.75

01/06/2012 CHECK REGISTER FOR CITY OF SAUGATUCK				
CHECK DATE FROM 12/01/2011 - 12/31/2011				
Check Date	Check	Vendor Name	Description	Amount
12/12/2011	12500	VITA NOVA GROUP	PLANNING & HDC SERVICES	1,730.78
12/19/2011	12501	PITNEY BOWES	POSTAGE MACHINE RENTAL	186.00
12/23/2011	12502	BULTMAN, LINDA		1,249.48
12/23/2011	12503	HALLGREN, JON		1,226.69
12/23/2011	12504	HARRIER, KIRK		2,290.08
12/23/2011	12505	JONES, MICHAEL		1,284.10
12/23/2011	12506	JOON, ROBERT		44.99
12/23/2011	12507	KOESTNER, ROBERT		44.99
12/23/2011	12508	LOOMAN, MONICA		1,409.18
12/23/2011	12509	SIMONSON, BRUCE		1,935.16
12/23/2011	12510	STANISLAWSKI, PETER		1,627.38
12/23/2011	12511	VAN OSS, BLAIR		1,276.06
12/23/2011	EFT347(E)	457-VALIC		1,539.90
12/23/2011	EFT348(E)	MERS HYBRID		624.39
12/23/2011	EFT349(E)	FEDERAL TAX DEPOSIT		4,139.73
12/23/2011	EFT350(E)	MERS		2,619.59
12/23/2011	12512	MML UNEMPLOYMENT COMPENSATION GROUP		460.87
12/27/2011	12513	ECKHARDT HEATHER A & STEPHEN ET AL		559.53
12/27/2011	12514	ALLEGAN COUNTY SHERIFF	DEBT CREW	564.00
12/27/2011	12515	ALLEGAN COUNTY TREASURER	PROPERTY TAXES	31,907.16
12/27/2011	12516	BRENNER OIL CO.	DIESEL FUEL	995.25
12/27/2011	12517	CITY OF THE VILLAGE OF DOUGLAS	VENETIAN FESTIVAL RESERVE OFFICERS	1,712.00
12/27/2011	12518	COMCAST	TELEPHONES	225.75
12/27/2011	12519	CONSUMERS ENERGY	ELECTRIC BILLS	3,381.76
12/27/2011	12520	DIANNA MC GREW	ASSESSING SERVICES	2,185.46
12/27/2011	12521	FASTENAL	BOLTS	43.76
12/27/2011	12522	FILLMORE EQUIPMENT INC	MUFFLER REPAIR	10.98
12/27/2011	12523	FLEIS & VANDENBRINK ENGINEERING INC	BLUE STAR BRIDGE	15,610.00
12/27/2011	12524	FRONTIER	TELEPHONE	162.78
12/27/2011	12525	GE CAPITAL	COPIER LEASE	197.57
12/27/2011	12526	HOLLAND MEDI-CENTER	MDOT PHYSICAL	39.00
12/27/2011	12527	IHLE AUTO PARTS	SUPPLIES	196.01
12/27/2011	12528	INTERURBAN TRANSIT AUTHORITY	PROPERTY TAXES	10,432.09
12/27/2011	12529	JOHN HOEKSEMA, INC	JOHN DEERE REPAIR	395.20
12/27/2011	12530	KALAMAZOO LAKE SEWER & WATER	WATER BILLS	618.02
12/27/2011	12531	LAW WEATHERS & RICHARDSON	LEGAL FEES	3,435.50
12/27/2011	12532	MICHIGAN ELECTION RESOURCES	ELECTION	21.03
12/27/2011	12533	MICHIGAN MUNICIPAL LEAGUE	UNEMPLOYMENT TAXES	972.84
12/27/2011	12534	MONICA LOOMAN	MILEAGE	55.00
12/27/2011	12535	OTTAWA AREA INTERMEDIATE SCHOOL DI	PROPERTY TAXES	2,746.46
12/27/2011	12536	PRINTING SYSTEMS, INC.	TAX FORMS	147.58
12/27/2011	12537	PRIORITY HEALTH	HEALTH INSURANCE	7,128.67
12/27/2011	12538	RIETH-RILEY CONSTRUCTION CO.	COLD PATCH ASPHALT	197.10

01/06/2012

CHECK REGISTER FOR CITY OF SAUGATUCK

CHECK DATE FROM 12/01/2011 - 12/31/2011

Check Date	Check	Vendor Name	Description	Amount
12/27/2011	12539	SAUGATUCK DOUGLAS	HOLIDAY LIGHTING	3,500.00
12/27/2011	12540	SAUGATUCK DOUGLAS LIBRARY	PROPERTY TAXES	11,101.68
12/27/2011	12541	SAUGATUCK PUBLIC SCHOOLS	PROPERTY TAXES	168,345.50
12/27/2011	12542	SAUGATUCK TOWNSHIP	PROPERTY TAXES	24,702.95
12/27/2011	12543	SEWAH STUDIOS	SHNA SIGN	1,655.00
12/27/2011	12544	SHORELINE COMPUTER SYSTEMS	COMPUTER SERVICES	350.00
12/27/2011	12545	STANDARD INSURANCE COMPANY	INSURANCE	283.53
12/27/2011	12546	STU'S WELDING & FAB., INC.	SNOW PLOW SHOES	116.00
12/27/2011	12547	TERMINIX OF WEST MICHIGAN	PEST CONTROL	99.90
12/27/2011	12548	VITA NOVA GROUP	PLANNING & HDC SERVICES	1,730.78
12/27/2011	12549	WESTENBROEK MOWER INC	CHAINSAW CHAINS	77.48
12/28/2011	12550	BARTON, DAVID		54.00
12/28/2011	12551	BARTON, DEBRA		27.00
12/28/2011	12552	BEKKEN, MARK		188.99
12/28/2011	12553	BELLA, VICTOR		54.00
12/28/2011	12554	BOYCE, MARGARET		26.99
12/28/2011	12555	HESS, WILLIAM		243.00
12/28/2011	12556	HILLMAN, JUDITH		54.00
12/28/2011	12557	JOHNSON, BARRY		165.11
12/28/2011	12558	LINT, WILLIAM		84.91
12/28/2011	12559	MC POLIN, KATE		80.99
12/28/2011	12560	MINSTER, MICHAEL		54.00
12/28/2011	12561	MUIR, JAMES		80.07
12/28/2011	12562	PETERSON, CHRISTINE		27.00
12/28/2011	12563	PORZONDEK, JOHN		126.00
12/28/2011	12564	SPANGLER, JEFF		157.50
12/28/2011	12565	SPOERL, KAREN		26.99
12/28/2011	12566	TEICH, STEVEN		26.99
12/28/2011	12567	THIEDA, HAROLD		81.00
12/28/2011	12568	VAN SINGEL, HENRY		189.00
12/28/2011	12569	VERPLANK, JANE		191.25
12/28/2011	EFT351(E)	FEDERAL TAX DEPOSIT		285.91
12/28/2011	12570	MI DEPT OF TREASURY		1,320.04
TOTAL of 117 Non-Void Checks:				511,831.22
TOTAL of 0 Void Checks:				0.00
Total - 117 Checks:				511,831.22

Post Date	Journal	Summ/Det	Ref #	Description	DR Amount	CR Amount
01/06/2012	PR	S	136			
SUMMARY PR 01/06/2012						
101-000-001.000				CASH IN CHEMICAL		7,222.91
101-000-228.002				STATE INCOME TAX WITHHELD		2,113.96
101-000-229.000				DUE TO FEDERAL GOVERNMENT		3,814.42
101-000-234.000				DUE TO RETIREMENT PLANS		3,916.27
101-173-702.000				SALARY/WAGES	3,065.14	
101-173-720.000				FRINGE BENEFITS	1,436.26	
101-215-702.000				SALARY/WAGES	1,750.00	
101-215-720.000				FRINGE BENEFITS	609.53	
101-253-702.000				SALARY/WAGES	2,222.54	
101-253-720.000				FRINGE BENEFITS	774.11	
101-265-702.000				SALARY/WAGES	529.79	
101-265-720.000				FRINGE BENEFITS	211.28	
101-441-702.000				SALARY/WAGES	2,215.99	
101-441-720.000				FRINGE BENEFITS	903.81	
101-751-702.000				SALARY/WAGES	1,554.73	
101-751-720.000				FRINGE BENEFITS	625.61	
101-756-702.000				SALARY/WAGES	648.44	
101-756-720.000				FRINGE BENEFITS	520.33	
202-000-001.000				CASH IN BANK		1,242.81
202-463-702.000				SALARY/WAGES	432.25	
202-463-720.000				FRINGE BENEFITS	174.87	
202-464-702.000				SALARY/WAGES	450.91	
202-464-720.000				FRINGE BENEFITS	184.78	
203-000-001.000				CASH IN BANK		1,600.05
203-463-702.000				SALARY/WAGES	686.16	
203-463-720.000				FRINGE BENEFITS	278.81	
203-464-702.000				SALARY/WAGES	450.64	
203-464-720.000				FRINGE BENEFITS	184.44	
661-000-001.000				CASH IN BANK	1,176.13	
661-443-702.000				SALARY/WAGES	478.61	
661-443-720.000				FRINGE BENEFITS		
					21,565.16	21,565.16
					21,565.16	21,565.16

Post Date	Journal	Summ/Det	Ref #	Description	DR Amount	CR Amount
12/23/2011	PR	S	134	SUMMARY PR 12/23/2011		
101-000-001.000				CASH IN CHEMICAL		9,366.61
101-000-228.002				STATE INCOME TAX WITHHELD		640.21
101-000-229.000				DUE TO FEDERAL GOVERNMENT		4,139.73
101-000-234.000				DUE TO RETIREMENT PLANS		2,911.47
101-173-702.000				SALARY/WAGES	3,165.14	
101-173-720.000				FRINGE BENEFITS	766.09	
101-215-702.000				SALARY/WAGES	1,850.00	
101-215-720.000				FRINGE BENEFITS	459.35	
101-253-702.000				SALARY/WAGES	2,322.54	
101-253-720.000				FRINGE BENEFITS	746.69	
101-257-702.000				SALARY	100.00	
101-257-720.000				FRINGE BENEFITS	7.66	
101-265-702.000				SALARY/WAGES	332.84	
101-265-720.000				FRINGE BENEFITS	69.75	
101-441-702.000				SALARY/WAGES	4,542.24	
101-441-720.000				FRINGE BENEFITS	943.61	
101-751-702.000				SALARY/WAGES	1,125.09	
101-751-720.000				FRINGE BENEFITS	242.18	
101-756-702.000				SALARY/WAGES	201.57	
101-756-720.000				FRINGE BENEFITS	183.27	
202-000-001.000				CASH IN BANK		647.34
202-463-702.000				SALARY/WAGES	225.32	
202-463-720.000				FRINGE BENEFITS	33.69	
202-464-702.000				SALARY/WAGES	341.27	
202-464-720.000				FRINGE BENEFITS	47.06	
203-000-001.000				CASH IN BANK		1,062.21
203-463-702.000				SALARY/WAGES	519.02	
203-463-720.000				FRINGE BENEFITS	86.67	
203-464-702.000				SALARY/WAGES	390.75	
203-464-720.000				FRINGE BENEFITS	65.77	
561-000-001.000				CASH IN BANK		1,311.95
561-443-702.000				SALARY/WAGES	1,128.61	
561-443-720.000				FRINGE BENEFITS	183.34	
					<u>20,079.52</u>	<u>20,079.52</u>
					<u>20,079.52</u>	<u>20,079.52</u>

Post Date	Journal	Summ/Det	Ref #	Description	DR Amount	CR Amount
12/28/2011	PR	S	135			
				CASH IN CHEMICAL		1,938.79
				STATE INCOME TAX WITHHELD		81.72
				DUE TO FEDERAL GOVERNMENT		285.91
				SALARY	1,332.50	
				FRINGE BENEFITS	101.94	
				SALARY/WAGES	510.00	
				FRINGE BENEFITS	39.02	
				SALARY	300.00	
				FRINGE BENEFITS	22.96	
					<u>2,306.42</u>	<u>2,306.42</u>
					<u>2,306.42</u>	<u>2,306.42</u>

SUMMARY PR 12/28/2011



City Council Agenda Item Report

City of Saugatuck

FROM: Kirk R. Harrier, City Manager

DATE: 01-09-2012

SUBJECT: Coghlin Park Dock Lease Agreement Renewal

DESCRIPTION

Renewal of dock lease agreement between the owner of the dock Thomas Harrington and the City of Saugatuck for a 5 year lease. The last agreement was approved in 2007. In lieu of monetary rent paid to Mr. Harrington, the City agrees to maintain, insure, and repair the property pursuant to the lease.

BUDGET ACTION REQUIRED

N/A

COMMITTEE RECOMMENDATION

N/A

LEGAL REVIEW

The City's legal firm (Law Weathers) prepared the attached agreement in 2007. No changes have been made since last Council approval.

SAMPLE MOTION:

Motion to **approve/deny** the lease agreement between Thomas Harrington and the City of Saugatuck for the use of a floating dock and authorize the Mayor and the City Clerk to sign the lease agreement.

DOCK LEASE AGREEMENT

THIS DOCK LEASE AGREEMENT is made as of January 9, 2012, between THOMAS HARRINGTON, of 6720 124th Ave, Fennville, Michigan 49408 ("Lessor"), and the CITY OF SAUGATUCK, a Michigan municipal corporation, of 102 Street, Saugatuck, Michigan 49453 (the "City").

RECITALS

A. Lessor owns certain personal property consisting of a floating boat dock located at Coghlin Park (the "Property").

B. Lessor desires to lease the Property to the City and the City desires to lease the Property from Lessor on the terms and conditions contained in this Lease.

AGREEMENT

In consideration of the mutual promises contained in this Lease, the parties agree:

1. Lease. Lessor lets and leases the Property to the City, and the City hires the Property from Lessor, on the terms and conditions contained in this Lease.

2. Lease Term. The term of this Lease is five (5) years, commencing on the date above and expiring at 5:00 p.m. on the date that is five (5) years hereafter.

3. Rent. In lieu of monetary rent, the City shall, as the rental due under this Lease, be obligated to maintain, insure, and repair the Property pursuant to Paragraphs 5, 6 and 7, below.

4. Use of Property; Location. The City may use the Property for such purposes as the City deems appropriate in its sole discretion including, without limitation, use by the general public. The City will keep the Property at Coghlin Park and will not remove the Property from that location for use in another location except with Lessor's prior written consent.

5. Repairs and Maintenance of the Property. During the term of this Lease, the City, at its expense, shall maintain the Property in good repair, condition, and working order, and in the same or better condition as when delivered to the City, reasonable wear and tear from proper use excepted. All repairs, replacements, and substitutions of the Property shall be accessions to the Property and will become the sole property of Lessor. The City shall not make any alterations, additions, or improvements to the Property without Lessor's prior written consent, and all such alterations, additions and improvements shall become the sole property of Lessor.

6. Insurance. The City will keep the Property insured against all risk of loss or damage for any cause whatsoever in an amount not less than its full replacement value. The City will also carry public liability and property damage coverage in an amount deemed adequate by the City in its sole discretion. Notwithstanding the foregoing, however, the City shall have the right to self-insure part or all of any of the insurance it is required to maintain under this Paragraph.

7. Restoration.

(a) If the Property is damaged or destroyed, in whole or in part, the City must repair, restore, replace, or rebuild the Property, or the part of it so damaged, as nearly as possible to the value, condition, and character of the Property immediately prior to the occurrence of such damage or destruction, but in no event shall the City be obligated to expend an amount greater than that of the insurance proceeds available to it.

(b) Notwithstanding the foregoing provisions of this Paragraph, if the damage to or destruction of the Property cannot be repaired within 45 days of the damage, either Lessor or the City may terminate this Lease by giving 10 days' prior written notice to the other party within 30 days after the damage or destruction occurs. If the Lease is terminated pursuant to this paragraph, all insurance proceeds payable as a result of the damage or destruction will be disbursed to and retained by Lessor.

8. Ownership. It is expressly understood that this is an agreement for lease only, and that the City acquires no right, title, or interest in or to the Property other than the right to possession and use of the same in accordance with the terms of this Lease. The Property is, and will at all times remain, the sole and exclusive property of Lessor. This Lease grants the City no right to purchase the Property.

9. Quiet Enjoyment. Lessor covenants that, upon the City's paying the rent and performing all of its obligations and conditions under this Lease, the City will be entitled to peaceably and quietly enjoy the Property, free of claims of paramount title or of any person claiming under or through Lessor and free and clear of all exceptions, reservations, or encumbrances other than those set forth in this Lease and those the City subsequently approves in writing.

10. Miscellaneous.

A. Entire Agreement. This Lease constitutes the entire agreement between Lessor and the City and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of the Lease. The Lease may not be amended, altered, or changed except by a written agreement signed by Lessor and the City.

B. Successors and Assigns. This Lease is binding upon and inures to the benefit of the parties and their successors and assigns.

C. Applicable Law. This Lease will be construed under and in accordance with the laws of the state of Michigan.

D. Notices. Any notice or communication required or permitted under this Lease shall be in writing and shall be served on the parties at their respective addresses set forth above. Any such notices shall be either (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered two business days after deposit, postage prepaid in the U.S. Mail; (b) sent by overnight delivery using a nationally recognized overnight courier, in

which case it shall be deemed delivered one business day after deposit with such courier; or (c) sent by personal delivery, in which case it shall be deemed delivered upon delivery. The above addresses may be changed by written notice to the other party, provided, however, that no notice of a change of address shall be effective until actual receipt of such notice.

C. Legal Construction. If any one or more of the provisions contained in this Lease is for any reason determined to be invalid, illegal, or unenforceable, the unenforceability will not affect any other provision of the Lease, and this Lease will be construed as if the invalid, illegal, or unenforceable provision was not contained within the Lease.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first set forth above.

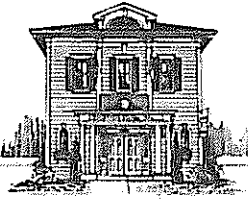
THOMAS HARRINGTON

By _____
Thomas Harrington

CITY OF SAUGATUCK,
a Michigan municipal corporation

By _____
Jane Verplank, Mayor

By _____
Monica Looman, City Clerk



City Council Agenda Item Report

City of Saugatuck

FROM: Kirk Harrier, City Manager

MEETING DATE: 01-09-2012

SUBJECT: Resolution No. 120109-A (KLSWA Sewer Improvement Financing)

DESCRIPTION

The Kalamazoo Lake Sewer Water Authority needs to acquire and construct improvements to the sewage collection and treatment facilities which are operated, administered and maintained by the Authority. KLSWA intends to proceed with the financing through the County of Allegan Department of Public Works under the terms of Act 185, Public Acts of Michigan, 1957, as amended, with authority to acquire and finance improvements within the County.

The purpose of this Resolution is to meet the requirements of certain filings and/or applications to the Michigan Department of Treasury in connection with the financing of the improvement project either to obtain "qualified status" or in the alternative for prior approval to issue the bonds by the County for the benefit of the Local Unit.

Each local unit involved will be required to adopt a similar Resolution in order for the project to proceed. The bonds will be paid for through user rates established by KLSWA. The scope of the project is described on exhibit A in the attached Resolution.

BUDGET ACTION REQUIRED

N/A

COMMITTEE/COMMISSION RECOMMENDATION

KLSWA Board recommends approval.

LEGAL REVIEW

KLSWA's municipal attorney Jim White has prepared the attached resolution.

SAMPLE MOTION:

Motion to **approve/deny** Resolution No. 120109-A requesting assistance from Allegan County in acquiring and financing sewer improvements to the KLSWA sewage collection and treatment facilities.

**CITY OF SAUGATUCK
COUNTY OF ALLEGAN
STATE OF MICHIGAN**

RESOLUTION NO. 120109-A

**RESOLUTION REQUESTING ASSISTANCE FROM ALLEGAN COUNTY
IN ACQUIRING AND FINANCING SEWER IMPROVEMENTS**

Minutes of a regular meeting of the City Council of the City of Saugatuck, County of Allegan, State of Michigan, held in the City Hall on the 9th day of January, 2012, at __: __.m., prevailing Eastern Time.

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Saugatuck (the "Local Unit"), the City of the Village of Douglas ("Douglas"), the Township of Saugatuck ("Saugatuck Township") and the Township of Laketown ("Laketown Township") (Douglas, Saugatuck Township and Laketown Township hereafter referred to as the "Other Local Units") have determined that it is necessary for the public health, safety and welfare of the Local Unit and the Other Local Units to acquire and construct improvements to the sewage collection and treatment facilities which are operated, administered and maintained by the Kalamazoo Lake Sewer and Water Authority (the "Authority") as further described in Exhibit A attached hereto and made a part hereof to serve the Local Unit and the Other Local Units (the "Project"); and

WHEREAS, the Local Unit, the Other Local Units and the Authority have determined that it is in their best interest to proceed with the financing through the County of Allegan (the “County”); and

WHEREAS, the County has established a Department of Public Works (the “DPW”) under the terms of Act 185, Public Acts of Michigan, 1957, as amended (the “Act”), with authority to acquire and finance improvements such as the Project for public corporations within the County; and

WHEREAS, the Local Unit must make certain filings or applications to the Michigan Department of Treasury in connection with the financing of the Project either to obtain “qualified status” or in the alternative for prior approval to issue the bonds by the County for the benefit of the Local Unit.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. It is hereby determined that it is impractical and financially undesirable for the Local Unit to undertake its share of the Project alone.

2. The Local Unit hereby requests the assistance of the County in the acquisition and financing of the Project under the terms of the Act, the Project and the existing sewage collection and treatment system to be operated, administered and maintained by the Authority after construction.

3. The Local Unit hereby recommends that the DPW employ Fleis & Vandenbrink Engineering, Inc., Grand Rapids, Michigan, as engineer for the Project and acknowledges and concurs that Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan, will be employed by the County as bond counsel to the County and Bendzinski & Co., Municipal Finance Advisors of Detroit, Michigan, will be employed by the County as municipal advisor to the County.

4. The Local Unit and all agents and employees of the Local Unit shall cooperate with the DPW to the end that there may be issued as promptly as possible bonds of the County in the estimated amount of \$5,000,000, which amount, together with other funds available to the Local Unit, will be sufficient to pay the presently estimated total cost of the Project. Said bonds shall be retired out of payments made by the Local Unit and the Other Local Units directly or through the Authority in accordance with the DPW Contract (as hereafter defined) to the DPW on behalf of the County in amounts fully sufficient to meet all principal and interest requirements thereon. The full faith and credit of the County as secondary security for the bonds is also requested.

5. The Local Unit hereby agrees to reimburse the County and the DPW for its pro rata share (as finally determined in the Contract among the County, the Local Unit, the Other Local Units and the Authority (the "DPW Contract")) of all expenses incurred in connection with the Project, should the financing and construction of the Project not be completed for any reason whatsoever. The Local Unit shall pay, indemnify and save the County harmless of, from and against all liability of any nature whatever regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages, and losses of every conceivable kind, whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the ownership, acquisition, construction, operation, maintenance and repair of the Project, or the issuance, sale and delivery of the bonds to be issued by the County; provided, however, that such payment and indemnification shall be in proportion to the Local Unit's pro rata share of the cost of the Project. The Local Unit agrees that the County shall be held harmless by the Local Unit from liability for such claim, actions, demands, expenses, damages and losses, however caused or however arising including, but not limited to, to

the extent prohibited by law, such claims, actions, demands, expenses, damages and losses even though caused, occasioned or contributed to by negligence, sole or concurrent, of the County or by negligence for which the County may be held liable. The terms and provisions of this indemnification shall be set forth more fully in the DPW Contract.

6. The City Manager and the Mayor of the Local Unit each is authorized to file with the Michigan Department of Treasury (a) a qualifying statement as provided in Section 303(3) of Act 34, Public Acts of Michigan, 2001, as amended, and (b) if necessary, together with the County an application for prior approval of bonds to be issued by the County for the benefit of the Local Unit.

7. The Local Unit has been advised that Miller, Canfield, Paddock and Stone, P.L.C. represents Douglas as Douglas's counsel and consents to the representation by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel to the County and the DPW.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members: _____

NAYS: Members: _____

RESOLUTION DECLARED ADOPTED.

City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Saugatuck, County of Allegan, State of Michigan, at a regular meeting held on January 9, 2012, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act

267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

City Clerk

EXHIBIT A

Description of Project

The Kalamazoo Lake Sewer and Water Authority (the "Authority") owns, operates, administers and maintains sewage collection and treatment facilities which in general serve the City of Saugatuck and the City of the Village of Douglas, and portions of the Township of Saugatuck and the Township of Laketown. To address necessary upgrades to these facilities necessitated by age and other factors, the Authority applied for State of Michigan Clean Water State Revolving Fund ("SRF") assistance with financing the needed improvements by a long-term fixed interest rate loan. The proposed improvements were detailed as Alternative No. 2 in the required SRF Project Plan, as supplemented July 2011. Alternative No. 2 was adopted by the Authority as the selected alternative on July 18, 2011. The following description of the Project is taken from the Project Plan 2011 Supplement:

- Rehabilitation of existing lift stations #2, #3, #4, #5, #7, #9, and Summer Grove, including replacing the submersible pumps, replacing suction/discharge piping and valves, new controls and electrical cabinet, and minor rehabilitation.
- Rehabilitation of existing Lift Station #8, including new access hatch, new controls and electrical cabinet, repair of wet well concrete, and raising the top of the wet well to minimize inflow.
- Install new MCC, new telemetry system, new access hatch, and discharge piping and valves at the Main Lift Station (LS #1).
- Complete rehabilitation of existing Lift Station #6 including installation of new submersible style pumps in the existing wet well, installation of a new control panel above grade, new valve pit to allow easier access, and add bypass capability.
- Rehabilitation of Grinder Station #1 including a new station cover/access hatch, electrical improvements, and improved controls.
- Increase capacity of Grinder Station #2 including new grinder pumps with additional pumping capacity, new access hatch, improved electrical and controls, and relocate and increase the forcemain size.
- Rehabilitation of chlorine contact chamber and grit channel concrete at the existing WWTF.
- Rehabilitation of existing lagoon control structures, including new piping, valves, and concrete repair.
- Upgrade influent, intermediate, and effluent sampling systems.
- Replace clarifier mechanisms, weirs, and scum baffles, and clean and repair the existing clarifier concrete.

- Improve the existing floating aerators and install a lagoon circulator to improve the aerated lagoons treatment.
- Move the bulk ferric storage out of the existing WWTF Building by constructing an outdoor ferric chloride tank shelter.
- Construct a new, large, pole type building for storage of Authority work trucks and equipment.
- Renovate and remodel the existing WWTF Building, including replacing the flooring, roof, HVAC systems, windows, and doors. Cracking in the Clarifier Room wall will also be corrected. The existing WWTF Building will be expanded to allow for a larger meeting room, expanded locker room area, and expanded administration office.
- Miscellaneous improvements at the WWTF site including, demolishing an existing, unused lime silo, replacing obsolete MCCs, Lagoon Building doors, laboratory equipment, and install a new security gate.
- In addition, two portable wastewater samplers will be purchased to monitor the collection system.

The current pre-design estimated cost of the Project is \$4,305,000, including the cost of acquisition, construction, contingencies, engineering, administration, legal and financial. A portion of this cost is expected to be paid by an S-2 Grant awarded to the Authority in the amount of \$325,328 for certain planning and engineering expenses. In addition, \$309,600 of the proposed Project improvements have qualified as an SRF “Green Project”, which is potentially eligible for 50% principal forgiveness in accordance with SRF guidelines.