

City of Marquette, MI



Meeting Agenda City Commission

**Monday, January 8, 2024
6:00 PM
Commission Chambers**

300 West Baraga Ave
Marquette, Michigan 49855

Call to Order, Pledge of Allegiance and Roll Call

Approval of the Agenda

Announcements

Boards and Committees

1. Appointment(s)
Kingsley Agassi, Marquette Housing Commission for an unexpired term ending 07-09-27
2. Reappointment(s)
Justin Vasseau, Board of Review for a term ending 02-01-27

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

Presentation(s)

3. Board of Review, by Justin Vasseau
4. **Consent Agenda**
 - 4.a. Approve the minutes of the December 18, 2023 regular Commission meeting
 - 4.b. Approve the total bills payable in the amount of \$1,564,108.46
 - 4.c. Contract for Cleaning and Turnover Services
 - 4.d. Health Reimbursement Arrangement Plan Documents
 - 4.e. Noquemanon Trails Network - Office and Storage Lease Agreement
 - 4.f. Section 125 Flexible Benefit Plan Document

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

Comments from the Commission

Comments from the City Manager

Adjournment

Kyle Whitney, City Clerk

If you require assistance to participate in any meeting, program or activity offered by the City of Marquette, please provide advanced notice to City of Marquette ADA Coordinator Eric Stemen at 906-225-8978 or via email at estemen@marquettemi.gov.

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 1/8/2024

Consent Agenda

Approve the minutes of the December 18, 2023 regular Commission meeting

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ Dec. 18 Minutes



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Minutes City Commission

Monday, December 18, 2023
6:00 PM
Commission Chambers

Call to Order, Pledge of Allegiance and Roll Call

Present: Davis, Hanley, Larson, Mayer, Ottaway, Schloegel, Smith

Approval of the Agenda

Commissioner Michael Larson moved to Approve the agenda as presented, seconded by Commissioner Paul Schloegel and Carried Unanimously.

Announcements

Mayor Davis had no announcements.

Boards and Committees

1. Reappointment(s)

Robert Caron, Downtown Development Authority for a term ending 1-1-28

Commissioner Jerney Ottaway moved to Approve the reappointment as listed, seconded by Commissioner Cody Mayer and Carried Unanimously.

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

Barb Owdziej talked about creating a snow plowing plan that was focused on more than a car-centric culture. She discussed alternative transportation and street design.

Margaret Brumm gave an update on the work of Leslie Putman.

Demetrios Kaltsas advocated for a split tax system, which he summarized. He also asked the Commissioners if they had any New Year's resolutions.

Presentation(s)

2. Marquette Area Sister Cities Partnership Trip to Higashiomi, Japan, by Paulette Lindberg

Paulette Lindberg presented a gift that the Sister Cities group received during their October trip to Shiga prefecture in Japan. She said five residents, including Mayor Sally Davis, travelled to Shiga as part of a larger group representing Michigan. She said the Marquette and Shiga groups have been alternating trips for 44 years.

Mayor Davis spoke about her experience on the Sister Cities board, which she was appointed to during her first year on the Commission, and about the activities of the group.

3. Election Board, by City Clerk Kyle Whitney

City Clerk Kyle Whitney gave an update on the activities of the City's Election Board, which is responsible for appointing election workers, testing election equipment, verifying candidates for local office and establishing precinct boundaries.

4. Consent Agenda - Roll Call Vote

Commissioner Jerney Ottaway moved to Approve the Consent Agenda as presented, seconded by Mayor Pro Tem Jessica Hanley and Carried Unanimously by Roll Call Vote.

4.a. Approve the minutes of the December 11, 2023 regular Commission meeting

4.b. Approve the total bills payable in the amount of \$1,438,579.69

4.c. Marquette Yacht Club - Bottomland Expansion

4.d. Ordinance 726 - Repeal City Code Chapter 18 - Roll Call Vote

4.e. Presque Isle Dredging Project - Grant Agreement Approval

4.f. Recreation Master Plan Contract

New Business

5. Cultural Trail Contract Award

Commissioner Michael Larson moved to Award the bid to Urban Ecosystems, LLC, approve the contract in the amount of \$100,000, and authorize the Mayor and Clerk to sign the contract, seconded by Commissioner Paul Schloegel and Carried Unanimously.

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

There was no public comment at this time.

Comments from the Commission

Commissioner Ottaway said his resolution and goal for the coming year is to offer support to the City Manager and City Attorney.

Mayor Pro Tem Hanley said her New Year's resolution is to make it to at least one meeting of every board and committee.

Commissioner Schloegel said he is going to try to act as an educational voice for the Commission and community. He urged residents to shop local during the holidays and told everyone to be safe.

Commissioner Smith said her city-related goal for 2024 is to see increased participation in democracy.

Commissioner Larson said happy holidays and talked about his goal to continue encouraging development in accordance with the City's new master plan, with a focus on sustainability and clean energy opportunities.

Commissioner Mayer said that, like Commissioner Smith, he wants to focus more in the coming year on supporting a healthy democratic process.

Mayor Davis said she wants to support involvement in the City's master planning process, and said she also plans to attend meetings of the city's various committees. She said the cultural trail grant approved tonight is big but added that the Presque Isle dredging grant agreement is also huge. She praised staff on the work on these items.

Comments from the City Manager

Manager Karen Kovacs reminded people of the building schedule for the upcoming holidays.

Adjournment

Mayor Davis adjourned the meeting at 6:42 p.m.

Sally Davis, Mayor

Kyle Whitney, City Clerk

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City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 1/8/2024

Consent Agenda **Contract for Cleaning and Turnover Services**

BACKGROUND:

Per the recommendations in the Lighthouse Property Land Use Plan, the Captain's Residence at Lighthouse Park has been functioning as a successful short-term rental since July 2022.

Got George is a local rental management company that has been managing cleaning and turnover services for the City before and after each booking for fees totaling \$100 per booking along with 10% of revenues. The services provided have been excellent and have enabled the rental to operate as a well-reviewed, high-quality facility. City staff recommends signing a new agreement with Got George for a period of two years to continue providing this service.

FISCAL EFFECT:

10% of booking fees will be paid to Got George for services rendered. Deep cleaning services will be retained as needed. A \$100 per booking cleaning fee will be paid directly by the guest.

RECOMMENDATION:

Approve the attached agreement and authorize the City Manager or her designee to sign it.

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ Got George Service Agreement

GOT GEORGE TERMS OF SERVICE

This agreement is between GOT GEORGE, “Company” and The City of Marquette, “Client”.

Company reserves the right to alter or modify these terms at any time by providing a minimum of 70 days written notice to the Client by email. The Client’s continued use of the service implies acceptance of agreement with revised terms.

GOT GEORGE agrees to provide house cleaning and turnover services (“service” or “services” outlined in Appendix A) to the Client per Client’s request. By requesting or directly booking one or more of our services in any way, the Client agrees to the Terms of Service.

Client is hiring GOT GEORGE to clean a rental home, condominium, apartment, “Airbnb” or “VRBO” (“Property”, “Job Site”, “Place”, “Unit”). The charges for services are for the agreed dollar amount (“Rates”, in Appendix B) for an individual or a team of our employees or contractors (“team members”). Our team members will do their very best to make sure Client’s property is clean to the GOT GEORGE standards outlined hereunder. However, in the event a job site is in very poor condition resulting in the cleaning taking one or more hours than the average duration known for the job site, Company reserves the right to charge for additional time and such fees may be passed through to the guest. GOT GEORGE will communicate, document, and report such circumstances in a timely manner upon entering the job site, and prior to performing the additional services. Items left behind or items damaged will also be reported, as well as any need of maintenance when noticed. GOT GEORGE assumes no responsibility for items left behind or for damages gone unnoticed by team members. All agreements are contingent upon accidents or delays beyond our control, such as forces of nature, accidents, criminal activity, or irreparable damage to the job site.

Client agrees that by giving GOT GEORGE keys, key fobs/cards, keypad code or any other access information, Client allows access to each of GOT GEORGE’s employees, contractors and agents to the property being serviced. Company and its agents will access the unit only upon scheduled service or as requested by the Client.

CLEANING AND TURNOVER SERVICES

GOT GEORGE specializes in cleaning and turnover services to Airbnb hosts and vacation rental/ short-term rental operators. In Appendix A you will find an overview as well as the details of the services.

COST

Each type of cleaning (as they are set out in Appendix A) has a different rate (Appendix B), based on property size, bedroom and bathroom count, extra items include but not limited to hot tub, woodstove or BBQ, as well as additional services the Client might need. Company reserves the right to re-evaluate rates based on the time it takes to perform the service or based on the scope of the project. Price adjustments or additional charges may also apply for extremely dirty floors, kitchen appliances, extreme soap scum build up, very greasy cabinet fronts, excessive pet hair etc.).

Company will discuss any price or service changes with Client and provide photo proof of the property in question so that extra fees may be passed on to responsible guest.

CLIENT OBLIGATIONS

In order to allow us to provide our cleaning and turnover services, Client agrees to:

- Provide us with complete, accurate and timely information about the Property, the Guest and other information reasonably requested at all times including Co-hosting access to third-party services;
- Participate in linen rental services outlined in Appendix A;
- Allow one night “cooling off” period between reservations for adequate cleaning and sanitizing;
- liaise and cooperate fully with us in the provision of the services;
- respond to any requests which may be made by us in a timely manner;
- provide and allow access to the property for the duration of the requested services;
- inform all relevant stakeholders (home/ property owner, property manager, lease holder, front desk, leasing office, concierge, guests, tenants, etc.) about us accessing the property;
- ensure the property is in safe condition for GOT GEORGE’s team members to perform the requested services;
- comply with the provisions, requirements, obligations herein, set out in Appendix A;
- pay the agreed upon rates, fees and costs, within 5 business days of receiving an invoice;
- not, at any time during or following a period of 2 years from the provision of service, directly or indirectly solicit any employees or contractors of GOT GEORGE.

TERMINATION

The term of this Contract will be from the date of approval of the City Commission through December 31, 2025. Either party may terminate this agreement with 60 days written notice. If the Client wishes to terminate services prior to 90 days from first cleaning, Client agrees to purchase all linens specific to the unit. Prices available upon request.

CLEANING TEAM

Team members usually work in pairs depending on the size of the job. Team member’s sole purpose at the site is to perform cleaning and turnover services. It is the Company’s policy that team members do not smoke, eat, bring children or pets, lay down in or on a bed or couch, sleep or do anything else other than their job. It is forbidden for our team members to bring people other than GOT GEORGE employees or contractors to job sites. All GOT GEORGE team members undergo a background check and rigorous training.

GOT GEORGE EXCLUSIONS

Company is not responsible for damage due to faulty and or improper installation of any item. Examples: broken or improperly installed blinds, tiles, curtain rods, shelves, loose carpet, etc. All surfaces (e.g. marble, granite, hardwood floors, etc.) are assumed sealed and ready to clean without causing harm. Team members are prohibited from using ladders (larger than a step ladder) and are instructed to wear shoes while on the job site for safety. Team members may bring disposable shoe covers or specific house shoes.

Seasonal insect infestations can also be a problem and may prevent us from completely cleaning a home. If roaches, fleas, bedbugs, or rodents are encountered we will do our best to clean and sanitize the area and call you in a timely manner regarding the problem. Client is responsible for arranging and procuring pest management services. GOT GEORGE will act in a reasonable manner to address the problem but cannot be held accountable or responsible if infestation continues.

Team members may not climb higher than a two-step step stool, stand on cabinets, work outside of the property, move furniture or lift any objects over 35lbs. Team members will not pull out any appliances (e.g. stove, fridge, washer/dryer) due to the possibility of causing floor damage or disconnecting the appliance resulting in damage. However, if Client moves these appliances out beforehand or has it arranged to have them moved while team members are at the job site team members will clean behind them.

Furthermore, our team members shall not undertake the following activities:

- Furniture Treatment
- Cleaning of exterior windows
- Gardening & garden shed cleaning
- Mold and/or bio-hazardous substance removal
- Industrial cleaning
- Cleaning surfaces above arms reach without the use of an extension rod
- Yard work
- Cleaning of items that appear to be broken or are likely to break during cleaning

ACCIDENTS AND DAMAGES

Due to the nature of the Company's business, team members are required to touch virtually everything on the job site. Team members are as careful as possible. However, if something is damaged while cleaning, team members will notify the Client immediately via text, email or phone. In the event an item is damaged or broken, the Company reserves the option of repair or replacement. A dollar value of "one-of-a-kind" items damaged must be demonstrated in order that a settlement may be determined.

ISSUES AND COMPLAINTS

All complaints or issues regarding missed items need to be addressed in writing to Company via email or text within 24 hours after the service or within 6 hours after check-in. Company reserves the right to correct all issues within 24 hours of being notified. As part of our commitment to customer satisfaction we will address all cleaning issues. If something was missed and the complaint is determined to be legitimate, Company will take care of the missed item or items.

Cleaning is not fixing damage or remedies for extreme dirt, extreme soap scum, mold/mildew that has rotted out caulk, neglected grease build up on cabinets, mineral build up, etc. If during the cleaning Team Members come across a situation that they just can't get "clean" they will contact the Client in a timely manner to discuss.

SCHEDULING, CANCELLATION POLICY & RETURN FEE

Client hereby agrees to give Company access to hosting software or other calendar. Company needs to be notified of any change to the schedule before 9am on the day of the scheduled cleanings. Client will be liable to pay a \$50 fee for cancellations received less than 24 hours before a scheduled cleaning. If team members arrive during the requested cleaning day/time and they are turned away or cannot gain access to the job site for any reason, Client will be notified immediately. Client will have 30 minutes from arrival to get the team into the job site. If after 30 minutes the team still does not have access to the job site, the team is instructed to leave and Client will be liable to pay a \$50 cancellation fee.

Infestation Return Fee

If it is determined during the cleaning that there is an active infestation of pests, the crew will stop cleaning, alert the Client, and leave the property. Client will be liable for the full cleaning fee. If Client wants the Company to come back to the property after a successful extermination has been conducted, Client will be charged the normal agreed upon fee for the new cleaning.

WEATHER

In severe weather, Company may determine it is not safe to travel or carry equipment and supplies to the job site. If severe weather should occur, Company may cancel the scheduled cleaning and will not be held liable in any way. If this does occur, Company will reschedule the cleaning at the earliest date agreeable to both parties.

EXTRA REQUESTS

Please email Company at least one (1) day before the scheduled cleaning with any special requests. This allows GOT GEORGE to prepare for extra time or manpower needed to complete these tasks and provide the Client with an updated fee/cost. Company will provide an over the phone estimate, however, reserves the right to adjust the quote once team members have arrived at the job site. Any last minute or emergency cleaning services are also at an extra charge. Any extra charges must be approved in writing via email or text between Company and Client before any extra work begins.

PAYMENT POLICY

GOT GEORGE will render invoices to Client on a monthly basis. The charges shall be payable immediately upon receipt of the invoice (sent via email) or within 20 business days of receipt.

Company reserves the right to cancel any future bookings or to not accept any future service requests if payment for outstanding invoices over 14 days has not been issued. In the event the collection of an amount due to Company by Client requires legal or collection action, Client agrees to pay all costs of collection without limitation for reasonable attorney fees, interest on past due amount, court costs, and all other costs associated with the collection action.

LATE PAYMENT FEE

Overdue payments are subject to a late fee of fifteen percent (15%) for accounts overdue by 15 days. In addition, interest will be charged at the rate of twelve percent (12%) per annum on all overdue amounts accruing monthly.

PROVIDING FEEDBACK

Because cleaning is a personalized service, Company is always asking for feedback. Please send an email or let us know if there are any concerns or positive comments. This feedback is essential to serve the Client better, correct any problems and to pass on these comments to our team members. We may also send monthly performance and business relationship feedback forms to maintain a healthy long-term business relationship.

APPENDIX A – SERVICES AND TYPES OF CLEANINGS

GOT GEORGE specializes in providing cleaning and turnover services to Airbnb hosts, and vacation rental/ short-term rental operators.

TYPES OF CLEANINGS

- Turnover Cleaning
- Pre-launch Cleaning
- Deep Cleaning

TURNOVER CLEANING

THINGS WE DO EVERY TIME WE PERFORM A TURNOVER CLEANING:

PRE-CLEAN:

Take pictures (if requested)
Report any item left behind
Clear rooms of all unwanted items and throw away
Prepare towels and/or linens for laundry
Pretreat bathroom

INSPECTION:

All lights turn on
AC works (summer)
Kitchen appliances work
All faucets work and toilets flush
TV turns on
Damage report (if needed)

EVERY ROOM:

Dust high then low (including ceiling fans, picture frames, lamps)
Clean windowsills and dust blinds
Remove cobwebs
Vacuum furniture
Vacuum the carpets and mop all floors
Empty and clean all waste baskets
Trash, recycling, returnable cans removal
Wipe all touch points (light switch, doorknobs etc.)
Staging and final guest-ready touches
Final inspection/ Quality check and going through 100% guest-ready checklist

BATHROOMS:

- Mop floors
- Clean the cabinets inside and outside and on top
- Shine the mirrors
- Clean, scrub and sanitize showers, bathtubs, toilets and sinks
- Clean towel rack, soap dish, toilet paper holder
- Remove used towels and replace with fresh ones
- Arrange towels nicely
- Ensure hair dryer is clean and visible
- Replace/Remove used Toilet paper rolls
- Replace/Refill toiletries
- Staging and final guest-ready touches

KITCHEN:

- Vacuum and mop floors
- Clean dishes and check for cracked plates, etc.
- Place and arrange cleaned dishes and glasses nicely in cabinet
- Clean cabinets, appliances, sinks, tables and chairs
- Wipe and sanitize countertops
- Clean top, front and inside of oven
- Clean inside and outside of refrigerator and microwave
- Clean overhead fan/ vent
- Clean inside of drawers
- Clean toaster, coffee maker, hot water kettle, blender etc.
- Take out the trash and replace with new bag
- Re-stock amenities such as coffee, tea, sugar etc.
- Staging and final guest-ready touches

LIVING ROOM:

- Vacuum and/or mop
- Dust TV and carefully clean if necessary
- Cushions and pillows fluffed and straightened and lint rolled
- Furniture dusted - on top, on front and underneath
- Dust and clean picture frames, artwork, bookshelves, lamps etc.
- Staging and final guest-ready touches

BEDROOM:

- Vacuum and/or mop
- Make beds (Triple Sheetting Method)
- Floors under bed vacuumed and/or mopped if accessible
- Sanitize the telephone and remote controls
- Vacuum the upholstery, the floor, inside of closet and drapes if needed
- Replace empty Kleenex boxes with new ones (if providing)

Clean mirrors

Place extra towels neatly folded on bed or in closet (if provided, if not add Laundry Service)

Staging and final guest-ready touches

EXTRA CLEANING: Must be arranged prior to service date and may incur extra fees.

Clean windows inside

Washing Walls

Animal waste removal

Cleaning of heavily soiled areas

Exterior sweeping or cleaning, incl. garages

THE DIFFERENCE BETWEEN A TURNOVER CLEANING AND A DEEP CLEANING:

As you can see above, during a turnover we clean top to bottom and make sure that every single area is wiped, sanitized and presentable for your next guests. We even cover items during a turnover cleaning which are usually only covered in a deep clean for example: blinds, baseboards, inside of oven, inside of kitchen cabinets and drawers etc. However, this presumes that the stay was short-term, that the unit had recently been deep cleaned and that the cleaning is a “maintenance cleaning”. We have a clear understanding of the average workload and duration of a normal turnover cleaning for a range of property sizes (bedroom/ bathroom count). If the condition of a unit requires us to take a deeper approach, meaning that certain items need to be cleaned more thoroughly to make them presentable and “guest-ready”, and the average cleaning duration for the unit exceeds an additional hour, it will be classified a deep cleaning. In the event there is a need to spend more time on one specific item, for instance the inside of the oven is exceptionally messy requiring us to clean this item alone for longer than 20 minutes, we may charge a “per item deep cleaning fee”. If this occurs, we’ll be in contact with you to make you aware of the situation before we charge any additional fee.

Please find below our average cleaning duration per property size:

Size of unit (BR/BA) - AVG. Cleaning Hours (Turnover)

1/1 - 2

2/1 - 2.25

2/2 - 2.5

3/1 - 2.75

3/2 - 3.25

3/3 - 3.5

4/1 - 3.5

4/2 - 3.75

4/3 - 4

4/4 - 4.25

5/1 - 4

5/2 - 4.25

5/3 - 4.5

5/4 - 4.75

5/5 - 5

PRE-LAUNCH CLEANING

GOT GEORGE requires all new Clients to undergo a Pre-Launch Cleaning. This allows the Company to establish best practices and an understanding of the Client's preferences.

ITEMS PERFORMED DURING PRE-LAUNCH CLEANING:

INSPECTION:

All lights turn on

AC works

Kitchen appliances work

All faucets work and toilets flush

TV turns on

Damage report

EVERY ROOM:

Dust high then low (including ceiling fans, picture frames, lamps, artwork etc.)

Remove cobwebs

Touch-up on all surfaces and wipe all touch points (light switch, doorknobs etc.)

Cushions and pillows fluffed and straightened

Vacuum all floors and mop if necessary

Spray air freshener

Staging and final hospitality touches

DEEP CLEANING

Our turnover cleanings are very thorough, but it is a good idea to schedule a periodic deep clean. Often the main difference is the length of the guest's booking of the rental or the condition of the unit. Usually, short term stays require maintenance turnovers whereas longer stays accumulate more dust, dirt, grease and grime and therefore require deeper attention and a longer duration of cleaning. Every space is thoroughly deep cleaned. We focus on areas like blinds, windowsills, ceiling fans, bathtubs, showers, sinks, baseboards, appliances such as the refrigerator and oven and we also pay more attention to carpets or high traffic areas, kitchen cabinet fronts, and the inside of cabinets and drawers.

When you should have a Deep Cleaning done:

After a longer term stay

If your guests had pets

Before we start managing your turnovers (it's easier to maintain our own standard of cleanliness)

When your place hasn't been deep cleaned in months

GOT GEORGE suggests a deep cleaning every 4-6 weeks

Please find below our average cleaning duration per property size:
Size of unit (BR/BA) - AVG. Cleaning Hours (Deep Cleaning)

1/1 - 3
2/1 - 3.25
2/2 - 3.5
3/1 - 3.75
3/2 - 4.25
3/3 - 4.5
4/1 - 4.5
4/2 - 4.75
4/3 - 5
4/4 - 5.25
5/1 - 5
5/2 - 5.25
5/3 - 5.5
5/4 - 5.75
5/5 - 6

ADDITIONAL SERVICES

WELCOME GIFT

GOT GEORGE offers thoughtful welcome gifts that will bring a smile to their faces when they enter your place. We hand-pick a nice bottle of wine, delicious dark chocolate, fresh flowers or a gift basket with local goods...Let us know which you prefer, and we'll have the small surprise waiting for them. We also write a hand-written note to welcome them on your behalf.

LAUNDRY SERVICE

Included:

Agreed upon linen rental service
Washing your towels
Making beds with fresh linen
Neatly fold and place towels on towel rack, bed or in closet

Not included:

Washing duvets, comforters, blankets and pillows
Cost for using a coin laundry machine in your building or off-site cleaning service
Detergent

GEORGE will not take responsibility for any damaged items from using your in-unit washer and dryer or your building's laundry facility.

Client has to make sure washer and dryer are in proper working order, are safe and ready to use.
Client agrees that GEORGE will not be held responsible for any damages that occur from normal use of Client's washer and dryer.

APPENDIX B – RATES

TURNOVER CLEANING PRICING PER VISIT

\$25 per Toilet

\$25 per Bed

\$25 per Special Item

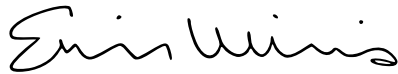
DEEP CLEANING PRICING PER VISIT

\$25 per Hour per Team Member

PROGRAM FEES

10% of all bookings (excluding Cleaning Fees, Service Fees, and Taxes)

GOT GEORGE, LLC



Emily Williams, Manager

1/3/24

Date

Client

The City of Marquette

Date

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 1/8/2024

Consent Agenda

Health Reimbursement Arrangement Plan Documents

BACKGROUND:

Several active and some retired employees maintain a balance in their Health Reimbursement Arrangement (HRA) accounts from previous health insurance plan offerings that included an employer contribution to an account on their behalf. As the City's group health insurance coverage has moved providers in the last year, the City no longer offers plans that include HRA contributions but still maintains these balances as promised to these employees previously. Our former third-party administrator administered the HRA accounts for our employees alongside the corresponding medical plan benefits. The City has since found a new third-party administrator, Flex Administrators, to administer the plans effective Jan. 1, with the eligibility being set by new plan documents. The plan documents were prepared by outside counsel and cover active employees and retirees in separate plan documents.

FISCAL EFFECT:

None with this action.

RECOMMENDATION:

Approve the continuation of the health reimbursement plans for active and retired employees and designate the Director of Administrative Services as the Administrator defined in the plan documents.

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

No Attachments Available

City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 1/8/2024

Consent Agenda

Noquemanon Trails Network - Office and Storage Lease Agreement

BACKGROUND:

The Noquemanon Trails Network Council (NTN) has requested a lease agreement for office and storage space at Lakeview Arena. Staff worked with the City Attorney and NTN to draft a standard lease agreement which provides for the terms and conditions of the request. The monthly lease payment shall be \$876.83. The term of the lease is one year.

This lease is for a larger space within Lakeview that has not been rented in several years. The space NTN currently rents is half the size and \$540.75 per month. A portion of the rent for the new space, equal to \$200 per month, will be provided to the City through a combination of services and funds.

FISCAL EFFECT:

The Lakeview Arena fund will receive \$10,521.96 in revenue for FY 2024.

RECOMMENDATION:

Move the lease agreement with Noquemanon Trails Network Council for office space at Lakeview Arena to the next regular meeting.

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

- ▣ Lease, Exhibit A and Insurance

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2024, by and between **THE CITY OF MARQUETTE**, a Michigan municipal corporation, of 300 W. Baraga Avenue, Marquette, MI 49855, hereinafter “LESSOR”, and **NOQUEMANON TRAILS NETWORK COUNCIL**, a Michigan corporation, of 401 E. Fair Street, Marquette, MI 49855, hereinafter “LESSEE”.

Recitals

- A. Lessor is the owner and operator of Lakeview Arena at 401 E. Fair Avenue, Marquette, Michigan.
- B. Lessee desires to lease and Lessor is willing to lease to Lessee office space and storage space as shown in Exhibit “A” located in Lakeview Arena in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises of the parties and other good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed as follows:

1. Leased Premises

- 1.1 Lessor leases to Lessee space as shown in Exhibit “A” within Lakeview Arena.
- 1.2 Lessor agrees to develop architectural and engineering plans for any and all renovations/remodeling required to meet the specific needs of Lessee for Lessee’s intended uses. Lessee shall be responsible for constructing all renovations as developed by Lessor, and Lessee shall obtain Lessor’s written approval of all such plans and specifications prior to beginning any construction activity.

2. Term of Lease

- 2.1 The term of this lease shall begin on January 1, 2024 and end December 31, 2024.

3. Rent

- 3.1 Office Space: Annual rental amount for office space shall be Fourteen and 00/100 Dollars (\$14.00) per square foot (858 square feet). Lessee shall pay One Thousand One and 00/100 Dollars (\$1,001.00) monthly. Lessee shall be responsible for its telephone and internet service.
- 3.2 Storage Space: Annual rent storage space shall be Seven and 00/100 Dollars (\$7.00) per square foot (130 square feet). Lessee shall pay Seventy-Five and 83/100 Dollars (\$75.83) monthly.
- 3.3 Lessor recognizes that Lessee has and continues to provide valuable benefit to the City of Marquette and its residents. Accordingly, each month of this lease \$876.83 of the total rent required in 3.1 & 3.2 shall be paid by cash, check or similar means; and the remainder of the monthly rent shall be provided by Lessee to the City and/or its residents any

combination of services and funds in an amount not less than \$2,400.00 per year. Lessee shall have sole discretion as to what combination shall be used in satisfaction of this amount to be provided in lieu of monetary rent. Lessee shall provide, to the City Manager or his or her designee (if so designated in writing by the City Manager) a written report of the services and funds provided by Lessee in satisfaction of the rental amount listed herein no later than January 31, 2025.

3.4 All rental payments are due in advance, on the first day of each month of this lease.

4. Use of Leasehold Premises

4.1 Lessee shall use the leasehold premises only for office and storage, as applicable, and not for any purpose that would:

- a) be deemed hazardous to the public or adjoining premises including, but not necessarily limited to, fire, and environmental type hazards;
- b) constitute a violation of any public law or requirement;
- c) cause damage or injury to the Arena or any part of it (ordinary wear and tear excepted);
- d) interfere with normal operations of the Arena's heating, air conditioning, ventilating, plumbing, or other mechanical or electrical systems;
- e) constitute a public or private nuisance;
- f) interfere with other Arena uses;
- g) alter the appearance of the Arena exterior or any portion of the interior other than in the leasehold without prior written approval of the Lessor;
- h) place merchandise, materials, supplies, signs, or other things of any kind on the sidewalks or other common areas without City Staff approval;
- i) permit refuse to accumulate in or around leasehold; and,
- j) obstruct entry ways.

5. Use of Common Areas and Arena Facilities by Lessee

5.1 Lessee and its invitees shall have the right in common with Lessor, its invitees, and others to use the hallways, public restrooms, entrance ways, public parking, sidewalks, and surrounding area, subject, however, to rules and regulations of Lessor regulating the use of same and displays, rules providing for safety and maintenance, and changes in the layout of common areas.

- 5.2 Arena facilities to hold board meetings, work sessions, planning sessions, award presentations, judiciary hearings, and other limited approved events will be made at no additional cost to the Lessee, in locations determined by the Arena Management and subject to availability.
- 5.3 Lessee recognizes that use of Arena facilities must be properly planned. Lessee will provide a minimum of forty-eight (48) hours notice to Arena Management in the event of any desired facility use, changes, cancellation, change of time, or additional use, and will maintain the facilities as they were found prior to Lessee's use.

6. Maintenance and Repair

- 6.1 Lessee shall be responsible for all janitorial and cleaning and all repairs of any nature of the Premises.
- 6.2 Lessee shall be solely responsible for the maintenance and repair of all of Lessee's fixtures, furniture and equipment, and keep them in a safe condition and good repair.
- 6.3 Lessee must obtain written consent of Lessor for all signage used by Lessee in the Premises and adjoining premises. All signage approved by Lessor shall be maintained in good condition and repair.
- 6.4 Lessor reserves the right to make any repairs or alterations that it deems necessary and desirable to the common areas.

7. Insurance and Indemnity

- 7.1 Lessee shall not permit any activity on the Premises which would invalidate or be in conflict with Lessor's fire, boiler, sprinkler, water damage, and extended coverage insurance policies covering the Arena and contents therein.
- 7.2 Lessee shall not permit any activity on the Premises which would cause Lessor's rate for the insurance described herein to be increased.
- 7.3 Lessee at its sole expense shall be responsible for insuring its own tangible personal property, equipment, and fixtures from loss from fire and other casualty and shall at all times provide Lessor with a certificate evidencing such coverage.
- 7.4 Lessee at its sole expense shall maintain liability insurance protecting and insuring Lessee and Lessor from all claims for injury or damage to persons or property arising out of the use of the Premises or the common areas of the Arena by Lessee, its employees, agents, invitees, and licensees. The amount of the insurance shall be not less than One Million (\$1,000,000.00) Dollars per occurrence for accident, bodily injury, or death and not less than Five Hundred Thousand (\$500,000.00) Dollars for property damage. Lessee shall at all times provide Lessor with a copy of said policies with proof of payment of premium thereon. The insurance policies shall bear endorsements to the effect that the insurer agrees to notify Lessor not less than thirty (30) days in advance of any modification or cancellation

thereof. Lessor shall be named as an additional insured on all insurance policies required by this lease.

- 7.5 Lessee will indemnify and hold Lessor harmless from and against all loss, cost, expense and liability whatsoever (including Lessor's cost of defending against the foregoing, such cost to include attorneys' fees) resulting or occurring by reason of Lessee's construction on, use of or occupancy of the Premises.

8. Damage by Fire or Other Causes

- 8.1 If the Premises is partially damaged by fire or other peril without the fault or neglect of Lessee or of its servants, employees, agents, visitors, invitees or licensees, the damage shall be repaired by Lessor at Lessor's expense. If the Premises or the Arena is substantially damaged (herein defined as fifty (50%) percent or more of the cost of replacement), Lessor may elect either to repair or rebuild the Premises or the Arena, as the case may be, or to terminate this lease upon giving notice of such election in writing to Lessee within ninety (90) days after the event causing the damage. If Lessor elects to rebuild, Lessee in a timely manner shall repair or replace its fixtures, furniture, equipment and improvements to at least the condition of same prior to the damage.

9. Assignment/Subletting

- 9.1 Lessee shall not assign or sublet the Premises or any part thereof without the express prior written consent of the Lessor.
- 9.2 In no event shall a sublease be allowed that would jeopardize the tax-exempt status of the Arena or any portion thereof.
- 9.3 Lessor may freely assign its rights and obligations under this Lease Agreement to any third party pursuant to a Purchase and Sale Agreement, Land Contract or similar instrument.

10. Use of Premises by Lessor

- 10.1 Lessor reserves for itself and its contractors and agents the right to enter the Premises at reasonable times for the purpose of inspecting, maintaining, installation, operation and repair services.
- 10.2 Lessor may close the building which is the subject of this Lease Agreement, in whole or in part, at any time during the leasehold period. In such event, the parties understand and agree that the Lessor is not responsible to reimburse the Lessee for any construction costs paid by Lessee to improve the leasehold space.
- 10.3 Lessee acknowledges that the use of the Premises is shared with Lessor, and that Lessor, and its assigns, agents and employees may enter the space at any time without prior notice to Lessee.

11. Covenant of Quiet Enjoyment

- 11.1 Lessor warrants and represents that it has full authority to execute this lease for the above term. Lessor covenants that upon Lessee paying the rents and performing its covenants and duties prescribed herein, Lessee may, except as otherwise described herein, have the exclusive and reasonable right to have, hold and enjoy the leasehold.

12. Lessor's Right to Perform Lessee's Obligation

- 12.1 If Lessee defaults in the observance or performance of any term or covenant of this lease, Lessor may, without thereby waiving the default, remedy the default at Lessee's expense. If, in connection therewith, Lessor makes any expenditure or incurs any obligation for the payment of money or in instituting, prosecuting, or defending any action or proceeding commenced before or during the term of this lease, or after the expiration or termination of this lease including, but not necessarily limited to, legal expenses and attorneys' fees, Lessee shall pay to Lessor on demand the sums paid or obligations incurred together with legal fees and costs.

13. Default by Lessee

- 13.1 If the Lessee fails to pay rent when due; if the Lessee fails to perform any other obligations under this agreement within thirty (30) days after receiving written notice of the default from the Lessor; if the Lessee makes any assignment for the benefit of creditors or a receiver is appointed for the Lessee or its property; or if any proceedings are instituted by or against the Lessee for bankruptcy (including reorganization) or under any insolvency laws, the Lessor may terminate this lease, reenter the Premises, and seek to relet the Premises on whatever terms the Lessor thinks advisable. Notwithstanding reentry by the Lessor, the Lessee shall continue to be liable to the Lessor for rent owed under this lease and for any rent deficiency that results from reletting the premises during the term of this lease. Notwithstanding any reletting without termination, the Lessor may at any time elect to terminate this lease for any default by the Lessee by giving the Lessee written notice of the termination.
- 13.2 In addition to the Lessor's other rights and remedies as stated in this lease, and without waiving any of those rights, if the Lessor deems necessary any repairs that the Lessee is required to make, or if the Lessee defaults in the performance of any of its obligations under this lease, the Lessor may make repairs or cure defaults and shall not be responsible to the Lessee for any loss or damage that is caused by that action. The Lessee shall immediately pay to the Lessor, on demand, the Lessor's costs for curing any defaults, as additional rent under this lease.
- 13.3 The rights and remedies of Lessor shall be cumulative as more particularly provided at law or in equity pursuant to the laws of the State of Michigan.

14. Surrender of Leasehold Upon Termination of Lease

- 14.1 All renovations and improvements shall be at Lessee's expense and shall be considered fixtures and owned by Lessor upon termination of the lease. Upon the expiration or termination of the lease, Lessee shall surrender the Premises in good order and condition,

ordinary wear and tear excepted, and shall remove all of its property, fixtures, and equipment from the Premises. In removing its equipment, Lessee shall be solely liable for repairing any and all damages to the Premises. In the event the Lessee fails to remove its equipment, and Lessor is required to do so, all costs and expenses incurred by Lessor in removing same and restoring the leasehold to useable condition shall be the financial responsibility of the Lessee.

- 14.2 If upon termination of the lease, Lessee has failed to remove its furniture, equipment, and fixtures, Lessor reserves the right to deem them abandoned and shall have the legal right to dispose of same, and costs incurred in disposing of same shall be the financial responsibility of Lessee.

15. Miscellaneous

- 15.1 This agreement shall be binding on the parties and inure to the benefit of the Lessor and Lessee and their respective successors and assigns.
- 15.2 This agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
- 15.3 This agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated herein.
- 15.4 Any modification of this agreement or additional obligations assumed by either party in connection with this agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.
- 15.5 Waiver by Lessor of any breach of any covenant of duty of Lessee under this lease is not a waiver of a breach of any other covenant of duty of Lessee or any subsequent breach of the same covenant or duty.
- 15.6 The invalidity of any portion of this agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.
- 15.7 All notices to be given under this lease shall be in writing and mailed, postage prepaid, or by certified or registered mail, return receipt requested, or delivered personally or by courier delivery, or sent by telecopy (immediately followed by one of the preceding methods) to Lessor's address and Lessee's address as above stated or any other place that Lessor or Lessee may designate in a written notice given to the other parties. Notices shall be deemed served on the earlier of receipt or three (3) working days after the date of mailing.

The parties have set their hands on the day and year first above written

CITY OF MARQUETTE

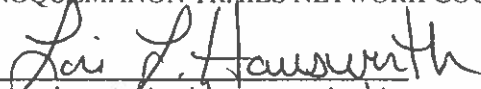
Sally Davis, Mayor

Kyle Whitney, City Clerk

Approved as to Substance:

Karen M. Kovacs, City Manager

NOQUEMANON TRAILS NETWORK COUNCIL


By: Lori Z. Hauswirth
Its: Executive Director

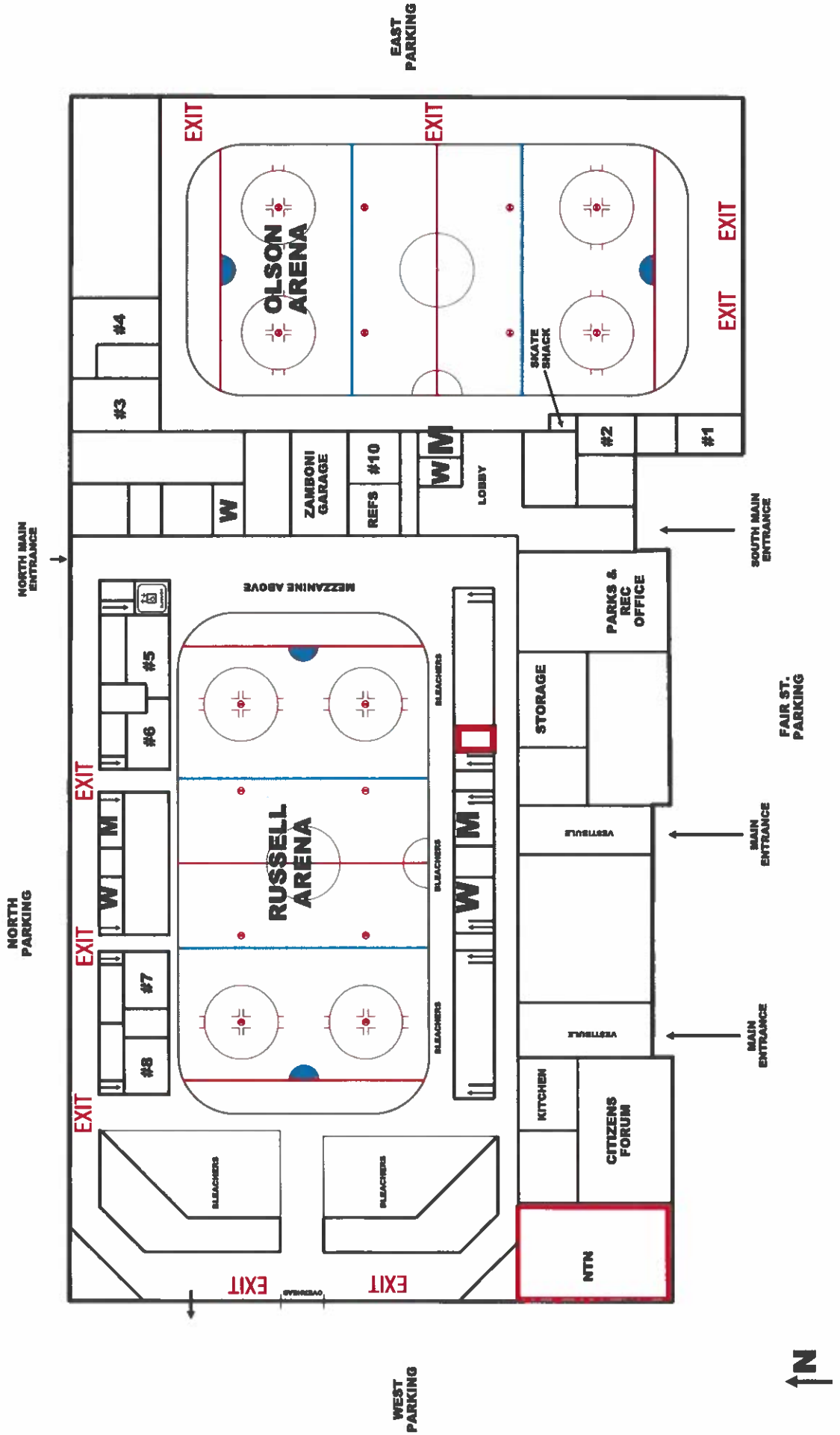
Approved as to Form:

Suzanne C. Larsen, City Attorney



LAKEVIEW ARENA

EXHIBIT A





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/15/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh & McLennan Agency LLC 15561 Railroad Street Hayward WI 54843	CONTACT NAME: Select Certificates (Mpls)	
	PHONE (A/C, No, Ext): 763-746-8000 FAX (A/C, No):	
INSURED Noquemanon Trails Network Council PO Box 746 Marquette MI 49855	E-MAIL ADDRESS: SelectProcessing@marshmma.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Everest National Insurance Company	10120
	INSURER B: Acuity Insurance	14184
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES	CERTIFICATE NUMBER: 941034663	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:	Y	SI8GL01714231	11/1/2023	11/1/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 0 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
B	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☒ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY		ZB5307	1/1/2023	1/1/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB ☐ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$		SI8EX01455231	11/1/2023	11/1/2024	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N ☐ N/A	ZB5307	1/1/2023	1/1/2024	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Marquette, its officers and employees are Additional Insured on a primary and non-contributory basis as required by written contract or agreement limited to the General Liability coverage.

CERTIFICATE HOLDER City of Marquette 300 W. Baraga Ave. Marquette MI 49855	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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City of Marquette, MI

300 West Baraga Avenue
Marquette, MI 49855

Agenda Date: 1/8/2024

Consent Agenda

Section 125 Flexible Benefit Plan Document

BACKGROUND:

As the City's group health insurance coverage and other benefits have moved to new providers and changed in makeup in the last year, the City's Section 125 Flexible Benefit ("cafeteria") Plan has also changed requiring an update to the plan document to ensure compliance with the latest requirements of the IRS. The new plan document was prepared by outside counsel and covers IRS Code, Section 125 (d) (1) requirements for employers offering the option of paying for health insurance and other benefits with a pre-tax salary deduction as well as the medical plan opt out ("in lieu") payment to eligible employees. The new plan document has been executed and is effective as of January 1, 2024.

FISCAL EFFECT:

None with this action.

RECOMMENDATION:

Ratify the City's new Section 125 Flexible Benefit Plan document effective January 1, 2024 and designate the Director of Administrative Services as the Administrator defined in the plan document.

ALTERNATIVES:

As determined by the Commission.

ATTACHMENTS:

Description

No Attachments Available