

# CITY OF MACKINAC ISLAND

## SPECIAL CITY COUNCIL MEETING MINUTES - HOFFMAN MARINE

Wednesday, August 14, 2024 at 1:00 PM

City Hall – Council Chambers, 7358 Market St., Mackinac Island, Michigan

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### I. Call to Order

Mayor Doud called the Special meeting to order at 1:00 pm

### II. Roll Call

PRESENT

Richard Chambers

Tom Corrigan

Steven Moskwa

Anneke Myers

Alan Sehoyan

Jason St. Onge

### IV. Additions to / Adoption of Agenda

Motion by Myers, second to the motion by Chambers, to adopt the agenda with the change to move the O'Boyle contract to before Correspondence.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan

### VI. New Business

- Discussion and / or approval of the construction contract with O'Boyle & Co. for Phase III of the Forest Way Townhomes
  - Dennis Dombroski noted that he, along with Architect Brad Williams and Attorney Erin Evashevski, have reviewed the contract and feel that it meets what the City is looking for. The numbers also match up with previous discussions regarding the work to be done.
  - Councilman Moskwa commented that he feels the contract provides what the City is looking for
  - Attorney Evashevski commented that this is a standard time and materials contract.
    - The second document is a general construction specifications
    - Standard AIA document
  - Councilman Sehoyan noted that, having worked with O'Boyle in the past, they provide great work and keep to their timeline. Will speak for their integrity.

Motion made by Myers, Seconded by Corrigan, to authorize Mayor Doud to sign the contract with O'Boyle & Company for Phase III of the Forest Way Townhomes.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan
- Discussion with Hoffman Marine regarding their ferry boat operations for the remainder of the 2024 summer and 2025 winter seasons
  - Mayor Doud noted that she had spoken with Brad Chambers earlier today and noted that he and Chris Shepler will be meeting to discuss drays, carriages, and traffic control at the head of the Shepler dock – Chief Gruits will need to be included in this discussion as well
  - Chris Shepler
    - Mentioned at Monday's meeting the tank farms that were created by Mackinac Island Ferry Company (MIFC). Just got word today that EGLE accepted Hoffman's plan to mitigate the bins was approved.
      - Bins will be emptied by the end of the month and state has dropped all litigation in regards to that
    - Ice to ice - met with the US Coast Guard (USCG) regarding the Huron yesterday
      - Don't have anything to report at this time, but things are moving forward
    - Mayor Doud noted that she spoke with the Congressman Bergman yesterday and he asked what the City needed in regards to the Huron
      - Mayor Doud informed Congressman Bergman that the City would need an extension on the Huron for this year and after that, the problem is, the USCG had assigned things to be don't on the Huron which MIFC never completed. Now the City has to beg for an extension until April, and then from there the Boat will turn over to Hoffman for repairs – Hoffman needs to do anything and everything that the USCG requires to be done for the Huron and get it ready for the 2025 season.
- From the list of questions and talking points, compiled by the City Clerk's Office:
  - Parking & Shuttles**
    - General parking costs – will those who had free parking through MIFC now be charged for parking?
      - Chris Shepler – for the day parking there will be no charge, as it currently stands, but overnight parking is \$20.00 per night off site and \$45.00 per night on site
    - Valet Parking – for those who had valet parking through MIFC in St. Ignace – where do people call to have their car pulled, what dock will their valet car be brought to, if cars are brought to MIFC dock 3 will a shuttle be available between there and the Shepler dock
      - Chris Shepler responded that there will be no more valet parking if the temporary suspension of MIFC is approved. What Shepler's will provide is a shuttle pick up for all customers who had valet service through MIFC in both Mackinaw City and St. Ignace to get to and from their cars
        - Insurance company is not allowing valet services for Shepler's currently, and the process simply does not work during peak season

- Councilwoman Myers asked Mr. Shepler to explain where valet for MIFC is located in both Mackinaw City and St. Ignace
  - In St. Ignace, valet parking is located directly across the street from their office building
  - In Mackinaw City, valet parking is located in lot five (5)
- Councilwoman Myers inquired if customers are able to access their vehicles individually, or if they will need to let in by an employee
  - MIFC representatives responded that they are currently working on shut down plans and do not have a clear answer on that at this time
- Councilwoman Myers questioned that, for those customers who paid for indoor valet parking, will their indoor parking contract with MIFC still be honored for the season?
  - MIFC representatives responded that indoor parking contracts would be honored through the end of the summer season (October 31, 2024)
- Councilman Corrigan inquired where the keys for the valeted cars were kept
  - MIFC representatives responded that keys are located within the MIFC offices
- Councilman Corrigan inquired if the MIFC offices would be open on the weekends so that customers are able to access their vehicles that are parked within a locked facility
  - MIFC representatives responded that they will need to staff accordingly to ensure this is available, but it should not be an issue with current staffing
- MIFC representatives stated that all current parking arrangements made with MIFC will be honored through October 31, 2024
- Will Shepler's be willing to pick up passengers from other private parking locations such as the public marina or the Anthony's Rock garages in St. Ignace, or other private parking locations in Mackinaw City?
  - St. Ignace shuttle currently goes to the airport, Favorite Dock, Truckey Street Garage, South State Street Garage, Ace Hardware, Seewald's Towing, Arnold Freight Dock, as well as various hotels and campgrounds throughout St. Ignace
  - Mackinaw City shuttle currently goes to all Shepler parking lots (overnight and day) hotels, motels, and the Mackinaw City Campground
- Seasonal and year-round staff parking - If MIFC were to stop running, where would the seasonal and year-round staff park that are currently in MIFC parking? Will they need to move to a new lot or will the shuttles go to those parking lots as well.
  - Shepler's shuttle will go to any MIFC lot to pick up or drop off customers
  - It is Shepler's wish to consolidate parking to alleviate the number of potential pickup locations for their shuttles, but understand for now they need to service everywhere they can
- Year-Round Commuters - We purchase year-round commuter passes from MIFC so our employees can commute in the winter. Can the pass holders switch to Shepler's ferry passes and will they be honored without the surcharge in the winter?
  - Chris Shepler stated that, this year, whatever was sold or given away by MIFC in 2024, Shepler's will honor it. If customers decide to trade in their MIFC passes, they will be given the equivalent Shepler's pass
- Winter Ice-to-Ice Service
  - Shepler's will save all MIFC passes traded in, and if needed for winter service, all passes that are not expired and are valid for winter service will be returned to the customer for their use
    - Not sure yet if this is the direction they will be taking or if the Shepler scanning and pass system will stay in place – waiting on Mr. Hoffman's decision on what direction to take with this
  - Councilwoman Myers suggested that anyone trading in their MIFC pass take a picture of the pass for their records before surrendering it
  - Councilman Chambers inquired if the situation will be the same for those who purchased Shepler's passes for the 2024 season – if necessary, would they then be traded in for MIFC passes for winter service?
    - Mr. Shepler stated that that is correct
  - Councilman Corrigan inquired if Shepler's was going to take up the suggestion that a “mobile station” for trading in passes be set up on the island for people to trade in their passes?
    - Mr. Shepler responded that they could, but Shepler's is suggesting an email solution – send
    - Even if Shepler's provided a mobile station, customers would still need to go to either the Mackinaw City or St. Ignace office to have their picture taken and pick up their printed Shepler's pass
  - Mr. Shepler again stated that any pass that was purchased or given away by MIFC would be honored by Shepler's until its printed expiration date and could be traded in for an equivalent Shepler's pass for the 2024 season

## Freight

- Cost and process for hauling small freight items such as toilet seats, hardware items
  - Shepler's Luggage Policy
    - Luggage is defined as suitcases or other bags in which to pack personal items for travel
    - Grocery and Household goods are defined as food and food stuffs, groceries, beverages, and household goods, prepackaged or measured in to quantities for household use only. Such items must be reasonable in size and easily lifted by an individual (preferably groceries should be packed in totes)
    - Freight is defined as and item that does not fit the definition of luggage or grocery and household goods. Any item including grocery and household goods intended for non-household or business purposes
    - \$40.00 luggage cart fee, presented to the City Council in March 2024, would be applied if:
      - Items being shipped are considered freight
      - If a guest would like no other items placed on the luggage cart
        - If there is room for additional items to be stacked on the cart and the guest is ok with this, then there is no charge
        - If there is room for additional items to be stacked on the cart and the guest is NOT ok with this, then the guest is subject to the Private Luggage cart fee of \$40.00
        - If the guest takes up the entire cart and no additional items can be added to the cart, then there is no charge
  - Councilman Corrigan noted that Family Fare will take over the phone or online grocery orders for Island Residents and will drop them off at the dock to be sent over to the Island for the resident to pick up – last week a resident was charged a \$40.00 fee to have their groceries sent over to the Island
    - City Clerk Leach noted that she had received an email from Family Fare stating that they shipped grocery orders on the 9:30 and 12:00 Arnold Freight boats
    - Mr. Shepler commented that he was unaware of this change from Family Fare, but if the items are groceries, then there should be no additional fee to the customer – he will get back to the Council on this though
  - Councilwoman Myers noted that the issue of small freight such as a bag of nuts and bolts and a piece of hardware needed for a project or repair
    - MIFC would charge \$4.95 per item, but Shepler's is charging \$40.00 – that is a huge difference
    - Smaller items delivered from places like Ace Hardware, True Value, NAPA, prescriptions from Bay Pharmacy
    - Jason Wiley of Shepler's commented that they do not currently have a policy for this type of business, however if they can be provided the rates sheet that MIFC was charging, Shepler's could follow that for the remainder of this season
      - Representatives of MIFC noted that the rates were available through their website for Shepler's reference
- Private horses (to not incur the extra costs of hauling via trailer through Arnold Freight)  
Possibility of the use of the Anna May for this if MIFC operations are suspended
  - Mr. Shepler stated that, if MIFC operations are suspended, they could absolutely use the Anna May to haul horses or work with Arnold Freight to make an arrangement
  - Mayor Doud inquired about the hauling of UPS – could the Anna May be used for that as well?
    - Mr. Shepler responded that the Anna May could be used for that if needed
    - Veronica Dobrowolski of Arnold Freight noted that they are honoring the MIFC prices for hauling horses for the remainder of this season, even if the horses have to be hauled on the freight boat in a trailer – actually working to get a trailer through Mackinac Island Carriage Tours to haul horses this season
  - Councilman Sehoian inquired if / how long Shepler's plans to keep the Anna May in the water?
    - Mr. Shepler said they have no intention of taking any of the working vessels out of the water at this time
    - Councilman Moskwa noted that there is a large amount of freight that is hauled throughout the fall and winter seasons. Arnold Freight is running as much freight as they can, but there may need to be a backup / support option
      - Mr. Shepler responded that he and Ms. Dobrowolski are in constant contact regarding operations and help each other out when and where needed
      - It was also noted that Arnold Freight will be receiving a new freight boat that has the capability to haul 150 passengers
        - Councilwoman Myers inquired if this was an ice-worthy boat?
          - Ms. Dobrowolski stated that the boat has a reinforced hull and that she will send the Council an article explaining the new boats capabilities

**Handling of types of passes other than resident & Tickets**

- Commuters, VIPs, Island Comp. Residential passes, Hotel VIP pass – do these not qualify to be traded in for a Shepler’s pass / will they also not be subject to the \$5.00 winter surcharge?
- MIFC sold year-round commuter passes (\$895.00) which were to include the \$5.00 surcharge, will these passes be honored without the \$5.00 surcharge like the resident passes?
- Not honoring ferry tickets sold through hotels after September 1<sup>st</sup>, will customers need to seek a refund from the Hotels? (Recommended that these tickets be honored through the rest of the 2024 summer season)
  - Mr. Shepler responded that, if the tickets were purchased from a mainland hotel, the customer will need to seek a refund from that hotel. However, if the ticket was purchased from an Island hotel, tickets will be honored
    - Currently three (3) hotels on the Island that MIFC works with – Island House, Harbourview, and the Murray Hotel
      - These hotels email a list of arriving guest to the ferry company, then guests check in at the ticket office and inform the sales associate that they have a ticket through a hotel package
    - Mackinaw City and St. Ignace hotels will stop as of September 1, 2024
      - Hotel bulk tickets will need to be brought in for a refund or exchanged for whatever the tickets are worth in return tickets
  - Councilwoman Myers noted that the Council has not been privy to the arrangements of “wholesale” tickets to the hotels (on and off island) – these prices were not listed in the rates and fees the Council reviewed and approved in the spring
    - Need to hear more from our legal counsel on how involved the City should be with these types of ticket sales
    - Attorney Evashevski noted that these fees have not been approve at this point.
      - Spoke with Mr. Shepler earlier and got a better idea of how this process works
      - Believes this is something the Council needs to look in to
      - City certainly needs to see all of these fees in writing and the Council needs to determine whether or not they want to approve them
      - Mr. Shepler noted that Shepler’s and MIFC have been doing these types of sales for many years and he is not sure why it hasn’t been brought up before now
        - Councilwoman Myers noted that, this Spring, the City Council asked both boat lines to submit every single rate and fee that they were charging – the wholesale tickets should have been included with that
        - City wants clarity in what is being proposed and sold
        - Mr. Shepler noted that Shepler’s / Hoffman / MIFC fully understands that the City of Mackinac Island has full control through the Franchise Agreement to regulate all boat fees, rates, and schedules
        - Councilwoman Myers noted that, in the Shepler’s power point presented at Monday’s meeting, it was noted that tickets will no longer be sold through other hotels and third-party vendors – if you are saying you want to stop that practice the Council is ok with that since the City did not approved those rates anyways
          - However, the second part from the power point stating that Shepler’s will only honor discounted third-party tickets through August 31, 2024 and that after that customers need to seek a refund through where they purchased the tickets - the Council is not sure what the ramifications to the City will be if this occurs
          - Mr. Shepler noted that he does not understand the Council’s concerns on this, but that their ultimate goal at this point is to just make it to October 31<sup>st</sup> and more forward from there
      - Councilman Sehoyan commented that, going forward in to the 2025 season, he is not opposed to the sale of wholesale tickets – finds it beneficial to guests and hotels to be able to offer those in packages.
      - Councilwoman Myers noted that she is not opposed to this either, but it needs to be discussed and presented to the Council going forward
    - For those that currently have Shepler’s resident passes, it is understood that they will not be charged the \$5.00 winter surcharge, but will they be able to exchange their Shepler’s pass for a MIFC pass if needed, depending on how Hoffman decides to run winter service?
      - Mr. Shepler stated that that would absolutely be done if needed – same process as those currently exchanging their MIFC pass for a Shepler’s pass
  - Further clarity / explanation on the process of how the trading in of various types of MIFC tickets will be handled
  - Everything that was acquired by the guest / customer, prior to today, will be honored by Shepler’s through the rest of the season (ending October 31, 2024).
    - If MIFC passes that qualify for winter service are traded in, Shepler’s will hold those passes and return them to the customers if they are needed for winter service (still waiting to see what direction Mr. Hoffman takes).

**If operations are moved only to the Shepler's dock (on Island) – adding additional staffing to the head of the dock to assist with things such as grocery pick up and traffic flow**

- Shepler's will definitely try to provide this, but they are also losing staff at the end of the season like everyone else
- Needs to be a clear definition of where Shepler's "jurisdiction" ends – cannot really police the sidewalk, but will do their best to work with guests within their confines and keep traffic flowing
  - Per Mayor Doud, Carriage Tours did say that they would work on having more employees in that area to help with traffic

**What would be the issues if the City Council allowed the suspension of MIFC, but not until after Labor Day?**

- Mr. Shepler noted that he felt that public confusion would continue
- Needing to worry about mechanical issues within both fleets
- Cannot get clear communication to the public until this shutdown can happen
  - Having to determine each morning what boats can and cannot run
    - The Good Fortune and the Anna May are both weather dependent
    - When it comes to the Shepler fleet they know what their boats are capable of
- Councilman Sehoyan noted that this seems to be a bit of a public relations nightmare – is Shepler's saying that the temporary shut down of MIFC will help Shepler to keep a consistent plan in place?
  - Really need too get ahead of that as hotels are experiencing cancellations and many news outlets are putting out misinformation – even saying that there are no boats running to the island
- Mr. Shepler informed the Council that they have been working with John Truscott of Truscott Rossman, a Public Relations company out of Lansing, Michigan, to develop a communication plan to push out to the public once the suspension of MIFC is approved
- Mr. Shepler stated that he is the first to admit that communications about what was happening with MIFC was lacking. It was difficult to put out any kind of statement when situations were changing within hours
- Councilman Sehoyan inquired that, once the information is out, is there going to be a continuous campaign to push ferry information to the public?
  - Mr. Shepler said that that was absolutely the plan
- Mayor Doud and multiple Council members expressed the importance to Mr. Shepler the need to communicate to the public that extra boats will be available for the upcoming bigger weekends like the Labor Day bridge walk and the fall foot races
- Mr. Shepler noted that, in the power point presented on Monday, there were mock-up schedules for both Mackinaw City and St. Ignace for Labor Day through October 6<sup>th</sup>, showing departures every 15 minutes – adding 14 departures per day out of Mackinaw City and an additional 11 departures per day out of St. Ignace
  - The schedule for October 7<sup>th</sup> through the 31<sup>st</sup> has had additional trips added to it as well
  - Tour groups were mentioned, and Mr. Shepler commented that they are working on a plan to handle those
  - Hoffman is still diligently working on getting the Joliet and Cadillac up to speed to be put back in to service when needed – these will not be added for additional daily trips, but used as overflow boats for the busier fall times
  - Councilwoman Myers inquired where the Joliet and Cadillac will be docking on Mackinac Island
    - Mr. Shepler responded that he was not sure yet as they have not had a chance to see if those boats are able to lineup with the Shepler dock ramping system
    - Have not done any change in docking between Shepler and MIFC assets as that takes those boats off line for a period of time and interrupts current service
      - Hopefully once business starts to slow down Shepler's can take the time to do this with their fleet to see what will work and what won't work
- Councilwoman Myers noted that there were two (2) other questions listed regarding Mackinac Island Carriage Tours and Service Company in the area of the Shepler dock if MIFC services were suspended
  - City Clerk Leach noted that those were submitted this morning and that they were passed along as soon as possible. Also spoke with Brad Chambers who said he was going to be speaking with Mr. Shepler in the near future to discuss options
  - Mr. Shepler noted that he felt that this was something that needed to be discussed between Shepler's and Mackinac Island Carriage Tours to figure out a ground plan – can report back to the Council though if they would like
- Councilwoman Myers inquired about the franchise fee as that is still currently owed from both companies – that does not change with the temporary suspension of MIFC
  - Mr. Shepler noted that Hoffman Family Companies acknowledges that they are responsible for the franchise fees for both companies
    - Mr. Shepler has been in discussion with City Treasurer Rick Linn regarding past and upcoming payments to see where MIFC was at
    - Mayor's Assistant Trista France noted that she, Mr. Shepler, and Rick Linn had a conference call recently regarding the franchise fee as well

- Councilman Moskwa noted the worry about, if using just the Shepler dock, the increase in traffic and congestion that will come with that – has Shepler considered using MIFC’s Ryba dock to help alleviate that? Maybe using the Ryba dock for St. Ignace service and the Shepler dock for Mackinaw City service?
  - Mr. Shepler noted that all assets have been considered at this time, but that splitting between the docks could add back to the confusion for guests if they made such a change
  - Councilwoman Myers noted that she understands that fully running off the Shepler dock for the time being is just a temporary fix, but going forward the City would like to see all docks utilized to disperse traffic and lessen congestion
    - Mayor Doud noted that she and Mr. Shepler had discussed this for the 2025 season
    - Mr. Shepler commented that Hoffman plans to use all assets for the 2025 season – they are all needed
- City Attorney Evashevski noted that, at some point, the Winter Service Agreement needed to be discussed
  - Believes it would be wise to get in writing the agreement being transferred in to Shepler’s Ferry or Hoffman name, rather than MIFC if their service is to be suspended, especially for MDOT funding purposes
  - Councilwoman Myers commented that she thought MIFC services were only being suspended until October 31, 2024?
    - Attorney Evashevski responded that this needs to be discussed further, but with the funding purposes and the temporary shut-down, it may be beneficial to move the Winter Service Agreement in to the Shepler name – this can be discussed further at a later date
    - Also need to be discussing this with MDOT to make sure we are moving forward correctly
    - Councilwoman Myers noted that everything presented has been a hybrid of Shepler’s and MIFC – possibly use the Hoffman name
- Councilman St. Onge noted that, allowing the suspension of one of two ferry boat companies is a pretty dangerous leap for this Council and for the people who live on this Island. What assurance is Shepler’s / Hoffman going to give that bonds these things that are being agreed to today? Answers given today by Mr. Shepler were great, but who is to say that next week someone at Shepler’s decides that an agreed to policy from today isn’t working and they want to implement a policy change? MIFC, in the past, has made continuous policy changes with no regard to the City or the Island residents. All policy changes proposed between now and October 31<sup>st</sup> need to be presented to and agreed to by the City Council.
  - Mr. Shepler responded that, this is all new for everyone, and this comes down to trust. The Franchise is a very large and powerful thing that Shepler’s has to answer to
  - Mr. Shepler again stated that he is in constant contact with Mayor Doud and Shepler’s / Hoffman does not proceed with anything she doesn’t agree with
  - Councilman Sehoyan inquired if this should be an addendum to their Franchise Agreement? Is this a motion?
    - Attorney Evashevski noted that the suspension of MIFC should be an addendum to their Franchise Agreement, and accompanying that should be conditions that were agreed to today
      - Councilwoman Myers noted that all MIFC arrangements and agreements (tickets, parking, ect) will be honored by Shepler’s going forward
        - Mr. Shepler agreed to a point, as they stated before that they will no longer be offering valet car services
      - Councilwoman Myers voiced concern over ensuring that, if the suspension of MIFC is approved, that their customers get a fair deal in the end and are not out services that they have paid for or were agreed to with MIFC
        - Believes at this point the only point discussed that the City does not necessarily agree to is that we do not understand enough regarding the wholesale hotel tickets to take a firm stand on that and that they would like to hear more about that from Attorney Evashevski
          - Mr. Shepler noted that they would be more than happy to share the information they have about this
          - Councilwoman Myers asked that Mr. Shepler share this information with Attorney Evashevski so that the Council can get a better understanding on this, but it will not be a point in what is decided and granted today
- Councilman Sehoyan inquired that, if the suspension is approved, can Shepler’s lay out what their public relations plan is in an email or in some way that Mayor Doud or Tim Hygh from the Tourism Bureau can stay up to date of what their plans are and so that the MITB can help push the information to the public?
  - Mr. Shepler responded that he can absolutely do that

- David Levy inquired how what was the valet parking with MIFC would work if the suspension was granted as Shepler's will be discontinuing that service
  - Mr. Shepler responded that customers who currently have this service with MIFC will be responsible for parking their cars in the indoor parking area. Shepler's will not hold valet keys for those cars
  - Mr. Levy noted that those buildings are locked – so how would they access their car?
  - Mr. Shepler responded that the customer needs to call the office when they are coming over to let them know they have a car parked in indoor parking to make sure that is facilitated at that time
    - Mr. Wiley commented that the buildings will be opened at the beginning of each service day and locked at the end of each service day
    - Shuttles to and from the indoor parking area are available at each dock
- Councilman St. Onge posed the question to Attorney Evashevski – will the council just be voting on authorizing the attorney to draw up the addendum? The motion cannot possibly contain all of these questions and answers. Will Attorney Evashevski draw up the addendum and then have the Mayor execute it?
  - Attorney Evashevski noted that she would like to go over the specific points / conditions that were specified by the Hoffman group and the City Council
  - Mayor Doud suggested the City Clerk and Attorney Evashevski work together to draw up the addendum, send it out to the Council members, and then it can be voted on at the August 21<sup>st</sup> regular meeting
    - councilwoman Myers pointed out that that would be too late as Hoffman would like to suspend MIFC services as of Monday, August 19<sup>th</sup>
  - Mayor Doud suggested possibly holding a special meeting on Friday August 16<sup>th</sup> to make this determination, and asked if that would be helpful to Shepler / Hoffman
    - Mr. Shepler responded that that would be ok, but that not receiving an answer today just pushes back all of the employee meetings and other work that needs to take place once the suspension is granted
  - Mayor Doud suggested approving a motion to allow suspension of operations of MIFC, beginning on August 19, 2024, contingent on subsequent approval of the proposed addendum
  - Councilman Sehoyan suggested talking out the motion at this meeting so that all parties can be part of making sure we have every point in place
- Councilwoman Myers asked Mr. Shepler to compile informational documents that can be submitted to the Clerk and the Mayor's Assistant to be published to Island residents about previously arranged parking through MIFC and the pass and ticket exchange process.
  - Please include any helpful information for customers going forward
- Councilman Sehoyan commented that the City should not rule out all MIFC assets for Shepler's / Hoffman
  - Mr. Shepler agreed as they would like to keep the store on the Main Dock (MIFC Mackinaw City departures) open, and that UPS will still be brought in to and sorted at that dock as well
  - Councilman Chambers also noted that working MIFC boats are still an option to use as well – The Good Fortune and Anna May that are currently in the water as well as the Joliet and Cadillac that Hoffman is working on getting back in to the water
- Councilman St. Onge reiterated as well that any and all MIFC passes that are valid through April 2025 will be honored by Shepler's if there is an early break-up of ice
  - Mr. Shepler responded that all MIFC passes and tickets will be honored through their printed expiration date and that Shepler's / Hoffman are committed to the winter ice to ice service
  - Councilwoman Myers asked Shepler's to state this information on the documents they submit to the Clerk and Mayor's Assistant – that all valid MIFC passes can be traded for the equivalent Shepler's pass, all MIFC passes being traded in for Shepler's passes will be held in the Shepler's offices to be reissued to the customer if needed for winter service, and that all MIFC passes and tickets will be honored through their printed expiration date regardless of if service is provided through MIFC of Shepler's
- New schedules moving forward
  - Schedules provided by Shepler's at the August 12, 2024 Special Meeting, should be included in the addendum as a contingency of the requested suspension
    - A schedule for August 19<sup>th</sup> through October 6<sup>th</sup> has been provided in the August 12<sup>th</sup> power point
    - A schedule for October 7<sup>th</sup> through October 31<sup>st</sup> will be provided to the City from Shepler's by Labor Day
- Addendum should not rule out the use of any MIFC assets
  - Should state temporary suspension of PASSENGER service as Human Resources, Accounting, stores, and offices will remain open; freight and horse hauling may occur still this season with MIFC boats; MIFC passenger boats may be used to supplement passenger transportation if mechanical repairs can be completed on time

- Councilman St. Onge asked Mr. Shepler if they could look in to hiring someone on island to work in the ticket booth so that, if needed, people can purchase or exchange tickets in the morning prior to the first boat

Motion by Moskwa, second to the motion by Sehoyan to approve an addendum to the Mackinac Island Ferry Company (MIFC) Franchise Agreement to allow the temporary suspension of ferry passenger services from August 19, 2024 through October 31, 2024, conditioned on the following:

1. All MIFC passenger services will be suspended and MIFC passengers will be ferried to Mackinac Island by Shepler's Mackinac Island Ferry. Nothing in this addendum shall prevent Shepler's from using any of MIFC's assets.
2. All ticket sales for ferry services to and from Mackinac Island will be through Shepler's website or Shepler's ticket offices. All MIFC website traffic will be re-directed to Shepler's website.
3. All tickets purchased from August 19, 2024 through October 31, 2024 will be purchased at Shepler's Ferry rates.
4. All pre-purchased, valid MIFC tickets and passes will be honored up to the expiration date printed on that specific ticket or pass. Said MIFC tickets and passes can be exchanged at the Shepler's offices in Mackinaw City or St. Ignace.
5. All previously paid and contracted MIFC parking, including up to five (5) days free overnight parking with any pre-purchased MIFC ticket, shall be honored (valet parking exempted) by Shepler's, and shuttles will be provided between said MIFC parking and the Shepler's ferry docks. Additional shuttles will be available to other locations in both St. Ignace and Mackinaw City. NO VALET PARKING will be provided by Shepler's. All new purchases of tickets through Shepler's Mackinac Island Ferry will be subject to Shepler's parking and Shepler's parking prices.
6. Small freight, groceries, and household items which are dropped off at the dock to be transported without a passenger for island residents and island businesses shall be transported at the same rate that was previously charged by MIFC. The rate being \$4.95 per piece up to 100lbs, however Shepler's will honor the rates provided by MIFC to specific individuals and businesses. Household groceries delivered for island residents will be transported for free.
7. Private horses may be moved on the Anna May. If transported by Arnold Freight Company, they will be transported at the price structure previously provided by MIFC.
8. Shepler's will work with MIFC, Mackinac Island Service Company, and the Mackinac Island Police Department to ensure sufficient staffing is stationed at the head of the dock for proper flow of traffic (emphasis on drays, tour groups, luggage, carriages, & taxis).
9. Shepler's will provide a written process for MIFC ticket & pass exchanges, which will also provide ticket office addresses, phone numbers, hours of operation, and shuttle phone numbers to aide in this transition.
10. Shepler's shall operate according to the ferry boat schedules for August 19, 2024 through October 6, 2024 presented in its PowerPoint at the special City Council meeting held on August 12, 2024. Said schedule has been accepted by the City Council conditioned on the execution of this addendum and the conditions of said addendum.
  - a. A schedule for ferry services from October 7, 2024 through October 31, 2024 will be presented by Shepler's to the City Council no later than Labor Day (Monday, September 2, 2024)

Ayes: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

Nays: None. Motion carried.

Dave Jurcak of Grand Hotel asked that Shepler's / Hoffman ensure that Truscott Rossman connect with the Mackinac Island Tourism Bureau to push out the initial press release

- Councilman Sehoyan noted that that had been discussed earlier and that Mr. Shepler agreed to make sure that the press release went through the Tourism Bureau as well

Councilwoman Myers noted to the public that if they had further, specific questions regarding their exact parking location, they need to contact Shepler's directly.

- At this time parking for MIFC customers will remain the same until October 31, 2024, after that parking locations and services will be reevaluated and Shepler's will communicate their new plan once finalized

Councilwoman Myers also noted that, if the public has further questions regarding this, they can submit them via email to the Clerk's office where they will be directed to either the City Council and / or Shepler's personnel.

### **VIII. Adjournment**

There being no further business, motion made by Myers, seconded by Sehoyan, to adjourn the meeting at 3:06 pm.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge