

## AGENDA REPORT

TO: Mayor & City Commissioners  
FROM: Ken Hibl, City Manager  
DATE: March 31, 2010  
RE: \*Renewal of Kenmark Christmas Decorations Contract

For the Agenda of April 5, 2010

**\*Note: This is a Consent Agenda item and is considered as routine business of the City Commission. As such, this matter shall be automatically enacted by one motion with all other Consent Agenda items unless a Commissioner or citizen requests this item be individually discussed, in which event it shall be removed from the Consent Agenda and considered and acted upon in its designated sequence on the approved agenda of the Clare City Commission for April 5, 2010.**

---

**Background.** The City has enjoyed a contract for the annual construction (Kenmark has the ability to fabricate essentially any type of decoration we desire), installation, and removal of Christmas decorations within the City for the past 11 years. The contractual agreement has expired. Kenmark has offered (*copy of proposed contract renewal attached*) to renew the current contract for another three-year period; the City Commission is asked to consider approving the renewal. ***Note: the Clare DDA reimburses the City for approximately one-third of the total cost of the annual fees for Christmas decorations. Consequently, I have asked the Main Street Board/DDA to review the renewal proposal and offer the City Commission a recommendation regarding the renewal. if the Clare Main Street Board/DDA makes a recommendation(s) for renewal other than approval, I will ask that this matter be removed from the Consent Agenda, and I will provide the City Commission with that recommendation.***

**Issues & Questions Specified.** Should the City Commission renew a contractual agreement with Kenmark, Incorporated for a three-year period?

**Alternatives.**

1. Approve the proposed renewal
2. Do not approve the proposed renewal.
3. Defer/delay decision of this matter to a subsequently scheduled City Commission meeting.

**Financial Impact.** There is no increase in the cost of the contract proposal; we have been paying the same price for the past three years, and the proposed agreement holds that same price for the next three years.

**Recommendation.** I recommend that the City Commission approve the contract renewal by adoption of Resolution 2010-026 (*copy att'd*).

**Attachments.**

1. Proposed Contract.
2. Resolution 2010-026.

Kenmark, Inc.  
P.O. Box 2  
Buckley, MI 49620  
(231) 269-3777, Fax (231) 269-3967  
E-mail address: [cmexico@acegroup.cc](mailto:cmexico@acegroup.cc)

February 8, 2010

RE: 2010-2012 Christmas Decoration Contract

Dear Customer:

Please find enclosed 2 copies of the new three-year contract for the 2010-2012 Christmas Decorating seasons. Please sign both copies, **return one** to our office at the above address and **keep one** copy for your files.

If there has been any changes or if you have any questions, please do not hesitate to call our office at the above number to assist.

Sincerely,

Carman Mexico, Vice President

cc: file

## AGREEMENT

This agreement made and entered into this 8<sup>th</sup> day of February 2010, by and between Kenmark, Inc., of Buckley, Michigan hereinafter for brevity sometimes called "lessor" and the City of Clare hereinafter for brevity sometimes called "lessee"

### WITNESSETH:

Whereas, lessor has offered to provide and furnish Christmas Decorations, display equipment and material to lessee pursuant to the terms, conditions and provisions hereinafter set forth, and, whereas, lessee is desirous of accepting and does accept the offer of lessor to provide and furnish said Christmas Decorations, display equipment and materials in accordance with said terms, conditions and provisions.

Now therefore, the parties hereto in consideration of the promises, and the promises of each to the other mutually made and accepted, covenant and agree as follows:

1. Lessor agrees to furnish and provide Christmas Decorations, display equipment and materials of the type hereinafter specified to lessee during the Christmas seasons of **2010, 2011 and 2012** and to install the same in a workman like manner.
2. The decoration, display equipment and materials which shall be furnished by lessor for the use and benefit of lessee for the 2010 Christmas season shall consist of components as follows:

131 Decorations	@	\$55.00 each	=	\$7,205.00
15 Lighted Bows with Pole Wrap	@	\$25.00 each	=	<u>\$ 375.00</u>
				\$7,580.00
3. Lessor shall complete the work to be performed by it so that the decorations leased by it shall be ready for lighting in accordance with the following schedule:
  - (A) Decorations to be installed in designated areas ready for lighting on or before November 30<sup>th</sup> in each year during the existence of the contract.
  - (B) Lessor shall remove decorations as soon as practicable after January 1, 2011 And January 1<sup>st</sup> of each subsequent year during the existence of the contract.
4. Lessor shall complete the plugging in of all decorations which require lighting and shall furnish connecting facilities required in order that said decorations may be plugged in for lighting.
5. Lessee agrees and undertakes to make all arrangements to procure and secure such authorization as might be required in from any governmental unit; agency of public authority to carry out its scheme for Christmas Decorations.
6. All damage to said decorations, equipment and materials or any part thereof, shall be the responsibility of the lessor provided, however, that the lessee shall use reasonable care to prevent such damage.
7. Special Provisions:

8. Lessor shall maintain such insurance as will protect lessee against any claims under workers' compensation act and from claims for damage and because of bodily injury, including death, in the amount of not less than \$500,000. for each person and \$500,000. for each accident and for claims or property damage in an amount not less than \$500,000. for any person and \$500,000. for each accident.
9. The lessee agrees to pay lessor for its services and the use of the materials designated at paragraph 2 hereof, the sum of **\$7,580.00 which shall be paid to lessor at P.O. Box 2, Buckley, Michigan 49620 on or before the 10<sup>th</sup> day of December** of the year to which such payment is attributable. Said sum shall include the installation by lessor of such decoration, necessary service calls and removal of said decorations. If lessee is on a rotation basis, decorations for the Christmas seasons of the year 2011 & 2012 will be of different type of kind that those leased to lessee for the Christmas season of the year 2010. But the decorations, materials and supplies furnished shall, with the exception of the wrapping of poles, be such as are within a retail cost of \$225.00 to \$350.00 per unit. The price for said decorations and services for the Christmas season 2011 & 2012, shall be the same as that for the year 2010, provided, however, that if an additional or more expensive type of decoration is required, said price shall be increased in an amount to be negotiated by the parties hereto. In the event that a use of sales tax should be imposed by the state of Michigan upon lessor by reason if its undertaking as set forth herein, the lessee to reimburse lessor in payments otherwise required by the terms hereof, within thirty (30) days after demand by lessor.
10. This agreement shall be executed in two (2) counterparts, each of which is deemed to be for all purposes an original copy hereof.
11. This agreement shall be binding upon and inure to the benefit of the successors, assigns and Legal representatives of the parties hereto.

In witness whereof, the parties hereto have caused the execution hereof by their duly authorized officers this 8<sup>th</sup> day of February 2010.

Lessor  
Kenmark, Inc.

By 

Carman Mexico, Vice President

Lessee  
City of Clare

By \_\_\_\_\_

President/Mayor/Director

Attest:

\_\_\_\_\_  
Secretary/Clerk

March 4, 2010

Clare City Commissioners  
Clare, Michigan

Re: Board Member Appointee

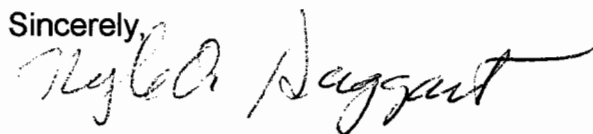
At the regular meeting of the Clare Municipal Airport Advisory Board on March 3, 2010, the board unanimously voted to recommend Mr. Rod Leslie of Clare to be placed on the board.

Rod would be filling the position vacated by Ron Harris.

Rod meets the criteria that he is a non-pilot, resident of Clare.

It is requested that the Commissioners approve Rod Leslie for this position.

Sincerely,

A handwritten signature in black ink that reads "Nyle Haggart". The signature is written in a cursive style with a long, sweeping underline.

Nyle Haggart  
President  
Clare Municipal Airport Advisory Board

# JAYNIE SMITH HOERAUF, P.C.

ATTORNEY AT LAW

---

601 Beech Street / P.O. Box 67 / Clare, Michigan 48617

Phone (989) 386-3434 / Fax (989) 386-3636

E-mail / [hoerauf@sbcglobal.net](mailto:hoerauf@sbcglobal.net)

February 24, 2010

Rodney W. Walker  
Mariane, Inc.  
P.O. Box 250  
Houghton Lake MI 48629

Clare Properties, Inc.  
10318 South Clare Avenue  
Clare MI 48617

Robert Lee Schafer  
North Central Investments, Inc.  
10316 South Clare Avenue  
Clare MI 48617

GJOCW #1 LLC  
ATTN: Gregory Ostrom  
4901 Towne Centre  
Saginaw MI 48604

Daniel C. Ashcraft  
Chodaka L.L.C.  
P.O. Box 740  
Harrison MI 48625

Green Tree Real Properties, L.L.C.  
ATTN: David J. Stanton  
714 West Michigan Avenue  
Jackson MI 49201

Paul Dixon  
Dixon Investments, LLC  
10205 East Rosebush Road  
Coleman MI 48618

David and Ruth B. Helpap  
112 Ardussi Avenue  
Saginaw MI 48602

Mr. Greg McMillan  
Clare Public Schools  
201 East State  
Clare MI 48617


RE: McGuirk Drive

To Whom It May Concern:

This letter is to confirm a meeting in regard to the above matter scheduled for Wednesday, March 24, 2010, at 2:00 p.m. at Clare City Hall upstairs conference room.

Sincerely,

JAYNIE SMITH HOERAUF, P.C.

BY   
JAYNIE SMITH HOERAUF

JSH/ss