

## **FRANCHISE AGREEMENT DEVIATION AMENDMENT**

This Winter Service Agreement Deviation Amendment (hereafter “Deviation Agreement” made this \_\_\_\_ day of October, 2024, by and between the City of Mackinac Island (City), Shepler’s St. Ignace, Inc., d/b/a Shepler’s Mackinac Island Ferry (Shepler’s) Mackinac Island Ferry Company (MIFC), d/b/a Arnold Transit Co., and the Mackinac Island Transportation Authority (MITA).

Whereas, the City and Shepler’s are parties to a Franchise Agreement dated July 1, 2012, as amended, and

Whereas, the City and MIFC are parties to a Franchise Agreement dated July 1, 2012, as amended, and

Whereas, the Franchise Agreements require one of the franchisees to provide winter ferry service to and from the City of Mackinac Island from November 1<sup>st</sup> through April 20<sup>th</sup> of any calendar year; and

Whereas, franchisee MIFC is the winter service provider through April 20<sup>th</sup> 2028 pursuant to an Agreement for Winter Ferry Service dated October 18<sup>th</sup>, 2023 between the City of Mackinac Island and MIFC (“Winter Service Agreement”); and

Whereas, the City assigned its rights under the Winter Service Agreement to the MITA subject to certain terms and conditions; and

Whereas, MIFC has requested certain changes to the details of the Winter Service Agreement; and

Wherefore, the City of Mackinac Island, Shepler’s, MIFC, and MITA hereby agree to the following deviations from the Winter Service Agreement under the following terms and conditions:

1. MIFC will add the following ferry boats to be utilized under the Winter Service Agreement:
  - a. Captain Shepler, which has a heated cabin for 150 passengers (265 passengers total) and an aluminum haul.
  - b. Wyandot, which has a heated cabin for 150 passengers (265 passengers total) and an aluminum haul.
  - c. Maverick, which has a heated cabin for 150 passengers and ice breaking capabilities.
  - d. Senator, which has a heated cabin for 55 passengers and ice breaking capabilities.
2. MIFC will remove the Chippewa from its listed ferry boats under the Winter Service Agreement.
3. MIFC will utilize certain fast boats until ice conditions no longer allow their use.
4. MIFC will add the following docks to be utilized under the Winter Service Agreement:
  - a. Shepler’s Mackinac Island Dock (Restrooms will remain open and available to the public)

- b. Shepler's St. Ignace Dock located at 601 N. State Street (heated waiting room and restrooms will remain open and available to the public).
5. MIFC will utilize Shepler's docks until ice conditions hinder their use, at which time it will utilize Dock 1 in St. Ignace (the old Arnold Main Dock) and the Main Arnold Dock on Mackinac Island.
6. MIFC will not offer valet parking options.
7. Regarding non-seasonal vehicle parking: While utilizing the Shepler's St. Ignace Dock, there are 740 parking spots available and free daily onsite parking will be available, with overnight onsite parking at a rate of \$20.00 per night. MIFC will also offer free offsite parking at 740 N. State Street, St. Ignace.
8. All MIFC/Arnold Transit Co. paid seasonals will continue to park in their current location. MIFC/Shepler's will Shuttle to and from their dock locations.
9. MIFC will continue to provide free courtesy shuttle services to and from main land locations including MIFC/ATCO parking lots, Shepler's parking Lots, St. Ignace Airport, area hotels, and other designated locations.
10. Passengers with a valid island resident pass, season pass, or commuter card for MIFC/ATCO or Shepler's will have their \$5.00 surcharged fee waived. The \$5.00 surcharge fee will be required with all other types of tickets.
11. MIFC will work with Shepler's to provide service under MIFC's control and franchise agreement for part of the 2024-2025 winter season. This may include use of Shepler's docks, vessels, ticketing systems, and work force, but all winter service will be under the control of MIFC.
12. MIFC/Shepler's updated ferry schedule provided to the City at its \_\_\_\_\_, 2024 meeting is accepted by all parties.
13. All terms of this Deviation Agreement are conditioned on the services being equal to or better than the services provided in previous years with the normal winter service vessels.

All parties acknowledge that this Deviation Agreement shall not bind or benefit any party regarding future deviations from the Winter Service Agreement or required operations under that Agreement or the Franchise Agreements, nor will any party be compensated or penalized for this Deviation Agreement.

CITY OF MACKINAC ISLAND, By:

\_\_\_\_\_  
Margaret Doud, Its Mayor

SHEPLER'S ST. IGNACE, INC., D/B/A  
SHEPLER'S MACKINAC ISLAND FERRY, by:

\_\_\_\_\_  
Chris Shepler, Its President

MACKINAC ISLAND FERRY COMPANY, D/B/A  
ARNOLD TRANSIT COMPANY  
By:

\_\_\_\_\_  
\_\_\_\_\_, Its \_\_\_\_\_

MACKINAC ISLAND TRANSPORTATION  
AUTHORITY, By:

\_\_\_\_\_  
\_\_\_\_\_, Its \_\_\_\_\_