

FRANCHISE AGREEMENT DEVIATION AMENDMENT

This Franchise Agreement Deviation Amendment (hereafter “Deviation Agreement” made this 21st day of August, 2024, by and between the City of Mackinac Island, Shepler’s St. Ignace, Inc., d/b/a Shepler’s Mackinac Island Ferry (Shepler’s) and Mackinac Island Ferry Company (MIFC).

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 the franchisees to provide ferry service to and from the City of Mackinac Island during the regular ferry boat season which is a period of time between April 21st of any calendar year and October 31st of the same calendar year; and

Whereas, franchisees MIFC and Shepler’s have jointly requested to temporarily suspend its services from August 19, 2024 through October 31, 2024; and

Whereas, franchisee Shepler’s, which is now under mutual ownership with MIFC, has committed to transport all passengers to Mackinac Island; and

Whereas, the City of Mackinac Island City Council discussed this request at a Special Meeting of the City Council held August 12th, 2024 and a Special Meeting of the City Council held August 14th, 2024 with the franchisee representatives present to answer questions and concerns and agreed to certain conditions; and

Whereas, due to the current state of MIFC’s fleet, leaving few vessels to provide service, which has caused unreasonably long wait times for customers, the City of Mackinac Island City Council agreed to this deviation under specific conditions; and

Wherefore, the City of Mackinac Island, Shepler’s and MIFC hereby approve MIFC and Shepler’s mutual request for MIFC to deviate from the required passenger service under the franchise agreement by temporarily suspending service to and from the City of Mackinac between August 19, 2024 and October 31, 2024 subject to the following conditions:

1. All MIFC passenger services will be suspended and MIFC passengers will all be ferried to Mackinac Island by Shepler’s Ferry Service. Nothing in this Deviation Agreement shall prevent Shepler’s from using any of MIFC’s assets.
2. All ticket sales to Mackinac Island will be through Shepler’s website or Shepler’s ticket offices and all MIFC web traffic will be re-directed to Shepler’s website.
3. All tickets purchased from August 19, 2024-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 date expiration of that specific ticket or pass. Said MIFC tickets and passes can be exchanged at the Shepler’s offices.

5. All previously paid and contracted MIFC parking, including up to five (5) days free overnight parking with any MIFC pre-purchased 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 Ferry Service will be subject to Shepler's parking and Shepler's parking prices.
6. Small freight, groceries, and household items which are dropped off at dock to be transported without a passenger for island residents and island businesses shall be transported at the same rate as MIFC. The normal rate is \$4.95 per piece up to 100lbs, however Shepler's will honor the rates provided 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 AnnaMay. If transported by Arnold Freight Company, it will be transported at the price structure previously provided by MIFC.
8. Shepler's ferry 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 dreys, 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, and 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 – October 6, 2024 presented in its PowerPoint at the special City Council meeting on August 12, 2024. Said schedule has been accepted by the City Council conditioned on the execution of this Deviation Agreement and the conditions of said Deviation Agreement.

All parties acknowledge that this Deviation Agreement shall not bind or benefit any party regarding future deviations from their respective Franchise Agreements or required operation dates 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,
By:

_____, Its _____