City of Hart, Michigan
CITY COUNCIL AGENDA
July 12, 2022, 7:30 PM
407 State St. – Council Chamber
NOTICE OF PUBLIC MEETING
REGULAR COUNCIL MEETING

1. Call to Order
2. Roll Call – Burillo, Evans, Hodges, Klotz, Rybarz Jr., Trygstad, Platt
3. Pledge of Allegiance
4. Approval of Agenda
5. Public Comments – **Public comment on any matter that is not included on the agenda for a public hearing by the Council. We ask that you please limit your comments to 3 minutes**
    a. Correspondence, Events, Presentations
        i. Dick Huntington – Representative of Creeks Subdivision Home Owners Assosciation
6. Consent Agenda:
    a. Approval of Minutes from June 28, 2022 Council meeting.
    b. Bills, Claims, Payroll
    c. Reports of Boards, Commissions, and Committees
    d. Department Reports – Police/BioPure/Public Works/Energy/♥C&E Dvlp.
7. Action Items
    a. Resolution 2022-26 – Authorize pay rate for appointed city officials and support staff.
    b. Resolution 2022-27 – Correction/clarification regarding adopted FY23 utility rates.
    c. Resolution 2022-28 – UFS Financial Study and Payment In Lou Of Taxes (PILOT) Study
8. Discussion Items
9. City Manager Report
10. Communications from the Mayor and Council (Including board and committee updates.)
11. Adjournment –

Access is provided through the Michigan Relay Service for individuals with speech or hearing impairments. *https://hamiltonrelay.com/michigan/index.html*

With advance notice of seven calendar days, the City will provide interpreter services at all public meetings, including language translation and signage for the hearing impaired. Call 231-873-2488. La Ciudad proporcionará servicio de intérprete para esta reunión pública si se pide con siete días de anticipación, lo cual incluye la traducción de idioma y letreros para los con una discapacidad auditiva. Llame al 231-873-2488.

FIRST AMENDMENT TO MASTER DEED
of
THE CREEKS CONDOMINIUMS

Act 59 of the Public Acts of 1978, as amended

Oceana County Condominium Subdivision Plan No. 23

This First Amendment to Master Deed for The Creeks Condominium ("**First Amendment**") has been executed effective September 1, 2019, by **The Creeks Condominium Association** (the "**Association**"), whose address is 117 Creek Drive, Hart, Michigan 49420, pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended, and the provisions of the Master Deed.

Statement of Purpose

The Developer executed a Master Deed which was effective August 21, 2003, recorded September 10, 2003, with the Oceana County Register of Deeds, at Liber 2003, Page 36381 (the "**Master Deed**").

The Master Deed delineated numerous units that have not yet been constructed, and the Association desires to clarify that those units which have not been constructed were not intended to be converted, and have not been converted, into common elements for The Creeks Condominiums. Further, to the extent that those units, specified below, were in any way interpreted to have been converted, the purpose of this First Amendment is to re-establish and confirm those lands as individual units for development and sale, rather than common elements, so that any possible conversion interpretation would be void and of no effect.

The Property

The lands subject to this First Amendment are the following lands located in the City of Hart, County of Oceana, State of Michigan (the "**Property**"):

> All those lands currently or formerly described as Units 1, 2, 5, 6, 9-12, 15-56 and 59-62, of The Creeks Condominiums, as described in the Master Deed recorded in Liber 2003, Page 36381 of the Oceana County Register of Deeds records, whether such lands or any interest therein may have been converted to general common elements under the Michigan Condominium Act or not.

This First Amendment does not affect or change ownership of Units 3, 4, 7, 8, 13, 14, 57 or 58, nor does it change, in any way, the building and use restrictions or any other rules governing the development and use of the properties as contained in the Master Deed and contained in the Bylaws attached to the Master Deed, as amended. All lands lying within the Property shall be subject to all building and use restrictions and other applicable provisions contained in the Master Deed and Bylaws for all units, as if the Property contained only units and as if the Property had never been converted to general common elements under the Michigan Condominium Act.

Amendment

Now, therefore, the Master Deed is hereby amended as follows:

1. The Condominium Subdivision Plan attached as Exhibit B to the Master Deed, depicting Units 1 through 62, is hereby confirmed as the existing and current Master Deed, and it is agreed and approved that those units lying with the lands described in the "Property" shall in fact be units available for individual sale and development and not common areas. This Amendment shall incorporate the Condominium Subdivision Plan No. 23 attached to the Master Deed as Replat No. 1 of the condominium. The Master Deed, Bylaws and attached Condominium Subdivision Plan shall provide that those units lying within the Property (Units 1, 2, 5, 6, 9-12, 15-56 and 59-62, as herein re-established and confirmed) shall not be considered converted or subject to conversion to common areas without the consent of the owner of such unit or units.

2. For the purposes of the application of the time periods in subsection 67(3) of the Act only, the date of recording of this Amendment shall be deemed to be the date of recording of the Master Deed.

3. The Association, to the extent necessary to amend the common areas or to otherwise confirm and/or restore the Units lying within the Property to their status as individual units for development and sale (as provided in the original Master Deed and Condominium Subdivision Plan attached thereto as Exhibit B), hereby agrees to convey such lands to the City of Hart. The conveyance shall restore to the City of Hart those units and the ability to sell and develop those units on an individual basis. A separate conveyance document shall be executed and recorded.

In witness whereof, pursuant to a valid vote as indicated, more than two-thirds of the owners of the existing units have hereby agreed to this First Amendment, to confirmation of the status of those units lying within the Property as individual units rather than common areas, to the deemed the date of recording of this Amendment for the purposes set forth in paragraph 2 above and to execution by the Association of a conveyance in favor of the City of Hart, of the individual units lying within the Property.

The Creeks Condominium Association

By: James C. Tanner
James C. Tanner

Its: President

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by _____, as President of The Creeks Condominium Association.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 3** hereby consents to and authorizes this First Amendment and the conveyance described herein.

Hart Family Trust, u/a/d August 10, 2018

By:_____
Carl Hart, Trustee

By:_____
Barbara Hart, Trustee

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by Carl Hart and Barbara Hart, Trustees of the Hart Family Trust, u/a/d August 10, 2018.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 4** hereby consents to and authorizes this First Amendment and the conveyance described herein.

DeLaura Jane L. Peterson Trust, u/a/d March 14, 2006

By:_____
_____, Trustee

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by _____, Trustee of the DeLaura Jane L. Peterson Trust, u/a/d March 14, 2006.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 7** hereby consents to and authorizes this First Amendment and the conveyance described herein.

James C. Tanner Revocable Trust u/a/d September 26, 1996

By:_____
_____, Trustee

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by _____, Trustee of the James C. Tanner Revocable Trust u/a/d September 26, 1996.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 8** hereby consents to and authorizes this First Amendment and the conveyance described herein.

_____
John R. Williams

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by John R. Williams.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 13** hereby consents to and authorizes this First Amendment and the conveyance described herein.

Huizenga Family Trust, u/a/d August 14, 2004

By:_____
Clarence Huizenga, Jr., Trustee

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by Clarence Huizenga, Jr., Trustee of the Huizenga Family Trust, u/a/d August 14, 2004.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owner of **Unit 14** hereby consents to and authorizes this First Amendment and the conveyance described herein.

Tom Kronlein Family Trust, u/a/d November 15, 2018

By:_____
Thomas D. Kronlein, Trustee

By:_____
Judith L. Kronlein, Trustee

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by Thomas D. Kronlein and Judith L. Kronlein, Trustees of the Tom Kronlein Family Trust, u/a/d November 15, 2018.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owners of **Unit 57** hereby consent to and authorize this First Amendment and the conveyance described herein.

_____
Wayne A. Tanner

_____
Andree K. Tanner

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by Wayne A. Tanner and Andree K. Tanner, husband and wife.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The owners of **Unit 58** hereby consent to and authorize this First Amendment and the conveyance described herein.

_____
David J. Cozart

_____
Marjorie L. Cozart

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by David J. Cozart and Marjorie L. Cozart, husband and wife.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

The City of Hart, as owner of the lands and units lying within the Property, hereby consents to and authorizes this First Amendment and the conveyance described herein.

City of Hart

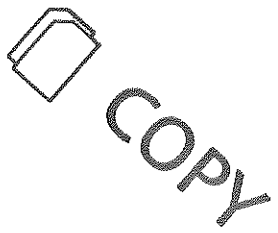
By:_____
Ron LaPorte
Its: Mayor

By:_____
Cheryl Rabe
Its: Clerk

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2019, by Ron LaPorte and Cheryl Rabe, the Mayor and Clerk, respectively, for the City of Hart and on its behalf.

_____
_____, Notary Public
_____ County, Michigan
Acting in _____ County
My commission expires: _____

Prepared by and after recording return to:
Mark A. Van Allsburg
Mika Meyers PLC
900 Monroe Ave., NW
Grand Rapids, MI 49503-1423



QUIT CLAIM DEED

The Creeks Condominium Association ("Grantor"), 117 Creek Drive, is an association of Co-owners of a residential condominium development, located in the City of Hart, Oceana County, Michigan, as described in the Master Deed recorded in Liber 2003, Page 36381, being Oceana County Subdivision Plan No. 23. Grantor, on behalf of the owners of the individual units within The Creeks Condominiums, pursuant to due authorization and consent from those owners, hereby quit claims and conveys to the City of Hart, a municipal corporation (hereinafter "Grantee"), of 407 State Street, Hart, Michigan 49420, all of Grantor's right, title and interest, if any, in the following described real estate interests (the "Property") located in the City of Hart, County of Oceana, State of Michigan:

> All those lands currently or formerly described as Units 1, 2, 5, 6, 9-12, 15-56 and 59-62, of The Creeks Condominiums, as described in the Master Deed recorded in Liber 2003, Page 36381 of the Oceana County Register of Deeds records, whether such lands or any interest therein may have been converted to general common elements under the Michigan Condominium Act or not.

For the sum of Ten Dollars ($10.00), the receipt and sufficiency of which is hereby acknowledged, subject to all easements, rights and restrictions of record, and specifically including the provisions of the Master Deed referenced in the legal description above.

This deed is made without any warranties or representations whatsoever. The conveyance is intended to transfer to the Grantee any and all interests or claims of Grantor in the foregoing units and all common areas lying within the lands described above as the Property, but excluding from this conveyance any common areas which were granted and originally designated as common areas by the Master Deed in 2003. It is intended that those lands within the Property area which were originally designated as units shall be restored and confirmed as individual units (not common areas), subject to development and sale as originally intended when created by the Master Deed in 2003. The restored and confirmed units shall be subject to building and use restrictions as contained in the Master Deed and Bylaws, as amended.

This deed is exempt from Michigan State transfer tax pursuant to MCL 207.526(a) and from County transfer tax pursuant to MCL 207.505(a), the consideration being less than $100.

The Grantor grants to the Grantee all available rights which the Grantor may have, if any, to make additional divisions as to the Property under Section 108 of the Land Division Act, Act 288 of the Public Acts of Michigan of 1967, MCL 560.108.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Dated and effective as of this 1st day of October, 2019.

Grantor

The Creeks Condominium Association

By: James C Tanner
*James C. Tanner
Its: President

Acknowledged before me in Oceana County, Michigan, this 1 day of October, 2019, by James C Tanner, the President of The Creeks Condominium Association.

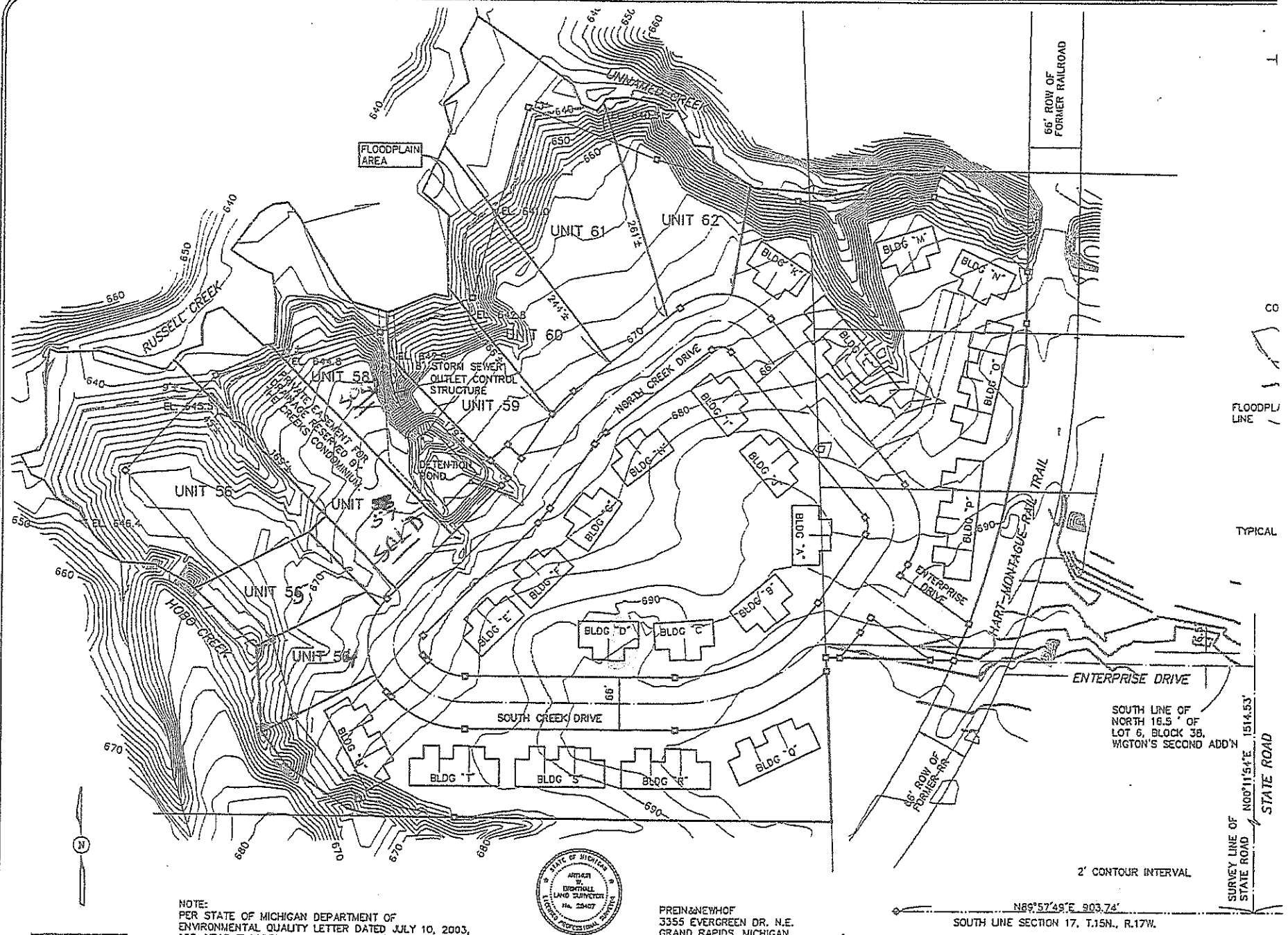
DENISE CHERYL EISENLOHR
Notary Public, State of Michigan
County of Oceana
My Commission Expires Apr. 27, 2025
Acting in the County of Oceana

Denise Cheryl Eisenlohr
*, Notary Public
Oceana County, Michigan
Acting in Oceana County, Michigan
My commission expires: 4.27.25

Prepared by and after recording return to:
Mark A. Van Allsburg, Esq.
Mika Meyers PLC
900 Monroe Avenue, N.W.
Grand Rapids, MI 49503-1423

*Type names under signatures

GR 2003/36423



NOTE:
PER STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY LETTER DATED JULY 10, 2003, 100-YEAR FLOODPLAIN ELEVATION HAS NOT BEEN ESTABLISHED BUT WILL BE CONTAINED WITHIN APPROXIMATELY 8 FEET ABOVE BOTTOM OF RUSSELL CREEK.

STATE OF MICHIGAN ARTHUR W. BRINTHALL LAND SURVEYOR No. 28407 LICENSED PROFESSIONAL SURVEYOR

Aug 28, 2003

PREIN&NEWHOF
3355 EVERGREEN DR. N.E.
GRAND RAPIDS, MICHIGAN
49525

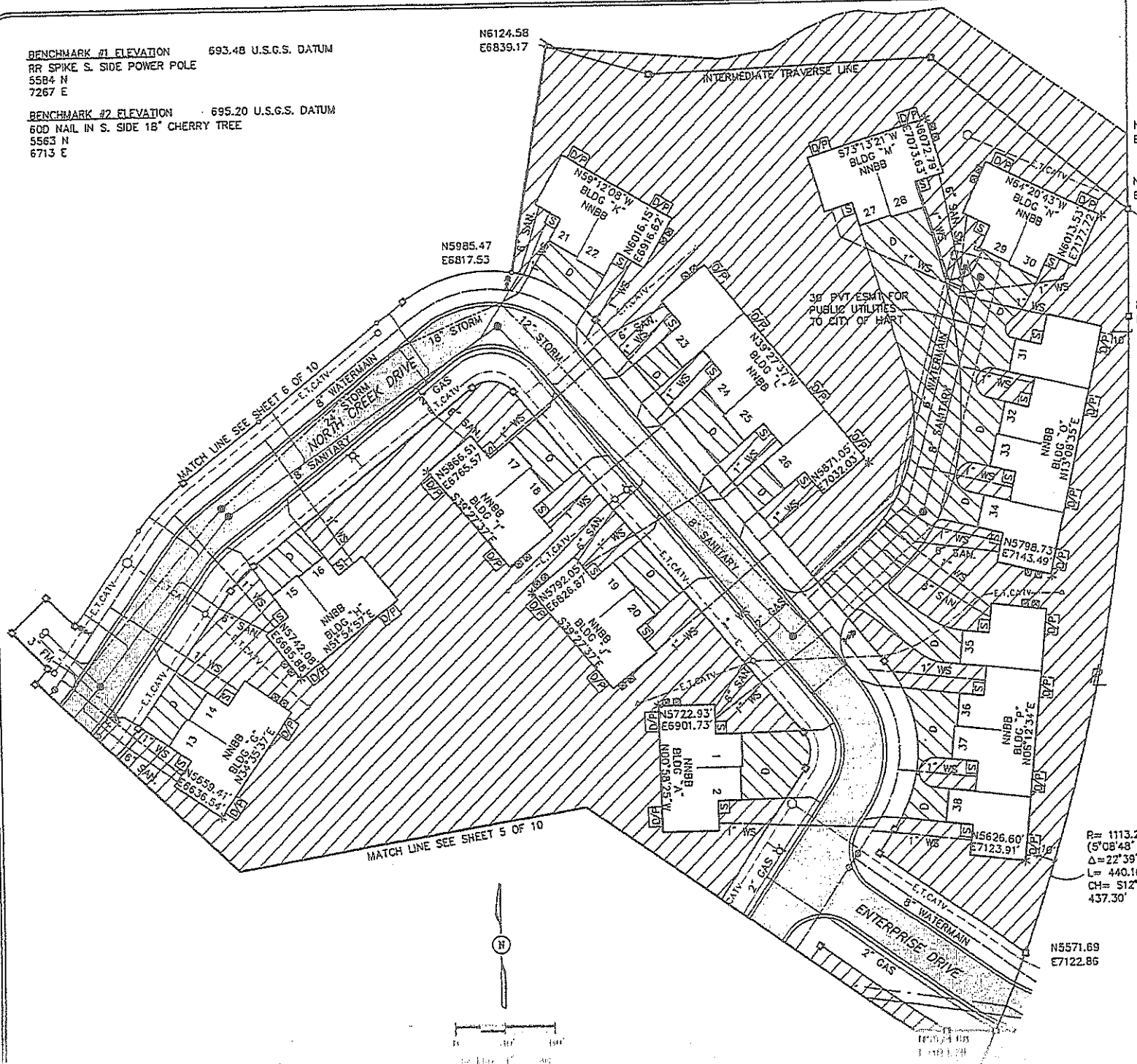
(D) ARTHUR W. BRINTHALL

SOUTH 1/4 CORNER
SECTION 17 T15N, R17W

THE CREEKS
FLOODPLAIN PLAN

BENCHMARK #1 ELEVATION 693.48 U.S.G.S. DATUM
RR SPIKE S. SIDE POWER POLE
5584 N
7267 E

BENCHMARK #2 ELEVATION 695.20 U.S.G.S. DATUM
60D NAIL IN S. SIDE 18" CHERRY TREE
5563 N
6713 E



LEGEND UTILITY

PROPOSED 8" WATERMAIN
PROPOSED 8" SANITARY SEW
PROPOSED SANITARY FORCEM
PROPOSED STORM SEWER
UNDERGROUND ELECTRIC
E.T.CATV — TELEPHONE
GAS
E.T.CATV — CABLE TV
UTILITY METER
D DRIVEWAY
CONCRETE MO
D/P DECK / PATIO
S STOOP / POR
GENERAL COMM
LIMITED COMM
MMB MUST BE BUIL
NNBB NEED NOT BE

NOTE: ALL PUBLIC WATER SEWER & SERVICES, AND S

NOTE: THE ENTIRE PARCEL AS DEFINED IN THE MASTEF

NOTE : ALL UNDERGROUND HEREON IS PER AVAILABLE WHERE ACCESSIBLE AND SI A GUARANTEE OF COMPLET

NOTE : ELECTRIC LINE, TEL SHARE A COMMON TRENCH AS ONE LINE ON THIS DRA

NOTE : ALL ROADS ARE 2 2 FOOT CONCRETE CURB &

STATE OF MICHIGAN ARTHUR H. BRINTNALL LAND SURVEYOR No. 22407 LICENSED PROFESSIONAL SURVEYOR

THE CREEKS
SITE AND UTILITIES

PREIN&NEWHOF
3995 EVERGREEN DR N.E.

LEGEND UTILITY — SOURCE OF INFORMATION

PROPOSED 8" WATERMAIN — FLUSHING HYDRANT — HYDRANT — PREIN&NEWHOF
PROPOSED 8" SANITARY SEWER — MANHOLE — PREIN&NEWHOF
PROPOSED SANITARY FORCEMAIN — CLEANOUT — PREIN&NEWHOF
PROPOSED STORM SEWER — CATCH BASIN — OUTFALL — PREIN&NEWHOF

UNDERGROUND ELECTRIC — CABINET / TRANSFORMER / PEDESTAL / LIGHT POLE — CONSUMERS POWER COMPANY

-E.T.CATV- TELEPHONE — VERIZON GTE ENERGY
GAS
-E.T.CATV- CABLE TV

UTILITY METER
DRIVEWAY
CONCRETE MONUMENT
D/P DECK / PATIO } ARE LIMITED
S STOOP / PORCHES } COMMON ELEMENTS

GENERAL COMMON ELEMENT
LIMITED COMMON ELEMENT

MMB MUST BE BUILT
NNBB NEED NOT BE BUILT

NOTE: ALL PUBLIC UTILITIES MUST BE BUILT.

NOTE: THE ENTIRE PARCEL IS A "CONVERTIBLE AREA" AS DEFINED IN THE MASTER DEED.

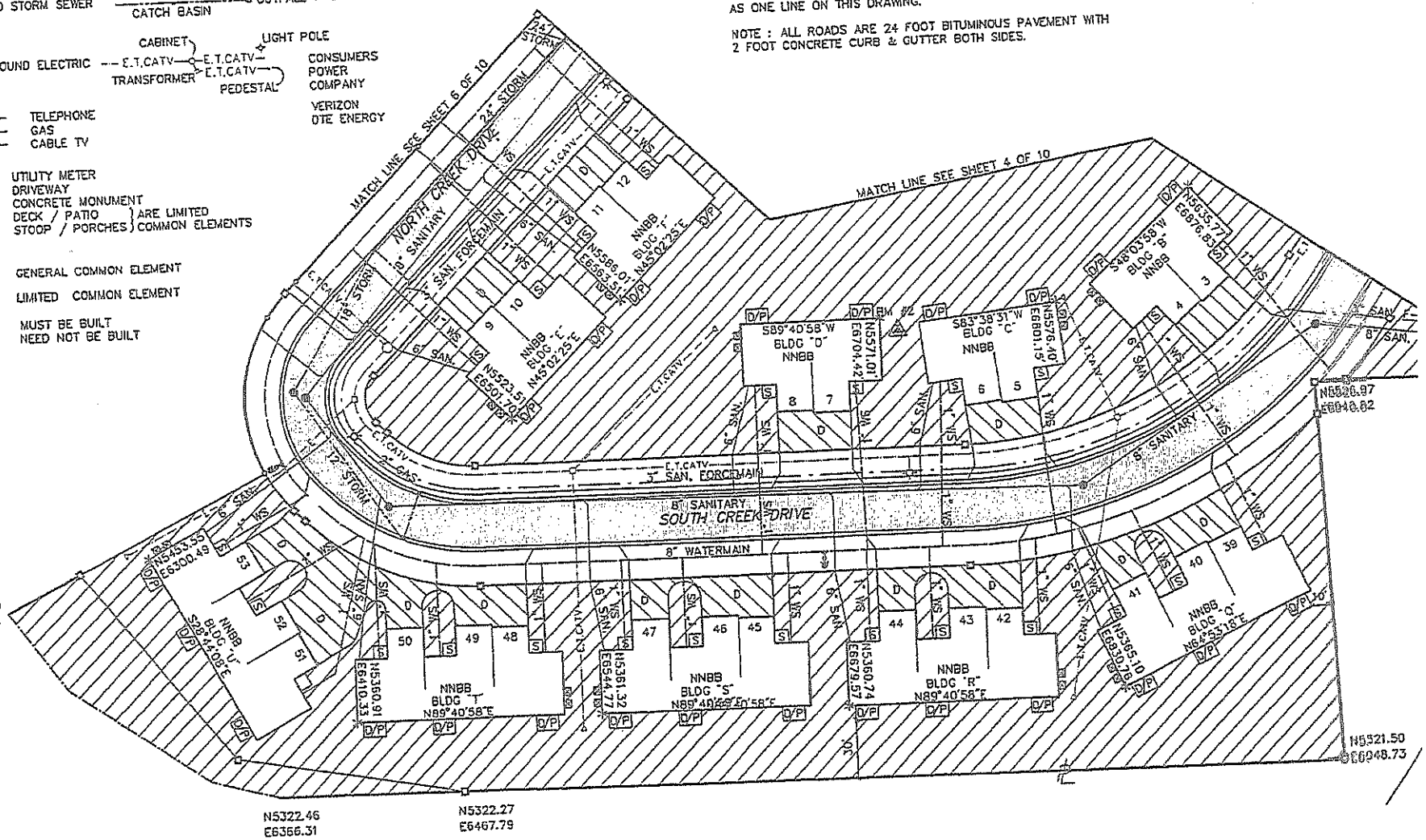
NOTE : ALL UNDERGROUND UTILITY INFORMATION AS SHOWN HEREON IS PER AVAILABLE RECORDS OR ACTUAL MEASUREMENTS WHERE ACCESSIBLE AND SHOULD NOT BE MISCONSTRUED TO BE A GUARANTEE OF COMPLETENESS OR ACCURACY.

NOTE : ELECTRIC LINE, TELEPHONE LINE, AND CATV LINES SHARE A COMMON TRENCH AND ARE THEREFORE SHOWN AS ONE LINE ON THIS DRAWING.

NOTE : ALL ROADS ARE 24 FOOT BITUMINOUS PAVEMENT WITH 2 FOOT CONCRETE CURB & GUTTER BOTH SIDES.

BENCHMARK #1 ELEVATI
RR SPIKE S. SIDE POWE
5584 N
7267 E

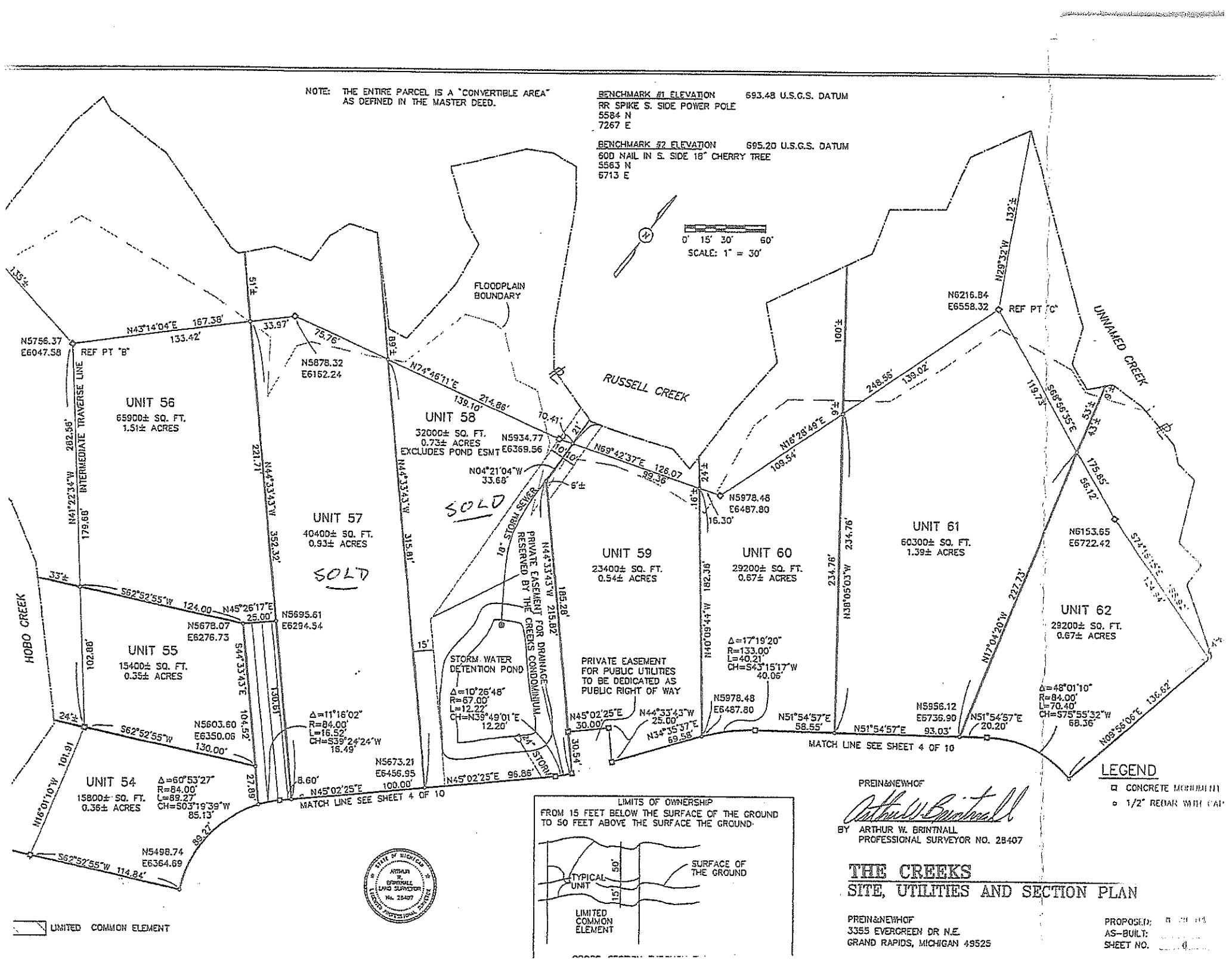
BENCHMARK #2 ELEVAT
60D NAIL IN S. SIDE 18
5563 N
6713 E



N
0' 30' 60'
SCALE: 1" = 30'

STATE OF MICHIGAN — ARTHUR W. BROWNELL — LAND SURVEYOR — No. 22407

THE CREEKS
SITE AND UTILITIES


NOTE: THE ENTIRE PARCEL IS A "CONVERTIBLE AREA" AS DEFINED IN THE MASTER DEED.
BENCHMARK #1 ELEVATION 693.48 U.S.G.S. DATUM
RR SPIKE S. SIDE POWER POLE
5584 N
7267 E
BENCHMARK #2 ELEVATION 695.20 U.S.G.S. DATUM
60D NAIL IN S. SIDE 18" CHERRY TREE
5563 N
6713 E
SCALE: 1" = 30'
FLOODPLAIN BOUNDARY
RUSSELL CREEK
UNNAMED CREEK
HOBO CREEK
N5756.37 E6047.58 REF PT "B"
N6216.84 E6558.32 REF PT "C"
UNIT 54 15800± SQ. FT. 0.36± ACRES
UNIT 55 15400± SQ. FT. 0.35± ACRES
UNIT 56 65900± SQ. FT. 1.51± ACRES
UNIT 57 40400± SQ. FT. 0.93± ACRES SOLD
UNIT 58 32000± SQ. FT. 0.73± ACRES EXCLUDES POND ESMT
UNIT 59 23400± SQ. FT. 0.54± ACRES
UNIT 60 29200± SQ. FT. 0.67± ACRES
UNIT 61 60300± SQ. FT. 1.39± ACRES
UNIT 62 29200± SQ. FT. 0.67± ACRES
INTERMEDIATE TRAVERSE LINE
STORM WATER DETENTION POND
PRIVATE EASEMENT FOR DRAINAGE RESERVED BY THE CREEKS CONDOMINIUM
PRIVATE EASEMENT FOR PUBLIC UTILITIES TO BE DEDICATED AS PUBLIC RIGHT OF WAY
10" STORM SEWER
MATCH LINE SEE SHEET 4 OF 10
MATCH LINE SEE SHEET 4 OF 10
LIMITS OF OWNERSHIP
FROM 15 FEET BELOW THE SURFACE OF THE GROUND TO 50 FEET ABOVE THE SURFACE THE GROUND
TYPICAL UNIT
SURFACE OF THE GROUND
LIMITED COMMON ELEMENT
LIMITED COMMON ELEMENT
LEGEND
CONCRETE MONUMENT
1/2" REBAR WITH CAP
PREIN&NEWHOF
BY ARTHUR W. BRINTNALL
PROFESSIONAL SURVEYOR NO. 28407
THE CREEKS
SITE, UTILITIES AND SECTION PLAN
PREIN&NEWHOF
3355 EVERGREEN DR N.E.
GRAND RAPIDS, MICHIGAN 49525
PROPOSED:
AS-BUILT:
SHEET NO. 6

(k) None of the restrictions contained in this Article VII shall apply to the commercial activities or signs or billboards, if any, of the Developer during the development and sales period as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and Bylaws as the same may be amended from time to time. For the purposes of this subsection, the development and sales period shall be deemed to continue so long as Developer owns any unit which he offers for sale or so long as any additional unit may be created in the Condominium. Until all units that may be created in the Condominium have been sold by Developer, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas, reasonable parking incident to the foregoing and such access to, from and over the project as may be reasonable to enable development and sale of the entire project by Developer.

Section 2. Construction Standards and Architectural Review. An Architectural and Environmental Review Board (Design Agent) will be established for the purposes set forth below. So long as the Developer owns any units or any portion of the expansion area, or until the Developer relinquishes such rights in writing, The Design Agent will be one or more persons appointed by the developer. Thereafter, the Design Agent shall be appointed by the Board of Directors of the Association. The Design Agent shall serve at the pleasure of the Developer or the Association, as the case may be. **The following restrictions will apply to construction by Co-owners on their units and are not applicable to the construction by the Developer:**

(a) Site Plan Review. The Design Agent, shall review and approve the placement, design and exterior finish of the dwelling as well as other buildings and site improvements, plumbing, mechanical, electrical and structural items and landscaping for any building on any lot. This review applies to the original building and improvements and to later additions or alterations. The Design Agent may withhold approval because of lack of compliance with any restriction or condition contained herein or because of its reasonable dissatisfaction with any matters which would render the proposed improvement inharmonious or out of keeping with the Condominium.

(b) Building Size. All dwellings must have a minimum area of 1400 square feet, excluding basements, walkout or otherwise.

(c) Height. All buildings shall comply with the applicable zoning ordinances and building codes.

(d) Setback. Building setbacks shall be subject to the Design Agent's approval and applicable codes and regulations.

(e) Construction Standards. All construction must meet the BOCA Building Code together with state and local ordinances and regulations. All dwellings must have sidewalls of not less than 8 feet in height and roof pitches of not less than 4-12.

(f) Garages. All homes constructed by co-owners shall have, at a minimum, a one car, attached or unattached garage. Garage doors shall be kept closed at all times except when necessary for ingress or egress into garages.

(g) Outbuildings. Only one outbuilding shall be allowed on each unit with design agent approval. All outbuildings shall be of similar materials and architecturally conform to the main structure located on the unit and shall not exceed 50 square feet in area.

(h) Length of Construction Period. All buildings commenced and/or remodeled shall be completed on the exterior within twelve months after start of construction, and all construction waste materials (including excess soil) shall be removed from the premises or stored within the building. All landscaping shall be finished within one year after start of construction. Excavation starts the beginning

of construction. The unit Co-owner shall be responsible for keeping the common areas free from construction waste materials and soils from his unit.

(i) Utilities. All utilities shall be located underground. The Co-owner shall notify the Developer when electric service is furnished to the Unit.

(j) Fences and Markers. No fences shall be permitted (except as part of a deck, patio or pool). Underground dog fences are permitted. No lot line nor corner markers shall be erected by Co-owners.

(k) Paving. Driveways and sidewalks shall be surfaced with a material acceptable to and approved by the design agent and shall match into the edge of existing streets and sidewalks.

(l) Landscaping. Trees over 4" in diameter, measured 4' above grade, cannot be removed without Association's approval. Planting of flowers, shrubs and trees may be done by Co-owners within 5' of the edge of the dwelling and shall be maintained in a healthy and attractive condition, by the Co-owner.

(m) Antennas. No satellite, DSS nor other communication dish nor device in excess of 14 inches in diameter nor any antennas shall be placed on the exterior of any unit.

(n) Building Plan Review.

(i) Preliminary Plans. Preliminary plans should include the site plan, floor plans for all levels of the home and elevations of all sides of the home. A color rendering of the home with landscaping is desirable.

(ii) Materials and Colors. Material and color selection for all the exterior elevations are to be submitted, specifically masonry, siding, trim, garage door(s) and roof. Wood, paint or stain samples as well as brick selection must be submitted.

(iii) Final Approval. For final approval, 4 sets of working drawings are to be submitted to include site plans, floor plans, all exterior elevations, and construction details, designed and stamped by a registered professional architect (unless waived in writing by the Design Agent). These drawings shall incorporate any required revisions from the preliminary submission.

Section 3. Enforcement. Failure to comply with any of the terms of the Act, the Master Deed, these Condominium Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, shall be grounds for relief, which may include, without limitation, an action to recover sums due for such damages, injunctive relief, and any other remedy that may be appropriate to the nature of the breach. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by the Act, the Master Deed, these Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future.

ARTICLE VII A

MULTI-FAMILY BUILDING USE AND OCCUPANCY RESTRICTIONS; ENFORCEMENT

Section 1. Establishment of Restrictions. In order to provide for congenial occupancy of the Condominium, and for the protection of the value of the units, the use of Condominium property shall be subject to the following limitations:

state. This is a national issue as a result of federal policy to move to more green energy. It is a new way of life," he said.

In other news from the city manager Splane updated the council on the Creeks property that has been in discussions for the past several years and up for sale the past several months.

"The property is in the process of being sold to a developer who has plans to begin construction on several duplex condos in the center "loop" of the property. On the west side of the property there are sites available for single family condos and to the north and east room for single-family homes," Splane said.

The city has tentatively been awarded a Rural Business Development grant to demolish the old Walker's building on East Main Street, remediate the space for "start-up" business incubator sheds and provide extra downtown parking. The grant is pending reviews by the Michigan State Historical Preservation Office (SHPO).

"Anytime a project is within 800 yards of a lake or stream and is being funded by federal dollars, a SHPO review must be conducted to determine if it is an historical site," Splane said. The environmental review must be completed by July 29 for the city to actually receive the funds.

Action items at the meeting included the following — Resolution 2022-18 gave approval of the city's FY2023 annual budget. A "Truth in Taxation" hearing formalized the revenue needed to meet the projected expenditures.

cost of $48,382 from Garber Chevrolet on the east side of the state. Quotes were sought through the state's MiDeal program, however the city was notified of the availability of this truck, and it came in under the MidDeal quote.

"While the city likes to use local businesses whenever possible, this purchase will provide savings and the much needed piece of equipment sooner," said Splane.

The city's Griswold Street force main project (funded in part by an $810,000 CDBG (Community Development Block Grant) is presently awaiting the completion of an environmental study. To prevent further delay for this project, Resolution 2022 — 20 authorized "awarding" the low bid of $1,139,750 bid for the work to Hallack Contracting of Hart so that the pipes needed for the project can be ordered. Formal contracts with the company will be signed once the environmental study is complete.

Resolution 2022-21 permitted submitting a letter of intent to the EDA (Economic Development Administration) committing to provide the matching funds required as part of the grant. The city has applied to Michigan's CWSRF (Clean Water State Revolving Fund) for the matching dollars. However if the loan is not approved, the letter of intent states the city will sell the PA94 bonds on the open market to meet the match requirement.

During council communications, in response to a complaint about the disrepair of streets from Kristi's Pour House owner George Sadler Councilor Jim Evans addressed Sadler and asked

seat up to 120 people, however banks discouraged the idea, citing lack of parking. Sadler did say the building is for sale and that two showings had been held Tuesday (June 14). Evans also requested that the meeting agendas not use acronyms for agenda items. He shares the document with his neighbors and acronyms are very ambiguous.

Councilor Fred Rybarz asked what the city's policy was on fixing potholes and other street issues. Splane stated that the current policy is to fix as soon as possible, however ,paving companies like to wait until the city has several projects as it is a better use of their time and equipment.

"They like to schedule when they are in the area," he said. Department of Public Works Superintendent Brad Whitney further explained how the city deals with potholes and other street issues citing that whether they do a temporary fix with "cold patch" or schedule major construction depends on a lot of things. The East Main street issue not only requires surface replacement but because the street surface is eight inches thick it requires another contractor to cut out the old concrete, as the city does not have the equipment to go that deep. Rybarz also gave an update on the BioPure situation saying that he and BioPure Superintendent Paul Cutter have been in close communication the past several weeks developing strategies for how to manage industry flows and the wastewater plant's upcoming major infrastructure project.

6-30-22

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CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
June 28th , 2022
MINUTES – Draft

PRESENT: Mayor Vicki Platt, Councilors: Jim Evans, Dean Hodges, Amanda Klotz, Fred Rybarz, and Kris Trygstad
ABSENT: Catalina Burillo
OTHERS PRESENT: City Manager – Rob Splane, City Clerk – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, Energy Superintendent – Mike Schiller, Prein & Newhof Barbara Marczak, Dick Huntington, George Sadler, and Teri Heacock

Mayor Platt called the meeting to order; following the roll call, the mayor led the Council in the pledge of allegiance.

APPROVAL OF AGENDA:

- F. Rybarz motioned to approve the agenda and was supported by A. Klotz
  - Ayes: 6 Nays: 0 Absent: 1

PUBLIC COMMENTS:

- Mr. Huntington 115 Creek Dr. Hart Mi 49420, regarding the Creeks Subdivision, I've met with Rob and the potential developer, as far as I know that is all the future its gone as we have not heard anything different, but the other day there was a surveyor up there for a good day or so and laid out what looks like a Tri-plex on the south east corner just behind the sign when you come into the division, for a tri plex unit which is that that lot is designed for on the map. So, I came down to City Hall to talk to Rob as for any construction being done needs to go thru the HOA before, they can break ground as there needs to be a site plan and it must be approved. In talking to Rob, he said he was aware that the developer was looking at the northwest corner to put a duplex on, but I have seen no stacks there. I just wanted to make sure and be clear that all the lots are still answerable to the HOA when it comes to a building plan as it is all laid out in the master plan deed and that also goes for the City lots as the plans have to be approved before construction. So hopefully we don't wake up one morning and see a backhoe out there digging when the HOA has not seen any site plans as the next stop will be at the lawyer's office to get a stop work order. When talking to the contractor he stated that the inner circle would remain HOA and he wanted to buy all the remaining lots and turn them all into single family homes, but still no guarantee without the HOA having the site plan approval so at this time the HOA is not willing to amend the HOA and give away the site plan approval process. At this time, we don't know what the realtor is doing, or the contactor are doing but there are several people interested in purchasing lots in the creeks to build homes like are already in there.
- Mr. Sadler 211 East Main, Hart Mi 49420 was inquiring on an update on street patching as the holiday weekend is coming up and I took a ride this morning and counted 21 patches from State St to Oceana drive and there is some serious fixing that needs to be done and in talking to Rob he stated it is on the 20-year plan, but I don't feel it is going to wait 20 years.
  I noticed on the flyer for Hart Sparks that there are going to be food trucks downtown. We have 9 restaurants downtown that pay taxes every year, so why would we allow food trucks to come in here when they don't pay taxes and they don't contribute to the community, but they take out of the community. I don't understand why there will be food trucks down there and I have left that message for our parttime economic developer and have yet to hear back.

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- PUBLIC HEARING: Water System Improvements Final Project Plan and Drinking Water State Revolving Fund Loan.
  - A. Klotz motioned to open the Public Hearing at 7:41pm and supported by K. Trygstad
    - Ayes: 6 Nays: 0 Absent: 1

Barbara Marczak from Prein&Newhof presenter.
FY2023 Drinking Water Revolving Fund Project Plan (DWRF)
Michigan's DWRF is a low interest loan program to help communities pay for wastewater system improvements with interest rates right around 2% the last few years.
Federal infrastructure funding including ARPA and IIJA is being distributed through State Revolving Fund (SRF) programs nationwide and may come with some principal forgiveness over the next few years (essentially a grant)
Drinking Water Revolving Fund- Project Plan
A project plan is required to apply for the program which needs 5-year and 20-year planning periods and for water we address things such as Public Health Problems, Low Flow Areas, and Aging Infrastructure.
For each project we look at an analysis of alternatives, capital costs, advantages and disadvantages and life cycle cost of each as well as Environmental impacts.
Why are we doing this? Asset Management Plan and Capital Improvements as an overall as the theory is it is much more expensive do projects like fix water mains and sewers under emergency scenarios than having a planned scenario under asset management.
Water System
7 Production wells (2 wells no longer used)
16 Miles of Distribution Pipe
2 Elevated Storage Tanks
1 Booster Station
The projects we are looking at to be constructed in conjunction with the sewer upgrades approved last fall which again have been part of the scheduled Asset Management Plan and Capital Improvement Plan.
Lead Service lines replacement is now required, City of Hart has about 950 total water services, required to replace about 800 services (lead or galvanized lines connected to lead goosenecks). The City is required to replace them all the way from the watermain to house as the Safe Drinking Water Act requires replacement of 5% per year (40 per year) starting in 2021 at roughly $10,000 each = $400,000 per year!!!
Project Selection for lead service line replacements we are focused on areas with small old diameter watermains, areas with poor sewers along with poor road surfaces. (Map is available at City Hall for residents to view)
Financial Impacts, Cost to average residential user anticipated to be less than $4.50 per month. The amount will be determined through a financial analysis once final grant and loan amounts are determined.
Environmental Impacts, all projects are in existing roadways or previously disturbed soil, except possibly replacement of flood well, temporary impacts due to construction (noise, dust, inconvenience), but will address impacts that are found if needed.
What happens next is if the Project Plan is approved and adopted it will be submitted by July 1st and that starts the plan with EGLE who only takes the plans once a year and they work on the list over the next few months and publish it early September which they have a public hearing process and who score and rank all projects submitted and should know approved project list by October 1st.

With no public comments or concerns,

- F. Rybarz motioned to close the Public Hearing at 7:56pm and supported by J. Evans
  - Ayes: 6 Nays: 0 Absent: 1

- PUBLIC HEARING: Truth in Taxation hearing to increase property taxes above that current year millage reduction fraction.
  - A. Klotz motioned to open the Public Hearing at 7:57pm and supported by K. Trygstad
    - Ayes: 6 Nays: 0 Absent: 1

As presented at last weeks council meeting this is a formality required by the State. Current operating millage rate for the City of Hart is 15.1527. Each year the State releases a Millage reduction fraction the concept is as property values go up; the millage rate goes down leave a net lose to the City. Without having a Public Hearing, the City would be mandated to reduce the tax rate to 14.645 mils which could come as a loss in revenue to the City, with holding the Public Hearing the City is allowed to mitigate that millage reduction fraction. The City has

sought to keep that revenue as once you lose that revenue you have to go back to the public to vote to increase mileages.

With no public comments or concerns

- J. Evans motioned to close the Public Hearing at 7:59pm and supported by A. Klotz
  - Ayes: 6 Nays: 0 Absent: 1

- PUBLIC HEARING: Sale of City Property – Creeks Subdivision.
  - J. Evans motioned to open Public Hearing at 8:00pm and supported by A. Klotz
    - Ayes: 6 Nays: 0 Absent: 1

As a formality there was a public hearing back in 2021 it has come to the City Managers attention as the City has been doing some legal review on the property itself Mika Meyers discovered that the Resolution passed by City Council last year there was not enough City Council members present even though it was passed unanimously there were only 4 members present and per City Charter there needs to be at least 5 City Council members present to sell any City property. So as a formality to move forward the City wants to make sure down the road there are no issues.

J. Evans asked if this pertained to the 7 lots on the south side and how much are they being sold for?

City Manager Splane, this is for any lot sold in the Creeks and lots are anywhere from $17,500-$19,000, and the City is continuing to work with a developer to develop the other common area space which is still in negation, and the proposed price was $7,000 per unit, but that has not been approved yet.

J. Evans asked what $17,000 is based upon comparable? Which yes, the City's realtor believes that is fair market value for the properties.

Resolution presented would only the City Manager to enter into any contractual agreements, as the purchase of any individual properties would go before City Council, but as directed by the Council the commons space that is all one large parcel didn't want to micromanage the development of each individual unit on that property. As Mr. Huntington indicated there will be a PUD process that would have to have the blessing of the HOA, go through the Planning Commission, and would also have to be approved City Council.

F. Rybarz asked, this process would take what isn't a plated subdivision to a plated subdivision. City Manager Splane stated that the realtor the City is working with along with some local mortgage people in the area indicated that to sell the property the way it sites is difficult as you are not selling any land which prevents you from being qualified for loans.

The City intends to work with a developer to develop the property so there is consistency in construction along with the look of the development, the developer would purchase that property from the City and develop it, Werther the developer wanted to build the homes and sell them or work with the buyers to build, that would be up to the developer.

With no other public comments or concerns

- A. Klotz motioned to close the Public Hearing at 8:15pm and supported by F. Rybarz
  - Ayes: 6 Nays: 0 Absent: 1

CONSENT AGENDA:

- Approval of minutes from June 28th, 2022.
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
  - A. Klotz motioned to approve Consent Agenda and supported by K. Trygstad
    - Ayes: 6 Nays: 0 Absent: 1

ACTION ITEMS:

- Resolution 2022-22- Adopt Final Project Plan for Water System Improvements.

  WHEREAS, the City of Hart recognizes the need to make improvements to its existing Wastewater collection system; and

  WHEREAS; the City of Hart authorized Prein&Newhof to prepare a Project Plan, which recommends replacement of aging and undersized water main, replacement of lead and galvanized water services, installation of looping within the water distribution system, and replacement of a well to improve reliability and redundancy; and

WHEREAS; said Project Plan was presented as a Public Hearing held on June 28th 2022 and all public comments at the hearing or written comments submitted during the public comment period have been considered and addressed.
WHEREAS; to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:
NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL.

Formally adopts said Project Plan and agrees to implement the selected FY2023 projects based on the selected alternatives for these projects.

Designate the City Manager, as the authorized representatives for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a Drinking Water State Revolving Fund Loan to assist in the implementation of the selected alternatives.

- F. Rybarz motioned to approve Resolution 2022-22 Adopt Final Project Plan for Water System Improvements and supported by J. Evans
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2022-23 – Adoption of 2022 Millage Rates and Levy

WHEREAS, the City of Hart has established a general millage for operating purposes and voted millage for the cemetery and street improvements in 2018 and 2022, respectively; and
WHEREAS. The City conducted a "Truth In Taxation" hearing on June 28th, 2022 which permits the proposed tax rates to exceed the maximum rates allowed by "Headlee" rules (MCL 211.34); and
WHEREAS, the City has determined that for FY2023 that it is necessary to levy the maximum allowable mill levy,
NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL.
Adopts and levies the following tax rates for 2022 as follows.

PURPOSE	2022 MILLAGE RATE
Operating	12.6364
Streets (voted March 2020)	1.993
Cemetery (Voted November 2018)	.499
TOTAL	**15.1284**

- FR. Rybarz motioned to approve Resolution 2022-23 Adoption of 2022 Millage Rates and Levy and supported by A. Klotz
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2022-24 Sale of City Property

WHEREAS, in 2017, the City of Hart took possession and ownership of The Creeks Condominiums, a residential condominium, for unpaid taxes and special assessments after many years of negotiating with the involved parties; and
WHEREAS, the use of the property is restricted by the condominium documents to residential development and is not available to the public for park or similar purposes; and
WHEREAS, the City would like to move forward with activities which promote development of this property as a residential development; and
WHEREAS, the lands are not needed for any purpose of the City, and sale of lands within The Creeks Development is in the public interest, and
WHEREAS, the City Council has held a public hearing following due notice to hear and consider any public comments on the sale of these properties.
NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL.

Approves the sale of some or all of the lands owned by the City within the Creeks Condominium and authorizes and directs the City Manager to sign and execute the option in substantially the form on file with the City, or purchase agreements, and to execute and deliver deeds and other instruments as may be necessary or convenient to convey the properties within The Creeks Development.

- J. Evans motioned to approve Resolution 2022-24 Sale of City Property and supported by K. Trygstad
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2022-25 FY 2022 Budget Amendments.
  WHEREAS, the City Council may amend the annual budget to reflect changes in purchasing patterns or revised objectives; and
  WHEREAS, the City Council desires to secure the benefits of efficient self-governance and to promote and protect our common interests and welfare; and
  NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL.
  Amends the FY2022 Annual Budget as follows.

Fund	GL Number	DESCRIPTION	Adopted	Amended	Justification
General	101-000.000-573.000	LOCAL COMMUNITY STABILIZAT	$15,000	$54,494	Increase state contribution revenue
General	101-000.000-540.000	STATE GRANT	$300,000	$0	DNR Grant to be carried to 2023
General	101-172.000-970.009	Property Acquistion	$4,000	$4,645	Purchase of mudget wood shop - historic district
General	101-301.000-702.805	Part Time Employee	$18,500	$32,000	Police staffing shortage due to injury and scheduling difficulty
General	101-301.000-702.900	OVERTIME	$20,000	$31,950	Police staffing shortage due to injury and scheduling difficulty
General	101-441.000-702.800	WAGE (REG EMPLOYEE)	$172,689	$217,615	FY22 budget did not include contractural raises
General	101-441.000-970.001	LEASE PMT STREET SWEEPER 20	$0	$64,300	New line item to track street sweeper lease expense
General	101-775.000-818.000	CONTRACTURAL SERVICE	$0	$31,704	Pocket park city match
Major Streets Fur	203-970.000-970.223	LINCOLN ST. IMP	$0	$275,713	Lincoln Street cost overruns - unpaid from 2021
Major Streets Fur	202-000.000-577.100	ST. SHARED REV-GAS/WGHT TA	$141,603	$173,491	Increase in state gas tax revenue
Local Streets Fun	203-000.000-577.100	ST. SHARED REV-GAS/WGHT TA	$60,868	$72,200	Increase in state gas tax revenue
Local Streets Fun	203-970.000-970.223	LINCOLN ST. IMP	$0	$275,713	Wigton Street Construction - planned expense
Street Milleage	204-000.000-970.610	Lincoln Street Imp	$0	$8,700	Change order Lincoln street construction - water valves
Park	208-000.000-998.005	Bank Fee Charges	$0	$82	Bank Fees moved to new line item per 2022 Audit.
Park	208-751.000-715.905	OPEB(OtherPostEmloymentBe	$0	$20,000	Annual OPEB - benefit contribution 101-172.000-715.905
Park	208-751.000-920.000	UTILITIES(HEAT,WATER,ELECT,S	$18,720	$35,508	New electric metering of John Gurney Park
TIFA	215-000.000-999.245	Sidewalk Replacement	$35,000	$0	Sidewalk project moved to FY23
Lake Imp SAD	241-000.000-801.000	PROFESSIONAL SERVICES	$9,700	$29,549	Moved Lake Treatment from Contractural services to Professional
Lake Imp SAD	241-000.000-818.000	CONTRACTURAL SERVICE	$19,000	$2,295	Moved Lake Treatment from Contractural services to Professional
Special Rev. Fund	285-000.000-501.000	FEDERAL GRANT ARPA	$0	$108,663	Second payment pending
Hydro Fund	580-537.100-801.000	PROFESSIONAL SERVICES	$10,000	$19,320	System Modeling Project and SCADA work at Dam
Hydro Fund	580-537.100-801.540	MDEQ FINES/PENALTIES	$24,840	$0	No fines from MDEQ per Administrative Consent Order
Hydro Fund	580-537.200-740.800	REPAIRS & MAINTENANCE	$200,000	$0	Power plant project moved to FY23
Hydro Fund	580-537.300-740.000	OPERATING SUPPLIES	$75,000	$166,867	Inventory to midlgate supply issues/inflation - Pole replacement
Hydro Fund	580-537.300-801.000	PROFESSIONAL SERVICES	$10,000	$54,780	Emergency Repairs to substation
Hydro Fund	580-537.300-818.000	CONTRACTURAL SERVICE	$10,000	$62,846	Tree Trimming per council resolution award
Hydro Fund	580-970.000-801.000	PROFESSIONAL SERVICES	$0	$22,095	Dam Embankement Engineering
Hydro Fund	580-970.000-818.662	Vehicle Replacement	$277,401	$131,812	Bucket truck and service truck purchase
Sewer Fund	590-000.000-643.000	METERED SALES TO GENERAL CU	$360,000	$393,200	System use higher then expected
Sewer Fund	590-000.000-643.200	METERED SALES TO INDUSTRIAL	$1,542,122	$1,667,016	System use higher then expected
Sewer Fund	590-000.000-694.100	Loan Proceeds	$8,409,000	$0	State Revolving Loan Funding Expected in FY23
Sewer Fund	590-527.100-740.800	REPAIRS & MAINTENANCE	$7,500,000	$0	Projects pending State Revolving Fund Loan
Sewer Fund	590-527.100-920.200	ELECTRICITY	$380,000	$445,374	System use higher then expected
Sewer Fund	590-527.100-983.200	Sludge Removal	$250,000	$0	Sludge Hauling budget for FY23 = $480,000
Sewer Fund	590-527.400-801.001	2210874 FORCEMAIN REPLACE	$0	$67,408	Engineering awarded per council resolution
Sewer Fund	590-970.000-801.010	Prof Services - Engineering	$10,000	$112,969	State revolving loan consulting and
Water Fund	591-000.000-540.000	STATE GRANT	$0	$42,647	Drinking Water System Management Grant
Water Fund	591-547.400-715.905	OPEB(OtherPostEmloymentBe	$4,100	$20,000	Annual OPEB - benefit contribution
Water Fund	591-547.400-801.002	2200777 DRINKING WATER ASS	$0	$49,856	Grant Work
Property Tax Fun	710-000.000-402.000	CURRENT PROPERTY TAXES	$0	$2,440,055	Property Tax Fund Income
Property Tax Fun	710-000.000-999.612	DisburseToMultiUnits	$0	$2,432,351	Property Tax Fund distribution

- F. Rybarz motioned to approve Resolution 2022-25 FY 2022 Budget Amendments and supported by J. Evans
  - Ayes: 6 Nays: 0 Absent: 1

DISCUSSION ITEMS:

- City Manager Evaluation Review.
- City Manager performance evaluation PDF was sent out to City Council members to fill out and submit back to Mayor Platt on or before June 24th presented at City Council meeting.

Compiled reviews submitted, I did a very simple calculation and averaged out the scores based on the reviews that where submitted, I also included my own self review. I also intend to write a response letter that I will have in front of Council at the next meeting. I felt the evaluations where fair and I did include everyone's comments. I would say it's been a rather challenging year and I've learned a ton and will continue to keep learning as we've made a lot of good changes as we are really trying to no longer do things the way it has always been done. More and more of our department heads and city staff are looking to change things that have not been looked at for years and get them updated.

- **CLOSED SESSION** – Per Section 8(C) of the Open Meeting Act: For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiation party requests a closed hearing.
    - A. Klotz motioned to go into closed session per section 8 (C) of the Open Meetings Act: For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiation party requests a closed hearing at 8:20pm and supported by K. Trygstad
        - Ayes: 6 Nays: 0 Absent: 1
    - J. Evans motioned to go back into regular meeting and adjourn from Closed Session at 8:40pm and supported by A. Klotz
        - Ayes: 6 Nays: 0 Absent: 1
    - J. Evans motioned that based upon the conciliation with legal staff, comparatives that have been done, and the status of negotiations that the council approves the tentative offer that has been proposed to the union by our personal and finances committee to execute the contract and supported by A. Klotz
        - Ayes: 5 Nays: 1 Absent: 0

CITY MANAGER'S REPORT:

- Working with BioPure Superintendent – Paul Cutter to draft a public statement regarding the odors
- Working with BioPure to identify and work with candidates that could provide bio-solid hauling services to the City of Hart
- First music on the commons with the market went well between 100-150 attended
- Hart Sparks this Saturday July 2nd festivities start at 6pm with music by Stolen Horses band at 7:30 and fireworks at dusk.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- F. Rybarz asked if there are issues finding land to dump the City's bio-solids? P. Cutter said yes, we do have issues finding land as right now all the crops are planted, and you need at least 400 acres.
- Mayor V. Platt the NAF was a good turn out and the parade was really good. Thank you to everyone who attended.

ADJOURN:

- There being no further business to come before the Council, the meeting adjourned at 8:55pm upon a motion by A. Klotz and supported by K. Trygstad. The next regularly scheduled meeting will be on July 12th, 2022, at 7:30 pm.

Respectfully Submitted

Karla Swihart

Karla Swihart, City Clerk

Payables Date: 07/12/2022	Description	Total	General +	DPW	Energy	BPTF	Water
A&L Great Lakes Labs	Soil Testing	$ 102.00				$ 102.00	
Absopure Water	Water for dispenser	$ 93.60			$ 93.60		
Adams, Matt	Phone Reimbursement	$ 35.00		$ 35.00			
Adams, Matt	Boot Allowance	$ 100.00		$ 100.00			
Bell Equipment	Street Sweeper Lease Pmt	$ 5,800.00		$ 5,800.00			
Birkman, Terry	Boot Allowance	$ 150.00			$ 150.00		
Brickely DeLong	Accounting Assistance	$ 495.00	$ 123.75		$ 123.75	$ 123.75	$ 123.75
Charter	PD/CH Fax Lines	$ 119.64	$ 119.64				
Charter	Historic District	$ 81.00	$ 81.00				
City of Hart	Utilities	$ 60,364.21	$ 1,774.97	$ 1,097.16	$ 1,672.29	$ 50,450.12	$ 5,369.67
Cutter, Paul	Boot Allowance	$ 100.00				$ 100.00	
Dacott Energy	Power Purchase Report	$ 650.00			$ 650.00		
Denengelse, Karla	Deposit Refund	$ 182.32			$ 182.32		
Eisenlohr, Mike	Phone Reimbursement	$ 35.00		$ 35.00			
Eisenlohr, Mike	Boot Allowance	$ 100.00		$ 100.00			
ETNA	Parts/Supplies	$ 596.90				$ 596.90	
Freed Mgmt	#6 JGP Mgrs	$ 3,570.00	$ 3,570.00				
Frontier	Diesel Plant	$ 94.48			$ 94.48		
Garcia, Vianca	Deposit Refund	$ 123.28			$ 123.28		
Gillison's	Credit Memo	$ (10.64)				$ (10.64)	
Greiner, Calvin	Deposit Refund	$ 6.17			$ 6.17		
Hansen's Foods	UPS Charges	$ 26.81				$ 26.81	
Hart Area Fire Department	4 Qtr A-M-J 2021/2022 Fire Protection	$ 12,496.25	$ 12,496.25				
Hart Township Treasurer	Property Taxes 1648 W. Polk Rd.	$ 251.24				$ 251.24	
Horizon Community Planning	Planning Services	$ 92.25	$ 92.25				
HydroCorp	Cross Connection Control Program	$ 707.00					$ 707.00
Ingalls, Joe	Phone Reimbursement	$ 35.00		$ 35.00			
Ingalls, Joe	Uniform Allowance	$ 275.00	$ 275.00				
Kies, Chris	Phone Reimbursement	$ 35.00				$ 35.00	
Kies, Chris	Boot Allowance	$ 100.00				$ 100.00	
KISM, LLC	Lift Station Work	$ 14,194.00				$ 14,194.00	
Kleiner, Nichole	Phone Reimbursement	$ 35.00	$ 35.00				
Klotz Auto Parts	Auto Parts/Supplies	$ 1,816.28		$ 99.22	$ 1,630.08	$ 86.98	
LARA	LIEAF Program	$ 980.98			$ 980.98		
Lighthouse Car Care	Oil Change - Tire Repair	$ 56.00	$ 46.00	$ 10.00			
Lloyd, Frank	Boot Allowance	$ 100.00				$ 100.00	
Ludington Daily News	MOC/Hart Sparks	$ 515.00	$ 515.00				
Ludington Daily News	Pub. Hearing/Water Report/Combined Notice	$ 2,799.00	$ 870.00			$ 711.00	$ 1,218.00
Mantyck, Liz	Phone Reimbursement	$ 35.00	$ 35.00				
Mantyck, Liz	Uniform Allowance	$ 275.00	$ 275.00				
Model Coverall Service	Uniforms/Rugs/Rags	$ 564.28		$ 188.60	$ 79.85	$ 295.83	
Moore, Andrew	Phone Reimbursement	$ 35.00	$ 35.00				
Moore, Andrew	Uniform Allowance	$ 275.00	$ 275.00				
MPPA	Purchased Power	$ 37,448.58			$ 37,448.58		
Power Line Supply	Parts/Supplies	$ 162.00			$ 162.00		
Power Line Supply	Parts/Supplies	$ 304.19			$ 304.19		
Power Line Supply	Parts/Supplies	$ 150.67			$ 150.67		
Power Line Supply	Parts/Supplies	$ 38.32			$ 38.32		
Pranger Property Mgmt	CH/CC Cleaning Services	$ 168.00	$ 168.00				
Quill	Office/Kitchen Supplies	$ 209.04	$ 209.04				
Quill	Office/Kitchen Supplies	$ 21.84	$ 21.84				
Republic Services	Starting Block Garbage Svcs	$ 222.32			$ 222.32		
Ricoh	Copier Overage Fees	$ 116.22	$ 116.22				
Riggs, Jason	Phone Reimbursement	$ 35.00	$ 35.00				
Riggs, Jason	Boot Allowance	$ 100.00		$ 100.00			
Rivers Ace	Parts/Supplies	$ 868.78		$ 868.78			
Salazar, Juan	Phone Reimbursement	$ 35.00	$ 35.00				
Salazar, Juan	Uniform Allowance	$ 275.00	$ 275.00				
Schiller, Mike	Reimburse Parts Expense	$ 58.68			$ 58.68		
Schiller, Mike	Phone Reimbursement	$ 35.00			$ 35.00		
Schiller, Mike	Boot Allowance	$ 150.00			$ 150.00		
Schmieding, Kevin	Phone Reimbursement	$ 35.00			$ 35.00		
Schmieding, Kevin	Boot Allowance	$ 150.00			$ 150.00		
Schutter, Pam	Deposit Refund	$ 125.23			$ 125.23		
Skipski, Kevin	Phone Reimbursement	$ 35.00	$ 35.00				
Skipski, Kevin	Uniform Allowance	$ 275.00	$ 275.00				
Soelberg, Jesse	Deposit Refund	$ 102.56			$ 102.56		
Splane, Rob	Car Allowance/Phone Reimbursement	$ 335.00	$ 335.00				
Stoneman, Thomas	Phone Reimbursement	$ 35.00				$ 35.00	

--OVER--

Payables Date: 07/12/2022	Description	Total	General +	DPW	Energy	BPTF	Water
Stoneman, Thomas	Boot Allowance	$ 100.00				$ 100.00	
Syncwave	Internet Hosting	$ 468.14	$ 107.66	$ 84.27	$ 84.27	$ 191.94	
Trace Analytical	Water Testing	$ 118.50				$ 118.50	
Tractor Supply	CC - Parts/Supplies	$ 180.16			$ 180.16		
VanAgtmael, Scott	Phone Reimbursement	$ 35.00			$ 35.00		
VanAgtmael, Scott	Boot Allowance	$ 150.00			$ 150.00		
Vandervest Electric Motor	Motor	$ 425.00			$ 425.00		
VanZoeren, Andrew	Phone Reimbursement	$ 35.00			$ 35.00		
VanZoeren, Andrew	Boot Allowance	$ 100.00		$ 100.00			
Whitney, Brad	Boot Allowance	$ 100.00		$ 100.00			
Whitney, Devin	Reimburse Glove Expense	$ 7.73			$ 7.73		
Whitney, Devin	Phone Reimbursement	$ 35.00			$ 35.00		
Whitney, Devin	Boot Allowance	$ 150.00			$ 150.00		
Wilson Industrial	Phosphoric Acid	$ 47,479.00				$ 47,479.00	
		$ -					
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	Subtotal	$ 199,362.01	$ 22,231.62	$ 8,753.03	$ 45,871.51	$ 115,087.43	$ 7,418.42
HAND CHECKS/ACH/EFT							
Alerus - ACH	*City Share 401 Retirement*	$ -					
US Postmaster	Postage	$ 456.39			$ 296.65	$ 136.92	$ 22.82
Guardian	Insurance Premium	$ -					
Delta Dental	Insurance Premium	$ -					
United Group	Insurance Premium	$ -					
Blue Cross Blue Shield	Insurance Premium	$ -					
	TOTAL HAND CHECKS	$ 456.39	$ -	$ -	$ 296.65	$ 136.92	$ 22.82
	Sub-Total Regular Bills/Hand Checks	*$ 199,818.40*	*$ 22,231.62*	*$ 8,753.03*	*$ 46,168.16*	*$ 115,224.35*	*$ 7,441.24*
Gross Payroll	540	$ 78,681.94					
	Sub-Total	$ 78,681.94					
	GRAND TOTAL	$ 278,500.34	$ 22,231.62	$ 8,753.03	$ 46,168.16	$ 115,224.35	$ 7,441.24

--OVER--

Payroll ID: 152

Pay Period End Date: 07/03/2022 Check Post Date: 07/07/2022 Bank ID: GEN

* YTD values reflect values AS OF the check date based on all current adjustments, checks, void checks

Grand Totals for Payroll:

Pay Code Id	Hours	OT Hours	Cur. Amnt.	YTD Amnt.*
15X	0.00	93.00	4,390.06	20,769.60
2X	0.00	8.50	489.26	3,703.86
COMP	50.00	0.00	1,980.73	9,066.63
ETO	154.75	0.00	4,644.51	47,681.92
ETO BUYOUT	474.00	0.00	7,973.37	7,973.37
HOURLY	1,323.59	0.00	39,870.66	481,861.43
SALARY	475.75	0.00	19,333.35	159,700.41

Ded/Exp Id	Cur. Amnt.	YTD Amnt.*
AF-ACC	132.65	795.90
AF-CANCER	53.78	322.68
AF-DENTAL	16.89	297.18
AF-LIFE	35.68	357.08
AF-PLUS	6.43	38.58
AF-PSI	49.81	298.86
AF-STD	204.61	2,443.10
ALERUS 401	2,397.70	21,634.65
ALERUS 401 AD	8.00	112.00
ALERUS 457	1,000.00	13,500.00
ALERUS 457%	947.58	1,459.85
ALERUS 457P	1,893.86	29,152.29
DENTAL_EE	108.17	1,294.14
FITW	8,725.96	105,577.74
GAP_EE	326.51	3,901.81
GUARDIAN _EE	18.61	223.04
LIFE	21.90	153.30
LOAN	159.86	2,238.04
LU465	309.32	2,024.64
MED_EE	1,010.42	13,098.03
MEDICARE_EE	1,137.22	14,358.12
PHONE	35.00	245.00
SITW	3,066.10	38,164.47
SOCSEC_EE	4,862.56	61,393.29
UNI45	201.00	1,206.00
UNIFM	20.80	291.20

Gross Pay This Period	Deduction Refund	Ded. This Period	Net Pay This Period	Gross Pay YTD	Dir. Dep.
78,681.94	0.00	26,750.42	51,931.52	1,000,463.01	44,108.46

** = Check Adjustment*

DPW Report

7-12-2022

- Cold Patch
- Grade and Brine Gravel Roads
- Check Wells and Towers, Daily
- Booster Pump Back Up Generator was Serviced This Week
- Pick Up Lawn Bags
- Chip Brush
- 21 Miss Digs in The Last 2 Weeks
- Haul Out Debris Bins
- Read Meters
- Spraying Weeds, weeds growing but not the grass
- We have 2 Water Service Leaks. Miss Dig Clears on 7/11/22.
- Mowing Grass Every Day, 60 hours per week.
- Pricing Material for 3 Roof Shingles. City Well, Rossiter Well and Garage at the Diesel Plant.
- All irrigation system are on 6 days a Week, Really Dry.
- Cleaned Hart Commons, again this week. Hart Commons is Getting a lot More Use/Abuse.
- Hallack Have Pulled off Dryden Street Job, For Now
- 3 Asphalt “Patches” Done, Wood St, East Main St and Dryden St.
- We Have Gotten 2 Prices and Availability on New Leaf Vac. Waiting on 2 More with Demonstrations.

- Hart Sparks Went OK, A LOT of People.

City of Hart Police Department

407 State Street Ph. (231)873-2488 Fax (231)873-0100 Hart, MI 49420-1259

Juan Salazar, Chief

TO: City of Hart Mayor, City Council, and City Manager
FROM: Juan Salazar, Chief of Police
DATE: July 12th, 2022

RECENT EVENTS

From Thursday, June 23rd, 2022, through Wednesday, July 6th, 2022, the Hart Police Department receive 76 Complaints ranging from Medical Assists, Property Damage Crashes, Fraud Complaints, Noise Complaints, Harassment Complaints, Larcenies, Found Property, Juvenile complaints, Suspicious Situations, Assist to Other Agencies, Animal Complaints, Threat Complaints and Illegal Use of a Motor Vehicle (Joy Riding) Complaint.

On Thursday, June 23rd, 2022, Officer Ray Ryder was offered and accepted full-time employment with the Hart Police Department. Officer Ryder is an Oceana County native, graduating from Shelby High School in 2002. Officer Ryder has over ten (10) years of law enforcement experience working with agencies in Oceana and Muskegon Counties. Officer Ryder was previously employed full-time with the North Muskegon Police Department. I believe Officer Ryder will be a great addition to the department and a much-needed part of making the department run thoroughly and sufficiently.

On Thursday, June 30th, 2022, the Hart Police Department was dispatched to the 300 block of Courtland Street regarding illegal motor vehicle use (joy riding). A 40-year-old Hart woman reported that a 42-year-old Hart man, with whom the woman had a prior dating relationship, had taken her vehicle and had not returned the vehicle on an agreed-upon date. The vehicle was located by officers and returned to the woman without incident. A report will be submitted to the Oceana County Prosecutor's Office for his review.

On Sunday, July 1st, 2022, D/Sgt. Skipski conducted a bicycle safety equipment giveaway at John Gurney Park. Bicyclists were given free bicycle helmets and safety lighting for bicycles and other wheeled vehicles. The giveaway culminated with a lighted bicycle parade through the park.

On Saturday, July 2nd, 2022, the Hart Police Department participated in the Hart Sparks event downtown Hart. Officers received no major complaints during the event. Officers received many compliments on how the event was put together and a large amount of feedback on how pleased residents/visitors were with the fireworks show.

On Saturday, July 2nd, 2022, the Hart Police Department was dispatched to the 2000 block of Oceana Drive referencing an Assault & Battery. A 34-year-old Hart woman alleges being assaulted by alcohol, thrown in her face and struck in the abdomen with a closed fist by a 43-year-old Shelby woman during a graduation open house. A report will be submitted to the Oceana County Prosecutor's Office for his review.

On Monday, July 4th, 2022, the Hart Police Department was dispatched to the 100 block of Apple Street about a suspected water emergency in Hart Lake. The complainant noted what he believed to be an unoccupied boat in the lake and feared the boat's occupants had fallen within the water. Officers were able to locate two (2) individuals within the boat and determine these individuals not to be in distress.

On Monday, July 4th, 2022, the Hart Police Department was dispatched to the 400 block of Hart Street regarding a 911 Hang Up Call. Officers, during their investigation, were advised of a suspected assault between two (2) individuals in a dating relationship. An 18-year-old Montague woman, who is six (6) weeks pregnant, alleges to have been restrained from leaving a room by her boyfriend, a 21-year-old Montague man. The woman also alleges to have been shoved against the wall by the man and the man taking away her cellular phone when attempting to contact 911. The man was arrested and lodged at the Oceana County Jail for Domestic Assault.

Respectfully,

J. Salazar,
Chief of Police

RESOLUTION 2022-26
City Council
City of Hart, Michigan

Authorize Appointed Employee and non-union pay rates

WHEREAS, the City recently approved 4-year collective bargaining agreements with the Police Officers Labor Council (POLC) and Utility Workers Union of America (UWUA) that stipulated union wage adjustments; and

WHEREAS, the City should establish wage rates for non-union employees; and

WHEREAS, the City recognizes that highly trained, dedicated staff is necessary to conduct city operations with minimal staff; and

WHEREAS, to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Authorizes and approves full-time appointed personnel (excluding city manager) and full-time non-union hourly wage rates effective July 1, 2022 to increase existing employees pay rates, longevity pay, holiday offering, and retirement contributions to align with the 2022-2026 POLC/UWUA union contracts.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regularly scheduled council meeting held on Tuesday, July 12, 2022.

Ayes __ Nays __ Absent __

RESOLUTION 2022-27
City Council
City of Hart, Michigan

FY2023 ELECTRIC, WATER, SEWER & TRASH RATES

WHEREAS, the City of Hart owns and operates electric, water, sewer, and wastewater treatment facilities; and contracts for trash hauling services ("services"); and

WHEREAS, these services are funded through user rates and should self-fund their operations, maintenance, equipment replacement, and debt service; and

WHEREAS, the FY2023 Annual Budget is developed assuming the following electric, water, sewer and trash rates; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Adopts the rates and charges as identified below for FY2023 effective for all bills for services mailed on or about July 1, 2022:

A	**ELECTRIC—RESIDENTIAL**	**RATES FY2023**
	Single phase monthly base rate	$8.50
	Three phase monthly base rate	$20.50
	kWh charge	$0.08560
B	**ELECTRIC-- COMMERCIAL**	**RATES FY2023**
	Single phase monthly base rate	$19.50
	Three phase monthly base rate	$22.00
	kWh charge	$0.1010
C	**ELECTRIC--DEMAND CUSTOMER**	**RATES FY2023**
	Monthly base rate	$90.00
	Demand charge per KW	$9.00
	kWh charge	$0.06370

D	ELECTRIC—INDUSTRIAL CUSTOMER EXCEDING 2,000,000 KWH ANNUALLY	RATES FY2023
	Monthly base rate	$150.00
	Demand charge per KW	$9.00
	kWh charge	$0.05906
E	**FUEL COST ADJUSTMENT FACTOR (12-MONTH ROLLING AVERAGE)**	Varies
F	**ENERGY OPTIMIZATION**	**RATES FY2023**
	Residential per kWh	$0.0013
	Commercial per meter	$4.43
	Industrial per meter (6)	$215.24

G	WATER	RATES FY2023
	Base rate per month with 5/8 inch meter	$6.26
	1 inch meter	$7.83
	1.5-inch meter	$10.96
	2-inch meter	$18.78
	3-inch meter	$28.17
	4-inch meter & larger	$28.17
	Rate per 1000 gallons (1-13,000 gallons per month)	$1.31
	Rate per 1000 gallons (over 13,000 per month)	$1.12

H	WASTEWATER	RATES FY2023
	Base rate per month including up to 3,000 gallons per month	$30.97
	Volume rate per 1000 gallons per month over 3,000 gallons	$3.44
	Volume rate per 1000 gallons per month over 3,000 gallons (contracts)	$3.44

	BOD Surcharge per pound	$0.205
	TSS Surcharge per pound	$0.151
I	**CUSTOMER CHARGE**	
	Gray & Company	$2,880.38/month
	Michigan Freeze Pack	$2880.38/month
	Indian Summer	$900.00/month

J	**MONTHLY RESIDENTIAL TRASH COLLECTION FEE**	$23.25
	MONTHLY RESIDENTIAL CLEAN UP FEE	$1.00
	Monthly residential trash collection fees negotiated to increase annually. (Current contract expires Dec 31 2027).	

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regularly scheduled council meeting help on Tuesday, July 12th 2022

Ayes: Nays: Absent:

Karla Swihart, City Clerk

City of Hart, MI

Hart Energy

PROPOSAL FOR FINANCIAL PROJECTION

June 29, 2022

Utility Financial Solutions, LLC
PO Box 582
Leland, MI 49654

Submitted Respectfully by:
Dawn Lund, Vice-President
Utility Financial Solutions, LLC
dlund@ufsweb.com
(231) 218-9664

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL

June 29, 2022

Mr. Mike Schiller
Hart Energy
407 State St. Map
Hart, Michigan 49420

Dear Mr. Schiller:

Utility Financial Solutions, LLC (UFS) is pleased to submit a proposal to provide a comprehensive financial projection and rate track for the City of Hart (Hart Energy).

UFS is an internationally known firm with a long-standing relationship and history of assisting municipalities with financial analysis and are recognized experts in the utility field. Our group and the project team assigned to this engagement are composed of highly qualified, experienced, and knowledgeable professionals who remain current on issues facing municipal utilities. We are regularly requested speakers at seminars at the regional and national level for the American Public Power Association, American Water Works Association and the Institute of Public Utilities.

UFS will provide you with the highest quality service within an agreed-upon timeframe and has the personnel available to meet your needs. We would like to be a resource to you for your financial assessment needs. Our success is dependent on the quality and timeliness of the services provided to you and we are committed to the utility's complete satisfaction. Our experience in providing the requested services allows us to conduct a cost efficient study.

We appreciate the opportunity to submit this proposal and look forward to discussing it with you. If you have questions or need additional information, please contact me at 231-218-9664.

Sincerely,

Dawn Lund, Vice-President
Utility Financial Solutions, LLC
PO Box 582
Leland, MI 49654

dlund@ufsweb.ocom
(231) 218-9664

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL

Financial Projection

A financial projection is a tool used to determine where a utility is financially today and over the forecast period typically 5 to 10 years. In each year, the projected financial statements are compared to key financial targets developed as part of the analysis. The key financial targets include revenue requirements, recommended minimum cash reserves, debt coverage ratio and any necessary bonding requirements to fund capital improvements. The long-term projection identifies the rate adjustments needed to work towards or maintain the financial health of the utility.

This is a key financial tool used when different capital, expense or revenue scenarios need to be analyzed to determine the rate impact to customers. For example, if a large capital improvement is planned, the model can be used to determine its impact on the key targets, the rate adjustments and bonding requirements – or a combination thereof. It is a powerful tool to run "what-if" scenarios and its financial impact to customers. This allows the utility to incorporate grant funding, capital improvements, various back up scenarios, and identify the bonding requirements.

Financial Projection and Rate Design Scope of Services

- Financial Projection and long-term rate track
    a. Development of five-year financial projection
    b. Identification of rate adjustments
    c. Identification of projected debt coverage ratios
    d. Minimum cash reserve for the utility to maintain
    e. Identification of target operating income
- Rate Design for one year at current rate structure (additional years upon request at out of scope pricing)
    a. Impact of rate designs at various usage levels within each class
- Detailed report for Management
    a. Identifying process and results of study
- Presentation to Management and the Board of Directors/City Council
    a. Presentation of results via Webex included (on-site optional)

Firm Qualifications

Qualifications Introduction

UFS has a long-standing relationship and over 20 years of history in assisting municipalities with cost of service and financial analysis for municipal utilities and are recognized experts in the utility field. Our group and the project team assigned to this engagement is composed of highly qualified, experienced, and knowledgeable professionals who remain current on all issues facing utilities. UFS' reputation has resulted in an industry leading status shown by our frequent request to instruct classes and speak at conferences around the nation, the number of rate studies we have completed.

UFS provides consulting services to assist publicly-owned utilities in meeting their strategic and financial objectives. Services are designed to ensure complete client satisfaction and a commitment that:

- Services will be completed in the agreed upon timeframe
- Services are delivered within budget for services requested
- Services provided will meet or exceed client expectations
- Services will be unbiased and independent recommendations provided to the utility

Name and title of primary contact person

Dawn Lund
Vice-President, Utility Financial Solutions, LLC
E-mail – dlund@ufsweb.com
Cell - (231) 218-9664

Date firm established - UFS was established in September, 2001

Proposed service team including titles and responsibilities

Mark Beauchamp, President
Dawn Lund – Vice President
Dan Kasbohm – Manager
Mike Johnson – Manager
Chris Lund – Business and Technology Manager
Joan Bakenhus – Senior Financial Analyst
Jilllian Jurczyk – Financial Analyst
Robert Blank – Financial Analyst

Resumes

The next section consists of resumes of the team members assigned to this engagement.

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL



Mark Beauchamp, CPA, CMA, MBA

President, Utility Financial Solutions, LLC

Email: mbeauchamp@ufsweb.com

Cellular: 616.403.5450

Location: Holland, MI

Education

- AAS Water Purification Technology
- ABA Business Administration
- BBA Major – Accounting
- MBA Master's Degree in Business

Course Instructor

American Public Power Association (APPA)

- Advanced Cost of Service Course (Cash Basis & Utility Basis of Ratemaking)
- Intermediate Cost of Service (Cash Basis & Utility Basis of Ratemaking)
- Basic Cost of Service (Cash Basis and Utility Basis of Ratemaking)
- Financial Planning for Municipal Utilities
- Financial Planning for Board & Councils
- Financial Planning and Rate Setting for Managers (Part of Managers Certificate Program)

American Municipal Power (AMP)

- Financial Planning and Rate Designs for Electric Utilities

Expert Witness Service

- Detroit Edison vs. Ameritech – Provided expert witness services for Detroit Edison on development of Pole Attachment Rates for Ameritech
- Nebraska State Unicameral – Served as an expert witness before the state of Nebraska Unicameral on Proper rate setting and credits to provide customer installed renewable generation
- Dayton Power & Light – Provided expert witness services on pole attachment rates. Case was resolved prior to Court appearance
- Coldwater Board of Public Works – Provide expert witness services on rate challenge by large industrial customer. Case was dropped after deposition was provided
- Smethport PA – Provided deposition and responses to Pennsylvania Public Service Commission on Rate Filing for Smethport

License and Qualifications

- Class "A" license in wastewater treatment from the State of Michigan
- (CPA) Certified Public Accountant – Wisconsin
- (CMA) Certified Management Accountant – Institute Certified Management Accountants

Course Instructor

Michigan State University

- Advanced Issues in Cost Allocation (Utility Basis of Rate Making)
- Retail Costing and Pricing of Electricity
- Wholesale Costing and Pricing of Electricity

Southwest American Water Works Association

Michigan Rural Water Association

- Cost of Service & Rate Making for Water Utilities

Michigan Finance Government Officers Association

- Cost of Service & Rate Making for Water & Wastewater Utilities

Industry Involvement

- Member of the American Public Power Association
- Member of the American Water Works Association
- Member of the Institute of Management Accountants
- Speaker at national conferences on Financial Planning for Municipal Utilities, Pricing for Water Utilities, Pricing Fiber Optic backbone systems, Unbundling Electric Rates, and Ways to Attract and Retain Customers
- Author of articles appearing in national magazines and newsletters regarding pricing fiber optics, unbundling electric rates, and designing water rates

Dawn Lund

Vice-President, Utility Financial Solutions, LLC



Dawn has over 25 years experience pricing and marketing utility services for electric, water and wastewater. Dawn has worked with UFS for over 15 years and previously worked with a large utility and held positions as Cost and Rate Specialist and Marketing and Communications Specialist. Dawn works with utilities across the country teaching financial concepts and is also the instructor for Financial Planning courses for the American Public Power Association. She is also a regularly requested speaker for various regional and national organizations. Dawn has the following experience:

Email: dlund@ufsweb.com

Cellular: 231.218.9664

Location: Traveres City, MI

Cost of Service (COS)

- Completed electric water and wastewater cost of service and rate design studies for utilities across the country, Guam, the Caribbean and Canada
- Determining appropriate allocations of overhead costs between utility services

Long-term financial analysis

- Development of long-term sales and expense projections for electric, water, and wastewater utilities
- Development of long-term financial plan and rate track for electric, water, and wastewater

Presentation/Training

- Presentations to City Councils and Boards for approval of utility rates and proposed rate tracks
- Instructor for APPA's Financial Planning and Basic Cost of Services courses
- Monthly presentations to various organizations on topics such as: cost of Service, financial planning, Key financial targets, cash policies and how to explain rate increases to the end user, cost of services challenges/solutions, and Introduction to allocation studies

Rate Design

- Development of equitable rates between inside-city and outside-city customers
- Development of wholesale contract rates,
- Development of special rates; Economic and Time of Use
- Development of Connection Fees
- Development of rate designs to meet financial objectives of utility

Other Professional Involvement

- Member of AWWA Finance, Accounting, Management and Controls Committee
- Member of AWWA Rates and Charges Committee
- Member of MI-AWWA Education Committee
- Helping to developing MI-AWWA Water Academy for Cost of Service, Financial Planning
- Developed the Basic Cost of Service and Financial Planning courses for APPA
- Preferred Consulting firm for Hometown Connections Financial Planning, Cost of Service and Rate Design

Mike Johnson

Manager, Utility Financial Solutions, LLC



Mike joined Utility Financial Solutions in 2011 and has over 20 years' experience assisting utilities. He has a Higher National Diploma in Mechatronics (Combined Electrical/Mechanical Engineering). Mike is experienced in cost of service, rate making, financial/operational modeling, automation, electric utility operations, and power supply.

E-mail: mjohnson@ufsweb.com

Cellular: 608.230.5849

Location: Madison, WI

Cost of Service

- Development of cost of service studies for electric, communication, gas, water and Wastewater utilities
- Forecasts utility revenue requirements
- Cost allocation model development

Rate Design

- Provides cost of services class allocations and rate making
- Designs time of use rates
- Identify effects for different usage patterns within the same class
- Development of rates for alternative fuels and vehicles
- Evaluate marginal costs and development of line extension policies and economic development rates

Expert Witness Services

- Prepared and testified on filings to Public Utility Commission

Long Term Financial Analysis

- Develops utility financial analysis models
- Identifies growth and load forecasting
- Models rate and revenue effect for customer change within utilities (loss of customers/additional load)
- Develops target metrics for utilities including cash policies, operating income, debt coverage

Other Utility Tools

- Computes cost functionalization and allocation systems for designing and managing complex changes
- Evaluates data and system integration issues associated with new software implementations
- Provides market analysis, bidding and settlement processes analysis
- Identification and valuation of fixed assets
- Assessment of utility value for sales/purchase
- Development of risk mitigation tools, power/fuel cost adjustment mechanisms

Dan Kasbohm

Manager, Utility Financial Solutions, LLC



Dan joined Utility Financial Solutions in 2007 and has experience in conducting cost of service and financial analysis for electric, water, wastewater and cable utilities around the nation. He has a Bachelor of Science degree in Engineering and was employed in the automotive industry for 16 years. Dan is a co-instructor for the Basic and Intermediate Cost of Service courses for the American Public Power Association and has the following experience:

E-mail: dkasbohm@mail.ufsweb.com

Cellular: 616.402.7045

Location: Grand Haven, MI

Cost of Service (COS)

- Identification of fixed/variable costs related to:
  - Customer availability to be served
  - Commodity based costs
  - Demand based costs
- Identification of class to class subsidization
- Utility cost breakdown by function
- Detailed cost unbundling

Long-term financial analysis & identification of:

- Utility revenue requirements (utility and cash based methods)
- Debt Coverage conformance
- Minimum cash requirements
- Optimal operating income targets
- Optional rate adjustments in projected years

Presentation/Training

- Presenting study results to management and governing body of utility
- Provide utility training on use of projection & COS models
- Co-Instructor for the American Public Power Association Academy
  - Basic & Intermediate Cost of Service

Rate Design

- Current Utility rate structure updates
  - Utility revenue impact
  - Customer bill impacts at various usage levels
  - Identify revenue stability of rates
  - Rate survey analysis
- Development of new rates including:
  - Time of Use (seasonal, daily, hourly)
  - Power Cost Adjustment (PCA)
  - Coincidental-Peak Rates
  - Economic Development rates
  - Street lighting rates

Other Utility Tools

- Power Cost Adjustment mechanisms based on utility cash position, objectives and dispatch profile
- Street Light Cost of Service by light and pole types
- Load Profile Analysis to identify utility and customer usage patterns
- Power supply forecasting
- Implementation of a justified minimum cash policy
- Calculation of fees for standard utility work
- Development of line extension policies

Joan Bakenhus

Senior Financial Analyst, Utility Financial Solutions, LLC



Joan has 16 years' experience working with municipal utilities and has a degree in Business Administration. Joan has worked as a Rate Analyst for one of the largest public power systems in the nation (Lincoln Electric System) and for Utility Financial Solutions since 2006. Joan is experienced in development of long-term financial plans, rate design models and cost of service studies for electric, Water utilities. Joan's experience includes:

E-mail: jbakenhus@ufsweb.com

Cellular: 402.483.2542

Location: Nebraska

Cost of Service (COS)

- Working with Utilities to identify information requirements to complete cost of service and financial plans
- Set up and develop utility revenue requirements, cost of service program and utility revenue proof
- Balancing and set up of models for development of cost of service for water, wastewater and electric utilities to determine commodity and customer charges
- Responsible for analysis, preparation and updating cost of service models for a number of electric, Water utilities

Long Term Financial Analysis

- Development of long-term financial forecasts for water, wastewater, and electric utilities to determine the amount and timing of rate adjustments

Rate Design

- Balancing and set up of models for development rate design for water, wastewater and electric utilities to determine commodity and customer charges
- Development of rate design models for electric, Water utilities
- Development of rate surveys

Other Utility Tools

- Balancing of sales with revenue to help ensure proper billing statistics are used in cost of service models

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL

Chris Lund

Business & Technology Manager, Utility Financial Solutions, LLC



Chris has a bachelor's degree in Business Administration with concentration in Computer Science and Speech Communications. He has been a technology and management consultant for over 20 years. Chris is an employee of UFS and has also sub-consulted on a variety of technology projects for UFS since 2003. A few of the highlights are below:

E-mail: clund@ufsweb.com

Cellular: 231.342.9798

Location: Traverse City, MI

Financial Consulting

- Completed cost of service and rate design studies for electric, water, wastewater, telecommunications and refuse utilities
- Designed, wrote and implemented long term financial projection model including revenue requirements and rate track
- Determined avoided cost for solar (photovoltaic - PV) and wind for renewable energy rates
- Lead consultant for electric vehicle (EV) rates and service study
- Conducted multiple fiber optic cost of service and rate design studies
- Presentations to City Councils and Boards for approval of utility rates and proposed rate tracks

Data Analytics

- Data mining and analysis specialist for electric load data research
- Specialist with data mining, data conversion and custom reporting
- Experienced with various ODBC (database connectivity)
- Implemented job costing solution for manufacturing companies
- Designed, written, implemented, supported multiple, custom bar coding and data collection systems for wholesale distribution and manufacturing organizations
- Data collection systems pushed data to payroll for time and attendance, automated inventory tracking and job costing

Technology Experience

- Experienced in Microsoft Excel automation – including payroll data, job costing and automated billing (office automation)
- Experienced in Microsoft Access custom database, programming and reporting – including electronic data interchange (EDI) mapping using Microsoft VBA
- Lead consultant for multiple mission critical, corporate wide enterprise resource planning (ERP) technology solutions
- Implemented, trained and supported multiple telecommunications projects
- Implemented and supported some of the first voice over internet protocol (VOIP) telecommuting systems
- Guide management with technology related strategy and business integration
- Modification and complete custom program solutions on midrange and PC
- Wrote automated bill of material (BOM) purchasing forecasting system
- Specify, install and maintain mission critical PC network infrastructure, servers, workstation and related software
- Experienced in network security and virtual private network (VPN) technology
- Implemented and supported web storefronts integrated with corporate backend database solution for inventory management, order processing, billing and account status

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL



Jillian Beauchamp, MEc.

Financial Analyst, Utility Financial Solutions, LLC

E-mail: jbeauchamp@ufsweb.com

Cellular: 616.283.8502

Location: Holland, MI

Jill has been with UFS since 2013. She has a Bachelor's degree in Mathematics and a Master's degree in Applied Economics from Johns Hopkins University. Jill has populated and analyzed cost of service models, developed long-term financial projections, and designed rates for utilities. Jill specializes in econometric modeling and statistical analysis to project sales and usage. She has worked with a variety of econometric software packages and is competent in handling seasonality, trend, heteroscedasticity, and other economic inefficiencies that arise in data analysis. Jill is skilled In the following:

- Forecasting Utility revenue requirements
- Projecting revenues and expenses, asset depreciation, and net book value
- Designing rates based on Cost of Service results
- Analyzing rate payer impacts and sensitivities
- Working with Utility Staff to identify study goals and understand organization
- Keeping up to date on the current economic impacts of renewable energy, the relationship to the Clean Power Plan legislation, and potential effects on the Electric Industry

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL



Robert Blank

Financial Analyst, Utility Financial Solutions, LLC

E-mail: bblank@ufsweb.com

Cellular: 616.403.9926

Location: Holland, MI

Robert has been working for Utility Financial Solutions since May of 2014 and has a Bachelor's of Business Administration with a major in Finance from Davenport University. Over his time at UFS he has conducted Utility rate surveys as well as developed rate designs. Robert has experience with long term financial projections and cost of service studies for Electric, Water, Wastewater, and Gas utilities. Robert's experiences include:

- Developing rate design models for electric utilities
- Conducting Rate Surveys
- Responsible for analysis of financial statements and preparation of cost of service models
- Working with utilities to identify the information needed to conduct an accurate cost of service study
- Calculating Minimum Cash Reserve levels, Target Operating Income, and Debt Coverage Ratios

FINANCIAL PROJECTION AND RATE TRACK PROPOSAL

Project Fees

Proposed Professional Services Agreement

Prices, terms, and conditions are good for a period of 90 days from the proposal date. Payment will be made through submission of invoices at progressive billings.

Electric Financial projection, five-year rate track, one-year rate design $12,500 Rate Design

Anticipated Meetings (Conference Call or Webex)

- Initial meeting –to clarify scope of services, expectations of management and preliminary information request
- Fieldwork – verify data provided
- Draft Report with management
- Final Report with management

Deliverables PDF Format:

1. Financial Projection "Executive Summary" Report
2. Revenue proof of proposed rates
3. Minimum cash reserve determination
4. Target operating income (ROR) determination
5. Debt Coverage Ratio determination
6. Rate design and revenue proof for one-year

Out of Scope Pricing Hourly Rates. All onsite meetings are optional and at out of Scope pricing.

Mark Beauchamp	$ 330.00
Dawn Lund	$ 290.00
Dan Kasbohm	$ 255.00
Mike Johnson	$ 255.00
Chris Lund	$ 255.00
Joan Bakenhus	$ 155.00
Support Staff	$ 120.00 – 155.00

We look forward to exceeding your expectations. Please sign, date, and return to clund@ufsweb.com at your earliest convenience.

Sincerely,

Dawn Lund, Vice-President
Utility Financial Solutions, LLC

Date: _____

Accepted By: _____

RESOLUTION 2022-28
Hart City Council
City of Hart, Michigan

Accept UFS proposal and authorize Hart Energy Financial Projection and Payment In Lieu Of Taxes (PILOT) Study

WHEREAS, the City of Hart owns and operates an electric distribution system; and

WHEREAS, previous electric system financial planning documents are antiquated and in need of updating; and

WHEREAS, Utility Financial Solutions has prepared a proposal to begin financial planning work to include future financial projections and a PILOT study; and

WHEREAS, the Hart Energy Superintendent and Power Board recommend moving forward with the proposed budgeted project; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Accepts and approves the recommendation to proceed with UFS Financial Projection project.

Authorizes and directs the City Manager to sign and execute the proposal for an estimated fee of $12,500, on behalf of the City of Hart.

Moved by_____, supported by _____ and thereafter adopted by the Hart City Council at a regular council meeting held on July 12th, 2022.

Ayes: __ Nays: __ Absent: __