



**CITY OF HART
407 S. STATE ST.
HART, MI 49420**

**REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS
JANUARY 13th, 2026
MINUTES – Approved**

PRESENT: Mayor Amanda Klotz, Councilors, Catalina Burillo, Jim Cunningham, Andrew Mullen, Betty Root, and Karen Thomson

ABSENT: Dean Hodges

OTHERS PRESENT: City Manager – Nichole Kleiner, City Clerk/Treasurer – Karla Swihart, BioPure Superintendent – Paul Cutter, Hart Police Chief – Juan Salazar, Deputy Clerk – Lindsay Brown, Sharon Hallack, Christine Juska, Rolando Salgado, and Emily Sigler

APPROVAL OF AGENDA:

- A. Mullen motioned to approve the Agenda and was supported by K. Thomson
 - Ayes: 6 Nays: 0 Absent: 1

PUBLIC COMMENTS:

- None

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- FY 2024-2025 Audit Report – Jordan Smith Maner Costerisan

Maner Costerisan has audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hart (the City), for the year ended June 30th, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 1, 2025. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS:

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate account policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 13 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 101, Compensation Absences, and Statement No. 102, Certain Risk Disclosures, during the year ended June 30, 2025. Accordingly, the cumulative effect of the accounting changes are reported in the applicable financial statements and note disclosures. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's calculation of the accrued compensated absences is based on current hourly rates, historical usage, and policies regarding payment of sick and vacation banks while the current and noncurrent portions of compensated absences were based on an estimate of the percentage of employees' use of compensated absences.

- Management's calculation of depreciation/amortization expense for the current period is based on an estimate of the useful lives of the capital assets.
- Management's calculation of the allowance for uncollectible receivables for the current period is based on the past experience of collections.
- Management's calculation of the net other post-employment benefit liability and related deferrals are estimated based upon actuarial assumptions.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We did not identify any sensitive disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements: investments, due from other governmental units, capital assets, deferred inflows of resources, long-term debt, intergovernmental revenue, and other post-employment benefits trust activity.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 31, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Management did engage an outside expert to review the financial statements on their behalf and to provide the skill, knowledge, and experience to ensure our independence under relevant professional standards. To our knowledge, this was the only such consultation with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

OTHER MATTERS

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison information, and OPEB schedules, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statement's, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide an assurance on the RSI.

We were engaged to report on the other supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

RESTRICTION ON USE

This information is intended solely for the use of the City Council and management of the City of Hart and is not intended to be, and should not be, used by anyone other than these specified parties.

CONSENT AGENDA:

- Approval of minutes from December 9th, 2025, and December 18th, 2025
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
 - C. Burillo motioned to approve the Consent Agenda, and was supported by B. Root
 - Ayes: 6 Nays: 0 Absent: 1

ACTION ITEMS:

▪ Permit Requests:

Winterfest Special Event Permit Request – Approved

Find the full schedule of events and registration link at www.takemetohart.org/winterfest

Winter festivities kick off Saturday, January 31st, 2026, with the 4th Annual Frozen Tinman Golf Outing.

Winterfest continues Saturday, February 7th, 2026, with a full day of events throughout Hart:

- Friends of the Library Book & Bake Sale 9 am-4 pm City of Hart Community Center
- Vintage Snowmobile Show and Swap Meet 8 am-2 pm Oceana County Fairgrounds
- State Street Mile Fun Run/Walk 11 am Start time at the Corner of State Street and Polk Rd, finishing at Hart Commons. Cost is \$10 per participant, with those 12 and under free
- Soup Walk 12 pm – 2 pm at 10 downtown locations. Ticket cost 250-presale are \$7.00 and 50-day-of are \$10.00. Pre-sale tickets go on sale Monday, January 19th, at <https://www.zeffy.com/en-US/ticketing/soupwalk--2026>. Pickup will take place at 5 Star – Towne Square Group, 109 E. Main St, from 11 am-1 pm.
- Kids Scavenger Hunt 12 pm – 2 pm held alongside soup walk. Cards can be picked up at 5 Star – Towne Square Group. Kids will receive a special mark at each completed location, and once they are finished, they can return their card to the check-in table located in the parking lot next to La Probadita for a goodie bag filled with fun prizes.
- 2nd Annual Winterfest Cornhole Tournament - 2:30 PM start, parking lot next to La Probadita Team-based, single-elimination tournament with cash prizes for 1st–3rd place.

First team to 21 or more points advances.

Pre-registration required — no same-day signups.

Cost: \$25 per team

Register online at:

<https://www.zeffy.com/en-US/ticketing/winterfest-2026-cornhole-tournament>

- Throughout the day, fire pits will be lit around downtown Hart, and a DJ will keep the party going with music all day long, creating a festive atmosphere for residents and visitors alike.

- With activities for kids, families, and adults, Winterfest 2026 has something for everyone. The City of Hart invites the community to come out, enjoy the winter weather, and celebrate together on Saturday, February 7.
- For more information, you may contact Events Coordinator Lindsay Brown at 231-923-3837 or lbrown@cityofhart.org. You can also follow the City of Hart on Facebook for Winterfest updates or visit www.takemetohart.org

▪ Resolution 2026-01 – Authorize Right of Way work at 3 E Main St

WHEREAS, Frontier Communications, through its contractor Pearce Services, has submitted a request for a right-of-way permit to install a fiber service drop to serve the property located at 3 E. Main Street, Hart, Michigan; and

WHEREAS, the proposed scope of work includes directional boring and placement of innerduct and fiber cable within the public right-of-way along W. Main Street and S. Courtland Street, at a minimum depth of forty-eight (48) inches below grade, as detailed in the submitted plans and application materials; and

WHEREAS, the work is proposed to occur entirely within the existing public right-of-way, with no permanent easements required, and with restoration of any disturbed areas upon completion of the work; and

WHEREAS, the City of Hart has reviewed the application, sidewalk permit, and construction plans and finds the proposed work to be consistent with City standards and practices for right-of-way occupancy and utility installation;

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL hereby

Approves a right-of-way permit for Frontier Communications for the installation of a fiber service drop serving 3 E. Main Street, subject to the following conditions:

1. All work shall be performed in accordance with the submitted plans and permit application.
2. All boring, installation and restoration activities shall comply with City standards and applicable local, state, and federal regulations.
3. Any damage to pavement, sidewalk, curb, landscaping, or other public infrastructure shall be restored to City standards at the applicant's expense.
4. Approval of this right-of-way permit does not grant ownership or exclusive rights within the public right-of-way.

BE IT FURTHER RESOLVED THAT THE CITY MANAGER, or her designee, is authorized to execute and administer the right-of-way permit consistent with this resolution

- J. Cunningham motioned to approve Resolution 2026-01 and was supported by A. Mullen
 - Ayes: 6 Nays: 0 Absent: 1

▪ Resolution 2026-02 Award Downtown Plaza (Hart Plaza) Construction Contract to Wadel Stabilization, Inc.

WHEREAS, the City of Hart solicited sealed bids for the Downtown Plaza (Hart Plaza) project in accordance with applicable law and City purchasing requirements; and

WHEREAS, bids for the project were received and publicly opened on December 16, 2025, and two (2) bids were submitted; and

WHEREAS, Wadel Stabilization, Inc. of Hart, Michigan, submitted the lowest responsible bid in the amount of \$2,092,242.00; and

WHEREAS, the City's consulting engineer, Prein&Newhof, has reviewed the bids, confirmed bidder qualifications, and recommended award of the contract to Wadel Stabilization, Inc., based on price, experience, and demonstrated ability to complete the project in accordance with the plans and specifications; and

WHEREAS, the City has issued a Notice of Award identifying Wadel Stabilization, Inc. as the successful bidder for the Downtown Plaza project, subject to execution of contract documents, bonds, and insurance;

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL hereby,

Awards the Downtown Plaza (Hart Plaza) construction to Wadel Stabilization, Inc. in the amount of \$2,092,242.00, subject to the terms and conditions of the bid documents and contract.

BE IT FURTHER RESOLVED THAT THE CITY MANAGER is authorized to execute the construction contract, Notice to Proceed, and related documents, upon receipt and approval of all required bonds, insurance certificates, and contract documents.

- C. Burillo motioned to approve Resolution 2026-02 and was supported by K. Thomson
 - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2026-03 Authorize a Temporary Grading Easement at Hart Cemetery for Safe Routes to School Project

WHEREAS, the City of Hart is undertaking the Safe Routes to School (SRTS) Pathway Project in cooperation with MDOT and Friends of the Pentwater Hart Trail; and

WHEREAS, the project requires a temporary grading easement affecting cemetery property located at 513 Water Street (Tax ID No. 020-350-002-00); and

WHEREAS, the cemetery property is jointly owned by the City of Hart and Hart Township, and the Cemetery Commission does not have authority to convey property interests; and

WHEREAS, a 4,918-square-foot (0.113-acre) Temporary Grading Easement expiring upon project completion or December 31, 2030, whichever occurs first:

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL hereby,

Approves the Temporary Grading Easement for cemetery property located at 513 Water Street in support of the Safe Routes to School Pathway Project.

BE IT FURTHER RESOLVED THAT THE MAYOR and CITY CLERK are authorized to execute the Temporary Grading Easement and related documents on behalf of the City of Hart, subject to coordination with Hart Township and compliance with the easement terms.

- J. Cunningham motioned to approve Resolution 2026-03 and was supported by K. Thomson
 - Ayes: 6 Nays: 0 Absent: 1

DISCUSSION ITEMS:

- Annual Council Retreat Date
Consensus March 7th, 2026, would work best for the majority of Council members to attend. City Manager will work to get the agenda and more information at the upcoming meeting.
- Asset Management Capital Improvement Plan, Water Rate Study
Andy Campbell, along with Prein & Newhof will be at the January 27th Meeting to go over the Water Rate Study.

CITY MANAGER'S REPORT:

Status of ongoing projects:

- Hart Plaza Streetscape Project – Construction to begin in early April
 - Chalet removal has begun following instructions from the TIFA Board and council to return the entire lot where the tin man is located, to parking.
- Safe Routes to School Trail construction to begin in June after school is out
- Water Tower ATT antenna project – survey has been completed with easement proposal to satisfy AT&T requirements. Waiting to connect with JSJ Corp to discuss easement agreement terms (final step).

Staffing changes, policy updates, internal improvements

- Economic & Community Development Director Job has been posted. One internal application/interview. Posting closes at the end of January.
- A full-time (Temporary) Police officer position has been posted to offset upcoming staffing shortages.
- Meeting with superintendents this week to discuss and build a job description to replace Andy (shared service position) with the goal of posting the position in February.

What's New:

- Recent meetings and discussions to work towards developing a rental housing inspection and code enforcement program for the City.
- Had my first of three onboarding meetings with Double Haul, which was included as part of the recruitment package – gained useful resources & looking forward to the next.
- Attending Michigan Municipal Executive Conference next week
- The cost of utilities for the Starting Block will no longer be the responsibility of the City. The Starting Block Board thanks the council for its years of support and feels confident that their new director can bring new opportunities and growth.
- Farabee Mechanical has begun work on the diesel generation plant to install emission controls to make us eligible for MPPA credits by March 2026.
- We increased the cost of water testing at BioPure from \$20 to \$28 to cover our costs.
- Discussions at the Planning Commission regarding a moratorium on Data Centers, an ordinance for short-term rentals, and a revision of our existing long-term rental ordinance.
- Looking into a MSHDA grant for housing rehab funds in partnership with True North to provide funds for exterior residential improvements. Will provide more info as it comes.
- Working with the Oceana Conservation District to obtain a grant to treat Japanese Knotweed throughout the City. Will look into possible discussion on other invasive species.

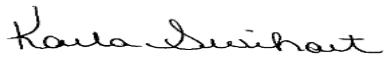
COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- A. Mullen – HEART Board meeting is tomorrow, 01/14/2026, at 2 pm, and following that is the Heritage Preservation Group meeting.
- C. Burillo - Cemetery Board meeting is Monday, 01/19/2026, at 7 pm, located at the Hart Township Hall

ADJOURN:

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 8:15 pm. The next regularly scheduled meeting will be on January 27th, 2026, at 7:30 pm.

Respectfully Submitted



Karla Swihart, City Clerk