



**CITY OF HART**  
**407 S. STATE ST.**  
**HART, MI 49420**  
**REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS**  
**JANUARY 27<sup>th</sup>, 2026**  
**MINUTES – Approved**

**PRESENT:** Mayor Amanda Klotz, Councilors Jim Cunningham, Dean Hodges, Andrew Mullen, Betty Root, and Karen Thomson

**ABSENT:** Catalina Burillo

**OTHERS PRESENT:** City Manager – Nichole Kleiner, City Clerk/Treasurer – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, Energy Superintendent – Mike Schiller, Hart Police Officer – Jack Hoekstra, Andy Campbell, Matt Hulst (prein newhoff), Christine Juska, Claire Marshall, and Barbara Marzack (prein newhoff)

**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:**

- Asset Management and Capital Improvement Plan Presentation by Prein & Newhoff

**What is Asset Management?**

From the MI Safe Drinking Water Act (SWDA):

Asset Management program means a program that identifies the desired level of service at the lowest life-cycle cost for rehabilitating, repairing, or replacing the assets associated with the waterworks system.

**Why are we doing this?**

It is required for all water systems that serve more than 1,000 people. Hart completed the first one in 2017; these are supposed to be implemented and updated regularly. Systems are aging, and repair/replacement is not keeping up with the rate of degradation. EPA estimates that the nationwide need for Drinking Water System improvements is over \$625 Billion (2025 survey). Asset management should guide decisions for where and when to spend money best.

**5 Principles of Asset Management**

Inventory of Assets, Criticality Assessment, Level of Service Goals, Capital Improvement Plan, and Funding Structure and Rate Methodology.

Asset Inventory includes: 7 Production Wells (2 wells no longer used), 20 Miles of Distribution Pipe, 2 Elevated Storage Tanks (300MG and 500MG), 1 Booster Station and 279 valves, 170 hydrants.

**Criticality of Assets**

**Criticality = Risk of Failure x Consequence of Failure.** Serves as a guide to priority for rehab or replacement

**Risk of Failure – ratings 1 to 5.** How likely to fail or not perform? Consider age, break history, and low-flow areas.

**Consequence of Failure – ratings 1-5.** How big is the impact? How many people affected? How long to repair? Impacts to retail, industrial, and medical customers.

**Level of Service Goals:** Provide safe, clean drinking water meeting all regulatory requirements. Provide reliable fire protection, Minimize water loss, Replace lead/galvanized Minimize life cycle costs ( keep unplanned repairs to minimum).

**Capital Improvement Plan.** Develop 5 year and 20 year improvement plan. Consider other improvements – streets, sanitary sewer, etc. Does not establish an enforceable schedule for completion. Allows the City to be ready for funding opportunities.

**Lead Service Lines will be Significant Expense.** City has about 906 total water services, required to replace about 690 service (lead or galvanized lines connected to lead goosenecks). City is required to replace all lead/galvanized from the watermain into the house. EPA is requiring that all lead services to be replaced by 2037 @ \$8,000 each = \$504,000 per year!!

**Project Selection:** Lead service line replacements until 2037. Focused on areas with old small diameter watermains. Areas also with poor sewers. Areas with known upcoming road funding.

**CONSENT AGENDA:**

- Approval of minutes from January 13<sup>th</sup>, 2026
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
  - B. Root motioned to approve the Consent Agenda, and was supported by K. Thomson
    - Ayes: 6 Nays: 0 Absent: 1

**ACTION ITEMS:**

- Mayoral re-appointment of Penny Burillo to serve on the Hart Library Board for another 3-year term
  - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2026-04 Power Purchase Commitments with MPPA  
WHEREAS, the City of Hart Energy (the “City”) is a member of the Michigan Public Power Agency (“MPPA”) and is party to an Energy Services Agreement with MPPA; and  
WHEREAS, MPPA provides wholesale electric power supply and related energy services to its member communities, including the City of Hart; and  
WHEREAS, MPPA has presented a Power Purchase Commitment Authorization dated January 15, 2026, outlining proposed purchases of financially-firm energy with physical delivery to the MISO Michigan Hub in the Day-Ahead Market for future delivery years; and  
WHEREAS, the proposed power purchase commitments are intended to hedge a portion of the City’s forecasted electric load and manage long-term price risk while maintaining compliance with MPPA’s volume and dollar approval limits; and  
WHEREAS, the proposed transactions collectively represent a maximum not-to-exceed financial commitment of \$1,548,894.20 for energy delivery years 2028-2031, as detailed in the authorization; and  
WHEREAS, execution of these transactions requires formal authorization by the City’s governing body and the designation of a Member Authorized Representative to execute the Power Purchase Commitment Authorization on behalf of the City.

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL hereby

Authorizes MPPA to purchase energy on behalf of the City in accordance with the terms,  
Quantities, delivery periods, and not-to-exceed dollar limits set forth in the January 15, 2026  
Power Purchase Commitment Authorization, including but not limited to:

- Financially firm energy with physical delivery to the MISO Michigan Hub;
- Delivery periods covering calendar years 2028,2029,2030, and 2031; and
- A total aggregate commitment not to exceed \$1,548,894.20.

BE IT FURTHER RESOLVED THAT THE HART CITY COUNCIL;

Designates the City Manager (or designee) as the City’s Member Authorized Representative for purposes of executing the Power Purchase Commitment Authorization and any related confirmations or documentation required by MPPA, consistent with this resolution and the Energy Services Agreement.

BE IT FURTHER RESOLVED THAT THIS AUTHORIZATION is intended to support prudent long-term power supply planning and price stability for the City’s electric utility customers and does not obligate the City beyond the not-to-exceed limits approved herein.

BE OT FURTHER RESOLVED that this resolution shall take effect immediately upon adoption.

- A. Mullen motioned to approve Resolution 2026-04 and was supported by K. Thomson
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2026-05 Approve & Authorize Execution of Easement Agreement for Access to City Water Tower in the Industrial Park

WHEREAS, the City of Hart (the “City”) owns, operates, and maintains a water tower (the “Water Tower”) as part of the City’s potable water supply system; and

WHEREAS, the Water Tower is located upon lots 6 and 7 of the Industrial Park Plat within the City (the “Property”); and

WHEREAS, the City previously conveyed the Property to JSJ Corporation (the “Property Owner”); and

WHEREAS, it is necessary and in the best interest of the City to obtain a formal easement from the Property Owner on, over, and across the Property for the Water Tower and access to and from the Water Tower; and

WHEREAS, the proposed easement agreement ( the “Easement Agreement”) has been prepared in the form on file with the City Clerk to provide the City with access to and rights for the Water Tower.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The City hereby determines that it is necessary and in the best interest of the City to enter into the Easement Agreement, in the form on file with the City Clerk, and to accept the grant of the easements to the Property in favor of the City as set forth in the Easement Agreement.
2. The Easement Agreement, in the form on file with the City Clerk, is hereby approved and accepted by the City with such modifications or revisions to the Easement Agreement as are deemed necessary and in the best interests of the City by the City Manager and the City Clerk in consultation with the City Attorney.
3. The City Manager and Clerk are hereby authorized and directed to: (a) execute and deliver the Easement Agreement on behalf of the City, (b) execute and deliver any and all documents on behalf of the City that are necessary to effectuate the Easement Agreement, (c) take such actions, including payment to the Property Owner of any consideration set forth in the Easement Agreement, payment of recording fees, and payment of costs to obtain necessary surveys and legal descriptions for the Easement Agreement as are necessary to facilitate the execution and delivery of the Easement Agreement, and (d) record the executed Easement Agreement with the Oceana County Register of Deeds.
4. All resolutions and parts of resolutions in conflict herewith shall be, and the same are hereby rescinded.

- A. Mullen motioned to approve Resolution 2026-05 and was supported by J. Cunningham
  - 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
- Authorize Permit Application for Pyrotecnico to launch fireworks display from Veterans Park on July 2<sup>nd</sup>, 2026
  - Ayes: 6 Nays: 0 Absent: 1

#### **DISCUSSION ITEMS:**

- None

#### **CITY MANAGER'S REPORT:**

##### **Status of ongoing projects:**

- Hart Plaza Streetscape Project – No Change
- Safe Routes to School Trail – Plum Street Notice to Bidders going out Feb 3<sup>rd</sup>
- Water Tower ATT antenna project – With Council approval, GHSP will sign the easement agreement, and AT&T can proceed.
- Ceres Solution Request for Proposals are due Feb 27<sup>th</sup>. TIFA will select its top submissions, and the chosen developer(s) will be invited to present proposals to the TIFA Board at an evening meeting where the public is invited to attend.
- Diesel plant emission controls and automations upgrades are going well, on track for February completion goal.

##### **What's New:**

- I attended the Michigan Municipal Executive Conference last week. I attended several budgeting and financial planning courses. Great networking, learning, and connections made.
- Paul Cutter attended the Wastewater Admin Conference last week.
- The cold weather resulted in a broken main at Johnson St. – the DPW had it resolved in a few hours with minimal outages.
- Council Retreat scheduled for March 7<sup>th</sup> – doors open at 8:30 am, first session starts at 9 am. More info will be provided at the following council meeting on Feb 10<sup>th</sup>

##### **Winterfest Events:**

- January 31 @ 2pm, - Frozen Tin Man Golf Outing at the BioPure Irrigation Property
- February 7<sup>th</sup> @ 8:00am – 4:00pm Winterfest
  - Vintage Snowmobile Show 8a-3p
  - State Street Mile Fun Run/Walk 11a
  - Soup Walk (10 stops) 12-2p
  - Kids Scavenger Hunt 12-2p
  - Corn Hole Tourney 2:30p-?
  - Book and Bake Sale 9a-4p

#### **CORRESPONDENCE, EVENTS, PRESENTATIONS**

- Water Rate Study Results – Andy Campbell, CPA
  - Presentation to go over current water rates and upcoming projects. Based upon the scope of projects needing to be done to aging infrastructure, there is no way around it other than to raise rates to cover the cost of replacement of water lines and lead service lines. With over 21 million dollars (cost now) water rates are going to have to go up 25% or more.

#### **COMMUNICATIONS FROM THE MAYOR AND COUNCIL:**

- A. Mullen – recapped on Cemetery meeting, they are concerned about the Milage that is up this year, also looking for a truck to buy

**ADJOURN:**

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 9:12 pm. The next regularly scheduled meeting will be on February 10th, 2026, at 7:30 pm.

Respectfully Submitted



Karla Swihart, City Clerk