



**CITY OF HART
407 S. STATE ST.
HART, MI 49420
REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS
APRIL 14th, 2026
MINUTES – APPROVED**

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

ABSENT: Jim Cunningham, and Dean Hodges

OTHERS PRESENT: City Manager – Nichole Kleiner, City Clerk/Treasurer – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, , Hart Police Chief – Juan Salazar, Ethan Castro, Craig Cihak, Jacob Eckholm Sharon Hallack, Staci Hegg, Mike Houseman, Christine Juska, Tim and Patty Kersjes, and Roman Wilson

APPROVAL OF AGENDA:

- A. Mullen motioned to Amend agenda to move action item C (Resolution 2026-15) to Discussion Items and was supported by B. Root
 - Ayes: 5 Nays: 0 Absent: 2

PUBLIC COMMENTS:

- Stacy Hegg addressed the council regarding the Ceres property proposal. She expressed support for the new proposal but criticized the council's previous rejection of her \$30,000 offer, noting that the current proposal didn't include a monetary offering. Hegg raised concerns about parking, stating the proposal showed 66 spots for 60 apartments, with overflow likely requiring street parking. She emphasized that her previous proposal would have added parking and put the property back on tax rolls without requesting tax abatements. Hegg advocated any approved proposal to include adequate parking for both private and public use, especially given the venue's capacity of over 700 people and upcoming events that utilize street parking.

- Patty Kerjes from Main Street Spa spoke about property line issues and dead tree removal. Kerjes described purchasing their Hansen Street property in 2023 with plans for a large community garden. She detailed extensive efforts to remove dead cottonwood trees near power lines, including requests to DPW and former City Manager Rob Splane. Curtis hired a tree removal service at considerable expense, during which she suffered a finger injury requiring emergency room treatment and amputation, resulting in lost income from September to January. She expressed frustration that the trees she had removed were actually on city property, which she discovered through a property survey, stating the situation could have been avoided with proper research of property lines.

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- None

CONSENT AGENDA:

- Approval of minutes from March 24th, 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 C. Burillo
 - Ayes: 5 Nays: 0 Absent: 2

ACTION ITEMS:

- Resolution 2026-09 (Revision 1) Deficit Elimination Plan for Park Fund
 WHEREAS, the City of Hart Park Fund has a deficit fund balance of \$175,841 as of June 30, 2025; and
 WHEREAS, Public Act 140 of 1971 requires that a local unit of government formulate and file a Deficit Elimination Plan with the Michigan Department of Treasury when a deficit exists in a fund; and
 WHEREAS, the City Council has reviewed the circumstances resulting in a deficit and has determined a plan to eliminate the deficit and restore the Park Fund to financial stability; and
 WHEREAS, the City Council is also requested to accept the amended Park Fund budget for Fiscal Year 2025-2026 as presented, which includes a fund balance transfer of \$175,000 from the John Gurney Park checking account to the Park Fund.

NOW, THEREFORE, BE IT RESOLVED that the Hart City Council hereby

Accepts the amended Park Fund budget for Fiscal Year 2025-2026 as presented

BE IT FURTHER RESOLVED that the Hart City Council hereby

Adopts the following as the City of Hart Park Fund Deficit Elimination Plan:

	23-24 Actual	24-25 Actual	25-26 Projected	26-27 Projected	27-28 Projected
DESCRIPTION	Audit	Audit	Def Elim Plan	Def Elim Plan	Def Elim Plan
UNRESTRICTED NET POSITION (DEFICIT)	12,326	(57,306)	(175,842)	(173,911)	(87,845)
REVENUE					
Camp Store	4,636	11,243	10,000	14,000	14,420
Site Rentals	165,444	174,634	242,850	287,775	296,408
Miscellaneous (storage, RV rentals, laundry)	-	45	10,920	11,220	11,557
Pavillion/Hall Rental			2,000	4,000	4,120
TOTAL REVENUE	170,080	185,922	265,770	316,995	326,505
EXPENDITUES					
Wages (Regular Employee)	24,078	54,322	44,100	45,423	46,786
Wages (Part Time)	8,380	37,241	35,000	28,000	28,840
Wages (Workers from Other Depts)	-	-	-	-	-
Wages (Temporary Help)	3,478	-	-	-	-
Leave Days (Combined)	899	11,264	8,750	9,000	9,270
FICA	7,746	8,697	9,500	11,000	11,330
Combined Fringes (no FICA)	487	23,193	23,889	24,606	25,344

Uniforms	528	1,415	1,000	1,000	1,030
Operating Supplies	29,491	32,057	16,400	17,000	17,510
Tools	-	206	2,000	2,200	2,266
Repairs & Maintenance	10,008	3,597	9,000	10,000	10,300
Professional Services	10,869	43,294	14,000	10,000	10,300
Management Fee	41,078	-	-	-	-
Contractual Services	15,099	45,162	55,000	12,000	12,360
Motor Operations	3,175	4,641	5,000	5,500	5,665
Community Promotions	85	914	2,500	2,750	2,833
Advertizing/Promotion	3,072	807	3,000	1,200	1,236
Printing & Publishing	-	289	-	500	515
Property/Liability/BondingIns	850	880	900	1,000	1,030
Utilities	36,157	29,387	34,000	36,000	37,080
Telephones/Pagers	3,372	4,085	3,200	3,500	3,605
Conf/Workshops/Training	-	1,977	-	1,500	1,545
Membership Dues	860	1,442	2,000	1,750	1,803
Capital Outlay	40,000	6,556	-	10,000	10,000
Miscellaneous	-	408	-	-	-
TOTAL EXPENDITURES	239,712	311,833	269,239	233,929	240,646
Annual Net Without Deficit Carryover	(69,632)	(125,911)	(3,469)	83,066	85,858
NON-OPERATING REVENUE					
Interest on Investments	-	7,375	5,400	3,000	3,000
TOTAL NON-OPERATING REVENUE	-	7,375	5,400	3,000	3,000
UNRESTRICTED NET POSITION (DEFICIT) DEC 31	(57,306)	(175,842)	(173,911)	(87,845)	1,014

EXPLANATION: Camp Site rental revenue increase of 29%. New mics. Revenue projected from winter storage, dump station, and laundry increase. Increase hall rental 100%. Decrease professional and contractual services (contractual seasonal workers) by 72%. Decrease wages in park fund by moving 30% of wages to recreation fund in general fund where the superintendent assists in the winter.

BE IT FURTHER RESOLVED, that the City Manager is authorized and directed to submit the City of Hart Park Fund Deficit Elimination Plan to the Michigan Department of Treasury for certification.

- C. Burillo motioned to approve Resolution 2026-09 (Revision 1), and supported by K. Thomson

· Ayes: 5 Nays: 0 Absent: 2

▪ Resolution 2026-14 Adopt Water Rate Increase Schedule

WHEREAS, the City of Hart operates a municipal water system that must remain financially sustainable to support ongoing operations, maintenance, and infrastructure investment; and

WHEREAS, the City completed a Water Rate Study dated January 23, 2026, which identifies capital improvement needs of approximately \$21,109,400 over the next ten (10) years; and

WHEREAS, the study recommends a multi-year rate adjustment strategy to generate sufficient revenue to support operating costs, capital improvements, and associated debt service obligations; and

WHEREAS, the proposed rate schedule includes phased increases to both the base monthly rate and commodity (usage) rates, structured as follows:

- FY 2026/2027: 25% increase
- FY 2027/2028: 25% increase
- FY 2028/2029: 25% increase
- FY 2029/2030 and annually thereafter: 5% increase per year:

WHEREAS, this phased approach is intended to gradually align revenues with system while minimizing sudden rate impacts and ensuring long-term financial stability of the water fund:

NOW, THEREFORE, BE IT RESOLVED that the Hart City Council hereby:

Adopts the water rate increase schedule as presented in the January 23, 2026 Water Rate Study, specifically as outlined on page 3 to begin July 1, 2026; and

BE IF FURTHER RESOLVED that the City staff

Authorized to implement the updated rate structure, including adjustments to base rates and commodity rates for all customer classes, and to make all necessary billing and administrative changes.

- A. Mullen motioned to approve Resolution 2026-14 and supported by B. Root

· Ayes: 5 Nays: 0 Absent: 2

▪ Resolution 2026-15 Approve/Deny Modify Hart Area Fire Department Funding Request

MOVED TO DISCUSSION ITEMS

▪ Resolution 2026-16 Authorize Five-Year Agreement with HydroCorp Corss-Connection Control Program

WHEREAS, the City of Hart is required to comply with EGLE Cross-Connection Control Rules to protect the public water supply; and

WHEREAS, the City does not have sufficient staff capacity to administer and perform the required inspections and compliance tracking; and

WHEREAS, HydroCorp has successfully provided commercial inspection services to the City and has demonstrated reliable service and strong customer support; and

WHEREAS, HydroCorp has submitted proposals for:

Commercial Program Renewal (5-Year Total: \$51,642

- Year 1: \$9,9534.50
- Year 2: \$9916.00
- Year 3: \$10,312.50
- Year 4: \$10,725.00
- Year 5: \$11,154.00

New Residential Program (5-Year Total: \$51,307.78):

- Year 1: \$9472.81
- Year 2: \$9,851.72
- Year 3: \$10,245.79
- Year 4: \$10,655.62
- Year 5: \$11,081.84

WHEREAS, these services include inspections, compliance tracking, reporting, and program administration necessary to meet EGLE requirements;

NOW, THEREFORE, BE IT RESOLVED THAT the Hart City Council hereby,

Authorizes the City Manager to execute the attached five-year agreement with HydroCorp for commercial program renewal and implementation of a residential inspection program; and

BE IT FURTHER RESOLVED THAT City staff is authorized to implement the agreements and budget for the associated annual costs.

- A. Mullen motioned to approve Resolution 2026-16 and supported by K. Thomson
· Ayes: 5 Nays: 0 Absent: 2

▪ Resolution 2026-17 Opposing House Bill on Zoning Changes

WHEREAS, local governments in Michigan are granted authority under state law to plan and regulate land use in a manner that reflects the unique needs, infrastructure, and character of their communities; and

WHEREAS, local officials are best positioned to balance housing needs with infrastructure capacity, public safety, environmental considerations, and long-term community planning goals; and

WHEREAS, House Bills 5529-5532 and 5581-5585, currently under consideration in the Michigan Legislature, would impose statewide zoning mandates that preempt local authority on matters including, but not limited to, duplexes, accessory dwelling units (ADUs), minimum lot sizes, setbacks, and minimum dwelling sizes; and

WHEREAS, these bills would limit the City's ability to implement zoning standards tailored to local conditions and infrastructure capacity; and

WHEREAS, while the City of Hart supports efforts to address housing availability and affordability, effective solutions require collaboration with local governments recognition of community-specific needs; and

WHEREAS, one-size-fits-all mandates risk undermining thoughtful local planning efforts, infrastructure investments, and community-supported development strategies.

NOW, THEREFORE, BE IT RESOLVED

The City of Hart hereby opposes House Bills 5529-5532 and 5581-5585 and any similar legislation that would preempt local zoning authority.

The City of Hart urges the Michigan Legislature to work collaboratively with local governments to develop housing solutions that respect local planning and infrastructure realities.

The City of Hart reaffirms its commitment to supporting housing solutions that are locally driven, balanced, and responsive to community needs.

The City Clerk is directed to transmit a copy of this resolution to the Governor, State Representative Curt VanderWall, State Senator Jon Bumstead and the Michigan Municipal League.

THIS RESOLUTION IS TABLED

- B. Root motioned to TABLE Resolution 2026-17 and supported by A. Mullen
· Ayes: 5 Nays: 0 Absent: 2

▪ Resolution 2026-18 Accept TIFA Recommendation for 3 East Main Street Redevelopment

WHEREAS, the City of Hart Tax Increment Finance Authority (TIFA) issued a request for Proposals for the redevelopment of 3 E. Main Street; and

WHEREAS, TIFA reviewed four (4) proposals and narrowed the field down to two (2) finalists- Wolverine Building Group and Heyboer Bro. Co based on qualifications, project approach, and alignment with redevelopment goals; and

WHEREAS, both finalists presented their proposals and answered questions during a public TIFA meeting on March 31, 2026; and

WHEREAS, following deliberation in closed session, TIFA returned to open session and selected Wolverine Building Group as the preferred developer; and

WHEREAS Wolverine Building Group has proposed “Lofts on Main” a 60-unit apartment development that will add new housing and support downtown vitality:

NOW, THEREFORE, BE IT RESOLVED THAT the Hart City Council hereby

Accepts the recommendation of TIFA and identifies “Lofts on Main” as the preferred developer for 3 E. Main Street; and

BE IT FURTHER RESOLVED THAT, City staff is authorized to proceed with negotiations, including but not limited to development agreements, purchase agreements, and any necessary due diligence, subject to final approval by City Council; and

BE IT FURTHER RESOLVED THAT the City Council reserves the right to approve final terms and conditions of the redevelopment project prior to execution of any binding agreements.

- A. Mullen motioned to approve Resolution 2026-18 and supported by C. Burillo

· Ayes: 5 Nays: 0 Absent: 2

DISCUSSION ITEMS:

- Planning Commission moving to public hearing to 1) Place a moratorium on data centers, 2) implement new language to landscaping ordinance to comply with redevelopment ready requirements for green infrastructure, and 3) opting out of Land Division mandates
- Hart Hills Bike Race is set for May 9th
- Hart Rotary Brick Pavers
- Safe Routes to School Update: Is on hold- MDOT kicked it to the Feds , Bid opening for Plum street is still set for April 15th at 10am.

CITY MANAGER'S REPORT:

Status of ongoing projects:

- Hart Plaza Streetscape Project – Underway, started ahead of schedule
- Safe Routes to School Trail – No Change
- Water Tower ATT antenna project – JSJ Corp is now requesting a full ALTA survey showing easement and reports they have a buyer for the land we’re seeking easement to – AT&T has agreed to pay for survey.
- Starting Block 4-9-2026 board meeting ended with concerns that they may not be able to sustain operations for more than one year. Anyone interested in this is encouraged to get involved.
- Utility and Police Union negotiations are ongoing – the personnel and finance committee has reviewed both proposals and offered recommendations base on financial impact.
- Plum Street bid openings tomorrow at 10am
- Hart Energy saw a response from Charter to the notice of pole attachment violations

What’s New:

- Communication Through Conflict Workshop hosted by the Oceana Planning Commission is April 22nd 6:30-8:30pm
- Dark Water Coffee is conducting environmental studies on the two lots in the Industrial Park, finalizing purchase agreement for signature.
- Boy Scout Cabin at John Gurney Park has been posted as an unsafe building – preparing for demolition.
- Next council budget workshop: April 28th 6-7:15pm with subs available at 5:45pm.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- A. Mullen – HEART Development committee meeting is set for 04/15 @2pm., also through Sponsorship Music on the Commons is fully paid for through money raised.
- C. Burillo – Cemetery Board Meeting is April 20th at Hart Township Hall
- Bike and Board Sale is Saturday April 18th
- April 25th is Trail Conservation cleanup.

ADJOURN:

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 8:55pm. The next regularly scheduled meeting will be on April 28th, 2026, at 7:30 pm.

Respectfully Submitted,

Karla Swihart

Karla Swihart, City Clerk