



CITY OF HART
407 S. STATE ST.
HART, MI 49420
REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS
SEPTEMBER 23rd, 2025
MINUTES – Approved

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

ABSENT: None

OTHERS PRESENT: Interim City Manager Nichole Kleiner, Deputy Clerk/Treasurer Lindsay Brown, BioPure Superintendent – Paul Cutter, Scott and Stacie Hegg, Noble and Joe Lattin, Gayle Forner, Elisabet Forner, Hannah Juhl, Maria Rosas, Caleb Griffis, Lawrence and Tracey Lipps, Marie DeRuiter, Claire Marshall, Daniel Leonard (MEDC), and Christine Juska.

APPROVAL OF AGENDA:

- A. Mullen motioned to approve the 2nd Amended Agenda and was supported by J. Cunningham
 - Ayes: 7 Nays: 0 Absent: 0

PUBLIC COMMENTS:

- None

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- S. Hegg Real Estate Regarding Proposal for 3 East Main Street
Only 2 proposals for Ceres Property were received by the extended deadline of August 12th, 2025 and one was withdrawn. TIFA voted to accept our proposal at the August 19th meeting even though it was mistakenly reported that it didn't. At the last TIFA meeting held on September 16th, 2025, the minutes was recified to reflect the correct calling of the vote. in despite of that the Interim City Manager submitted resolution 2025-02 to void that vote do to lack of clear governing bylaws, a motion was made which got no support so the motion failed and the vote stand. Our desire to develop the Ceres Property has nemours factors that play into it. We are trying to be concionsents of our fellow business owners downtown by not taking up all of the street parking durning one of our events and the City lots, we are trying to help a fellow business owner have securty and keep his warehouse and possibly expand into more retail. We are trying to help and mentor a new generation business owner in downtown Hart Noble, he has a grand vision for this venue and we are partnering with him and Joe to make this come to forution. We make no money on a parking lot infact we will go in the hole considerably because of the condition of the property. There is a pit full of garbage, buildings that are vandelize, structures that are ready to fall over and uneven concrete pads that need to be removed. The property is becoming more and more blight as time goes on. The only thing we stand a chance to make money on is housing, so of course we want to do housing along Water and Washington, but because we have to invest so much on cleaning up the property to even make just a portion of it parking, we don't want a timeline on houseing as we don't have a crystal ball to see what the future holds with building cost and the housing market etc. We waited over 2 years to put in a proposal, we went to the meetings gave our input, we were excited about the development presentation and haven't seen any development or anyone show any interest. To do the whole plan presented it would be very expensive and to be honest I don't know if anybody could make enough return on that investment in Hart. We have both grown up and lived in Oceana County our intire lives with exception of our collage years. Our family has had a business in downtown Hart for over 80 years. We are developers, we renovated our historic buidling which was ready to be demoligisted just down the street, We renovated another historic building in downtown Ludington, and are working on a second one. We renovated a 90,000 square foot building on US 31 in Holland. We have an Arictect, contractors and motivation to make this property useful for the City. We are not asking for a handout, our offer

was more than what TIFA purchased it for, not that matters, no other proposal had any monature offer at all. If things don't go our way today we can certainly take our investment to another community that has welcomed us and our projects with open arms however we care about this community, that has been our home and the home of our business for 4 generations. Finally I will end with the fact that im not sure why we are even here today. In researching TIFA's state requirements and bylaws and in contacting other local TIFA boards and dissecting many versions of the Hart TIFA bylaws and speaking with an attorney I do not feel like TIFA is required to have permission from City Council to purchase or sell property in the TIFA district. MCL Section 125 and Act 57 of 2018 which is referenced in the version of the bylaws on the City website does not have this requirement. If TIFA's hands are tied and they have to go to the City Council everytime a property is purchased, leased or sold, why did the lease with option to purchase of 408 and 412 State Street, not go before City Council for approval? It was operating under the same bylaws as our vote further more why didn't TIFA have to go before City Council tp purchase the Ceres Property in the 1st place? This is a slippery slop and many things will be called into question. I don't want to get into the weeds to much tonight on bylaw interpatation, but I'm asking for City Council to allow TIFA to do their job as the State manidates and allow their vote to stand.

- Daniel Leonard, EDPF, Senior Redevelopment Services Director, Michigan Economic Development Corporation. I'm with Michigan Economic Development Corporation, and we are an organization that works directly with communities all over the State, and the City of Hart is one that is engaged in a program that is known as redevelopment ready, with the certification and going through that process basically evluted yourself away from all the other communities in terms outreached the general privatesector the public sector when you actually put in grants, request monies from the overall state budget all of those things lend a hand towards the actions that the City has taken in locally to position yourselves to be more attractive towards private investors. The RFQ that is infront of you is one that had a lot of public input and frankly dollars from our group to try and help figure out from the general public what they want to see happen. Its really hard to attract developers to rural communities expecially to ones they are not familer with. Developers are an interesting batch of community which means they kind of like to stay with markets they are used to, so it pretty common to raise a question on proposals and in fact its pretty good that the City has a proposal in front of them but one look at the financial data of it and second look at the market need what did the community want to see happen there and last what other types of resources are out there that could help realize that vision so when you receive a proposal what does that look like in terms of its competiveness. Right now the states budget is not approved yet, so hopefully when it is approved we will still have similar programming and access to those resources to try and help peojects like this to actually come to fluation. Would like to tell you about a RHP for a community that went out and got no proposals so the City decided to take a different route and invited in private investors, realitors, outside develpers and blasted it all over different sit which actaully ended up getting a developer from out of state that bought the property and are now developing it to what the City invisioned. So I wanted to bring that to table that there are our developers out there, these things take time.

CONSENT AGENDA:

- Approval of minutes from September 9th, 2025
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
 - B. Root motioned to approve Consent Agenda and supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

ACTION ITEMS:

- Resolution 2025-32 Consenting to the Sale of 3 East Main St to S Hegg Real Estate
WHEREAS, the City of Hart Tax Increment Finance Authority ("TIFA") owns the real property commonly known as 3 E Main Street; and
WHEREAS, the TIFA Bylaws require City Council consent for TIFA to convey property; and

WHEREAS, at its meeting on August 19, 2025, TIFA approved a motion by Gale Goldberg, supported by Scott Hegg to accept the offer from B Hegg Real Estate, LLC, to purchase 3 East Main Street.

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL HEREBY:

1. Consents to TIFA's disposition (sale) of 3 E Main Street to S Hegg Real Estate, LLC, as approved by TIFA on August 19th, 2025
2. Authorizes the City Clerk (and Mayor, as needed) to execute a Council Consent letter or instrument memorializing this consent

All Resolutions and parts of Resolutions in conflict herewith shall be and the same are hereby rescinded

- RESOLUTION 2025-32 DID NOT PASS BY CITY COUNCIL

Recommendation to TIFA board is to put out a press release with a 30-45 day window to allow request for proposal to come in and that way it is clear that it is open and available to anyone who wants to put in a RFP.

▪ Resolution 2025-33 Grant License for Right of Way Encroachment

WHEREAS, the real property located at 710 S State Street, Hart Mi (Parcel No. 64-020-736-001-10) (the "Property") is the former Village Market and is being developed by West Shore Community College ("WSCC") as a satellite campus; and

WHEREAS, a portion of the improvements on the Property encroach upon the Dryden Street right-of-way, most notably the existing track compactor located on the east side of the building along Dryden Street (the "Existing Improvements"); and

WHEREAS, it is necessary for WSCC to maintain the Existing Improvements on the Property including those improvements that encroach upon the Dryden Street public right-of-way, as shown on the survey on file with the City Clerk (the "Encroachment"); and

WHEREAS, the City owns, maintains and improves public streets and roads within the City; and

WHEREAS, the City has reviewed the Encroachment and determined that it is reasonable and in the City's best interest to facilitate development and use of the Property by WSCC to permit WSCC to maintain the Existing Improvements in the Encroachment; and

WHEREAS, it is necessary and in the best interest of the City and WSCC to enter into a license agreement, in the form on file with the City Clerk, (the "Agreement") to permit WSCC to maintain the Encroachment for the Existing Improvements.

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL HEREBY:

1. Approves the Agreement, in the form on file with the City Clerk, to permit the temporary Encroachment for the Existing Improvements with such revisions and modifications as are deemed necessary and in the best interest of the City by the Mayor and City Clerk in consultation with the City Attorney.
2. Authorizes and directs the Mayor and the City Clerk to enter into, execute, and deliver the Agreement and all necessary documents to permit the Encroachment in accordance with the terms of the Agreement.
3. All Resolutions and parts of Resolutions in conflict herewith shall be and the same are hereby rescinded.
 - B. Root motioned to approve Resolution 2025-33 and supported by C. Burillo
 - Ayes: 7 Nays: 0 Absent: 0

▪ Resolution 2025-34 Authorize Submission of Sealed Bid for Dump Truck

WHEREAS, the City of Montague has issued a notice of sale for one (1) 2010 International Dump Truck, Model 7400 SFA with Monroe stainless steel combination dump body, salt spreader, underbody scraper, and related equipment; and

WHEREAS, the City of Hart Department of Public Works has identified a need for this type of vehicle to support public works operations; and

WHEREAS, the City Council of the City of Hart desires to authorize the Interim City Manager to submit a sealed bid for the purchase of the dump truck in accordance with the terms of Montague's bid notice; and

WHEREAS, sufficient funds are available in the City's General Fund – Public Works budget for this purpose.

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL HEREBY:

1. Authorizes the Interim City Manager to prepare and submit a sealed bid to the City of Montague for the purchase of the 2010 International Dump Truck as described in the bid notice.
2. Authorizes Interim City Manager to take all necessary actions to complete the purchase should the City of Hart be the successful bidder.
3. Directs that payment for said purchase shall be made from the City of Hart's General Fund – Public Works budgeted appropriations.

- C. Burillo motioned to approve Resolution 2025-34 and supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

▪ Resolution 2025-35 Authorize Replacement Flooring in City Hall after Water Damage

WHEREAS, on September 3, 2025, heavy rains and a failed roof drain caused water intrusion into City Hall and the Police Department, damaging carpeted flooring in the Police Department offices, equipment and evidence rooms, and City Hall administrative offices; and

WHEREAS, ServPro performed cleanup and carpet removal services in the amount of \$8,853.35, less a \$1,500 insurance deductible, with insurance paying ServPro directly \$7,753.35; and

WHEREAS, insurance has additionally approved reimbursement of \$12,358.54 toward flooring replacement costs; and

WHEREAS, the City of Hart has received quotes for commercial-grade vinyl plank flooring replacement throughout the affected areas and lobby as follows:

- West Michigan Carpet: \$22,658.15
- Harbor Flooring \$24,371.27
- Lowe's Quote Pending

WHEREAS, the City desires to replace the removed carpet with commercial-grade vinyl flooring in all affected areas, as well as the tiled lobby, to provide a more durable and water-resistant surface and reduce the risk of future flood-related damage; and

WHEREAS, the City's share of the flooring replacement costs, after insurance reimbursement, is estimated at approximately \$10,300, a budget item in the Buildings and Grounds fund within the General Fund.

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL HEREBY:

1. Authorizes the Interim City Manager to proceed with contracting for replacement of flooring in City Hall and the Police Department, consistent with the quotes obtained with a project cost not to exceed \$25,000.
2. Acknowledges that insurance reimbursements of \$12,358.54 for flooring replacement has been approved and will offset the total project cost.
3. Authorizes the Interim City Manager to execute any and all documents necessary to complete the flooring replacement project.

- J. Cunningham motioned to approve Resolution 2025-35 and supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

▪ Resolution 2025-36 Designate Street Administrator for MDOT

WHEREAS, Section 13(9) of Act 51, Public Acts of 1951, provides that each incorporated City and Village to which funds are returned shall designate a single Street Administrator responsible for coordinating street improvements, maintenance, traffic operations, and the development, construction, or repair of off-street parking facilities and street lighting, and representing the municipality in transactions with the Michigan Department of Transportation (MDOT) pursuant to the Act; and

WHEREAS, it is necessary and in the best interest of the City of Hart to designate a Street Administrator for this purpose.

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL HEREBY:

1. Designates Nichole Kleiner, Interim City Manager, as the single Street Administrator for the City of Hart in all transactions with the Michigan Department of Transportation as provided in Section 13 of Act 51.
2. Directs the City Clerk to forward a certified copy of this Resolution to MDOT, Bureau of Finance and Administration, in accordance with MDOT requirements.

MDOT Street Administrator form

- B. Root motioned to approve Resolution 2025-36 and supported by C. Burillo
 - Ayes: 7 Nays: 0 Absent: 0

- Resolution 2025-37 Authorize Transfer of Funds from Matured Certification Certificate of Deposit with AG Family Wealth to the General Fund.

WHEREAS, the City of Hart holds a certificate of deposit ("CD") with AG Family Wealth that has reached maturity; and

WHEREAS, City administration recommends transferring the matured proceeds to the City's General Fund for cash management and authorized purposes; and

WHEREAS, the total matured proceeds to be transferred are Two Hundred Sixty Thousand Seven Hundred Seventy-Eight and 17/100 Dollars. (\$260,778.17)

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL HEREBY:

1. Authorizes the City Treasurer and Interim City Manager to redeem the matured CD held with AG Family Wealth and transfer \$260,778.17 to the City of Hart General Fund primary depository account.
2. Authorizes the City Treasurer and Interim City Manager to close out the specific CD investment upon redemption and to execute any and all documents, wire/ACH instructions, and certifications necessary to complete said transfer and closure.
3. Directs the Clerk/Treasurer to record the transaction in accordance with the City's accounting policies and applicable governmental accounting standards, and to prepare any budget amendment(s) necessary to reflect the movement of funds and recognition of investment income within the General Fund.

All Resolutions and parts of Resolutions in conflict herewith are hereby rescinded.

- A. Mullen motioned to approve Resolution 2025-37 and supported by C. Burillo
 - Ayes: 7 Nays: 0 Absent: 0

- Approval of 2026-2029 Energy Waste Reduction ("EWR") Plan & Participation Agreement to MPPA's Retail Energy Improvement Program Project.

The retail Energy Improvement Program Project Participation Agreement ("Participation Agreement" or "Agreement") is to be effective as of the 23rd day of September 2025 (the "Effective Date") and is entered into by and among Michigan Public Power Agency ("MPPA") and City of Hart ("Hart"), a member of MPPA (a "Participating Member").

WHEREAS, MPPA is a joint agency of the State of Michigan created pursuant to the Michigan Energy Employment Act, 1976 PA 448, MCL 460.701 et seq. (the "Act") and comprised of municipal electric utilities each furnishing power, energy, and related services to their respective customers (each a "Member" and, collectively, the "Member");

WHEREAS, MPPA is governed by a Board comprised of Commissioners ("MPPA Board") who are appointed by the respective governing bodies of its Members;

WHEREAS, the Act authorizes MPPA to, inter alia, undertake administrative, asset, planning, and service projects either related to its Members' electric generation and distribution systems or otherwise in furtherance of its Members' provision of electric service;

WHEREAS, on August 13, 2025, the MPPA Board passed a Resolution creating the Retail Energy Improvement Project ("Retail Energy Improvement Project" or "Project") for the purpose of creating a structured program that leverages economies for scale and scope standardization, and business alignment that reduces costs and risks to implement various energy waste reduction and clean energy programs and services to participating Members of

MPPA which are necessary to comply with the Clean and Renewable Energy and Energy Waste Reduction Act, 2008 Public Act ("PA") 295, MCL 460, 1001 et seq., as amended ("Michigan State Energy Legislation"); WHEREAS, through participation in the Retail Energy Improvement Program Project, Members will be able to streamline compliance with the Michigan State Energy Legislation and reduce the administrative burden of providing their retail customers with energy waste reduction and clean energy programs and services; WHEREAS, the MPPA Board further resolved that (i) a committee for the Retail Energy Improvement Program ("Project Committee") be formed, (ii) the membership of the Project Committee consist of person designated in writing by each Member authorized and electing to participate in the Project, through executing the Participation Agreement, and (iii) the Project Committee be organized and governed in accordance with Article 5 of the MPPA By-Laws and all expenses of the Retail Energy Improvement Program Project be borne by all of the Participating Members; and NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

Section 1. Governing Body Authorization.

In order for this Participating Agreement to be effective, the governing body of the Participating Member shall pass a Resolution or other documentation authorizing the approval of this Participating Agreement ("Authorization Resolution").

Section 2. Covenants.

- (A) MPPA Covenants. MPPA shall implement the Retail Energy Improvement Program Project as directed by the Project Committee which implementation shall include but not necessarily be limited to the services and programs as described in Exhibit A attached and incorporated herein to this Agreement ("Services"), as may be amended from time to time.
- (B) Participating Member Covenants. The Participating Member shall provide reasonable assistance in furthering MPPA's implementation of the Retail Energy Improvement Program Project in the Participating Member's territory. Further, the Participating Member agrees to collect rates, rents, fees, and charges for electric power and energy and other services, facilities, and commodities sold, furnished, or supplied through its electric system sufficient to provide revenues adequate to meet its obligations under this Participation Agreement.
- (C) Cooperation and Exchange of Information. MPPA and the Participating Member recognize that successful implementation of the Retail Energy Improvement Program Project will require cooperation and frequent exchanges for information (including, but not limited to, retail customer information). MPPA and the Participating Member agree to make all reasonable efforts to timely provide to MPPA, and/or any third-party contracted by MPPA to implement the Services or Administration of the Project, such information as may be required under this Agreement, as may be required under any agreement between MPPA and a third-party contractor, or as otherwise necessary to implement the Retail Energy Improvement Program Project.

Section 3. Services.

Participation. Participating Member will have the option to consult with MPPA, who will then consult with any third-party implementation contractor(s), to choose and/or modify the Services offered to their retail customers, subject to mutual agreement by the third-party contractor to implement the Participating Member's desired changes. In the event of termination with cause of this Agreement or a third-party contractors Service Agreement(s) with MPPA, the third-party shall cease providing Services to the Participating Member's retail customers immediately after being notified of a termination/recission.

Section 4. Governance.

This Agreement shall be administered by a Project Committee as established by the MPPA Board in accordance with Article 5 of the MPPA By-Laws.

Section 5. Accounting.

MPPA Accounting Obligations. MPPA shall keep accurate records and accounts relating to the Retail Energy Improvement Program Project in accordance with the Uniform System of Accounts, separate and distinct from its other records and accounts. The accounts shall be audited annually by a firm of certified public accountants, experienced in electric utility accounting, to be employed by MPPA. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by MPPA to the Participating Member not later than one hundred eighty (180) calendar days after the end of each calendar year.

Section 6. Expenses, Billing, and Payment.

- (A) **Expenses.** Each Participating Member shall be responsible for all charges, fees, costs, expenses, and settlements ("Costs and Expenses") incurred with respect to the specific activities for their program ("Member Costs and Expenses") as well as a portion of the administrative Costs and Expenses of the Retail Energy Improvement Program Project, as allocated herein that cannot be attributed to any specific Participating Member's program to include, but not limited to, MPPA expenses and any third-party costs and expenses ("Administrative Costs and Expenses"). Each Participating Member's program will have an account and/or records to record the Member's Cost and Expenses. The expected and maximum not-to-exceed costs pertaining to MPPA's contact with a third-party contractor for Retail Energy Improvement Program Project implementation services, which will comprise the majority of Member Costs and Expenses, are detailed by calendar year on Exhibit B attached and incorporated herein to this Agreement. The Retail Energy Improvement Program Project will have a general account to record any Administrative Cost and Expenses. All Administrative Costs and Expenses in the general account shall be allocated to the Participating Members in the Retail Energy Improvement Program Project as follows: Seventy five percent (75.00%) democratic and twenty five percent (25.00%) based on the load ratio share of a Participating Member's MWh sales compared to the total of all MWh sales of all Participating Members as reported by the most recent Energy Information Administration ("EIA") reports/data.
- (B) **Billing.** MPPA shall provide each Participating Member monthly invoices for any cost and expenses attributable to the Participating Member's program on or around the 10th calendar day of each month for the Member's participation in the Retail Energy Improvement Program Project during the preceding month.
- (C) **Payment.** Monthly payments required to be paid to MPPA for Retail Energy Improvement Program Project costs and expenses, as invoiced, pursuant to this Section 6 shall be due and payable to MPPA at the principal office of MPPA or bank account of MPPA, or such other address or bank account as MPPA shall communicate in written or electronic form to the Participating Member, on the 25th day of the Month falls on a weekend or a bank holiday, the next following business day ("Due Date") within ten (10) business days after the Participating Member's receipt of the invoice, whichever is later.
- (D) **Delay-Payment Penalty and Interest.** If payment in full is not made on or before the close of business on the Due Date, a delayed-payment charge on the unpaid amount due for each day overdue will be imposed at a rate equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rate" on such day (or if not published on such day the most recent preceding day on which published), plus two percent (2%), or the maximum rate lawfully payable by the Participant whichever is less. If the due date falls on a Saturday, Sunday, or a bank holiday, the next following business day shall be the last day on which payment may be made without the addition of the delay-payment charge.
- (E) **Dispute Process.** In the event of any dispute as to any portion of an invoice, the Participating Member shall nevertheless pay the full amount of the disputed amounts when due and shall give written notice on the dispute to MPPA not later than the date such payment is due, if the Participating Member is already aware of the dispute, or withing thirty (30) calendar days of discovering the grounds for the disputed amounts, but only if the Participating Members could not have reasonably been expected to have discovered the grounds for dispute by the original due date. Such notice shall identify the disputed invoice, state the amount in

dispute and set forth a full statement of the grounds upon which such a dispute is based. No adjustment shall be considered or made for disputed amounts unless notice is given as required above. MPPA shall give consideration to such dispute and shall advise the Participating Member in writing of its position within thirty (30) calendar days following receipt of such written notice. Upon final determination (whether by agreement, arbitration, adjudication or otherwise) of the correct amount, any difference between such corrected amount and the invoiced amount shall be subtracted from the next statement submitted to the Participating Member after such determination or, if this Participation Agreement has terminated, shall be paid to Participating Member within thirty (30) calendar days of such determination. The Participating Member shall continue to be responsible after the termination of this Agreement for its share of financial obligations associated with this Agreement that accrued during the Initial Term and any subsequent Extension Term of this Agreement.

Section 7. Term.

This Agreement shall become effective as of the date upon which it is fully executed by the parties hereto and shall survive for an initial term through December 31, 2029, at 11:59pm ("Initial Term"). Thereafter, this Agreement may only be extended upon written agreement between the parties hereto, subject to subsequent approval of the Participating Member's governing body ("Extension Term"). The Initial Term and an Extended Term may be terminated by the Participating Member or MPPA pursuant to Sections 8,9, or 13.

Section 8. Default of Participating Member.

- (A) Payment Default. Failure of the Participating Member to timely make any payments to MPPA required under this Participation Agreement shall constitute an immediate default on the part of the Participating Member. In the event of such default, the Participating Member shall not be relieved of its liability for payment of the amounts in default and MPPA shall have the right to recover from the Participating Member any amount in default. In enforcement of any such right of recovery, MPPA may bring any suit, action, or proceeding in law or in equity, including mandamus and actions for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation to make any payment for which provision is made in this Participation Agreement against the Participating Member, and if the default is not cured within five (5) business days following a written declaration of default by MPPA to the Participating Member MPPA may, upon twenty (20) calendar days' written notice to the Participating Member, terminate this Participation Agreement and cease and discontinue providing all or any portion of the Services.
- (B) Covenant Default. Material failure of the Participating Member to timely and satisfactorily meet the Covenants as required in Section 2 of this Participation Agreement shall constitute a default on the part of the Participating Member with a written description of the covenants required under this Agreement which the Participating Member has failed to satisfactorily meet. If the default is not cured within thirty (30) calendar days following receipt of such declaration of default by the Participating Member, MPPA may, upon sixty (60) calendar days' written notice to the Participating Member terminate this Participation Agreement and cease and discontinue providing all or any portion of the Services.

Section 9. Default of MPPA.

In the event of any default by MPPA under any covenant, obligation, or term of this Participation Agreement, the Participating Member's remedy for such default shall be limited to mandamus, injunction, action for specific performance, or any other available equitable remedy as may be necessary or appropriate, and/or termination of this Agreement upon at least sixty (60) calendar days' written notice to MPPA; provided, however, the date of termination shall be sixty (60) calendar days after the date written notification of termination is given.

Section 10. Abandonment of Remedy.

In case any proceeding or action taken on account of any default shall have been discontinued or abandoned for any reason, the parties shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of MPPA and the Participating Member shall continue as though no such proceedings had been taken.

Section 11. Waiver of Default.

Any waiver at any time by either MPPA or the Participating Member of its right with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Participation Agreement, shall not be a waiver with respect to any subsequent default, right, or matter.

Section 12. Liability of Parties.

MPPA and the Participating Member agree that the Retail Energy Improvement Program Project constitutes a separate project of MPPA. The Participating Member shall assert no monetary claims or money damage claims against MPPA for any default or breach of this Participation Agreement, and the Participating Member is limited to equitable relief only as provided herein. In addition, the parties agree that under no circumstances shall the financial assets, funds, and accounts and physical assets of any other MPPA project be available to satisfy any of MPPA's obligations to the Participating Member under this Agreement. The sole available recourse for the Participating Member or MPPA for any acts, errors or omissions by the other party, other than the recourse provided under Sections 6, 8, and 9 of this Agreement, shall be the withholding of currently owed amounts or suspension of the provision of services, followed by the termination of this Agreement.

Section 13. Termination

This Participating Agreement shall be terminated after completion of the Initial Term (i.e. termination may become effective no earlier than December 31, 2029, at 11:59pm) unless otherwise terminated as permitted below or pursuant to Sections 8 or 9, extended pursuant to Section 7.

In the event Participating Member is not taking Retail Energy Improvement Program Project implementation services from the third-party contractor (i.e. the Participating Member has \$0.00 value for that calendar year on Exhibit B), Participating Member may leave the Project and terminate this Participating Agreement upon providing MPPA thirty (30) days prior written notice.

The Participating Member and MPPA both recognize that charges, fees, expenses, and settlements may survive the term of this Participating Agreement. Notwithstanding anything in this Agreement to the contrary, in the event such charges fees, expenses, and settlements are incurred as the result of services provided under this Agreement, the Participating Member shall continue to remain liable and financially responsible for all costs associated with the charges, fees, expenses, and settlements until they are recovered in full.

Section 14. Amendment.

Except for changes to Exhibit A, included as part of this Agreement, any amendments to this Agreement shall be approved by the governing board of each party hereto as executed by authorized signers before any such amendment shall be effective.

Section 15. Applicable Law.

This Agreement and all questions relating to its validity, interpretation, performance, and enforcement will be governed by and construed, interpreted and enforced in accordance with the laws of the State of Michigan.

Section 16. Severability.

If any section, paragraph, clause, or provision of this Agreement shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

Section 17. Counterparts.

This Agreement may be executed in counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

DISCUSSION ITEMS:

- Consider the Sale of City-Owned Vacant Lot at Parcel 020-344-005-00
Legal answer advised the process starts with does Council want to sell the property if so, set a date and time with a bid proposal. Recommendation is giving bidders until Oct 23rd and can present the highest bidder at the Oct 28th Council meeting.

INTERIM CITY MANAGER'S REPORT:

Status of ongoing projects:

- Hart Plaza Streetscape Project – Ongoing
- Revised Industrial Park Covenants – Ongoing
- New locations for chalets, as stipulated by TIFA are being considered
- Water Tower easement docs with JSJ Corp (GHSP) for AT&T cell tower lease – ongoing
- Veterans Park – met with Fishbeck to review project cost, pending budget allocation verification
- Redevelopment Ready Certification pending items:
 - Show that ordinances have been reviewed to ensure they align with goals of master plan
 - Adopt a green infrastructure ordinance
 - Two additional housing options
 - Provide documentation of all zoning/planning projects
 - Reviewed by Planning Commission, awaiting public hearing, will be presented to council again at 10/14 meeting
- Ceres Solution – 09/23 council agenda item

Staffing changes, policy updates, internal improvements

- City manager position open until Sept 26th.
- Working with departments to replace shared service maintenance staff for lawn mowing, snow removal, and mechanic work on vehicles.
- Community and Economic Development, Human Resources

Financial items to keep on Council's radar:

- DPW dump truck,
- review updated capital improvement plan & determine 5-year funding sources.
- Water rate study in progress

Looking Ahead:

- Adoption of reinstated Parks & Recs Plan
- Discuss what to do with bricks at Vets Park
- Proposal from Dark Water Coffee Roasters to purchase lot in Industrial Park

Events:

- MML Community Excellence Awards – Huge thank you to the team that represented Hart at the MML conference last week and those who showed up to cheer them on (Presentation can be viewed on the City's Facebook page)
- Artwalk – October 4th (call for artist is open)

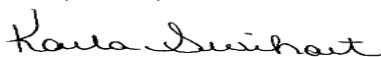
COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- Mayor Klotz, It was an honor to be nominated to be presenters at the MML and be able to go to the conference and have the ability to talk with other communities. Sharon Hallack has an amazing voice and was recognized to be the 1st singer at the conference as a presenter. A big thank you to Rob Splane for taking the reins on this event and really did a good job.
- C. Burillo I was unable to be at the conference, but I did hear that there was someone in a Tinman costume. I was able to see the photos and thank you to all for representing the City of Hart.

ADJOURN:

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 8:50pm. The next regularly scheduled meeting will be on October 14th, 2025, at 7:30 pm.

Respectfully Submitted



Karla Swihart, City Clerk