



**CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
FEBRUARY 23rd 2021
MINUTES - APPROVED**

PRESENT VIA ZOOM: Mayor Vicki Platt, Councilors: Catalina Burillo, Jim Evans, Dean Hodges, Fred Rybarz, and Rob Splane

ABSENT: None

OTHERS PRESENT City Manager Lynne Ladner, City Clerk – Karla Swihart, Hydro Superintendent Michael Schiller, DPW Superintendent Brad Whitney, Biopure Superintendent Paul Cutter, Police Chief Juan Salazar, County Assessor Ed Vandervries, Sharon Hallack, and Jason Gale.

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

Recess for the purpose of Broadband Utility Worksession until 7:30 pm

- J. Evans motioned to recess for the purpose of Broadband Utility Worksession until 7:30 pm and supported by R. Splane.
 - Ayes: 6 Nays: 0 Absent: 0

Reconvene: At the last City Council meeting, a presentation from PSE Power System engineering on the Broadband Planning and Analysis. They laid it out at the tail end of their final report includes the following steps would be, Does the City wish to move forward with this, and if so, would we want to look into a feasibility study. Do we want to do a community survey to see if it would be worth pursuing a feasibility study? Get an idea of interest as a feasibility study as it could be a significant cost associated with it. Once we decide what our next step is, that would determine if we continue down this path. Also, understanding that there are other providers out there, we could make this information available to those individuals who would seek it out and leave this to the private markets to provide.

J. Evans commented he did go through the presentation and has looked up other cities they have worked with and Is very leery of the City managing a system like this. They have a budget salary of \$78,000 for the 1st year, assuming that is for the system's management. The bottom line is this is not the business our City is in, and we are not set up correctly for this kind of operation. Who will do the billing, who will do the maintenance on the system, etc.

F. Rybarz asked how this proposal came about? Were they invited to do this? Did they pick the City of Hart? L. Ladner stated end of 2019 early 2020, M. Schiller and I meet with Katie Abraham, the executive director of the Michigan Municipal Electric Association (MMEA). At the time, we talked about different ways we could assist. I brought up the fact that Hart has limited fiber and only DSL connections for any high-speed internet. Thru an MMEA survey, Katie identified, along with the City of Hart. These seven communities felt Broadband internet access was lacking in their community and thought it needed to be looked at. The MMEA applied to the USDA community facilities program and received a grant on behalf of these seven communities to do this 1st early 1000 ft feasibility and analysis for each of these communities in 2020. PSE was selected thru MMEA thru a qualifications process to complete this proposal. Two communities did fall out partway through as they determined it would not be financially feasible for them, but all this was achieved at no cost to the communities thru the MMEA grant.

J. Evans commented that he saw an article in the local paper that Oceana County Economic Alliance launched a program to improve local internet access and speeds for businesses and homes in Oceana County, which asked all Oceana County residents to take a 10-minute survey. Do you think the City could get a copy of that survey's results? Yes, we can get a copy of the results, which Hart is included in that survey.

L. Ladner stated she and M. Schiller, in fall 2019, attended a Merrit broadband conference. We connected with one of several 3rd party contract companies that will do what you call a dark lease of fiber or a light lease, where they handle all the operations, the billing, the technical support, etc. In communities with investor-owned electricity would have to pay to Consumers, DTE, or Great lakes what you call a Pole attachment fee. This means every pole they attach to would pay a fee on an annual basis and run their fiber, but as a municipal utility, if the City owns and leases out the fiber, we would be eliminating the cost for that annual pole lease. Therefore, we can reduce the fixed operating cost of a broadband utility and lower its users' cost.

R. Splane stated he agrees with J. Evans and thinks this is a decision that the City should not rush into and would like to come away from this meeting with an action plan. I have reviewed the City's master plan, and the marketing and

economic strategy in both documents reference higher speed broadband and highly available broadband in the City. As we advance, our reliance on the internet and networking will not get any smaller, and it's only going to grow. Would broadband internet help our City grow? Would it bring businesses, and would residents want to move to the City of Hart?

Looking at the future by not having this capability will only hurt us. The City of Hart has to be able to keep up with times. No matter what, it is best to get the community's input and see how our taxpayers are thinking and our local businesses.

F. Rybarz asked if the City of Hart owns the power poles within the City. L. Ladner stated Yes the City of Hart owns a majority of its power poles.

J. Evans asked if there is a reason the City has to manage maybe look into dark internet and reach out to an organization to come in to run and maintain.

Does the City take the next step and hire a company to do a door-to-door survey, so the City can better understand the community's need for broadband? Do we put a survey on the back of the utility bills? Put a survey on the City's Facebook page on the City's website, and advertise in the local paper. See if local businesses will donate gift cards, and everyone who takes the survey will be entered into a drawing to win one? Also, reach out to other communities with broadband services and see how they conducted their surveys.

F. Rybarz asked if the City reached out to a few company's and asked them what it would cost to do a door-to-door survey. Is the City obligated to go with one of them? L. Ladner stated No, one of the things to put in every request proposal is that the Council retains the right to reject all bids, so if the Council rejects, there is no obligation to move forward.

L. Ladner will work with some local people to put together a survey and make sure it is bi-lingle and get an RFP put together for a door-to-door survey and ask some communities close to our size who have or are considering to do this project for their input.

- C. Burillo motioned to go back into session and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

APPROVAL OF AGENDA: F. Rybarz motioned to approve the agenda and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

REVIEW APPLICATIONS TO FILL COUNCIL VACANCY:

- Mayor V. Platt, Approval from Council to appoint Kris Trystad, to fill the vacant seat on Hart City Council
Kris was no in attendance at the Council meeting. C. Burillo had a few questions regarding Kris's application as there was no background. L. Ladner stated only requirement to be on the city council is to be a resident of the City for at least six months and be a registered voter.

- V. Platt motioned to appoint Kris Trystad to fill the vacant seat on City Council and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

PUBLIC COMMENTS: None

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- Receipt of MCACA Minigrant for the Concerts on the Commons series, Received word last week that The City was awarded a \$4000 grant to assist with the Concerts on the commons from MCACA,(Michigan Council of Arts and Cultural Affairs) Holland area Arts Council, \$4000 is the maximum amount for this grant, and the goal left is for the City to find a Sponsor for \$500 to pay off the remaining \$500 for the concert series.

CONSENT AGENDA:

- Approval of Amended Minutes from Jan 26th, 2021 Special Meeting adding George Sadler as present, Minutes Jan 26th, 2021, with an amendment adding Mr. Richard Raffaelli and Approval of Minutes from February 9th, 2021
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
 - R. Splane motioned to approve Consent Agenda, with Amended Minutes and supported by C. Burillo
 - Ayes: 6 Nays: 0 Absent: 0

ACTION ITEMS:

- Resolution 2021-05 Resolution to allow taxpayers to protest property tax assessments by mail.

This Resolution was tabled at the February 9th, 2021 meeting due to more questions from the Council regarding mail-in appeals, Ed Vandervries City of Hart Assessor stated this Resolution is done every year and allows taxpayers who live out of state the chance to appeal by mail as they can not attend in person. All taxpayers have the right to appeal by mail. If this resolution is not passed, you are taking away that right for taxpayers to appeal by mail. When taxpayer appeals by mail, once reviewed by the board and March Board of Review is completed, the customer is notified by mail right away with the outcome.

- C. Burillo motioned to adopt resolution 2021-05 and supported by J. Evans.

- Ayes: 6 Nays: 0 Absent: 0

- Resolution 2021-07 Resolution Accepting the updated Oceana County Law Enforcement Mutual Aid Agreement. Historically the City has participated in the Oceana County Law Enforcement Mutual Aid Agreement. This agreement was entered into and continues to provide resources for the City of Hart Police when needed for assistance or backup. The agreement is not changing in language or term from the existing, but the county has requested that with the changes in officials that have signed the previous agreement that each jurisdiction re-authorize the agreement.

- J. Evans motioned to approve Resolution 2021-07 and supported by R. Splane

- Ayes: 6 Nays: 0 Absent: 0

- Resolution 2021-08 Resolution Covering Pocket Park Change Orders.

This resolution covers three separate change requests submitted to the City and the MEDC as a single change order. Their total cost exceeds City Managers' authority to authorize but is for work that was each approved during the construction process before the winter stoppage. 1st change item was required following the discovery of a concrete foundational slab that was not on the project plans and was not known to any of the parties in the planning process. The slab removal was estimated at \$3244.00. 2nd change was the need to retrofit the "dog house" for the storm sewer main. The plans showed the size of the sewer main was 12", but once construction started, it was determined the sewer was, in fact, 18", and the connection riser (dog house) needed to be cut down to fit at the cost of \$500.00

3rd was due to an omission in the contract for electrical outdoor ground boxes for the park, Seven boxes for a total of \$1855.00. The total amount of the three separate items being submitted as a single change order is \$5649.00. Which is above

- R. Splane motioned to approve Resolution 2021-08 and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

- Resolution 2021-09 Resolution Restricting the use of Energy Department Cash Reserves.

As the City moves forward with preparing an application to the USDA-RD Community Facilities Loan Grant program, the USDA-RD brought up whether the City had adequate funds on hand to construct the projects. The Energy Department at the end of FY 20 had an unrestricted Net Position of \$4,160,782.00. City Manager L. Ladner proposes an internal fund balance policy adopted by the City of Hart limiting the amount of cash reserves from the fund that can be used for non-generation, non-distribution capital projects, capital purchases, and other operating expenses to not more than 15% of the cash reserves.

- R. Splane motioned to approve Resolution 2021-09 and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

- Resolution 2021-10 Resolution amending Fy 2021 budget for Water Dept.

The City budgeted in FY 21 to complete the Church St. Water Main project, which saw several challenges incurred due to underground conditions being different from previous plans had anticipated. This caused there to be a cost overrun in the project. The attached amendment accounts for those overruns brings the budget into compliance in this area and does not require the usage of any cash reserves.

- F. Rybarz motioned to approve Resolution 2021-10 and supported by J. Evans

- Ayes: 6 Nays: 0 Absent: 0

- Resolution 2021-11 Resolution Energy Services Project Member Representative Authorization.

City Manager L. Ladner was contacted by a representative from the Michigan Public Power Agency (MPPA) regarding the City's previous designation of a member representative to the Energy Services Project. The previous designation, which was completed in 2011, designated the City Manager as the Member Representative, however following an internal audit by MPPA, they have identified that the Representative needs to be specifically named no generically by title. They have asked that the City update the designation with a new resolution.

- J. Evans motioned to approve Resolution 2021-11 and supported by R. Splane

- Ayes: 6 Nays: 0 Absent: 0

DISCUSSION ITEMS:

- Discussion on putting Dam embankment out for bid for inclusion in FY 22 budget.

The City has been working with Prein Newhoff on developing a cost estimate for necessary repairs to the portion of the embankment for the dam that is currently covered with rip rap and has had some concrete fill. The soil has begun eroding from underneath the rip rap and creates hazardous conditions on the embankment that is to be repaired. City Manager, L. Ladner, is seeking authorization to develop final plans and bid specifications for this project to bid late spring and budgeted for and completed in FY 2022 and July 1, 2021. The Council granted permission to move forward on this project.

- Discussion regarding P & R Master Plan Update.

The City of Hart's Park and Recreation Master Plan expired in 2020. To apply for future grant funding from the state, the City must have a current approved Parks and Rec MP on file with the state. In 2014 the City hired Fleis and Vandenbrink to complete the MP process at the cost of \$6700. In discussion with the West Michigan Shoreline Regional Development Corporation (WMSRDC), one of the services they offer is assistance with Parks and Rec master planning. The estimated cost for WMSRDC to complete the update for the City is \$7500. The deadline for completing an updated plan is February 1, 2022, if the City believes that they may be interested in applying for funding in the usual April 1, 2022 state funding cycle. This is a project that needs to hold multiple public hearings, obtain community input and review planned and completed projects, and take several months to complete. We should start the process earlier rather than later. Based upon the estimate that the City has obtained from WMSRDC. The amount the City approved in 2014 for the now-expired plan, does the Council want to contract with WMSRDC for the update, or would they prefer a proposal from the three approved engineering firms for the services? The Council would like City Manager L. Ladner to reach out to Prein Newhoff, Fleis, Vandenbrink, and Fishbeck for proposals.

- Authorization to sell surplus equipment- Energy Department meters

With the upgrade and installation of newer electric meters by the Hart Energy Department, we now have surplus equipment in the form of the retired meters. As these items take up considerable space and through retired from the City may have value remaining, I am seeking permission to dispose of the surplus equipment, working with Energy Superintendent Schiller to identify the best method to obtain the City's highest return.

M. Schiller granted permission from the Council to accept sealed bids and move forward with the sale of surplus equipment. L. Ladner will have a resolution ready to present at the City Council meeting on March 9th, 2021

- Authorization to proceed to final engineering and bidding for Hansen St Project's construction for completion summer 2021.

City Manager L. Ladner is requesting permission to move forward with Hansen st project. An estimated cost was presented to Council FY 2021. The City applied for a Mdot category B grant to cover the cost but did not receive grant funding. However, the City has funds available in the budget along with local street and major street funds. Unless the Council rejects, L. Ladner will move forward in getting bids for this project. Council approved City Manager to move forward with the bidding process.

CITY MANAGER'S REPORT:

- I have received communications from the City's attorney regarding the current lawsuit against the City. They are in discussion per the Council's authorization and hoping to see results within the next couple of weeks.
- You should have received an updated equipment list
- I am working on FY 2021-2022 budget.
- Updated the Council on why City Hall is still closed to the public. The stay home order is still in effect thru March 26th, 2021 unless authorized by the Council, City hall will remain closed to the public unless by appointment until the stay home order is lifted.
- In the packet is the budget report for seven months.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

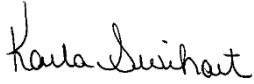
- Mayor V. Platt found original documents for the industrial park and will bring them to City Hall to keep on record.
- Mayor V. Platt wanted to express how grateful she is that the departments went back to work full time and can see a considerable improvement within the City.
- C. Burillo was contacted by a resident within the City regarding frozen pipes and are not getting water. Is there a reason why the City no longer unthaws frozen pipes? City Manager L. Ladner addressed the concern, stating

that the customer's home's service line is the property owner's responsibility. Due to liability, the City of Hart no longer unthaws customers' pipes as our insurance will not cover damage if it accrues.

ADJOURN:

- There being no further business to come before the Council, the meeting adjourned at 9:28 pm upon a motion by J. Evans and supported by C. Burillo. The next regularly scheduled meeting will be on March 9th, at 7:30 pm, and will be held virtually.

Respectfully Submitted

A handwritten signature in cursive script that reads "Karla Swihart".

Karla Swihart
City Clerk