

City of Hart, Michigan
CITY COUNCIL AGENDA
December 18, 2025, 3:00 PM
407 State St. – Council Chamber
NOTICE OF PUBLIC MEETING
SPECIAL COUNCIL MEETING

1. Call to Order
2. Roll Call – Burillo, Cunningham, Hodges, Mullen, Root, Thomson, Klotz
3. Pledge of Allegiance
4. Approval of Agenda
5. Public Comments – **Public comment on any matter other than a scheduled public hearing. We ask that you please limit your comments to 3 minutes.**
 - a. Correspondence, Events, Presentations
6. Consent Agenda:
 - a. Approval of Minutes from December 9, 2025
7. Action Items
 - a. Resolution 2025-64 *Resolution 2025-64 Authorize an Emissions Compliance, Engine Automation, and Inspection Contract with Farabee Mechanical*
 - b. *Special Events Permit Application – Stella's Coffee House use of Walker's Parking Lot*
8. Discussion Items
9. Communications from the Mayor and Council
10. Adjournment –

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

**REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS
DECEMBER 9th, 2025
MINUTES – Draft**

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

ABSENT: None

OTHERS PRESENT: City Manager – Nichole Kleiner, City Clerk/Treasurer – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, Hart Police Officer – Jack Hoekstra, Ethan Castro, Christine Juska, and Derk Williams

APPROVAL OF AGENDA:

- A. Mullen motioned to approve the Agenda and was supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

PUBLIC COMMENTS:

- None

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- None

CONSENT AGENDA:

- Approval of minutes from November 25th, 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 the Consent Agenda, and was supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

ACTION ITEMS:

- Mayoral Appointments
 1. Confirm the Mayor's appointment of Jim Evans to the Planning Commission as recommended by the Planning Commission Board
 2. Confirm the Mayor's appointment of Jim Evans to the Power Board as recommended by the Power Board.
- Resolution 2025-59 Approval of Right of Way Permit
 - WHEREAS, Frontier Communications has requested permission to place a fiber service drop within the public right-of-way to serve the premises at 408 S State Street, Hart, Michigan; and
 - WHEREAS, the proposed work includes approximately 265 feet of underground boring within the right-of-way of Johnson Street and State Street at a depth of 48 inches below grade; and
 - WHEREAS, the City Charter provides clear authority and requirements for the use of public right-of-way by utilities, including
 - Section 14.5, which authorizes the City Council to grant temporary, revocable permits for public utilities by resolution, provided that such permits are not construed as franchises; and
 - Section 14.6, which affirms the City's authority to regulate the use of its streets and public places, requires utilities to indemnify and hold the City harmless from damages arising from such use, and requires non-exclusive rights and joint use where reasonably practicable; and
- WHEREAS, the City Council must ensure that all right-of-way approvals comply with these Charter provisions and include, at a minimum, the following conditions:

- Approval by resolution,
- Revocability at the will of the Council,
- Non-exclusive use of the right-of-way, and
- Full indemnification and hold-harmless protection for the City: and

WHEREAS, Frontier's request has been reviewed and is consistent with typical right-of-way utility use, subject to the conditions outlined herein.

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL

Hereby approves a revocable, non-exclusive right-of-way permit for Frontier Communications to install approximately 265 feet of fiber service drop within the Johnson Street and State Street public rights-of-way by boring to a depth of 48 inches to serve 408 S State Street, Hart, Michigan

BE IT FURTHER RESOLVED that this permit is expressly conditioned upon:

1. The permit being revocable at any time at the will of the City Council
2. The permit does not constitute a franchise or amendment to a franchise;
3. Frontier Communications indemnifying, protecting, and holding the City harmless from all damages arising from its use of the right-of-way;
4. The permit is non-exclusive, with the City retaining full authority to require joint use where practicable;
5. Compliance with all City engineering, restoration, inspection, and safety requirements; and
6. Compliance with all applicable state laws governing the utility.
 - o J. Cunningham motioned to approve Resolution 2025-59 and was supported by K. Thomson

• Ayes: 7 Nays: 0 Absent: 0

■ Resolution 2025-60 Adoption of Food Truck Fee Schedule

WHEREAS, the City of Hart enacted an ordinance regulating Transitory Food Service Units, requiring operators to obtain a permit prior to preparing, serving, selling, or distributing food within the City; and

WHEREAS, Sections 3 and 5 of the Ordinance expressly require that application and permit fees be set from time to time by resolution of the City Council, and that all fees be paid at the time an application is submitted; and

WHEREAS, City staff prepared a recommended fee structure establishing short-term, monthly, seasonal, and annual permits, together with associated administrative fees, consistent with the requirements of the

Ordinance; and

WHEREAS, the Planning Commission reviewed and supported the proposed fee schedule during its regular meeting held on November 6, 2025, and forwarded its recommendation to the City Council; and

WHEREAS, the City Council finds the proposed fee schedule to be reasonable, consistent with the administrative needs of the ordinance, and necessary for proper implementation of the permitting process.

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Hereby adopts the Food Truck/Transitory Food Service Unit Fee Schedule attached as Exhibit A, in compliance with the authority granted to the Council under Sections 3 and 5 of the Ordinance. The fee schedule shall take effect December 10th, 2026, and shall remain in effect unless amended by future resolution.

- o B. Root motioned to approve Resolution 2025-60 and was supported by A. Mullen

• Ayes: 7 Nays: 0 Absent: 0

■ Resolution 2025-61 Approval of MMPA Power Purchase Commitment Authorization for Planning Year 26/27 (Capacity Sale of up to 3,000 kw. At a minimum \$7.50/kw-month)

WHEREAS, the city of Hart owns and operates its municipal electric utility, and participates in the Michigan Public Agency (MPPA) for purposes of power supply and energy market services; and

WHEREAS, MPPA has provided a Power Purchase Commitment Authorization for the sale of surplus capacity from the City of Hart Hydro Electric system for MISO Planning Year 2026/2027; and

WHEREAS, the authorization identifies the City's ability to sell up to 3,000 kw of capacity per month at a minimum authorized sale price of \$7.50 per kw-month, resulting in an estimated revenue of \$270,000 for the planning year; and

WHEREAS, participation in this capacity sale represents a financial benefit to the City and does not compromise the City's required capacity obligations within MISO Zone 7; and

WHEREAS the Council finds it in the best interest of the City to authorize MPPA to execute the capacity sale transaction on behalf of the City of Hart:

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Hereby authorizes the City Manager, as the Member Authorized Representative, to execute the Power Purchase Commitment Authorization with MPPA for the FY 26/27 capacity sale as described in the attached documentation.

BE IT FURTHER RESOLVED that the City Manager is authorized to complete any additional documents necessary to facilitate this transaction in accordance with the terms provided by MPPA.

- o A. Mullen motioned to approve Resolution 2025-61 and was supported by K. Thomson
 - Ayes: 7 Nays: 0 Absent: 0

■ Resolution 2025-62 Designate 2026 Council Meeting Dates

WHEREAS, the City is required to review and designate any changes to the regular schedule of City Council meetings prior to the beginning of the calendar year; and

WHEREAS, the Council meets on the 2nd and 4th Tuesday of each month unless there is a holiday, or the Council cancels a meeting; and

WHEREAS, in 2025, there are no conflicts with City Council meetings and designated City holidays;

NOW THEREFORE BE IT RESOLVED BY THE HART CITY COUNCIL:

The City Council meeting dates for the City of Hart for 2026 will be at 7:30pm on the Second and Fourth Tuesday of each month as follows:



2026

Hart City Council Regular Meeting Schedule

January							February							March							April										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	11	12	13	14	5	6	7	8	9	10	11				
11	12	13	14	15	16	17	15	16	17	18	19	20	21	18	19	20	21	22	23	24	25	12	13	14	15	16	17	18			
18	19	20	21	22	23	24	22	23	24	25	26	27	28	25	26	27	28	29	30	31	29	30	31	1	2	3	4				
25	26	27	28	29	30	31	22	23	24	25	26	27	28	29	30	31	1	2	3	4	5	6	7	8	9	10	11				
May							June							July							August										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4		
10	11	12	13	14	15	16	15	16	17	18	19	20	21	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	
17	18	19	20	21	22	23	20	21	22	23	24	25	26	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	
24	25	26	27	28	29	30	27	28	29	30	31	1	2	28	29	30	31	1	2	3	4	5	6	7	8	9	10	11			
September							October							November							December										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
6	7	8	9	10	11	12	1	2	3	4	5	6	7	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	11
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27	28	29	30				26	27	28	29	30	31		1	2	3	4	5	6	7	6	7	8	9	10	11	12	13	14	15	16
January							February							March							April										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
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18	19	20	21	22	23	24	17	18	19	20	21	22	23	17	18	19	20	21	22	23	19	20	21	22	23	24	25	16	17	18	
25	26	27	28	29	30	31	24	25	26	27	28	29	30	23	24	25	26	27	28	29	20	21	22	23	24	25	26	19	20	21	
May							June							July							August										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
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September							October							November							December										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
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13	14	15	16	17	18	19	11	12	13	14	15	16	17	11	12	13	14	15	16	17	13	14	15	16	17	18	19	10	11	12	
20	21	22	23	24	25	26	18	19	20	21	22	23	24	18	19	20	21	22	23	24	15	16	17	18	19	20	21	12	13	14	
27	28	29	30				26	27	28	29	30	31		1	2	3	4	5	6	7	26	27	28	29	30	31	1	2	3	4	

- o C. Burillo motioned to approve Resolution 2025-62 and was supported by B. Root
 - Ayes: 7 Nays: 0 Absent: 0

■ Resolution 2025-63 Cancel City Council Meeting on December 23, 2025

WHEREAS, the second December Regular City Council Meeting is scheduled for December 23rd, 2025; and

WHEREAS, the City Council has historically cancelled this meeting due to its close proximity to the holiday, allowing council members and staff the opportunity to spend time with family and friends; and WHEREAS, the City Charter provides that a special meeting may be called at any time at the request of the mayor or any two council members, should urgent business or emergencies arise; and WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interest and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Cancels the regularly scheduled City Council meeting of December 23rd, 2025, unless reinstated by request of two council members or the mayor, or if a special meeting is required to conduct City business.

- o C. Burillo motioned to approve Resolution 2025-63 and was supported by J. Cunningham
 - Ayes: 7 Nays: 0 Absent: 0

DISCUSSION ITEMS:

- Water Supply and Pressure Concerns for Seneca Foods Fire Suppression System
City's ongoing discussions with Seneca Foods regarding the insufficient water pressure and volume needed to operate the fire suppression system in their new warehouse. Despite several attempts to improve service to this location, the system continues to fall short of the required 1,000 gpm at 20 psi, leaving the facility without compliant fire protection.
Engineering reviews completed by Prein & Newhof and shared with both parties identified several potential solutions. Two options involved extending the high-pressure system from the west side of the City, but were determined to be cost-prohibitive. Additional options included:
 - A dedicated high-pressure service from the east tower serving only Seneca, or
 - Installation of a large surge tank on Seneca's property, functioning as a private reservoir to meet pressure and flow requirements.

A central point of discussion remains cost responsibility. The City's position is that a dedicated system benefiting only Seneca would be its financial responsibility to construct and maintain. Seneca maintains that the City is responsible for providing adequate pressure at the point of connection, with Seneca responsible only for internal improvements.

The City Manager and Public Works Superintendent met with Dirk Williams and Rachel, Seneca's internal engineer, on 11/21/25. The City shared its long-standing capital improvement priority – the "North Oceana Loop", approximately 4,300 feet of 8-inch water main along Oceana Drive. This project would improve system reliability, strengthen the east side, and directly benefit the area near Seneca's connection. While the City continues seeking funding for this project, it cannot presently proceed due to other critical system obligations, including lead service line replacements.

Seneca has expressed interest in contributing to the construction of the portion of the loop necessary to meet their fire suppression needs, contingent upon the City establishing a reimbursement mechanism for any portion that supports the City's broader system rather than dedicated Seneca service. The City could determine the appropriate cost-recovery structure in compliance with Michigan law and continue pursuing grant opportunities to offset future obligations.

Seneca continues to work with Prein & Newhof to evaluate viable options. Any design, construction, or reimbursement structure will require mutual agreement, clarity on ownership, and defined long-term responsibilities.

Staff will continue exploring reimbursement pathways and funding opportunities and will return to Council as cost estimates, engineering details, and feasible solutions become more defined.

- Flock Camera Safety Discussion
With the 90-day trial coming up, there has been some concern over the Flock Camera and how they are recording data, saving data, and security standards.
Attached in the packets are Security Claims & Facts for everyone to look over regarding the Flock Camera System.

- Safe Routes to School Cemetery Temporary Easement Signature Request

Purpose

To provide background and request Council discussion on the execution of a Temporary Grading Easement required for the Safe Routes to School (SRTS) Pathway Project.

Background

The grading work for the SRTS pathway impacts a portion of the cemetery property located on W. Main St. A draft Temporary Grading Easement is included in the packet. Metro Consulting has advised that both the City of Hart and Hart Township should sign the easement, rather than the Cemetery Commission.

This recommendation is based on the historical framework established in the 1978 Cemetery Contract between the City and Township. Under the agreement, the municipalities jointly acquired ownership of the cemetery property and created a five-member Cemetery Commission to administer operations. While the Commission manages the cemetery, it does not hold ownership of the real property and does not have authority to execute property interests such as easements. The signature page from the 1978 agreement confirms that the City and Township – not the Commission – are the governing authorities over cemetery real estate.

Easement Summary

The easement grants a temporary 4,918 sq ft grading area to support construction of the SRTS pathway. Restoration of the area, protection of existing trees and landscaping, and expiration terms (project completion or December 31, 2030) are included as standard conditions.

Discussion Summary

Staff seeks Council direction on whether the City wishes to proceed with executing the easement as drafted and determining who should sign the document, recognizing that:

- The City and Township are the legal property owners;
- The Cemetery Commission does not hold authority to grant easements; and
- The consultant has formatted the document in recordable form, requiring signatures from both municipalities.

Based on Council discussion, staff will coordinate with Hart Township and Metro Consulting on next steps.

CITY MANAGER'S REPORT:

Status of ongoing projects:

- Hart Plaza Streetscape Project – great turnout for “required” pre-bid meeting on December 5th
 - Hart Rotary wants to fundraise - \$20k towards a fireplace in exchange for recognition of their organization on or near the fireplace.
 - Estimated cost to run gas is \$3500 per year – TIFA discussing how to fund (they may commit), how to manage gas controls
- SRTS committee meeting Friday 12/12/2025
- Water Tower ATT antenna project – ATT has agreed to an easement instead of land ownership – attorney requiring a survey before preparing easement ppwk. Survey to be completed this week.

Staffing changes, policy updates, internal improvements

- HR coordinators are starting to work on updates to the 2014 personnel handbook. Union negotiations are happening in 2026. Job posting for a temporary patrol officer is going to live this week.
- Economic & Community Development Director job description being reviewed by HEART and TIFA with the goal to post the job in January (HEART & TIFA) voted to partially support funding of this position Jan – June 30th, with TIFA offering ongoing support for the HEART Director to provide admin services to them.
- Planning Commission will be attending individual virtual training on Environmental Planning, Housing Supply & Affordability, and live training for “Planning and Zoning Essentials” – if council or other board members are interested, please let me know

What's New:

- Attending MPPA (Michigan Public Power Agency) monthly board meeting tomorrow (12/10/2025) in Lansing, will be out of the office until 3 pm.

- Cleaning out storage room, Paul Cutter removed empty file cabinets, old computers, printers, servers, etc and is following guidelines to properly dispose of.
- Hole in the wall connecting the isolated community center office to city hall.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- A. Mullen – HEART Board meeting is tomorrow, 12/10/2025, at 2 pm, and following that is the Heritage Preservation Group meeting.
- J. Cunningham – today was the BOR meeting held here at City Hall. No appeals, but did find out that an empty lot by St. Gregory's church, shows owned by Hart Public Schools, is actually an error and is owned by the church, so that got corrected.

ADJOURN:

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 8:31 pm. The next regularly scheduled meeting will be on January 13th, 2025, at 7:30 pm.

Respectfully Submitted



Karla Swihart, City Clerk



City of Hart

MEMORANDUM

To: Hart City Council
From: Nichole Kleiner, City Manager
Date: December 18, 2025
Subject: Authorization to Contract with Farabee Mechanical, Inc. for Emissions Upgrades to Diesel Generators to Secure MPPA Capacity Credits

Requested Action

Approve a capital expenditure not to exceed \$685,398.00, To be invoiced as follows:

\$75,000 upon receipt of this agreement

\$75,000 upon installation of the first silencer/catalyst unit

\$75,000 upon installation of the second silencer/catalyst unit

\$75,000 upon submission of compliance test results and certification

+lease purchase agreement for automation system – 59 equal monthly payments of \$6,423.00 and one final payment of \$6,441.00.

No penalty for early pay-off extra payments, down payments.

All work completed during early 2026 as discussed. Monthly payments begin on April 1st 2026.

and authorize staff to contract with Farabee Mechanical, Inc. to complete emissions-only upgrades to the City's diesel generators in order to qualify the units for MPPA/MISO capacity registration beginning Planning Year (PY) 2026/2027.

Why This Matters

The City has a time-sensitive opportunity to register its diesel generation units in the MISO capacity market through MPPA. Once registered, these units generate capacity credits that reduce MPPA capacity costs allocated to the City and, over time, produce net positive revenue.

Emissions compliance is the only critical requirement for initial capacity registration. Generator automation and controls are not required at this stage and may be added in a future phase.

Financial Impact (Conservative Assumptions)

A conservative 10-year financial analysis was completed using MPPA capacity value guidance and emissions-only costs. The analysis shows:

- Net negative cash flow during Years 1–2
- Positive annual benefit beginning Year 3
- Payback shortly after Year 2
- Increasing annual net value thereafter, with cumulative net benefit exceeding \$1.5 million by Year 10

Schedule Risk

To qualify for PY 26/27, emissions work must be completed by March 1, 2026. Farabee Mechanical has indicated confidence in meeting this deadline if authorization is granted promptly.

Funding Source

The project will be funded without borrowing or rate impact through:

- Cashing out a \$215,000 certificate of deposit at Shelby State Bank, and
- Use of already-budgeted capital improvement funds

Recommendation

Approve the emissions-only investment and authorize a contract with Farabee Mechanical, Inc. to secure capacity credits, generate long-term value, and preserve future operational flexibility.

RESOLUTION 2025-64
City of Hart
Oceana County, Michigan

Authorize an ~~Emissions Compliance Contract, Emissions Compliance, Engine Automation, and Inspection Contract with Farabee Mechanical for Diesel Generator Upgrades to Enable MPPA/MISO Capacity Market Participation~~

WHEREAS, the City of Hart owns and operates municipal diesel generation units that support electric system reliability, operational flexibility, and participation in regional power markets; and

WHEREAS, the Michigan Public Power Agency (MPPA) has advised the City that its diesel generation units may be registered for participation in the Midcontinent Independent System Operator (MISO) capacity market beginning Planning Year 2026/2027, provided certain regulatory, emissions, and metering testing **and equipment** requirements are met; and

WHEREAS, participation in the MPPA/MISO capacity market will reduce the City's allocated capacity costs and is projected to result in significant long-term savings and revenue under conservative assumptions; and

WHEREAS,
~~compliance with EPA RICE NESHAP emissions standards is required for initial capacity registration, while generator automation and controls are not required at this stage and may be pursued in a future phase;~~
compliance with EPA RICE NESHAP emissions standards is required for capacity registration, and additional engine automation and inspection services are included to ensure compliance certification, operational reliability, and future market participation readiness; and

WHEREAS, the City's Power Board has reviewed the proposed ~~emissions-only upgrade project generator upgrade project, including emissions controls, engine automation, and inspections~~, and recommends proceeding with the improvements to secure capacity credits for Planning Year 2026/2027; and

WHEREAS, Farabee Mechanical, Inc. is a qualified and experienced contractor specializing in municipal generation facilities and RICE NESHAP emissions compliance, and has indicated confidence in meeting the required regulatory deadlines ~~submitted a Terms and Acceptance Agreement dated December 18, 2025~~; and

WHEREAS, pursuant to City of Hart Charter Sections 8.3(b)(10) and 15.1-15.2, competitive bidding is not required for this specialized and time-sensitive ~~emissions compliance work~~

BE IT FURTHER RESOLVED, that the City Council authorizes the City Manager to execute a contract **the Terms and Acceptance Agreement dated December 18, 2025, including the lease-purchase agreement for engine automation**, with Farabee Mechanical, Inc. for said emissions compliance work generator upgrades; and

BE IT FURTHER RESOLVED, that the City Manager is authorized to take all actions necessary to implement this resolution, including coordination with MPPA and MISO to complete capacity registration requirements and **approval of invoices in accordance with the contract terms.**

AYES: NAYS: ABSENT:

Karla Swihart
City Clerk

RESOLUTION 2025-64
City of Hart
Oceana County, Michigan

**Authorize an Emissions Compliance, Engine Automation, and Inspection Contract with
Farabee Mechanical for Diesel Generator Upgrades to Enable MPPA/MISO Capacity
Market Participation**

WHEREAS, the City of Hart owns and operates municipal diesel generation units that support electric system reliability, operational flexibility, and participation in regional power markets; and

WHEREAS, the Michigan Public Power Agency (MPPA) has advised the City that its diesel generation units may be registered for participation in the Midcontinent Independent System Operator (MISO) capacity market beginning Planning Year 2026/2027, provided certain regulatory, emissions, testing, and equipment requirements are met; and

WHEREAS, participation in the MPPA/MISO capacity market will reduce the City's allocated capacity costs and is projected to result in significant long-term savings and revenue under conservative assumptions; and

WHEREAS, compliance with EPA RICE NESHAP emissions standards is required for capacity registration, and additional engine automation and inspection services are included to ensure compliance certification, operational reliability, and future market participation readiness; and

WHEREAS, the City's Power Board has reviewed the proposed generator upgrade project, including emissions control, engine automation, and inspections, and recommends proceeding with the improvements to secure capacity credits for Planning Year 2026/2027; and

WHEREAS, Farabee Mechanical, Inc. is a qualified and experienced contractor specializing in municipal generation facilities and RICE NESHAP emissions compliance, and has submitted a Terms and Acceptance Agreement dated December 18, 2025, and

WHEREAS, pursuant to City of Hart Charter 8.3(b)(10) and 15.1–15.2, competitive bidding is not required for this specialized and time-sensitive generation compliance, inspection, and automation work, and the City Council may authorize contracting based on qualifications, experience, and operational necessity; and

WHEREAS, Terms and Acceptance Agreement, Total contract \$685,398.00, exclusive of applicable taxes, consisting of:

- \$359,991.00 for emissions controls;
- \$297,950.00 for engine automation;
- \$16,000.00 for engine inspections; and
- \$11,457.00 for performance bond required by Michigan Law; and

WHEREAS, the contract provides for phased invoicing for emissions-related work and a lease-purchase agreement for engine automation, to be invoiced as follows:

- \$75,000 upon receipt of the agreement;
- \$75,000 upon installation of the first silencer/catalyst unit;
- \$75,000 upon installation of the second silencer/catalyst unit;
- \$75,000 upon submission of compliance test results and certification;

and further provides for a lease-purchase agreement for the engine automation system consisting of:

- 59 equal monthly payments of \$6,423.00; and
- One final payment of \$6,441.00;

with no penalty for early payoff, and with monthly payments to begin April 1, 2026; and

WHEREAS, the City Council finds that this investment is in the best interest of the City's electric utility and ratepayers by enabling capacity market participation, supporting regulatory compliance, and generating long-term financial benefit;

NOW, THEREFORE, BE IT RESOLVED BY THE HART CITY COUNCIL, hereby approves

A generator upgrade project with Farabee Mechanical, Inc. in a total contract amount not to exceed \$685,398.00, exclusive of applicable taxes, for emissions controls, engine automation, engine inspections, and required performance bonding; and

BE IT FURTHER RESOLVED that the Hart City Council authorizes the City Manager to execute the Terms and Acceptance Agreement dated December 18, 2025, including the lease-purchase agreement for engine automation, with Farabee Mechanical, Inc., for said emissions compliance work and generator updates; and

BE IT FURTHER RESOLVED that the City Manager is authorized to take all actions necessary to implement this resolution, including coordination with MPPA and MISO to complete capacity registration requirements and approval of invoices in accordance with the contract terms.

AYES: NAYS: ABSENT:

Karla Swihart
City Clerk



Farabee Mechanical Inc.

**P.O. Box 1748 • Hickman, NE 68372-1748
Phone (402) 792-2612 • Fax (402) 792-2712
farabee@farabeemechanical.com**

December 12, 2025

Hart Energy Department
3907 N Oceana Drive
Hart, MI 49420

Re: Emissions Controls

Per your request, Farabee Mechanical, Inc., is pleased to offer products and services as a turnkey guaranteed solution fulfilling the latest NESHAP (National Emissions Standards for Hazardous Air Pollutants) requirements for your RICE (Reciprocating Internal Combustion Engine) operating at your generating facility. FMI has been actively involved in following the enactment and applicability of these latest regulations for our customers in the municipal power generating industry. Practically all municipal generating plants will be required to place emission reduction equipment on the exhaust stream from both straight diesel and dual fuel engines using more than or equal to 2% diesel as pilot fuel. These engines have been denoted as CI (compression ignition) for classification purposes. Spark ignited straight gas and dual fuel units using less than 2% diesel as pilot fuel have been classified as SI (spark ignition). The units to be operated at your facility fall into the CI classification. In order to continue to operate your generating equipment at your discretion or for economic purposes, (including capacity credits) peak shaving or load sharing, the following requirements will be mandatory as per United States Federal EPA standards. The standards that will apply to your generating units include the following:

Maintenance /"Management Practices"

- Change oil/filter, inspect air cleaner (CI engines), spark plugs (SI engines), hoses and belts on prescribed schedule
- Operate/maintain engine and control device per manufacturer's instructions or owner-developed maintenance plan
- May use oil analysis program instead of prescribed oil change frequency
- Maintenance practices and schedules vary slightly for each type of engine

Equipment Requirements:

Existing Non-Emergency CI RICE greater than 300 HP at an Area Source

- If not equipped with a closed crankcase ventilation system must:
 - Install a closed crankcase ventilation system to prevent crankcase emissions from being emitted to atmosphere,
or;
 - Install an open crankcase filtration system to remove oil mist, particles, and metals from engine crankcase exhaust
 - Follow manufacturer's specified maintenance requirements for these ventilation systems

Fuel Requirements:

Existing Non-Emergency, Non-Black Start CI RICE greater than 300 HP at an Area Source

- If displacement of less than 30 liters per cylinder:
 - Must use diesel fuel that meets the requirements in 40 CFR 890.510(b) for non-road diesel fuel
 - Sulfur + 15 ppm; min. cetane index of 40, or max aromatic content of 35%
 - Note: This requirement also applies to all CI engines at area sources subject to NSPS Subpart IIII
- *Common Question:* What about dual-fuel engines?
Answer: If the heat input contribution from burning diesel were equal to or more than 2%, the engine would be considered a CI engine
- *Common Question:* May facilities request an extension to use up remaining non-compliant diesel fuel?
Answer: NSPS allows for an extension. RICE NESHPAP does not. MDEQ will review any requests case-by-case

Emission & Operating Standards:

- Numerical CO emission limits or reduce CO by 70%
- Operating limitations for engines greater than 500 HP
 - Catalyst inlet temperature, monitored continuously (at least three times per hour)
 - Catalyst pressure drop, monitored monthly
- Minimize engine idle time and startup time, not to exceed 30 minutes

Performance Testing Requirements:

Existing CI and SI with emission limits at area sources

- Performance test after installation required for all engines with emission limits
- Periodic testing required for engines greater than 500 HP (every 3 or 5 years)
- Initial Test Deadline
 - May 3rd, 2013
 - Can use test data that is up to 2 years old
 - Must be reviewed and accepted by MDEQ
- Options available for test methods

- ASTM method for portable monitor may be feasible and less expensive.
Cannot use for 4SRB. (Four Stroke Rich Burn)

RICE NESHAP Testing Requirements:

- NESHAP does **not** require stack testing for engines that meet “emergency” definition. May be testing for other air quality requirements (such as permitting).
- *Common Question:* Can facilities petition for modified stack testing frequency?
Answer: Facilities may make a request, but NESHAP – specified schedule already accounts for infrequently operated engines.

While fuel and maintenance requirements are items that are typically the responsibility of plant operating personnel, FMI has the best-developed and most comprehensive program available in the industry to address our customer's mandated requirement for compliance with exhaust, instrumentation and crankcase vacuum systems regulations.

Our “turnkey” solution to the above listed requirements includes all materials, labor, equipment, skills, tools, transportation and supervision to accomplish the following for our customers:

1. Testing the exhaust to determine exact emissions reductions as required for compliance.

FMI uses certified testers that meet EPA standards for qualifications. For the purpose of proposals and quotations, FMI uses information provided by the customer, cross-referenced against a database of hundreds of actual emission tests, including almost every model and type of engine available. Dimensional data from standard FMI generated forms filled out by the customer, and, in some cases, silencer drawings from the manufacturer are used to accurately quote silencer/catalyst units. FMI will complete an inspection of all units at your location and will verify all dimensions.

2. Assist with regulatory compliance.

Standard forms generated by FMI are used to file notifications of Intent to Modify with the proper regulatory agency. Existing construction permits are not affected by the proposed work, but notification is required. After completion of the project, certified testers are used to verify and record emission reductions. A final report is issued and again standardized forms generated by

FMI are used to file Notice of Compliance Status with the MDEQ and EPA. EPA-required Site-Specific Monitoring Plans are developed for each unit retrofitted at your location. These monitoring plans contain the essential data regarding the CPMS. These items include the design, data collection, operation, maintenance, and quality control procedures for the installation. Baseline values and operating parameters are recorded and stored in a prominent location of the site-specific monitoring plan binder.

3. Correctly size and supply combination silencer/catalyst units to replace existing silencers.

FMI sizes these combination units to allow full load operation while achieving a minimum of 70% reduction of CO emissions as required by NESHAP. A margin of extra capacity is built into every catalyst supplied to allow for minor fouling and other normal operational issues and still maintain compliance with regulations. FMI's catalyst supplier produces the finest products made in the USA and consistently sets worldwide standards for BACT (Best Available Control Technology). Using a domestic supplier allows fast and reliable parts and service availability. All catalyst units FMI installs at your location are designed to use identical elements. Larger engines at the location require more elements in the catalyst housing while smaller units require less.

4. Remove existing silencers and replace with silencer/catalyst combination units.

As part of the project, existing silencers are removed and disposed of properly. Most existing supports or mounting structures can be reused with modifications completed as necessary. Replacement catalyst units are installed in the same location as the previous silencers. Tailpipe height and location are installed to match the previous design in compliance with existing construction permits.

Heat shielding is supplied and installed over the entire silencer, and tailpipe. Steel standoff structures are used to provide clearance for .040" aluminum sheeting that is properly lapped and riveted to prevent the appearance of rust streaks from normal exposure to the elements.

At customer discretion, explosion relief devices can be supplied and installed for an additional cost.

5. Provide and install instrumentation for continued monitoring.

Monitoring and data logging of catalyst pressure and temperature are required per NESHAP regulations pertaining to RICE. FMI installs user-friendly monitoring equipment with downloadable logging capability and programmable options for customizing to the operator's specific needs. Because the system is American made, parts and service are readily available and instructions are clear and easy to understand. FMI installs stainless steel tubing for pressure monitoring and shielded cable for temperature transmitters. At the owner's discretion, the data recorder can be mounted on the side of the existing gauge board, on a pedestal, or preferably on the wall nearest the silencer.

6. Crankcase ventilation system modifications.

Open-to-atmosphere crankcase ventilation systems are not allowed under NESHAP requirements. To address this issue, FMI has developed a system that utilizes a new, correctly sized blower and oil mist reclassifier. The installation is completed as follows: Engine crankcase vent line is connected to the blower inlet creating a vacuum and collecting crankcase vapors. Crankcase vapors are then discharged from the blower to the reclassifier supplied and installed by FMI. The reclassifier is a cartridge type filter that captures particulate, metals and oil mist. Oil mist entering the reclassifier is converted to liquid and returned to the engine crankcase via stainless steel tubing. The remaining exhaust stream from the reclassifier is piped to the air intake filter inlet of the individual generator unit, allowing the crankcase vent to enter the combustion air stream and become a closed system with no net emissions. Your Natural Aspirated 38DD8-1/8 engines do not require any crankcase vacuum modifications

7. Project completion

FMI will complete test operation, calibration of instruments, final emissions testing and general punch list and trim-out items as required. Product O and M manuals will be provided and service requirements listed. Data logger software supplied by FMI is installed and standard operating procedures are presented and explained to operating personnel.

Per the above description, FMI will supply equipment, materials and labor to:

- Remove and dispose of two (2) existing silencers
- Supply and install two (2) replacement catalyst/silencer combination units
- Supply and install two (2) tailpipes to existing height
- Supply and install two (2) monitoring systems
- Supply 110V electrical power for monitoring systems
- Provide performance testing
- Prepare and file compliance documentation with Michigan DEQ & EPA
- Provide on-site CPMS (monitoring system) training
- Prepare Site-Specific Monitoring Plan

Items to be responsibility of Hart Energy Department:

- Supply 240V 50 amp service for testing company
- Supply exhaust stream to catalyst/silencer unit at a minimum of 600°F
- Proper operation and maintenance of the engine, including the following:
 - Lube oil consumption shall not exceed .0015 lb/bh/hr.
 - Ultra low sulfur diesel to be used as fuel, with no transition metals such as Sn, Fe, Ba, Ni, Cr, Pb, Ar, Zn, Cu, etc.

- Engine to be maintained and operated in accordance with manufacturer's recommendation, and within proper catalyst operating parameters.

Thank you for your interest in our products and services. FMI proposes to supply and install a catalyst/silencer units, crankcase ventilation system, instrumentation and training as previously described to bring the following unit into compliance with current RICE NESHPA regulation.

Base Contract - Silencer/catalyst units, & monitor systems:

\$359,991.00

WARRANTY

FMI will warrant the materials and labor described above for 3 years or 3,000 operating hours, whichever comes first, following the completion of the final billing. This warranty specifically excludes damages due to operator negligence, improper operation, sabotage, failure to provide scheduled maintenance, or any forces beyond human control (flood, fire, tornado, etc.). This warranty is limited to only the parts and equipment furnished by FMI, and does not cover any collateral damage to other parts or equipment in the facility.

FMI shall in no event be liable to the purchaser, owner, successor in interest, beneficiary or any assignee for any losses or damages claim based on any of the following: lost profits, lost revenue, lost goodwill, interest payments, work stoppages, impairment of other goods, loss by reason of shutdown or non-operation, increased operating expenses, loss of power system, costs to purchase replacement power, or other claims by anyone for service interruption, whether or not the claim asserted is based upon contract, warranty, negligence, indemnity, strict liability or otherwise.

The Owner/Customer warrants that the unit will be used for intended purposes only by qualified and properly trained personnel; that the unit will be properly maintained as scheduled; and that the owner will not fix or attempt to fix and install any substitute parts on the unit without the express written permission of FMI.

The delivery of any unit or parts is not absolutely guaranteed on a specific date. FMI will make all reasonable efforts to follow the anticipated schedule. However, since FMI has no control over the availability of component parts that may be needed, or the labor time that may be involved, the delivery and/or installation date is not an absolute guarantee.

Normal catalyst service is determined by hours of operation and is not covered by this warranty.

TIMELINE

Price quote will be good until December 19, 2025, work will be scheduled upon return of the attached agreement page. Prior to commencement of work on site, FMI will provide insurance certificates listing Hart Energy Department as an additional insured. FMI would propose final testing accomplished after installation is complete. We at FMI are aware of time constraints Hart Energy Department has and will make all possible efforts to complete installation and testing the week of February 23rd, 2025. To date, FMI has not failed to meet a RICE/NESHAP installation deadline since the rule began in 2013. Please call with questions or clarifications.

Respectfully,

Christopher D. Farabee

Christopher D. Farabee

Attached:

Engine Automation Proposal

Engine Inspection Proposal

Combined Terms & Acceptance



Farabee Mechanical Inc.

P.O. Box 1748 • Hickman, NE 68372-1748
Phone (402) 792-2612 • Fax (402) 792-2712
farabee@farabeemechanical.com

December 12, 2025

Hart Energy Department
3907 N Oceana Drive
Hart, MI 49420

RE: Engine Automation

Per our discussion, FMI is pleased to offer the following proposal to automate the Fairbanks Morse opposed piston engines in your facility. For the sum of \$297,950.00 for both engines, FMI will dispatch Technicians to perform the following:

FMI's work to complete the project will consist of the following:

- Remove and dispose of existing control system components in gauge boards
- Fabricate and install new faceplate for gauge boards
- Provide and install Touchscreen HMI in gauge boards
- Fabricate and install new faceplate for switchgear panels
- Provide and install Touchscreen HMI in switchgear panels
- Provide and install pressure sensors as required in control list below
- Provide and install thermocouples as required in control list below
- Provide and install new exhaust pyrometers on each engine
- Provide and install conduit, wiring and cabling as required between engine components and gauge board
- Provide and install required relays, emergency stop, buttons, etc. as required
- Provide and install automatic City Water Valve
- Provide and install PLC and associated modules as required to accomplish tasks outlined in the control list below
- Provide and install required transformer and power supply to operate the system
- Provide necessary spare components (modules, sensors, etc.)
- Provide and configure necessary programming for proper system operation
- Test operation and final calibration of system upon completion of installation
- Train facility personnel in system operation

Control Functions:

One-touch engine start:

Disengage lube oil and jacket water heater systems
Prime fuel system; Pre-lube engine; Operate air start valve;
idle engine at approximately half speed (360 rpm) for 3 minutes; ramp to near
synchronous speed (720 rpm) and is ready to be put on-line

One-touch engine shutdown:

After the unit is off-line, the engine will slow to approximately half speed for 3 minutes; shut off; wait 10 minutes, then roll the engine over to remove the accumulated oil from the upper pistons.

Engage lube oil and jacket water heater systems

No-touch air receiver control:

System automatically monitors and regulates the air receiver temperature to insure optimal combustion temperature at partial engine loads or during cold weather operation.

No-touch cooling control:

System automatically regulates the City Water Valve in the basement to provide optimal engine cooling at all loads and environmental temperatures.

Engine and Operator Safety Protections:

System will automatically monitor the following engine parameters and shutdown the engine to prevent engine damage and/or operator injury:

Lube Oil Temperature

Lube Oil Pressure

Jacket Water Temperature

Jacket Water Pressure

Individual Cylinder Exhaust Temperatures

Lower Main Bearing Temperatures

Vibration – front, mid and rear

Detonation Sensors for all cylinders

Additionally, the system will log all the engine parameters for future reference. This will eliminate the need for operators to take hourly gauge readings. Remote system access* will permit FMI personnel to monitor engine operation in real time, if necessary, to diagnose engine issues. This will save on future travel and on-site service calls.

Sensor Summary per Engine:

63 Thermocouples

34 Pressure Sensors

5 Liquid Level Sensors

3 Vibration Monitors

2 Redundant Speed Sensors

WARRANTY

FMI will warrant the materials and labor described above for 3 years or 3,000 operating hours, whichever comes first, following the completion of the final billing. This warranty specifically excludes damages due to operator negligence, improper operation, sabotage, failure to provide scheduled maintenance, or any forces beyond

human control (flood, fire, tornado, etc.). This warranty is limited to only the parts and equipment furnished by FMI, and does not cover any collateral damage to other parts or equipment in the facility.

FMI shall, in no event, be liable for losses to owner, any successors in interest or any beneficiary or assignee of the unit whether basis upon lost goodwill, lost profits or revenue, interest, work stoppage, impairment of other goods, loss by reason of shutdown or non-operation, increased expenses of operation of product, loss of use of power system, costs of purchase of replacement power or claims of owner or customers of owner for service interruption, whether or not such loss or damage is based on contract, warranty, negligence, indemnity, strict liability or otherwise. Owner warrants that the unit is purchased for and will be used for intended purposes only by qualified and properly trained personnel.

This proposal is valid until December 19, 2025. Once we receive the attached acceptance agreement, materials will be procured. On-site work will be coordinated with city personnel and will begin after completion of the emissions project testing. Thank you for the opportunity to work with you. Should you have any questions, please feel free to contact us at any time.

Thank you,

Kevin L. DeValkenaere

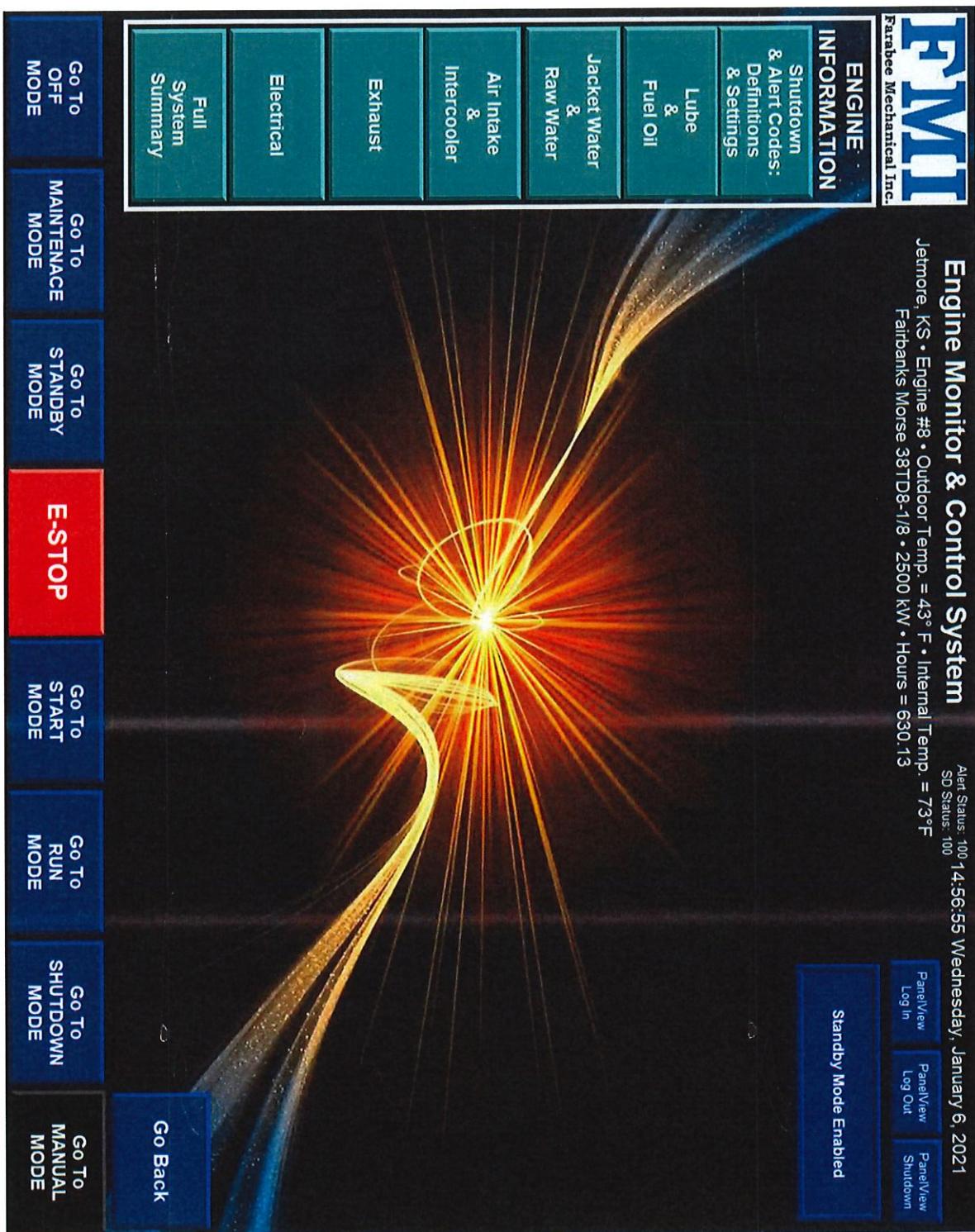
Kevin L. DeValkenaere
Systems Manager
Farabee Mechanical, Inc.

Attached:

Emissions Proposal
Engine Inspection Proposal
Combined Terms & Acceptance

*Remote access capability is dependent on internet being available at the power plant building. Any costs associated with bringing or maintaining the internet at the power plant is not included in this proposal.

HMI Sample Screens





Engine Monitor & Control System

Alert Status: 100 • 14:58:48 Wednesday, January 6, 2021
SD Status: 100
Jetmore, KS • Engine #8 • Outdoor Temp. = 43°F • Internal Temp. = 73°F

Fairbanks Morse 38TD8-1/8 • 2500 kW • Hours = 630.13

• Standby Mode •

PanelView Log In PanelView Log Out PanelView Shutdown

Standby Mode Enabled

ENGINE INFORMATION

Shutdown & Alert Codes: Definitions & Settings

Standby Mode
ENABLED

Lube & Fuel Oil

Jacket Water Pump
ON

Jacket Water & Raw Water

Jacket Water Heater
ON
Current Temp = 131

Air Intake & Intercooler

Lube Oil Pump
ON

Exhaust
Generator Compartment Heater
ON

Lube Oil Heater
ON
Current Temp = 135

Electrical
Compartiment Heater
ON

Full System Summary

Go To OFF MODE
Go To MAINTENANCE MODE
Go To STANDBY MODE

E-STOP

Go To START MODE

Go To RUN MODE

Go To SHUTDOWN MODE

Go To MANUAL MODE

Go Back



Fairabee Mechanical Inc.

Engine Monitor & Control System

Jetmore, KS • Engine #8 • Outdoor Temp. = 43°F • Internal Temp. = 73°F

Alert Status: 100-14:59:16 Wednesday, January 6, 2021
SD Status: 100

PanelView Log In

PanelView Log Out

PanelView Shutdown

• Start Mode •

BEFORE STARTING ENGINE:

- Turn ON Raw Water Make-Up Valve in Basement
- Turn ON Fuel Valves & Pump to Supply Day Tank
- Set Cooling Tower Bypass Valve to correct position for season
- Close Drain Valve on Silencer (outside)
- Check Generator Bearing Oil Level
- Check Engine Oil Level
- OPEN Air Valve to Skid
- Drain Water from Control Air Tank

Press to START
If All Systems Ready

Starting Air
150

300

Air Pressure
NOT READY

Lube Oil Level = 73.84

Day Tank Level = 99.76

IC Water Level = 69.30

Jacket Water Level = 23.44

0 50 100

0 50 100

0 50 100

ENGINE
INFORMATION

Shutdown
& Alert Codes:
Definitions
& Settings

Lube
&
Fuel Oil

Jacket Water
&
Raw Water

Air Intake
&
Intcooler

Exhaust

Electrical

Full
System
Summary

Go To
STANDBY
MODE

E-STOP

Go To
RUN
MODE

Standby Mode Enabled



Engine Monitor & Control System

Jetmore, KS • Engine #8 • Outdoor Temp. = 43°F • Internal Temp. = 73°F

Alert Status: 100

SD Status: 100

14:59:44

Wednesday, January 6, 2021

PanelView

Log In

PanelView

Log Out

PanelView

Shutdown

ENGINE INFORMATION

Shutdown
& Alert Codes:
Definitions
& Settings

Press to Enable
Maintenance
Mode

- Maintenance Mode •
- REMEMBER

to return to STANDBY MODE once maintenance tasks are complete!

Standby Mode Enabled

Lube
&
Fuel Oil

Jacket Water
&
Raw Water

Jacket Water
Circulation Pump

Lube Oil
Circulation Pump

Air Intake
&
Intercooler

Exhaust

Crankcase
Vacuum Blower

Raw Water
Pump
OFF

Cooling Tower

Fan (Fast)
OFF

East Radiator

Fan
OFF

Full
System
Summary

West Radiator
Fan
OFF

Go To
OFF
MODE

Go To
HOME
PAGE

Go To
STANDBY
MODE

E-STOP

Go Back



Farabee Mechanical Inc.

**P.O. Box 1748 • Hickman, NE 68372-1748
Phone (402) 792-2612 • Fax (402) 792-2712
farabee@farabeemechanical.com**

December 12, 2025

Hart Energy Department
3907 N Oceana Drive
Hart, MI 49420

RE: Engine Inspections

In anticipation of the upcoming urge test, FMI strongly recommends conducting detailed inspections of both engines. This will allow us to insure that the engines will be in top operational condition to hit the 100% output levels required for testing. For the sum of \$16,00.00, FMI will dispatch Technicians to perform the following inspection on your two Fairbanks Morse Model 38D8-1/8 Engines:

- Initial Inspection (walk around) including:
 - Notate any visual damage or defect to engine and generator
 - Check oil level in sump and governor
 - Check water level in cooling system expansion tank
 - Supply and replace fuel oil filters
 - Check for oil leakage
 - Check for air leakage
 - Inspect water pump packing for leakage
 - Inspect coupling to generator flange bolts and foundation bolts for missing or loose fasteners or locking devices
 - Inspect log history for trending irregularities
- Remove access covers and complete inspection of the following components:
 - Control racks of injection pumps
 - Injection nozzle opening pressures
 - Remove and inspect vertical drive spring pack wear plates and springs
 - Check upper and lower vertical drive gears and backlash
 - Check vertical drive radial bearing clearances
 - Check and set crankshaft lead
 - Check fuel injection timing

- Check upper and lower crankshaft thrust clearance
- Inspect torsional damper and crankcase condition
- Check lower crankshaft web deflection
- High-Definition, Color Video-Scoping of the following components:
 - Intake manifolds
 - Scavenging Air Blower Lobe condition
 - Cylinders
 - Pistons Crowns
 - Exhaust manifolds
- Removal of Selected Components including:
 - Remove, inspect for metal particles, clean and replace oil strainer elements
 - Remove two lower pistons, inspect interior liner condition and check adapters for leaks
 - Inspect removed pistons for wear and ring groove dimensions
 - Inspect external liner condition for possible coolant leaks
 - Inspect liner bore condition and wear
 - Inspect wrist pins, rod, rings, and bushings from two removed pistons
 - Inspect blower lobe clearances and flexible drive
- Complete re-assembly, check fasteners and test run engine (provided conditions permit safe operation)

Upon completion, FMI will forward a comprehensive report detailing work and parts required to correct current deficiencies. A plan can then be made to perform any required work in advance of the March 1st deadline.

This proposal is valid until December 19, 2025. Once we receive the attached acceptance agreement, the inspections will be scheduled. Tentatively, the inspections will be conducted in January to allow time to correct any issues discovered. Thank you for the opportunity to work with you. Should you have any questions, please feel free to contact us at any time.

Thank you,
Kevin L. DeValkenaere
 Kevin L. DeValkenaere
 Systems Manager
 Farabee Mechanical, Inc.

Attached:
 Engine Automation Proposal
 Emissions Proposal
 Combined Terms & Acceptance

Terms and Acceptance Agreement

RE: Emissions Controls
Engine Automation
Engine Inspections

December 12, 2025

Total Contract: \$685,398.00 (*excludes any applicable taxes*)

Cost Breakdown:

\$359,991.00 – Emissions Controls
\$297,950.00 – Engine Automation
\$16,000.00 – Engine Inspections
\$11,457.00 – Performance Bond – Required by Michigan State Law for Projects over \$100K

To be invoiced as follows:

15% upon receipt of this agreement
15% upon installation of first silencer/catalyst unit
15% upon installation of second silencer/catalyst unit
25% upon submission of compliance test results and certification
15% upon beginning of automation project
15% upon completion of automation project & customer training

Offer to Hart Energy Department accepted by:

Signature: _____

Printed Name/Title: _____

Date: _____ Purchase Order Number: _____

FMI

Signature: *Christopher D. Farabee*

Title: FMI President Printed Name: Christopher D. Farabee

Date: December 12, 2025

To be returned ASAP to:

Farabee Mechanical, Inc.
PO Box 1748
Hickman, NE 68372
(402) 792-2612
farabee@farabeemechanical.com

CITY OF HART

407 S. State St., Hart, MI 49420

Ph: 231-873-2488 Fax: 231-873-0100

SPECIAL EVENTS PERMIT

THE CITY IS NOT RESPONSIBLE FOR BY-STANDERS AT YOUR EVENT.

DATE OF APPLICATION: 12/17/2025

NAME OF EVENT: Christmas Dinner Box Pickup

DATE OF EVENT: 12/23/25 TIME: 6 pm TO 8pm

RAIN DATE OF EVENT: N/A **MUST PROVIDE**

LOCATION AND/OR ROUTE OF EVENT: Stella's Coffee Shop and Old Walkers Parking Lot.

DESCRIPTION OF EVENT: Stella's is partnering with FBC to provide free christmas meals. We are hoping for people to come pick up the meal boxes and provide for them to park at the parking lot where walkers used to be just one block away. We will have people to run boxes to the cars, and people getting boxes are signing up for pick up times so it should all go very smoothly.

SPECIAL NEEDS: Possibly reserving 4 spots for cars to park so they know where they can go and we know which cars are here for pick ups?

NAME OF ORGANIZATION OR SPONSOR: Stella's Coffee House and First Baptist Church of Hart

ADDRESS: 213 E Main St, Hart, MI

CONTACT PERSON: Hannah Juhl

PHONE: (231) 742-6460 FAX:

EMAIL: hannahjuhl@gmail.com

x Hannah Juhl

SIGNATURE OF EVENT COORDINATOR/SPONSOR DATE

**ALL CURRENT COVID-19 STATE MANDATED RESTRICTIONS MUST BE ADHERED TO. IT IS YOUR
RESPONSIBILITY TO SCHEDULE THE LOGISTICS MEETING WITH THE CITY DEPARTMENTS INDICATED IF
YOUR APPROVED PERMIT INDICATES THAT A MEETING IS NEEDED. PLEASE NOTE THAT A 7 - 10 DAY
ADVANCE NOTICE WILL BE NEEDED TO SCHEDULE THE MEETING.**

POLICE: 873-2488, DPW: 873-3100, HYDRO: 873-5367, EMS: 873-8240

SECTIONS BELOW TO BE COMPLETED BY THE CITY

PROOF OF LIABILITY INSURANCE FOR STREET SOLICITATION: YES OR NO
LOGISTICS MEETING NEEDED: YES OR NO
DEPT. ATTENDING: DPW POLICE EMS HYDRO
PERMIT NUMBER: APPROVED BY CITY COUNCIL/CITY MANAGER DATE OF APPROVAL/DENIAL: YES OR NO
CONDITIONS:
CITY REPRESENTATIVE'S SIGNATURE:

4/22/2021