



CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
JAN. 23, 2018, 7:30 P.M.

PRESENT: Mayor Ron LaPorte, Councilors: Rob Splane, Jason La Fever, Joe Frontiera, Steve Hegedus, and Jack Wittman.

ABSENT: Karen Thomson

OTHERS PRESENT: City Manager – Stan Rickard, City Attorney – Julie Springstead, Hydro Superintendent - Mike Schiller, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, Main Street Manager - Julie Kreilick and Deputy Clerk - Cheri Eisenlohr. See attached list for others in attendance.

Mayor LaPorte called the meeting to order at 7:30 p.m., following roll call, he then opened with the Pledge of Allegiance.

A motion was made by Mr. Wittman to approve the first amended agenda and supported by Mr. La Fever.

Mayor LaPorte; in the past we would, it's important that you read the minutes because once it's approved that's the gospel that you live by, and sometimes some very important things get missed, but lately the minutes are not reflecting the true, what's happening at the meeting, it will come back to haunt councils down the road, so they really need to be word for word what was transpired. Joe Frontiera; I fully agree with that; it seems that it is getting paraphrased a lot. Mayor LaPorte; it will make a lengthier read, but it really needs to be there.

The amended minutes from the December 19 meeting and the minutes from January 9, 2017, regular meeting were approved as printed, motioned by Mr. Wittman and supported by Mr. Frontiera.

All ayes, both motions were carried.

PUBLIC COMMENTS, CORRESPONDENCE, EVENTS, PRESENTATIONS:

- Police Officers Labor Council has made a request for negotiations on the new labor contract. A team will be put together to address this.
- Al Martin – reported on how well their booth went at the auto show in Detroit – all literature sent was distributed.

DEPARTMENT REPORTS:

- BioPure Superintendent, Paul Cutter:
 - Michigan Freeze Pack still running potatoes and will continue until asparagus starts.
 - Running 1 million gallons of water per week
 - Learning curve for the plant running potatoes vs. carrots
 - Resolution 18-10 is the last part of the puzzle to get the irrigation components approved
 - Hope to have it running by mid-August
 - Center pivot will not be able to turn 360 degrees; it will have to backtrack
- Police Chief, Juan Salazar:
 - Department has been housekeeping while Chief Salazar was away on vacation
 - Officer Hintz and Chief Salazar attended Fentanyl training at the end of December
- DPW Superintendent, Brad Whitney:
 - Michigan Rural Water seminar in the Community Center with 43 attendees.
 - Discussed a new Lead copper rule – more information to come
 - Monthly water sampling is complete

- Moved snow out of parking lots and reduced bank height
- Servicing equipment
- Hydro Superintendent - Mike Schiller:
 - Installed new lighting at City Hall
 - Painting at City Hall
 - Reconnects and disconnects
 - Repairing ice damage at Woodlawn Court
 - Metering at the Sub Stations – computer communication issues
 - Replaced broken pole at the cemetery
 - There are many poles around the City that need to be replaced
- Main Street Manager, Julie Kreilick:
 - Al & Patrice Martin, of Hart House, were featured on TV13 News
 - State and National Mainstreet will be coming to the City on Jan. 30.
 - Thanked the Council for the new board member approvals
 - Interest has been shown in the vacant buildings downtown
 - Work on the website has been progressing
 - Meeting held in Ludington the week before went well
 - Winterfest – Feb. 2/3 – need more volunteers
 - Antique snowmobile show
 - Portable disc golf basket
 - Hats will be given out for participating in the run/walk event
 - Soup’r Bowl – Broomball – cross country skiing at JGP

REPORTS OF BOARDS, COMMISSIONS, AND COMMITTEES:

None

BILLS, CLAIMS, PAYROLL:

Mr. Rickard discussed the following invoices in detail:

\$74,380.27 – Prein&Newhof

\$3,900.00 – AAA Fencing

\$3,551.09 – KS Bank

Bills totaled: \$328,522.37

A motion was made by Mr. Splane and supported by Mr. Hegedus to approve the payables and payroll in the amount stated.

Ayes: 6 Nay: 0 Absent: 1

ACTION ITEMS:

City Manager, Stan Rickard presented the following:

**Resolution 18-07
City of Hart - City
Council - Hart,
Michigan
BUDGET
AMENDMENT**

WHEREAS, the City Council may amend the annual budget to reflect changes in purchasing patterns or revised objectives; and
 WHEREAS, City Council has authorized the Low-Income Energy Assistance Fund (LIEAF) established in 2013 by Michigan Public Service Commission (MPSC); and
 WHEREAS, the LIEAF requires Hart Hydro-Electric to pay \$0.97 per electric meter per month into the program; and
 WHEREAS, the City Council desires to secure the benefits of efficient self-government and to promote and protect our common interests and welfare;
 NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL amends the FY2018 Annual Budget as follows:

EXPENDITURE

| <u>FUND</u> | <u>DEPARTMENT</u> | <u>LINE ITEM</u> | <u>ADOPTED BUDGET</u> | <u>AMENDED BUDGET</u> | <u>JUSTIFICATION</u> |
|-------------|-------------------|------------------|-----------------------|-----------------------|---------------------------------------|
| 590 | Hydro | Administrative | LIEAF | | |
| 1 | | | F | \$0 | \$14,000 |
| | | | | | City Council authorized LIEAF program |

Moved by Mr. La Fever and supported by Mr. Splane and thereafter approved by Hart City Council at a regular meeting on January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

I hereby certify this to be a true and correct copy of the document on file with the office of the City of Hart Clerk:

 Cheryl Rabe, City Clerk

Discussion:

**RESOLUTION 18-08
Hart City Council
City of Hart, Michigan**

CAPACITY PURCHASE AUTHORIZATION

WHEREAS, the City of Hart owns and operates a hydroelectric generation and electric distribution system; and

WHEREAS, Hart Hydroelectric through City of Hart purchases electric energy and generation capacity from the Michigan Public Power Agency (MPPA); and

WHEREAS, Hart Hydro needs generation capacity for planning year June 1, 2021 – May 31, 2022; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Accepts the MPPA proposal for term, capacity & pricing as follows:

| <i>Term-Planning Year</i> | <i>Capacity, KW</i> | <i>Not-To-Exceed Rate</i> |
|------------------------------------|----------------------------|----------------------------------|
| <i>June 1, 2021 – May 31, 2022</i> | <i>3400</i> | <i>\$3.50 / KW-month</i> |

Authorizes and directs the City Manager to sign the letter of authorization on behalf of Hart City.

Moved by Mr. Splane, supported by Mr. Wittman, and thereafter adopted by the Hart City Council at a regular council meeting held on January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheryl Rabe, City Clerk

Discussion:

**RESOLUTION 18-09
City Council
City of Hart, Michigan**

FINAL PROJECT EXTENSION – ELECTRIC UNDERGROUNDING

WHEREAS, the City of Hart owns, operates and maintains electric power systems including hydroelectric generation and distribution lines that require periodic upgrades to insure reliable operations; and two electric distribution circuits cross Hart Lake between the Diesel Plant and Pointe Park on the north side of Hart Lake; and these circuits feed hydroelectric power to the City and distribute electric power to customers located north of Hart Lake; and these circuits are in poor condition and should be replaced; and directional drilling technology is available to place electric conduits under Hart Lake similar to a project completed in 2013 that placed water and electric conduits under Hart Lake; and

WHEREAS, in February, 2017 City Council awarded a competitive bid for the aforementioned directional drilling project at a cost of \$43,305 (\$48.12 per foot) to Gustafson HDD (Pentwater); and in December, 2017 awarded additional work for two (2) segments at the cost of \$70,108.90 (\$44.88 per foot) and \$41,505.00 (\$46.12 per foot), respectively; and

WHEREAS, Hydro-Electric staff recommends a final 1325 foot segment to the aforementioned Gustafson undergrounding project between Hill N Dale Dr. (south) to Hill N Dale Dr. (north) that will connect the Hart Dam to the Diesel Plant that will, when completed, eliminate over-head electric lines in poor condition located in very difficult terrain; and

WHEREAS, the City Council desires to secure the benefits of efficient self-government and to promote and protect our common interests and welfare;

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Approves and extends the Gustafson HDD project for a final directional drilling project north of Hart Lake between Hill N Dale Dr. (south) to Hill N Dale Dr. (north) in the amount of \$50,387.50 (\$38.03 per foot).

Authorizes and directs the City Manager to implement the final project segment on behalf of the City of Hart.

Moved by Mr. Frontiera, supported by Mr. Wittman, and thereafter adopted by the Hart City Council at a regular meeting held on Tuesday, January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheryl Rabe, City Clerk

Discussion:

RESOLUTION 18-10
Hart City Council
City of Hart, Michigan

**BIOPURE IRRIGATION PUMP STATION IMPROVEMENTS
 BID & AWARD PHASE**

WHEREAS, the City of Hart owns, operates and maintains a BioPure Water Treatment Facility that requires upgrades and expansion periodically to meet system demands; and

WHEREAS, after extensive study with the assistance from City Engineer Prein&Newhof the City acquired a 72-acre agricultural property suitable for BioPure effluent application by irrigation; and Prein&Newhof has engineered an irrigation system that requires an upgrade to the pump station; and

WHEREAS, the estimated cost to design, bid, construct and perform construction-related engineering for the pump station improvements is \$280,000 including 25% allowance for engineering and construction contingencies; and the Water/Sewer Fund has sufficient cash reserves to fund the project in 2018; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Approves and authorizes the bid and award phase for the BioPure Irrigation Pump Station Improvements.

Authorizes and directs the City Manager to advertise for bids locally, at Prein&Newhof Engineering, and at other prominent construction plan distribution offices in Michigan.

Requires the City Manager to present bid results to the City Council at a future meeting for evaluation and award.

Moved by Mr. Frontiera, supported by Mr. Wittman, and thereafter adopted by the Hart City Council at a regular council meeting held on January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Discussion:

**RESOLUTION 18-11
 Hart City Council
 City of Hart, Michigan**

TEST/PRODUCTION WELL

BID & AWARD PHASE

WHEREAS, the City of Hart owns, operates and maintains the Hart Hydro Electric Facility including the Hart Lake Dam and Impoundment that is regulated by Federal Energy Regulatory Commission (FERC) and Michigan Department of Environmental Quality (MDEQ); and the aforementioned agencies regulate South Branch Pentwater River water temperatures below Hart Dam through permitting and an Administrative Consent Order (ACO) approved and adopted by City Council in January, 2015 pursuant to Resolution 15-01; and Hart Hydro Electric frequently violates the water temperature standards in July, August and September on an annual basis; and

WHEREAS, the ACO stipulates that the City shall investigate methods and implement projects to lower water temperatures below Hart Dam; and City Engineer Prein&Newhof has prepared contract documents to develop a test/production well to determine the viability of cooling river temperatures with direct ground water injection into the Pentwater River below the Hart Dam; and the cost estimate to construct a test/production well is **\$133,000**, and the Hydro Electric Fund has sufficient cash reserves to implement the aforementioned workscope; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Approves and authorizes the bid and award phase for the Test/Production Well project.

Authorizes and directs the City Manager to advertise for bids locally, at Prein&Newhof Engineering, and at other prominent construction plan distribution offices in Michigan.

Requires the City Manager to present bid results to the City Council at a future meeting for evaluation and award.

Moved by Mr. Frontiera, supported by Mr. Splane, and thereafter adopted by the Hart City Council at a regular council meeting held on January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheryl Rabe, City Clerk

**RESOLUTION 18-12
Hart City Council
City of Hart, Michigan**

HYDRO SUPERINTENDENT WAGE ADJUSTMENT

WHEREAS, the City of Hart owns, operates and maintains the Hart Hydro Electric Facility staffed by a Hydro Superintendent, Lead Journey Line Worker, Journey Line Workers, and Apprentice Line Workers; and

WHEREAS, there is an internal wage inequity between the Superintendent and Lead Journey Line Worker that should be corrected; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Approves and authorizes an hourly wage of \$42.50 effective date of resolution adoption for the Hydro Superintendent.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular council meeting held on January 23, 2018.

Ayes: Nays: Absent:

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Cheryl Rabe, City Clerk

THIS RESOLUTION WAS TABLED AT THE JANUARY 23, 2018 BY MOTION MADE BY ROB SPLANE TO FURTHER DISCUSS THIS TOPIC AND SUPPORTED BY JOE FRONTIERA UNTIL THE NEXT MEETING. ALL AYES.

A REQUEST WAS MADE TO MIKE SCHILLER TO ATTEND THE NEXT FINANCE-PERSONNEL MEETING BEFORE THE COUNCIL MEETING. MR. SCHILLER AGREED TO ATTEND.

RESOLUTION 18-13
Hart City Council
City of Hart, Michigan

PROPERTY ACQUISITION
3907 NORTH OCEANA DRIVE

WHEREAS, the City of Hart owns, operates and maintains the Hart Hydro Electric Department located at 10 North Water Street including a building for vehicle, equipment and parts storage that is no longer suited to the expanding needs of the Department; and

WHEREAS, for several years Hart Hydro has leased property and a building located at 3907 North Oceana Drive, Hart, Michigan to mitigate storage issues; and the current owner has offered the building and property to Hart Hydro for purchase; and

WHEREAS, pursuant to City Council action on November 14, 2017 authorizing the City Manager to negotiate a purchase agreement with the owner of the aforementioned property; and the City has successfully negotiated the acquisition terms for the property located at 3907 North Oceana Drive; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Approves and authorizes the purchase of real property located at 3907 North Oceana Drive, Hart, Michigan consisting of 2.81 acres, more or less, for an agreed price of \$127,000.

Authorizes and directs the City Attorney to prepare the purchase agreement in substantial conformance to the terms and conditions approved by City Council on January 23, 2018; and

Authorizes and directs the City Manager to sign the purchase agreement and all other closing documents on behalf of the City of Hart.

Moved by Mr. Frontiera, supported by Mr. Splane, and thereafter adopted by the Hart City Council at a regular council meeting held on January 23, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheryl Rabe, City Clerk

Discussion:

SPECIAL EVENTS PERMIT:

None

DISCUSSION ITEMS:

- City Manager Profile Brainstorming – February 27, 2018: Reminder of the upcoming event to be held. Looking for invitee names from the Finance/Personnel Committee.
- Hart Hydro Disc Golf Course Grand Opening – May 12, 2018: Reminder for this event. Some festivities are planned – no details yet.
- 15-Year Cemetery Millage (0.5) Renewal – August 7, 2018, election: Reminder that the millage is expiring this year, if the City chooses to renew, a proposition will have to be put on the ballot for August.
- Hydro-Electric truck replacement: The current digger/derrick unit is a 1996 model and possibly will not pass inspection again. Mike Schiller went further into depth of the need for a new truck and what it would be used for around the city. He has been looking into dealers for more information. The anticipated cost of a new unit will exceed \$220,000.00. More information to come.

- Park Committee Meeting – tentative Monday, February 5th, 7:00 pm: Discussion to cover the proposed changes to Veterans Memorial Park. Pentwater Outfitters will be bringing water sports to Hart Lake this summer.

CITY MANAGER REPORT:

- 6-Month Budget Report: Sales are good, but behind compared to this same time last year. Potato processing at MFP will generate more sales for the City. Cash position is good on all major funds. Water Sewer fund will require the use of some of the cash balance that is available for use on various projects taking place. One million is anticipated.

CITY ATTORNEY REPORT:

None

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- Jack Wittman: “Is there not going to be anything for the community in the brainstorming section?” Mr. Rickard stated that we need about 20 individuals from the community for this portion of the meeting. A list will be provided to MML. The Mayor asked the Council to turn in names that they think would be good to add to the list.
- Rob Splane: He would like a community clean-up day – an organized event before the asparagus festival. He wants Republic Service to be contacted for the cost. The HazMat items are already addressed by the Clean Sweep Day. He believes that the Boy Scouts would be willing to assist. The City has not done this for a few years due to the exorbitant cost.

ADJOURNMENT:

There being no further business to come before the Council, the meeting adjourned at 9:01 p.m., upon motion by Mr. Splane and supported by Mr. Hegedus. The next meeting is Feb. 13, 2018, at 7:30 p.m.