



CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
MAY 22, 2018, 7:30 P.M.

PRESENT: Mayor Ron LaPorte, Councilors: Jack Witman, Joe Frontiera, Karen Thomson, Jason La Fever, and Steve Hegedus.

ABSENT: Rob Splane

OTHERS PRESENT: City Manager – Stan Rickard, City Attorney – Julie Springstead, BioPure Superintendent – Paul Cutter, Police Chief – Juan Salazar, Hydro Superintendent – Mike Schiller, 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 second amended agenda and supported by Ms. Thomson. The minutes from May 8, 2018, regular meeting were approved as printed, motioned by Mr. Wittman and supported by Ms. Thomson. All ayes, both motions were carried.

PUBLIC COMMENTS, CORRESPONDENCE, EVENTS, PRESENTATIONS:

- May 14, 2018, Curt McClellan resigned from the Power Board & Water/BioPure Boards – Mr. Rickard advised that there was a possibility that Mr. McClellan may reconsider.
- May 15, 2018, communication from City auditors SK&T (E. Lansing) regarding upcoming FY2018 audit: The auditors will be arriving in July to start the audit process.

DEPARTMENT REPORTS:

- BioPure Superintendent, Paul Cutter:
 - Matts Excavating is about 85% done.
 - Michigan Freeze Pack started running asparagus last Wednesday.
 - Running asparagus corrected the sediment issue.
 - Prein&Newhof will be creating an engineering design in regards to using Sulzer blowers.
 - The center pivot is at the irrigation field and should be installed next week.
 - The Griswold lift station impeller has been repaired and coated to withstand the sand that comes into the system.
- Police Chief, Juan Salazar:
 - All officers qualified with handguns and rifles during the spring qualification testing.
 - TEAM graduation was a success. Sgt. Tony Slocum of the Indiana State Police was the guest speaker.
- DPW Superintendent, Brad Whitney: Absent
- Hydro Superintendent – Mike Schiller:
 - Buoys and ropes for the dam
 - DuBois Tree Service has been removing trees in the City and doing a good job.
 - The transformer at the Courthouse was connected last Friday. The old units were successfully removed from the basement.
 - Broken utility pole on State Street was removed and a new one installed all while the power was live.
 - Cabinet was installed by City Hall to run electricity to the building.
 - MPPA conference on Wednesday and Thursday.
 - Nate Gowell will be attending classes in Cadillac.
 - Stumps have been ground down, dirt placed and seeded.

- Mainstreet Manager, Julie Kreilick: Absent

REPORTS OF BOARDS, COMMISSIONS, AND COMMITTEES:

None

BILLS, CLAIMS, PAYROLL:

Mr. Rickard discussed the following invoices in detail:

\$107.68 Consumers Energy

\$9,000.00 MML

\$2,153.00 Consumers Energy

Bills totaled: \$290.789.88

A motion was made by Ms. Thomson and supported by Mr. Frontiera to approve bills, claims and payroll in the amount stated.

Ayes: 6 Nay: 0 Absent: 1

Discussion: None

ACTION ITEMS:

City Manager, Stan Rickard presented the following:

**RESOLUTION 18-36
City Council
City of Hart, Michigan**

FY2019 ELECTRIC, WATER, SEWER & TRASH RATES

WHEREAS, the City of Hart owns and operates electric, water, sewer, and wastewater treatment facilities; and contracts for trash hauling services ("services"); and

WHEREAS, these services are funded through user rates and should self-fund their operations, maintenance, equipment replacement, and debt service; and

WHEREAS, the FY2019 Annual Budget was developed assuming the following electric, water, sewer and trash rates; 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 HART CITY COUNCIL:

Adopts the rates and charges as identified below for FY2019 effective for all bills for services mailed on or about July 1, 2018:

A	<u>ELECTRIC—RESIDENTIAL</u>	<u>RATES FY2019</u>
	Single phase monthly base rate	\$7.00
	Three phase monthly base rate	\$19.00

	kWh charge	\$0.0765
<u>B</u>	<u>ELECTRIC-- COMMERCIAL</u>	<u>RATES FY2019</u>
	Single phase monthly base rate	\$16.50
	Three phase monthly base rate	\$19.00
	kWh charge	\$0.0910
<u>C</u>	<u>ELECTRIC--DEMAND CUSTOMER</u>	<u>RATES FY2019</u>
	Monthly base rate	\$60.00
	Demand charge per KW	\$8.00
	kWh charge	\$0.0564
<u>D</u>	<u>ELECTRIC—INDUSTRIAL CUSTOMER EXCEDING 2,000,000 KWH ANNUALLY</u>	<u>RATES FY2019</u>
	Monthly base rate	\$60.00
	Demand charge per KW	\$7.00
	kWh charge	\$0.0530
<u>E</u>	<u>FUEL COST ADJUSTMENT FACTOR (12-MONTH ROLLING AVERAGE)</u>	Varies
<u>F</u>	<u>ENERGY OPTIMIZATION</u>	<u>RATES FY2019</u>
	Residential per kWh	\$0.0013
	Commercial per meter	\$4.43
	Industrial per meter (6)	\$215.24

<u>G</u>	<u>WATER</u>	<u>RATES FY2019</u>
	Base rate per month including up to 3,000 gallons per month with 5/8 inch meter	\$6.85
	1 inch meter	\$8.30

	1.5-inch meter	\$10.50
	2-inch meter	\$13.00
	3-inch meter	\$14.50
	4-inch meter	\$16.25
	Rate per 1000 gallons (3001-13,000 gallons per month)	\$1.16
	Rate per 1000 gallons (over 13,000 per month)	\$1.02

<u>H</u>	<u>WASTEWATER</u>	<u>RATES FY2019</u>
	Base rate per month including up to 3,000 gallons per month	\$29.78
	Volume rate per 1000 gallons per month over 3,000 gallons	\$3.31
	Volume rate per 1000 gallons per month over 3,000 gallons (contracts)	\$3.31
	BOD Surcharge per pound	\$0.191
	TSS Surcharge per pound	\$0.140
<u>I</u>	<u>CUSTOMER CHARGE</u>	
	Gray & Company	\$2,769.60/month
	Michigan Freeze Pack	\$900.00/month
	Indian Summer	\$900.00/month

<u>J</u>	MONTHLY RESIDENTIAL TRASH COLLECTION FEE	\$21.90
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Moved by Ms. Thomson, supported by Mr. Hegedus, and thereafter adopted at the regular City of Hart City Council meeting on May 22, 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 Clerk.

Cheri Eisenlohr, Deputy City Clerk

RESOLUTION 18-37
City Council
City of Hart, Michigan
Oceana County

ADOPTION OF 2018 MILLAGE RATES & LEVY

WHEREAS, the City of Hart has established a general millage for operating purposes and voted millage for cemetery and street improvements in 2002 and 2015, respectively; and

WHEREAS, a "Truth In Taxation" hearing is not required since the proposed tax rates do not exceed the maximum rates allowed by "Headlee" rules (MCL 211.34d);

NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:

Adopts and levies the following tax rates for 2018 as follows (same millage rates as 2017):

<u>PURPOSE</u>	<u>2018 MILLAGE RATE (Same as 2017)</u>
Operating	12.6808
Streets (Voted November, 2014)	2.0000
Cemetery (Voted November, 2002)	0.4998
TOTAL	15.1806

Moved by Mr. Frontiera and supported by Mr. La Fever, and thereafter adopted by the City of Hart, Michigan City Council at a regularly scheduled meeting held on Tuesday, May 22, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheri Eisenlohr, Deputy City Clerk

RESOLUTION 18-38
City Council
City of Hart, Michigan
Oceana County

TAX LIEN DELINQUENT UTILITY ACCOUNTS

WHEREAS, the City of Hart owns, operates and maintains municipal electric, water and sewer utilities; and

WHEREAS, the City administers customer billing and collection systems to fund the costs associated with operating and maintaining the aforementioned utilities; and

WHEREAS, delinquent customer accounts are sometimes uncollectable using traditional methods; and

WHEREAS, State of Michigan statutes pursuant to Public Act No. 94 of 1933 (MCL 141.101 et seq.) allow municipal utilities to lien properties to collect delinquent accounts through the taxing authority of municipalities; and in accordance with City of Hart Ordinance No. 2016-02 adopted March 22, 2016 the City of Hart has the authority to lien properties for delinquent utility accounts; 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 HART CITY COUNCIL:

Declares electric, water and sewer accounts delinquent in accordance with the aforementioned statute and ordinance for the following customer, account number, property number and owner as follows:

CUSTOMER	ACCOUNT NO.	PROPERTY NO.	ADDRESS	ELECTRIC	WATER	SEWER	TOTAL
RESIDENTIAL ACCOUNTS							
Doug Walls-Owner							
J. Martinez	CH20-000111-0000-22	64-020-721-003-00	111 Church	\$ 639.28	\$ 51.65	\$ 210.76	\$ 901.69
C. Day	CH20-000111-0000-23	64-020-721-003-00	111 Church	\$ 187.64	\$ 20.66	\$ 79.42	\$ 287.72
				\$ 826.92	\$ 72.31	\$ 290.18	\$ 1,189.41
Delaura Peterson - Owner							
S. Hanson	CR10-000109-1000-03	64-020-665-004-00	109 Creeks	\$ 23.54	\$ 6.85	\$ 29.78	\$ 60.17

**G. DeBlas -
Owner**

	J010- 000518- 0000-08	64-020- 322-001-00	518 Johnson	\$ 111.40	\$ 9.17	\$ 58.13	\$ 178.70
C. Arellano							

**W.
Forsyth-
Smith -
Owner**

	JO10- 000007- 0000-07	64-020- 725-001-50	7 Johnson	\$ 89.97	\$ 10.42	\$ 44.43	\$ 144.82
R. Grasmeyer							

**Huntington
National
Bank –
Owner**

	GR10- 000700- 0000-01	64-020- 334-001-00	700 Griswold	\$ 63.99	\$ 34.25	\$ 148.97	\$ 247.21
J. Adams							
	GR10- 000702- 0000-02	64-020- 334-001-00	702 Griswold	\$ 102.59	\$ -	\$ -	\$ 102.59
J. Adams							
	GR10- 000702- 0001-13	64-020- 334-001-00	702 Griswold	\$ 152.44	\$ -	\$ -	\$ 152.44
M. Gonzalez							
	GR10- 000702- 0001-15	64-020- 334-001-00	702 Griswold	\$ 94.00	\$ -	\$ -	\$ 94.00
E. Bustos							
				\$ 413.02	\$ 34.25	\$ 148.97	\$ 596.24
				\$	\$	\$	\$
TOTAL OF RESIDENTIAL ACCTS:				<u>1,464.85</u>	<u>133.00</u>	<u>571.49</u>	<u>2,169.34</u>

Authorizes, approves and directs a tax lien in the total amount stated herein against the aforementioned customer, account number, owner, and property number; and directs the City Clerk-Treasurer or City Deputy Clerk-Treasurer to file a tax lien there upon.

Moved by Mr. Frontiera, supported by Mr. Wittman, and thereafter adopted by the City of Hart, Michigan City Council at a regularly scheduled meeting held on Tuesday, May 22, 2018.

Ayes: 6 Nays: 0 Absent: 1

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document on file with the office of the City of Hart Clerk.

Cheryl Rabe, City Clerk

RESOLUTION 18-39
City Council
City of Hart, Michigan
Oceana County

ADDITIONAL WATER QUALITY STUDIES
Administrative Consent Order (ACO)
Water Temperature Standards

WHEREAS, in 2015 the City of Hart entered into an Administrative Consent Order (ACO) with the Michigan Department of Environmental Quality (MDEQ) to initiate programs improving water quality on the South Branch Pentwater River below the Hart Dam; and

WHEREAS, the City has determined that additional studies are warranted to seek alternate water quality compliance solutions; and

WHEREAS, the City through its attorney Varnum Law requested engineering proposals from two companies very familiar with water quality science in Hart Lake and South Branch Pentwater River; and Lawson-Fisher Associates (South Bend, IN) and Limno Tech Inc (Ann Arbor, MI) submitted a April 23, 2018 collaborative proposal to perform advanced water quality studies; 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 accepts the April 23, 2018 Lawson-Fisher Associates & Limno Tech Inc Phase 1 proposal in the amount of \$36,000 for "Initial Data Collection and Regulatory Exploration".

Authorizes and directs the City Manager to implement the Phase 1 workscope and sign all Phase 1 documents on behalf of the City of Hart.

Moved by Mr. Frontiera, supported by Mr. La Fever, and thereafter adopted at the City of Hart City Council meeting on May 22, 2018.

Ayes: 6 Nays: 0 Absent: 1

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Cheryl Rabe, City Clerk

SPECIAL EVENTS PERMIT:

- Shakespeare on the Commons – July 13-14-15, 2018, 6:00 pm to 8:30 pm
 - Ms. Thomson made a motion to approve the permit, Mr. Hegedus supported, all ayes, motion carried.

DISCUSSION ITEMS:

- City Manager interviews May 32th & 31st, 2018
 - Three-ring binders were distributed to the Council with instructions on how they are to be used as per Kathie Grinzinger of the MML at the interview meetings being held next Wednesday and Thursday evenings.
- 2nd Draft FY2019 Annual Budget & 6-Year Capital Improvement Program
 - Mr. Rickard gave a brief overview of the changes that he made to each of these items.
 - Collective bargaining wages are in the new budget.
 - Non-union wages have not been addressed yet. Should be at the next meeting.
- Property Sale & Lease
 - Electric Transmission Easements – EDF Renewables: The City will work with them in regards to land leasing.
 - Creeks Development:
 - Two local contractors have shown an interest in working with the City. Blackmer Construction (Hart) and Mark Hamersma (Grand Rapids). Both companies have several building projects in their backgrounds. Mr. Rickard will meet with them individually to discuss the project with them. All options will be considered.
 - Gray & Co., They are interested in purchasing some City-owned parcels of land that are near to their current building at the cost of \$20,000.00.
 - Karen Thomson made a motion to allow City Manager, Stan Rickard, to pursue talking to Gray & Co., Mayor LaPorte supported the motion. All ayes, the motion carried. Mr. Frontiera asked whether or not an appraisal should be done. Mr. Rickard stated that he didn't think that an appraisal would help much as it is vacant and unbuildable. Also, the cost of the appraisal would eat into the payment.

CITY MANAGER REPORT:

- 10-Month Budget Report: Sales are on track.

CITY ATTORNEY REPORT: Nothing**COMMUNICATIONS FROM THE MAYOR AND COUNCIL:**

- Set Police Committee meeting: The meeting will be June 19, at 6:15 pm.
- Mayor LaPorte recently attended a Mayor's conference that was held at the Farmer's Market in Muskegon (Second largest in the State). The Muskegon Mayor stated that getting involved with the Redevelopment Ready Community is very beneficial for a city. Mayor LaPorte advised that Grand Rapids was just accepted into the program. He was also informed that Hart resident, John Gebhart of Golden Hart Farms, was the longest running vendor (90+ years) at the Market.

There being no further business to come before the Council, the meeting adjourned at 8:30 p.m., upon motion by Mr. Hegedus and supported by Mr. La Fever. The next meeting is June 12, 2018, at 7:30 p.m.