



**CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
JUNE 27, 2017, 7:30 P.M.**

PRESENT: Mayor Ron LaPorte, Councilors: Steve Hegedus, Joe Frontiera, Jack Wittman and Karen Thomson.

ABSENT: Rob Splane and Jason La Fever

OTHERS PRESENT: City Manager – Stan Rickard, City Attorney - Julie Springstead-Waltz, Chief of Police – Juan Salazar, BioPure Superintendent – Paul Cutter and Deputy Clerk - Cheri Eisenlohr. See attached attendance list for others present.

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 1st amended agenda and supported by Ms. Thomson. The minutes from the June 13, 2017, regular meeting were approved as printed, motioned by Mr. Hegedus and supported by Mr. Wittman. All ayes, motions carried.

PUBLIC COMMENTS, CORRESPONDENCE, EVENTS, PRESENTATIONS:

Mr. Rickard spoke on the following:

- Letter from Robert Dodds – Mr. Dodds, Superintendent of the Hydro Department has announced his retirement, effective January 5, 2018. The City will be seeking his replacement soon for training purposes.

DEPARTMENT REPORTS:

- Mainstreet Manager, Julie Kreilick, reported on various things that Mainstreet is working on.
 - She reminded the Council of the State/National meeting on August 29 that will be held here in Hart. She would like to have it well attended by City Officials.
 - She stated that Mercy Health Partners is now their largest benefactor and that Shelby State Bank is on board as well.
 - Applications for new board members have been accepted, had six apply.
 - The vendor marketplace has opened with good results and suggestions.
 - The farmers market starts next Thursday and she is expecting a good turn-out.
 - The logistics meeting took place for the Hart Sparks program.
- BioPure Superintendent, Paul Cutter reported on finishing up with the Biosolids hauling as well as the asparagus as of tomorrow – Cherries will be starting soon. He has met with Barbara Marczak of Prein&Newhof, City Manager, Stan Rickard and Peter Brink about the Longcore property.
- Police Chief Salazar reported on the possibility of acquiring a grant that will pay 50% of the cost for a bullet proof vest - \$819.00 per vest.

REPORTS OF BOARDS, COMMISSIONS AND COMMITTEES:

None

BILLS, CLAIMS, PAYROLL:

Mr. Rickard brought the following bills to the attention of the Council:

\$25,404.63 – Fifth Third Bank – Lift station project – only one more payment

\$5,038.40 – Discraft – 18 disc golf baskets

\$71,261.00 – BHS Insurance – Premium for liability and property insurance – the City will start looking for a new provider next year.

Bills totaled: **\$201,969.66**

A motion was made by Ms. Thomson and supported by Mr. Wittman to approve the payables and payroll in the amount stated.

Ayes: 5 Nay: 0 Absent: 2

Discussion: None

ACTION ITEMS:

City Manager, Stan Rickard presented the following:

Item 10A: Hart Main Street Board Appointments – the board has lost three members this past year – Joan Lundborg, Nancy Sterk and Patrice Martin. There were six applicants for the three positions that were open. It was decided to ask for permission to increase the size of the board from nine to eleven. The by-laws stated no less than nine and no more than thirteen and the board approved. The new members to be are:

- Erica Fenton – Lakeside Rehab Family Wellness
- Marianna Frick – Lakeside Comprehensive Rehabilitation
- Stacie Hegg – Hegg’s Furniture
- Eva Kostal – Harbor House of Hart
- George Sadler – Kristi’s Pour House

Ms. Thomson made a motion to recommend the five appointments, supported by Mr. Frontiera. All ayes. Motion carried.

**RESOLUTION 17-52
Hart City Council
City of Hart, Michigan**

***88th AVENUE ELECTRIC SUBSTATION
Equipment Procurement***

WHEREAS, the City of Hart owns, operates and maintains an electric distribution system and the City has embarked on many upgrades to improve system reliability; and the 88th Avenue Substation is equipped with two 10 MVA transformers: a 1981 reconditioned unit acquired in 2013/2014; and a 2001 unit severely damaged in a July, 2013 fire, later repaired and placed at the substation, but not physically connected to the system; and due to the age of the transformers it is rational and prudent to permanently connect the 2001 unit to the system to improve substation reliability; and City Council approved an agreement with GRP Engineering (Petoskey, MI) pursuant to Resolution 16-51 to design the dual transformer project and perform construction-related services; and the project design is substantially complete; and the estimated construction cost to connect the 2001 unit to the system, make site improvements, and upgrade system controls is \$545,000 including a 10% contingency; and the City has sufficient cash reserves to finance the project; and pursuant to Resolution 17-51 adopted on June 13, 2017 authorizing the bid and award phase of the projects; and

WHEREAS, additional specialized substation equipment must be designed to exactly match existing specifications to insure uniform operability and replacement parts availability; and/or to acquire industry standard equipment available from sole suppliers; and/or to partner with a manufacturer to design site specific equipment that meet the City’s needs; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare; and

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Declares an emergency and waives competitive bids.

Accepts and approves quotes for the following equipment to be purchased by the City and provided to the general contractor for installation later in 2017.

Authorizes and directs the City Manager to acquire the equipment on behalf of the City of Hart.

Supplier: RESCO (Heber Springs, AR) Manufacturer: SIEMENS INDUSTRY INC.	
1 - Vertical Gang Operated Load Break Switch, 25KV, 900 AMP	\$4,331.00
1 – Horizontal Gang Operated Load Break Switch, 25KV, 900 AMP	\$3,678.00
Total	\$8,009.00

Supplier: A Star Electric (Elk Grove Village, IL)	
3 – Re-closer Control @ \$3995 \$3955	\$11,865.00
1 – Dual Overcurrent Relay @ \$1,265	\$1,265.00
1 – Current Differential Relay @ \$2,080	\$2,080.00
1 – Annunciator Panel with Communications @ \$3,700	\$3,700.00
Total	\$18,910.00

Supplier: Power Line Supply (Reed City, MI)	
1 – 138kV 600 AMP Switch	\$9,249.98
1 – Terminal Pads	\$165.00
1 – Material & Supplies	\$360.05
Total	\$9,775.03

GRAND TOTAL	\$36,694.03
--------------------	--------------------

Moved by Mr. Frontiera, supported by Mr. Hegedus and thereafter adopted by the Hart City Council at a regular council meeting held on June 27, 2017.

Ayes: 5 Nays: 0 Absent: 2

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: None

**RESOLUTION 17-53
City Council
City of Hart, Michigan**

COURTLAND-JEFFERSON UTILITY & STREET IMPROVEMENTS

WHEREAS, the City of Hart owns, operates and maintains streets, water distribution and sewer collection systems; and the lower City Hall-Library parking lot; and

WHEREAS, portions of Courtland Street, Jefferson Street require complete replacement of water distribution, sewer collection and sidewalk facilities due to substandard size, failures, improper construction, poor drainage and inadequate capacity; and the lower City Hall-Library parking lot requires complete replacement and expansion due to failures, poor drainage and insufficient parking capacity; and

WHEREAS, City Engineer Prein&Newhof has studied, surveyed and prepared engineering plans and specifications to correct the aforementioned deficiencies; and pursuant to Resolution 17-44 adopted on May 23, 2017 City Council authorized the receipt of bids and contract award for construction activities in 2017 and 2018; and

WHEREAS, the City requested and received bids on June 22, 2017 for the aforementioned work scope as follows:

CONTRACTOR	BID AMOUNT
McCormick Sand (Twin Lake)	\$674,261.50
Hallack Contracting (Hart)	\$718,780.35
White Lake Excavating (Whitehall)	\$719,908.00
C&D Hughes (Charlotte)	\$787,575.30
Jackson-Merkey (Muskegon)	\$787,717.40

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, accepts and awards the low bid of McCormick Sand (Twin Lake) in the amount of \$674,261.50 for the Courtland-Jefferson Utility & Street Improvement Project.

Authorizes and directs the City Manager to implement the project and sign all contract documents on behalf of the City of Hart.

Moved by Mr. Frontiera, supported by Ms. Thomson, and thereafter adopted by the Hart City Council at a regular meeting held on Tuesday, June 27, 2017.

Ayes: 5 Nays: 0 Absent: 2

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: None

RESOLUTION 17-54
Hart City Council
City of Hart, Michigan

LOW-INCOME ELECTRIC ASSISTANCE FUND (LIEAF)

WHEREAS, the City of Hart owns, operates and maintains an electric utility system; and

WHEREAS, the State of Michigan enacted Public Act 95 in 2013 that prohibits discontinuance of electric service during cold weather months unless the utility opts into the Low-Income Energy Assistance Fund program established by the Act; 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 and approves the provisions of the Low-Income Energy Assistance Fund of Public Act 95 that authorizes the City to shut off electric service during cold weather months; and adopts a funding factor to be established by the State of Michigan not to exceed \$1.00 per month per meter.

Authorizes and directs the City Manager to implement Public Act 95 shut off program on behalf of the City of Hart for the cold weather term from November 1, 2017 to April 15, 2018 and thereafter until repealed by City Council action.

Moved by Ms. Thomson, supported by Mr. Wittman and thereafter adopted by the Hart City Council at a regular council meeting held on July 27, 2017.

Ayes: 5 Nays: 0 Absent: 2

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: There was much discussion in regards to this item before the motion was made. Mr. Rickard gave a very precise description of this program would entail for the customer and the City. Mayor LaPorte is recommending that the City try it for a year or two as the City can opt-out each July. Mr. Rickard stated that no one's bill would be assessed the \$1.00 per meter fee – the City will incur the cost.

Resolution 17-55
City of Hart - City Council - Hart, Michigan
BUDGET AMENDMENTS

WHEREAS, the City Council may amend the annual budget to reflect changes in purchasing patterns or revised objectives; 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 FY2017 Annual Budget as follows:

GENERAL FUND

	<u>FUND</u>	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>ADOPTED or</u> <u>AMENDED</u> <u>BUDGET</u>	<u>AMENDED</u> <u>BUDGET</u>	<u>JUSTIFICATION</u>
1	General	Council	Community Promotions	\$2,000	\$2,300	Under budgeted
2	General	Admin	Wages-City Manager	\$7,820	\$8,600	Under budgeted
3	General	Admin	Wages-Clerical	\$26,930	\$39,000	Under budgeted
4	General	Admin	Combined Benefits	\$7,830	\$15,000	Under budgeted
5	General	Admin	Health Insurance	\$36,230	\$20,000	Over budgeted
6	General	Admin	Office Supplies	\$5,500	\$6,500	Under budgeted
7	General	Admin	Printing & Publishing	\$2,300	\$7,000	Additional public notices
8	General	Admin	Insurance-Prop/Liab	\$4,200	\$5,600	Under budgeted
9	General	Admin	Telephone/Pagers	\$8,000	\$8,600	Under budgeted
10	General	Admin	Membership/Dues	\$1,700	\$4,400	Under budgeted
11	General	Police	Wages	\$186,540	\$205,000	Under budgeted
12	General	Police	Overtime	\$26,000	\$30,000	Full-time officers filling extra shifts
13	General	Police	Professional Services	\$3,000	\$4,000	Under budgeted
14	General	Police	Motor Operations	\$20,000	\$16,000	Over budgeted
15	General	Police	Insurance-Prop/Liab	\$3,600	\$4,000	Under budgeted
16	General	Police	Training	\$700	\$1,900	Extra training for new officer
17	General	Police	Membership/Dues	\$150	\$1,200	Under budgeted
18	General	Public Works	Wages	\$108,000	\$134,000	Under budgeted
19	General	Public Works	FICA	\$38,000	\$40,000	Under budgeted
20	General	Public Works	Operating Supplies	\$15,470	\$19,500	Under budgeted
21	General	Public Works	Professional Services	\$45,000	\$42,000	Over budgeted
22	General	Public Works	Contractual Services	\$2,000	\$3,900	Additional IT costs
23	General	Public Works	Motor Operations	\$29,000	\$25,000	Over budgeted
24	General	Public Works	Insurance-Prop/Liab	\$35,000	\$32,000	Over budgeted
25	General	Public Works	Telephone/Pagers	\$12,500	\$13,600	Under budgeted
26	General	Public Works	Rental Enforcement	\$4,000	\$5,500	Under budgeted
27	General	Comm/Econ	Repairs & Maintenance	\$25,000	\$9,000	Inspections completed
28	General	City Hall	Professional Services	\$8,000	\$11,000	Under budgeted
29	General	City Hall	Professional Services	\$9,850	\$5,000	Over budgeted

30	General	City Hall	Utilities	\$11,000	\$10,000	Over budgeted
				\$685,320	\$729,600	
				General Fund net budget: \$44,280		

HYDRO FUND

<u>FUND</u>	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>ADOPTED or AMENDED BUDGET</u>	<u>AMENDED BUDGET</u>	<u>JUSTIFICATION</u>
1	Hydro	Dam	\$100,000	\$60,000	Over budgeted
2	Hydro	Dam	\$10,000	\$5,000	Over budgeted
3	Hydro	Dam	\$11,190	\$12,000	Under budgeted
4	Hydro	Dam	\$15,000	\$17,000	Under budgeted
5	Hydro	Distribution	\$98,000	\$108,000	Increased departmental activity
6	Hydro	Distribution	\$6,000	\$8,000	Under budgeted
7	Hydro	Accounting	\$59,600	\$62,000	Under budgeted
8	Hydro	Accounting	\$2,200	\$2,800	Under budgeted
9	Hydro	Accounting	\$3,500	\$3,700	Under budgeted
10	Hydro	Admin	\$44,300	\$46,000	Under budgeted
11	Hydro	Admin	\$23,000	\$27,000	Under budgeted
12	Hydro	Admin	\$280	\$1,500	Under budgeted
13	Hydro	Admin	\$11,000	\$12,000	Under budgeted
14	Hydro	Admin	\$1,500	\$1,900	Under budgeted
			\$385,570	\$366,900	
			Hydro Fund net budget: -\$18,670		

BIOPURE & WATER FUND

<u>FUND</u>	<u>DEPARTMENT</u>	<u>LINE ITEM</u>	<u>ADOPTED or AMENDED BUDGET</u>	<u>AMENDED BUDGET</u>	<u>JUSTIFICATION</u>
1	BioPure	Pump/Treat	\$121,000	\$126,000	Underbudgeted
2	BioPure	Pump/Treat	\$4,150	\$10,000	Underbudgeted
3	BioPure	Pump/Treat	\$9,770	\$11,000	Underbudgeted
4	BioPure	Pump/Treat	\$2,500	\$3,800	New employee
5	BioPure	Pump/Treat	\$19,000	\$33,000	Water sample bottles & supplies for water well testing
6	BioPure	Pump/Treat	\$15,000	\$39,000	Permitting for irrigation property
7	BioPure	Pump/Treat	\$30,000	\$16,000	Less chemicals needed
8	BioPure	Pump/Treat	\$26,000	\$15,000	Over budgeted
9	BioPure	Pump/Treat	\$18,000	\$10,000	Over budgeted
10	BioPure	Pump/Treat	\$6,000	\$6,600	Under budgeted
11	BioPure	Pump/Treat	\$800	\$1,200	Additional requirements

12	BioPure	Pump/Treat	BioSolids Removal	\$220,000	\$340,000	Extending removal effort, should reduce FY2018
13	BioPure	Lift Stations	Contractual Services	\$8,000	\$16,000	Under budgeted
14	BioPure	Collection	Professional Services (SAW)	\$500,000	\$150,000	Primarily surveying activities in FY2017
15	Water	Production	Combined Benefits	\$3,550	\$3,800	Under budgeted
16	Water	Production	Contractual Services	\$2,400	\$3,500	Under budgeted
17	Water	Production	Insurance-Prop/Liab	\$1,900	\$2,100	Under budgeted
18	Water	Distribution	Electricity	\$2,300	\$3,200	Water booster station use for tank painting
19	Water	Admin	Combined Benefits	\$8,410	\$13,000	Under budgeted
20	Water	Admin	Postage	\$1,400	\$2,200	Under budgeted
21	Water	Admin	Insurance-Prop/Liab	\$3,100	\$3,400	Under budgeted
22	Water	Admin	Training	\$1,200	\$2,500	Under budgeted
				<u>\$1,004,480</u>	<u>\$811,300</u>	
						BioPure-Water Fund net budget: -\$193,180

Moved by Ms. Thomson and supported by Mr. Wittman and thereafter approved by Hart City Council at a regular meeting on June 27, 2017.

Ayes: 5 Nays: 0 Absent: 2

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:

Discussion: None

RESOLUTION 17-56 Amended
City Council
City of Hart, Michigan
Oceana County

THE CREEKS CONDOMINIUMS - ACQUISITION

WHEREAS, The Creeks Condominiums developer Gary Gibson has filed bankruptcy; Gary Gibson is the sole member of Garcon Development, LLC, the owner; Shelby State Bank has discharged the mortgage; property taxes are delinquent; and the County of Oceana has placed The Creeks Condominiums in the August 2017 tax sale property auction; and The Creeks Condominium taxes due are approximately \$61,500 M/L; and

WHEREAS, there was an issue regarding proper notice for the pending tax sale;

WHEREAS, the City of Hart is owed approximately \$500,000 for improvements made to the public infrastructure at The Creeks Condominiums; and a purchaser at tax sale would take free of any liens and special assessments which would prevent collection of the above special assessment; and

WHEREAS, the City of Hart has negotiated taking possession and ownership of The Creeks Condominiums in exchange for payment of the taxes and to resolve any notice issues regarding the tax sale; 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:

Authorizes and approves taking ownership and possession of The Creeks Condominiums, units 1, 2, 5, 6, 7, 9, 10, 11, 12, 15-56 and 59-62.

Authorizes payment to County of Oceana for taxes due in amount of \$61,500 M/L.

Authorizes and directs the City Manager and City Attorney to sign all documents to transact the taking on behalf of the City of Hart.

Moved by Ms. Thomson, supported by Mr. Wittman, and thereafter adopted by the City of Hart, Michigan City Council at a regularly scheduled meeting held on Tuesday, June 27, 2017.

Ayes: 5 Nays: 0 Absent: 2

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: None

SPECIAL EVENTS PERMIT:

None

DISCUSSION ITEMS:

Mr. Rickard reported on:

- Compensation Comparison – Area Boards and Commissions: Councilor La Fever provided information to the Council on the various compensation that other boards receive in the county. For informational purposes only.
- Pocket Park Grant – There is a grant available to assist with the cost of this project. An application has been completed and submitted to the MEDC. Mr. Rickard is not sure of the scoring process or how much in funds might be available.

CITY MANAGER REPORT: Disc Golf project now has the ground sleeves in for 15 of the holes. The other three are waiting on the wetlands permit. Tees have been excavated and formed for concrete. Should be able to have a 'soft' opening soon.

ATTORNEY REPORT: (No closed session as indicated on the agenda) Ms. Springstead reported on sending out letters on past due water testing invoices.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL: Mayor LaPorte stated that he would like the lawn maintenance ordinance enforced as the unmown laws detract from the City. Mr. Aerts pointed out how bad the grass looks at the Suburban Propane location and how it puts the City in a bad light – he makes sure that the Fair Grounds are well maintained. Mayor LaPorte also brought up the condition of the downtown trees and how they have been improperly trimmed in the past, he would like it to be changed for the future. His arborist friend said that they can be trimmed properly and trained.

ADJOURNMENT:

There being no further business to come before the council, the meeting was adjourned at 8:37 p.m., upon motion by Mr. Hegedus and supported by Mr. Frontiera. The next meeting will be held on July 11, 2017, at 7:30 p.m.