City of Hart, Michigan
CITY COUNCIL AGENDA
April 28, 2026, 7:30 PM
407 State St. – Council Chamber
NOTICE OF PUBLIC MEETING
REGULAR 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 April 14, 2026
    b. Bills, Claims, Payroll
    c. Reports of Boards, Commissions, and Committees
    d. Department Reports – Police/BioPure/Public Works/Energy/♥C&E Dvlp./Parks & Rec
7. Action Items
    a. *Resolution 2026-17 Opposing House Bills on Zoning Changes*
    b. *Resolution 2026-19 Authorize Agreement with Utility Financial Solutions for an Electric Cost of Service and Pole Attachment Study*
    c. *Resolution 2026-20 Establish Right of Way Permit Process & Administrative Authority*
    d. *2026-21 Consider the Sale of Industrial Park Lot 20 and Provide Direction on Purchase Price*
    e. *2026-22 Bids for Plum Street Realignment Project*
8. Discussion Items
    a. City Website Update
9. City Manager Report
10. Communications from the Mayor and Council (Including board and committee updates)
11. Adjournment –

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CITY OF HART
407 S. STATE ST.
HART, MI 49420
REGULAR MEETING OF CITY COUNCIL - COUNCIL PROCEEDINGS
APRIL 14th, 2026
MINUTES – DRAFT

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

OTHERS PRESENT: City Manager – Nichole Kleiner, City Clerk/Treasurer – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, , Hart Police Chief – Juan Salazar, Ethan Castro, Craig Cihak, Jacob Eckholm Sharon Hallack, Staci Hegg, Mike Houseman, Christine Juska, Tim and Patty Kersjes, and Roman Wilson

APPROVAL OF AGENDA:

- A. Mullen motioned to Amend agenda to move action item C (Resolution 2026-15) to Discussion Items and was supported by B. Root
  - Ayes: 5 Nays: 0 Absent: 2

PUBLIC COMMENTS:

- Stacy Hegg addressed the council regarding the Ceres property proposal. She expressed support for the new proposal but criticized the council's previous rejection of her $30,000 offer, noting that the current proposal didn't include a monetary offering. Hegg raised concerns about parking, stating the proposal showed 66 spots for 60 apartments, with overflow likely requiring street parking. She emphasized that her previous proposal would have added parking and put the property back on tax rolls without requesting tax abatements. Hegg advocated any approved proposal to include adequate parking for both private and public use, especially given the venue's capacity of over 700 people and upcoming events that utilize street parking.

- Patty Kerjes from Main Street Spa spoke about property line issues and dead tree removal. Kerjes described purchasing their Hansen Street property in 2023 with plans for a large community garden. She detailed extensive efforts to remove dead cottonwood trees near power lines, including requests to DPW and former City Manager Rob Splane. Curtis hired a tree removal service at considerable expense, during which she suffered a finger injury requiring emergency room treatment and amputation, resulting in lost income from September to January. She expressed frustration that the trees she had removed were actually on city property, which she discovered through a property survey, stating the situation could have been avoided with proper research of property lines.

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- None

CONSENT AGENDA:

- Approval of minutes from March 24th, 2026
- 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 C. Burillo
  - Ayes: 5 Nays: 0 Absent: 2

ACTION ITEMS:

- Resolution 2026-09 (Revision 1) Deficit Elimination Plan for Park Fund

WHEREAS, the City of Hart Park Fund has a deficit fund balance of $175,841 as of June 30, 2025; and
WHEREAS, Public Act 140 of 1971 requires that a local unit of government formulate and file a Deficit Elimination Plan with the Michigan Department of Treasury when a deficit exists in a fund; and
WHEREAS, the City Council has reviewed the circumstances resulting in a deficit and has determined a plan to eliminate the deficit and restore the Park Fund to financial stability; and
WHEREAS, the City Council is also requested to accept the amended Park Fund budget for Fiscal Year 2025-2026 as presented, which includes a fund balance transfer of $175,000 from the John Gurney Park checking account to the Park Fund.
NOW, THEREFORE, BE IT RESOLVED that the Hart City Coucncil hereby

Accepts the amended Park Fund budget for Fiscal Year 2025-2026 as presented

BE IT FURTHER RESOLVED that the Hart City Council hereby

Adopts the following as the City of Hart Park Fund Deficit Elimination Plan:

	23-24 Actual	**24-25 Actual**	**25-26 Projected**	**26-27 Projected**	**27-28 Projected**
DESCRIPTION	Audit	Audit	Def Elim Plan	Def Elim Plan	Def Elim Plan
UNRESTRICTED NET POSITION (DEFICIT)	**12,326**	**(57,306)**	**(175,842)**	**(173,911)**	**(87,845)**
REVENUE					
Camp Store	4,636	11,243	10,000	14,000	14,420
Site Rentals	165,444	174,634	242,850	287,775	296,408
Miscellaneous (storage, RV rentals, laundry)	-	45	10,920	11,220	11,557
Pavillion/Hall Rental			2,000	4,000	4,120
TOTAL REVENUE	**170,080**	**185,922**	**265,770**	**316,995**	**326,505**
EXPENDITUES					
Wages (Regular Employee)	24,078	54,322	44,100	45,423	46,786
Wages (Part Time)	8,380	37,241	35,000	28,000	28,840
Wages (Workers from Other Depts)	-	-	-	-	-
Wages (Temporary Help)	3,478	-	-	-	-
Leave Days (Combined)	899	11,264	8,750	9,000	9,270
FICA	7,746	8,697	9,500	11,000	11,330
Combined Fringes (no FICA)	487	23,193	23,889	24,606	25,344

Uniforms	528	1,415	1,000	1,000	1,030
Operating Supplies	29,491	32,057	16,400	17,000	17,510
Tools	-	206	2,000	2,200	2,266
Repairs & Maintenance	10,008	3,597	9,000	10,000	10,300
Professional Services	10,869	43,294	14,000	10,000	10,300
Management Fee	41,078	-	-	-	-
Contractual Services	15,099	45,162	55,000	12,000	12,360
Motor Operations	3,175	4,641	5,000	5,500	5,665
Community Promotions	85	914	2,500	2,750	2,833
Advertizing/Promotion	3,072	807	3,000	1,200	1,236
Printing & Publishing	-	289	-	500	515
Property/Liability/BondingIns	850	880	900	1,000	1,030
Utilities	36,157	29,387	34,000	36,000	37,080
Telephones/Pagers	3,372	4,085	3,200	3,500	3,605
Conf/Workshops/Training	-	1,977	-	1,500	1,545
Membership Dues	860	1,442	2,000	1,750	1,803
Capital Outlay	40,000	6,556	-	10,000	10,000
Miscellaneous	-	408	-		-
TOTAL EXPENDITURES	**239,712**	**311,833**	**269,239**	**233,929**	**240,646**
Annual Net Without Deficit Carryover	**(69,632)**	**(125,911)**	**(3,469)**	**83,066**	**85,858**
NON-OPERATING REVENUE					
Interest on Investments	-	7,375	5,400	3,000	3,000
TOTAL NON-OPERATING REVENUE	**-**	**7,375**	**5,400**	**3,000**	**3,000**
UNRESTRICTED NET POSITION (DEFICIT) DEC 31	**(57,306)**	**(175,842)**	**(173,911)**	**(87,845)**	**1,014**

EXPLANATION: Camp Site rental revenue increase of 29%. New mics. Revenue projected from winter storage, dump station, and laundry increase. Increase hall rental 100%. Decrease professional and contractual services (contractual seasonal workers) by 72%. Decrease wages in park fund by moving 30% of wages to recreation fund in general fund where the superintendent assists in the winter.

BE IT FURTHER RESOLVED, that the City Manager is authorized and directed to submit the City of Hart Park Fund Deficit Elimination Plan to the Michigan Department of Treasury for certification.

- C. Burillo motioned to approve Resolution 2026-09 (Revision 1), and supported by K. Thomson
  - Ayes: 5 Nays: 0 Absent: 2

- Resolution 2026-14 Adopt Water Rate Increase Schedule

WHEREAS, the City of Hart operates a municipal water system that must remain financially sustainable to support ongoing operations, maintenance, and infrastructure investment; and

WHEREAS, the City completed a Water Rate Study dated January 23, 2026, which identifies capital improvement needs of approximately $21,109,400 over the next ten (10) years; and

WHEREAS, the study recommends a multi-year rate adjustment strategy to generate sufficient revenue to support operating costs, capital improvements, and associated debt service obligations; and

WHEREAS, the proposed rate schedule includes phased increases to both the base monthly rate and commodity (usage) rates, structured as follows:

- FY 2026/2027: 25% increase
- FY 2027/2028: 25% increase
- FY 2028/2029: 25% increase
- FY 2029/2030 and annually thereafter: 5% increase per year:

WHEREAS, this phased approach is intended to gradually align revenues with system while minimizing sudden rate impacts and ensuring long-term financial stability of the water fund:

NOW, THEREFORE, BE IT RESOLVED that the Hart City Council hereby:

Adopts the water rate increase schedule as presented in the January 23, 2026 Water Rate Study, specifically as outlined on page 3 to begin July 1, 2026; and

BE IF FURTHUR RESOLVED that the City staff

Authorized to implement the updated rate structure, including adjustments to base rates and commodity rates for all customer classes, and to make all necessary billing and administrative changes.

- A. Mullen motioned to approve Resolution 2026-14 and supported by B. Root
  - Ayes: 5 Nays: 0 Absent: 2

- Resolution 2026-15 Approve/Deny Modify Hart Area Fire Department Funding Request

MOVED TO DISCUSSION ITEMS

- Resolution 2026-16 Authorize Five-Year Agreement with HydroCorp Corss-Connection Control Program

WHEREAS, the City of Hart is required to comply with EGLE Cross-Connection Control Rules to protect the public water supply; and

WHEREAS, the City does not have sufficient staff capacity to administer and perform the required inspections and compliance tracking; and

WHEREAS, HydroCorp has successfully provided commercial inspection services to the City and has demonstrated reliable service and strong customer support; and

WHEREAS, HydroCorp has submitted proposals for:

Commercial Program Renewal (5-Year Total: $51,642

- **Year 1: $9,9534.50**
- **Year 2: $9916.00**
- **Year 3: $10,312.50**
- **Year 4: $10,725.00**
- **Year 5: $11,154.00**

New Residential Program (5-Year Total: $51,307.78):

- **Year 1: $9472.81**
- **Year 2: $9,851.72**
- **Year 3: $10,245.79**
- **Year 4: $10,655.62**
- **Year 5: $11,081.84**

WHEREAS, these services include inspections, compliance tracking, reporting, and program administration necessary to meet EGLE requirements;

NOW, THEREFORE, BE IT RESOLVED THAT the Hart City Council hereby,

Authorizes the City Manager to execute the attached five-year agreement with HydroCorp for commercial program renewal and implementation of a residential inspection program; and

BE IT FURTHER RESOLVED THAT City staff is authorized to implement the agreements and budget for the associated annual costs.

- A. Mullen motioned to approve Resolution 2026-16 and supported by K. Thomson
  - Ayes: 5 Nays: 0 Absent: 2

- Resolution 2026-17 Opposing House Bill on Zoning Changes

WHEREAS, local governments in Michigan are granted authority under state law to plan and regulate land use in a manner that reflects the unique needs, infrastructure, and character of their communities; and

WHEREAS, local officials are best positioned to balance housing needs with infrastructure capacity, public safety, environmental considerations, and long-term community planning goals; and

WHEREAS, House Bills 5529-5532 and 5581-5585, currently under consideration in the Michigan Legislature, would impose statewide zoning mandates that preempt local authority on matters including, but not limited to, duplexes, accessory dwelling units (ADUs), minimum lot sizes, setbacks, and minimum dwelling sizes; and

WHEREAS, these bills would limit the City's ability to implement zoning standards tailored to local conditions and infrastructure capacity; and

WHEREAS, while the City of Hart supports efforts to address housing availability and affordability, effective solutions require collaboration with local governments recognition of community-specific needs; and

WHEREAS, one-size-fits-all mandates risk undermining thoughtful local planning efforts, infrastructure investments, and community-supported development strategies.

NOW, THEREFORE, BE IT RESOLVED

The City of Hart hereby opposes House Bills 5529-5532 and 5581-5585 and any similar legislation that would preempt local zoning authority.

The City of Hart urges the Michigan Legislature to work collaboratively with local governments to develop housing solutions that respect local planning and infrastructure realities.

The City of Hart reaffirms its commitment to supporting housing solutions that are locally driven, balanced, and responsive to community needs.

The City Clerk is directed to transmit a copy of this resolution to the Governor, State Representative Curt VanderWall, State Senator Jon Bumstead and the Michigan Municipal League.

THIS RESOLUTION IS TABLED

- B. Root motioned to TABLE Resolution 2026-17 and supported by A. Mullen
  - Ayes: 5 Nays: 0 Absent: 2

- Resolution 2026-18 Accept TIFA Recommendation for 3 East Main Street Redevelopment

WHEREAS, the City of Hart Tax Increment Finance Authority (TIFA) issued a request for Proposals for the redevelopment of 3 E. Main Street; and

WHEREAS, TIFA reviewed four (4) proposals and narrowed the field down to two (2) finalists- Wolverine Building Group and Heyboer Bro. Co based on qualifications, project approach, and alignment with redevelopment goals; and

WHEREAS, both finalists presented their proposals and answered questions during a public TIFA meeting on March 31, 2026; and

WHEREAS, following deliberation in closed session, TIFA returned to open session and selected Wolverine Building Group as the preferred developer; and

WHEREAS Wolverine Building Group has proposed "Lofts on Main" a 60-unit apartment development that will add new housing and support downtown vitality:

NOW, THEREFORE, BE IT RESOLVED THAT the Hart City Council hereby

Accepts the recommendation of TIFA and identifies "Lofts on Main" as the preferred developer for 3 E. Main Street; and

BE IT FURTHER RESOLVED THAT, City staff is authorized to proceed with negations, including but not limited to development agreements, purchase agreements, and any necessary due diligence, subject to final approval by City Council; and

BE IT FURTHER RESOLVED THAT the City Council reserves the right to approve final terms and conditions of the redevelopment project prior to execution of any binding agreements.

- A. Mullen motioned to approve Resolution 2026-18 and supported by C. Burillo
  - Ayes: 5 Nays: 0 Absent: 2

- Special Events Permit Request – Zumba Fitness Classes – John Gurney Park – **APPROVED**
- Sidewalk Display Permit Request – Five Star Real Estate, 109 E. Main St, Ongoing Use of Sidewalk for an ATM Machine – **DENIED**

DISCUSSION ITEMS:

- Planning Commission moving to public hearing to 1) Place a moratorium on data centers, 2) implement new language to landscaping ordinance to comply with redevelopment ready requirements for green infrastructure, and 3) opting out of Land Division mandates
- Hart Hills Bike Race is set for May 9th
- Hart Rotary Brick Pavers
- Safe Routes to School Update: Is on hold- MDOT kicked it to the Feds , Bid opening for Plum street is still set for April 15th at 10am.

CITY MANAGER'S REPORT:

Status of ongoing projects:

- Hart Plaza Streetscape Project – Underway, started ahead of schedule
- Safe Routes to School Trail – No Change
- Water Tower ATT antenna project – JSJ Corp is now requesting a full ALTA survey showing easement and reports they have a buyer for the land we're seeking easement to – AT&T has agreed to pay for survey.
- Starting Block 4-9-2026 board meeting ended with concerns that they may not be able to sustain operations for more than one year. Anyone interested in this is encouraged to get involved.
- Utility and Police Union negotiations are ongoing – the personnel and finance committee has reviewed both proposals and offered recommendations base on financial impact.
- Plum Street bid openings tomorrow at 10am
- Hart Energy saw a response from Charter to the notice of pole attachment violations

What's New:

- Communication Through Conflict Workshop hosted by the Oceana Planning Commission is April 22nd 6:30-8:30pm
- Dark Water Coffee is conducting environmental studies on the two lots in the Industrial Park, finalizing purchase agreement for signature.
- Boy Scout Cabin at John Gurney Park has been posted as an unsafe building – preparing for demolition.
- Next council budget workshop: April 28th 6-7:15pm with subs available at 5:45pm.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- A. Mullen – HEART Development committee meeting is set for 04/15 @2pm., also through Sponsorship Music on the Commons is fully paid for through money raised.
- C. Burillo – Cemetery Board Meeting is April 20th at Hart Township Hall
- Bike and Board Sale is Saturday April 18th
- April 25th is Trail Conservation cleanup.

ADJOURN:

- There being no further business to come before the Council, Mayor Klotz adjourned the meeting at 8:55pm. The next regularly scheduled meeting will be on April 28th, 2026, at 7:30 pm.

Respectfully Submitted,

Karla Swihart

Karla Swihart, City Clerk

Payables Date 04.29.2026	Description	Total	General +	DPW	Energy	BPTF	Water
ACE 1 Port-A-Potties	Portable Restroom - Vets Park	$ 175.00	$ 175.00				
ACE 1 Port-A-Potties	Portable Restroom - JGP Boat Launch	$ 100.00	$ 100.00				
APX, Inc.	MIRECS ESP Provider/Maintenance Fees	$ 73.35			$ 73.35		
Axon Enterprise, Inc.	Training Supplies - PD	$ 91.88	$ 91.88				
Axon Enterprise, Inc.	Training Supplies - PD	$ 45.94	$ 45.94				
Blue Cross Blue Shield of Michigan	Retirees Health Insurance	$ 3,709.98	$ 2,061.10		$ 1,648.88		
BS&A Software	BSA Applications Renewal Tax, Timesheets, Online Portal	$ 1,113.00	$ 636.00		$ 159.00	$ 159.00	$ 159.00
Charter	Internet - Hart Commons	$ 125.00	$ 125.00				
CMP Distributors	ID Tags	$ 44.95	$ 44.95				
Cunningham, James	Board of Review - March 2026	$ 75.00	$ 75.00				
Environmental Resource Associates	Lab Supplies	$ 295.86				$ 295.86	
First Advantage	Drug Screening	$ 583.51		$ 583.51			
First Net	Dept. Hotspots	$ 306.18	$ 43.74		$ 174.96	$ 43.74	$ 43.74
Great Lakes Cleaning Services	March 2026 Cleaning Services - CH/CC	$ 1,350.00	$ 1,350.00				
Great Lakes Energy	Utilities	$ 122.07				$ 122.07	
Hart Area Fire Board	3rd Qtr. Fire Protection Payment	$ 15,000.00	$ 15,000.00				
Hart Cemetery Commission	Summer 2025 Tax Disbursement 6/Batch 6	$ 55.31	$ 55.31				
Hart Cemetery Commission	Summer/Winter Tax Disbursement 16 Batch 17-18	$ 16.37	$ 16.37				
Hodges, Dean	Board of Review - March 2026	$ 125.00	$ 125.00				
Imperial Dade	Parts/Supplies	$ 634.78				$ 634.78	
Klotz, Amanda	Board of Review - March 2026	$ 50.00	$ 50.00				
Lawson-Fisher Associates	2026 DAM Licensing Requirements	$ 7,048.03			$ 7,048.03		
Lighthouse Car Care	Parts/Services	$ 112.00	$ 40.00		$ 72.00		
Ludington Paint & Glass	Parts/Supplies	$ 126.99				$ 126.99	
Medler Electric	Parts/Supplies	$ 5.02			$ 5.02		
Mika Meyers	Legal Services - Zoning	$ 241.50	$ 241.50				
MPPA	Purchased Power 4/21	$ 28,223.28			$ 28,223.28		
MPPA	Billing Summary - April 2026	$ 101,204.33			$ 101,204.33		
MPPA	Purchased Power 4/14	$ 54,495.54			$ 54,495.54		
MWEA	Membership Dues	$ 115.00				$ 115.00	
NYE Uniform Company	Uniforms	$ 80.29	$ 80.29				
Office Machines	Police Copier	$ 48.60	$ 48.60				
Pitney Bowes	Postage Meter - Lease Payment	$ 200.46	$ 50.12		$ 50.11	$ 50.12	$ 50.11
Pitney Bowes	Postage	$ 705.25	$ 176.32		$ 176.31	$ 176.31	$ 176.31
Power Line Supply	Parts/Supplies	$ 2,590.00			$ 2,590.00		
Power Line Supply	Parts/Supplies	$ 507.71			$ 507.71		
Power Line Supply	Parts/Supplies	$ 50.50			$ 50.50		
Power Line Supply	Parts/Supplies	$ 95.85			$ 95.85		
Power Line Supply	Parts/Supplies	$ 59.72			$ 59.72		
Power Line Supply	Parts/Supplies	$ 1,702.60			$ 1,702.60		
Power Line Supply	Parts/Supplies	$ 292.32			$ 292.32		
Power Line Supply	Parts/Supplies	$ 4,927.68			$ 4,927.68		
Power Line Supply	Uniforms	$ 110.00			$ 110.00		
Power Line Supply	Uniforms	$ 204.00			$ 204.00		
Power Line Supply	Parts/Supplies	$ 1,844.00			$ 1,844.00		
Power Line Supply	Credit Memo	$ (228.00)			$ (228.00)		
Power Line Supply	Parts/Supplies	$ 176.00			$ 176.00		
Power Line Supply	Parts/Supplies	$ 111.80			$ 111.80		
Power Line Supply	Parts/Supplies	$ 220.00			$ 220.00		
Prein & Newhof	2260367 Hanson St Staking	$ 429.25		$ 429.25			
Prein & Newhof	2200777 Drinking Water Asset Mgmnt	$ 840.00					$ 840.00
Prein & Newhof	2221070 Dryden & Wood St Reconstruction	$ 4,350.00		$ 4,350.00			

Prein & Newhof	2250631 Downtown Streetscape	$ 4,133.50	$ 4,133.50					
Prein & Newhof	2221059 BioPure Facility Construction	$ 10,678.13				$ 10,678.13		
Prein & Newhof	2250311 DAM Monitoring	$ 36.25			$ 36.25			
Prein & Newhof	2250992 State St Reconstruction	$ 4,648.75		$ 4,648.75				
Quill	JGP Office Supplies	$ 30.00	$ 30.00					
Quill	Office Supplies	$ 83.98	$ 83.98					
Rhino Seed & Landscape Supply	Gass Seed - JGP/DPW	$ 190.00	$ 95.00	$ 95.00				
Schweitzer Engineering Laboratories	Power Quality and Revenue Meter	$ 4,834.94			$ 4,834.94			
Spring Brook Inc	Parts./Supplies	$ 210.01				$ 210.01		
Steve's Auto & Truck	Oil Change/Maintenance - PD	$ 111.02	$ 111.02					
T & R Electric	Three Phase Pad Mount W/O Taps	$ 12,324.25			$ 12,324.25			
Tanner Plumbing & Heating	Plumbing Parts	$ 179.50				$ 179.50		
Tanner Plumbing & Heating	Plumbing Parts	$ 505.69				$ 505.69		
Trace Analytical Labs	Water Testing	$ 1,798.64				$ 1,798.64		
Tri-Berry Inc	Fabrication Services	$ 2,875.00			$ 2,875.00			
TruGreen	Lawn Services	$ 56.78	$ 56.78					
US Postmaster	Permit Fee - First Class Presort Renewal	$ 370.00	$ 92.50		$ 92.50	$ 92.50	$ 92.50	
Verizon	Office Phones	$ 417.91	$ 329.92	$ 29.33	$ 29.33	$ 29.33		
Verizon	Dept Phones	$ 592.50	$ 82.21	$ 250.48	$ 175.74	$ 84.07		
Wells Vargo Vendor - RICOH	Copier Lease Payment - CH	$ 143.20	$ 143.20					
West Michigan Criminal Justice TC	Spring 2026 Distribution MCOLES	$ 405.93	$ 405.93					
West Michigan Drain Solutions	Jetted Sewer Main	$ 825.00				$ 825.00		
	Sub-total	**$ 280,433.88**	**$ 26,196.16**	**$ 10,386.32**	**$ 226,363.00**	**$ 16,126.74**	**$ 1,361.66**	
HAND CHECKS/ACH/EFT								
Sub-Total Regular Bills/Hand Checks		***$ 280,433.88***	***$ 26,196.16***	***$ 10,386.32***	***$ 226,363.00***	***$ 16,126.74***	***$ 1,361.66***	
Gross Payroll	PR 261	$ 79,734.88						
Gross Payroll								
Gross Payroll								
	Sub-Total	**$ 79,734.88**						
	GRAND TOTAL	***$ 360,168.76***	**$ 26,196.16**	**$ 10,386.32**	**$ 226,363.00**	**$ 16,126.74**	**$ 1,361.66**	

RESOLUTION 2026-17
City Council
City of Hart, Michigan
Oceana County

OPPOSE HOUSE BILLS 5529–5532 AND 5581–5585

WHEREAS, local governments in Michigan are granted authority under state law to plan and regulate land use in a manner that reflects the unique needs, infrastructure, and character of their communities; and

WHEREAS, local officials are best positioned to balance housing needs with infrastructure capacity, public safety, environmental considerations, and long-term community planning goals; and

WHEREAS, House Bills 5529–5532 and 5581–5585, currently under consideration in the Michigan Legislature, would impose statewide zoning mandates that preempt local authority on matters including, but not limited to, duplexes, accessory dwelling units (ADUs), minimum lot sizes, setbacks, and minimum dwelling sizes; and

WHEREAS, these bills would limit the City's ability to implement zoning standards tailored to local conditions and infrastructure capacity; and

WHEREAS, while the City of Hart supports efforts to address housing availability and affordability, effective solutions require collaboration with local governments and recognition of community-specific needs; and

WHEREAS, one-size-fits-all mandates risk undermining thoughtful local planning efforts, infrastructure investments, and community-supported development strategies.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City of Hart hereby opposes House Bills 5529–5532 and 5581–5585 and any similar legislation that would preempt local zoning authority.

The City of Hart urges the Michigan Legislature to work collaboratively with local governments to develop housing solutions that respect local planning and infrastructure realities.

The City of Hart reaffirms its commitment to supporting housing solutions that are locally driven, balanced, and responsive to community needs.

The City Clerk is directed to transmit a copy of this resolution to the Governor, State Representative Curt VanderWall, State Senator Jon Bumstead, and the Michigan Municipal League.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular meeting held on _____, 2026

Ayes: _____ Nays: _____ Absent: _____

_____

Karla Swihart, City Clerk

Legislative Bill Package

- **HB 5529 (Grant) Land Division Act Lot Size:** Prohibits local ordinances from requiring a minimum parcel or lot size greater than 1,500 square feet for detached single-family residence where the subdivision is accessible and will be served by public water and sewer Hart's current minimum = 6,000 SF
- **HB 5530 (Wortz) Lot Size:** Prohibits a minimum parcel size greater than 1,500 square feet for detached single-family residence where the parcel is accessible and will be served by public water and sewer.
- **HB 5531 (Neeley) Study Requirements:** Allows local units of government to require reasonably necessary studies in reviewing a site plan application. Limits circumstances of when additional information can be required for the same application after initial approval. Creates a 60-day decision shot clock after receipt of a site plan for a local unit of government.
- **HB 5532 (Aragona) Protest Petitions:** Expands the qualifying petition area to 300 ft and sets a 60% signature threshold.
- **HB 5581 (Kunse) Dwelling Size:** Prohibits a minimum area requirement greater than 500 square feet for a dwelling. Hart = 720 SF min
- **HB 5582 (Grant) Parking Requirements:** Mandates parking requirements at no more than one space per dwelling unit for multifamily residential use of property. Allows mobile homes in any residential zone. Hart = 2 spaces for 1st dwelling unit + 1 space for ea additional dwelling unit

Apartments 300SF < 1 space per

  - ***"Mobile home"*** *means a structure that is transportable in 1 or more sections, built on a chassis, and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained in the structure.* THIS IS SAME AS HART'S DEFINITION

- **HB 5583 (Longjohn) Setback Requirements:** Mandates setback requirements at 15 feet or less from the front property line and five feet from the side or rear for dwellings or outbuildings if the local unit of government is located in whole or part within a metropolitan statistical area (MSA) or is located adjacent to a MSA area.

we say 25-ft < ok mjr streets

we say 15'+5' (20-ft total)

- **HB 5584 (Andrews) Duplex by Right:** Creates a statewide definition of "duplex." Mandates duplexes are a permitted use in any district where single family residences are allowed and not subject to any procedures different from a single-family residence. Ok allowed in Hart

- **HB 5585 (Meerman) Accessory Dwelling Units:** Creates a statewide definition of "accessory dwelling unit" (ADU). Mandates ADUs are permitted by right in residential zoning districts and not subject to a public hearing. ADUs are prohibited from density calculations, additional parking requirements, and owner occupancy requirements. Allows mobile homes in any residential zone. !

  not allowed currently

RESOLUTION 2026-19
City Council
City of Hart, Michigan
Oceana County

A RESOLUTION TO AUTHORIZE AN AGREEMENT WITH UTILITY FINANCIAL SOLUTIONS, LLC FOR AN ELECTRIC COST OF SERVICE AND POLE ATTACHMENT STUDY

WHEREAS, the City of Hart operates a municipal electric utility and must periodically review its rates to ensure financial stability and equitable cost allocation; and

WHEREAS, Utility Financial Solutions, LLC has submitted a proposal dated March 10, 2026 to complete an electric cost of service study, financial projection, rate design, and pole attachment study ; and

WHEREAS, the Power Board has reviewed the proposal and recommends proceeding;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Hart hereby authorizes the City Manager to enter into an agreement with Utility Financial Solutions, LLC for these services.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular meeting held on _____, 2026

Ayes: _____ Nays: _____ Absent: _____

_____

Karla Swihart, City Clerk

City of Hart

City of Hart

Electric Cost of Service Study
Pole Attachment Study

March 10, 2026

UFS UTILITY FINANCIAL SOLUTIONS, LLC

Submitted Respectfully by:
Dawn Lund
Vice-President, Utility Financial Solutions, LLC
dlund@ufsweb.com
(231) 218-9664

Utility Financial Solutions, LLC
dlund@ufsweb.com
C: (231) 218-9664

March 10, 2026

Mike Schiller, Hart Energy Superintendent
City of Hart
407 State Street
Hart, MI 49420

Utility Financial Solutions, LLC (UFS) is pleased to submit a proposal to provide an electric cost of service, financial projection, and rate design for the City of Hart, Energy Department, along with a pole attachment study. Our proposal is based on years of experience navigating complex financial challenges for municipal utilities around the United States.

We approach challenges strategically, partnering with your team to understand your goals before using innovative processes and in-depth research to determine the best solution to suit your needs. We stay on top of industry trends and anticipate challenges to help you solve existing problems and prepare your utility for long-term success. Our methodology and educational components have earned us a reputation as the preferred provider of rate studies in the United States.

Our project team members are experts in their respective fields and instruct for leading utility groups including the American Public Power Association, Southern Gas Association, and the National Association of Regulatory Utility Commissioners. Our specialized team of accountants, engineers, and economists have years of industry-specific experience to help ensure that you reach your goals. UFS was incorporated in 2001 and brings decades of experience to your utility.

For your project, UFS will complete the study and provide an executive report detailing the process to help communicate with members of your governing body and community. The goal of these efforts is to:

- Establish and maintain long-term financial stability.
- Educate on principals of cost of service and financial planning.
- Earn positive engagement from members of government

We appreciate the opportunity to submit this proposal and look forward to discussing it with you. If you have questions or need additional information, please contact me at (231) 218-9664.

Sincerely,

Dawn Lund
Vice-President, Utility Financial Solutions, LLC

Table of Contents

Understanding of Project Requirements

Summary of Services for the Electric Utility

Described below is an overview of the services UFS will provide. Greater detail is included within the detailed scope of service section. The list below includes sections not directly identified within the proposal but are critical in meeting the needs of the community and the utility department.

1. **Development of Long-Term Financial Projections** – These studies are included as part of the UFS scope and are critical in development of a long-term rate strategy. Our study incorporates the strategic plan, funding of long-term capital plans, amount, and timing of any financing needs, and balances the financial stability of the electric department. The long-term financial projection and development of key financial targets is discussed in the detailed work plan of our proposal.

2. **Cost of Service Study** – This study identifies the cost of providing services to each class of customer. Our electric study identifies the cost by customer class for general rate components including variable charges (commodity), capacity related costs (demand), and facilities charges for each customer based on meter sizes or service level. The cost of service study will break out each rate component. Examples of these breakouts include identification of power supply costs, transmission costs, and distribution costs by service level. These breakouts allow the utility to develop rates that meet future challenges including time of use rates, economic development rates, electric vehicle rates, single phase and three phase service rates, or high load factor rates.

   Review of Cost Adjustment (optional) – A cost adjustment is one of the most critical factors in ensuring long-term financial stability of the Utility. UFS will review the current implementation process to ensure its properly recovering costs and the fluctuations to customers are limited. UFS cost adjustment studies are easy to use and ensure fluctuations in the true up result in limited impacts on customers.

3. **Customer Rate Designs** – The cost of service study provides solid empirical input on sustainable long-term rate structures, however, rate impacts on customers and achieving goals and objectives of each community is a significant factor in proper design of utility rates. UFS' rate design study identifies impacts on customers at various levels of usage. This function assists the governing body in making informed decisions and understanding impacts on customers and the community.

4. **Pole Attachment Study** – Analysis of current pole attachment fees using the cost of service study. This study will identify an administrative and general charge to include in the pole attachment fees.

5. **Presentation to Staff & Governing Body** – The presentation to staff and the governing body serves two purposes:
   i. Obtain approval of rate adjustments, rate designs, and to obtain guidance during the rate design process.
   ii. Equally important is the education provided to the governing body to understand the importance of maintaining financial stability, how rates are used to achieve community goals and objectives, and why certain components such as a customer charge are used by utilities. UFS staff are skilled at obtaining guidance needed to develop rates and providing education to allow the governing body to make informed decisions during this process.

6. **Reports (PDF)**
    i. **Executive Summary Report –**
        ~ Summarization of the financial projection results, key financial targets and recommended long term rate track needed to achieve financial stability for the utility.
        ~ Summarization of the cost of service results and cost-based rate structures for consideration in design of utility rates.
        ~ Description of the major assumptions used in development of the financial projection and cost of service study.
        ~ Considerations on future rate adjustments and movement toward cost of service
    ii. **Rate Design Report –**
        ~ Summary of anticipated revenue to be received from the rate design and impacts on customers at various usage levels.

Summary of Ability

A summary of the firm's ability to achieve the Utility's project goals.

Introduction

The Utility is requesting an Electric Cost of Service Study and Financial Plan to assess and evaluate the existing rates to ensure the utility operations and maintenance, capital improvement program, depreciation, and debts are adequately funded, while rate impacts are minimized. UFS has the staff available to complete the project in the Utility's desired timeframe. UFS' ability to achieve the Utility's project goals is best demonstrated by our references (noted in a later section) and our organized and well thought out processes outlined below.

Project Set Up

After project award, if selected, UFS will conduct a kick-off meeting to review the information request and confirm the project schedule and deliverables. As data is gathered by the Utility, UFS will process and enter it into the study. Progress calls will be scheduled to address any questions and to review outstanding data requests. UFS will analyze revenues by completing a revenue "proof" to ensure that the monthly billing units provided calculate out to the reported sales revenue when multiplied by current rate schedules.

Revenue Requirements

We will analyze operating expenses and test year budgets. Expenses are itemized at the finest level of detail available from the Utility and forecasted for the test year. Expenses are then categorized such that appropriate allocations can be applied, and costs distributed to the contributing rate class. A similar approach is applied to the Utility's fixed asset net book value and depreciation costs and incorporates the capital improvement program for interim and test years. Together, the expenses, depreciation and a rate of return comprise the revenue requirements of the system. These revenue requirements will flow through to both the cost of service study and the financial projection study.

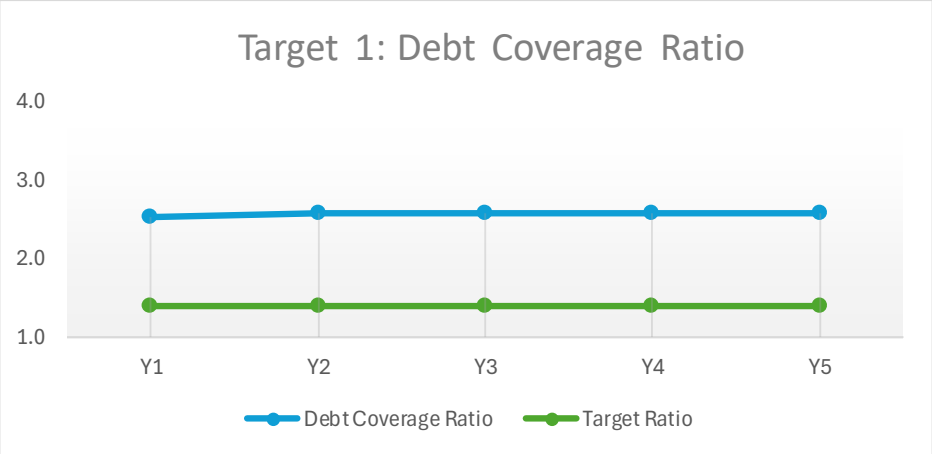
Financial Projection

UFS' financial analysis and the subsequent cost of service studies are unique in their ability to easily change from cash basis revenue requirements to Utility Basis revenue requirements. The financial analysis includes both cash basis targets such as cash reserves and debt coverage; and accrual basis targets such as rate of return. UFS studies also include a review of secondary financial targets such as debt to equity ratios, age of system, days cash on hand and working capital requirements as part of the overall assessment of the financial health of the utility. The financial projection will incorporate assumptions such as inflation, anticipated changes in expenses, debt issuances, and capital improvements. The financial projection incorporates targets to help ensure the long-term financial stability of the Utility is maintained or improved and develop a plan for rate adjustments.

Target One: Debt Coverage Ratio

Based on review of bond issues and debt service schedules, the principal and interest expense will be identified and incorporated into the analysis. We will provide a table as shown below to compare projected Debt Service Ratios with requirements in the Bond Ordinance.

Sample Report Graph and Table: Debt Coverage Ratio



Description	Projected Y1	Projected Y2	Projected Y3	Projected Y4	Projected Y5
Net Income	$ 996,826	$ 997,462	$ 945,213	$ 826,113	$ 758,497
Add Depreciation/Amortization Expense	2,565,601	2,609,101	2,732,859	2,921,523	3,057,531
Add Interest Expense	764,408	726,408	688,408	648,408	606,408
Cash Generated from Operations	$ 4,326,835	$ 4,332,971	$ 4,366,480	$ 4,396,044	$ 4,422,436
Debt Principal and Interest	$ 1,714,408	$ 1,676,408	$ 1,688,408	$ 1,698,408	$ 1,706,408
Projected Debt Coverage Ratio (Covenants)	**2.52**	**2.58**	**2.59**	**2.59**	**2.59**
Minimum Debt Coverage Ratio	**1.40**	**1.40**	**1.40**	**1.40**	**1.40**

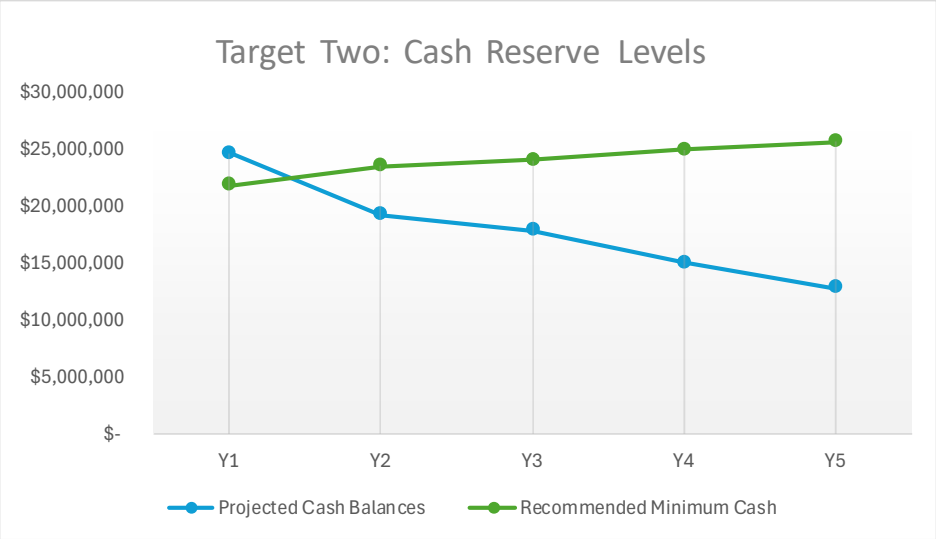
Target Two: Minimum Cash Reserve Calculation

To help ensure timely completion of capital improvements and enable the utility to meet requirements for large, unexpected expenditures and risk factors, the recommended minimum level of cash reserves will be identified. Development of the minimum cash reserves considers several factors.

A sample list is below:

- Working capital
- Variations in expenses
- Capital improvement programs
- Annual bond payments
- Exposure to catastrophic events such as extreme weather

Sample Report Graph and Table: Minimum Cash Reserves



Description	Projected Y1	Projected Y2	Projected Y3	Projected Y4	Projected Y5
Minimum Cash Reserve Allocation					
Operation & Maintenance Less Depreciation Expense	25%	25%	25%	25%	25%
Supply Expense	25%	25%	25%	25%	25%
Historical Rate Base	2%	2%	2%	2%	2%
Current Portion of Debt Service Payment	83%	83%	83%	83%	83%
Five Year Capital Improvements - Net of Bond Proceeds	20%	20%	20%	20%	20%
% Plant Depreciated	56%	54%	55%	55%	59%
Calculated Minimum Cash Level					
Operation & Maintenance Less Depreciation Expense	$ 6,589,952	$ 6,762,400	$ 6,941,318	$ 7,153,036	$ 7,281,393
Supply Expense	8,381,482	9,722,132	9,982,984	10,548,544	11,075,971
Historical Rate Base	1,527,454	1,689,254	1,769,511	1,877,918	1,877,918
Current Portion of Debt Service Payment	1,391,419	1,401,379	1,409,679	1,416,319	1,462,799
Five Year Capital Improvements - Net of Bond Proceeds	3,939,646	3,939,646	3,939,646	3,939,646	3,939,646
Minimum Cash Reserve Levels	**$ 21,829,953**	**$ 23,514,811**	**$ 24,043,138**	**$ 24,935,463**	**$ 25,637,727**
Projected Cash Reserves	**$ 24,692,803**	**$ 19,224,903**	**$ 17,829,253**	**$ 15,047,239**	**$ 12,790,153**

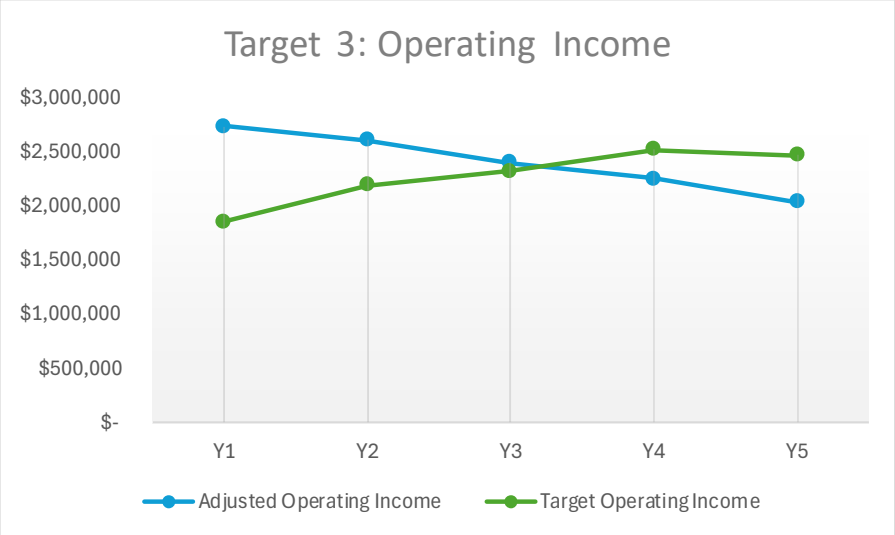
Target Three: Operating Income

The optimal target for setting rates is the establishment of a target operating income to consistently fund capital improvements and replacements.

Development of this target considers the following:

- Interest expense on the outstanding debt
- Inflationary increase on asset replacement costs
- Assets contributed by customers to the Utility

Sample Report Graph and Table: Target Operating Income



Description	Projected Y1	Projected Y2	Projected Y3	Projected Y4	Projected Y5
Target Operating Income Determinants					
Net Book Value/Working Capital	$ 33,525,928	$ 38,888,526	$ 39,931,938	$ 42,194,174	$ 38,927,644
Outsanding Principal on Debt	$ 18,160,200	$ 17,210,200	$ 16,210,200	$ 15,160,200	$ 14,060,200
System Equity	$ 15,365,728	$ 21,678,326	$ 23,721,738	$ 27,033,974	$ 24,867,444
Target Operating Income Allocation					
Interest on Debt	4.21%	4.22%	4.25%	4.28%	4.31%
System Equity	7.06%	6.73%	6.87%	6.90%	7.48%
Target Operating Income					
System Equity	$ 1,085,106	$ 1,459,590	$ 1,629,338	$ 1,864,944	$ 1,859,437
Target Operating Income	**$ 1,849,514**	**$ 2,185,998**	**$ 2,317,746**	**$ 2,513,352**	**$ 2,465,845**
Projected Operating Income	**$ 2,728,770**	**$ 2,599,641**	**$ 2,394,956**	**$ 2,247,337**	**$ 2,037,669**
Rate of Return in %	**5.5%**	**5.6%**	**5.8%**	**6.0%**	**6.3%**

Five-Year Projection Summary

The projections will be summarized, and development of alternative rate tracks will be reviewed and compared to each financial target to help ensure the future financial stability of the utility. We will work with Management and the Governing body in review and development of five-year strategies and rate track. All adjustments are tied to the cost of service study for the test year, so results can easily be updated, and sensitivities run within the same study.

Projected Summary Financial before Rate Adjustments

Fiscal Year	Projected Rate Adjustments	Adjusting Operating Income	Target Operating Income	Projected Cash Balances	Recommended Minimum Cash	Capital Improvements Plan	Debt Coverage Ratio
Year 1	0.0%	$ 2,728,770	$ 3,038,480	$ 16,392,621	$ 18,099,160	$ 6,065,000	1.10
Year 2	0.0%	2,711,845	3,019,772	14,592,541	19,169,551	2,175,000	1.11
Year 3	0.0%	2,622,411	3,061,319	10,964,992	19,674,886	4,012,870	1.11
Year 4	0.0%	2,473,225	3,149,568	5,938,354	20,516,844	5,420,360	1.12
Year 5	0.0%	2,380,491	3,098,229	4,959,247	20,862,261	1,380,000	1.12

Projected Summary Financials with Rate Adjustment and $5.0 Million Bond Issuance

Fiscal Year	Projected Rate Adjustments	Adjusting Operating Income	Target Operating Income	Projected Cash Balances	Recommended Minimum Cash	Capital Improvements Plan	Debt Coverage Ratio
Year 1	2.0%	$ 3,350,054	$ 3,038,480	$ 17,013,904	$ 18,099,160	$ 6,065,000	1.26
Year 2	2.0%	3,972,613	3,019,772	22,477,689	19,169,551	2,175,000	1.44
Year 3	2.0%	4,216,200	3,061,319	21,453,355	19,674,886	4,012,870	1.53
Year 4	2.0%	4,407,444	3,149,568	21,578,377	20,516,844	5,420,360	1.62
Year 5	2.0%	4,662,614	3,098,229	21,908,593	20,862,261	1,380,000	1.71

Electric Cost of Service Study

The development of the cost of service study incorporates the revenue requirement identified as part of the financial projection. This section describes the additional procedures used in development of the cost of service study and sample outputs from previous studies.

Load Profile Information

Load profile information identifies how customers use electricity at various times of the day and is critical to ensure the cost of service study is accurate and defensible. UFS works with utility staff in identification of the appropriate sources of load research information.

We will analyze information from the following sources:

- Electronic meters installed on time of use and other customers
- Load research information available from other sources
- Analysis of substation feeders
- Utilize our database of existing load research obtained from other utilities

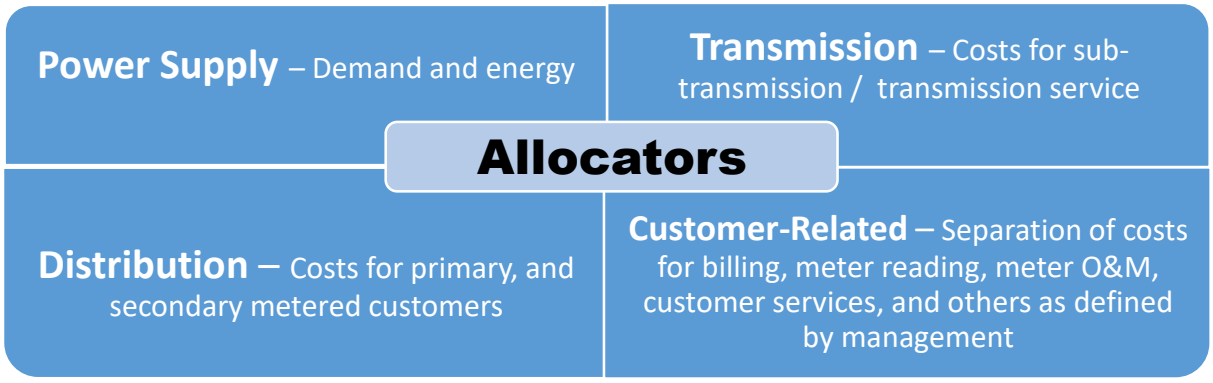
The load research information identifies the monthly load factors for each class, how much is being used by the class at the peak time of the day when power supply demand or transmission demand charges are determined. The load research information is compared with the hourly system hourly load data to determine the class contributions. The information is then used to determine the class share of transmission and power supply costs.

System Losses

Losses can vary substantially depending on system loading and temperature. We will identify the system loss at the various voltage levels of service to customers. To determine the overall system losses, we typically use a three-year average of losses to reduce the impact of changing weather patterns between the last and first month of each year. The losses are then allocated between voltage level such as transmission, substations, primary service, and secondary voltage levels.

Development of Allocators

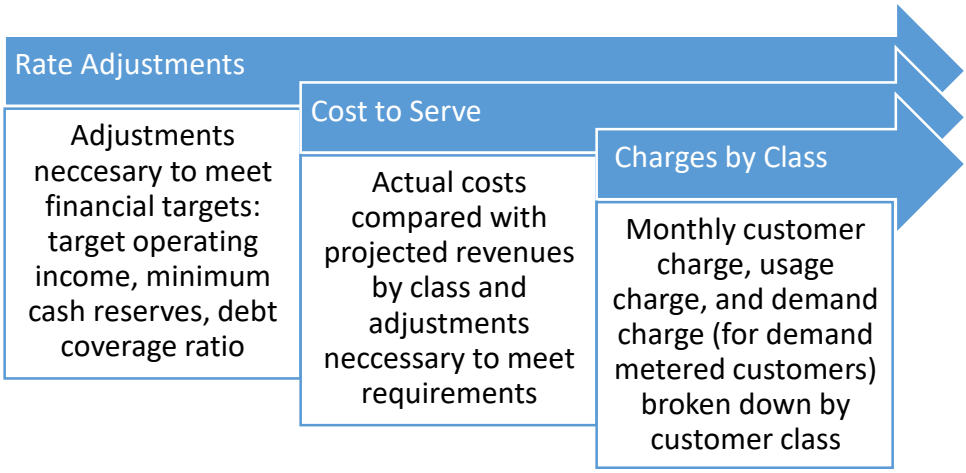
The load profile information for each class is used to determine the allocation factors used to allocate expenses based on cost-causation. Examples of cost causation include the identification of the date and time power supply demand charges are determined and each class usage at the time of the peak demands. A summary of the costs where specific allocation factors need to be developed are listed below.



Prepare Cost of Service Analysis

Customer classes are typically established based on differences in load and usage patterns. How customers use electricity dictates the cost of providing many utility services.

The cost of service portion of the study will determine the following:



A summary of the cost of service analysis is developed similar to the following table:

Customer Class	Cost of Service	Projected Revenues	% Change
Residential A	$ 4,672,077	$ 4,183,897	11.7%
General Secondary B	3,032,446	2,974,374	2.0%
Street Light Service S	144,370	133,504	8.1%
Secondary Energy & Demand C	3,144,714	3,072,174	2.4%
Primary Energy & Demand D	20,191,294	20,700,210	-2.5%
	$ 31,184,901	$ 31,064,159	0.4%

The cost of service column from the table above identifies the cost to provide service to each class of customers and is compared with the projected revenues from each class. The percent change is the rate adjustment necessary for each class to achieve cost of service. We typically do not recommend rates move fully to cost of service, but as part of the discussions with staff and Council we develop a plan to move classes toward cost of service to minimize rate impacts on any specific customer class.

Development of New Rate Classes

As part of the initial discussions with management and review of the existing rate tariffs, we will discuss with utility staff whether new rate classes should be considered or if existing rate classes should be combined. Rate classes are created based on similarity in usage patterns, but often utilities will develop new rate classes to create incentives for customers to shift usage to periods of time where power supply costs are lower such as on and off peak time periods for time of use rates.

Examples of new rate class developments are listed below.

- **Standby charges** – Cost isolated by investment in facilities to serve customers on a standby basis.
- **Interruptible Loads** – Rates to promote interruptible loads that reflect the savings to the Utility. Our study will isolate costs by power supply demand, energy, and transmission to identify the potential cost savings of an interruptible customer.
- **Seasonal Rates** – The cost of service study allocates costs to each rate class based on seasonal time period. The time periods will be identified through review of system loads and power supply and transmission costs.
- **Time of Use** – For time of use rates to be effective in sending the proper price signal, the cost of service analysis is supplemented with marginal costs to identify and recommend appropriate charges on a time of use basis.
- **Economic Development Rates** – Rates can be developed to promote economic development by attracting new customers or expansion of existing customers. It is important economic development rates be developed using a marginal cost approach to ensure existing customers are not unduly subsidizing any reduce rates or fees charged under an economic development program.
- **Other Potential Rates are listed below:**
  - ~ Public education rates
  - ~ Green Rates
  - ~ Net Metering Rates
  - ~ Aggregation Rates

New rate designs may result in additional charges for the services provided by UFS. As part of the initial kick off conference call, we should discuss if any potential new rate classes are being considered.

Breakdown of cost of service rate structure by type of expense for each class of customers

UFS cost of service studies identify cost in a summary and a detail cost breakdown for each class of customers. For example, the summary of costs identifies the class cost breakdown by customer charge, power supply demand, transmission demand, distribution demand and energy costs. An example is shown below:

			Power Supply			
			Summer		Winter	
Customer Class	Monthly Customer Charge	Distribution Rate	Demand	Energy	Demand	Energy
Residential A	$ 13.65	$ 0.0249	$ 0.0181	$ 0.0479	$ 0.0101	$ 0.0353
General Secondary B	26.60	0.0288	0.0311	0.0550	0.0136	0.0319
Street Light Service S	-	0.0175	-	0.0689	-	0.0300
Secondary Energy & Demand C	120.60	8.52	12.09	0.0577	4.88	0.0313
Primary Energy & Demand D	223.90	7.24	12.38	0.0573	4.85	0.0296

In addition, further breakdowns are available in the studies depending on the needs of the utility. A sample detailed breakdown of distribution costs is shown below:

	kWh	kWh	KW	KW
Rate Breakdown	Residential A	General Secondary B	Secondary Eneregy & Demand C	Primary Energy & Demand D
Demand Breakdown				
Distribution	$ 0.0110	$ 0.0117	$ 3.44	$ 2.95
Transmission	0.0059	0.0084	2.91	2.91
Transformer	0.0027	0.0029	0.73	-
Substation	0.0052	0.0057	1.43	1.39
Direct	-	-	-	-
Subtotal - kWh, kW, HP Charge	$ 0.0248	$ 0.0287	$ 8.51	$ 7.25
Customer Breakdown				
Distribution Customer Costs	$ 6.07	$ 12.13	$ 54.59	$ 109.18
Transformer Customer Costs	2.07	4.14	18.62	-
Meter O&M	0.57	0.57	2.87	39.11
Meter Reading	0.13	0.13	1.15	2.30
Billing	0.08	0.15	0.70	1.39
Services	1.20	2.41	10.83	8.23
Customer Service	3.54	7.08	31.84	63.68
Customer Charge $/Meter	$ 13.66	$ 26.61	$ 120.60	$ 223.89

Review of Power Cost Adjustment, optional

Power cost adjustments (PCA) are used by many municipal electric utilities to help ensure power costs are recovered from customers in a timely fashion and the electric utility remains financially stable. A PCA reduces the utility's risk and exposure to changes in power supply costs or changes in transmission charges and helps ensure retail customers are not over or undercharged for electricity in any given year. A PCA must be implemented properly to ensure dramatic changes in the PCA do not occur on a month to month basis leading to customer complaints. UFS has implemented PCAs for electric utilities around the nation and has extensive experience in identifying the most appropriate method that balances customer impacts while maintaining the financial health of the utility. UFS will review the risks and monthly power cost to identify the most appropriate method.

Listed below are general methods used by utilities. Several variations of each method also exist.

- **Monthly (Quarterly, Semi Annual) PCA** – Typically calculated each month or period of time such as quarterly. This methodology tends to result in dramatic changes in the PCA at the time of the true up and may result in increased complaints from customers.
- **Annual PCA** – The power costs are trued-up each year, and significant changes can occur at the beginning of each year. Also, the Utility must maintain significant reserves to provide funds to cover the fluctuations in the power costs.
- **Rolling average PCA** – Tends to smooth out the fluctuations while maintaining the financial integrity of the utility. Costs are reviewed each month with small changes occurring with the goal of balancing power costs at the end of a specific period of time such as 12 months.
- **Forecasted PCA Monthly Review** – Based on the annual budget then adjusted monthly to reflect actual power supply costs.

Implementing a new power cost adjustment mechanism or reviewing an existing mechanism may result in additional charges for the services provided by UFS.

Rate Design

A five-year rate track will be provided with the financial projection, along with a one-year rate design, additional years requested would be billed as out of scope. Design of electric rates uses input from the cost of service study as guidance on changes to rate classes and the rate components for each rate class. Cost of service results are one factor in design of electric rates for customers. Other factors must be considered such as impact on customers, social and environmental issues, and philosophy of the utility's governing body.

The rate design study identifies the impacts on customers at various usage levels and is listed by rate class, meter size and usage level. UFS will develop and recommend a schedule of electric rates designed to generate adequate revenues and reflect or move toward the recommended rate adjustment.

Please note that all rate designs outside of the current rate structure will be charged hourly. Additional years' rate design may be added at an additional cost. Please note that all rate designs outside of the current rate structure will be charged hourly.

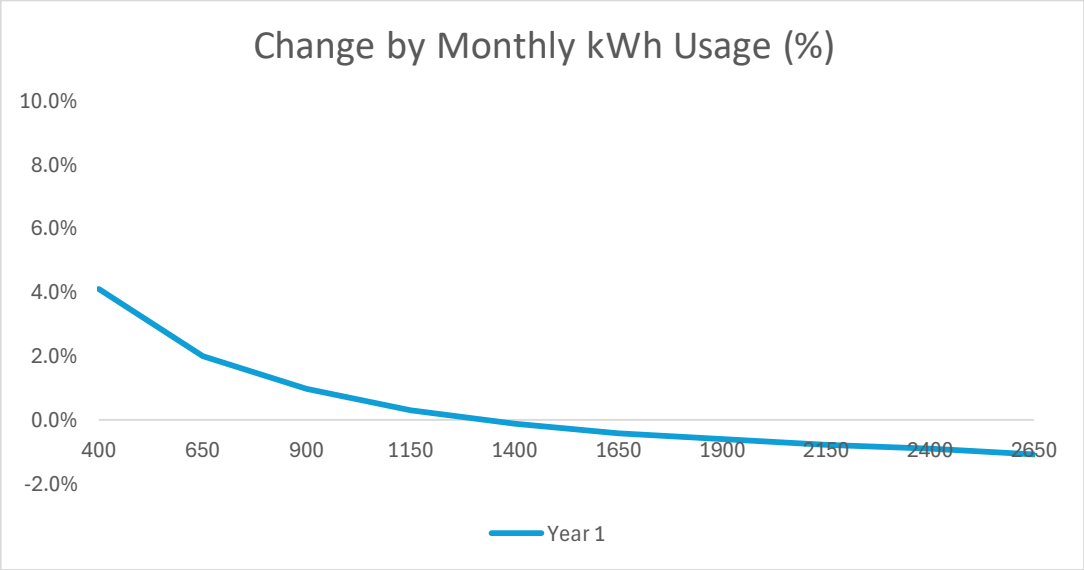
Summary of overall rate adjustments for each class – Electric

Customer Class	Projected Revenues Under Current Rates	Projected Revenues Under Proposed Rates Year 1	Projected Percentage Change Year 1
Residential A	$ 4,183,897	$ 4,272,065	2.11%
General Secondary B	2,974,374	3,019,822	1.53%
Street Light Service S	133,504	135,687	1.64%
Secondary Energy & Demand C	3,072,174	3,125,649	1.74%
Primary Energy & Demand D	20,700,210	20,956,423	1.24%
Totals	$ 31,064,159	$ 31,509,646	1.43%

Electric Sample Rate Design, Single Year

Projected Residential Rates

Rates	Current	Year 1	COS
Monthly Facilities Charge:			
All Customers	$ 6.50	$ 8.50	$ 14.47
Energy Charge:			
All Energy	$ 0.0681	$ 0.0666	$ 0.08093
Revenue from Rate	$ 3,584,465	$ 3,648,247	$ 4,709,219
Change from Previous		1.8%	



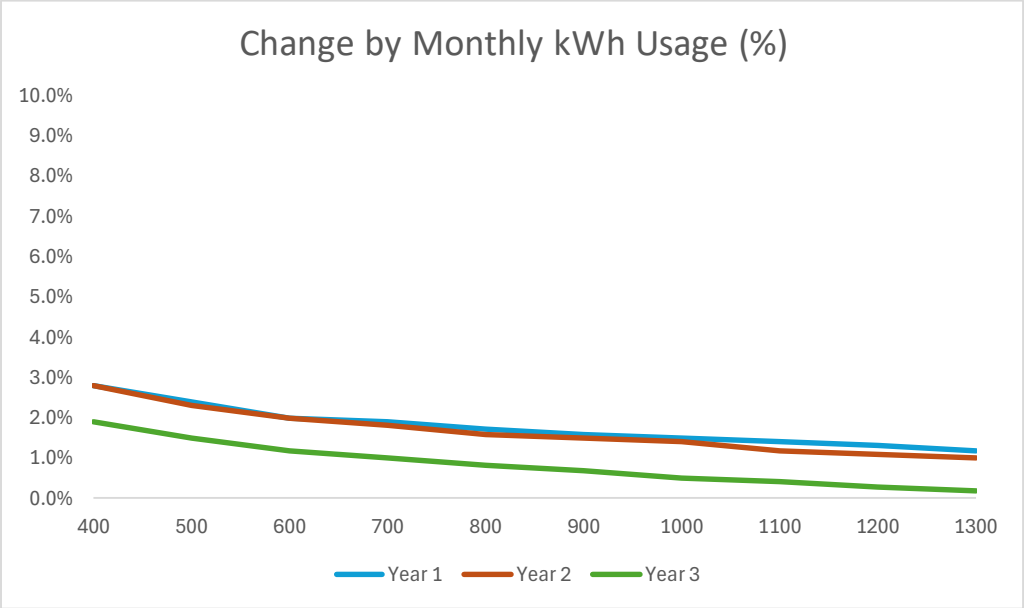
Average Monthly Bill Increase by Usage

All Energy	Year 1 $	Year 1 %
400	$1.40	4.1%
650	$1.03	2.0%
900	$0.65	1.0%
1150	$0.28	0.3%
1400	-$0.10	-0.1%
1650	-$0.47	-0.4%
1900	-$0.85	-0.6%
2150	-$1.22	-0.8%
2400	-$1.60	-0.9%
2650	-$1.97	-1.1%

Electric Sample Rate Design, Multi Year (Optional)

Projected Residential Rates

Rates	Current	Year 1	Year 2	Year 3	COS Rates
Monthly Facilities Charge:					
All Customers	$ 11.75	$ 13.25	$ 14.75	$ 16.25	$ 18.86
Energy Charge:					
Winter All Energy	$ 0.1018	$ 0.1019	$ 0.1020	$ 0.1020	$ 0.10383
Summer Block 1 (First 20 kWhs per day)	0.1100	0.1100	0.1100	0.1070	0.10383
Summer Block 2 (Excess)	0.1249	0.1240	0.1220	0.1190	0.10383
Revenue from Rate	$ 10,337,868	$ 10,553,155	$ 10,762,483	$ 10,879,557	$ 11,175,415
Change from Previous		2.1%	2.0%	1.1%	



Average Monthly Bill Increase by Usage

All Energy	Year 1 $	Year 1 %	Year 2 $	Year 2 %	Year 3 $	Year 3 %
400	$1.52	2.8%	$1.53	2.8%	$1.10	1.9%
500	$1.52	2.4%	$1.53	2.3%	$1.00	1.5%
600	$1.53	2.0%	$1.54	2.0%	$0.90	1.2%
700	$1.20	1.9%	$1.49	1.8%	$0.80	1.0%
800	$1.47	1.7%	$1.42	1.6%	$0.70	0.8%
900	$1.44	1.6%	$1.35	1.5%	$0.60	0.7%
1000	$1.41	1.5%	$1.29	1.4%	$0.50	0.5%
1100	$1.38	1.4%	$1.22	1.2%	$0.40	0.4%
1200	$1.35	1.3%	$1.15	1.1%	$0.30	0.3%
1300	$1.32	1.2%	$1.09	1.0%	$0.20	0.2%

Pole Attachment Fee Study

Introduction

The Federal Communications Commission has recommended formulas and methods to establish pole attachment rates for CATV and telecommunication providers.

Two formulas are utilized depending on the nature of the connecting company.

1. Cable systems providing only cable service use a "Cable Formula." This formula allocates one foot of the usable pole space to the attaching customers.
2. Telecommunications carrier's rates use a "Shared Cost Rate." This formula allocates a share of the support space to the attaching customers.

Pole Attachment Analysis Scope

Using the cost of service study, UFS will analyze current pole attachment fees consistent with the Federal Communications Commission recommended methodologies.

The analysis may incorporate additional data requests to separate specific costs related to capital investments and the operation and maintenance of poles, number of attachments and number of poles. The analysis identifies an appropriate administrative and general charge to include in the pole attachment fees.

The scope of services assumes asset records as provided for the cost of service study will be adequate and used in the pole attachment model. Development of additional pole attachment contracts are not covered under this scope of services.

Steps to Complete the Analysis

The analysis includes the following steps:

1. Data Collection and Assumptions
2. Carrying Charge Calculation
3. Calculation of Cable Rate and Telecommunication Rate (Shared Cost Rate) per FCC 15-151

<u>Data Collection and Assumptions</u>

The cost of service study data combined with additional information on the number and average height of poles will be used to compute the rate.

1. Total investment in poles
2. Investment in poles adjusted for the cost of cross arms
3. Total number of poles
4. Average pole height
5. Carrying charge calculation
6. Support Space and safety space per attachment
7. Usable pole space
8. Number of attachments per pole

Determination of Bare Pole Costs

The cost of a bare pole is determined by taking the adjusted gross investment in poles divided by the total number of poles. Table 1 below shows the calculation for the cost of a bare pole.

Table 1

Gross Investment in Poles	$ 10,667,007
Bare Pole Allocation (remove cross arms etc)	85%
Investment in Poles	$ 9,066,956
Number of Poles	7,800
Average Bare Pole Cost	$ 1,162.43

Carrying Charge Calculation

The carrying charge is computed as follows:

1. A&G Allocation – Total A&G as a percent of total plant
2. Supervisory expenses as a percent of Poles, Overhead and distribution expense
3. Depreciation rates on poles
4. Taxes and payments in lieu of tax
5. Rate of return as identified in the cost of service study

The total carrying charge of 19% is calculated in table 2 below:

Table 2

Carrying Charge				
A&G Allocation				
Total A&G Expense			$ 4,778,525	
Plant in Service			163,945,011	**3%**
O&M Allocation				
Supervision			$ 188,178	
Poles and Overhead Line Exp		$ 411,461		
Distibution Exp		3,783,651		
			11%	
Supervision Exp			$ 21,535	
Poles and OH line Exp			$ 411,461	
Poles		$ 10,667,007		
OH Conductors and Devices		8,369,671		
Services		7,263,214		
			$ 26,299,893	**2%**
Pole Life	25	years		
Depreciation				**4%**
Tax/Contribution				**7%**
Return				**4%**
Carrying Charge				**19%**

Calculation of Cable Rate and Telecommunication Rate

A calculation for both the FCC Cable Rate and FCC Telecom Rate is outlined in Table 3 below.

The cost of a bare pole is adjusted for usable space and the carrying charge to determine an attachment rate under both FCC methods.

FCC Cable Rate = $16.60/year or $1.38/month

FCC Telecom Rate = $17.52/year or $1.46/month

Table 3

Pole Attachment FCC Cable			
Cost of Bare Pole		$ 1,162.43	a
Pole Used by Attachment (ft)	1		
Usable Pole Space (ft)	13.5	7%	b = 1 / 13.5
Carrying Charge		19%	c
FCC Order Multiplication Factor (already factored into bare pole cost)			
Annual Rate per Attachment		**$ 16.60**	e = a*b*c

Pole Attachment FCC Telecom				
Cost of Bare Pole		$ 1,162.43		a
Urbanization Cost Adjustment	66%			b
Carrying Charge	19%			c
Cost Allocation			$ 147.87	d=a*b*c
Space Factor				
Support Space (Ft)		24.00		e
Average Attachers		3		f
Factor		67%		g
Average Height		45.00		h
Support Factor			11.85%	i=(e/f*g)/h
Annual Rate per Attachment			**$ 17.52**	j=d*i

Meetings, Reports, and Presentations

Meetings

The following meetings are anticipated (conducted virtually):

- Kickoff meeting – Clarify scope of services and expectations of management
- Data Verification – Verify data collected
- Financial Review – Review assumptions used in the long-term projections
- Review draft reports with management
- Presentation as requested by management such as review report with Governing body

Format of Reports

UFS reports are typically separated into the reports listed below:

- **Power Point Summary** – A concise presentation of study results that is shared with management and staff. This summary will include graphs, charts, tables, and findings.
- **Executive Summary Report (PDF)** – An overview that identifies the objectives, process, and results of the rate study in a clear and concise format.
- **Rate Design** – The rate design includes the following:
  - ~ Comparison of the current and proposed rates.
  - ~ Expected revenues generated from proposed rates.
  - ~ Impact on customer classes at various usage levels or load factors within each rate class.

Presentation of Cost of Service and Rate Design Study

A critical aspect of the study is the clear and concise presentation to the governing body of the utility. UFS professionals are skilled at explaining and working with advisory and governing bodies to ensure decisions are based on information they can understand and apply to their community.

Firm Qualifications

This section discusses UFS' experience and qualifications assisting municipalities with cost of service and financial analysis. UFS personnel are recognized as national experts and include highly qualified, motivated, experienced, and knowledgeable professionals. UFS' reputation has resulted in industry leading status shown by the number of clients we serve, our frequent requests to instruct classes and speak at conferences around the nation and our frequent requests to serve as expert witnesses on rate related issues.

UFS' experience includes completion of rate studies in 43 states, Guam, several Caribbean Islands and Canada. This provides UFS with the experience and knowledge to provide creative solutions.

UFS is the industry leader in electric, water, and sewer studies. Our national experience is summarized below:

In Demand → UFS has completed numerous rate studies for electric, water, sewer, gas, telecommunications, and solid waste.

Diverse → UFS is the preferred provider of rate services for municipalities, electric cooperatives, and members of Joint Action Agencies.

Innovative → UFS is leading the industry in development of Time of Use rates including variations of Variable Peak Pricing, Dynamic Pricing and Real Time Pricing.

Reliable → Our methodologies on establishing financial targets and cash reserve policies have become industry standards and have assisted utilities in improving bond ratings with Fitch, S&P and Moody's.

Supported → Our establishment of rates for customers located outside city limits have been accepted in State Courts and resulted in UFS becoming expert witnesses and arbitrators on rate disputes across the United States.

Experienced → UFS has provided electric, gas, water, wastewater, and telecommunications services to some of largest utilities in the country including Nashville TN, Knoxville TN, Sacramento Municipal Utility District, Rochester MN, Imperial Irrigation District CA, Austin TX, Huntsville AL, Columbia MO, and Lansing MI.

Knowledgeable → We are frequent speakers on special rate topics around the United States including APPA's National Conference, APPA's Educational Institutes, E&O Workshop, Legal Conferences, Business and Financial Workshop, numerous webinars topics and state conferences in over 15 states.

A sample of recent presentations are listed below:

- Development of Key Financial Targets
- Information provided by Cost of Service Studies
- Cash Reserve Policies for Municipal Utilities
- Development of Utility Extension Policies
- Cost of Service Challenges and Solutions
- Appropriate levels of Contributions to City (Payment in lieu of Tax)
- The Rate Race
- Development of Avoided Cost and Rate Designs for Distributed Generation

Teachers → UFS personnel are the instructors on cost of service and financial planning courses offered through the American Public Power Association (APPA), American Water Works Association (AWWA), and the National Association of Regulatory Utility Commissioners (NARUC), EUCI, and Southern Gas Association. UFS' industry leading status has resulted in courses on distributed generation to the US Department of Energy.

These courses include the following:

~ Basic Cost of Service
~ Intermediate Cost of Service
~ Advanced Cost of Service
~ Financial Planning
~ Utility Financial Check-up
~ Cost of Service and Rate Design for Distributed Generation
~ Development of Line Extension Policies
~ Rate Structures to promote Energy Conservation
~ Rate Structures to create Revenue Stability
~ Advanced issues in Rate Design
~ Advanced issues in Cost Allocations

UFS holds a commitment to the following:

- **Quality Control –** Proper quality control and management help ensure the accomplished work is in alignment with the project scope, is completed timely, within budget and the results are accurate and defensible. The quality controls developed by UFS are specific to utility rate studies and are based on our prior experience working with electric utilities.
- **Timeliness of Studies –** Part of the quality control includes the timely completion of the rate studies. UFS experience in completing studies provides us the ability to complete the studies as requested and discussed in the initial kick-off meeting.
- **Financial Strength –** UFS commenced business in 2001 and has the highest financial rating by Dunn and Bradstreet.
- **Independence –** UFS maintains its independence throughout its engagements to help ensure unbiased recommendations to the governing bodies. We do not provide services that could impair our independence such as engineering, accounting, or auditing services.
- **Diverse Staff Backgrounds –** Proper development of rate studies require knowledge in accounting, finance, economics, and engineering. UFS staff has diverse backgrounds that include degrees in accounting (CPA), engineering, finance, economics, information technology and degrees in Water Purification Technology.

Resumes

The next section includes resumes of UFS team members who may work on the project based on project needs.

Staff Availability

UFS has adequate staff available to complete the tasks in the timeline requested.

Proposed service team including titles:

Mark Beauchamp – President
Dawn Lund – Vice President
Dan Kasbohm – Manager
Mike Johnson – Manager
Chris Lund – Project Manager
Jillian Jurczyk – Manager
Joan Bakenhus – Senior Financial Analyst
Robert Blank – Senior Financial Analyst
Janel Albrecht – Financial Analyst
Jayde Dono – Financial Analyst

Mark Beauchamp, CPA, CMA, MBA

President, Utility Financial Solutions, LLC

Email: mbeauchamp@ufsweb.com
Cellular: 616-403-5450
Location: Holland, MI

Education

- AAS Water Purification Technology
- ABA Business Administration
- BBA Major – Accounting
- MBA Master's Degree in Business

Expert Witness Service

- Detroit Edison vs. Ameritech – Provided expert witness services for Detroit Edison on development of Pole Attachment Rates for Ameritech
- Nebraska State Unicameral – Served as an expert witness before the State of Nebraska Unicameral on proper rate setting and credits to provide customer installed renewable generation
- Dayton Power & Light – Provided expert witness services on pole attachment rates. Case was resolved prior to Court appearance
- Coldwater Board of Public Works – Provide expert witness services on rate challenge by large industrial customer. Case was dropped after deposition was provided
- Smethport PA – Provided deposition and responses to Pennsylvania Public Service Commission on Rate Filing for Smethport

Industry Involvement

- Member of the American Public Power Association
- Member of the American Water Works Association
- Member of the Institute of Management Accountants
- Speaker at national conferences on Financial Planning for Municipal Utilities, Pricing for Water Utilities, Pricing Fiber Optic backbone systems, Unbundling Electric Rates, and Ways to Attract and Retain Customers
- Author of articles appearing in national magazines and newsletters regarding pricing fiber optics, training electric rates, and designing water rates

License and Qualifications

- Class "A" license in wastewater treatment from the State of Michigan
- (CPA) Certified Public Accountant – Wisconsin
- (CMA) Certified Management Accountant – Institute Certified Management Accountants

Course Instructor

- **American Public Power Association (APPA)**
  - Advanced Cost of Service Course (Cash Basis & Utility Basis of Ratemaking)
  - Intermediate Cost of Service (Cash Basis & Utility Basis of Ratemaking)
  - Basic Cost of Service (Cash Basis & Utility Basis of Ratemaking)
  - Financial Planning for Municipal Utilities
  - Financial Planning for Board & Councils
  - Financial Planning and Rate Setting for Managers (Part of Managers Certificate Program)
- **American Municipal Power (AMP)**
  - Financial Planning and Rate Designs for Electric Utilities
- **Michigan State University**
  - Advanced Issues in Cost Allocation (Utility Basis of Rate Making)
  - Retail Costing and Pricing of Electricity
  - Wholesale Costing and Pricing of Electricity
- **Southwest American Water Works Association**
- **Michigan Rural Water Association**
  - Cost of Service & Rate Making for Water Utilities
- **Michigan Finance Government Officers Association**
  - Cost of Service & Rate Making for Water & Wastewater Utilities

Dawn Lund

Vice-President, Utility Financial Solutions, LLC

Dawn has over 30 years of experience pricing utility services for electric, water and wastewater. She works with utilities across the country on cost of service, financial planning, and a variety of complex financial analyses. She also teaches cost of service and financial planning courses for the American Public Power Association and MI-AWWA. She is also a regularly requested speaker for various regional and national organizations.

Email: dlund@ufsweb.com
Cellular: 231-218-9664
Location: Leland, MI

Cost of Service (COS)

- Completed electric, water, and wastewater cost of service and rate design studies for utilities across the country, Guam, the Caribbean, and Canada
- Determining appropriate allocations of overhead costs between utility services

Long-term Financial Analysis

- Development of long-term sales and expense projections for electric, water, wastewater, telecommunications, gas, and solid waste utilities
- Development of long-term financial plan and rate track for electric, water, wastewater, telecommunications, gas, and solid waste utilities

Presentation & Training

- Presentations to City Councils and Boards for approval of utility rates and proposed rate tracks
- Instructor for APPA's Financial Planning and Basic Cost of Services courses and MI-AWWA
- Monthly presentations to various organizations on topics such as: cost of service, financial planning, key financial targets, cash policies, and how to explain rate increases to the end user, cost of services challenges/solutions, and introduction to allocation studies

Rate Design

- Development of equitable rates between inside-city and outside-city customers
- Development of wholesale contract rates
- Development of special rates; Economic and Time of Use
- Development of Connection Fees
- Development of rate designs to meet financial objectives of utility

Other Professional Involvement

- Member of AWWA Finance, Accounting, Management and Controls Committee
- Member of AWWA Rates and Charges Committee
- Member of MI-AWWA Education Committee
- Developed MI-AWWA Water Academy material for Cost of Service and Financial Planning
- Developed the Basic Cost of Service and Financial Planning courses for APPA
- Preferred consulting firm for Hometown Connections Financial Planning, Cost of Service, and Rate Design

Dan Kasbohm

Manager, Utility Financial Solutions, LLC

Dan joined Utility Financial Solutions, LLC in 2007 and has experience in conducting cost of service and financial analysis for electric, water, wastewater, stormwater and cable utilities around the nation. He has a Bachelor of Science degree in Engineering and has helped public utilities improve revenue stability, set fair and equitable rates, prepare for large capital projects, and help answer questions to many of the unique challenges our industry faces today. Dan is a co-instructor for the Cost of Service course for the American Public Power Association.

Email: dkasbohm@ufsweb.com
Cellular: 616-402-7045
Location: Grand Haven, MI

Cost of Service (COS)

- Utilities include Electric, Gas, Water, and Sewer
- Functionalization & classification of assets and costs related to:
  - Maintaining customer connection to system
  - Variable drivers in production of energy
  - Fixed drivers to support various customer sized loads
- Development of fair & equitable allocators to share assigned costs in each customer class
- Identification of unbundled costs that support rate design and customer price signals

Financial Plan & Key Financial Objectives

- Determine proper revenue requirements (utility costs to be recovered through published rates)
- Provide detailed long-term view of financials
- Develop strategy to meet key financial objectives (debt affordability, minimum cash levels, optimal operating income position, infrastructure age)
- Utilization of financial plan and objectives to provide optional future revenue adjustments with the least impact on utility's customer bills

Presentation & Training

- Presentation of results to each Utility's governing body to help highlight key study findings for:
  - Needed revenue increase
  - Modification of rate components
  - Equitable adjustments toward COS
- Training of Utility staff on use of study results, financial projection, and COS calculations
- Co-Instructor for the American Public Power Association Academy for Cost of Service

Rate Design

- Adjusting current rate structures with focus on:
  - Revenue impacts on Utility financials
  - Customer bill impacts at various usage levels
  - Gradual shift of rate components to COS
  - Improved revenue stability to Utility
  - Increased fairness of revenue recovery
- Development of new rates structures including:
  - Time of Use (seasonal, daily, hourly)
  - Distribution demand bill component
  - Capacity reservation rates
  - Standby service rates
  - Rephrasing rate descriptions to more clearly define application of each rate class
  - Unique large power rates (interruptible, high load factor, pass-through supply)
  - Coincidental-Peak Rates
  - Street lighting rates

Development of Other Effective Tools

- Power Cost Adjustment (PCA) mechanisms based on supply costs, cash position, and financial goals
- Unbundled street light cost of service by lamp
- Policy to identify amount a utility should contribute towards new customer connections
- Policy to offer an economic development discount that doesn't financially impact current rates
- Implementation of a justified minimum cash policy
- Identify cost variations among city & rural meters
- Load profile analysis to identify utility and customer usage patterns
- Calculation of fees for standard utility work
- Rate surveys for similar nearby utilities

Mike Johnson

Manager, Utility Financial Solutions, LLC

Mike joined Utility Financial Solutions, LLC in 2011 and has experience assisting utilities since 1995. He has a Higher National Diploma in Mechatronics (Combined Electrical/Mechanical Engineering). Mike is experienced in cost of service, rate making, financial/operational modeling, automation, electric utility operations, and power supply.

Email: mjohnson@ufsweb.com
Cellular: 608-230-5849
Location: Madison, WI

Cost of Service (COS)

- Development of cost of service studies for electric, communication, gas, water, and wastewater utilities
- Forecasts utility revenue requirements
- Cost allocation model development

Long-term Financial Analysis

- Develops utility financial analysis models
- Identifies growth and load forecasting
- Models rate and revenue effect for customer change within utilities (loss of customers/additional load)
- Develops target metrics for utilities including cash policies, operating income, debt coverage

Expert Witness Services

- Prepared and testified on filings to Public Utility Commission

Rate Design

- Provides cost of services class allocations and rate making
- Designs time of use rates
- Identify effects for different usage patterns within the same class
- Development of rates for alternative fuels and vehicles
- Evaluate marginal costs and development of line extension policies and economic development rates

Other Utility Tools

- Computes cost functionalization and allocation systems for designing and managing complex changes
- Evaluates data and system integration issues associated with new software implementations
- Provides market analysis, bidding, and settlement processes analysis
- Identification and valuation of fixed assets
- Assessment of utility value for sales/purchase
- Development of risk mitigation tools, power/fuel cost adjustment mechanisms

Chris Lund

Project Manager, Utility Financial Solutions, LLC

Chris has a bachelor's degree in Business Administration with concentration in Computer Science and Speech Communications. He has been a technology and management consultant since 1992 and has utility experience since 2005. Chris is an employee of UFS since 2012 and has also sub-consulted on a variety of technology projects for UFS since 2003.

Email: clund@ufsweb.com
Cellular: 231-342-9798
Location: Leland, MI

Financial Consulting

- Completed cost of service and rate design studies for electric, water, wastewater, telecommunications, and refuse utilities
- Designed, wrote, and implemented long term financial projection model including revenue requirements and rate track
- Determined avoided cost for solar (photovoltaic - PV) and wind for renewable energy rates
- Lead consultant for electric vehicle (EV) rates and service study
- Conducted multiple fiber optic cost of service and rate design studies
- Presentations to Governing Bodies for approval of utility rates and proposed rate tracks

Data Analytics

- Data mining and analysis specialist for electric load data research
- Specialist with data mining, data conversion and custom reporting
- Experienced with various ODBC (database connectivity)
- Implemented job costing solution for manufacturing companies
- Designed, written, implemented, supported multiple, custom bar coding and data collection systems for wholesale distribution and manufacturing organizations
- Data collection systems pushed data to payroll for time and attendance, automated inventory tracking and job costing

Technology Experience

- Experienced in Microsoft Excel automation – including payroll data, job costing and automated billing (office automation)
- Experienced in Microsoft Access custom database, programming, and reporting – including electronic data interchange (EDI) mapping using Microsoft VBA
- Lead consultant for multiple mission critical, corporate wide enterprise resource planning (ERP) technology solutions
- Implemented, trained, and supported multiple telecommunications projects
- Implemented and supported some of the first voice over internet protocol (VOIP) telecommuting systems
- Guide management with technology related strategy and business integration
- Modification and complete custom program solutions on midrange and PC
- Wrote automated bill of material (BOM) purchasing forecasting system
- Specify, install, and maintain mission critical PC network infrastructure, servers, workstation, and related software
- Experienced in network security and virtual private network (VPN) technology
- Implemented and supported web storefronts integrated with corporate backend database solution for inventory management, order processing, billing, and account status

Jillian Jurczyk

Manager, Utility Financial Solutions, LLC

Jill has been with UFS since 2013. She has a Bachelor's degree in Mathematics and a Master's degree in Applied Economics from Johns Hopkins University. Jill has populated and analyzed cost of service models, developed long-term financial projections, and designed rates for utilities. Jill is a frequently requested speaker at conferences and is an instructor for the online and in-person Cost of Service courses offered through the American Public Power Association's Educational Institute.

E-mail: jjurczyk@ufsweb.com
Cellular: 616-283-8502
Location: Holland, MI

Cost of Service (COS)

Prepares and analyzes cost of service studies to determine appropriate allocations of cost between customer classes, including identification of fixed and variable costs, and assigning appropriate cost drivers to utility expenses, such as kWh sales and non-coincident peak.

Long-term Financial Analysis

Extensive experience utilizing client data to build financial projections, determine revenue requirements, forecast utility sales, and develop cost allocations.

Rate Design

Identifies cross-subsidization between rate classes through cost of service analysis and develops rate design plans to assist in moving utilities toward more equitable rate structures. Analyzes customer bill impacts at various usage levels and identifies revenue stability of rates.

Presentation/Training

Skilled at presenting study results to management and educating governing body of utility. Speaker at various industry conference events. Cost of service instructor for the American Public Power Association's educational department.

Management

Excels at managing project workflow and timelines, including consistent and clear client communication among UFS, client, and other stakeholders, throughout the project, and ensuring complete fulfillment of project deliverables.

Other Utility Tools

- Conducting time of use studies, including identification of on-peak and off-peak time periods, and identifying time-based cost to adequately set rates
- Development of power cost adjustment methodology that allows for proper power cost recovery
- Setting avoided cost rates for distributed generation resources
- Development of sales and expense projections to adequately determine a financial plan and rate track
- Proficient at using system and class load data to develop load curves, calculate load factors, and identify system coincidence factors
- Innovating rate designs to meet the financial and social objectives of the utility
- Evaluating rate impacts at various usage levels prior to rate implementation
- Technical expertise in conducting long-term econometric forecasts for electric and water load forecasting. Competent in handling seasonality, trend, heteroscedasticity, and other economic inefficiencies that arise in data analysis.
- Responsibly researches and leverages AI tools for workload efficiencies and data analysis.

Certifications and Professional Affiliations

- American Water Works Association
- Solid Waste Association of North America
- 2024 & 2026 APPA Business and Finance Committee Corporate Officer
- Women in Leadership, Cornell University

Joan Bakenhus

Senior Financial Analyst, Utility Financial Solutions, LLC

Joan has experience working with municipal utilities from 1986-1996 and came back to industry in 2006. Joan has a degree in Business Administration. Joan has worked as a Rate Analyst for one of the largest public power systems in the nation (Lincoln Electric System) and for Utility Financial Solutions, LLC since 2006. Joan is experienced in development of long-term financial plans, rate design models and cost of service studies for electric, water, and wastewater utilities.

Email: jbakenhus@ufsweb.com
Cellular: 402-450-7544
Location: Nebraska

Cost of Service (COS)

- Working with Utilities to identify information requirements to complete cost of service and financial plans
- Set up and develop utility revenue requirements, cost of service program and utility revenue proof
- Balancing and set up of models for development of cost of service for water, wastewater, and electric utilities to determine commodity and customer charges
- Responsible for analysis, preparation and updating cost of service models for several electric, water utilities

Long-term Financial Analysis

- Development of long-term financial forecasts for water, wastewater, and electric utilities to determine the amount of timing of rate adjustments

Rate Design

- Balancing and set up of models for development rate design for water, wastewater, and electric utilities to determine commodity and customer charges
- Development of rate design models for electric and water utilities
- Development of rate surveys

Other Utility Tools

- Balancing of sales with revenue to help ensure proper billing statistics are used in cost of service models

Robert Blank

Senior Financial Analyst, Utility Financial Solutions, LLC

Robert has been working for Utility Financial Solutions, LLC since May of 2014 and has a Bachelor of Business Administration with a major in Finance from Davenport University. Over his time at UFS he has conducted Utility rate surveys as well as developed rate designs. Robert has experience with long term financial projections and cost of service studies for Electric, Water, Wastewater, and Gas utilities.

E-mail: bblank@ufsweb.com
Cellular: 616-403-9926
Location: Holland, MI

Long Term Financial Analysis

- Responsible for analysis of financial statements and preparation of cost of service models
- Development of financial targets to determine the financial health of the Utility
- Determine the minimum cash reserve level to maintain financial stability of the Utility
- Calculating debt coverage ratios to identify responsible borrowing to help obtain a higher bond rating
- Calculate an optimal operating income to ensure current customers pay their fair share of the infrastructure
- Develop projected rate tracks to minimize customer impacts while achieving financial targets

Cost of Service (COS)

- Working with utilities to identify the information needed to conduct an accurate cost of service study
- Analyzing billing reports to proof data with financials
- Determine interclass and intraclass subsidizations of various rate classes
- Identify fixed and variable costs related to customer, commodity, and demand

Rate Design

- Develop rate design models for electric, water, wastewater, and gas utilities
- Implementation strategies for monthly customer charges and demand charges
- Identify customer impacts for various customer types at different usage levels
- Conducting rate surveys
- Designing irrigation and horsepower rates

Janel Albrecht

Financial Analyst, Utility Financial Solutions, LLC

Janel joined Utility Financial Solutions, LLC in February 2024, and brings more than 25 years of experience supporting data-driven and client-focused projects. Her background includes administrative and analytical support, with a strong emphasis on accuracy, organization, and client coordination. Prior to joining UFS, she worked in the paper industry, where she managed project data, coordinated onsite service schedules, supervised a small team and utilized Microsoft Excel to track schedules, financial information, and operational reports.

E-mail: jalbrecht@ufsweb.com
Cellular: 920-213-7491
Location: Neenah, WI

Janel is skilled in the following:

- Prepare and submit response to proposals and related documents
- Prepare reports for financial projections, rate designs, and cost of service analyses
- Develop professional presentations to clearly convey financial results and recommendations
- Analyze historical data at the trial balance level
- Project revenues and expenses for purposes of developing the revenue requirement
- Provide information request documents for use in the project kick-off meeting
- Review client data and coordinate requests for additional information to complete studies
- Utilize Microsoft Excel to enter, organize, and analyze financial data with a high level of accuracy
- Assist with billing, invoicing, and related documentation processes
- Maintain well organized project files and supporting documentation
- Assist with electric utility rate comparisons by collecting, organizing, and analyzing current rate data
- Support managers with client correspondence, scheduling, and coordination of project activities
- Demonstrate strong attention to detail and accuracy in all aspects of work

Jayde Dono

Financial Analyst, Utility Financial Solutions, LLC

Jayde joined Utility Financial Solutions, LLC in April 2025, bringing a strong foundation in finance and economics. She earned a Bachelor of Science in Economics and a Bachelor of Business Administration in Finance from the University of Central Florida. During her time at UFS, Jayde has worked closely with clients, performed detailed financial analyses, and prepared reports based on the studies conducted.

E-mail: jdono@ufsweb.com
Cellular: 386-457-9895
Location: Spanish Fort, Alabama

Jayde is skilled in the following:

- Communicating with clients to identify and gather the data required to complete cost of service studies
- Preparing cost of service reports, financial projection reports, and presentation materials that clearly convey financial results and rate impacts
- Reconciling trial balances with income statements to ensure accuracy
- Forecasting revenues and expenses using historical trends, budgets, and financial assumptions
- Proficiency in Microsoft Excel, Word, and PowerPoint, including converting and organizing PDF source data
- Maintaining organized project records and documentation for multiple utility engagements

References

Grand Haven Board of Light & Power – Grand Haven, MI

Client Contact: Lynn Diffell, Finance Manager
Phone: 616-846-6250
Email: ldiffell@ghblp.org

Utility	Electric
Services Provided	2015 – Present
Scope of Work	• Long-term financial projections, review of financial targets, and long term rate track • Cost of service study and one-year rate design • Development of power cost adjustment • Development of pole attachment fees • Review and update financial projection and rate design • Review and update current thermal rate and water pumping rate • Reports and presentations to governing body

Holland Board of Public Works – Holland, MI

Client Contact: Dave Koster
Phone: 616-355-1562
Email: dkoster@hollandbpw.com

Holland Board of Public Works

Utility	Electric	Water	Wastewater
Services Provided	2009 – Present	2009 – Present	2009 – 2024
Scope of Work	• Long-term financial projections, review of financial targets, and long term rate track • Cost of service study and multi-year rate design • Updates between 2016 and 2022		
	• Large customer rate for high load factor • Green Rate Alternatives • Time of use rate analysis • Value of solar analysis • Solar with storage analysis • Pole attachment study • Stranded cost study • Large customer rate alternatives • EV charging rates for public and residential	• Review of wholesale water rates • Consolidation study with neighboring utility	• Rate designs updated annually • Planned funding for a large anerobic digester project • Review of debt defeasance for a large project and impact on financials • Additional capacity valuation • Financial capability assessment
Additional Information	In addition to the studies listed above, UFS has provided a financial projection and feasibility study for HBPW's fiber utility.		

City of Bay City – Bay City, MI

Client Contact: Adam Webster, Director
Phone: 989-894-8309
Email: awebster@baycitymi.org

Utility	Electric	Water	Wastewater
Services Provided	2010 – 2025	2010 – Present	2010 – Present
Scope of Work	• Long-term financial projections, review of financial targets, and long term rate track • Cost of service study and multi-year rate design • Financial projection and cost of service updates between 2014 and present • Reports and presentations to City Commission		
	• Time of use rate analysis • Large industrial customer rate alternatives • Pole attachment analysis • LED lighting analysis • Solar study • Rate tariff review		
Additional Information	Currently providing a community benefit study		

Project Schedule

Our experience with cost of service and rate design studies allows us to conduct a cost effective and efficient study. The following is the tentative project schedule for completion of the cost of service and rate design. This schedule will be finalized during the initial project kick-off meeting with management.

Task	*Expected Completion – Twelve Weeks*
Initial Meeting – Preparation of Information Request	Week One
Completion of Information Request by Client	Week Two
Planning/Set-up Study	Week Three – Five
Development of Revenue Requirements	Week Six – Seven
Cost of Service Analysis Component/Functional Costs	Week Eight – Nine
Review Rate Design and Alternatives	Week Ten
Report, Recommendations & Presentation of Draft	Week Eleven
Final Report	Week Twelve

The completion of the project on the proposed schedule is dependent on the cooperation of various departments within the Utility to prepare the information request in a timely manner.

Proposed Professional Services Agreement

Prices, terms, and conditions are good for a period of 90 days from this proposal date of March 10, 2026. Payment will be made through submission of invoice which itemizes the work performed.

Electric Cost of Service, Financial Projection, One-Year Rate Design $24,900
Pole Attachment Fee Study $7,500

Total above does not include onsite meetings, out of pocket travel expenses, or travel time.

Anticipated Meetings (Virtual, unless noted):

- Project kickoff
- Data collection summary
- Financial review summary
- Draft report with management
- Final report with management

Deliverables (for all utilities):

- Final Report (PDF), detailing:
  - Long-term Financial Projection and Rate Track
    - Minimum cash reserve determination
    - Debt service ratio
    - Target operating income (rate of return)
  - Cost of Service Analysis
  - One-Year Rate Design
- Pole Attachment Fee Study

Hourly Rates *(travel is discounted at 50%)*	
Mark Beauchamp	$ 375.00
Dawn Lund	$ 350.00
Dan Kasbohm	$ 310.00
Mike Johnson	$ 310.00
Chris Lund	$ 310.00
Jillian Jurczyk	$ 295.00
Robert Blank	$ 195.00
Joan Bakenhus	$ 190.00
Support Staff	$ 70.00 – $ 190.00

Out of Scope Pricing:

Out of scope work hours will be billed at the current hourly rates in effect at the time the services are performed.

Onsite meetings, if requested and agreed upon, will be billed as out of scope. Out of pocket expenses will be billed at cost.

All rate designs outside of the current rate structure or additional years of rate design will be charged hourly.

We look forward to exceeding your expectations. Please sign, date, and return to clund@ufsweb.com at your earliest convenience.

Sincerely,

Dawn Lund
Vice-President, Utility Financial Solutions, LLC

Date: _____

Accepted By: _____

City of Hart

RESOLUTION 2026-20
City Council
City of Hart, Michigan
Oceana County

A RESOLUTION TO ESTABLISH A RIGHT-OF-WAY PERMIT PROCESS AND DELEGATE ADMINISTRATIVE APPROVAL AUTHORITY

WHEREAS, Section 14.6 of the City Charter affirms the City's right to use, control, and regulate the use of its streets, alleys, bridges, and public places; and

WHEREAS, Section 14.5 of the City Charter authorizes the City Council to grant revocable permits for utility use of public rights-of-way on such terms and conditions as it determines; and

WHEREAS, the City desires to implement a consistent and efficient process for reviewing and managing work within the public right-of-way to protect public infrastructure and ensure compliance with applicable standards;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Hart hereby establishes a requirement that any person or entity seeking to perform work within the public right-of-way shall first obtain a right-of-way permit from the City;

BE IT FURTHER RESOLVED THAT the City Manager, or their designee, is authorized to review, approve, approve with conditions, or deny right-of-way permit applications consistent with the City Charter, applicable ordinances, and adopted standards;

BE IT FURTHER RESOLVED THAT such permits shall be revocable and subject to terms and conditions as determined necessary to protect the public health, safety, and welfare, and shall not be construed as a franchise or amendment to a franchise.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular meeting held on _____, 2026

Ayes: _____ Nays: _____ Absent: _____

_____

Karla Swihart, City Clerk

City of Hart

Right-of-Way Permit Application

(Work Within Public Right-of-Way, Streets, Sidewalks, Easements, or Public Property)

Applicant Information

Applicant/Company Name: _____

Contact Person: _____

Mailing Address: _____

Phone Number: _____ Email: _____

24/7 Emergency Contact: _____ Phone: _____

Contractor License/Registration No.: _____

Project Location

Address or nearest intersection: _____

Parcel Number (if known): _____

Description of Work Area (attach map/drawing): _____

_____

Type of Work (check all that apply)

[ ] Boring
[ ] Trenching
[ ] Open Cut
[ ] Sidewalk Removal/Replacement
[ ] Driveway Approach
[ ] Utility Installation or Repair (specify): _____
[ ] Pole Installation/Replacement
[ ] Landscaping/Tree Work
[ ] Other: _____

Project Details

Purpose of work: _____

Proposed start date: _____ Completion date: _____

Work hours: _____

Will traffic control be required? [ ] Yes [ ] No

If yes, attach a traffic control plan compliant with the Michigan MUTCD.

Utility Coordination
MISS DIG Ticket No.: _____ Date Submitted: _____

Utility owner(s) involved (if applicable): _____

Method of Installation
Describe method(s): _____
If boring, provide bore plan/profile including depth, diameter, distance, and entry/exit points.

Restoration Plan
Describe proposed restoration: _____

Materials to be used: _____

Surface types to be restored (check all that apply):
[ ] Asphalt pavement
[ ] Concrete sidewalk
[ ] Gravel shoulder
[ ] Grass/lawn
[ ] Curb and gutter
[ ] Driveway
[ ] Other: _____

Required Attachments
The following must be submitted with the application:

1. Scaled site plan or sketch showing work area, utility locations, and limits of disturbance
2. Traffic control plan (if required)
3. Bore profile (for boring under streets, sidewalks, or utilities)
4. Certificate of insurance
5. Soil erosion permit (if applicable)
6. Application & inspection fee: $100 (if follow-up inspections are required they will be billed at $75 per inspection)

Applicant Acknowledgment
By signing below, the applicant agrees to comply with all City of Hart ordinances, standards, permit conditions, and restoration requirements. The applicant accepts full

responsibility for any damage to public infrastructure, utilities, property, or persons arising from this work. The applicant agrees to indemnify and hold harmless the City of Hart and its employees from all claims related to the work. The applicant agrees to repair any settlement or failure within the right-of-way for a period of two years after completion.

Applicant Signature: _____ Date: _____

For City Use Only

Permit No.: _____

Date Received: _____

Fee Amount: _____ Paid: [ ] Yes [ ] No

Approved By: _____ Title: _____

Date Approved: _____

Inspection required: [ ] Yes [ ] No

Final Inspection Date: _____ Approved by: _____

Conditions of Approval (if any):

_____

_____

RESOLUTION 2026-21
City Council
City of Hart, Michigan
Oceana County

A RESOLUTION TO CONSIDER THE SALE OF INDUSTRIAL PARK LOT 18 AND PROVIDE DIRECTION ON PURCHASE PRICE

WHEREAS, the City of Hart is the owner of Parcel #020-390-020-00, also known as Lot 20 in the Hart Industrial Park; and

WHEREAS, the City has received a request from Nick Knitter to purchase the property for composting purposes under the terms outlined in a proposed Real Estate Purchase Agreement; and

WHEREAS, the Planning Commission has reviewed the parcel and recommended a nominal sale price of $1 due to site constraints that limit its buildability; and

WHEREAS, the property remains subject to the Hart Industrial Park restrictive covenants, including the requirement to commence construction within three (3) years or the City's right to repurchase; and

WHEREAS, the City Council desires to provide direction on an appropriate sale price prior to authorizing execution of a purchase agreement;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Hart hereby acknowledges the proposed sale of Parcel #020-390-020-00 and directs staff to proceed with preparation of a final purchase agreement based on a sale price of $_____, as determined by Council.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular meeting held on _____, 2026

Ayes: _____ Nays: _____ Absent: _____

_____

Karla Swihart, City Clerk

CITY OF HART

REAL ESTATE PURCHASE AGREEMENT

Parcel #020-390-020-00 – Hart Industrial Park Lot 20

THIS AGREEMENT is made this _____day of _____, 2026, by and between:

CITY OF HART, a Michigan municipal corporation, whose address is 407 S. State Street, Hart, Michigan 49420 ("Seller"), and NICK KNITTER, 8895 W Gary St, Mears, MI 49436 ("Buyer").

RECITALS

A. Seller is the owner of certain real property located in the City of Hart Industrial Park, described as follows:

Legal Description:
LOT 20 OF THE CITY OF HART INDUSTRIAL PARK, AS RECORDED IN JACKET NO 473, OCEANA COUNTY REGISTER OF DEEDS RECORDS, OCEANA COUNTY, MICHIGAN.

Parcel ID: 020-390-020-00

B. Seller desires to sell, and Buyer desires to purchase the Property under the terms and conditions set forth herein.

C. The Property is subject to the Restrictive Covenants for the Hart Industrial Park, which include, in part, the following provision:

"In the event the owner or purchaser of a parcel in the Industrial Park, or their heirs, personal representatives, successors or assigns, fails to commence construction of a building upon the parcel on or before three (3) years after the date of acquisition of the parcel, the City shall have the option for a period of thirty (30) days from and after the 3rd anniversary date of the acquisition of the parcel within which to buy said parcel for the amount for which the City sold the parcel. In the event the City elects to exercise its option within the thirty (30) day period, the City shall be required to notify the owner and parties in interest of said parcel of its election so to do, and the owner and parties in interest agree to convey to the City all of their rights, title and interest in said parcel, free and clear of all liens and encumbrances other than those which existed as of the date of acquisition of the parcel from the City or which were consented to subsequently by the City. If the owner of the parcel cannot be located and served with a notice as required herein, the City may comply with the notice requirement by recordation within such thirty (30) day period with the Oceana County, Michigan, Register of Deeds of a notice of exercise of such option."

TERMS AND CONDITIONS

1. **Purchase Price.**
   The total purchase price for the Property shall be _____ ($X.XX). No earnest money deposit is required.

2. **Closing.**
   The closing shall occur within thirty (30) days after the effective date of this Agreement, or as soon thereafter as title work is completed, at Oceana Land Title Company in Hart, Michigan.

3. **Title and Deed.**
   Seller shall convey the Property to Buyer by Quitclaim Deed, free and clear of all liens and encumbrances except zoning restrictions, easements, and the Restrictive Covenants for the Hart Industrial Park, as may be modified by any applicable City-approved waivers.

4. **Closing Costs.**
   The Buyer shall pay for the preparation of the Quitclaim Deed. Buyer shall pay all other closing costs, including title insurance premiums, recording fees, and any applicable transfer tax.

5. **Use of Property.**
   Buyer agrees the Property shall be used for business development consistent with the permitted uses and zoning of the Hart Industrial Park.

6. **Restrictive Covenants.**
   Buyer acknowledges receipt of and agrees to comply with all Restrictive Covenants governing parcels in the Hart Industrial Park, including the City's right to repurchase if construction is not commenced within three (3) years.

7. **Possession.**
   Possession shall be delivered to Buyer at closing.

8. **Default.**
   If Buyer fails to close as provided herein, the City may terminate this Agreement with no further obligation to Buyer.

9. **Entire Agreement.**
   This Agreement constitutes the entire understanding between the parties and supersedes all prior discussions or representations, whether oral or written.

SIGNATURES

SELLER:
CITY OF HART, a Michigan municipal corporation

By: _____
Amanda Klotz, Mayor

Attest: _____
Karla Swihart, City Clerk

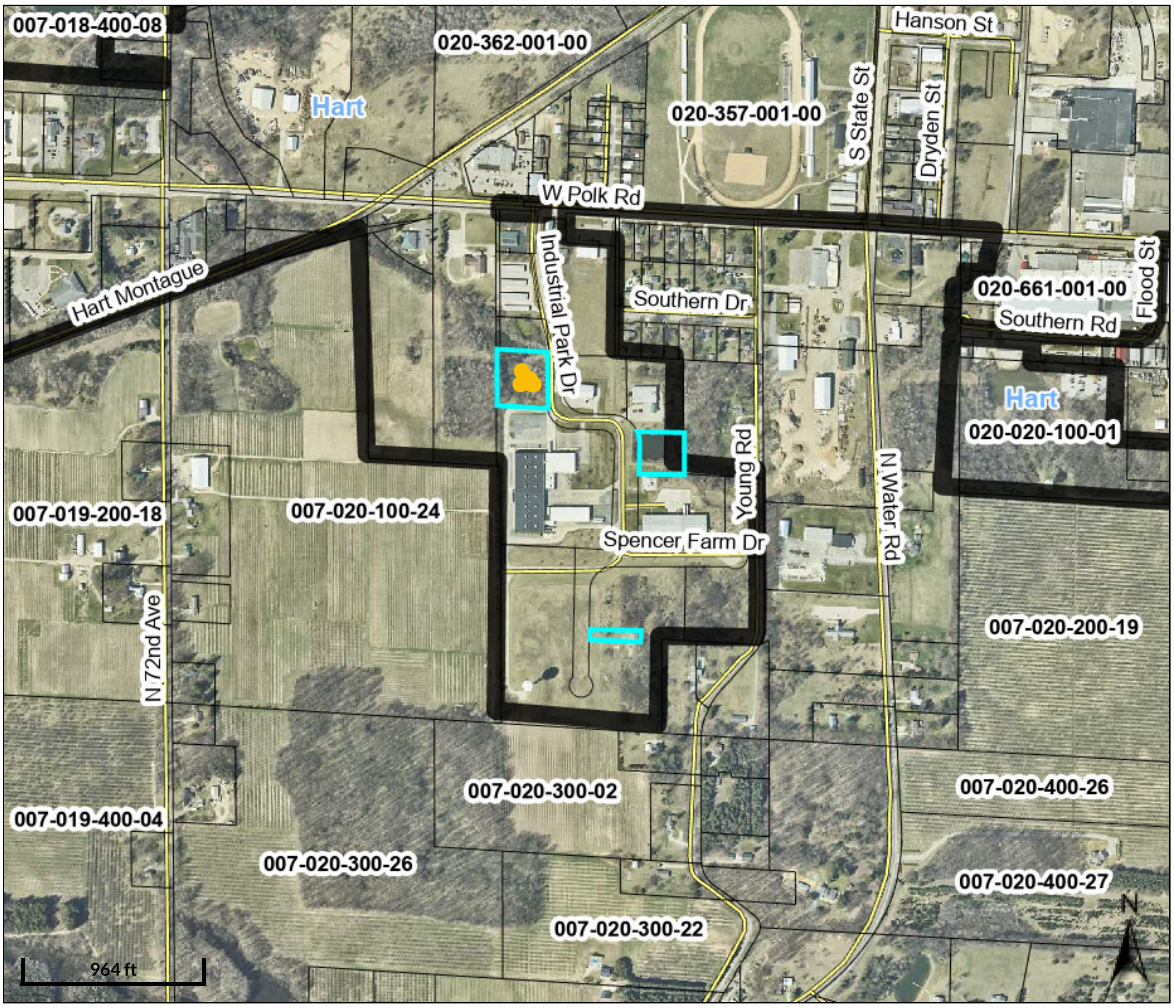
Date: _____

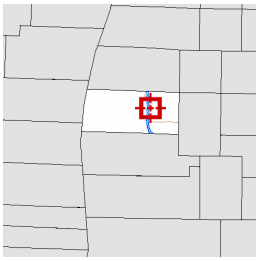
BUYER:

By: _____
Nick Knitter, Owner

Date: _____

Beacon™ Oceana County, MI





Legend

- Parcels
- Parcel Numbers
- City Limits Low
- Road

Parcel ID	020-390-020-00	**Alternate ID**	n/a	**Owner Address**	CITY OF HART
Sec/Twp/Rng	--	**Class**	201 - COMMERCIAL-IMPROVED		407 STATE ST
Property Address		**Acreage**	n/a		HART, MI 49420
District	020 CITY OF HART STC 51				
Brief Tax Description	WD893948 SEC 20 T15N R17W. CITY OF HART INDUSTRIAL PARK PLAT OUTLOTS A, B, C, D & E. SPLIT ON 12/01/2014 FROM 020-390-018-00; (Note: Not to be used on legal documents)				

Date created: 4/23/2026
Last Data Uploaded: 4/22/2026 10:13:43 PM

Developed by SCHNEIDER GEOSPATIAL

RESOLUTION 2026-22
City Council
City of Hart, Michigan
Oceana County

BIDS RECEIVED FOR THE 2026 SOUTH PLUM STREET REALIGNMENT PROJECT

WHEREAS, the City of Hart solicited bids for the 2026 South Plum Street Road Realignment Project, which includes relocation of approximately 800 feet of roadway within the public right-of-way to align with the future Safe Routes to School (SRTS) trail corridor ; and

WHEREAS, one (1) bid was received for the project in the amount of $47,994, with an additional $2,156 for seed and mulch; and

WHEREAS, a prior estimate for similar work provided by Wadel Stabilization in November 2025 totaled $27,325; and

WHEREAS, the Safe Routes to School project has been delayed until Spring 2027, reducing the immediate need for the roadway realignment; and

WHEREAS, City staff recommends rejecting the bid and rebidding the project in late fall with a Spring 2027 construction start to better align with the SRTS project and current market conditions;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Hart hereby rejects the bid received for the 2026 South Plum Street Road Realignment Project and directs staff to rebid the project at a later date consistent with a Spring 2027 construction timeline.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular meeting held on _____, 2026

Ayes: _____ Nays: _____ Absent: _____

_____

Karla Swihart, City Clerk