



**CITY OF HART  
407 S. STATE ST.  
HART, MI 49420  
COUNCIL PROCEEDINGS  
JUNE 22<sup>nd</sup> 2021  
MINUTES – Approved**

**PRESENT:** Mayor Vicki Platt, Councilors: Catalina Burillo, Jim Evans, Dean Hodges, Mike Powers, and Kris Trygstad.

**ABSENT:** Fred Rybarz

**OTHERS PRESENT:** City Manager – Rob Splane, City Clerk – Karla Swihart, Bio-Pure – Paul Cutter, DPW Superintendent – Brad Whitney, Energy Superintendent – Michael Schiller, Nichole Steel (HEART), Police Chief – Juan Salazer, Dick Huntington, Sharon Hallack, George Sadler, Diane Schindlbeck, and Eric Schidlbeck

Mayor Platt called the meeting to order; following the roll call, the mayor led the Council in the pledge of allegiance.

**APPROVAL OF AGENDA:** M. Powers motioned to approve the agenda and was supported by C. Burillo

- Ayes: 6 Nays: 0 Absent: 1

**PUBLIC COMMENTS:** Mr. Huntington wanted to address the Social District he fails to see the advantages of allowing a Social District within the City. Is worried about the open containers in the family-orientated areas. For years with celebrations, the city has hosted activities without alcohol, so why does that need to change now? Also asked if, in the new Pocket Park, would Dale and Gale, the nights they play music, would be able to use the pocket park, and would the residents be able to sit in there and listen to them? Mr. Huntington would also like to talk about purchasing lots in the Creeks.

Nichole Steel (Kleiner) would like to Thank Sharon Hallack for organizing the downtown cleanup, spending her own time getting volunteers, and making our downtown look great.

Diane Schindlebeck wanted to introduce herself. She is senator Bumstead's representative for Oceana and Newaygo Counties, handed out some business cards, wanted to put a name with the face together, and let you know I am an extra set of ears here for the senator.

**CORRESPONDENCE, EVENTS, PRESENTATIONS:** None

**PUBLIC HEARING:** Truth and Taxation

- C. Burillo motioned to open the public hearing on Truth and Taxation and supported by M. Powers
  - Ayes: 6 Nays: 0 Absent: 1
- This is a Yearly state-mandated requirement that we report our current tax capture for the City of Hart. Due to the falling housing assessment, we look to increase the millage rate to .1618%. This increase would bring the City \$8089 additional as opposed to if the City did not do an increase. With no public comments, The Public Hearing was closed.
  - C. Burillo motioned to close the public hearing on Truth and Taxation and supported by K. Trygstad
    - Ayes: 6 Nays: 0 Absent: 1

**PUBLIC HEARING:** FY2022 City of Hart Proposed Budget

- C. Burillo motioned to open the public hearing on FY2022 City of Hart Proposed Budget and supported by M. Powers
  - Ayes: 6 Nays: 0 Absent: 1
- The City stands in a strong cash position. However, our sewer grant rate study that was done last year will need to be reassessed as we look into our 10yr capital improvement plan for sewer and water infrastructure improvements. We are also proposing to do an electrical rate study as well as an electrical capital improvement plan. Which is a review of our current infrastructure, and they give us estimates on how to forecast future years properly. In December, Council passed electric rates based on our auditor's past comments about that fund being underfunded. Due to the nature of some of our big capital improvements projects for infrastructure coming up in the next 3-10 years, we are going to have to work with our local industries to partner with them in a way

we can sustain their growth as well as not put a financial burden on our residents as we continue to make those improvements.

2021 accomplishments the City did successfully navigate the pandemic. In addition, the City worked with our staff and schedules to ensure the city did not suffer any hardship. We did upgrades to our Hydro escape system, replaced blowers at BioPure, emergency repairs to Griswold lift station; due to covid last year, we had to skip BioPure solid hauling but was able to resume this Spring, Finished the Hart Solar Power agreement that officially brings a solar farm that brings renewable energy to Hart, Sackrider Church at the Historic District got a new roof, submitted a grant application for the safe routes to school that would help extend the bike trail from the current trail over to 72<sup>nd</sup> and Tyler. In addition, HEART working through the pandemic, was successful with offering two gift card programs that brought several thousand dollars to local businesses and redesigned the take me to hart website to increase business and economic redevelopment opportunities. Finally, we sponsored the Pitch North competition, and last, The City is proud to announce the completion of the Pocket Park by the end of June.

This coming year we applied to receive money from The State Revolving Fund, which will allow us to reconstruct the force main from the Griswold Lift station to the BioPure facility, also applied for CBG funding, grant funding, construction will be starting for Hanson and Dryden St, Will continue to replace water and sewer lines per state mandate, Power comprehensive study as well as a utility rate study, looking to upgrade some equipment for our departments.

C. Burillo asked if any of the Hart Boards separately review the annual budget before presenting it to the City Council? City Mayor R. Splane stated historically, the superintendents will communicate their departmental needs to the City Manager. Then, the City Manager will work those numbers into the proposed budget to present before Council.

- C. Burillo motioned to close The public hearing on FY2022 City of Hart Proposed Budget and supported by J. Evans
  - Ayes: 6 Nays: 0 Absent: 1

#### **CONSENT AGENDA:**

- Approval of *Amended* minutes from June 8<sup>th</sup>, 2021
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
  - C. Burillo motioned to approve Consent Agenda with the correction of minutes and supported by J. Evans
    - Ayes: 6 Nays: 0 Absent: 1

#### **ACTION ITEMS:**

- Resolution 2021-50 Authorize MPPA Energy Services Project Power Purchase Commitment Authorization  
The MPPA acts on behalf of the City and other members to purchase power from the marketplace at different points to ensure load capacity to utility customers, and the MPPA board has recommended that the City of Hart commit to purchasing 2% of the MPPA negotiated offtake of Hart Solor Partners Facility to be located in Oceana County and the City of Hart commits to a 20-year agreement at a forecasted financial commitment of \$1,653,228 with the actual commitment to be determined by the City's pro-rata portion of actual MHH's generated and delivered, therefore be it resolved that the City Council authorizes the power purchase commitment to the Hart Solar Energy service project per the Michigan Public Power Agency's recommendation of 2% Pro Rata Portion for a term of 20 years beginning upon the declared Commerical Operation Data.
  - M. Powers motioned to approve Resolution 2021-50 and supported by K. Trygstad.
    - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2021-51 Adoption of 2021 Millage Rates and Levy  
The City of Hart has established a general millage for operation purposes and voted millage for the cemetery and street improvements in 2018 and 2020, respectively, and the City conducted a "Truth in Taxation" hearing on June 22<sup>nd</sup>, 2021, which permits the proposed tax rates to exceed the maximum rates allowed by "Headlee" rules (MCL 211.34); and the City has determined that for FY 22 that it is necessary to levy the maximum allowable mill levy; now, therefore, be it resolved that The City of Hart Council adopts and levies the following

tax rates for 2021 as follows: Operating 2021 Millage Rate 12.6567, Streets Millage Rate 1.9962, Cemetery Millage Rate 0.4998, Total 15.1527.

- C. Burillo motioned to approve Resolution 2021-51 and supported by J. Evans
      - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2021-52 Authorize City Staff to Approve Social District Permit Application and Sign Local Government Unit Approval Form- K&G Management
 

The State of Michigan through PA 124 of 2020 has authorized the creation of Social districts in communities throughout the state, and the ongoing limitations placed on businesses as a result of the COVID-19 pandemic has led communities to be creative in supporting businesses which includes passage of regulations permitting the creation of a local Social District, and the City Council must approve a Social District Permit for each licensee to engage in participating in social district business activities per MLCC direction. Therefore be it resolved that the Hart City Council authorizes City staff to approve City of Hart Social District Permit Application and sign the Michigan Department of Licensing and Regulatory Affairs Liquor Control Commission Local Governmental Unit Approval For Social District Permit form, pending K&G Management DBA: Kristi's Pour House submitting proper Downtown Hart Social District Permit Application Paperwork.

  - C. Burillo motioned to approve Resolution 2021-52 and supported by M. Powers
    - Ayes: 5 Nays: 1 Absent: 1
- Resolution 2021-53 Authorize City Staff to Approve Social District Permit Application and Sign Local Government Unit Approval Form- H.P. LLC
 

The State of Michigan through PA 124 of 2020 has authorized the creation of Social districts in communities throughout the state, and the ongoing limitations placed on businesses as a result of the COVID-19 pandemic has led communities to be creative in supporting businesses which includes passage of regulations permitting the creation of a local Social District, and the City Council must approve a Social District Permit for each licensee to engage in participating in social district business activities per MLCC direction. Therefore be it resolved that the Hart City Council authorizes City staff to approve City of Hart Social District Permit Application and sign the Michigan Department of Licensing and Regulatory Affairs Liquor Control Commission Local Governmental Unit Approval For Social District Permit form, pending H.P. LLC DBA: Hart Pizza submitting proper Downtown Hart Social District Permit Application Paperwork.

  - C. Burillo motioned to approve Resolution 2021-53 and supported by K. Trygstad
    - Ayes: 5 Nays: 1 Absent: 1
- Resolution 2021-54 Part-Time Police Officer Wage
 

The City of Hart maintains a municipal police department, and the Hart Police Department retains part-time police officers to fill work shifts when full-time officers are not available due to scheduled time off, training, court appearances, or unscheduled circumstances, and other area police agencies also recruit from a limited pool of part-time officers and Chief Salazar recommended that part-time officer hourly wages be competitive with other agencies and the Hart City Council desires to secure the benefits of efficient self-government and to promote and protect our common interest and welfare, Therefore be it resolved that the Hart City Council accepts Chief Salazar's recommendation to

  1. Field training Observation part-time employees will be paid \$10.00 an hour until successful completion of the FTO period. After a successful end to the FTO period, part-time officers would be moved to \$16.00 an hour.
  2. After one (1) year of service, with a minimum of 120 hours worked, the officer will receive a wage increase of \$1.00/hr, bringing the officer's wage to \$17.00/hr. After two (2) years of service, with min, 120 hours worked, the officer will receive a wage increase of \$1.00/hr, bringing the officer's wage to \$18.00/hr. After three (3) years of service with a minimum of 120 hours worked, the officer will receive a wage increase of \$1.00/hr, bringing the officer's wage to \$19.00.
  3. Authorizes and directs the City Manager to implement the aforementioned wage rate effective July 1, 2021.
  - C. Burillo motioned to approve Resolution 2021-54 and supported by J. Evans
    - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2021-55 Budget Amendment

	<b>FUND</b>	<b>Description</b>	<b>GL Number</b>	<b>ADOPTED BUDGET</b>	<b>AMENDED BUDGET</b>	<b>JUSTIFICATION</b>
	<b>General Fund</b>					
1	Administrative	Sale of Vehicle	101-000.000-673.200	\$0	-\$6,364	Sale of surplus vehicle
2	Administrative	Computer Upgrading	101-172.000-970.005	\$5,000	\$14,547	device purchases - COVID related
3	Administrative	Printing & Publishing	101-172.000-900.000	\$5,000	\$10,500	City Council Handbook
		<i>Total</i>			\$18,683	
4	Elections	Printing & Publishing	101-191.000-900.000	\$500	\$1,386	voting activity - unscheduled
		<i>Total</i>			\$1,386	
5	Board of Review	Meeting	101-209.000-702.410	\$500	\$1,145	Incurred Expenses
		<i>Total</i>			\$1,145	
6	City Attorney - Adm	Legal fees incurred	101-210.000-801.172	\$50,000	\$60,000	Federal Lawsuit - City Manager Search
7	Part Time Employee	Wages Zoning	101-301.000-702.805	\$18,500	\$30,000	Code Enforcement
8	CONF/WKSHOPS/TRAINING	City staff Training	101-301.000-956.100	\$1,600	\$292	Training/Education cancelled dut to COVID
9	HEART PROGRAM	Program operations	101-728.000-999.840	\$0	\$11,275	Operational costs - not budgeted
10	WAGES ZONING ENFORCEMENT	Code Enforcement	101-728.000-702.230	\$26,000	\$1,060	Code Enforcement role was replaced with PD
11	Part Time Employee	Wages-staff	101-441.000-702.805	\$24,960	\$0	Position was not filled
		<i>Total</i>			\$102,627	
	<b>Major/Local Street Fund</b>					
12	Sidewalk Replacement	On going maintenance	202-478.100-999.245	\$5,000	\$1,062	Delayed due to COVID
13	Sidewalk Replacement	Reconstruction	203-478.100-999.245	\$25,000	\$672	Delayed due to COVID
14	Routine Maintenance	Prof. Svs	203-463.000801.000	\$0	\$238	not budgeted
		<i>Total</i>			\$1,972	
	<b>Street Improvements</b>					
15	Expenditures	Prof. Svs	204-000.000-801.010	\$0	\$1,267	not budgeted
		<i>Total</i>			\$1,267	
	<b>Hydro</b>					
16	Accounting & Collec	Clerical	580-537.500-702.300	\$67,205	\$72,250	employee wages additional time spent
17		Meter reading	580-537.500-702.350	\$2,500	\$250	efficiency savings
		<i>Total</i>			\$72,500	
		<i>Adopted/Amended:</i>		\$231,765	\$199,580	
		<b>Final Total</b>			<b>\$199,580</b>	

The Hart City Council may amend the annual budget to reflect changes in purchasing patterns or revised objectives, and the Hart City Council desires to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, Therefore be it resolved that they Hart City Council amends the FY2021 Annual Budget as follows:

- o C. Burillo motioned to approve Resolution 2021-55 and supported by M. Powers
  - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2021-56 FY2022 Annual Budget Adoption
 

The City of Hart, pursuant to Chapter IX of the Hart City Charter, is required to conduct a public hearing for and adopt an annual budget on or before the first meeting in June each year, and City staff has prepared and submitted a budget for review by various committees and boards, and the City of Hart conducted a Truth in Taxation public hearing on June 22, 2021, regarding the annual budget and the City of Hart has prepared a 10-Year Capital Improvement Program, planning, and forecasting tool to assess the long-term infrastructure needs of the City and to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the Hart City Council hereby declares, Therefore be it resolved that the Annual Budget for FY 2022 (July 1, 2021-June 30,2022 and 10-Year Capital Improvement Program is adopted as follows:

<b>GENERAL OPERATING FUNDS</b>		
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	<u>REVENUES</u>	<u>EXPENDITURES</u>	
General - 101	\$2,001,643		
<b>Total</b>	<b>\$2,001,643</b>	<b>\$2,000,898</b>	
	<i>Balance</i>	<i>\$745</i>	
Major Streets - 202	\$144,593	\$39,320	
	<i>Balance</i>	<i>\$105,273</i>	
Local Streets - 203	\$175,916	\$175,624	
	<i>Balance</i>	<i>\$292</i>	
Street Improvements - 204	\$99,255	\$98,300	
	<i>Balance</i>	<i>\$955</i>	
Park - 208	\$167,000	\$131,020	
	<i>Balance</i>	<i>\$35,980</i>	
Tax Increment Financing - 215	\$110,595	\$88,700	
	<i>Balance</i>	<i>\$21,895</i>	
HEART	\$43,331	\$29,600	
	<i>Balance</i>	<i>\$13,731</i>	
Historic Commission - 701	\$50	\$0	
	<i>Balance</i>	<i>\$50</i>	
Historic District - 702	\$67,260	\$29,760	
	<i>Balance</i>	<i>\$37,500</i>	
<u>ENTERPRISE FUNDS</u>			
Hydroelectric - 580	\$5,579,329		
<b>Total</b>	<b>\$5,646,329</b>	<b>\$5,645,703</b>	
	<i>Balance</i>	<i>\$626</i>	
BioPure - 590	\$10,378,992		
Water - 591	\$440,300		
<b>Total</b>	<b>\$10,819,292</b>	<b>\$9,826,779</b>	
	<i>Balance</i>	<i>\$992,513</i>	

<b><u>SPECIAL FUNDS</u></b>			
<b>Library Debt Service - 301</b>	<b>\$75,760</b>	<b>\$75,750</b>	
	<i>Balance</i>	<i>\$10</i>	
<b>Hart Lake Board - 241</b>	<b>\$44,840</b>	<b>\$29,050</b>	
	<i>Balance</i>	<i>\$15,790</i>	
<b>Rail Trail - 284</b>	<b>\$8,010</b>	<b>\$8,000</b>	
	<i>Balance</i>	<i>\$10</i>	
<b>GRAND TOTAL FY 2022</b>	<b><u>REVENUES</u></b>	<b><u>EXPENDITURES</u></b>	
	<b>\$19,366,425</b>	<b>\$18,181,445</b>	
	Includes use of cash reserves	Includes interfund transfers	
<b>PRIOR YEAR BUDGETED FY2021</b>	<b>\$10,697,261</b>	<b>\$10,375,315</b>	

- M. Powers motioned to approve Resolution 2021-56 and supported by C. Burillo
    - Ayes: 6 Nays: 0 Absent: 1
- Resolution 2021-57 City Manager and Mayor Pro-Tem as authorized signers on City Bank Accounts  
 The majority of the City’s bank accounts require at least two signers for all checks, and the highest elected official, the mayor pro-tem, city manager, and city clerk/treasurer are the generally accepted individuals as authorized signers and the banks which the City conducts business with require formal action designating any new account signers. Therefore be it resolved that the Hart City Council designates the City Manager Rob Splane and Mayor Pro-Tem Fred Rybarz as authorized signers on City Bank Accounts.
  - C. Burillo motioned to approve Resolution 2021-57 and supported by J. Evans
    - Ayes: 6 Nays: 0 Absent: 1

**DISCUSSION ITEMS:**

- Special Events permit for inspiReading book distribution on 6/28/2021 location Hart Commons.
  - M. Powers motioned to approve Special Events Permit for InsprReading book Distribution and supported by C. Burillo
    - Ayes: 6 Nays: 0 Absent: 1

**CITY MANAGER'S REPORT:**

- R. Splane was happy to announce the completion of the Pocket Park is on schedule for the end of June.
- Emergency repairs on the 88th substation but communicating back to M. Schiller from the company, stated they ran into some issues. It will be about \$14,000 higher than the original quote of \$9000. They got digging into the project, and there is a lot more involved than they anticipated, so M. Schiller has a call into the Company’s owner and is waiting on a callback, hoping to have more information on this, but as this is a project that needs to be done he is looking for guidance from the Council. J. Evans stated that in the future on bids, maybe we should look at a cost-plus?

- DPW Superintendent brought to R. Splane's attention that on Wigton St between Dryden and State St, there is a sewer issue. We have reached out to our engineers to find the proper course of action in getting this adequately repaired.

**COMMUNICATIONS FROM THE MAYOR AND COUNCIL:**

- Mayor Platt has the kindest thoughts for every person in the room that has brought something to the attention of The City that has either needed to be fixed or that is looking good. Everyone is doing a good job. Thank you to the council for everything they have done in the last few months.

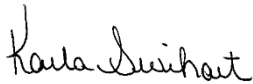
**CLOSED SESSION:** As permitted under section 8 (e) of the Open Meetings Act, to consult with our attorney regarding proposed settlement in Wittman V. City of Hart et all.

- C. Burillo motioned to go into closed session and supported by J. Evans
  - Ayes: 6 Nays: 0 Absent: 1
- M. Powers motioned to authorize The City's attorney on behalf of the City of Hart to enter into the consent judgment and supported by C. Burillo
  - Ayes: 6 Nays: 0 Absent: 1

**ADJOURN:**

- There being no further business to come before the Council, the meeting adjourned at 9:00 pm upon a motion by C. Burillo and supported by J. Evans. The next regularly scheduled meeting will be on July 13<sup>th</sup>, 2021, at 7:30 pm.

Respectfully Submitted



Karla Swihart  
City Clerk