



**CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
FEBRUARY 12, 2019, 7:30 P.M.**

PRESENT: Mayor Ron LaPorte, Councilors: Joe Frontiera, Steve Hegedus, Rob Splane, Patrice Martin, and Vicki Platt.

ABSENT: Jason La Fever

OTHERS PRESENT: City Manager – Lynne Ladner, City Attorney – Julie Springstead, Energy Department Superintendent – Mike Schiller, Police Chief – Juan Salazar, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, and Deputy Clerk - Cheri Eisenlohr. See attached list for others in attendance.

Mayor LaPorte called the meeting to order at 7:30 p.m., following the roll call, the Mayor lead the Council in the pledge of allegiance.

A motion was made by Mr. Hegedus to approve the agenda and supported by Ms. Martin. The minutes from January 22, 2019, regular meeting, were approved motioned by Ms. Martin and supported by Ms. Platt. All ayes, both motions were carried.

PUBLIC COMMENTS, CORRESPONDENCE, EVENTS, PRESENTATIONS:

- ▶ Paul Erickson, President of the Fair Board, spoke about all of the improvements that were accomplished last year at the Fair Grounds and of upcoming projects as well. He informed the Council that a demolition derby would be held in October, promoted by the TNT State Demolition Derby. The Council had no objections to this event. Mr. Erickson also stated that they would like to open up the Fairgrounds to other events as well to get more use out of the grounds and facilities.

DEPARTMENT REPORTS:

- ▶ BioPure Superintendent, Paul Cutter: No comments - provided a written report.
- ▶ Police Chief, Juan Salazar:
 - Sgt. Skipski has once again started teaching TEAM to 5th graders at Hart Public Middle School; this is the 12th year for teaching this program. The course also covers the STEP program and will supply backpacks to the students that they can stock with items in the event of an emergency.
 - The Hart Rotary club provided a grant in the amount of \$547.00 for the purchase of the Stop the Bleed Training Kit; the police department is grateful for the grant money.
 - On February 5, the Well's Bed and Breakfast structure burnt to the ground. Officers Hintz and Malotke assisted the residents with evacuating the premises.
- ▶ DPW Superintendent, Brad Whitney:
 - Plowing snow.
 - The City issued a "recommended run water" advisory.
 - Water tower level issues due to malfunctioning equipment – both towers are now operating successfully.
 - Meter Reading
 - Assisted fire departments with the above-mentioned structure fire.
- ▶ Energy Superintendent – Mike Schiller:
 - The ordered parts arrived for the waste-gates.
 - Dam Undergrounding:
 - Continuing a line between Hill n' Dale and Hilltop Drives to North State Street.

- Changing street lights to LED.
- Another Consumer's Power outage.
- DuBois tree service will be back in the area when the weather improves.
- Assisted with the 602 State Street fire, had to turn service off for 4 hours in the area until the fire was contained.
- A secondary line was down by Tanners.
- Small power outage on Jefferson Street.

▶ Mainstreet Manager, Julie Kreilick: Absent

REPORTS OF BOARDS, COMMISSIONS, AND COMMITTEES:

None

BILLS, CLAIMS, PAYROLL:

Ms. Ladner pointed out the following invoices to the attention of the Council:

\$6,055.00 Hallack Contracting

\$120,723.50 Jackson-Merkey

\$154.00 Workplace Health

Bills totaled: \$439,270.16 Payroll totaled: \$60,249.37 Grand Total: \$503,198.54

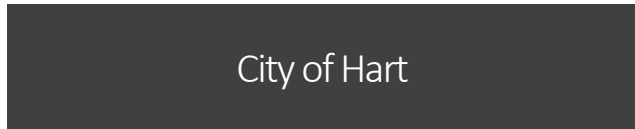
A motion was made by Mr. Splane and supported by Ms. Martin to approve bills, claims and payroll in the amount stated.

Ayes: 6 Nay: 0 Absent: 1

Discussion: Mayor LaPorte pointed out the difference in amounts paid at Klotz Auto Parts vs. Hart Automotive and wanted more to be spent within the City limits.

ACTION ITEMS:

City Manager, Lynne Ladner presented the following:



Memo

Mayor and City Council

To:

From: Lynne Ladner

Date: 2-8-19

Re: Resolution electing to participate in the Coldwater Peaking Project Committee and Authorizing Expenditure of Development Funds

As a member of the MPPA the City is being asked to formalize their planned participation in what is being called the Coldwater Peaking Project. This project includes the regulatory process and procedures, design and construction of a Natural Gas Electric generation facility.

This project is needed do to several coal generation plants that will be taken offline over the next 5-10 years. Resolution 19-09 solidifies the City's commitment to participate in this project and authorized MPPA to expend development funds as necessary for the filing and project development needs to move this project forward. The City is anticipated to be taking 5% of the generation load from this project and all costs associated with this project which will be allocated to the City will be allocated based upon that participation percentage.

It is my recommendation that the Council approve Resolution 19-09 electing to participate in the Coldwater Peaking Project Committee and Authorizing Expenditure of Development Funds.

Lynne

RESOLUTION 19-09
City Council
City of Hart, Michigan
Oceana County

**RESOLUTION ELECTING TO PARTICIPATE IN THE COLDWATER
PEAKING PROJECT COMMITTEE AND
AUTHORIZING EXPENDITURE OF DEVELOPMENT FUNDS**

WHEREAS, the City of Hart (the "City") is a member of the Michigan Public Power Agency ("MPPA"); and

WHEREAS, MPPA has determined that it is in the best interest of its Members to investigate the potential for new power generation resources to serve its Members' present and future power needs; and

WHEREAS, an opportunity exists for the Members, through MPPA, to purchase a 50% ownership interest in a natural gas-fired electric generating plant in Coldwater, Michigan to be jointly owned by Michigan South Central Power Agency, with the potential net power generation capacity of 97.2 MW, which is currently projected to be ready for service by the end of 2021 (the "Coldwater Peaking Project"); and

WHEREAS, the current fixed-price proposal for the acquisition, construction and installation of the Coldwater Peaking Project is \$42,372,000 excluding other costs such as financing costs, land acquisition, environmental permits, etc. of which MPPA, through its participating Members, would be responsible for approximately 50% of the final costs; and

WHEREAS, the Midcontinent Independent System Operator ("MISO") requires that certain generator interconnection studies be performed prior to physically interconnecting the Coldwater Peaking Project to the transmission system and the lead time for such studies spans approximately 18 months; and

WHEREAS, to determine whether participation in the acquisition, construction and ownership of a portion of the Coldwater Peaking Project makes economic and strategic sense for MPPA and its Members' future capacity needs, and to negotiate ownership and operating agreements with MSCPA and contracts with participants, and work on a potential bond financing, it is necessary to establish a Coldwater Peaking Project Committee and to engage the services of various consultants including, but not limited to, engineers, architects, environmental consultants, accountants, attorneys and financial advisors and to fund the MISO transmission studies (the "Development Costs"); and

WHEREAS, prior to the expenditure of any funds on the Development Costs, it is necessary for the City along with the other participating Members to elect to participate in the Coldwater Peaking Project Committee to authorize the percentage allocation of the expenses related thereto; and

WHEREAS, the Members who elect to participate in the Coldwater Peaking Project Committee and the Development Costs shall be responsible for their allocable share of the Development Costs on a pro rata basis; and

WHEREAS, it is anticipated that any expenditure on Development Costs may be reimbursed from the proceeds of the financing should MPPA, and the Members who elect to participate in the Development Costs Agreement, issue bonds and acquire an ownership interest in the Coldwater Peaking Project; and

WHEREAS, it is expected that the Coldwater Peaking Project Committee will be created by action of the MPPA Board of Commissioners on February 13, 2019 with the goal of analyzing factors such as siting, permitting, transmission, turbine capacity, and economics and proceeding with negotiating ownership and operating agreements with MSCPA and contracts with participants and to begin work on a potential bond financing, in order to acquire an undivided ownership interest in the Coldwater Peaking Project; and

WHEREAS, the City of Hart believes it is appropriate and prudent for the City to participate in power supply opportunities, such as the Coldwater Peaking Project in order to provide opportunities for the City and its customers for the City to purchase energy so that City can supply energy to its customers in an economical manner.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City is authorized to participate in MPPA's Coldwater Peaking Project Committee for the purposes of determining the economics and feasibility of the City obtaining a share of the capacity in the Coldwater Peaking Project, and to determine the amount of capacity the City should obtain in connection with the Coldwater Peaking Project. If the City participates in the Coldwater Peaking Project, the City will approve power contracts with MPPA under a separate resolution.

The City hereby approves of the allocation of the Development Costs in the amount set forth on Exhibit A attached hereto and made a part hereof.

All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Moved by Splane, supported by Frontiera and thereafter adopted at the regular City of Hart City Council meeting on February 12, 2019.

Ayes: 6 Nays: 0 Absent: 1

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



Cheri Eisenlohr, Deputy City Clerk

EXHIBIT A

MICHIGAN PUBLIC POWER AGENCY SCHEDULE OF ALLOCATION
BETWEEN PARTICIPATING MEMBERS

Participating	Allocated
<u>Members</u>	<u>Share</u>

Bay City	17 %
Charlevoix	3 %
Chelsea	4 %
Eaton Rapids	9 %
Grand Haven	10 %
Harbor Springs	5 %
Hart	5 %
Lowell	4 %
Petoskey	9 %
Portland	1 %
St. Louis	1 %
Traverse City	3 %
Wyandotte	4 %
Zeeland	25 %

The Allocation Share represented above shall be the basis for allocated MISO interconnection charges and Development Co.


 City of Hart

Memo

To: Mayor and City Council
 From: Lynne Ladner
 cc:
 Date: 2-8-19
 Re: SCADA system upgrades and coordination

The SCADA system currently in operation at the BioPure treatment plant utilizing the Wonderware software system has reached the end of its useful life. The software is obsolete, the company is no longer providing updates and in terms of monitoring and alarms it no longer provides the necessary alarms and notifications to staff necessary to continue to operate the plant within regulatory guidelines.

Paul has met with and done research on several SCADA systems including UIS and KISM. Preferring to not lock the wastewater treatment system into proprietary software as is supplied and required for other systems the decision was made to move forward with the KISM system as supplied by Kennedy Industries.

The Council is being asked to consider two purchases. The first called Option 1 would be the purchase and installation of the KISM monitoring and alarming system to replace the obsolete non-functioning Wonderware system. The cost for this option is \$71,734.00.

The second purchase called Option 3 would be the purchase and installation of the KISM hosted SCADA system at the City's six lift stations. This purchase would standardize and integrate the entire wastewater treatment system on a single SCADA monitoring and alarming software allowing staff to fully monitor all operations using a single platform. The cost of this option is \$62,930.00.

The resolution before the council provides the flexibility of the Council if they choose to move forward with one or both options. The single option cost is \$71,734 for the two options together it would be \$134,664.

It is my recommendation that the Council approve Resolution 19-10 for both options 1 and 3 the purchase of SCADA system upgrades for the entire BioPure system in the amount of \$134,664

Lynne

RESOLUTION 19-10
City Council
City of Hart, Michigan
Oceana County

PURCHASE OF KISM SCADA SYSTEM FOR BIOPURE PLANT AND LIFT STATIONS

WHEREAS, the City of Hart owns, operates and maintains a wastewater collection, treatment and discharge systems known as the Hart BioPure system; and

WHEREAS, the SCADA system currently in place at the treatment plant is obsolete and no longer performs the necessary tasks of a SCADA system; and

WHEREAS, the wastewater collection, treatment and discharge facilities are utilizing four different SCADA systems without integration and parts of which no longer provide the necessary alerts related to issues within the system; and

WHEREAS, to provide for the efficient and properly regulated wastewater system it has become necessary to replace the monitoring and alarm systems in part if not most of the system:

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL:

Authorize the purchase and installation of the KISM Hybrid SCADA monitoring and alarm system at the treatment plant with Option 1 for a total amount of \$71,734.00; and

Authorize the purchase and installation of KISM Hosted SCADA monitoring, control and alarming systems at the Griswold, East Main, Riverside, Plum, Polk Road and Creeks Pump Stations Option 3 for a total amount of \$62,930.00

The total authorized cost for purchase and installation of updated SCADA systems for the BioPure system is \$134,664.00.

Moved by Ms. Martin, supported by Ms. Platt and thereafter adopted at the regular City of Hart City Council meeting on February 12, 2019

Ayes: 6 Nays: 0 Absent: 1

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



Cheri Eisenlohr, Deputy City Clerk

Discussion: Mr. Ben Manlongat and Bryan Raftery of Kennedy Industries gave a presentation of the project and answered various questions that the Council asked of them.

SPECIAL EVENTS PERMIT: None

DISCUSSION ITEMS:

- Citizen’s concerns regarding 508 Griswold:
 - Sally DeFreitas and Kathy Adams spoke regarding their concerns over an Adult Foster Care Home located at 508 Griswold. Recently a resident was removed from the location in handcuffs and they were concerned for neighbor’s safety. Chief Salazar advised them that this is not the first time that this particular resident has created difficulties at this location and he would be looking into it

more with the owners of the foster home, Beacon Home at Hart. The area is zoned for this type of facility. The facility is looking into a new location for this resident. The prosecutor's office is looking at a felonious assault charge at this time due to the resident brandishing a knife.

CITY MANAGER REPORT:

- Letters were sent regarding the Steering Committee for the RRC Economic Development and Branding Strategy Project to several parties, some have answered but not all.
- Stakeholders in Pentwater, Shelby, Walkerville, and the City have been contacted in regards to the current Recreation Manager, Gary Jorrison, resigning from the program.
- There will be a meeting later in the week for the parties involved in the extension of the Hart Montague bike trail to Pentwater.
- An RFP for a CDBG grant administrator is being worked on to obtain funding from the MEDC for the Pocket Park Project.
- City Hall will be closed for a second time next Thursday for file purging. Pictures will be presented to the Council to show the progress made.
- Ms. Ladner will be in Shelby on the 26th for the Oceana County College career fair to showcase employment with local governments.
- There will be a meeting next week with Brent Henry (MPPA), Mike Schiller, Mike Powers, and Ms. Ladner to evaluate the diesel plant and options for future peak power generation by the City.
- The USDA is recommending that municipalities apply for funding to expand its broadband capabilities. Ms. Ladner will participate in a webinar to learn more tomorrow afternoon.
- 7-Month budget report
 - All areas are on track as of this time.

CITY ATTORNEY'S REPORT:

- None

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- City Manager's 6-month evaluation:

There being no further business to come before the Council, the meeting adjourned at 8:52 p.m., upon motion by Mr. Frontiera and supported by Ms. Martin. The next regular meeting is February 12, 2019, at 7:30 p.m.

Respectfully Submitted

Cheri Eisenhardt

Deputy City Clerk