

**CITY OF AU GRES
REGULAR CITY COUNCIL MEETING
TUESDAY, AUGUST 13, 2024
7:00 P.M.**

PRESENT: Mayor Jon Sanford, Dan Heinrich, Jane Barbour, John Popovich, Joe Warr

ABSENT: None

ALSO PRESENT: City Manager Dale Wiltse, Jamie Rivette from Yeo & Yeo

1). CALL TO ORDER

Mayor Jon Sanford called meeting to order at 7:00 p.m.

2). PLEDGE OF ALLEGIANCE

Mayor led City Council and audience into the Pledge of Allegiance.

3). ROLL CALL

Roll call noted all members present.

4). MINUTES

MOTION (Popovich) to approve July 9, 2024 regular and July 9, 2024 closed session meeting minutes as presented; support (Warr). Motion carried.

5). SET AGENDA

MOTION (Warr) to approve agenda; support (Popovich). Motion carried.

6). CITIZEN'S COMMENTS: None

7). AU GRES CITY POLICE CHIEF REPORT

Chuck Allen was absent tonight. City Manager would like City Council to support having Chuck write tickets for speeding and running the red light. Don't need to write everyone a ticket but get traffic to slow down and turn patrol lights on occasionally will send a message. City will pay Chuck for time in court if they do fight ticket. If you see Chuck in town, mention this to him. John Popovich said he received a complaint on speeding in front of 819 East Michigan Avenue; can have Chuck move speed sign down there for a while.

8. OLD BUSINESS:

8.1 Baseball field update: Julie Schnettler no news to report on ballfields per email.

9). NEW BUSINESS

9.1 Audit Presentation Jamie Rivette, Yeo & Yeo

Jamie Rivette was present tonight to go over audit presentation for the 2023/24 fiscal year. General fund revenues totaled \$691,093 with 42% amounting from taxes. At year end, City ended in the black and had \$41,388 going back into fund balance for a total balance of \$934,242 unrestricted.

Sewer fund had total revenues 310,670 and expenses of 304,787 to equal unrestricted fund balance of \$840,321.

Water fund had total revenues 386,894 and expenses of 314,191 to equal unrestricted fund balance of \$955,957.

City's pension funding status increased this year to 73.28% (up from 67.98%) with the help of the market and City contributing additional amounts. OPEB funding status this year increased to 45.65% (up from 24.29%) with the help of the market and the City now starting to do an annual contribution of \$25,000 since 2022. Jon Sanford suggested that on Pension and OPEB charts, maybe have bar chart from several years included for comparison. No other questions; City Council thanked Jamie for coming out to do presentation.

9.2 Housing Project

City Manager explained to City Council the MI Neighborhood MSHDA program to build 5 turnkey homes in Southcourt Estates subdivision. City would be deeded over 5 lots in the subdivision to apply for the grant which is due October 1, 2024. Only cost the City would have right now is estimated at \$5,000 for LeeAnn Fischer, Arenac County Housing Department to apply for the grant. This grant is \$100,000 per home up to a max of 5 homes. One home would have to be low income of 60% of AMI (Area Median Income of \$79,600) and the other 4 homes cannot exceed income levels of 120% AMI. Total cost per home needs to be around \$300-320,000 (before the \$100,000 deduction) to be affordable to the middle-class families. The homes must be used as primary residence for 5 years and all 5 homes must be built within two years. Looking at building 1400 square foot home with garage. City Manager is

figuring on pre-fab homes and only work is foundation and building a garage per lot to help stream line the process even faster. Joe Warr would like to see City Manager reach out to local contractors to see if they could meet these stipulations first before ordering pre-fab homes. Grant does cover an 18% administration fee that would be paid to LeeAnn Fischer at the Arenac County Housing Department for overseeing. City Manager would like to see a housing advisory board set up for the grant program.

MOTION (Warr) to apply for the MI Neighborhood grant housing project and to create advisory board; support (Heinrich). Motion carried.

10). CITY MANAGER REPORT

10.1 Trash Contract Renewal Proposal: been in contact with Republic Trash on renewing for another 5 years at a 5% increase each year (1st year- 13.45, 2nd year 14.12, 3rd year 14.82, 4th year 15.57 and 5th year 16.35). Right now, City currently pays \$12.81/month per household. Survey done if city residents wanted curbside recycling back at an additional cost of \$50-70 per year or stick with the recycling dumpsters of \$7 per year. Results were split almost 50% yes, and 50% no. City Manager feels that with curbside recycling forcing all city residents to pay for at an additional cost and this would eliminate Sleepy Oaks and boat slip owners from participating and paying for this serve; city will stick with recycling dumpster and get dumped twice per month during the summer months. Dale will reach out to Republic and get something in writing for next council meeting.

- Campground Expansion- bid packages will be available August 19 and and bids due in September 17. Planning on sending to local contractors with no advertising elsewhere. If Council has any other suggestions, let Dale know. Will open and present at Park & Recreation Meeting that night.
- Will be giving power point presentation in Traverse City tomorrow for grant application on campground expansion.
- Great Car Show with record numbers!
- Venetian Night was successful with 11 boats and 3 kayaks.
- Dawn Senior Living Project has started construction finally!
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11). COMMENTS

11.1 Citizens: None

11.2 Mayor: Thank you LaVonne for all your hard work on recent election and audit! Dale thank you to all the projects you are working on.

11.3 Council Members:

Barbour: Car Show was great! Missed the Venetian night.

Popovich: Only item was the speeding complaint we talked about earlier on Michigan Avenue.

Warr: Good to hear all the things going on in Au Gres right now and moving forward!

Heinrich: Covered everything.

11). PAYMENT OF BILLS

MOTION (Heinrich) to approve payment of bills as submitted; support (Warr). Motion carried.

12). APPROVAL OF FINANCIAL STATEMENTS

MOTION (Warr) to approve June financial statements as submitted; support (Popovich). Motion carried.

13). ADJOURNMENT

MOTION (Popovich) to adjourn meeting at 8:50 p.m.; support (Heinrich). Motion carried.

Jon Sanford, Mayor

LaVonne Pritchard, City Clerk