

**CITY OF AU GRES
REGULAR CITY COUNCIL MEETING
TUESDAY, SEPTEMBER 5, 2023
7:00 P.M.**

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

ABSENT: Joe Warr

ALSO PRESENT: City Manager Dale Wiltse, Jamie Rivette from Yeo & Yeo, Troy Williamson from Bilacic Trucking, Arenac County Drain Commissioner Larry Davis, Riverside Drive residents: Don Walton, 1736 Riverside, Durrell Hayes 1761 Riverside, Mike & Mindy Latimer, 1732 Riverside, Hubert Hintz, 1754 Riverside Drive

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 Joe Warr absent.

4). MINUTES

MOTION (Barbour) to approve August 1, 2023 regular meeting minutes as presented; support (Heinrich). Motion carried.

MOTION (Barbour) to approve August 1, 2023 closed session meeting minutes as presented; support (Heinrich). Motion carried.

5). SET AGENDA

MOTION (Popovich) to approve agenda as submitted; support (Heinrich). Motion carried.

6). CITIZEN'S COMMENTS:

Walton: Riverside Drive Drain project nearly complete and there is no drainage in his section of road. Property still floods every time it rains. Would like a catch basin or something in his section that was missed so him along with the other property owners can drain their water.

Larry Davis: To fix this problem now, drain office can not do; not enough money in account. This is a city problem and City doesn't have storm water infrastructure in place to get water to drain to the County drain.

Dale Wiltse: Troy Williamson (Bilacic Trucking), contractor for the project is almost finished with output valve and pump station left to install. City Manager feels that error is not on City with no infrastructure but on County Drain Office and Engineering when establishing this Drain Project. These property owners are now paying and expecting relief to their flooding issues and they are getting nothing in return. Drain Office will let City know how much money is left and Troy Williamson will get City a price to fix this section of Riverside Drive that was missed.

7). AU GRES CITY POLICE CHIEF REPORT:

City Police Chief Chuck Allen was present tonight and passed out August report. Wanted to let City Council know that himself and City Manager created a form for blight issues. He will field all blight complaints and then serve them a violation notice addressing any number of concerns and talk to property owner and working with them on getting property fixed up, mowed, etc. within so many days. Does not want to issue a ticket or fine, just want to enforce city ordinances and not have an eye sore for the next-door neighbor. Has issued 8 notices and working out great so far!

8. OLD BUSINESS: None

9). NEW BUSINESS

9.1 Audit Presentation- Jamie Rivette from Yeo & Yeo

Jamie Rivette from Yeo & Yeo was present tonight for audit presentation. City received highest ranking an audit could receive as an unmodified opinion. Went over brief synopsis of City's financials along with passing out the audit report for the 2022/23 fiscal year.

General Fund: looks to be in good shape with 48% revenue from taxes and 21% from State revenue sharing. General fund added roughly \$50,000 into their unassigned, unrestricted fund balance.

Sewer Fund: stayed very consistent to last year's revenue and added roughly \$23,000 to fund balance.

Water Fund: stayed very consistent to last's years revenue and added roughly \$111,000 to fund balance.

MERS pension plan is closed and City has been contributing monthly amounts greater than set payment but with the market, City went from 79% funded to 68% funded. City did open an RHFV plan 2 years ago for OPEB (Other Post-Employment Benefits) and contributes \$25,000 yearly toward this. This plan went from 11% to 24% funded. City Council had no questions and thanked Jamie for coming.

9.2 VC3- Three Year Contract for IT Support

City received new packet from VC3 (use to be IT Right Company) on new prices and signing a 3-year contract for it services and support. City pays \$3360 right now per year for 7 computers and 1 server and they plan on raising it over the next 3 years in small increments, the first year jumping up to \$4435. The City can get out of contract at any time with a 90-day notice. City Manager recommends committing to the first year with VC3 and let him check around with other municipalities who they use and what they pay for services. City Council agreed to continue IT support with VC3 and no motion was needed to continue status quo.

9.3 Park Expansion Project

City Manager still has not heard if City was successful in the 2nd round through SPARKS Grant program. Consumer Energy re-evaluated their power situation and said they have enough power now to grant City permission to put in the park expansion before the new grid is complete. Grant money usually requires more hoops to jump through and engineering fees to pay. Consensus was for City Manager to get ahold of Rick Freeman for preliminary cost estimates and rough site plan to see whether City wants to pursue project or not.

9.4 Post Office

City Manager and Mayor worked with Russo Engineering to come up with a preliminary sketch to present to the post office for a new combined post office/city hall building on the vacant Ennes property. Post Office seems interested in this proposal along with two others. Post office is wanting to be in new building by September 2024 with a 5-year lease with possible 5-year renewal increments. One of the other options is a group of developers that want to convert the old McDonald's building but communication has been very slow. City Manager thinks the McDonald's would be the best choice but, afraid with the time frame, doesn't want the city to miss out on the opportunity or to have it move outside of town. Consensus was for City Manager to get ahold of Russo Engineering and get preliminary cost estimates and rough site plan to see whether City wants to pursue this undertaking or not.

10). CITY MANAGER REPORT

- Violation Notices working well with Police Chief Charles Allen enforcing.
- Wanted to make City Council aware that City is down numbers in staffing at City Park and DPW through the end of the year so remaining staff will be doing these additional duties temporary.
- Arenac County is moving ahead with the rest of the State Grant money on fixing up existing fairground.
- Venetian Night was great with 13 boats this year!
- Halloween in the Park is set for the weekend of October 21, 2023. Author of American Chillers book series Jonathan Rand will be present for book signing and purchase.

11). COMMENTS

11.1 Citizens: City Assessor Brandon Murphy present tonight. Everything going good; housing market is still up with inflation rates up as well. Don't be surprised by another 5% CPI index rate from the 2024 tax season.

11.2 Mayor: None

11.3 Council Members: None

11). PAYMENT OF BILLS

MOTION (Popovich) to approve payment of bills as submitted; support (Barbour). Motion carried.

12). APPROVAL OF FINANCIAL STATEMENTS

MOTION (Heinrich) to approve July financial statements as submitted; support (Popovich). Motion carried.

13). ADJOURNMENT

MOTION (Heinrich) to adjourn meeting at 9:10 p.m.; support (Popovich). Motion carried.