CALL TO ORDER
Mayor Daniel Balice called the regular meeting of City Council to order at 7 PM and led with the Pledge of Allegiance.

ROLL CALL

PUBLIC COMMENTS
Mayor Dan Balice presented to Kim Patrick a plaque recognizing his years of service to the community.

APPROVAL OF MINUTES
It was moved by Councilmember Millard, seconded by Councilmember Winters to approve the October 1, 2019 regular meeting minutes.

Roll Call Vote:  Ayes: Milewski, Winters, Kelley, Lee, Starr, Millard, Gustafson, Waterman and Mayor Balice
Nays: None
MOTION CARRIED

It was moved by Councilmember Milewski, seconded by Councilmember Winters to approve the October 25, 2019 special meeting minutes.

Roll Call Vote:  Ayes: Winters, Kelley, Lee, Starr, Millard, Gustafson, Waterman, Milewski and Mayor Balice
Nays: None
MOTION CARRIED

NEW BUSINESS
Approve – FY18-19 City Audit
Representatives of the City’s auditors, Vredeveld Haefner LLC, Grand Rapids, were at the meeting to present to Council the FY18-19 City audit.
The City Manager stated that again this year the City received a “clean opinion” from the auditor. This opinion reflects positively on the internal control practices that are in place for handling the City’s finances. Congratulations to Chris and his staff on the fine work!

In terms of the audit, the following numbers are of particular interest:

- At the conclusion of FY18-19, the City’s total net position was $22,166,947, up from the FY17-18 total of $20,816,434.
- At the conclusion of FY18-19, the City had $6,360,904 in cash, certificates of deposit and pooled investments compared to $7,365,417 at the conclusion of FY17-18. Available cash fluctuates annually due to the payment cycles associated with capital projects.
- General Fund, fund balance decreased from $1,301,612 as of June 30, 2018 to $978,261 as of June 30, 2019, still within the Council adopted policy of 10% of expenditures.
- Major Street Fund, fund balance decreased from $401,671 to $342,921 as money is used for street maintenance projects.
- Local Street Fund, fund balance increased from $223,686 to $323,915 as money is set aside to fund future street maintenance projects.
- Total outstanding general governmental activities debt decreased from $428,997 to $396,760 during the fiscal year.
- Total outstanding business-type activities debt (utility debt) decreased from $30,084,175 to $28,879,625 due to bond payments made during FY18-19.

The IRUA Fund audit was also recently completed. It will be reviewed by the IRUA Board of Trustees at its November 7th meeting.

It was moved by Councilmember Kelley, seconded by Councilmember Lee to receive and place on file the FY18-19 City Audit and direct the City Treasurer to transmit copies of the audit to the appropriate State agencies and financial institutions.

Roll Call Vote: Ayes: Kelley, Lee, Starr, Millard, Gustafson, Waterman, Milewski, Winters and Mayor Balice
Nays: None
MOTION CARRIED

Approve – Ionia Community Library New Facility Location Request
The City Manager received a request from the Ionia Community Library for the use of the City’s property at the corner of Adams and Steele Street for a new library should the Library be successful in gaining voter approval of a millage for that purpose at the August 2020 election.
The Library made a similar request (which was approved by Council) during July 2018 in regards to the November 2018 election. The Library was not successful in securing voter approval for the millage.

The construction of a new library at this location remains consistent with the recently adopted Steele Street Corridor Master Plan component of the City’s 2019 Master Plan.

It was moved by Councilmember Milewski, seconded by Councilmember Winters to acknowledge action taken by the Ionia Community Library (ICL) Board of Trustees regarding the use of City owned property at the south east corner of Adams and Steele Streets (Property Tax ID #34-201-040-000-076-00) and authorize the timely transfer of ownership of the property to the ICL in the event that ICL’s facilities millage request scheduled for the August 2020 election is approved by the voters.

Roll Call Vote: Ayes: Lee, Starr, Millard, Gustafson, Waterman, Milewski, Winters, Kelley and Mayor Balice
Nays: None
MOTION CARRIED

Approve – Opt-Out of PA152 for Union Dial-A-Ride Employees
The City Manager reported that the City’s union Dial-A-Ride (DAR) employees are covered by a collective bargaining agreement that expires July 1, 2024. The agreement includes provisions regarding hospitalization insurance coverage and the level of the employee’s contribution for the term of the agreement. Currently the City has three employees at DAR that are eligible for employer paid health insurance coverage. Currently, all three employees subscribe to the coverage.

The United States Department of Labor (DOL) has determined that the provisions of Public Act 152 of 2011 (employer/employee health insurance cost sharing legislation) violate the collective bargaining rights of public sector transit employees. As a result, federal grants for transit operations will not be approved unless the local legislative bodies of affected municipalities “opt out” of the provisions of Public Act 152 for union DAR employees. Public Act 152 requires the local legislative body to take action annually to opt out.

It was proposed that to protect DAR federal funding, Council take action similar to the action taken during each November since 2011. To be effective, the vote to opt out requires support from two-thirds of Council with the exemption effective for calendar year 2020 which coincides with our health insurance plan year.

It was moved by Councilmember Gustafson, seconded by Councilmember Lee to approve the following resolution:
WHEREAS, the Publicly Funded Health Insurance Contribution Act or Public Act 152 of 2011 mandated certain cost sharing obligations for public employee health insurance premiums and costs; and,

WHEREAS, Section 8 of the Act permits the “governing body” of a “local unit of government” to exempt itself from the requirements of this act for the next succeeding year by two-thirds vote of the governing body; and,

WHEREAS, the City has learned that federal transit grant dollars that the City utilizes to operate Dial-A-Ride are in jeopardy if the City does not opt out of the requirements of Public Act 152 of 2011 for union Dial-A-Ride employees.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ionia hereby exercises its rights pursuant to Section 8 of Public Act 152 of 2011, the Publicly Funded Health Insurance Contribution Act, by exempting its union Dial-A-Ride employees from the provisions of the Act for calendar year 2020.

Roll Call Vote: Ayes: Starr, Millard, Gustafson, Waterman, Milewski, Winters, Kelley, Lee and Mayor Balice Nays: None MOTION CARRIED

Approve – Fairgrounds Lease Agreement Extension – Free Fair Association
The City Manager reported that the current five-year lease agreement between the City and the Free Fair Association for City owned property which makes up the fairgrounds expires December 31, 2019. The Free Fair Board recently voted to enter into a new five-year lease agreement with the City subject to the same terms and conditions as the current lease.

It was moved by Councilmember Kelley, seconded by Councilmember Starr to grant the request received from the Free Fair Board and approve the “Amendment to Agreement between City of Ionia and Ionia Free Fair Association, Inc.” extending the current lease agreement until January 1, 2025 for City owned property which comprises the fairgrounds and authorize the City Manager to sign the Amendment on behalf of the City.

Roll Call Vote: Ayes: Millard, Gustafson, Waterman, Milewski, Winters, Kelley, Lee, Starr and Mayor Balice Nays: None MOTION CARRIED

The City's Rising Tide Fellow, Robin Suomi, provided a brief overview of the Economic Development Strategy report as part of Project Rising Tide.

Council received report, no action taken.

**Receive – Project Rising Tide – Housing Marketing Analysis Report**
The City's Rising Tide Fellow, Robin Suomi, provided a brief overview of the Housing Marketing Analysis Report as part of Project Rising Tide.

Council received report, no action taken.

**Receive – Project Rising Tide – Generation Z Report**
The City’s Rising Tide Fellow, Robin Suomi, provided a brief overview of the Generation Z Report as part of Project Rising Tide.

Council received report, no action taken.

**Confirm – Mayor's Appointment to Various Boards and Commissions**
The Mayor requested Council's confirmation of the following individuals:

- Downtown Development Authority Board of Directors:
  - Reappointment of Margot Cook for a term ending December 31, 2023
  - Appointment of Chris Sorrell for a term ending December 31, 2023

It was moved by Councilmember Winters, seconded by Councilmember Waterman to confirm the Mayor’s appointments to the Downtown Development Authority Board of Directors.

Roll Call Vote:
- Ayes: Gustafson, Waterman, Milewski, Winters, Kelley, Lee, Starr, Millard and Mayor Balice
- Nays: None

MOTION CARRIED

**MAYOR AND COUNCILMEMBER COMMENTS**
Balice: Commented that the Chili Dawg Challenge was another success. Sparrow continues to grow and do well.

Gustafson: Remarked that Independent Bank used 1,100 hot dogs at the Autumn Harvest.

Millard: Mentioned that he’s glad to have Richard Starr on Council.

Starr: Thanked everyone for the support.

Lee: Appreciated new councilmember orientation.
Kelley: Acknowledged work of Project Rising Tide and Robin Suomi’s efforts.

Milewski: Thanked Kim Patrick for his service.

**ADJOURNMENT**
It was moved by Councilmember Starr, seconded by Councilmember Lee to adjourn the meeting at 8:12 PM.

Respectfully submitted:

Ally H. Cook, Clerk