

Bid specifications for the directional sign portion of the project were recently prepared and made available to interested bidders. Bids were opened on August 2, 2018 with the following bids received:

Valley City Sign Company	\$77,084.00
Praise Sign Company	\$79,225.00
Signs by Crannie	\$92,257.36
Universal Sign, Inc.	\$109,918.00

Upon review of the bids, Spicer is recommended that the low bid submitted by Valley City Sign Company for \$77,084.00 be accepted. The FY18-19 General Fund budget included funds to cover the cost of the project. The City Manager stated that the project should be completed by the end of December. At the July meeting, Council approved entering into an operation and maintenance agreement with MDOT for the signs to be installed within the M-66 and M-21 highway rights-of-way.

It was moved by Councilmember Paton, seconded by Councilmember Milewski to accept the bid submitted by Valley City Sign Company, Comstock Park, for the City's wayfinding sign project for \$77,084.00 and authorize the City Manager to sign the necessary contract

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

Approve – Pension Program Corrective Action Plan

The City Manager reported that this year Council approved submitting a request to the Michigan Department of Treasury for a "waiver" pursuant to the State's Protecting Local Government Retirement and Benefits Act from the requirement of developing and gaining approval of a "corrective action plan" from the State for the City's MERS pension program. The request for a waiver was based on the fact that the City does not meet the minimum 60% funding level (City is currently at 50%) in its MERS pension program and annually spends more than 10% of general revenues on its pension program. The City Manager reported that, in May, the City received notification from the State that the request for a waiver was denied which started the 180 day clock for submitting a corrective action plan to Treasury's Municipal Stability Board. The corrective action plan is required to address how the City intends to address the MERS underfunded status condition.

The City Manager reported that, since receiving the waiver denial letter, he and Chris Hyzer had been working with MERS to assess options to include in our corrective action plan; options that permit the City to meet the 60% funding level within a reasonable period of time. After assessing these options, the attached corrective action plan was developed which contains the following action items"

- 1) Contributing an additional \$250,000 per calendar year beginning 2019 and continuing through 2022. This contribution is above the normal, annual contribution required by MERS.
- 2) Closing the last remaining “open” defined benefit pension division which covers the Department Directors/City Manager and opening a new hybrid program (mix between defined benefit and defined contribution with an employee contribution) for new hires. All other divisions are on the hybrid program.

Based on projections provided by MERS, implementing these two options will permit the City to meet the 60% funding level with the City’s fiscal year beginning July 1, 2024 and thereby be in compliance with the Act.

It was moved by Councilmember Kelley, seconded by Councilmember Paton to approve the “Protecting Local Government Retirement and Benefits Act – Corrective Action Plan (CAP) for Defined Benefit Pension Retirement Systems” which includes contributing an additional \$250,000 per calendar year (2019-2022 inclusive) to the Michigan Municipal Employees Retirement System and authorize the City Manager to sign the CAP on behalf of the City.

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

Approve – Fireworks Permit – Purple Week/Community Awareness Week

The City Manager reported that the City received a request from the Community Awareness Week Committee for a fireworks display permit for Friday, September 14, 2018. As with the displays held during 2015, 2016 and 2017, fireworks are proposed to be launched following the varsity football game on property owned by the Ionia Public School System, located east of the football stadium.

It was moved by Councilmember Paton, seconded by Councilmember Millard to approve the request from the Community Awareness Week Committee for a fireworks display permit for Friday, September 14, 2018 at the Ionia Public School System property located on Tuttle Road and to authorize the City Manager to sign the permit application on behalf of the City.

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

Discussion – Local Preference in Purchasing Policy/Ordinance

During discussion, Mayor Balice appointed Councilmembers Milewski, Patrick and Kelley to a committee which will further discuss the issue and will report back to Council at a later date.

MAYOR AND CITY COUNCIL COMMENTS

Gustafson: Mentioned that the Rotary will be having their Annual Grand River Tour de Ionia Bike Tour on Saturday, September 15.

Millard: Encouraged everyone to support the community during the upcoming Purple Week.

ADJOURNMENT

It was moved by Councilmember Waterman, seconded by Councilmember Gustafson to adjourn the meeting at 7:38 PM.

By Voice Vote: MOTION CARRIED

Respectfully Submitted:

Ally H. Cook, Clerk