



CITY OF IONIA
CITY COUNCIL
REGULAR MEETING MINUTES
7:00 PM, DECEMBER 7, 2021
CITY HALL COUNCIL CHAMBERS

CALL TO ORDER

Mayor Dan Balice called the regular meeting of City Council to order at 7:00 PM and led with the Pledge of Allegiance.

ROLL CALL

Roll call revealed Councilmembers John Milewski, Jeff Winters, Gordon Kelley, Tim Lee, Richard Starr, Tom Millard, Janice Gustafson, Troy Waterman and Mayor Dan Balice present.

PROCLAMATIONS

Mayor Balice read a proclamation for Arbor Day 2021.

APPROVAL OF MINUTES

It was moved by Councilmember Kelley, seconded by Councilmember Winters to approve the November 2, 2021 regular meeting minutes and the November 9, 2021 special meeting minutes.

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

NEW BUSINESS

Ordinance No. 558 – Chapter 1284 Signs

Per the City Manager, the Planning Commission has been reviewing the sign ordinance over the last few months and recommends that City Council approve Ordinance No. 558. The proposed ordinance will repeal Chapter 1234 and create a new Chapter 1284 for sign regulations. This aims to reorganize sign regulations in a more fitting place within the zoning code as opposed to where it was previously located within subdivision regulations. The change aligns the sign ordinance with a proposed amendment to Chapter 1244 titled Board of Zoning Appeals, which is also being considered by City Council.

Major changes can be seen in the definitions, sign graphics, permit requirements, and overall ordinance organization. The layout and organization changes were made to streamline the ordinance and make it easier to understand and enforce.

It was moved by Councilmember Winters, seconded by Councilmember Millard to approve the introduction and first reading of Ordinance No. 558 that repeals Part Twelve, Title Four, Chapter 1234 entitled “Subdivision Regulations; Signs” and adds to Part Twelve, Title Six, a new Chapter 1284 entitled “Zoning; Signs” to the Codified Ordinances of the City of Ionia and to schedule a Public Hearing regarding the proposed ordinance for 7:00 PM, Tuesday, January 4, 2022 at City Hall.

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

Ordinance No. 560 – Amend Chapter 1244: Board of Zoning Appeals

As stated by the City Manager, City staff have been reviewing ordinances, policies, and documents in an effort to update items to reflect current practice. During this review, it was noted that the Sign Board of Appeals is the governing body for variances and appeals related to signs. This board functions identically to the Zoning Board of Appeals and is comprised of the same members. In order to provide clarity and follow the example of other communities, it was determined that the Sign Board of Appeals should be eliminated and replaced by the Zoning Board of Appeals. The first amendment to Chapter 1244 provides the Zoning Board of Appeals with authority over signs consistent with the new language proposed in Chapter 1284.

The other change in this amendment is a housekeeping item to add the variance standards to the City Ordinance. Currently the standards for use and non-use (dimensional) variances are outlined solely on the ZBA Variance Application. As these standards are a requirement for granting a variance, they need to be explicitly stated in the ordinance.

It was moved by Councilmember Winters, seconded by Councilmember Lee to approve the introduction and first reading of Ordinance No. 560, amending Chapter 1244, “Board of Zoning Appeals” of Title Six, “Zoning” of Part Twelve, Planning and Zoning” of the Codified Ordinances of the City of Ionia and to schedule a Public Hearing regarding the proposed ordinance for 7:00 PM, Tuesday, January 4, 2022 at City Hall.

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

Property Taxes – Poverty Guidelines - 2022

City of Ionia Policy No. 1-013 establishes poverty guidelines for property tax exemptions used by the Board of Review in determining if an applicant qualifies for a full or partial exemption. These poverty guidelines for both income and assets are updated and established annually by the City of Ionia.

It was moved by Councilmember Milewski, seconded by Councilmember Waterman to approve the revised Policy No. 1-013 to establish poverty and asset guidelines for the 2022 tax year.

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

National Opioid Settlement – Settlement Participation Form

The City Manager explained the proposed national opioid settlement, which has been devised in response to multiple lawsuits filed against manufacturers and distributors of opioids. The settlement would provide substantial funds to states and subdivisions for abatement of the Opioids epidemic. Some important details include:

- Approximately \$22.8 billion in settlement proceeds will be payable to state and local subdivisions. Of those funds, at least 85% must be used for abatement of the Opioid Epidemic.
- Abatement uses include a wide range of intervention, treatment education, and recovery services, as decided by state and local governments
- These settlements require that a “critical mass” of both state and local governments “opt in.” The extent of this participation will determine whether the settlement agreements take effect.
- The sign-on period for subdivisions ends January 2, 2022.
- If enough participating is achieved to enable the negotiated settlement, payments to subdivisions would begin in July 2022 with payments extending for up to 18 years.
- According to the Michigan AG’s office, assuming 100% participation, a conservative estimated of the City of Ionia’s projected settlement amount is \$80,238 over 18 years (\$4,458 per year).

While other details are still unknown as to the exact amount of funding the City of Ionia could receive under the proposed Opioids settlements, in order to potentially participate in the settlements, it is necessary for the City of Ionia to agree to the following “Settlement Participation Form,” which would implement all “Released Claims” against all “Released Entities” as those terms are defined in the proposed settlement agreement.

It was moved by Councilmember Starr, seconded by Councilmember Millard to approve the following proposed, “Settlement Participation Form,” in order to receive its share of the benefits provided to it pursuant to the nationally negotiated Settlement Agreement dated July 21, 2021 (“Janssen Settlement”) and authorize the city manager to execute the agreement on the City’s behalf.

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

City Prosecutor Agreement

The City of Ionia possesses an agreement with Duff Chadwick for prosecution services, which is subject to annual review each October. After completing the most recent annual review of this agreement, it was determined concern exists with potential conflicts of interest that cannot be fully

resolved between city prosecutions and private defense work all through the same firm. The agreement has also been structured on a retainer basis, which based on hours worked, has not be financially advantageous to the city. Over the past three years, the average hourly rate paid to Duff Chadwick for prosecution services has been \$325.

An inquiry was made to City Attorney Bloom Sluggett, PC to determine if it has significant experience with city ordinance prosecutions and the staff capacity to take on the same for the City of Ionia. The answer to both questions is yes – an attorney is available on staff that has experience as a prosecutor (former assistant Ionia County assistant prosecutor David Eberle) as well as the capacity to do the work. The proposed hourly rate for prosecution services is \$185. As you may recall, Bloom Sluggett serves municipal clients only, which means there will be no potential conflicts of interest with private defense clients.

Within the existing Duff Chadwick Prosecution Services Agreement, Section 3, Term of Agreement says that either party may terminate the Agreement upon 60 days written notice. However, Duff Chadwick has indicated it is willing to accept a termination date of February 8, 2022.

It was moved by Councilmember Winters, seconded by Councilmember Starr to authorize termination of the current prosecution services agreement with Duff Cadillac effective February 8, 2022 and add prosecution services to its Letter of Engagement with Bloom Sluggett at \$185 per hour.

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

Ionia Theatre – Proposed Policies/Procedures for Rentals and Rental Agreement

The Ionia Theatre is rented from time to time to outside parties for a variety of uses, ranging from simple meetings to full theatrical productions. In order to establish consistency regarding use of the theatre facilities, city staff prepared the following, proposed Policies and Procedures for Theatre Rental, along with a proposed Rental Agreement. Policies/procedures and rental agreements from other theatres were consulted in the preparation of these documents.

The policies/procedures document establishes expectations and rules for a variety of topics, including:

- Safety
- Security
- Protection and Use of the theatre facilities
- Custodial services
- Use of theatre equipment

The rental agreement defines dates of use, deposits, rates for use and other essential terms.

It was moved by Councilmember Kelley, seconded by Councilmember Millard to approve the proposed Ionia Theatre – Proposed Policies/Procedures for Rentals and Rental Agreement form to be utilized by the Theatre Director and staff in renting space to third party users.

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

Resolution reaffirming City of Ionia Brownfield Redevelopment Authority

It was recently brought to the City’s attention that following the creation of the City of Ionia Brownfield Redevelopment Authority on April 8, 1997, the Ionia City Council subsequently adopted Resolution 03-2001-05, opting into the Brownfield Redevelopment Authority created at that time by Ionia County. During this era of brownfield redevelopment, the Brownfield Act contained a provision that when a Brownfield Redevelopment Authority was established, it would include defining the Brownfield Redevelopment “Zone” over which the Authority would control. However, the Brownfield Act was amended on June 6, 2000, eliminating the need to establish Brownfield Zones and instead, permitting Brownfield Plans to be established on a project-by-project basis within a municipality possessing a Brownfield Redevelopment Authority.

Consistent with the amended Brownfield Act, the City of Ionia Brownfield Redevelopment Authority never ceased its operations and in fact, City Council approved a Brownfield Plan via Resolution 01-2005-019 for the Austin Pines Project, as recommended by the Authority. Additionally, City Council most recently approved a Brownfield Plan via Resolution 2021-10.1 for 340 W. Main Street, the former French’s Building, again, as recommended by Authority.

The following preamble and resolution were offered by Council Member Milewski and seconded by Council Member Winters.

RESOLUTION 2021-14
A RESOLUTION TO RESCIND CITY OF IONIA RESOLUTION 03-2001-05 AND TO REAFFIRM THE CREATION OF THE CITY OF IONIA BROWNFIELD REDEVELOPMENT AUTHORITY

WHEREAS, the Brownfield Redevelopment Financing Act, Act. No. 381 of the Michigan Public Acts of 1996, as amended (the “Act”) authorizes the City of Ionia (the “City”) to establish a Brownfield Redevelopment Authority; and

WHEREAS, the City created its Brownfield Redevelopment Authority by resolution on April 8, 1997, appointing the board of its Downtown Development Authority to also serve as the board of its Brownfield Redevelopment Authority; and

WHEREAS, as was required at that time by the Act, the City designated its entire corporate boundaries of the City as its Brownfield Redevelopment “Zone;” and

WHEREAS, the Act was amended on June 6, 2000 eliminating the need to establish Brownfield Redevelopment Zones and, instead, permitting Brownfield Redevelopment Plans to be established on a project-by-project basis within a municipality; and

WHEREAS, the City approved Resolution 03-2001-05 on March 5, 2001, “opting into” the Brownfield Redevelopment Authority created at that time by the County of Ionia (the “County”). That resolution did not reference or approve a brownfield plan; and

WHEREAS, the County designated the entire County of Ionia as its Brownfield Redevelopment Zone; and

WHEREAS, the Act provides in Section 3(4) that an Authority established by a county shall exercise its powers with respect to eligible property within a city in the county only if that city has concurred with the provisions of a brownfield plan that apply to that eligible property within the city; and

WHEREAS, the City never ceased operations of its Brownfield Redevelopment Authority and, in fact, approved a Brownfield Plan via Resolution 01-2005-019 for the Austin Pines Project within its corporate boundaries on January 19, 2005, authorizing tax increment capture and reimbursement to the project developer for eligible activities, which have since concluded; and

WHEREAS, the City also recently approved a Brownfield Plan on July 6, 2021, authorizing future tax increment capture and reimbursement to the project developer for eligible activities at 340 W. Main Street.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council of the City of Ionia hereby reaffirms its creation and consistent operation of its Brownfield Redevelopment Authority from and after 1997.
2. The City Council of the City of Ionia hereby rescinds in its entirety Resolution 03-2001-05 finding that it had no legal effect or bearing on the City’s lawful ability to continue to rely upon the existence and operations of the City of Ionia Brownfield Redevelopment Authority.
3. All resolutions and parts of resolutions in conflict herewith are repealed.
4. This resolution shall take immediate effect.

Roll Call Vote Ayes: Waterman, Milewski, Winters, Kelley, Lee, Starr, Millard, Gustafson and Balice
 Nays: None
 RESOLUTION 2021-14 DECLARED ADOPTED.

PA 202 Pension Reporting and Proposed Additional FY22 Contribution toward Unfunded Accrued Liability (UAL)

As required by PA 202 of 2017, the City of Ionia recently completed its annual Pension Status Report to the Michigan Department of Treasury. Per the City’s FY21 Comprehensive Annual Financial Report (audit), the City’s pension ratio is now funded at 61.7%, based on \$15,667,769 in system assets verses \$25,580,151 in system liabilities. Therefore, the City’s pension system is no longer underfunded, as defined by PA 202 (less than 60% funded ratio and greater than 10% Actuarially Determined Contribution (ADC) to Governmental fund revenues ratio). This is great news and a testament to the

City's fiscal discipline and determination in implementing its corrective action plan. That said, a minor downturn in the market could easily reduce the City's funded ratio to less than 60% next year, which is why the FY21-22 budget was approved earlier this year with an extra contribution of \$250,000 toward pension UAL.

The City now has an additional opportunity to improve its pension funded status. The annual State payment for fire protection services was recently received and was \$989,172 over the City's conservative revenue estimate of \$850,000, permitting a proposed budget amendment recognizing and appropriating new revenues as follows:

	Current	Amended	Difference	Reason for Change
101-GENERAL FUND				
Revenues				
101-000.000-628.000 Charge for Services Fire	\$ 850,000.00	\$ 1,839,000.00	\$ 989,000.00	Estimate vs actual
Total	\$ 850,000.00	\$ 1,839,000.00	\$ 989,000.00	
101-GENERAL FUND				
Expenditures				
289-OTHER OFFICES				
101-289.000-801.000 Contractual & Prof Svcs	\$ 150,000.00	\$ 650,000.00	\$ 500,000.00	Additional pension contribution
546-STORM SEWER				
101-546.000-801.000 Contractual & Prof Svcs	\$ -	\$ 200,000.00	\$ 200,000.00	Washington St Storm Sewer
965-CONTRIBUTION				
101-965.000-999.420 Contribution to Capital Prjcts	\$ -	\$ 289,000.00	\$ 289,000.00	Street Projects
	\$ 150,000.00	\$ 1,139,000.00	\$ 989,000.00	
NET CHANGE TO GF REVENUES			\$ 989,000.00	
NET CHANGE TO GF EXPENSES			\$ 989,000.00	
NET OVERALL CHANGE (Increase in revenues over expenses)			\$ -	

It was moved by Councilmember Milewski, seconded by Councilmember Gustafson to amend its FY22 General Fund budget to add \$989,000 in revenues with offsetting expenditures that include \$500,000 toward additional pension funding, \$200,000 toward the Washington Street storm sewer project and \$289,000 toward street projects and that the City Manager submit correspondence to the Michigan Department of Treasury, requesting the City be removed from Corrective Action Plan (CAP) monitoring.

Roll Call Vote Ayes: Milewski, Winters, Lee, Starr, Millard, Gustafson, Waterman and Balice
 Nays: Kelley
 MOTION CARRIED

Purchase of Tender/Tanker Fire Apparatus via Sourcewell

Last month City Council approved use of Sourcewell and its competitive purchasing contract with Rosenbauer to pursue the development of specifications and pricing for a new pumper/tanker fire truck.

Rosenbauer has since prepared a proposal to furnish the City of Ionia with a pumper/tanker in accordance with detailed specifications that meet the City's needs. The proposed Rosenbauer Pumper/Tanker, mounted on a Rosenbauer Commander Chassis is offered at \$619,124 via Sourcewell Contract # 022818-RSB.

Terms would be as follows:

1. Chassis payment of approximately \$313,000 would be due at time of chassis construction completion (estimated after July 1, 2022; thus in FY 22-23).
2. Final delivery would be after July 2023 (FY23-24), with final payment of \$306,124 due at that time.
3. Rosenbauer reserves the right to use the truck as a demonstration model for up to three (3) months.

Easton and Ionia Townships have each voted to contribute \$100,000 toward this truck purchase, which would reduce the City of Ionia's share to \$419,124.

It was moved by Councilmember Millard, seconded by Councilmember Lee to approve the proposal from Rosenbauer through Sourcewell Contract #022818-RSB for purchase of a new pumper/tanker fire truck, in the amount of \$619,124. Funds would be appropriated in future budgets, in the Public Safety Vehicle Fund, 205-558.000.981.10.

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

Addition of full-time Fire Fighter position to Public Safety Department

City Manager Garland presented information regarding staffing and call volume in the Public Safety Department, which has led to the conclusion the department would benefit from the addition of a new, full-time fire fighter position. The position would be structured to provide a variety of services to the department in particular and the city as a whole, as detailed in the proposed job description. The position would be FLSA non-exempt and non-union.

It was moved by Councilmember Starr, seconded by Councilmember Kelley to approve the addition of the full-time fire fighter position to its Approved Position Allocation list.

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

Proposed Adjustment to Dial-A-Ride Collective Bargaining Agreement

Impending Dial-A-Ride (DAR) staff retirements in December 2021 and January 2022 will require the City to soon begin recruitment of new qualified dispatchers and drivers. A recent review of the wage structure within the DAR collective bargaining agreement (CBA) and a review of comparable wages in the area for transportation services led to a conclusion that some adjustments are necessary to be successful in new recruitment, as well as retention efforts. These adjustments include:

1. Reducing the number of years required to get to the top pay rate (reducing total wage steps from seven to three).
2. Increasing the current rate of pay in mid-year FY22 by three percent (3%).

Appointments to various City Boards and Commissions

Per Section 2.03 Mayor of the City Charter of the City of Ionia, it is the duty of the mayor to appoint with the advice and consent of the City Council the members of citizen advisory boards and commissions. The following individuals have been recommended by Mayor Dan Balice to start and/or continue service on the following boards and commissions, subject to council approval:

Board of Review

Jason Eppler – Term Expires 12/31/24

Board of Zoning Appeals

Jim Denny – Term Expires 12/31/24

Mike Kirgis – Term Expires 12/31/24

Logan Bailey – Term Expires 12/31/24 (Coincides with PC Term)

Troy Waterman – Term Expires 12/31/25 (Coincides with Council Term)

Amanda Ondersma – Term Expires 12/31/23

Lynn Lafler- Alternate

Alternate

Downtown Development Authority

Cathy Hoppough – Term Expires 12/31/25

Paul Lentz – Term Expires 12/31/25

Income Tax Board

Trevor Tooker – Term Expires 12/31/24

Ionia Housing Commission

Greg Cook – Term Expires 12/31/26

Ionia Regional Utilities Authority

Delegate: Gordon Kelly – Term Expires 12/31/25

Alternate: Janice Gustafson – Term Expires 12/31/25

Housing Board of Appeals

Trevor Tooker – Term Expires 12/31/24

Local Officers Compensation Commission

Trevor Tooker – Term Expires 9/30/26

Planning Commission

Logan Bailey – Term Expires 12/31/24

Mike Donaldson – Term Expires 12/31/24

Tim Lee – Term Expires 12/31/25 (Coincides with Council Term)

Ryan Gregory – Term Expires 12/31/23

It was moved by Winters, seconded by Councilmember Millard to allow Balice to abstain from the vote due to a personal relationship conflict.

By Voice Vote:

MOTION CARRIED

It was moved by Councilmember Winters, seconded by Councilmember Milewski to approve the appointments of the afore-mentioned individuals to the boards and commissions indicated for the terms specified.

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

MAYOR AND COUNCILMEMBER COMMENTS

Balice: Commented that parade was phenomenal, the tree looks great and congratulated the Lions for their monumental win. Thanked Clerk Ally Cook for her years of service.

Gustafson: Remarked that the Hometown Holidays parade was a success and a great time to get out and see lots of people.

Millard: Hats off and big thank you to everyone who works for Ionia Department of Public Safety. Mentioned that the dance component before the Hometown Holidays parade was a huge hit.

Lee: Mentioned how much he loves living in a town as beautiful as Ionia.

ADJOURNMENT

It was moved by Councilmember Starr, seconded by Councilmember Gustafson to adjourn the regular meeting at 8:36 PM.

By Voice Vote: MOTION CARRIED

Respectfully Submitted:

Ally H. Cook, Clerk