



**IONIA CITY COUNCIL
REGULAR MEETING MINUTES
6:30 PM, January 7, 2025
CITY HALL COUNCIL CHAMBERS**

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Mayor John Milewski called the meeting of the Ionia City Council to order at 6:33 PM, and led with the Pledge of Allegiance.

ROLL CALL

Roll call revealed a Quorum with all Councilmembers present: Dawn Ketchum, Jeff Winters, Margot Cook, Tim Lee, Rich Starr, Tom Millard, Brenda Cowling, Troy Waterman, and Mayor John Milewski present.

I. APPROVAL OF AGENDA

Councilmember Millard made a motion, seconded by Councilmember Cook, to approve the agenda as presented. **MOTION CARRIED BY VOICE VOTE**

II. APPROVAL OF MINUTES – December 4, 2024, Regular Meeting

Councilmember Cowling made a motion, seconded by Councilmember Lee, to approve the December 4, 2024, Regular Meeting minutes as presented. **MOTION CARRIED BY VOICE VOTE**

III. PROCLAMATIONS

None.

IV. PUBLIC COMMENTS

None.

V. PUBLIC HEARINGS & ASSOCIATED ACTIONS

None.

VI. COMMUNICATIONS

None

VII. CITY MANAGER'S REPORT

(VII-1) Fiscal Year 2024-25 Budget Amendment #2

It has been customary for Council to review the City's annual budget after half of the fiscal year is completed and to make necessary amendments to adjust for actual experience and updates in budget assumptions. This month is the halfway point through the Fiscal Year 2024-25. Council reviewed the spreadsheets outlining the proposed amendments based on a fund basis.

Councilmember Winters made a motion, seconded by Councilmember Ketchum, to approve Budget Amendment #2 to the FY24-25 City of Ionia budget, which includes the General Fund and multiple special funds as detailed.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

FY 24-25 Council Budget Adjustment #2

GL Number	Description	24-25 Amended Budget	Proposed Amendment #1	Proposed Budget After Amendment
Fund: 101 GENERAL				
Account Category: Revenues				
	LOCAL COMMUNITY STABILIZATION SHARE			
101-000.000-573.000	APPR	70,000.00	50,000.00	120,000.00
101-000.000-628.000	CHARGE FOR SERVICES FIRE	1,900,000.00	(65,000.00)	1,835,000.00
101-000.000-628.500	CHARGE FOR SERVICES - PUBLIC SAFETY	35,000.00	(35,000.00)	-
101-000.000-665.000	INTEREST	130,000.00	20,000.00	150,000.00
101-000.000-675.000	GIFTS DONATIONS	-	1,400.00	1,400.00
101-000.000-688.000	OTHER REVENUE	20,000.00	5,000.00	25,000.00
Revenues		7,455,600.00	(23,600.00)	7,432,000.00
Account Category: Expenditures				
Department: 203.000 INCOME TAX ADMINISTRATION				
101-203.000-702.000	SALARY & WAGES	67,750.00	3,000.00	70,750.00
101-203.000-710.000	PAYROLL TAXES & FRINGE BENEFIT	36,500.00	2,000.00	38,500.00
Total Dept 203.000 - INCOME TAX ADMINISTRATION		124,250.00	5,000.00	129,250.00
Department: 208.000 PLANNING & ZONING				
101-208.000-801.000	CONTRACTUAL & PROFESSIONAL SEV	50,000.00	15,000.00	65,000.00
Total Dept 208.000 - PLANNING & ZONING		51,500.00	15,000.00	66,500.00
Department: 260.000 CLERK				
101-260.000-702.000	SALARY & WAGES	37,500.00	5,000.00	42,500.00
101-260.000-710.000	PAYROLL TAXES & FRINGE BENEFIT	3,500.00	6,500.00	10,000.00
Total Dept 260.000 - CLERK		60,000.00	11,500.00	71,500.00
Department: 265.000 BUILDINGS - GROUNDS				
101-265.000-954.000	INSURANCE	90,000.00	1,750.00	91,750.00

Total Dept 265.000 - BUILDINGS - GROUNDS	779,700.00	1,750.00	781,450.00
Department: 345.000 PUBLIC SAFETY			
101-345.000-801.000 CONTRACTUAL & PROFESSIONAL SEV	33,000.00	5,000.00	38,000.00
101-345.000-960.000 Training - Education Enhancement	-	12,000.00	12,000.00
101-345.000-989.000 CAPITAL OUTLAY-EQUIPMENT	102,500.00	37,000.00	139,500.00
Total Dept 345.000 - PUBLIC SAFETY	3,307,200.00	54,000.00	3,361,200.00
Expenditures	7,890,600.00	87,250.00	7,977,850.00
Fund 101 - GENERAL:			
TOTAL REVENUES	7,455,600.00	(23,600.00)	7,432,000.00
TOTAL EXPENDITURES	7,890,600.00	87,250.00	7,977,850.00
NET OF REVENUES & EXPENDITURES:	(435,000.00)	(110,850.00)	(545,850.00)
BEG. FUND BALANCE	5,746,463.82		5,746,463.82
END FUND BALANCE	5,311,463.82		5,200,613.82

Fund: 239 PARKS - FACILITIES IMPROVEMENTS

Account Category:

Revenues

239-000.000-569.000 STATE GRANT	380,000.00	200,000.00	580,000.00
Revenues	871,000.00	200,000.00	1,071,000.00
Expenditures	1,242,000.00	-	1,242,000.00

Fund 239 - PARKS - FACILITIES IMPROVEMENTS:

TOTAL REVENUES	871,000.00		1,071,000.00
TOTAL EXPENDITURES	1,242,000.00		1,242,000.00
NET OF REVENUES & EXPENDITURES:	(371,000.00)		(171,000.00)
BEG. FUND BALANCE	830,718.54		830,718.54
END FUND BALANCE	459,718.54		659,718.54

Fund: 248 DOWNTOWN DEVELOPMENT OPERATING

Revenues	360,050.00	-	360,050.00
----------	------------	---	------------

Account Category: Expenditures

Department: 558.000 ADMINISTRATIVE

248-558.000-702.000	SALARY & WAGES	76,900.00	20,000.00	96,900.00
248-558.000-954.000	INSURANCE	6,800.00	(1,400.00)	5,400.00

Total Dept 558.000 - ADMINISTRATIVE	302,000.00	18,600.00	320,600.00
-------------------------------------	------------	-----------	------------

Expenditures	369,500.00	18,600.00	388,100.00
--------------	------------	-----------	------------

Fund 248 - DOWNTOWN DEVELOPMENT OPERATING:

TOTAL REVENUES	360,050.00		360,050.00
----------------	------------	--	------------

TOTAL EXPENDITURES	369,500.00		388,100.00
--------------------	------------	--	------------

NET OF REVENUES & EXPENDITURES:	(9,450.00)		(28,050.00)
---------------------------------	------------	--	-------------

BEG. FUND BALANCE	190,625.97		190,625.97
-------------------	------------	--	------------

END FUND BALANCE	181,175.97		162,575.97
------------------	------------	--	------------

Fund: 250 THEATRE FUND

Account Category: Revenues

250-000.000-634.000	MOVIE CONCESSIONS	95,000.00	15,000.00	110,000.00
---------------------	-------------------	-----------	-----------	------------

250-000.000-640.000	ADVERTISING REVENUES	4,000.00	1,000.00	5,000.00
---------------------	----------------------	----------	----------	----------

Revenues	349,000.00	16,000.00	365,000.00
----------	------------	-----------	------------

Account Category: Expenditures

Department: 442.000 OPERATIONS

250-442.000-861.000	MEMBERSHIP AND DUES	-	500.00	500.00
---------------------	---------------------	---	--------	--------

250-442.000-931.000	BUILDING REPAIR & MAINTENANCE	10,000.00	15,000.00	25,000.00
---------------------	-------------------------------	-----------	-----------	-----------

Expenditures	343,250.00	15,500.00	358,750.00
--------------	------------	-----------	------------

Fund 250 - THEATRE FUND:

TOTAL REVENUES	349,000.00		365,000.00
----------------	------------	--	------------

TOTAL EXPENDITURES	343,250.00		358,750.00
--------------------	------------	--	------------

NET OF REVENUES & EXPENDITURES:	5,750.00		6,250.00
---------------------------------	----------	--	----------

BEG. FUND BALANCE	309,973.88		309,973.88
-------------------	------------	--	------------

END FUND BALANCE	315,723.88		316,223.88
------------------	------------	--	------------

Fund: 588 DIAL-A-RIDE

Revenues	1,665,967.00	-	1,665,967.00
Account Category: Expenditures			
Department: 558.000 ADMINISTRATIVE			
588-558.000-954.000 INSURANCE	1,300.00	200.00	1,500.00
Total Dept 558.000 - ADMINISTRATIVE	390,031.00	200.00	390,231.00
Department: 560.000 OPERATIONS			
588-560.000-954.000 INSURANCE	8,145.00	6,500.00	14,645.00
Total Dept 560.000 - OPERATIONS	472,045.00	6,500.00	478,545.00
Expenditures	1,701,554.00	6,700.00	1,708,254.00
Fund 588 - DIAL-A-RIDE:			
TOTAL REVENUES	1,665,967.00		1,665,967.00
TOTAL EXPENDITURES	1,701,554.00		1,708,254.00
NET OF REVENUES & EXPENDITURES:	(35,587.00)		(42,287.00)
BEG. FUND BALANCE	1,166,483.72		1,166,483.72
END FUND BALANCE	1,130,896.72		1,124,196.72

Fund: 590 SEWER DEPT.

Account Category: Revenues

590-000.000-688.000 OTHER REVENUE	20,000.00	10,000.00	30,000.00
Revenues	3,552,000.00	10,000.00	3,562,000.00
Expenditures	3,674,922.00	-	3,674,922.00
Fund 590 - SEWER DEPT.:			
TOTAL REVENUES	3,552,000.00		3,562,000.00
TOTAL EXPENDITURES	3,674,922.00		3,674,922.00
NET OF REVENUES & EXPENDITURES:	(122,922.00)		(112,922.00)
BEG. FUND BALANCE	14,114,376.31		14,114,376.31
END FUND BALANCE	13,991,454.31		14,001,454.31

(VII-2) Intent to Provide Public Transportation Services via IDART (10-1-25 to 9-30-26)

A majority of the operating funds for Dial-A-Ride (DAR) come from the State of Michigan through Public Act 51 of 1951. Public Act 51 authorizes the State to collect gas and weight taxes, with a portion of the funds collected earmarked for public transportation. In exchange for the funds, recipient providers are required to annually develop a work plan for delivering transportation services, including a budget that identifies funding sources.

For the State's 2026 Fiscal Year budget (October 1, 2025 to September 30, 2026), the City has determined it will receive the following funds from indicated sources to support Dial-A-Ride operations:

Federal Funds	\$125,660 (Section 5311 Funds/18% of expenses + RTAP)
State Funds	\$207,056 (Based on floor being higher than 30.5895% eligible expenses)
Local Funds	\$182,281 (millage and township/city contribution)
Local Funds – Fare	\$ 76,750 (ridership revenues)
Other Funds	<u>\$ 76,000</u> (Com. tower shared expense, sale of equipment, interest, etc.)
TOTAL	\$667,747

Proposed eligible operating expenses total \$667,555 with ineligible expenses (federal training funds, depreciation and costs associated with tower rental) of \$134,095.

In addition to the above proposed budget, the City will also request:

- \$73,500 in capital funding from Federal Section 5339 Bus and Bus Facilities Program Funds for replacing vault equipment, facility updates including sealing the garage floors, and replacement of the maintenance sweeper;
- \$862,500 from Federal Section 5339 Bus and Bus Facilities Program Funds for replacement of 5 busses that have met or exceeded their useful life;
- \$36,928 for State Specialized Services funding for transporting elderly persons and persons with disabilities;
- \$168,500 in Federal Section 5311 Job Access Reverse Commute in continuation funding;
- \$124,750 from Service Initiatives Funds for a pilot project to add a section of service to Saranac;
- \$72,500 from 5310/New Freedom Funds for a Mobility Manager.

In order to be programmed for the funding, the City is required to express its intent to provide public transportation services during the referenced fiscal year and identify its expected expenses and other revenue sources.

Councilmember Millard made a motion, seconded by Councilmember Starr, to approve Resolution #2025-01, which details the City's intent to provide public transportation services for fiscal year 2026 and designates the City Manager as the single point of contact with MDOT for public transportation matters.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

**CITY OF IONIA
CITY COUNCIL
RESOLUTION**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF IONIA REGARDING
FINANCIAL ASSISTANCE FOR FISCAL YEAR 2026 UNDER PUBLIC ACT 51 OF
1951, AS AMENDED**

At a Regular Meeting of the City Council of the City of Ionia held on Tuesday, January 7, 2025, the following Resolution was offered by Councilmember Millard, seconded by Councilmember Starr:

WHEREAS, pursuant to Public Act 51 of 1951, as amended (Act 51), it is necessary for the City of Ionia, a Home Rule City established pursuant to Public Act 279 of 1909, as amended, to provide a local transportation program for the state fiscal year of 2026 and, therefore, apply for state financial assistance under provisions of Act 51; and,

WHEREAS, it is necessary for the City of Ionia to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51; and,

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and,

WHEREAS, the performance indicators for this agency have been reviewed and approved by the City of Ionia; and,

WHEREAS, the City Council of the City of Ionia has reviewed and approved the proposed budget with sources of estimated federal funds of \$125,660; estimated state funds of \$207,056; estimated local funds of \$182,281; estimated fare box revenues of \$76,750; estimated other funds of \$76,000 (revenues totaling \$667,747) and with total eligible expenses of \$667,555 for Fiscal Year 2026; and,

WHEREAS, the City Council of the City of Ionia has also reviewed and approved the additional funding requests of \$73,500 from Federal Section 5339 Bus and Bus Facilities Program Funds for necessary updates to the DAR facility garage floors and maintenance equipment, and bus technology; \$862,500 from Federal Section 5339 Bus and Bus Facilities Program Funds for replacement of 5 buses; \$36,928 for State Specialized Services funding for transporting elderly persons and persons with disabilities; \$168,500 in Federal Section 5311 Job Access

Reverse Commute in continuation funding; \$124,750 from Service Initiatives Funds for a pilot project to add a section of service to Saranac; and \$72,500 from 5310/New Freedom Funds for a Mobility Manager.

NOW, THEREFORE, BE IT RESOLVED that the City of Ionia does hereby make its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51.

BE IT FURTHER RESOLVED that the City Manager is hereby appointed as the Transportation Coordinator for all public transportation matters, and is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2026.

AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

RESOLUTION 2025-01 DECLARED ADOPTED

(VII-3) Property and Liability Insurance Renewal for IRUA – 2/1/2025 - 1/31/26

The Ionia Regional Utilities Authority (IRUA) has obtained its property and liability insurance from the Michigan Municipal League Liability and Property Pool since 2010. While satisfied with the coverage and service provided through MML, other options were reviewed. Two proposals were received and evaluated: one from the existing provider, the MML Liability and Property Pool and the second from the Michigan Municipal Risk Management Authority (MMRMA). Copies of both proposals, including extensive evaluations regarding both insurance providers and their proposals, were reviewed by Council. Representing MMRMA, Matt Coulson was on hand to answer questions.

Following discussion, Councilmember Ketchum made a motion, seconded by Councilmember Winters, to approve the property and liability insurance proposal from Michigan Municipal Risk Management Authority (MMRMA) of \$30,958 for February 1, 2025 -January 31, 2026, and to name Joe Lafler, City of Ionia Utilities Director, as its Member Representative regarding the proposal.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

Councilmember Winters, seconded by Councilmember Ketchum, made a motion to also purchase \$500,000 in coverage for flood insurance at a cost of \$2,786 per year through the National Floodplain Insurance Program for the oxidation towers and Digester #4 that remain in the floodplain.

Roll Call Vote: AYES: Winters, Cook, Lee, Millard & Cowling

NAYS: Ketchum, Starr, Waterman & Milewski

MOTION CARRIED

(VII-4) City of Ionia General Policy Manual-Section 3-HR & Safety Policies Update-3-002: Employee Referral Program

The City's Employee Referral Program was first implemented in 2021 and scheduled to continue for three years, expiring on December 31, 2024. During its initial three-year term, three employees were successfully recruited through this collaborative process, with bonuses paid to both the recruited and recruiting employees. The Program has worked well and encourages City employees to assist in recruiting

quality and talented personnel, at a time when labor pools are much tighter than they have been historically, and it is evident a tight labor pool persists. To continue the City's goal of hiring the best, most qualified team members, Policy 3-002 was recommended to be extended for an additional three years until December 31, 2027, and to increase the bonus from \$750 to \$1,000.

Councilmember Cook made a motion, seconded by Councilmember Cowling, to approved revised policy 3-002 Employee Referral Program, that includes the increased bonuses to both the recruited and recruiting employees.

Roll Call Vote: AYES: Cook

NAYS: Ketchum, Winters, Lee, Starr, Millard, Cowling, Waterman & Milewski

MOTION FAILED

Following discussion, Councilmember Millard made a motion, seconded by Councilmember Starr, to separate the two awards, keeping the Employee Referral Program for the recruiting employee only and to raise that award amount to \$1,000. He further moved that additional research be done about the merits of a bonus to the new recruit, and that it be brought back to Council for future consideration.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling & Waterman

NAYS: Milewski

MOTION CARRIED

(VII-5) City of Ionia General Policy Manual-Section 6-Assessor Policies Update-6-007: Poverty Exemption 2025

It is necessary to annually update Policy 6-007 Poverty Exemptions, which is part of Section Six – Assessing of the City of Ionia's General Policy Manual. Policy 6-007 Poverty Exemption 2025, which was updated to reflect the most recent income limits allowed when determining a potential property tax poverty exemption.

Councilmember Winters made a motion, seconded by Councilmember Ketchum, to approve revised policy 6-007 Poverty Exemption Policy 2025.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

(VII-6) Program Guidelines for MSHDA CHILL Grant – Housing Improvement Program

The MSHDA CHILL Grant continues to move slowly forward in the administration and implementation process. Following the selection of the third-party administrator (TPA) – EightCAP, and recent completion of the Tier One environmental review, notification was received from MSHDA that the City must now adopt "Program Guidelines" to govern administration of the grant. Once adopted, the Guidelines will be forwarded to EightCAP for implementation.

Councilmember Winters made a motion, seconded by Councilmember Starr, to approve the "Program Guidelines for Homeowner Improvement Project (HIP)," as required by the MSHDA CHILL Grant program.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

(VII-7) Sale of Excess City Property – 315 Webber Street

Several excess City-owned properties have been listed for sale since early 2023 on the City’s website in accordance with City Policy 4-004, “Sale of City-Owned Excess Property.” Direct notice was previously mailed to all adjacent property owners. A previous sale of 315 Webber Street was approved by City Council in September 2023, but the prospective purchaser never closed on the deal prior to the required 60-day expiration.

The City recently received a new offer to purchase 315 Webber Street:

Excess Property	Estimated TCV & Parcel Size	Purchase Offer	Proposed Purchaser	Proposed Use
315 Webber Street	\$8,000; 0.64 acres	\$8,500	Greg Cook and Andrew Roberts; 241 E. Main Street, Ionia, MI	Pole barn to house construction equipment

Per City Policy 4-004, the prospective purchaser has been determined qualified, meaning he has no overdue debts owed to the City, is not responsible for the City’s original acquisition of the excess property, and has committed to not reselling the property within five years of taking possession of it from the City.

Councilmember Millard made a motion, seconded by Councilmember Cowling, to approve the offer from Greg Cook and Andrew Roberts to purchase the excess City property located at 315 Webber Street for \$8,500, contingent upon the buyer closing within 60 days of Council approval. If approved, sale of this property will be via cash, cashier’s check or money order and transfer will occur by Quit Claim Deed. The purchaser will be responsible for recording the deed with the Ionia County Register of Deeds.

Roll Call Vote: AYES: Ketchum, Winters, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

ABSTAIN: Cook—due to relationship to purchaser

MOTION CARRIED

Councilmember Starr made a motion, seconded by Councilmember Winters, to approve the abstention by Cook for the reason stated.

MOTION CARRIED BY VOICE VOTE

VIII. APPOINTMENTS

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 individual has been recommended by Mayor John Milewski to begin service on the Board of Review, subject to council approval:

Board of Review – (3-year term)

Michael Golden – Term through 12/31/27

Councilmember Millard made a motion, seconded by Councilmember Waterman, to appoint Michael Golden to serve on the Board of Review for a three-year term ending December 31, 2027.

Roll Call Vote: AYES: Ketchum, Winters, Cook, Lee, Starr, Millard, Cowling, Waterman & Milewski

NAYS: None

MOTION CARRIED

IX. CITY DEPARTMENT REPORTS & MINUTES FROM BOARDS & COMMISSIONS

Written reports provided to Council.

X. GOOD OF THE ORDER/CITY COUNCILMEMBER COMMENTS

Mayor John Milewski: (1) Thanks to all Councilmembers for adjusting their schedules to attend tonight's meeting that was moved to a Tuesday, and began at 6:30 PM; (2) Thanks to the Joe Lafler family for their donation of the Christmas tree; (3) Reminder to RSVP for the holiday gathering at the home of Councilmember Starr.

Margot Cook: Happy New Year.

Tom Millard: Happy New Year.

Rich Starr: (1) Happy New Year; (2) Reminder to RSVP for the holiday gathering he and his wife are hosting.

XI. CLOSED SESSION

None.

XII. ADJOURNMENT

Councilmember Waterman made a motion, seconded by Councilmember Cook, to adjourn. Without objection, the meeting was adjourned at 7:43 PM.

Submitted by:

Mary Patrick
Ionia City Clerk