

# ASHLAND CITY COUNCIL REGULAR MEETING

June 15, 2017

A regular meeting of the Ashland City Council was held at the Ashland City Hall Council Chambers on the 15th day of June, 2017 at 7:00 p.m.

Present: Mayor Richard Grauerholz  
City Council President Russell DeVries  
City Council Member James Anderson  
City Council Member Paul Gossin  
City Council Member Janece Mollhoff  
City Administrator Jessica Quady  
City Clerk Kathleen Sliva  
City Attorney Mark Fahleson

Others: Bob Luebbe, Chris Spargen, Amanda Roe, Barb Conley, Ron Styskal, Linda Rosenboom, Lorene Fangman, Stacy Sanders, Randall Angus, Theresa Angus, Mandy Huckins, Amy Huckins, Kelley Gaughan, Todd Zabel, Ron Blessie, Wilson Metz, Brenda Zabel, Bridget Blessie, Penny Jacobsen, Lonnie R. Jacobsen, Kevin Kroeger, Linda McCollum, Greg Turner, Darren Merrill, Kent McCoy, Robert Potter, Arianne Anderson, Jess Anderson, Richard Hilske, Kevin Schluckebier, Lucas Atkinson, Sena Bollman, Neil McAlexander, Curtis Beranek, Tom Langfeldt, Synthia Haag, Kathy Cox, Charles Cox, Jess Anderson, Judy Haag, Bruce Haag, David Nygren, Shari Nygern, Chris Devillier, Jodi Noble, James A. Garman Jr., Marilyn Wright, Pam Burright, Lenora Isom and others

Notice of meeting was advertised in the Ashland Gazette on June 8, 2017. The Mayor and all Council Members received advance notice of the meeting and a copy of the agenda as shown by the Acknowledgment of Receipt of Notice. All proceedings hereafter shown were taken while the convened meeting was open to the public.

Mayor Grauerholz called the meeting to order at 7:00 p.m. The Pledge of Allegiance was recited. Roll call was taken and a quorum was declared. Mayor Grauerholz noted the Open Meetings Act that is posted on the south wall of the Council Chambers.

Motion by Anderson, second by Mollhoff to adopt the regular agenda.

Roll Call: Ayes: All Motion Carried

Lonnie Jacobsen of Lincoln and the Riverside RV camp community gave public comment regarding the camp. He urged the Council to not revoke the Conditional Use Permit for the campground. He said the owner obtained permission for erosion control measures from the Corp of Engineers and did not intentionally avoid approval of the Council. He added the revocation would adversely affect and displace more than 60 families and adversely affect the businesses of Ashland who benefit from the patronage of these families. He said that Blessie is a dedicated business owner, has demonstrated a willingness to invest in the property and has paid for a modeling study to be completed in three weeks or so to bring a suitable solution to this issue. He asked the Council to postpone the requirement to await the results of the most recent study so the erosion control problem will be permanently addressed.

Bob Luebbe addressed the Council regarding his calculation of the TIF impact on taxing entities including the school, County, NRD and City. He said that he failed to include in his previous calculation the interest rate on the bond which is typically 6% and the developers will own the bond. He said by adding the bond to the current request, according to his calculations, the total principal and interest on the bond will be over three million dollars. He provided a spreadsheet on how this is divided among the entities. He said it is disheartening to think the developers will make over \$1 million in interest on the bond while the school will lose \$1.3 million in future property taxes.

Kevin Kroeger gave public comment regarding Riverside. He said he agrees 100% with what Jacobsen said. He asked the Council to work with Blessie to find a way to solve the problem and to postpone any vote to revoke the Special Use permit.

Chris Spargen gave public comment and asked the Council to reconsider the TIF financing for the Whitetail Project. He asked the Council to not use TIF and to not take away from the schools.

Ron Styskal gave public comment stating that he is against the TIF and the way it is proposed. He would like it looked at further because of what it will take away from the school.

Shari Nygren gave public comment stating that she is teacher in the public schools in town and she asked the Council to vote against TIF.

Lorene Fangman gave public comment stating that she is out of the district but she is not for TIF because it will affect our school and children. She said tying up our money to help expand someone else's dream is not fair to anyone paying taxes in town.

Pam Burrignt gave public comment regarding Riverside. She said she has seen the creek flood in the four years she has been there. She asked the Council to reconsider the plan it has, so that Riverside can continue and to rethink the communication issue.

Lucas Atkinson gave public comment requesting the Council delay the third reading on annexation. He said that he spoke with a civic leader in Lincoln who said that Lincoln does not use TIF for residential projects. He said he spoke with someone in the planning department of the City of Omaha who said that for the developer this is a 'but for' situation and this speaks to whether this project is financially sustainable. He said the total value of the project if fully developed is over \$22 million and the investment is great for the community. He asked that the Council make strong negotiation on the terms of the TIF agreement if the Council decides to move forward.

Randy Angus gave public comment stating that he has been at Riverside for five years and he agrees with Jacobson. He said there are permanent residents and others that use the facilities every weekend. He said when they are out there, they come into Ashland to utilize the food facilities which contributes to Ashland's economy. He requested that the Council help Blessie.

Curtis Beranek gave public comment stating his concern about TIF. He said it doesn't seem like there are a lot of people for it and it concerns him that children will possibly be in overcrowded classrooms and not getting the education and attention they need.

Linda Rosenboom gave public comment stating she is against TIF. She said she is for growth in Ashland but taking away from our school is a big mistake.

Ariann Anderson gave public comment stating this is her families second year at Riverside and to force Blessie to disrupt this season would not only disrupt the campers by moving them but would take away the kid's summer fun. She asked the Council to consider postponing any decision until after the season is over in October.

Barb Conley gave public comment stating that she does not agree with the TIF decision. She said if the lending institution won't help these people out, it's not fair for the Council to put the burden on taxpayers.

Chris Devillier gave public comment stating what she loves is that we are at our point in history where we can affect the character of our community as we develop further and we can embrace our location. She said she agreed with the comments about the potential of this project not being viable without this TIF tool and that she doesn't believe that TIF is unilaterally a bad thing, when applied to residential districts it comes with greater risks. She mentioned the Nebraska Passport program and visitors positive reaction to the community. She urged the Council to reconsider supporting a private project with the TIF tool because it puts the public and what this public values most at risk.

Synthia Haag from Riverside gave public comment stating that she had seen Blessie put his heart into the camp that was nothing more than a dump when it was started and it now

looks amazing. She added the wall is a safety factor to keep kids out of the river. She asked the Council to find a solution with Blessie.

Mayor Grauerholz opened a Public Hearing on a Conditional Use Permit for Exterior Alterations at Bal S 94.5' Lots 4-6 Blk 24 Flora City Addition located at 105/107 North 15<sup>th</sup> Street at 7:26 p.m. Bob Luebbe, owner of the property, presented the proposed frontage of a new commercial single story building at this location. He said it will be a multi-tenant space that could accommodate a tech company, a health care facility or professional office environment. He said the building will be brick or stucco with a lot of glass to blend nicely with the character of the downtown but make it functional. Luebbe answered questions of the council saying it will be built to property line on all sides except the north side which will have a ten foot setback. He noted the placement of entrances, the front entrance will meet ADA requirements and the back side will have stairs. Parking was discussed. Council Member Anderson said this is an excellent project. Zoning Administrator Isom stated the homeowners to the north attended the planning commission meeting and did not speak against the project. She said the Historic Preservation Committee and Planning Commission both recommended approval. Luebbe said the front entrance will have an awning. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:37 p.m.

Mayor Grauerholz opened a Public Hearing on a request for Public Ways vacation at Lots 3-6 E 18' Lot 7 Blk 6 Stambaughs Addition Ashland located at 1149 Boyd Street at 7:37 p.m. Kevin Schluckebier, architect representing the school district, said the school acquired the property to possibly move the bus barn from its present location to this area to allow for expansion at the lower grades. He said they are requesting the acquisition of the additional land at the back on the alley to expand the parking area, to create a turn-around for busses and for storm water migration. He said the plan is to pave and landscape this area. He said they would like to put up a fence at the property line to the building. Zoning Administrator Isom said that there is a concern about access to the manhole by the City. Council Member Anderson questioned if the vacation would affect access for the neighbor. Schluckebier said that without the vacation they would not be able to grade or fence the area or have the ability to keep a turn around. He said giving an easement to the City would be alright with the school district but without the vacation it really handcuffs the ability for grading, fencing and that type of thing. Council Member Mollhoff requested site plans for the project. Schluckebier said that they will be getting the property safe, do demolition and a survey in the next couple of months and agreed that the decision could wait. Council Members requested information on how the City will be able to maintain access to the manhole, on access for the neighbor, and to see the plans. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:48 p.m.

Mayor Grauerholz opened a Public Hearing for Review of a Preliminary Plat for a Political Subdivision located at a portion of the southwest and northwest quarters of

Section 1, Township 12 North, Range 9 East, located at approximately 1400 Dennis Dean Road at 7:48 p.m. City Administrator Quady reported that the Planning Commission recommended approval. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:49 p.m.

Mayor Grauerholz opened a Public Hearing on proposed Ordinance 1138 – Zoning Amendment regarding minimum lot requirements for townhouses at 7:49 p.m. Zoning Administrator Isom spoke stating the recent housing study showed the need for different types of housing and one type the City doesn't have is townhomes. She noted the zoning regulations require a side set back; that townhomes are an allowed building type in two zoning districts; but the lot sizes for the townhomes isn't talked about in the zoning. She said JEO, the City's engineer, gave examples to her of how other communities have addressed this section. She said the regulations would have a zero lot line, the 'party' wall is the property line, and there are front yard and rear yard setbacks. She said there is a project being proposed that has prompted her to look at this section. Isom answered questions of the Council. She said that this is a permitted use in R-2 and R-3 and a permitted conditional use in R-1, low density residential. Lucas Atkinson spoke noting a lot of housing decisions are being put before the Board at this time and the public would be able to give a more informed comment on them if the body of the proposed ordinances were publically available on the City's website in a searchable format. City Attorney Fahleson stated the City is in full compliance with the open meeting laws and public records act. With no further comment, Mayor Grauerholz closed the public hearing at 8:00 p.m.

Motion by DeVries, second by Gossin to postpone consideration of Ordinance 1137 – Annexation of Whitetail Estates First Addition until the July 6, 2016 Council meeting.

Council Member Gossin said the reason for the postponement is to continue negotiations around the TIF and the redevelopment agreement. Council Member Mollhoff commented on annexation of SIDs and the City's assuming the outstanding debt of the SID. She said she thinks TIF is important for economic development and economic development helps the City and the school district. She said the developers in their initial request asked for TIF financing for the offsite development only; they are investing more of their own money on onsite development than an SID would; and the developers are investing in the community by covering the onsite development. She requested suggestions on funding options for the Highway 6 and 66 corridor.

Roll Call:                      Ayes: All                      Motion Carried

Motion by Mollhoff, second by Gossin to introduce and approve first reading of Ordinance 1138 – Zoning Amendment regarding minimum lot requirements for townhouses.

City Attorney Fahleson read the Title of Ordinance 1138.

Roll Call:                   Ayes: All                   Motion Carried

Motion by Anderson, second by DeVries to approve Conditional Use Permit for Exterior Alterations at 105 and 107 North 15<sup>th</sup> Street.

Roll Call:                   Ayes: All                   Motion Carried

Motion by Mollhoff, second by DeVries to postpone consideration of Public Ways Vacation at 1149 Boyd Street until the July 20, 2017 Council meeting.

Roll Call:                   Ayes: All                   Motion Carried

Motion by DeVries, second by Gossin to approve Preliminary Plat for a Political Subdivision located at a portion of the Southwest and Northwest Quarters of Section 1, Township 12 North, Range 9 East located at approximately 1400 Dennis Dean Road.

Roll Call:                   Ayes: All                   Motion Carried

Ron Blessie, Riverside RV Camp and Storage, spoke to the Council regarding possible action on his Special Use Permit. He presented the Council with a packet of pictures from the recent flood and gave an explanation of each one. He asked the Council to reconsider having him tear the wall out by July 6 and to give him until the end of camping season. He said he has paid an engineering firm for a model plan to be done within three weeks. He said he understands that the wall as it stands won't work and he had no idea that he needed to get a permit for the wall. Flood Plain Administrator Isom gave the history of the situation and why a flood way development permit is needed. She introduced Mitch Payne of the Department of Natural Resources who will be reviewing the permit application. She said permit review can be up to thirty days. She said the current installation is not permissible and the City opens itself up to liability if it is allowed to stay. She said our citizens live in a flood plain area and if the City doesn't apply the rules, residents with FEMA flood insurance will not be able to keep their flood insurance. Payne said there are 16 national flood insurance policies in force with \$4 million in building coverage. Blessie requested until November 1 to remove the wall. City Attorney Fahleson said that is not a reasonable amount of time. Blessie said there is no way to remove the wall without moving the campers. Fahleson asked Blessie if he would give the City of Ashland a \$1 million irrevocable letter of credit in the event the City is sued to indemnify the City. Blessie responded, "Why would I do that?" Council Member Anderson said he hopes some way can be found to work with Blessie to get through the camping session. Isom reviewed the timeline that would be required for a new design. Isom said a solution may be to give until July to obtain the model along with a floodway permit and an engineer stamped no rise certificate in time for a review by the July 20th meeting. A suggestion was made from the audience that the wall sections could possibly be broken up for rip rap if the Corp of Engineers permit would allow it. Fahleson reiterated Blessie's obligation saying that between now and July 14<sup>th</sup>, Blessie will provide a modeling study, a permit application stamped by a licensed engineer, and at the meeting on July 20th it will be considered or if Blessie says it is not feasible to do, Blessie will

have a plan to take down the wall and will have it down by the end of July. Blessie requested until the end of August. Fahleson said the Council will make that decision on July 20<sup>th</sup>. Isom reiterated that before any work is done on the property, Blessie should stop in to discuss with the building and zoning department.

Motion by Mollhoff, second by Anderson to postpone consideration of action to revoke Special Use Permit SP06-03 Riverside RV Camp and Storage until the July 20, 2017 Council Meeting.

Roll Call:                   Ayes: All                   Motion Carried

Motion by DeVries, second by Mollhoff to approve Change Order #1 for the Splashpad in the amount of \$28,036.00.

City Administrator Quady said this is for additional water features that were added because the bid had come in lower and these will be covered by donated funds and for moving the completion date for construction to June 30.

Roll Call:                   Ayes: All                   Motion Carried

Motion by Gossin, second by Mollhoff to approve Pay Application #1 from Dostals Construction Co. for the Ashland Splashpad in the amount of \$83,365.20.

Roll Call:                   Ayes: All                   Motion Carried

Reviewed the May 2017 Keno Report.

Reviewed the Public Works Director's Report.

Reviewed the Police Chief's Report.

Reviewed Building Inspector's Report.

Reviewed Library Report.

Motion by DeVries, second by Mollhoff to approve the consent agenda which included approval of the June 1, 2017 City Council meeting minutes, the May 25, 2017 Planning Commission meeting minutes and approval of Paul Callahan as a member of the Ashland Rescue Squad.

Roll Call:                   Ayes: All                   Motion Carried

Motion by Mollhoff, second by Anderson to approve the first half of June 2017 Claims.

Roll Call:                   Ayes: All                   Motion Carried

Motion by DeVries, second by Mollhoff to approve May 2017 Treasurer's Report.

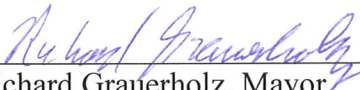
Roll Call:                   Ayes: All                   Motion Carried

Mayor Grauerholz reported that on June 22 he would be attending a meeting with the Nebraska Department of Roads.

Council Member Mollhoff stated she will be attending the Nebraska Water Tour. She also requested discussion be reopened about a well head protection program.

Motion by Mollhoff, second by Gossin to adjourn the meeting at 9:10 p.m.

Roll Call:       Ayes: All                   Motion Carried

  
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Richard Grauerholz, Mayor

  
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Kathleen Sliva, City Clerk



I, the above signed City Clerk of Ashland, Saunders County, Nebraska hereby certify that the foregoing is a true and accurate copy of the proceedings had and done by the Council on June 15, 2017 that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty four hours prior to said meeting; that said minutes from which the foregoing proceedings have been extracted were in written form and available for public inspection within ten business days or prior to the next convened meeting of said body.