

**ASHLAND CITY COUNCIL
REGULAR MEETING
April 6, 2017**

A regular meeting of the Ashland City Council was held at the Ashland City Hall Council Chambers on the 6th day of April, 2017 at 7:00 p.m.

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

Others: Obadiah Pruitt, Ted Pruitt, Ronald Styskal, Karen Stille, Tom Walsh, Jason Libal, Kevin Andersen, Ben Anderson, Brian Whitehead, Katherine Novak, Shirley Niemeyer, Chuck Niemeyer, Richard Hilske, John Craven, Rod Reisen, Brad Carlson, Tim Moll, Mike Bacon, Julie Ogden, David Strobbley, Willard Clark, Shane Larsen, Bill Torpy and others

Notice of meeting was advertised in the Ashland Gazette on March 30, 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 Mollhoff, seconded by DeVries to adopt the regular agenda.

Roll Call: Ayes: All Motion Carried

Mayor Grauerholz opened a Public Hearing on Application of Casey's Retail Company dba Casey's General Store for a Class D Liquor License at 7:02 p.m. City Administrator Quady noted this is changing Casey's liquor license class. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:03 p.m.

Mayor Grauerholz opened a Public Hearing on Application of BBW Enterprises LLC dba BW's Pub & Grill for a Class C Liquor License at 7:04 p.m. Brian Whitehead, owner of

BBW Enterprises, appeared before the Council to answer questions. He said that he currently is operating under a temporary license, this application is for the permanent license and it does not change the classification of the license. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:05 p.m.

Mayor Grauerholz opened a Public Hearing on consideration of declaration of an area of the City as blighted and substandard and in need of redevelopment pursuant to the Nebraska Community Development Law at 7:05 p.m. Kevin Andersen, JEO Consulting, stated JEO was the firm contracted with to conduct the Blight and Substandard Study. He said blight and substandard is a common issue in communities across the state and relates mostly towards the age and existence of public improvements and has very little reflection or impact on private property. He added it is meant to be a tool for communities to utilize in making investments and helping spur the transition to private investment. Tim Moll, Rembolt Ludtke, spoke stating that the purpose of making an area blighted and substandard is to set the study area up to be eligible for tax increment financing. Ron Styskal gave comment regarding his concern of the use of eminent domain to develop an area, the downtown area not being blighted the last time this declaration was done, his desire that the infrastructure within the City limits be worked on before more houses are brought in, the effect on his property taxes and the designating another area as blighted since the first one was not finished up. Ben Anderson, homeowner in Whitetail Estates, asked to see a map of the study area and asked if the entire area in front of Whitetail Estates is in the blighted area. Andersen showed the map with the recommended blighted and substandard area. Anderson said that the area does cover the undeveloped lots but not five homes and the winery. He questioned how this area can be considered blighted when it cannot be classified blighted under any of the terms of redevelopment, commercial or underperforming or in need of revitalization. He said this area has farmland that produces income, carries traffic for the winery and has homes. He questioned if territory is included in the recommended blight area that does not meet the blight and substandard definitions and if the City is considering using TIF allocations for an area that would probably do okay under an SID model. He said that he is concerned after seeing documents with 150 quarter acre lots. Council Member Gossin stated that the development of this area will require a large amount of infrastructure. Council Member Mollhoff stated the area was blighted in the past and there are benefits to doing it this way. Council Member Anderson added this is the first step to getting utilities into the area. Moll said the declaration of blighted and substandard is the first step to be eligible for Tax Increment Financing; TIF is an economic development vehicle to capture the increment on property for fifteen years to fund public infrastructure for the project. Moll added that commercial projects are more common but it is used for residential projects too. Richard Hilske spoke expressing a concern about overburdening the schools which would increase his taxes. Moll said that the school would be given notice and given the opportunity to express an opinion about the affect of the project on the school. Brad Carlson inquired about the number of times an area can be designated blighted. Moll said in general, one project will be done in a designated area at a time and

in order to do another redevelopment project in that area, another determination blighted and substandard for the area would need to be done. Mike Bacon said that a community is limited to a percentage of the community that can be blighted. Gossin stated a developer must be actively willing to participate in a project in the blighted area. Council Member DeVries said one of the qualifications is the development would not happen if TIF wasn't available. Moll said this is used in communities all over the state. Hilske expressed his concern this sets a bad precedent by blighting farmland that has doubled in value since the day it was purchased. He added most TIF financing is for commercial urban revitalization not housing developments. Gossin said the front part of the development will be commercial. Mayor Grauerholz noted that TIF does not need to be for a full fifteen years. Hilske questioned if it is legal to do farmland. Andersen spoke to this and noted that there is nothing in the statutes that precludes the use of farmland and the area is to be urban in nature not necessarily urban in use. Jason Libal, AGPS Superintendent, addressed the Council stating this does impact the school and it brings some concern regarding growth. City Administrator Quady stated that a community can have more than one TIF open at a time and once an area has been developed it can be taken out of the blighted area. Shirley Niemeyer spoke stating that she is neutral at this point. She discussed the pros and cons of blighting and using TIF on an area. She said in a review the Nebraska TIF projects, she found TIF is used for residential low income housing, senior housing, business development, special needs housing and new housing developments. She said the Council will need to think about setting precedent. Gossin said it will be up to future councils to take proposed projects on a case by case basis. Mollhoff noted that a housing study is being conducted by the Ashland Area Economic Development Corporation. Niemeyer said the City needs to take care of what is in the City limits, the annexing of Sabre Heights would be a really good idea, the City of Lincoln has a policy and questionnaire for using TIF and she recommended reviewing the the Platte Institute policy study. With no further questions, Mayor Grauerholz closed the Public Hearing at 7:54 p.m.

Mayor Grauerholz opened a Public Hearing on the Intention to Create Vehicle Off-Street Parking District No. 1 at 7:54. City Administrator Quady noted that this is a formality and one of the steps to bond out the parking lot project. With no further comment, Mayor Grauerholz closed the Public Hearing at 7:55 p.m.

Motion by DeVries, seconded by Mollhoff to approve Resolution 2017-5 – Declaring an area of the City as Blighted and Substandard.

Devries said the concerns expressed deal with the future development of the area and he is interested in this as well. He said how the development progresses and what actually gets proposed will determine what the Council does. Gossin concurred and said this allows the City the opportunity to follow a growth pattern further out if the City so chooses and gives the City the tools to look into ways to finance infrastructure beyond just this one particular project. Mollhoff said that if these steps are taken, the City has

some control over how the City grows, what is included in the development, and how the infrastructure is set up.

Roll Call: Ayes: All Motion Carried

Motion by Mollhoff, seconded by Anderson to approve Resolution 2017-6 – Sales of 2003 Ford E450 Medtec Ambulance.

City Administrator Quady said this is a repeat of the February resolution as there were no bidders that met the minimum bid and this lowers the parameter for bidding to \$7,000. She added this will be re-advertised and the Rescue Squad is comfortable with the change.

Roll Call: Ayes: All Motion Carried

Motion by DeVries, seconded by Gossin to introduce and approve first reading of Ordinance 1135 – Zoning Amendment.

City Attorney Fahleson read the Title of Ordinance 1135.

City Administrator Quady said this is for the rezoning of two houses on North 15th Street owned by Bob Luebbe from Residential to Commercial and the public hearing for the ordinance was held at the last meeting.

Roll Call: Ayes: All Motion Carried

Motion by DeVries, seconded by Mollhoff to introduce and approve first reading of Ordinance 1136 – Creating Vehicle Off-Street Parking District No. 1.

City Attorney Fahleson read the Title of Ordinance 1136.

City Administrator Quady said as most things that go through Ameritas they are asking for the waiving of the three readings.

Motion by DeVries, seconded by Mollhoff to suspend the rules and waive the three readings.

Roll Call: Ayes: All Motion Carried

Roll Call: Ayes: All Motion Carried

Julie Ogden of JEO Consulting Group updated the Council on the Silver Street Bridge project. She reminded the Council the last time she was at a Council meeting, a public hearing was held in regard to the historic bridge that is to be replaced on Silver Street. She said she has been working with the City Administrator in trying to find a new home for the bridge but there have been no formal takers. She said that the final plans for the

new bridge have been turned into the Department of Roads for their final approval. She said that she would like to set up a bid opening in May so construction can begin. She reviewed details of the project. She stated the current bridge and truss will be removed with an alternate bid to salvage the bridge and be replaced with a the new longer and taller bridge. She said existing pavement will be removed beginning 125' east of 13th Street through the 9th Street intersection. She said the bridge deck will go up 5' or 5 ½' to maintain the flood water surface elevation in Salt Creek. She said the paving will have curb and gutter, be 28' width for the majority of it but at the west end it will taper out to the 42' and the concrete paving will be 9" thick. She said there is a storm sewer main on the west end of the north side of the bridge to replace and there will be drainage improvements at the 9th Street intersection. She added that the bridge will have a 7' wide sidewalk with pedestrian protection that will be ADA compliant with 5' wide approach sidewalks. Discussion was held regarding bridge lighting and the adding of architectural features, moving of the existing monument on the Salt Creek bank and completion of the historical documentation of the historic bridge. Mayor Grauerholz asked for special consideration for the residents of the one home impacted by the construction. Ogden said the contractor has 125 working days to complete the project with an incentive to work the months of December, January, February and March without counting working days during that time. She said the contractor will be allowed to set the start date and completion must be done by November 2018. She said that the project's construction estimate is \$2,951,150 with 80% paid by the State of Nebraska and the City's portion being a little over \$581,000 along with the engineering fees.

John Craven of Reliable Heating and Plumbing addressed the Council regarding street repair and concrete replacement rules for water line and sewer line repairs. He said that he is taking out unnecessary concrete at the homeowner's expense. He reviewed past projects and the cost of the projects. He questioned if it should be up to the taxpayer to pick-up the concrete cost when they already pay taxes for the road. He requested that a discussion be held in the future on how this can be handled. Discussion was held with Craven answering questions of the Council. City Administrator Quady noted that Infrastructure Specifications were approved in November by the Council.

Craven then spoke on utility locating guidelines and state statutes and on how and why 811 was implemented. He stated his opinion that there is a lack of knowledge of the City's water and sewer system. He said knowing where the lines are is a benefit to the City, the excavator and the taxpayer. He said the City should investigate by 'pot holing' and experimental excavating to find the location of lines that are in question. David Strobbley, One Call Board Member, spoke about the role of One Call. He said they help train and provide resources but they are not a resolution board. He reviewed the locate process and the facility and excavator responsibilities.

Motion by Mollhoff, seconded by DeVries to approve the consent agenda which included approval of the March 16, 2017 City Council meeting minutes and the March 18, 2017 City Council special meeting minutes.

Roll Call: Ayes: All Motion Carried


Motion by Gossin, seconded by Mollhoff to approve the second half of March 2017 Claims.

Roll Call: Ayes: All Motion Carried

City Administrator Quady reminded the Council that Clean Up Day will be held on Saturday.

Motion by Mollhoff, seconded by Anderson to adjourn at 9:29 p.m.

Roll Call: Ayes: All Motion Carried


Richard Grauerholz, Mayor


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 April 6, 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.