

**ASHLAND CITY COUNCIL
REGULAR MEETING
February 17, 2022**

A regular meeting of the Ashland City Council was held at the Ashland City Hall Council Chambers on the 17th day of February, 2022 at 7:00 p.m.

Present: Mayor Richard Grauerholz
City Council President James Anderson
City Council Member Jake Crnkovich
City Council Member Chuck Niemeyer
City Council Member Bruce Wischmann
City Administrator Jessica Quady
City Clerk Kathleen Sliva
City Attorney Mark Fahleson

Others: Caleb Fjone, Susan Cerny, Bill Krejci, Suzi Nelson, Ron Styskal, Karen Kasuske, Janet Rolofson, Dan Linke, Heather Kennedy, Scott Howard, Bryan York, Shirley Niemeyer, Mike Gochenour, and others

Notice of meeting was advertised in the Ashland Gazette on February 10, 2022. 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 located on the south wall of the room.

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

Roll Call: Ayes: All Motion Carried

Dane Simonsen, JEO Consulting Group, presented the 2021 Water and Wastewater Rate Study. He reviewed the water systems current and proposed rates. He said to get to the proposed rates several items were looked at including user growth, water usage growth, increases in expenses due to inflation and material costs, capital improvement projects and outstanding bond payments and refinancing. He reviewed a table that showed the anticipated monthly bill and the percentage increase from previous years for the average user in each user class. He said they were trying to achieve a revenue neutral state with the water system meaning the system isn't banking money nor losing money but rather covering bills. Council Member Niemeyer noted that it appeared the commodity fee was

staying the same but the flat fee was changing. He said he was concerned this hurts the small business downtown that uses little to no water. He said he would prefer to see an increase in commodity fees. Simonsen explained that revenue coming from the flat fees will be fairly consistent and commodity is based on the amount of water people are using. He said the most of the expenses are coming in consistently so the revenue is arranged so that there isn't the risk of losing revenue if water usage is down due to weather or some other cause. He said Ashland doesn't treat the water so there is not that high expense. Niemeyer said the burden is high on small businesses with the flat fee. Simonsen reviewed the current and proposed rates for the wastewater system. He said the system with the existing rate structure is currently bringing in more revenue than needed. He said the proposed rate structure is similar to the current one but with a reduction in the flat fee and the commodity fee staying the same. He reviewed a table showing a typical average monthly bill by user type using the proposed rates. Simonsen discussed another table that combined the proposed water and wastewater rates and showed the proposed percentage change for each user type through 2025. He noted this is done because the City has a combined Utility Fund. He said the percentage change for the combined rates is small and that what is occurring is correcting an imbalance of the system so that water revenue will cover water expenses and wastewater revenue will cover wastewater expenses. He reviewed the final table that showed the impact to the combined cash balance through 2025. He noted the cash balance is reduced fairly significantly as capital improvements are paid with cash. Niemeyer said he likes the idea of balancing the systems and having each entity covering its cost. He continued saying he doesn't feel it is equitable for the small commercial users and questioned if there is some way to change these rates. Council Member Anderson said that rates haven't been changed since 2007. Simonsen said this is the third rate study he has worked on since then. City Administrator Quady said the studies showed changes would have been awash with the combined system so rates were left alone. She said this time there are capital improvement projects that are coming on so rates do need to be raised. She said the auditor has said the combined system is okay to use. Simonsen and Quady answered questions of the Council and discussion followed. Simonsen said the next step would be drafting an ordinance to implement new rates. Mayor Grauerholz said the rate study is a good place to start and now the Council will be able to get input from the users and in a month or two come back to decide if rates should be changed.

Janet Rolofson gave public comment regarding Ashland-Greenwood Community 4 Kids Initiative, home day care providers in the community and utility rates. She distributed a handout with background on the initiative. She requested the Council reverse the decision to charge home child care businesses for water usage in the same way as other commercial businesses are charged. She reviewed a 2020 survey showing a need in the community for more providers. She said knowing these survey results, it is the groups opinion, that the community at large needs to do as much as possible to support and encourage the current providers and those who might be willing to open a child care business.

Karen Kasuske gave public comment stating she has been doing child care in Ashland for 25 years. She asked the Council to consider reversing the water and sewer charges back to residential rates for in home daycares. She said she surveyed 13 towns and only one of them, Blair, charges a different rate than residential for in-home child care facilities.

Shirley Niemeyer gave public comment regarding utility rates. She said she is a member of Parents for Preschoolers that provides educational events for parents with free daycare. She noted the gap in the number of daycare slots that are needed in the community and the number that are available. She said the University of Nebraska and Buffett Early Childhood Institute for Nebraska study found that Nebraska's day care providers face low wages and lack benefits. She reviewed a handout with various statistics from the study. She emphasized the reports statement that 'a community's economic development and prosperity depend upon quality childcare'. She said she hopes the Council will consider this and help the providers as new utility rates are set.

Mayor Grauerholz opened a public hearing on an application for License to Sell Fireworks by Hometown Fireworks at 103 South 22nd Street. No comments were heard. Mayor Grauerholz closed the Public Hearing at 7:49 p.m.

Mayor Grauerholz opened a public hearing on an application for License to Sell Fireworks by Ka-Boomer's Enterprises, Inc. at 2242 Silver Street at 7:49 p.m. No comments were heard. Mayor Grauerholz closed the public hearing at 7:50 p.m.

Mayor Grauerholz opened a public hearing on application for License to Sell Fireworks by 1517 Midwest LLC at 1241 Silver Street at 7:50 p.m. City Administrator Quady said this is the first year this company will have a stand in Ashland. With no further comment, Mayor Grauerholz closed the public hearing at 7:51 p.m.

Mayor Grauerholz opened a public hearing on application to Sell Fireworks by R.O.C. Youth Center at 198 U.S. Highway 6 at 7:51 p.m. Mike Gochenour, Director of R.O.C. Youth Center said he would appreciate the support as they find ways to involve the youth in the community and in the mission of the center. He said the stand location is an empty lot along the highway owned by Lee Sapp. With no further comment, Mayor Grauerholz closed the public hearing at 7:53 p.m.

Motion by Niemeyer, second by Wischmann to approve applications for License to Sell Fireworks by Hometown Fireworks at 103 South 22nd Street, Ka-Boomer's Enterprises, Inc. at 2242 Silver Street, 1517 Midwest LLC at 1241 Silver Street and R.O.C. Youth Center at 198 U.S. Highway 6.

Roll Call: Ayes: All Motion Carried

Motion by Wischmann, second by Niemeyer to approve Change Order No. 4 for 2020 Sanitary Sewer Improvements for a decrease of \$70,851.29.

City Administrator Quady said the project is essentially done with General Excavation coming back in the spring to do seeding. She said change order updates the quantities used. She said the project ran longer than originally planned and in December the project was extended.

Roll Call: Ayes: All Motion Carried

Motion by Wischmann, second by Crnkovich to approve Pay Application No. 7 from General Excavating Company for 2020 Sanitary Sewer Improvements in the amount of \$81,685.86.

Roll Call: Ayes: All Motion Carried

Reviewed the January 2022 Keno Report.

Reviewed the Public Works Director's Report.

Reviewed Utility Superintendent's Report.

Reviewed Police Chief's Report.

Reviewed Building Official's Report.

Reviewed Library Report.

Motion by Anderson, second by Wischmann to approve the consent agenda which included the approval of the February 3, 2022 City Council meeting minutes, approval of the February 5, 2022 City Council Workshop and approval of the January 27, 2022 Planning Commission meeting minutes.

Roll Call: Ayes: All Motion Carried

Motion by Wischmann, second by Niemeyer to approve the first half of February 2022 Claims.

Roll Call: Ayes: All Motion Carried

Motion by Wischmann, second by Anderson to approve January 2022 Treasurer's Report.

Roll Call: Ayes: All Motion Carried

Mayor Grauerholz gave the Mayor's Report He said applications are being taken for pool staff. He reminded the Council of the upcoming Saunders County Local Emergency Planning committee meeting at the Community Resource Center. He said dates are being

looked at for a Spring Clean Up Day. He said he met with Congressman Don Bacon earlier in the week.

Caleb Fjone, AAEDC Executive Director, said the last day for the Flag Contest is February 28th. He said the Council will narrow the selection down to the top three at a meeting on March 8 at 2 p.m. He said on March 3rd the Nebraska Art Council will do a site visit for the Creative District.


Motion by Anderson, second by Wischmann to enter into executive session to protect the public interest to discuss potential litigation at 8:20 p.m.

Roll Call: Ayes: All Motion Carried

Motion by Niemeyer, second by Wischmann to leave executive session at 8:47 p.m.

Motion by Niemeyer, second by Wischmann to adjourn the meeting at 8:47 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 February 17, 2022 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.