

ASHLAND CITY COUNCIL MEETING
Tuesday, September 11, 2018 - 5:30 P.M.
Ashland City Hall Council Chambers
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PRESENT: Holly George, Richard Ketring, Sara Jackson, Kate Ullman, Ana Tochtermann, David Mettillie, Kevin Haas, Charles Ortman, Elizabeth Franek, Dick Pufall, Jackie Moore

ABSENT: None

ALSO PRESENT: Mayor Deb Lewis, City Administrator Brant Kucera, City Clerk Denise Oliphant, City Attorney Tyler Wickman, Interim Public Works Director Sharon Campbell, Planning and Development Director April Kroner, Parks and Recreation Director Sara Hudson, Police Chief Jim Gregoire, and other concerned citizens

Agenda Item 1: Call to Order

Roll call was taken, a moment of silence was held, and the Pledge of Allegiance was recited.

Agenda Item 2: Approval of Agenda

Mettillie moved, Haas seconded a motion to approve the agenda as presented. The motion carried unanimously by voice vote.

Agenda Item 3: Approval of Minutes of the August 28, 2018 Council and Committee of the Whole Meetings

Franek moved, Moore seconded a motion to approve the minutes of the August 28, 2018 Council meeting with a correction of the vote to move into closed session, and the minutes of the Committee of the Whole meeting. The motion carried unanimously by voice vote.

Agenda Item 4: Citizen Participation Period

Donna Blazek, 222 Prentice Avenue, spoke in support of legalizing cannabis.

JoAnne Erickson, 3300 City Heights Road, explained there was not enough time for the Council and the citizens to deliberate the Resolution regarding legalizing cannabis and asked Council to consider getting public input before deciding on their vote.

Bob Larson, 3311 City Heights Road, spoke against legalizing cannabis.

Sarah Briggs, 301 15th Avenue West, voiced her support of the Resolution for legalizing cannabis and gave Council a mapping of the State of Wisconsin's counties who have already voted or will be voting on this issue in the future.

Eric Lindell, 204½ Main Street West, noted that the legalization of cannabis comes down to individual responsibility and asked Council to consider a referendum.

Sandy Principe, 620 Prentice Avenue, spoke in reference to recreational use of cannabis.

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Kevin Cousins, 1315 Front Street East, stated although he was not an advocate for cannabis, he felt Wisconsin is behind the times regarding the issue.

Sally McGregor, 810 5th Street West, voiced that medicinal and recreational use of cannabis should be treated separately.

Zygmund Jablonski spoke to the high water and sewer rates in reference to the upcoming budget.

Andrew McGregor, 810 5th Street West, told Council it was irresponsible to vote to pass the Resolution regarding legalizing cannabis without the citizens input and voice and thanked Council for bringing the issue forward for discussion.

Agenda Item 5: Mayor's Report

Agenda Item 5A: Announcements

Mayor Lewis noted that names of Councilors were added to the tables to let citizens know who their representatives were. The Planning Intern and Northland College student, Aiden, developed a parking study of Ashland's downtown and will be sending this to the Councilors. Planning and Development Director April Kroner has announced her last day with the City of Ashland will be on October 2 to pursue employment closer to family in Manitowoc. The City received a grant from the Wisconsin DOT for \$720,000 to be applied to the Waterfront Trail and 5th Street Corridor and for bike lanes on State Highway 112/Sanborn Avenue.

Agenda Item 6: Consent Agenda

Agenda Item 6A: Operator's Licenses

Michael R. Graham, Alannah S. Gessert, Melissa M. Schnepf

Agenda Item 6B: Miscellaneous Minutes

Mettille moved, George seconded a motion to approve the Consent Agenda. The motion carried unanimously by voice vote.

Agenda Item 7: Old Business

Agenda Item 7A: Discussion and Possible Action Regarding a Resolution Requesting the Wisconsin State Legislature to Legalize and Regulate Medicinal Cannabis (Marijuana) for All, and the Recreational Possession and Use of Cannabis for Adults

Mettille began the August 28, 2018 Committee of the Whole meeting asking Councilor Ortman to discuss his agenda bill, followed by asking each Councilor to speak in turn to express their thoughts so that each had equal opportunity to speak before opening the floor for discussion.

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Moore moved, Ketring seconded a motion to approve the resolution as stated. Pufall suggested the Council support lowering the penalty but increasing the fines for possessing and using marijuana. Wickman explained a City of Ashland ordinance is already in place relative to this. Lewis proposed a public hearing be held at the next discussion on this topic. George requested that amendments be made to the resolution before passing it on to the State. Ullman felt if a public hearing were to be held, the topic should be of a broader scope than legalizing marijuana. Mettillie supported the need for a public hearing. Ketring stated the City should be offering better education to the public on the subject and to include other major affected entities, such as the schools and clinics. Mettillie asked the vote be recorded as a roll call vote. Pufall stated this item did not need to be voted on at this time. Mettillie explained there was a motion and second on the floor and asked to proceed with the vote. The resolution passed 6-4 by roll call vote; opposed were George, Ullman, Haas, and Pufall.

After much deliberation, Ortman moved, Ullman seconded a motion to postpone indefinitely the approval of the resolution requesting the Wisconsin State Legislature to legalize and regulate medicinal cannabis (marijuana) for all and the recreational possession and use of cannabis for adults. The motion carried unanimously by roll call vote.

Agenda Item 8: New Business

Agenda Item 8A: Approve a Resolution Amending Resolution No. 17453 Adopted to Authorize the Issuance and Sale of \$960,000 Sewerage System Mortgage Revenue Bonds of the City of Ashland, Ashland and Bayfield Counties, Wisconsin (Finance Director)

On August 31, 2018, the Common Council approved the resolution to authorize the issuance and sale of \$960,000 sewerage system mortgage revenue bonds of the City of Ashland, Ashland and Bayfield Counties, Wisconsin, and providing for the payment of the bonds and other details with respect to the bonds. The interest rate was incorrectly stated for this issue at 2.75%. The \$960,000 USDA-RD loan is for the Wastewater Utility System Controls and Data Acquisition project (SCADA).

On September 17, 2015, the USDA-RD approved to obligate funds for the sewer utility as follows:

Sewer Grant	\$	250,000	
Sewer Loan	\$	960,000	<u>interest rate capped at 2.875%</u> for forty year term

The amending resolution corrected the interest rate to 2.875%.

Mettillie moved, George seconded a motion to approve the Resolution to amend Resolution No. 17453 adopted to authorize the issuance and sale of \$960,000 Sewerage System Mortgage Revenue Bonds of the City of Ashland, Ashland and Bayfield Counties, Wisconsin. The motion carried unanimously by roll call vote. **(File #17464)**

Agenda Item 8B: Approve the Waiver of Bidding Requirements of Chapter 194.04, Ashland City Ordinances, Procurement of Goods and Services and Approval of Change Orders for Public Construction Projects, for the Purchase of a Used Manure Spreader and Tractor for the Waste Water Treatment Plant (Public Works)

The sewage sludge that is produced and stored at the Waste Water Treatment Plant must be disposed of annually. The sludge is land applied on farm fields nearby. The WWTP Foreman contacts farmers who may be interested in having the sludge land applied. Before applying the sludge, an application is made to the WI DNR to verify compatibility between the field and the sludge.

The current 1991 Field Gymmy continued to have mechanical problems. The weight of the Gymmy and the narrow wheel base caused the truck to get stuck in the farm fields during periods when the fields were wet. This then slows down the process and causes damage to the fields.

The department was interested in purchasing a used tractor and manure spreader. A tractor with a wider wheel base and larger tires can pull a manure spreader easier and handle wetter field conditions with less likelihood of getting stuck. The manure spreader would help distribute the sludge more evenly through the field which is something farmers would appreciate.

George moved, Ketring seconded a motion to approve to waive the bidding requirements of Chapter 194.04, Ashland City Ordinances, Procurement of Goods and Services, and to approve change orders for public construction projects, for the purchase of a used manure spreader and tractor for the Waste Water Treatment Plant. The motion carried unanimously by voice vote.

Agenda Item 8C: Approve to Enter into an Agreement with Northwoods Paving Co. for Paving the Alley between Fifield Row and North Ellis Avenue (Public Works)

In 2017, the sanitary sewer was replaced in the Fifield Row alleyway. The construction budget with contingency for the Fifield Row Sanitary Sewer project in 2017 was \$84,860.69. The final project costs were \$17,872.86 for water and \$54,230.34 for sewer for a total of \$72,103.20. The project came in under budget by \$12,757.49. The original alleyway had an asphalt surface, and the project was designed to convert the alley surface to gravel to reduce the total project cost. The majority of the alleys in the City are gravel.

The original paved alley was constructed to direct storm water runoff down the center of the alley so as not to cause flooding of adjacent property. Since leaving the alley with a gravel surface, there had been issues of flooding of the adjacent properties. If left as gravel, the alley would require more than normal grading by Public Works to maintain drainage down the center of the alley and also would cause erosion in the center of the gravel alley. Based on that, it was recommended that the alley be returned to be asphalt paved as it was prior to the construction work.

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Bids were solicited from both Northwoods Paving Co. and Angelo Luppino, Inc. for the alley paving project. Northwoods Paving Co. bid of \$11,181.90 was the low bid. The Public Works Department recommended awarding the project to Northwoods Paving Co.

Pufall moved, Haas seconded a motion to approve to enter into an agreement with Northwoods Paving Co. to pave the alley between Fifield Row and North Ellis Avenue in the amount of \$11,181.90. The motion carried unanimously by roll call vote.

Agenda Item 8D: Discussion and Possible Action to Approve a Request from Michael Wartman to Waive Ordinance Requirement to Hook Up to City Water at 2100 Lake Shore Drive West (Mayor)

The Utility had been approached by Michael Wartman, Attorney at Law representing the Mary Ann Kehoe Trust. The trust was interested in selling the property at 2100 Lake Shore Drive West to Mary Ann's daughter. At that time, this property was being served by a private well.

In 2007, water main was installed on Lake Shore Drive West abutting the property at 2100 Lake Shore Drive. Ashland City Ordinance, Chapter 705, Water Utility Rules, Rates, and Regulations section 705.19 Mandatory Hook-up has conditions in which a property owner is required to connect to the municipal water system. This section of the ordinance reads as follows:

Mandatory Hook-up 705.19(d) Newly installed mains. Properties served by newly installed water main adjacent to the property and which have been granted a delay in compliance per subsection 705.19 (b), need not hook up to the City of Ashland water system until the occurrence of the earliest of the following events:

- (1) Failure of the private well or the inability to use the private well for human consumption;
- (2) Sale, transfer, change in title, or subdivision of the subject property or any part thereof;
- (3) Construction of a new dwelling on the property.

The letter from Attorney Wartman requested a waiver to the mandatory hook-up for three (3) reasons:

- (1) The family-mother/daughter and trustee/beneficiary relationship;
- (2) The quality of the private well water is very good and the well was in good working order;
- (3) Because of the distance and obstacles involved, it would be a very costly project. An estimate from Blakeman Plumbing indicated a hook-up cost of at least \$15,000 from the highway and at least \$20,000 from 22nd Ave.

The estimates received from Blakeman Plumbing did not include the public side of the water lateral. This was from the water main to the curbstop. The estimate to install the lateral from the curbstop to the water main could be approximately \$10,000. Per the Ashland Water Utility PSCW Authorization, the Water Utility shall charge a customer for the actual cost of installing a water service lateral from the main through the curbstop box. This amount is in addition to the estimate received from Blakeman Plumbing. Council was being asked to determine whether a waiver from the ordinance should be granted in this situation.

Pufall moved, Franek seconded a motion to approve the request from Michael Wartman to waive ordinance requirements to hook up to City water at 2100 Lake Shore Drive West. The motion carried 6-5 by voice vote; opposed were George, Ketring, Ullman, Mettille, and Moore.

Agenda Item 8E: Approve a Resolution to Approve the Offer to Purchase City-Owned Property Adjacent to 213 9th Avenue East, Zoned City Center (CC), Part of Parcels #201-01553-0000 and #201-01555-0000, by Evan Boone (Planning and Development)

The staff recommendation was to approve the sale of the subject property to Mr. Boone upon review by the Public Works and Parks & Recreation departments. Public Works indicated that they did not have a need for this property as the snow dumping area is located behind the former fire station building on the south side of 3rd Street East. Parks & Recreation indicated the desire to retain the property for the future Bay City Creek Trail. However, upon discussion with the applicant, the possibility was entertained that the City retain the south half of the parcel for a future Bay City Creek Trail parking lot as that would be sufficient to meet future needs, and that if the required 66' of the 100' former rail corridor were retained, it would provide ample room for the future trail.

Upon discussion at the Plan Commission meeting, it was identified that the City had purchased the lot located to the south of 213 9th Avenue East 10-15 years ago. Staff indicated they would look back at records to find out the amount the City paid for this and what the intent was when the purchase was made. It was found that the City purchased the parcel in 2004 for \$10,000 and taken from the City's Buildings Facility Fund budget. The reason for the purchase at that time was as follows: "...for future storm water or snow dump management. Depending on the outcome of a new safety center, this land could also benefit the Safety Center Project". Mr. Boone was requesting to purchase the northern half of this parcel. The Public Works department was contacted with this further information and stated on September 6, 2018, they "have no issue selling the northern half of the subject site to Mr. Boone. The area currently being used as a snow dump has been sufficient, and we don't see a need to retain this area for future storm water."

Plan Commission discussion also occurred about the strip of land along the north side of 213 9th Avenue East that is being requested for purchase and the potential future City recreational needs of the property on the south side. There was concern by one commissioner about giving up any portion of the former rail corridor, and that as proposed, there would no longer be access to the future trail from the alley if that portion is sold to Mr. Boone. Another commissioner disagreed and indicated that alley access wasn't needed as the City owns all the property to the east. There was also concern about the City letting go of property as they are not certain to what extent it may be needed or not needed in the future. It was questioned if the City would not be preserving needed land for future development by letting go of even a portion of the land and asked that the Parks & Recreation Director formally verify that there would be adequate parking by retaining only the southern portion of the property. On September 6, 2018, the Parks & Recreation Director indicated that she "believes the land we are retaining would satisfy parking as the public could also park along the street...and we are keeping enough land for a trail and preservation of the riparian corridor."

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Another item of discussion was the price offered for the property. The Plan Commission's responsibility is to primarily look at the use of property and not negotiate the sale amount, however, they felt strongly that the offered amount was too low. Mr. Boone's offer of \$1,500 was based on recent sales he was aware of in the vicinity, and that he will have to get a survey completed on the property as part of the purchase, costing approximately \$1,500. In addition, he will be responsible for closing costs. The City Assessor indicated he would likely assess the property at \$7,300 for the land based on the other land values in that neighborhood. As indicated previously, the City paid \$10,000 for the entire property in 2004, and Mr. Boone is proposing to purchase half of the property.

Ultimately, the Plan Commission made the following motion, which resulted in a deadlock vote among the four Commissioners at the meeting: Motion to approve with the conditions of an equitable price and Parks and Rec verify they have adequate space for parking by David Mettille; seconded by Ernie Bliss. Split vote 2-2. Mayor Lewis, John Beirl opposed. The vote is a deadlock.

Pufall moved, Franek seconded a motion to approve the Resolution to approve the offer to purchase City-owned property adjacent to 213 9th Avenue East, Zoned City Center (CC), part of Parcels #201-01553-0000 and #201-01555-0000, by Evan Boone.

Mettille offered a friendly amendment, seconded by Moore, to authorize staff to negotiate the purchase price with a maximum price being the assessed value. Council approved the friendly amendment 8-3 by voice vote; opposed were George, Ketring, and Pufall.

George made a motion to reconsider the passing of the friendly amendment to authorize staff to negotiate the purchase request. The motion was later retracted by George. Ullman then called the question.

Ullman moved, seconded by Jackson, to authorize staff to negotiate the sale and purchase price of only the more northern, smaller strip of land (Parcel #021-01555-000) with the minimum being the assessed value, and not allow the sale of the larger portion of Parcel #201-01553-0000. Mettille offered a friendly amendment to negotiate the purchase price to that being not less than the assessed value, and that equivalent to recent purchases of similar nature. Both Ullman and Jackson accepted the amendment. The motion carried unanimously by voice vote. The resolution will be brought before Council on September 25, 2018 for final approval.

Agenda Item 8F: Approve Professional Services Proposal Agreement with Cedar Corporation to Assist the City with Completing and Submitting a USDA Rural Development (RD) Funding Application to Amend the Preliminary Engineering Report (PER) for 6th Street West Reconstruction (Public Works)

At the April 17th City Council meeting, the Council approved entering into a three year agreement with Cedar Corporation for engineering services.

In order to receive USDA (RD) funding for the upcoming capital projects, an application must be submitted by September 30, 2018, to USDA (RD) in order to be considered for funding.

The Finance Director, Interim Public Works Director, Cedar Corporation and USDA, through a conference call, discussed amending the current Professional Engineers Report on file with USDA for the 6th Street West Reconstruction Project. The preliminary engineering report outlined the technical and financial needs of a project. Cedar Corporation used the Sanitary, Water, and Street Improvements Master Plan for projects to submit the application.

If the City were to move forward with USDA funding, an Owner/Engineer agreement would need to be secured before moving forward with a project. This would be done through a bidding process. In order to meet USDA (RD) application deadlines, staff asked Council to approve this proposal.

George moved, Moore seconded a motion to approve the professional services proposal agreement with Cedar Corporation to assist the City with completing and submitting a USDA Rural Development (RD) Funding application to amend the Preliminary Engineering Report (PER) for 6th Street West reconstruction. The motion carried unanimously by voice vote.

Agenda Item 9: Adjournment

Mettille moved, Haas seconded a motion to adjourn. The motion carried unanimously by voice vote.

Respectfully Submitted,

Denise Oliphant
City Clerk