Ashland Committee of the Whole Meeting
Tuesday, February 25, 2025 – 6:00 PM
601 Main Street W. Ashland WI 54806

Take notice that the City of Ashland Committee of the Whole will meet immediately following the adjournment of the City Council Meeting in the City Hall Council Chambers, 601 Main Street W. Ashland, WI, to consider and act upon the following agenda.

To attend the meeting from your computer, tablet or smartphone:
https://global.gotomeeting.com/join/500263957
Or dial in using your phone. United States (Toll Free): 1-877-309-2073 Access Code: 500-263-957
Please contact the Clerk's office if you require accommodations to attend the meeting.

Tuesday, February 25, 2025 Ashland Committee of the Whole Meeting Agenda

1. **Roll Call**

2. **Approval of Agenda**

3. **Council President's Report**

4. **Administrator's Report**

5. **DISCUSSION ITEMS**

   A. **Dicussion and Possible Action to Amend Chapter 51 City Council Procedure, to Update the Agenda Outline and Move the Adminstrator's Report to the Council *(Mayor)***

   B. **Discussion and Possible Action Regarding a Professional Services Agreement between the City of Ashland and Managing Results, LLC. for Strategic Planning Consulting *(Administraion)***

   C. **Discussion and Possible Action Regarding the John F. Kennedy Memorial Airport Ashland, Wisconsin Airport Hangar Ground Lease *(Airport Commission)***

   D. **Discussion and Possible Action Regarding a Resolution Petitioning the Secretary of Transportation for Airport Improvement Aid for JFK Memorial Airport *(Airport)***

   E. **Discussion and Possible Action on Utility Disconnection Policy *(Public Works)***

   F. **Discussion and Possible Action Regarding Public Fire Protection (PFP) and Standy-By Fees *(Public Works)***

G. **Continued Discussion and Possible Action on Proposed Changes to Chapter 612 Street and Utility Construction Standards and Special Assessment Policies, Ashland City Ordinances (Public Works*)***

H. **Continued Discussion and Possible Action on Proposed Special Assessments for Chapple Avenue and Ellis Avenue Reconstruction Projects *(Public Works)***

I. **Continued Discussion and Possible Action on Proposed Special Assessments Policy for Street Construction *(Public Works)***

6. **Items for Future Discussion**

7. **Adjournment**

The City of Ashland does not discriminate on the basis of sex, race, creed, color, national origin, sexual orientation, age or disability in employment or provision of services, programs or activities.

Upon reasonable notice, the City of Ashland will accommodate the needs of disabled individuals or individuals with limited English proficiency through auxiliary aids or services. For additional information or to request this service, contact the City Clerk's Office at 715-682-7071 (not a TDD telephone number) or FAX: 715-682-7048.

Ref: 2025-045

COMMITTEE AGENDA: 5.A. (2/25/2025)

SUBJECT: **Dicussion and Possible Action to Amend Chapter 51 City Council Procedure, to Update the Agenda Outline and Move the Adminstrator's Report to the Council *(Mayor)***

RECOMMENDATION: Advance to Council for formal approval

DEPARTMENT OF ORIGIN: Mayor

CLEARANCES: Council President

EXHIBITS:

COMPLIANCE WITH STRATEGIC PLAN: Good Governance

SUMMARY STATEMENT:

The Mayor is requesting consideration of moving the *City Administrator's Report* item from the Committee of the Whole meeting agenda to the City Council meeting agenda. Bringing this item closer to the beginning of the meeting may allow for better communication and information to the public at that time of the meeting.

Also, it was noted an update to the outline of the agenda should be approved to follow what has been generally utilized for Council meetings. According to Chapter 51.09 Order of Business, item *j) listing of topics, without discussion for future agendas*, should be part of the Common Council agenda but has regularly been part of the Committee of the Whole agenda. If the Council agrees, this should be stricken from the order of business of the Council agenda.

If approved, Council will be asked at the next Council meeting, to approve an ordinance to approve the amendment to Chapter 51.

Ref: 2025-046

COMMITTEE AGENDA:
5.B. (2/25/2025)

SUBJECT: **Discussion and Possible Action Regarding a Professional Services Agreement between the City of Ashland and Managing Results, LLC. for Strategic Planning Consulting *(Administraion)***

RECOMMENDATION: Advance to Council for formal approval

DEPARTMENT OF ORIGIN: Administrator

CLEARANCES: Mayor

EXHIBITS:
1. Professional Services Agreement - Managing Results, LLC

COMPLIANCE WITH STRATEGIC PLAN: Good Governance

SUMMARY STATEMENT:

Staff implemented the City's current strategic plan in 2021-2022. Being a five-year plan, the Administrator is initiating a review of the plan to update goals for the next five years.

Managing Results, LLC. assisted the City in 2021 by guiding administration, Council and lead staff to recognize and prioritize goals for the City to assist with projects and budgeting. Administration would like to continue to use Managing Results, LLC. as they are familiar with the City's dynamics and personality.

MANAGING RESULTS, LLC.
PROFESSIONAL SERVICES AGREEMENT

Consulting Services to facilitate development of Ashland, WI Strategic Plan

THIS PROFESSIONAL SERVICES AGREEMENT is made and entered into as of the date hereinafter set forth by and between THE CITY OF ASHLAND, WISCONSIN (City), and Managing Results, LLC. a Colorado Corporation (Consultant).

WITNESSETH:

WHEREAS, it is the City's desire to develop a results-based, customer-focused City Strategic Plan that will focus on results for customers and engage elected officials, leadership and employees from across the organization; and

WHEREAS, it is the City's goal to use its City Strategic Plan to drive focus and alignment across the organization, accountability and the type of analytical decision making necessary for successful implementation; and

WHEREAS, it is the City's desire to hire a consultant to facilitate the development of its Citywide Strategic Plan;

NOW THEREFORE, in consideration of the covenants herein contained, it is mutually agreed by the parties as follows:

1) Scope of Consulting Services
The City hereby appoints and engages Consultant to provide the following:

City Strategic Plan Process
MR recommends the following steps to create an Implementation Plan for the City of Ashland's Strategic Plan.

- *Review Documents and Materials to Identify Issues and Trends that will Impact Residents and the City of Ashland Government*
  A senior MR Consultant will review materials and documents to gain a sense of the Issues that are important and a history of the accomplishments and values that have governed the City of Ashland.

Documents will include but are not limited to existing Strategic Plans and updates, the *Authentic Ashland* Comprehensive Plan, Capital Facility Plan, financial projections, current and recent budgets, performance reports, City Council actions, policies and statements, press and media articles, public surveys, employee surveys, demographic information, economic development plans and projections, land use plans, economic analysis and plans, other reports on topics such as education, health, environment, arts and culture, tourism, etc.

➢ *Interviews with the Mayor, City Council and City Administrator*

A senior MR Consultant will interview the Mayor, City Council and City Administrator. These interviews will illuminate and document the perspectives of Leadership, which will then guide the planning process. These one-on-one interviews will focus on two primary questions:

- What are the most important Issues the residents of Ashland and the City government will be facing over the next 2-5 years?
- What results do you want to be able to say have been accomplished 2-5 years from now?

An MR consultant will compile the information from the interviews and identify the common Issues and Trends identified by the Mayor, City Council and City Administrator.

➢ *Facilitated Focus Group Session*

A senior MR Consultant will facilitate a virtual Focus Group Session with Department Directors. The senior MR Consultant will facilitate the conversation with the group via a virtual meeting software such as Google Meets, Zoom, etc. The Focus Group Sessions will illuminate and document the perspectives of these stakeholders, which will then inform the planning process. These facilitated focus group session will focus on the primary question:

- What are the most important Issues the residents of Ashland and the City government will be facing over the next 2-5 years?

An MR consultant will compile the information from the Focus Group Sessions and identify the common Issues and Trends identified by the group.

➢ *Facilitated Strategic Planning Retreat*

In a 2 day Strategic Planning Retreat, two of MR's most senior consultants will facilitate the Mayor, City Council, City Administrator, and key staff to develop the City Strategic Plan through the following steps:

- Orientation and overview of the planning process and desired results.
- MR will compile the Issues and Trends identified in the Document Review, Interviews, and Focus Group Session that will have a major impact on the residents of Ashland and the City Government over the next 2-5 years. The Planning team will review and assess the internal and external environment.
- The Planning Team will identify 3-5 Strategic Priorities that will emerge from the Issues identified and update the City Strategic Plan. These are broad categories of focus within which

measurable Strategic Goals will be established. Example strategic priorities might include categories like Economic Development, Sense of Place, City Infrastructure and Facilities, etc.

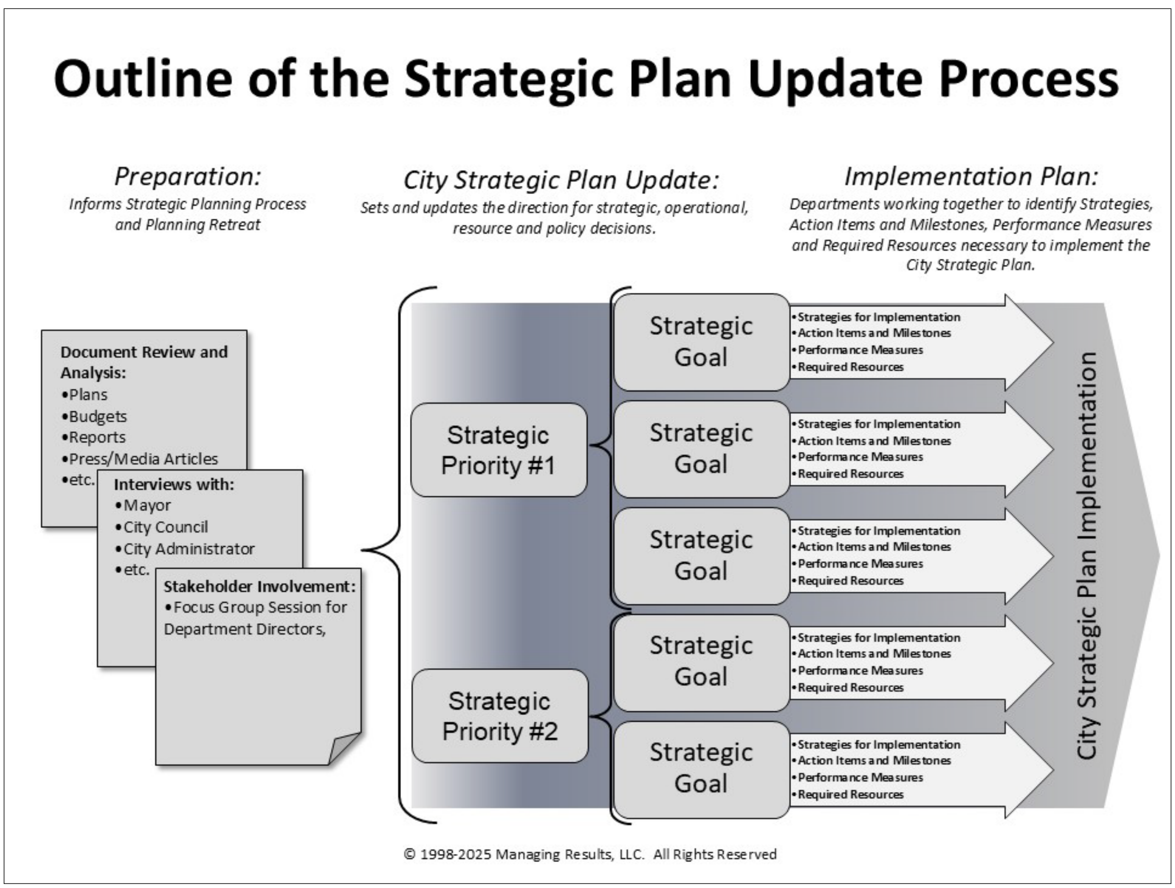
- The Planning Team will identify Measurable, Customer-focused Strategic Goals and objectives for/within each Priority with a 2-5 year timeframe, and where appropriate either add Strategic Goals and/or update those in the current Plan. The Strategic Goals are specific and measurable goals that often require the collaboration of multiple City departments to accomplish and are expressed in terms of what the community or a specific customer group will experience (results).

MR facilitates the development of strategic plans in a way that is built on consensus, which means that no votes are taken. The Strategic Priorities provide ample room for individual Councilmember's desired results to be included - built on consensus of the City Council.

- *<u>Preparation of Draft Strategic Plan Document</u>*

  Following the Strategic Planning Retreat, MR will transcribe the Priorities and Strategic Goals and deliver a draft Citywide Strategic Plan document to the City Administrator and the City's Project Manager. MR will review the draft Citywide Strategic Plan with the City Administrator and City's Project Manager.

<u>Project Flow Chart</u>



2) Compensation

Consultant shall be compensated in an amount not to exceed $30,000 for those services previously described in detail in Section 1 of this Contract. Billings, supported by detail, showing party providing the services, date services were performed, description of services, and applicable fees (as detailed in the attached exhibit: Fee Structure) not to exceed $30,000 will be submitted following each task as outlined in the Fee Proposal Breakdown by Task and all Consultant invoices will be paid in 15 days.

3) Indemnification

Consultant will comply with the indemnity requirements as follows:

> Consultant agrees to defend, indemnify, and hold harmless the City and its officers, agents, and employees from and against any and all loss of or damage to tangible property, or bodily injuries to or death of any person or persons, to the extent caused by the negligent acts or omissions of Consultant, including, without limiting the generality of the foregoing, its partners, employees, representatives, contractors or agents, in connection with the audit. Provided, however, Consultant shall not be liable thereunder for any loss or expense occasioned by the negligent acts or omissions of the City or its officers, agents, and employees. Each party agrees to give the other parties prompt notice of any claim, suits, actions, or proceeding. Further, the termination, cancellation, or expiration of this Contract shall not affect the obligations and rights established which the parties expressly agree will survive compensation, cancellation, termination, and expiration.

4) Venue and Applicable Law

The City and Consultant hereby agree that any dispute which may arise between or among them arising out of or in connection with this Contract shall be adjudicated before a court located in Ashland County, Wisconsin. The City and the Consultant hereby submit to the exclusive personal jurisdiction of the state or federal courts located in Ashland County, Wisconsin with respect to any action or legal proceeding commenced by any party to the Contract. The City and Consultant consent to the service of process in any such action or legal proceeding by means of registered or certified mail, return receipt requested, in care of the addresses set forth in paragraph number 5. This Contract shall be construed and enforced in accordance with the laws of the State of Wisconsin. In the event of ambiguity in any of the terms of this Contract, it shall not be construed for or against any party on the basis that such party did or did not author the same.

5) Notices

Notices to the parties hereto shall be in writing, personally served, faxed with receipt confirmation or sent by first-class US mail with return receipt to:

City: Matthew MacKenzie, Mayor
Ashland City Hall
601 Main Street West
Ashland, WI 54806

Consultant: Jeremy Stephens, Vice President
Managing Results, LLC
2758 Stephens Road
Maryville, TN 37803
865-567-5192

or to such other official address as the parties hereto may from time to time specify in writing.

6) Complete Agreement

This Contract expresses the entire understanding and complete agreement between the City and Consultant concerning the subject matter hereof. Neither the City nor Consultant has made or shall be bound by any agreement, statement or any representation to the other concerning the subject matter hereof which is not set forth in this Contract.

7) Modifications

This Contract can be modified by signed, mutual consent of both parties.

8) No Waiver or Modification

No waiver or modification of this contract or any covenant, condition, or limitation herein contained shall be valid unless by written amendment duly executed by the parties hereto. No evidence of waiver or modification shall be received in evidence of any proceedings or litigation between the parties hereto arising out of or affecting this Contract, or the rights or obligations of the parties hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The parties further agree that the provisions of this paragraph may not be waived except as herein set forth.

9) Cancellation

The City and Consultant may cancel this Contract upon thirty (30) days written notice to the other party. Such notice shall be deemed to be effective when received. Upon cancellation hereof, the City will pay Consultant all fees earned up to date of cancellation and Consultant will turn over to the City copies of all City documents in its possession.

10) Assignment

Neither this Contract nor any claims, rights or obligations relating to it may be assigned, sublet, or transferred by a party hereto unless approved in writing by the other party.

11) Independent Contractor Status

The parties hereby acknowledge and covenant that Consultant is an independent contractor and will act exclusively as an independent contractor and not as an employee of the City in performing the duties hereunder. The parties do not intend and will not hold out that there exists, any corporation, joint venture, undertaking for a profit or other form of business venture or any employment relationship among the parties other than that of an independent contractor relationship. The City will not withhold any social security tax, Medicare tax, federal unemployment tax, federal income tax, or state income tax from any compensation paid to Consultant. All such taxes, if due, are the responsibilities of Consultant and will not be charged to the City. Consultant agrees not to make any claims to any welfare or retirement benefits available to qualified employees of the City, for work done in relation to this Contract.

12) Confidentiality

Consultant acknowledges that in the course of providing services, Consultant may become privy to valuable information of a confidential and proprietary nature relating to the City's activities. All information Consultant becomes privy to as a result of this Contract should be treated confidential and shall not be divulged by Consultant to any third person or entity without the express written consent of the City.

13) Validity

The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision of this Contract, which shall remain in full force and effect.

14) No Waiver

The failure or neglect of the City to insist, in any one or more instances, upon the strict performance of any of the terms or conditions of this Contract, shall not be construed as a waiver of such term or condition nor the relinquishment in the future of such term or condition, but such term or condition shall continue in full force and effect.

15) Electronic Transmittals

During the course of this Contract, Consultant or City may need to electronically transmit confidential information to each other and to other entities engaged by either party. E-mail is a fast and convenient way to communicate. The City and Consultant agree to the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between the City and Consultant and outside specialists or other entities engaged by either Consultant or City.

16) Exhibits

Attached to this contract are a Fee Schedule and a Certificate of Insurance from Consultant.

17) **Intellectual Property Ownership, Use and Disclosure**

The City and Consultant acknowledge and agree as follows:

Consultant Methodology (both standard and modified) is the proprietary intellectual property of Consultant. The Consultant methodology contains, and is imbedded in various methodologies, trade secrets, software, definitions, graphics, presentations, and guidelines that are the sole proprietary intellectual property of Consultant. Much of the Consultant Methodology is contained but is not limited to the copyrighted Managing Results Resource Guide to Strategic Business Planning. City may use it only for its own internal purposes and shall keep the Consultant Methodology confidential, and under no circumstances will the City or other staff or agencies of the City, except as agreed by Consultant in writing, disclose the Consultant Methodology to other third parties, either individuals, or governmental or private sector organizations. All changes or derivative work made to the Consultant Methodology shall remain the exclusive property of Consultant. Notwithstanding the foregoing; all information produced by the City utilizing the Consultant Methodology, including the Citywide Strategic Plan, shall be considered the exclusive property of the City.

IN WITNESS WHEREOF, the City of Ashland, Wisconsin and Managing Results, LLC has made and executed this Contract, this ____ day of __________________, 2025.

MANAGING RESULTS, LLC:	**CITY OF ASHLAND, WISCONSIN:**
2758 Stephens Rd	601 Main Street West
Maryville, TN 37803	Ashland, WI 54806
(865) 567-5192	(715) 682-7071
JEREMY STEPHENS, VICE PRESIDENT:	MATTHEW MACKENZIE, MAYOR:
______________________________	______________________________
Signature	*Signature*
DATE:	DATE:
______________________________	______________________________

EXHIBIT

Proposed Fee Structure

Strategic Planning Process: Tasks	$
➢ *Project Planning* Includes working with City Leadership and the City's Project Manager to confirm the Citywide Strategic Planning process and establish detailed schedule and timeline of events. • Includes ½ day (4 hours) of working with City Leadership and the City's Project Manager, 1 consultant at a cost of $1,200.	$1,200
➢ *Document Review* Includes review of existing City materials and documents. • Includes 1/2 day (4 hours) of review, 1 consultant at a cost of $1,200.	$1,200
➢ *Individual Interviews with Mayor, City Council and City Administrator* Includes (9) individual interviews with the Mayor, City Council and City Administrator to discuss emerging issues facing the community and results most important to achieve over the next 2-5 years and beyond. • Includes a little over 1½ days (13.5 hours) of interviews, 7 hours of compiling the information, 1 consultant at a cost of $6,150.	$6,150
➢ *Facilitated Focus Group Session* Includes (1) virtual Focus Group Session with Department Directors to gather information, insight, and recommendations related to the Citywide Strategic Plan. • Includes the equivalent of ½ day for prep and the actual Focus Group with 2 consultants (4 hours x 2), and ½ day (4 hours) of compiling the information, at a cost of $3,600.	$3,600
➢ *Facilitated Strategic Planning Retreat* Includes Assessment of the Future Discussion and Review, Strategic Priorities, measurable Strategic Goals and Objectives. • Includes 1 day of preparation (8 hours), 2 days for the onsite Planning Sessions, 2 consultants (32 hours) at a cost of $12,000.	$12,000
➢ *Preparation of Draft Strategic Plan Document* Includes compiling and delivery of draft City-wide Strategic Plan • Includes ½ day (4 hours) of compiling the information and work product from the Strategic Planning Retreat, 1 consultant at a cost of $1,200.	$1,200
Total Price for Strategic Plan Update	$25,350

Fee Proposal Summary

Strategic Planning Process	$
Total Labor Price for Strategic Plan Update	$25,350
+ Travel Expenses for Facilitated Strategic Planning Retreat	$4,650 or less
TOTAL NOT-TO-EXCEED PRICE	$30,000

Note: Travel costs are estimated using present market prices and the per diem lodging and food rates as set by the U.S. General Services Administration. Only actual travel costs will be submitted for reimbursement.

Ref: 2025-047

COMMITTEE AGENDA: 5.C. (2/25/2025)

SUBJECT: **Discussion and Possible Action Regarding the John F. Kennedy Memorial Airport Ashland, Wisconsin Airport Hangar Ground Lease *(Airport Commission)***

RECOMMENDATION: Discussion and Possible Action

DEPARTMENT OF ORIGIN: Airport Manager

CLEARANCES: Airport Commission

EXHIBITS: 1. DRAFT Airport Hangar Ground Lease

COMPLIANCE WITH STRATEGIC PLAN:

SUMMARY STATEMENT:

As stated in Chapter 45.17 Ashland City Ordinances, *The Commission shall prepare and submit for adoption by the City of Ashland and County of Ashland standard leases and agreements for the various authorized types of airport activities and land uses.*

A few of the ground leases at the JFK Memorial Airport have expired which prompted review of the Airport Hangar Ground Lease.Updates were made in reference to law changes regarding personal property tax which can no longer be collected. The changed language on the lease will include the new real estate tax levied against the hangar. There were also some small changes made, including the addition of item 8d per the Airport Commission regarding hangar construction.

The Ashland County Board of Supervisors approved this lease at their February 18, 2025 meeting.

JOHN F. KENNEDY MEMORIAL AIRPORT
ASHLAND, WISCONSIN
AIRPORT HANGAR GROUND LEASE

This agreement, made and entered into on the date indicated below by and between the City of Ashland, a Wisconsin municipal corporation, 601 West Main Street, Ashland, WI 54806, hereinafter called the Lessor, and:

Joe Bagodonuts
12345 Airport Lane
Ashland, WI 54806, hereinafter called the Lessee.

WHEREAS, the Lessor owns and operates an airport known as the John F. Kennedy Memorial Airport and Lessee is desirous of leasing from the Lessor a certain parcel of land on the airport, hereinafter more fully described, for the purpose of constructing and using an aircraft hangar; and

NOW, THEREFORE, for and in consideration of the rental charges, covenants, and agreements herein contained, the Lessee does hereby lease from the Lessor the following premises, rights, and easements on and to the airport upon the following terms and conditions.

1. **Property Description**: Row 1, Lot 6, Hangar Area.

   [Note: Property description should be by exhibit or metes and bounds. If a monumented property survey is required, a plat of survey can be created. Leasehold descriptions must not be referenced to or based on any other type of survey (ex: Certified Survey Map or other plat creating a division of land) without prior approval by the Bureau of Aeronautics.]

2. **Term:** The term of this lease shall be for a period of 15 years commencing on the date of the last signature of the parties_________________ and terminating on December 31, 2038.

3. **Rent:** The Lessee agrees to pay to the Lessor for the use of the premises, rights, and easements herein described, a yearly rental of $_.13_ per square foot for the land leased, for a total annual charge of $_196.56 ~~(plus 5.5% sales tax)~~, payable in advance on January 1, and on each anniversary thereof until this lease terminates. Payments shall be due annually on January 1.

   Annual lease payments shall be made payable to the City of Ashland and shall be sent to City of Ashland Treasurer, 601 West Main Street, Ashland, WI 54806. Finally, the rental rate specified herein shall be subject to reexamination and readjustment as provided below.

Commented [KP1]: Since the hangar cannot be taxed as personal property anymore, the City cannot collect sales tax on the lease

4. **Rent Adjustments:** The Lessor shall have the option to adjust rent annually subject to the following:

   a. Any rent adjustment shall be applied uniformly for all non-commercial hangar leases at the Airport.

   b. No adjustment shall result in rent that is more than the full year equivalent of 110% of the rent for the prior calendar year.

   c. Notice of a rent adjustment that is effective for the next calendar year shall be delivered on or before November 1 of the year prior to the year for which such adjustment shall apply, except in the case of a new lease executed after November 1 in which case notice shall be given at the time of execution of the lease.

5. **Taxes:** The Lessee shall pay all taxes and assessments that may be levied against the buildings of the

Lessee. ~~personal property or buildings of the Lessee~~

Commented [KP2]: Personal property tax can no longer be levied against the hangar. Changing this language will include the new real estate tax levied against the hangar.

6. **Utilities:** The Lessor shall be responsible for payment of all of its own utility expenses (gas, electric, telephone, heat, etc.) and at no time shall the Lessee use the utilities of the Lessor without the Lessor's prior written consent, nor shall the Lessee have its utility bills placed into the name of the Lessor.

7. **Other Fees:** Nothing herein shall limit the Lessor's right to impose, and the Lessee's obligation to pay, any and all other fees which the Lessor may establish from time-to-time for Airport services and privileges.

8. **Hangar Construction:**

   a. Lessee shall have the right to erect, maintain and alter buildings or structures upon the premises providing such buildings or structures are in accordance with all federal, state, and local regulations. All plans for such buildings or structures shall be reviewed and approved in writing by the Lessor prior to construction.

   b. Any construction shall be consistent with the Lessor's Hangar Development Guidebook.

   c. The Lessee shall obtain the written approval of the Lessor of all building plans prior to construction and shall further notify the City of Ashland Building Inspector after the framing of the hangar has been completed prior to enclosing it and receive the Inspector's approval before completion. All construction shall comply with all ordinances, proposed zoning restrictions for said airport, and all other orders and regulations relative thereto.

   d. If this lease is for a vacant lot, construction of a hangar facility shall be started within 120 days of the signing hereof and be completed no later than 365 days from the signing hereof. If construction has not begun, or is not completed, as stated, this lease shall expire automatically, and any advance payment be forfeited as liquidated damages.

9. **Hangar Use:** Hangars shall be used for aeronautical purposes, such as:

   a. Storage of airworthy aircraft;

   b. Shelter for maintenance, repair, or refurbishment of aircraft, but not the indefinite storage of non-operational aircraft;

   c. Non-commercial construction of amateur-built or kit-built aircraft;

   d. Storage of aircraft handling equipment, (e.g. tow bar, glider tow equipment, work benches, tools and materials used to service aircraft); and

   e. Storage of materials related to an aeronautical activity (e.g. balloon and skydiving equipment, office equipment, teaching tools).

Provided the hangar is used primarily for an aeronautical purpose, Lessee may store non-aeronautical items in the hangar provided they do not:

   a. Impede the movement of the aircraft in and out of the hangar;

   b. Displace the aeronautical contents of the hangar. A vehicle parked at the hangar while the vehicle owner is using the aircraft will not be considered to displace the aircraft;

   c. Impede access to other aeronautical contents of the hangar; and

d. Violate building codes or local ordinances.

Lessee shall not conduct non-aeronautical business activities out of the hangar nor store items in support of a non-aeronautical business.

At no time shall the Lessee store any flammable material (except for fuel in the aircraft) nor shall the Lessee store explosives or other dangerous or hazardous materials, in or around the hangar, without the Lessor's prior written consent.

Lessee shall not hereafter make use of the premises in any manner which might create electrical or electronic interference with navigational signals or radio communications, impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft. Lessor reserves the right to enter upon the premises hereby and abate any such hazard at the expense of Lessee.

10. **Nonexclusive Rights:** Lessee shall have the nonexclusive right, in common with others so authorized:

  a. To use the common areas of the airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft.

  b. To use the airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of the Lessor to charge fees for the use of such areas.

  c. To use all access ways to and from the premises, limited to streets, driveways or sidewalks designated for such purposes by the Lessor, and which right shall extend to Lessee's employees, passengers, guests, invitees, and patrons.

11. **Hangar Maintenance:** The Lessee will maintain its hangar, associated appurtenances, and the surrounding land in a safe, useful, clean, painted, neat and orderly condition, and Lessee shall perform such repairs, maintenance and upkeep as the Lessor shall deem necessary and appropriate to maintain the safety of the Airport and to maintain the attractive, professional appearance of the Airport. In the event of fire or any other damage or casualty to structures owned by the Lessee, the Lessee shall repair, replace or remove the damaged structure, and restore the leased area to its original condition, within 120 days of the date the damage occurred. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted.

12. **Obstruction Lights:** Whenever determined necessary by the Lessor, the Lessee agrees to install, maintain and operate proper obstruction lights on the tops of all of Lessee's buildings or structures, at Lessee's sole cost.

13. **Signs:** No signs or advertising matter may be erected on the leased premises without the prior written consent of the Lessor.

14. **Rules and Regulations:** The Lessee agrees to observe and obey all current and future laws, ordinances, rules and regulations promulgated and enforced by the Lessor and by other proper authority having jurisdiction over the conduct of operations at the airport, provided the same are consistent with the procedures proscribed or approved from time-to-time by the Federal Aviation Agency for landing and taking off of Lessee's aircraft.

15. **Security:** Lessee shall comply at all times with all federal and state security and safety regulations and mandates. A hangar shall be locked at all times when an aircraft is stored with the hangar and Lessee, or Lessee's agent, is not present at the hangar.

16. **Occupants:** No person or entity may occupy the hangar of the Lessee except the Lessee, without the prior written consent of the Lessor. However, nothing herein shall prohibit the Lessee from temporarily permitting another person or entity to temporarily store aircraft in the Lessee's hangar. It is understood that any long-term storage requires the permission of the Lessor and any entity which permits temporary storage for profit must obtain an FBO permit from the Lessor.

17. **Commercial Operations:** Nothing herein shall authorize the Lessee to conduct any business operations or to act as a Fixed Base Operator (FBO) on the premises leased herein. All such activities are prohibited without the prior written approval of the Lessor. However, nothing herein shall be construed to prohibit the Lessee from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.

18. **Airport Maintenance:** Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing and taxi areas of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.

19. **Obstructions:** Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft. Lessee shall, upon approval by Lessor and prior to any construction of any nature within the boundaries of the airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration", as required by Federal Aviation Regulation Part 77.

20. **Airport Development:** The Lessor reserves the right to further develop and improve the airport as Lessor sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee. If the development of the airport requires the removal and/or relocation of the Lessee's hangar building(s), the Lessor and Lessee agree that such removal and/or relocation shall occur pursuant to the following terms and conditions:

    a. The Lessor will provide the Lessee with written notice at least 180 days prior to said removal and/or relocation, and

    b. The Lessor shall, in the Lessor's sole discretion, either

        i. Pay a third party to relocate the Lessee's building(s) to a new location on the airport, or

        ii. pay the Lessee the fair market value of the building(s)

        Snow Removal: The Lessor agrees to plow and remove the snow, at no extra charge, from the taxiways in front of the hangars, except within 10 feet of hangar doors. The manner, speed and timeliness of snow removal shall be in the sole discretion of the Lessor, and may vary from year-to-year and from snowfall-to-snowfall. Snow removal from the taxiways in front of Lessor's hangar shall be accomplished only after all runways, aprons, and primary taxiways have been first cleared. Lessee hereby releases and holds the Lessor harmless from any liability for any and all damages, incurred by the Lessee, caused by or arising from the manner~~mariner~~, speed or timeliness of the Lessor's snow removal.

21. **Right to Inspect:** Lessor reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement, or to the operation of the airport.

22. **Hold Harmless:** The Lessor shall not be liable to the Lessee for, and Lessee shall hold the Lessor harmless from, any and all claims, damages or losses caused by the acts or omissions of the Lessee, its

family, guests, invitees, employees, agents, representatives or servants, relating to or arising out of Lessee's use and enjoyment of the Airport or the rights and privileges granted by this lease. The Lessor shall not be liable for any loss or damage, not caused by negligent acts or omissions of the Lessor, which Lessee may sustain from:

a. Theft or burglary in or about the premises;

b. Delay or interruption in any utility service from any cause whatsoever;

c. Fire, water, rain, frost, snow, gas, odors or fumes from any source whatsoever;

d. Any injury to any person or damage to any property; or

e. Failure to keep the Airport premises, appurtenances, fixtures and/or equipment in repair.

23. **Insurance:** Lessee shall, during the entire term hereof and at its sole cost and expense, maintain fire and extended coverage insurance on Lessee's hangar and all furniture, fixtures, equipment and personal property owned by the Lessee located on the Airport. Lessor shall have no obligation to provide insurance for any of Lessee's personal property, or for Lessee's buildings, fixtures or equipment which may be attached to or placed upon the Lessor's real estate.

Lessee shall, during the entire term hereof and at its sole cost and expense, maintain comprehensive general liability insurance against claims for bodily injury or death occurring in or about the premises, such insurance to afford minimum protection during the term of this Contract of not less than $1,000,000.00 with respect to bodily injury or death to any one person and not less than $1,000,000.00 with respect to any one accident, and of not less than $500,000.00 for property damage. Lessee shall furnish to Lessor a certificate of any such policies of insurance required under this paragraph.

a. The insurance policies required to be carried by Lessor hereunder shall contain provisions that such policies are not subject to cancellation or change without at least 30 days written notice to the Lessee.

b. Any insurance required to be maintained by Lessee under this section may be provided and maintained by blanket insurance covering the premises and other locations, properties and insurable interests of the Lessee, provided that the coverage obtained by such blanket policy shall be in a manner sufficient to satisfy the obligations of Lessee under this Section

24. **Abandonment:** If the Lessee fails to use the hangar for the purpose of storing aircraft owned by the Lessee for a continuous period of 12 months, then the Lessor may, in Lessor's sole discretion, terminate this lease.

25. **Liens and Encumbrances:** The Lessee shall neither create, nor cause or permit to be created, any lien, encumbrance, security interest or other charge, including liens for work, labor or materials furnished, or alleged to have been furnished, on the leased premises.

26. **Default and Termination:**

a. **Default Defined:** Lessee shall be deemed in default upon:

i. Failure to pay rent or any other properly-imposed fee within 30 days after due date.

ii. The filing of any petition under the Federal Bankruptcy Act or any amendment thereto, including a petition for reorganization.

iii. The commencement of any proceeding for dissolution or for the appointment of a receiver.

iv. The making of an assignment for the benefit of creditors.

v. Violation of any of the other terms or conditions of this lease after written notice to cease and/or correct such violation has been served upon the Lessee by the Lessor, and after the Lessee has failed to correct such violation within thirty (30) days of service of such notice (or such later deadline as may be established in the Notice by the Lessee). Mailing notice by U.S. Mail, Certified Mail, shall constitute "service" of notice. In the case of a violation which cannot with due diligence be cured within a period established, the Lessee may apply to the Lessor for an extension of time within which to cure said violation.

b. **Effect of Default:** Default by the Lessee shall authorize the Lessor, at its sole option, to declare this lease void, to cancel the same, and to re-enter and take possession of the premises.

c. **Remedies:** Except otherwise provided herein, no right or remedy herein conferred shall be considered exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute

d. **Restoration of Property:** Upon termination of this lease, the Lessee shall remove all of its buildings, equipment, and property, and restore the leased premises to its original vacant condition within 90 days, unless the Lessor agrees, in writing, to accept all or any part of the property which the Lessee wishes to abandon. Abandoned structures and improvements shall become the property of the Lessor.

e. **Non-waiver:** Any intentional or unintentional waiver by the Lessor of any violation of this Contract by the Lessee shall not be construed or interpreted to be a waiver of any other prior, subsequent or contemporaneous violation.

27. Title: Title to the building erected by the Lessee shall remain with the Lessee and shall be transferable. Any transfer of title of the building by the Lessee shall be accompanied by a document recorded in the Ashland County Register of Deeds. Upon termination of this lease, the Lessee shall remove the buildings, equipment, and personal property, and restore the leased property to its original condition, unless otherwise agreed by in writing by Lessor.

28. First Right of Refusal: During the term of the lease, Lessee hereby grants Lessor the right to have the first opportunity to purchase the hangar if and when such becomes available and the first right to meet any other offer from a third party. The terms of any such third-party offer shall be delivered in writing to Lessor, and Lessor shall have thirty (30) days from receipt in which to agree to meet the terms of said offer. If Lessor does not elect to purchase the hangar, Lessee may transfer the hangar to the third party on the same terms of the original offer. If Lessee does not transfer the hangar pursuant to said offer, the term of this paragraph shall continue to apply.

29. Lease Transfer: The Lessee may not assign or transfer this agreement or any interest contained herein, without the consent of the Lessor, which consent shall not be unreasonably withheld. Any transfer of the hangar to a third party that is not accompanied by approval of a lease transfer to the third party shall result in requiring the third party to remove all of the buildings, equipment, and property from the leased premises, and to restore the leased premises to its original vacant condition within 90 days. Any structures and improvements not so removed shall become the property of the Lessor.

30. Subordination: This lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States or the State of Wisconsin relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of Wisconsin.

31. **Nondiscrimination:** The Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

    a. No person on the grounds of race, color, creed, disability, ancestry, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Subject Property or Lessee's Improvements.

    b. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, creed, disability, ancestry, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

    c. The Lessee shall use the Subject Property and Lessee's Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination, in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

32. **National Emergency:** During time of War or other State or National emergency, the Lessor shall have the right to suspend this Contract, and to turn over operation and control of the Airport to the State of Wisconsin and/or the United States Government During any period when the airport shall be closed by any lawful authority, thereby restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate, and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

33. **Dispute resolution:** Any controversy or claim arising out of or relating to this lease or any alleged breach thereof, which cannot be settled between the parties, shall be adjudicated in the Circuit Court for Ashland County, Wisconsin, applying the law of the State of Wisconsin.

34. **Severability:** This lease shall be construed under the laws of the State of Wisconsin. Any covenant, condition, or provisions herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this lease, but such deletion shall in no way affect any other covenant, condition, or provision herein contained so land as such deletion does not materially prejudice Lessor or Lessee in their respective rights and obligations contain in the valid remaining covenants, conditions and provisions of the lease, and when such occurs, only such other covenants, conditions or provisions shall be deleted as are incapable of enforcement.

LESSOR CITY OF ASHLAND
By: Attest:

________________________________ ________________________________

Mayor City Clerk

Personally came before me this __________ day of ____________________________, ______________,

______________________________and __________________________________, as Mayor and City Clerk, respectively of the City of Ashland, to me known to be the persons who executed the foregoing instrument, and to me known to be such Mayor and Clerk of the said City of Ashland, Ashland County, Wisconsin, and acknowledged the same.

____

Notary Public
My commission expires: ______________________________________.

LESSEE:

________________________________ ________________________________

Personally came before me this __________________ day of _____________________________, ______

the above named, to me known to be the person who executed the foregoing lease and acknowledged the same.

____

Notary Public
My commission expires: ______________________________________.

Ref: 2025-048

COMMITTEE AGENDA:
5.D. (2/25/2025)

SUBJECT: **Discussion and Possible Action Regarding a Resolution Petitioning the Secretary of Transportation for Airport Improvement Aid for JFK Memorial Airport *(Airport)***

RECOMMENDATION: Advance to Council for formal approval

DEPARTMENT OF ORIGIN: Airport

CLEARANCES: Mayor

EXHIBITS:
1. Proposed Resolution No. 17816
2. Proposed Improvements for JFK Memorial Airport

COMPLIANCE WITH STRATEGIC PLAN: Reliable Infrastructure

SUMMARY STATEMENT:

An approved petition resolution is submitted for continued annual funding from the FAA and the Wisconsin Bureau of Aeronautics. As described within the resolution, the requested improvement description includes the runway reconstruction including lighting and signs which is slated for 2025. The petition resolution authorizes representatives of the governing body to execute the agency agreement and owner assurances.

A public hearing is required prior to approval of the resolution which was held on January 28, 2025. The City Clerk confirms that a Type I notice was published in the Ashland Daily Press on January 16, 2025, or at least ten days before the hearing, and posted in at least three public places as well as on City social media.

This item was discussed at the January 10, 2025 Committee of the Whole meeting and recommended to be forwarded to this Council meeting for formal approval. The item was discussed at the Airport Commission's January 23, 2025 meeting and approved unanimously, as well as the February 18, 2025 Plan Commission meeting.

The attached proposed resolution has been red-lined to affirm items which are not included in the intention of the airport's near future improvements. This item also requires a public hearing at the Ashland County level and approved by the Ashland County Board of Supervisors before the resolution can be submitted to the BOA.

RESOLUTION No. 17816

RESOLUTION PETITIONING THE SECRETARY OF TRANSPORTATION FOR AIRPORT IMPROVEMENT AID

BY

Common Council of the City of Ashland
Ashland County, Wisconsin

WHEREAS, the City of Ashland, Ashland County, Wisconsin, Wisconsin hereinafter referred to as the sponsor, being a municipal body corporate of the State of Wisconsin, is authorized by Wis. Stat. §114.11, to acquire, establish, construct, own, control, lease, equip, improve, maintain, and operate an airport, and

WHEREAS, the sponsor desires to develop or improve the John F. Kennedy Memorial Airport, Ashland County, Wisconsin,

"PETITION FOR AIRPORT PROJECT"

WHEREAS, the foregoing proposal for airport improvements has been referred to the city plan commission for its consideration and report prior to council action as required by Wis. Stat. §62.23(5), and

WHEREAS, airport users have been consulted in formulation of the improvements included in this resolution, and

WHEREAS, a public hearing was held prior to the adoption of this petition in accordance with Wis. Stat. §114.33(2) as amended, and a transcript of the hearing is transmitted with this petition.

THEREFORE, BE IT RESOLVED, by the sponsor that a petition for federal and (or) state aid in the following form is hereby approved:

The petitioner, desiring to sponsor an airport development project with federal and state aid or state aid only, in accordance with the applicable state and federal laws, respectfully represents and states:

1. That the airport, which it is desired to develop, should generally conform to the requirements for a general aviation type airport as defined by the Federal Aviation Administration.

2. The character, extent, and kind of improvements desired under the project are as follows:

Rehabilitate/Reconstruct Runway 13/31, including lighting and signs; Rehabilitate/Reconstruct Runway 2/20, including lighting and signs; Install Precision Approach Path Indicators (PAPI) for Runway 13; Convert Runway 20 PAPI to LED; Install Runway End Identifier Lights (REIL) for Runway 13/31; Rehabilitate/Reconstruct/~~Widen~~/Construct entrance road; Reconstruct/Rehabilitate/Construct Taxiways/Taxilanes, including lighting and signs; Reconstruct/Rehabilitate/Expand apron; Pavement maintenance and markings; ~~Land acquisition for runway approaches~~; ~~Land acquisition for entrance road widening~~; Construct/Rehabilitate/Reconstruct/Purchase snow removal equipment storage building, including drainage improvements; Replace/enhance/improve/expand/purchase fuel system, including containment; Construct Drainage improvements; Purchase mowing equipment; Purchase snow removal equipment; Conduct wildlife site visit update; Rehabilitate/Expand/Construct/Purchase terminal building; Prepare airport master plan; Update Airport Layout Plan, including bringing Exhibit A Property Map to standards; Conduct airport boundary survey; Wind Cone and segmented circle improvements; Rehabilitate/Reconstruct parking lot(s); Rehabilitate/Reconstruct/Construct/~~Purchase~~ hangar(s); Rehabilitate/Reconstruct/Construct fencing/gates; Construct/expand hangar development area; Automated Weather Observation System (AWOS) improvements; ~~Reimburse Development of Airport Overlay Land Use Ordinance~~; Clear and maintain runway approaches as stated in Wis. Admin. Code Trans §55, and any necessary related work.

3. That the airport project, which your petitioner desires to sponsor, is necessary for the following reasons: to meet the existing and future needs of the airport.

WHEREAS, it is recognized that the improvements petitioned for as listed will be funded individually or collectively as funds are available, with specific project costs to be approved as work is authorized, the proportionate cost of the airport development projects described above which are to be paid by the sponsor to the Secretary of the Wisconsin Department of Transportation (hereinafter referred to as the Secretary) to be held in trust for the purposes of the project; any unneeded and unspent balance after the project is completed is to be returned to the sponsor by the Secretary; the sponsor will make available any additional monies that may be found necessary, upon request of the Secretary, to complete the project as described above; the Secretary shall have the right to suspend or discontinue the project at any time additional monies are found to be necessary by the Secretary, and the sponsor does not provide the same; in the event the sponsor unilaterally terminates the project, all reasonable federal and state expenditures related to the project shall be paid by the sponsor; and

WHEREAS, the sponsor is required by Wis. Stat. §114.32(5) to designate the Secretary as its agent to accept, receive, receipt for and disburse any funds granted by the United States under the Federal Airport and Airway Improvement Act, and is authorized by law to designate the Secretary as its agent for other purposes.

"DESIGNATION OF SECRETARY OF TRANSPORTATION AS SPONSOR'S AGENT"

THEREFORE, BE IT RESOLVED, by the sponsor that the Secretary is hereby designated as its agent and is requested to agree to act as such, in matters relating to the airport development project described above, and is hereby authorized as its agent to make all arrangements for the development and final acceptance of the completed project whether by contract, agreement, force account or otherwise; and particularly, to accept, receive, receipt for and disburse federal monies or other monies, either public or private, for the acquisition, construction, improvement, maintenance and operation of the airport; and, to acquire property or interests in property by purchase, gift, lease, or eminent domain under Wis. Stat. §32 .02; and, to supervise the work of any engineer, appraiser, negotiator, contractor or other person employed by the Secretary; and, to execute any assurances or other documents required or requested by any agency of the federal government and to comply with all federal and state laws, rules, and regulations relating to airport development projects.

FURTHER, the sponsor requests that the Secretary provide, per Wis. Stat. §114.33(8)(a), that the sponsor may acquire certain parts of the required land or interests in land that the Secretary shall find necessary to complete the aforesaid project.

"AIRPORT OWNER ASSURANCES"

AND BE IT FURTHER RESOLVED that the sponsor agrees to maintain and operate the airport in accordance with certain conditions established in Wis. Admin. Code Trans §55, or in accordance with sponsor assurances enumerated in a federal grant agreement.

AND BE IT FURTHER RESOLVED THAT THE MAYOR AND CITY CLERK be authorized to sign and execute the agency agreement and federal block grant owner assurances authorized by this resolution.

PASSED: February 25, 2025

ATTEST:

____
Charlie Ortman, Council President

____
Matthew Mac Kenzie, Mayor

APPROVED AS TO FORM:

____
Tyler W. Wickman, City Attorney

CERTIFICATION

I, Denise Oliphant Clerk of the City of Ashland, Ashland County, Wisconsin, do hereby certify that the foregoing is a correct copy of a resolution introduced at a regular meeting of the Common Council on January 28, 2025, adopted by a majority vote, and recorded in the minutes of said meeting.

____
City Clerk

AGENCY AGREEMENT AND
FEDERAL BLOCK GRANT OWNER ASSURANCES

Department of Transportation
Bureau of Aeronautics
Madison, Wisconsin

WHEREAS, the City of Ashland, Ashland County, Wisconsin, hereinafter referred to as the sponsor, desires to sponsor an airport development project to be constructed with federal aid and/or state aid, specifically, the John F Kennedy Memorial Airport project to:

Rehabilitate/Reconstruct Runway 13/31, including lighting and signs; Rehabilitate/Reconstruct Runway 2/20, including lighting and signs; Install Precision Approach Path Indicators (PAPI) for Runway 13; Convert Runway 20 PAPI to LED; Install Runway End Identifier Lights (REIL) for Runway 13/31; Rehabilitate/Reconstruct/~~Widen~~/Construct entrance road; Reconstruct/Rehabilitate/Construct Taxiways/Taxilanes, including lighting and signs; Reconstruct/Rehabilitate/Expand apron; Pavement maintenance and markings; ~~Land acquisition for runway approaches~~; ~~Land acquisition for entrance road widening~~; Construct/Rehabilitate/Reconstruct/Purchase snow removal equipment storage building, including drainage improvements; Replace/enhance/improve/expand/purchase fuel system, including containment; Construct Drainage improvements; Purchase mowing equipment; Purchase snow removal equipment; Conduct wildlife site visit update; Rehabilitate/Expand/Construct/Purchase terminal building; Prepare airport master plan; Update Airport Layout Plan, including bringing Exhibit A Property Map to standards; Conduct airport boundary survey; Wind Cone and segmented circle improvements; Rehabilitate/Reconstruct parking lot(s); Rehabilitate/Reconstruct/Construct/~~Purchase~~ hangar(s); Rehabilitate/Reconstruct/Construct fencing/gates; Construct/expand hangar development area; Automated Weather Observation System (AWOS) improvements; ~~Reimburse Development of Airport Overlay Land Use Ordinance~~; Clear and maintain runway approaches as stated in Wis. Admin. Code Trans §55, and any necessary related work.

WHEREAS, the sponsor adopted a resolution on January 28, 2025, a copy of which is attached and the prescribed terms and conditions of which are fully incorporated into this agreement, designating the Secretary as its agent and requesting the Secretary to act as such as set forth in the resolution, and agreeing to maintain and operate the airport in accordance with certain conditions; and

AGENCY AGREEMENT..

WHEREAS, upon such request, the Secretary is authorized by law to act as agent for the sponsor until financial closing of this project;

NOW THEREFORE, the sponsor and the Secretary do mutually agree that the Secretary shall act as the sponsor's agent in the matter of the airport development as provided by law and as set forth in the referenced resolution; provided, however, that the Secretary is not required to provide legal services to the sponsor.

By: SECRETARY OF TRANSPORTATION

David M. Greene, Director (Date)
Bureau of Aeronautics

FEDERAL BLOCK GRANT OWNER ASSURANCES...

WHEREAS, the sponsor does agree to the conditions established in Wis. Admin. Code Trans §55, and for projects receiving federal aid, to the attached federal sponsor assurances, which are a condition of a federal grant of funds.

The federal block grant owner assurances shall remain in full force and effect throughout the useful life of the facilities developed under this project, but in any event not to exceed twenty (20) years from the date of the finding (except for land projects, which shall run in perpetuity);

Acceptance: The sponsor does hereby accept the agency agreement and the federal block grant owner assurances.

Sponsor: The City of Ashland, Ashland County, Wisconsin

____
Matthew Mac Kenzie, Mayor

____
Date

____
Denise Oliphant, City Clerk

____
Date

Proposed Improvements for JFK Memorial Airport

Proposed projects in this list provide a scope of future improvements for the upcoming six-year period. Each project is subject to available funding, planning, review, and approval on an individual basis.

1. Rehabilitate/Reconstruct Runway 2/20, including lighting and signs (Beginning May 2025);
   - Funded 90% Federal, 5% State, 5% City/County
   - Last Rehabilitation in 1996
   - Will not extend or widen the current runway
2. Rehabilitate/Reconstruct Runway 13/31, including lighting and signs;
   - Projected funding 90% Federal, 5% State, 5% City/County
   - Design to begin in 2026, Construction planned for 2028
   - Will not extend or widen the current runway
3. Install Precision Approach Path Indicators (PAPI) for Runway 13;
   - Increased visibility for landing aircraft in poor weather conditions
4. Convert Runway 20 Precision Approach Path Indicator to LED;
   - More energy efficiency, improve visibility
5. Install Runway End Identifier Lights (REIL) for Runway 13/31;
   - Increased visibility for landing aircraft in poor weather conditions
6. Reconstruct/Rehabilitate/Construct Taxiways/Taxilanes, including lighting and signs;
7. Pavement maintenance and markings;
8. Automated Weather Observation System (AWOS) improvements;
9. Wind Cone and segmented circle improvements;
   - Replace wind cone pole and improve lighting
10. Construct/Rehabilitate/Reconstruct/Purchase snow removal equipment storage building, including drainage improvements;
    - Possibility to add additional vehicle stall
11. Replace/enhance/improve/expand/purchase fuel system, including containment;
    - Ongoing maintenance and periodic inspections
    - Improvement to containment measures
12. Clear and maintain runway approaches as stated in Wis. Admin. Code Trans §55, and any necessary related work

13. Reconstruct/Rehabilitate/Expand apron;
    - Expand concrete pad for additional heavy aircraft parking
14. Purchase mowing equipment;
15. Purchase snow removal equipment;
16. Rehabilitate/Expand/Construct terminal building;
    - Crack seal log structure
    - Install more energy-efficient windows
17. Prepare Airport Master Plan;
18. Update Airport Layout Plan, including bringing Exhibit A Property Map to standards;
19. Rehabilitate/Reconstruct/Construct fencing/gates;
20. Rehabilitate/Reconstruct/Construct hangar(s);
    - Improvements to City/County owned hanger
21. Construct Drainage improvements;
22. Conduct airport boundary survey;
23. Conduct wildlife site visit update;
24. Rehabilitate/Reconstruct/Construct entrance road;
25. Rehabilitate/Reconstruct parking lot(s);

The purpose of a petition is to allow the DOT to act as agent for an airport in regard to a list of projects contained in the petition. Because Wisconsin is a channeling act state, airports are not allowed to seek any funds from the FAA without the request coming through the state. Projects are listed on a petition to limit the scope of the agency agreement (contained in the resolution and the section that allows DOT to act as agent). This petition process also satisfies a requirement to have a public involvement component of each project. Sponsors are not obligated to start or complete projects listed in the petition; it is simply a list of projects that the airport is interested in exploring over the next six years (the lifespan of a petition). The petition process can be a little confusing, but the obligations apply to "facilities developed under [a] project"; not the petitioned list of proposed projects. - WI Bureau of Aeronautics

Ref: 2025-049

COMMITTEE AGENDA:
5.E. (2/25/2025)

SUBJECT: **Discussion and Possible Action on Utility Disconnection Policy** ***(Public Works)***

RECOMMENDATION: Advance to Council for formal approval

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: Public Works Director

EXHIBITS:

1. Policy Utility 100 - Utility Service Disconnection - Draft Updates

COMPLIANCE WITH STRATEGIC PLAN: N/A

SUMMARY STATEMENT:

At their November 14, 2024 and February 13, 2025 meetings, the Public Works Committee (PWC) discussed changes to the Water Utility's Disconnection policy that were proposed by Megan Erickson, Utility Billing Specialist. The changes are intended to better align the policy with Public Service Commission (PSC) regulations governing utility disconnections and make enforcement of disconnections more fair to all customers.

The proposed changes are attached (highlighted in red) with an explanation from Ms. Erickson on each change (italics). The PWC unanimously recommended the changes for Council approval at the February 13, 2025 meeting.

Ms. Erickson will be present at the meeting to answer questions.

Policy: Utility 100	**Utility Service Disconnection**
Date Approved: 7/26/2011	Approving Entity: City Council
Date Revised: TBD	Approving Entity:

100.2 Expectations. The citizens of Ashland have the expectation that those individuals who utilize a community service assume the burden for payment of the services that are consumed. Therefore, pursuant to the intent found in the rules of the Public Service Commission of Wisconsin, a customer's utility service will be disconnected:

"Name switching" where a customer claims to have moved out of a residence to avoid disconnection but continues to reside at the address;

This Change is recommended to bring our Policy in line with PSC verbiage. Name switching is to avoid multiple residents in a home from running up large bills to avoid disconnection.

100.3 Notice of Disconnection of Service. The following steps shall be utilized after the remedies prescribed by the PSCW for gaining the customer's cooperation in paying for the services provided by the Ashland Municipal Utilities have not been successful:

Any utility bill not paid within 20 days of issuance ~~with an account balance due of $500 or more~~ will be declared delinquent by the Utility. The Ashland Municipal Utilities will mail or personally deliver a notice to all delinquent utility customers indicating the intent of the utility to disconnect service;

Requesting to remove threshold as the Utility has found that customers will make small payments to keep balance under that threshold. Or accounts may take up to 3 cycles to be declared delinquent while others may only take one. Removing threshold will bring all accounts to be treated equally for which any balance that is not paid in full within 20 days is declared delinquent and will receive a disconnection notice.

The Utility will issue a disconnection notice for all other causes for disconnection unrelated to nonpayment 10 days prior to the scheduled disconnection;

This too is to bring us more in line with PSC verbiage. Additionally, this will cover any disconnections needed for refusal of entry.

A Utility staff member will make a reasonable effort to contact the customer via phone or in person prior to disconnection of service. The utility will document all contacts and attempts to contact customers. If the disconnection is not made within 20 days of issuance of the first notice, a second notice will be issued no less than 24 hours and no more than 48 hours of the intended disconnection date.

No change requested. However, would like Council to understand the process. Once a bill is declared delinquent, we send out a notice. During the Moratorium, this is just a past due notice. Between April 15th-November 1st, this notice will be in the form of a *disconnection notice, advising of the disconnection date in 10 days. After 5 days, we will be using our new Customer Portal to track a second contact attempt to each customer who has not contacted us or paid their balance in full, reminding them of the balance and disconnection date. 24 hours before the scheduled disconnection, each property will have a door tag placed at entrance to advise staff will be onsite between 8am-12:30pm the following day to perform disconnection and services will not be restored until after payment is received or a DPA in place.*

100.7 Tax Lien. Any delinquent bill remaining after November 1~~, 2010~~ will be attached to the property tax bill of the property served pursuant to Chapter 66.0809(3), Wisconsin Statutes.
Removal of 2010. If Council would like to move to approve policy annually, we can update the date. Otherwise, I would recommend leaving the date blank and reviewing policy at a PW committee on a regular basis and having Council approval as needed.

100.8 Reconnection. Any disconnected utility service will be reconnected upon:

Services will be reconnected the same day for customers who make payment prior to 3:00pm on the date of disconnection. Customers who make payment after 3:00pm will have services reconnected the following day unless customer agrees to pay after hours connection fee.

Reconnection is not required immediately upon payment. PSC recommends that reconnections be done in a reasonable timeframe. Since Operations closes at 3:30pm and the Payment office closes at 4:00pm, we felt it was necessary to establish a timeline for reconnections to avoid unnecessary call out pay or staff overtime. Additionally, Utility policy is that someone must be on site to perform the reconnections to ensure water not inadvertently left on that could cause potential damage if left unchecked for any prolonged period of time. Providing for a same day service deadline will allow the Utility to best plan for staffing as well as provide an educational experience to customers. Staff will remain available for disconnections until the Payment office closes at 4:00pm. Customers who contact the emergency line after hours to have services reconnected are required to wait until the office opens at 7am to have any claims of payments verified before operations can turn services back on.

100.9 Deferred Payment Agreements. The Ashland Municipal Utility will offer a deferred payment agreement with residential utility customers who are unable to pay their bill in full prior to considering disconnection of service.

The customer does not have a cancelled Deferred Payment Agreement in the last two (2) years.

a- Customers with a cancelled Deferred Payment Agreement within the last two (2) years will be required to supply a higher down payment and/or repayment term may be no more than 6 months.

This is to avoid customers from setting up and failing to honor their DPA. In 2022, we began using a better tracking system for DPAs. We set up 2 accounts, 1 was cancelled and 1 was paid off. In 2023, we set up a total of 39 DPAs: 8 were paid off, 31 cancelled *for nonpayment. In 2024 we set up 72 DPAs: 7 are still active, 9 were paid off, and 56 were cancelled. Of the 56 cancelled DPAs in 2024, 14 of them were customers who also had their 2023 DPA cancelled.*

Tenants wishing to enter into a Deferred Payment Agreement must have landlord approval before the payment plan can be executed.

If the landlord refuses to allow the tenant to enter a payment plan, the Utility shall not set up any type of payment arrangement and the Tenant must pay the delinquent balance in full to avoid disconnection or to have services reconnected.

The Utility is not required to provide any DPA for a tenant account. However, the Utility does not know the terms of leases with residents to know if a DPA request is at the end of a tenancy, if there are multiple roommates on the lease, etc. Additionally, any unpaid amount is subject to the Landlord's property taxes. As such, we want to ensure the landlords are fully aware of any potential inclusion of balance to their taxes. In comparison, we cancelled 17 tenant DPA accounts in 2023 and 22 in 2024; only 3 tenants paid their DPA in 2023 and only 5 in 2024.

~~A payment schedule to amortize the delinquent portion of the bill to permit it to be paid off by October 20th.~~ The repayment schedule can be no longer than 12 months.

Payment terms can be set up with a Monthly or Bimonthly due date, but will still require the customer to pay the bimonthly balance in full.

Both of these requests are to help the Utility work with the customer and their budget. By eliminating the October 20th deadline, we provide more opportunity for the customer to catch up and potentially keep a balance from inclusion on the tax roll.

We have also been able to identify DPA billing cycles do not have to run concurrently with the regular billing. Providing the opportunity to have a DPA payment due in the opposite months of their regular invoices or even provide for a monthly payment can help ease financial constraints. We currently have 4 of the 7 active DPAs on Monthly payments

a) A customer who misses a deferred payment agreement payment will be considered for disconnection of service pursuant to Section 100.3.

No change, but more informational for Council: DPAs are reviewed monthly. To be considered current, they must not have a past due balance of any kind. If the customer does have a past due balance, the Utility sends a reminder notice to the customer, advising they have 10 days to bring the balance current. After 10 days, if the balance is still not current, the Utility will send out a disconnection notice, advising that if the past due balance is not paid in full, services will be disconnected and their DPA cancelled. We follow the same process as the regular disconnections with a 5-day phone call and a 24 hr door tag. If they still do not bring their balance current, we cancel the DPA and they will need to provide for an even large down payment or higher monthly payments depending on what was initially set up or what their landlord approves.

Ref: 2025-050

COMMITTEE AGENDA:
5.F. (2/25/2025)

SUBJECT: **Discussion and Possible Action Regarding Public Fire Protection (PFP) and Standy-By Fees** ***(Public Works)***

RECOMMENDATION: Discussion and Possible Action

DEPARTMENT OF ORIGIN: Mayor

CLEARANCES: Councilor President

EXHIBITS:

1. Public Fire & Standby Charges
2. Information Regarding the New Rate Tariff for the Ashland Water Utility
3. Rate Tariff - August 2024- Public Fire
4. Rate Tariff - August 2024- Standby
5. Public Fire Protection Charge

COMPLIANCE WITH STRATEGIC PLAN: N/A

SUMMARY STATEMENT:

Per the Mayor's request, the Public Works Committee (PWC) discussed two Utility fees, public fire protection (PFP) and standby, and the February 13, 2025 meeting.

The PFP fee was implemented in the water rates in 2013 by City Council via a water rate case and represents a charge to all properties in the City for additional water system capacity needed for fire suppression purposes. Fees are dependent on water meter size as larger and/or commercial/industrial properties present larger demand for fire suppression. A typical residential lots pay $25.20 bi-monthly.

The standby fee was implemented in 2024 via the City Council via a water rate case but was not specifically discussed with the Council. Vacant lots with City water available (defined as water main adjacent to the parcel) are charged a fee of $14 bi-monthly. This type of charge is common outside of WI as a "ready to serve" fee as the Water Utility incurs ongoing costs of water system operation that provides value to the vacant property. The standby charge applies to properties operating under a City well operating permit.

More information is provided in the attached memo along with information from the City's rate tarrif. The PWC approved a motion for no change to the charges as currently administered.

THE CITY OF ASHLAND PUBLIC WORKS

Department of Public Works
2020 6th Street East Ashland ~ WI 54806 ~ www.coawi.org

MEMO: Public Fire Protection & Standby Charges
TO: Public Works Committee
FROM: John Butler, Director of Public Works

The Public Service Commission (PSC) has a stated mission of "ensuring safe, reliable, affordable, and environmentally responsible utility services." A specific aspect of that mission is to "ensure fair pricing for utility services to customers".

Both charges being discussed have been reviewed and approved by the PSC as part of the City's water rate tariff and therefore authorized by Wisconsin State statute.

Public Fire Protection (PFP) charges recover the cost of water system capacity needed for fire suppression service (FSS). Roughly 80 percent of the capacity of a given water system is correlated to the need for FSS rather than residential, commercial and industrial water use. Capacity refers to water treatment, pumping, storage, and piping capacity.

FSS needs depend upon the size and type of use in a given building, with commercial and industrial demand exceeding residential demand. Therefore, the rate tariff allows bi-monthly charges based on the size of the FSS line and meter that are commensurate to the amount of FSS needed. Vacant parcels are billed at the same rate as a residential home. In the event of a fire on vacant land in the City, Ashland Fire would respond but there would be no billing for the water used and capacity provided so PFP charges are authorized as cost recovery.

Standby charges are authorized for vacant lots that are buildable and fronted by a City water main. The availability of City water creates value to the property that will be realized in the event that it is developed.

During discussions with the City Council about water rate increases in summer 2024, concerns regarding affordability were heard. As a result, Water Utility staff requested the addition of the standby charge as part of the rate increase. The PSC authorized a standby charge of $7 per month ($84/yr) for 300 properties in the City. This equates to $25,200 per year in additional revenue for the Water Utility.

This revenue is meaningful to the Water Utility in recovering costs. For reference, in 2024 $34,000 was expended in emergency repairs for water main breaks.

Expansion of the Water Utility customer base via standby is a legitimate strategy to address affordability concerns.

In addition, City needs to continue to find ways to recover the cost of the valuable services that we provide.   The availability of safe and reliable public water services creates value for these property owners, and as approved by the PSC, recovering some value for this service via standby charges is good governance, not an equity concern.

INFORMATION REGARDING THE NEW RATE TARIFF FOR THE ASHLAND WATER UTILITY

On August 23rd, 2024, the Public Service Commission (PSC) issued its final decision on the rate increase and provided the Ashland Water Utility with its updated Tariff. The Tariff is the formal filing with the Commission and outlines the fees and requirements for both the Utility and its customers. The Ashland Water Utility Rate Tariff is available for viewing on the City's website or customers can request a copy of the tariff by contacting the Utility.

Below is a brief overview of the updates to the Tariff as provided in the August 2024 update:

- Rates will increase in two steps. The first step will be effective as of September 11th, 2024. You will see this increase on the October invoice. The second step of the increase will not go into effect until the new water intake is complete and is in service; anticipated completion is by end of 2025. The Utility will contact you prior to the implementation of Step 2.
- City staff worked with the PSC to mitigate the impact of the rate increase. A financial based analysis indicated the need for greater rate increases but the City and PSC were able to identify alternative solutions to make a lower rate increase feasible for the Ashland Water Utility.

Water Service Metered Service Increases

Bi Monthly Fixed Charge (Based Upon Size of Water Meter)	PRIOR FEE Water Fixed*	PRIOR FEE Public Fire	Customer Type	Step 1 Increase Effective 9/11/2024 Water Fixed	Step 1 Increase Effective 9/11/2024 Public Fire	Step 2 Increase Effective TBD Water Fixed	Step 2 Increase Effective TBD Public Fire
5/8"	$ 24.30	$ 20.40	All Customer Types	$ 28.00	$ 25.20	$ 30.00	$ 29.15
3/4"	$ 24.30	$ 20.40	All Customer Types	$ 28.00	$ 25.20	$ 30.00	$ 29.15
1"	$ 32.54	$ 51.00	Residential/Multifamily	$ 38.00	$ 63.20	$ 40.00	$ 73.00
1"	$ 32.54	$ 51.00	Commercial/Industrial/Public Use	$ 38.00	$ 63.20	$ 40.00	$ 73.00
1 1/2"	$ 49.44	$ 102.00	Residential/Multifamily	$ 59.00	$ 126.00	$ 61.00	$ 146.00
1 1/2"	$ 49.44	$ 102.00	Commercial/Industrial/Public Use	$ 59.00	$ 126.00	$ 61.00	$ 146.00
2"	$ 70.04	$ 163.20	Residential/Multifamily	$ 88.00	$ 202.00	$ 89.00	$ 234.00
2"	$ 70.04	$ 163.20	Commercial/Industrial/Public Use	$ 88.00	$ 202.00	$ 89.00	$ 234.00
3"	$ 103.00	$ 306.00	Residential/Multifamily	$ 135.00	$ 378.00	$ 136.00	$ 438.00
3"	$ 103.00	$ 306.00	Commercial/Industrial/Public Use	$ 135.00	$ 378.00	$ 136.00	$ 438.00
4"	$ 144.20	$ 510.20	Residential/Multifamily	$ 195.00	$ 630.00	$ 197.00	$ 729.00
4"	$ 144.20	$ 510.20	Commercial/Industrial/Public Use	$ 195.00	$ 630.00	$ 197.00	$ 729.00
Volume Charge	Water Volume*	$5.31/unit	1 Unit=CCF=100 Cubic Feet=748 Gallons	$6.35/unit		$8.35/unit	

*Suburban Customers: Customers residing outside the corporate limits of the City of Ashland shall be billed at the regular rates for service plus a 25 percent surcharge.

Unmetered private fire protection fee increases are available upon request.

ADDITIONAL TARIFF CHANGES AND FEES

- Special Billing charge: $35
  - This fee is charged to any customer or property owner requesting a current account be closed and a new account opened outside of our normal billing schedule. This would include property closings and tenant move ins/outs. This fee would be charged to the account that is being requested to be closed.
- Real Estate Closing Fee: $35
  - Any customer or agent request for an estimated final bill will be charged $35 to generate the estimate. This fee is separate and in addition to a special billing charge should closing occur during the middle of a billing cycle.
- Non-Sufficient Funds: $35
  - When a customer pays via a check and the bank determines there is not enough funds available to cover the charge and reverses the payment, the customer will be charged $35 per occurrence. The customer may also be changed to a cash only customer, meaning the Utility will not accept payment in the form of a check.
- Missed Appointment Fees: $75 during hours; $113 after hours
  - Any customer who fails to honor a scheduled appointment will be charged a Missed Appointment Fee. During normal business hours, this fee is charged after the second attempt complete the appointment. For after hour appointments, the fee will be charged at the first missed appointment.
- Water Stand-by Fee: $14/bimonthly (1st step); $15/bimonthly (2nd step)
  - This fee will be billed to all buildable parcels not connected to the water supply. This fee is separate from the Public Fire Protection fee. The Public Fire Protection fee helps to ensure the Utility continues to supply adequate supply and pressure to fight fires within the municipality. The Water Stand-by Fee is charged for the maintenance of the mains and services available to parcels. Customers with metered service will not be charged the water stand-by fee.
- Seasonal Service: Charged Year-Round and Reconnection Fee charged upon return
  - Any customer requesting services be temporarily disconnected will continue to be charged for their services year-round. The customer will also be charged a reconnection fee upon return to the property.
- Bulk Water
  - Customers who utilize our bulk water services will see an increase in monthly hydrant fees to $75. Additionally, any bulk meter that is installed for the sole use of one person/company will be charged appropriate fixed fees based on the meter size after the first 7 days of installation.
- Reconnection Fees
  - Reconnection fees have increased to $75 during normal business hours and $150 after business hours. This fee will be charged any time the Utility is requested to turn water off at the curb.

Public Fire Protection Service

Public fire protection service shall include the use of hydrants for fire protection service only and such quantities of water as may be demanded for the purpose of extinguishing fires within the service area. This service shall also include water used for testing equipment and training personnel. For all other purposes, the metered or other rates set forth, or as may be filed with the Public Service Commission shall apply.

Under Wis. Stat. § 196.03(3)(b), the municipality has chosen to have the utility bill the retail general service customers for public fire protection service.

Bi-Monthly Public Fire Protection Service Charges:

⅝ - inch meter:	$	25.20	3 - inch meter:	$	378.00
¾ - inch meter:	$	25.20	4 - inch meter:	$	630.00
1 - inch meter:	$	63.20	6 - inch meter:	$	1,260.00
1¼ - inch meter:	$	93.00	8 - inch meter:	$	2,017.00
1½ - inch meter:	$	126.00	10 - inch meter:	$	3,025.00
2 - inch meter:	$	202.00	12 - inch meter:	$	4,033.00

Customers who are provided service under Schedules Mg-1, Ug-1, or Sg-1 shall also be subject to the charges in this schedule according to the size of their primary meter.

Under Wis. Stat. § 196.03(3)(b), the City of Ashland has elected to make the charges in this schedule applicable to non-general service customers who own property that is located both within the municipal limits and in an area where the utility has an obligation to provide water for public fire protection. Each parcel shall be billed at the ⅝-inch meter rate under this schedule.

Billing: Same as Schedule Mg-1.

Standby Water Service

A standby charge shall apply to each lot or equivalent parcel of land for which water system facilities are available but are not connected. An equivalent parcel of land shall be each full 100 feet where unplatted. An isolated parcel of less than 100 feet shall be equivalent to a lot. Where more than one lot or equivalent is used as a unit and a customer is connected, the total charge for water service to such customer shall be not less than the standby charge applicable to the several lots. This rate is not applicable to land declared by the local municipality as unbuildable.

For each lot or equivalent parcel of land: $14.00 bi-monthly

Example: An unplatted 480 foot parcel of land would constitute four equivalent parcels.

Billing: Same as Schedule Mg-1.

Public Fire Protection Charge

In December, 2011, Ashland became one of 264 water utilities within the state that choose to convert the Public Fire Protection Charge mandated by the Public Service Commission of Wisconsin into a direct user charge.

Prior to the decision of the Common Council to convert the expense to a direct charge, the City's general fund subsidized the cost of providing a water system with the capacity required to fight fires. As a direct charge, the Public Fire Protection Charge will be paid by all properties within the City.

The conversion of the charge was included as part of the rate increase order issued by the PSCW on April 22, 2013.

What does the Public Fire Protection Charge specifically cover?

The mandated charge covers the obvious items such as fire hydrants. It also covers the not so obvious expenses such as the increased size of water mains, increased pump capacity, and increased storage capacity of the City's water tower; all items that must be in place to fight a fire. If the water system was not constructed to fight fires, the water distribution system would cost considerably less to operate and maintain because of smaller mains, pumps, and storage towers.

Additional information on the Public Fire Protection Charge can be found at the Public Service Commission of Wisconsin website:
http://psc.wi.gov/

City of Ashland

Treasurer's Office
First Floor
Ashland City Hall
601 Main Street West
Ashland, WI 54806

715-682-7071

City Hall Hours:
8 a.m. – 4:00 p.m.

www.ci.ashland.wi.us

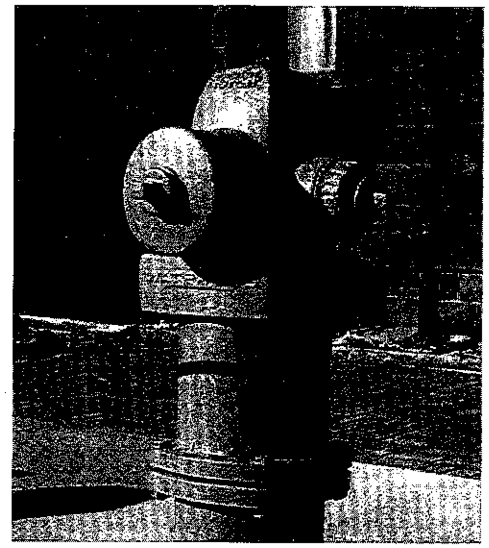
Public Works Department

2020 6th Street East
Ashland, WI 54806

715-682-7061

Public Works Hours:
7 a.m. – 3:30 p.m.

Public Fire Protection Charge



A Revenue Requirement of the Public Service Commission of Wisconsin and Incorporated within the Ashland Municipal Water Utility Tariff

What is the Public Fire Protection Charge?

The Public Fire Protection Direct Charge is part of the City water utility's tariff established by the Public Service Commission of Wisconsin (PSCW). The Public Fire Protection Charge provides for reimbursement to the water utility for expenses required to construct and maintain a utility system with the capacity to deliver water for firefighting. Section 196.03(3)(b), Wisconsin Statutes permits a community with a public water system the ability to collect the charge as part of the property tax levy or as a direct user charge. In December, 2011, the Ashland Common Council elected to begin collecting the mandated charge as a user fee as permitted by Statue.

How has the Charge been collected in the past?

The City's general fund has been paying the PSCW mandated charge to the water utility from the tax levy in the amount of $510,664 annually. The PSCW has established the charge at $620,599 as part of the utility's April, 2013 water rate tariff.

Why has it taken so long to implement collection of the direct charge?

The Public Service Commission of Wisconsin chose to include the conversion of the fee as part of the review of a water utility rate increase application. The Ashland water utility had not sought an adjustment in water rates for a decade. The PSCW leveraged the conversion of the fee with a requirement for the utility to file a rate increase application. The finalization of the required rate study and review by the PSCW took considerably longer than anticipated. The utility will implement the Public Fire Protection Direct Charge as directed by the rate order issued by the PSCW on April 22, 2013.

Who determines the amount of the Charge?

The PSCW determines the amount of the Public Fire Protection Direct Charge. The charge will be based on the size of the water meter serving the property, and in the case of a vacant property with no public water service, the fee is based on the smallest meter size in the community. The PSCW will review and adjust the charge with each water rate increase application filed by the utility.

Why convert the Charge to a user fee?

As a direct charge user fee, all properties within the community (taxable and tax exempt) will begin contributing to the expense of providing the capacity within the public water system necessary for fire flows. All properties within the City will now be treated equally and will be required to contribute their share of public fire protection water utility costs.

Why isn't the Charge borne by the fire department?

The Public Fire Protection Direct Charge covers the costs incurred by the utility to be able to deliver water for firefighting and is independent of any expenses that the fire department may incur in order to use the delivered water to fight a fire.

I have multiple meters. Will I be charged the fee for each meter?

Every ***general service*** water meter (Schedule Mg-1 & Sg-1) will receive a separate Public Fire Protection Charge. The charge will not apply to lawn or irrigation meters. If your dwelling or business contains more than one ***general service*** meter, multiple charges will be received.

I am not a utility customer; will I be charged the Public Fire Protection Fee?

Yes, the charge applies to all buildable parcels within the corporate limits of the City of Ashland whether or not they are served by the City's water utility.

I have multiple adjoining parcels of property. Will I be charged for each parcel?

Every property parcel is identified by a tax number issued by the County Land Records Office. Each buildable tax numbered parcel will receive the Public Fire Protection Charge. The charge can be reduced by combining adjoining parcels. Contact the County Land Records Office in the Ashland County Courthouse, 201 Main Street West, Ashland, Wisconsin for more information on the process for combining parcels.

Ref: 2025-051

COMMITTEE AGENDA: 5.G. (2/25/2025)

SUBJECT: **Continued Discussion and Possible Action on Proposed Changes to Chapter 612 Street and Utility Construction Standards and Special Assessment Policies, Ashland City Ordinances (Public Works)**

RECOMMENDATION: Direct staff on changes to Ord 612 to allow assessment of street construction costs, and advance to Council for formal approval (March 11, 2025 meeting)

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: City Administrator

EXHIBITS: 1. Proposed Special Assessment Changes

COMPLIANCE WITH STRATEGIC PLAN: INFRASTRUCTURE: By 2022, City of Ashland residents and businesses with have access to reliable and reasonably priced City water, sewer, stormwater and streets through the development and implementation of a 20-year repair and replacement plan, supported by budget plans on 5-year increments.

SUMMARY STATEMENT:

At the October 10, 2024 meeting, the Public Works Committee (PWC) recommended changes to the City's special assessment to finance 12.5% of the total estimated project cost for street reconstruction projects. Staff estimated that these changes would provide approximately $190,000 in revenue at an average cost per property owner of $4,300. The costs would also be repayable over a ten-year period and subject to interest at approximately 3% annually.

In terms of policy, these changes would be accomplished by modifying Ordinance 612 to incorporate street construction as a cost included in special assessments.

At the Committee of the Whole, the discussion has grown to include possible assessments for street resurfacing and alternative financing mechanisms (debt levy). Staff are requesting that the Council take action on the PWC recommendation. Council suggestions on possible changes to the financing mechanism should also be referred back to the PWC per Chapter 46.03(c).

Further development of a specific policy, similar to the existing policy for sidewalk special assessment, is recommended but will require time. Staff recommend that the policy be referred to the PWC and brought back to the Council. This will allow the PWC and Council to consider the idea of including costs for street resurfacing as well as street reconstruction in the City's special assessment policy.

Staff prepared information to inform Council's decision on the PWC recommendation on 12.5% of street reconstruction costs as presented in the attached memo.

If the Council directs staff to proceed with special assessment changes, it is recommended that the Chapple Ave assessments be implemented prior to development of a detailed policy to allow for notification to property owners.

THE CITY OF ASHLAND
PUBLIC WORKS

Department of Public Works
2020 6th Street East Ashland ~ WI 54806 ~ www.coawi.org

MEMO: Special Assessment Changes
TO: Public Works Committee
FROM: John Butler, Director of Public Works

More information is needed to support of the ongoing special assessment (SA) discussion:

1. Need for investment in the City's road system to provide long term benefits to tax payers
2. Decrease in traditional funding mechanisms (state shared revenue) requires the use of alternative mechanisms (special assessments) by many local governments
3. Concerns about equity of SAs can be addressed by understanding how the debt levy is, and will continue to be, used to finance street reconstruction projects.
4. Affordability. Data indicates that growth in local incomes has significantly outpaced growth in the cost of City services.

#1 State of Roadway Network

For complete management of City streets over a 25 yr useful life requires annual investment of $2.7 million. Figure 1 shows the City has or will only reach this level in one out of 10 yrs. The City is averaging an annual investment of $1.3 million, which over the long term will provide a 50 yr useful life. Meaning each property owner will see their street improved only once every 50 yrs.

#2 Decrease in Shared Revenue

A recent Wisconsin Policy Forum article explains that the share of state and local taxes paid by Wisconsin residents in 2022 has decreased to 9.9% of their income, the lowest level on record. This represented a 2.6% decrease since 2000, which was the largest decrease in all 50 states.

#3 Equity Concerns

The Council has expressed that the debt levy is a more equitable financing mechanism. We would like to show that the debt levy is already being used, and will continue to be used, to finance street projects if Council approves changes to the SA policies.

Funding for the Chapple Ave project includes a state grant ($510K). With SA for 12.5% of project costs, the debt levy will still be used for 14% ($244K) of project costs, as shown in Figure 2. Without the grant, the debt levy share would grow to 42% ($755K), as shown in Figure 3.

The City has many miles of streets where grant funding is not realistic, the debt levy is the appropriate mechanism to address this gap in funding. The use of the debt levy for all streets projects also addresses the concerns about equitable cost sharing of streets.

#4 Affordability

In 2019, a property with an assessed value of $100K would have paid $976 in annual property taxes. In 2023, due to increases in assessed value and mill rate, the same property would have paid $1,163, an increase of $187.

Over the same time period, state data on Ashland County income levels shows that the median houseful income has grown from $42,510 (2019) to $57,645 (2023), an increase $15,135. Staff feels this indicates that the cost of special assessments represent a portion of necessary increases in the cost of City services realized due to levy limit restrictions imposed by the state.

Figure 1:

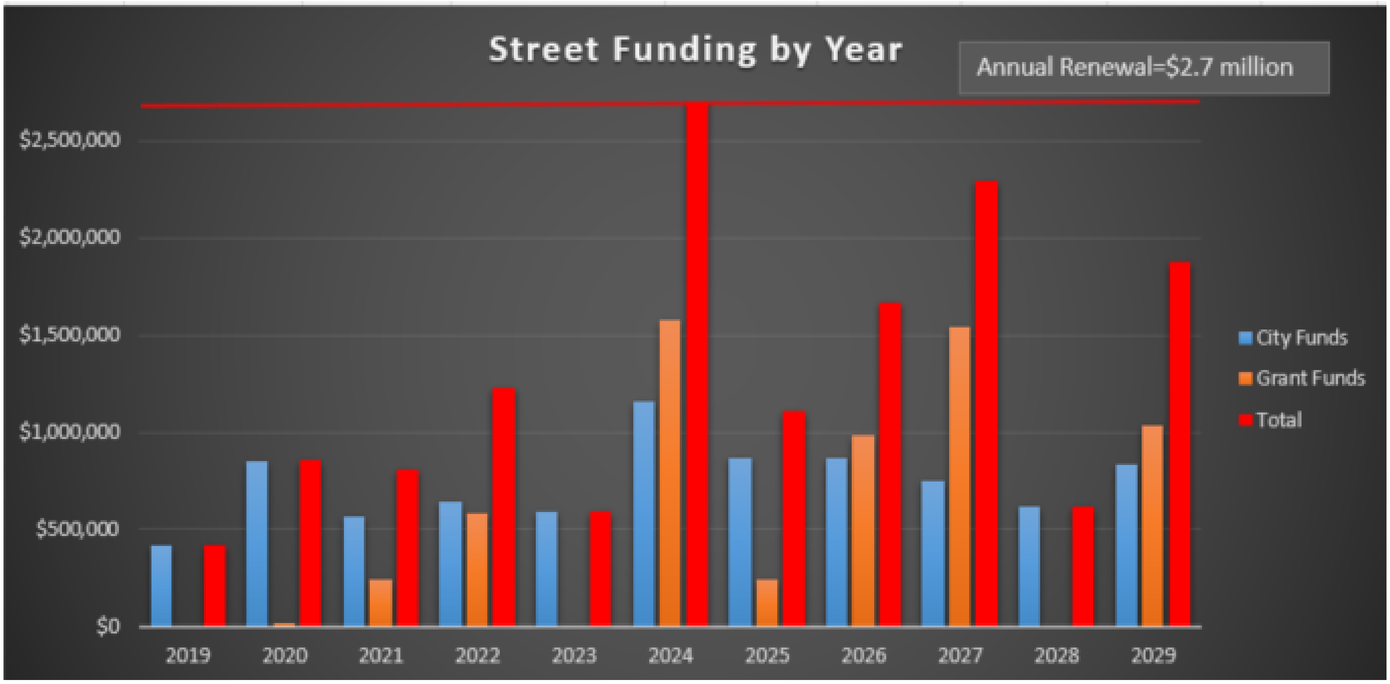


Figure 2:

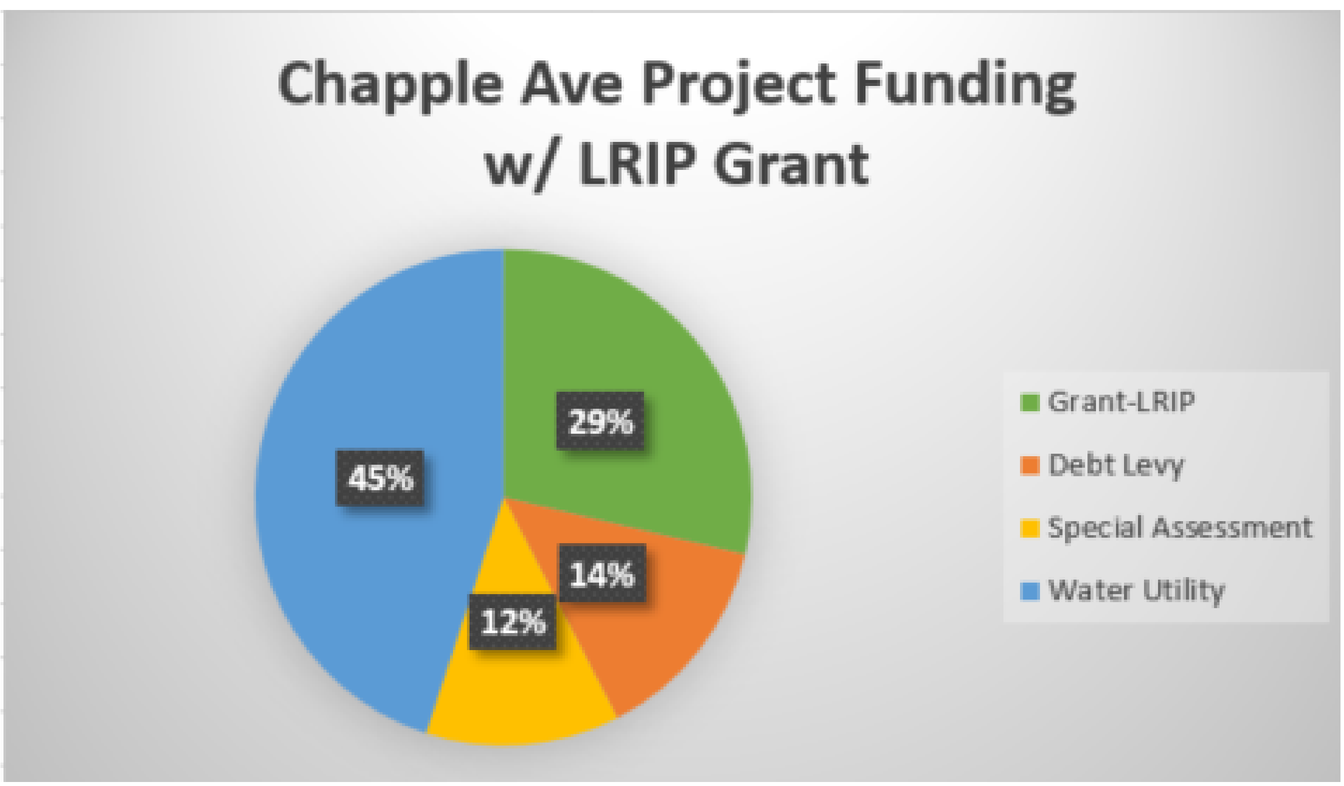
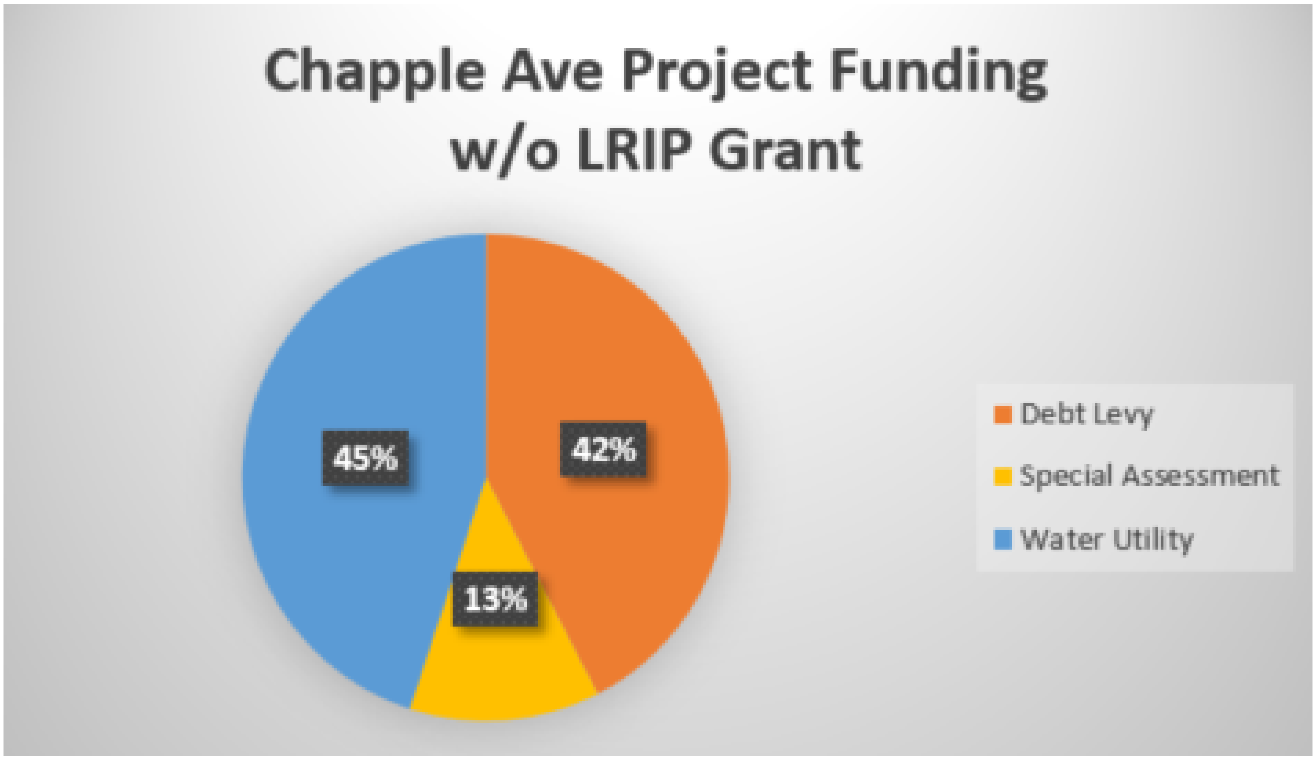


Figure 3


Chapple Ave Project Funding
w/o LRIP Grant
45%
42%
13%
Debt Levy
Special Assessment
Water Utility

Ref: 2025-052

COMMITTEE AGENDA: 5.H. (2/25/2025)

SUBJECT: **Continued Discussion and Possible Action on Proposed Special Assessments for Chapple Avenue and Ellis Avenue Reconstruction Projects *(Public Works)***

RECOMMENDATION:	Direct staff to proceed with special assessments for the Chapple Avenue and Ellis Avenue reconstruction projects, and advance to Council for formal approval (March 11, 2025 meeting)

DEPARTMENT OF ORIGIN:	Public Works
CLEARANCES:	City Administrator
EXHIBITS:	1. 2025 Budget: Proposed Project and Capital List
COMPLIANCE WITH STRATEGIC PLAN:	INFRASTRUCTURE: By 2022, City of Ashland residents and businesses with have access to reliable and reasonably priced City water, sewer, stormwater and streets through the development and implementation of a 20-year repair and replacement plan, supported by budget plans on 5-year increments.

SUMMARY STATEMENT:

These projects are scheduled for construction in Spring 2025. The City Attorney's office has recommended that any special assessment procedures for either project begin prior to construction per guidance from State Statutes.

If Council approves changes to Chapter 612 to allow for special assessments to incorporate street construction costs, the Public Works Director would recommend the development of a detailed policy for special assessment of street construction costs. However, this policy would not be developed prior to the start of construction, so the Public Works Director is requesting Council approval to proceed with special assessments as directed by Council with the specific policy.

The Council will ultimately review and approve the special assessments, as required by State Statutes, and this approach would only apply to 2025 construction. Projects constructed in future years would be guided by specific policies.

2025 Proposed Project and Capital List

	Estimated Fund Balance Jan 1st	Project Expenditures: Project Expenditure Request	Transfers OUT to Other Funds	TOTAL EXPENSES TRANSFERS OUT	Sources of Project Revenues: $ 276,504 2024 Levy/Trans	Other Funding	Other Source	$ 776,000 Borrowing	Transfers IN from Other Funds	Trnsf Fund	*Use (Increase) Fund Balance*	TOTAL PROJECT SOURCES	Estimated Fund Balance Dec 31st	Fund Balance Restricted to Specific Project
Fire Equipment (CP 461)														
Tanker 5-refurbish fiberglass water tank		$ (120,000)	$ -	$ (120,000)	$ 92,504	$ -		$ -	$ -		$ 27,496	$ 120,000		-
Vehicle Lease		$ (8,000)	$ -	(8,000)	$ 8,000						-	8,000		
New Ambulance		(301,000)		(301,000)	-	301,000	FEMA-AFG & Bayfield County EMS Grant				-	301,000		
Restricted State/Local funding/donations		(50,000)	-	(50,000)	-	35,000	State /County/Donations		-		15,000	50,000		77,504
TOTALS	$ 120,000	$ (479,000)	$ -	$ (479,000)	$ 100,504	$ 336,000		$ -	$ -		$ 42,496	$ 479,000	$ 77,504	$ 77,504
Police Equipment (CP 462)														
Vehicle Leases - 10		$ (95,000)	$ -	$ (95,000)	$ 50,000	$ 45,000	Vehicle sales	$ -	$ -		$ -	$ 95,000		
		-	-	-	-	-		-	-		-	-		
TOTALS	$ -	$ (95,000)	$ -	$ (95,000)	$ 50,000	$ 45,000		$ -	$ -		$ -	$ 95,000	$ -	$ -
Tech/Computer Equipment (CP 463)														
Police records system software upgrade		$ (60,000)	$ -	$ (60,000)		$ -		$ -	$ -		$ 60,000	$ 60,000		
Software-building permits, ROW, licenses		(22,500)	-	(22,500)	22,500						-	22,500		
Software-electronic acct payable processing		(8,000)	-	(8,000)	8,000						-	8,000		
TOTALS	$ 60,000	$ (90,500)	$ -	$ (90,500)	$ 30,500	$ -		$ -	$ -		$ 60,000	$ 90,500	$ -	$ -
Street Improvements (CP 470)														
11th Ave EAST Mill and Overlay Design		(112,158)		(112,158)	-	112,158	STP/Wheel Tax	-	-		-	112,158		
11th Ave WEST Mill and Overlay Design		(116,819)		(116,819)	-	116,819	STP/Wheel Tax				-	116,819		
Ellis Ave Pavement Replacement		(337,000)		(337,000)	-	80,000	Wheel Tax	-	30,000	471	227,000	337,000		
13th Av E US2-Main St CDBG (Design)		(81,100)		(81,100)	-	-		-	-		81,100	81,100		
Prentice Avenue Ph 2(Design)		(202,053)		(202,053)	-	172,042	STP				30,011	202,053		
Beaser Ave Mill & Overlay (Design)		(89,914)		(89,914)	-	68,893	STP	-			21,021	89,914		
3rd St W Mill & Overlay (Design)		(116,916)		(116,916)	-	87,416	STP	-			29,500	116,916		
Lower Willis Reconstruction		(103,500)		(103,500)	-	31,000	LRIP/SA	-			72,500	103,500		
Chapple Ave Recon 6th-11th (includes design)		(1,025,000)		(1,025,000)	-	510,885	LRIP	225,000	45,000	471	244,115	1,025,000		
City Parking Lot		(50,000)	-	(50,000)	-	-		-	-		50,000	50,000		-
TOTALS	$ 800,000	$ (2,234,460)	$ -	$ (2,234,460)	$ -	$ 1,179,213		$ 225,000	$ 75,000		$ 755,247	$ 2,234,460	$ 44,753	$ 44,753
Sidewalk Improvements (CP 471)														
Sidewalk assessments revenue						20,000					(20,000)	-		
Transfer to CP 470-Ellis Ave Pavement Replacement		$ -	$ (45,000)	(45,000)							45,000	45,000		
Transfer to CP 470- Chapple Ave Reconstruction		-	(30,000)	(30,000)							30,000	30,000		
TOTALS	$ 117,000	$ -	$ (75,000)	$ (75,000)	$ -	$ 20,000	$ -	$ -	$ -	$ -	$ 55,000	$ 75,000	$ 62,000	$ 62,000

Ref: 2025-053

COMMITTEE AGENDA: 5.I. (2/25/2025)

SUBJECT: **Continued Discussion and Possible Action on Proposed Special Assessments Policy for Street Construction *(Public Works)***

RECOMMENDATION: Direct staff to develop policy for assessment of street construction costs on City streets, including street reconstruction & resurfacing (refer to Public Works committee)

DEPARTMENT OF ORIGIN: Public Works

CLEARANCES: City Administrator

EXHIBITS:

1. Pavement Degradation Curve
2. Ashland Functional Classification - November 15, 2019

COMPLIANCE WITH STRATEGIC PLAN: INFRASTRUCTURE: By 2022, City of Ashland residents and businesses with have access to reliable and reasonably priced City water, sewer, stormwater and streets through the development and implementation of a 20-year repair and replacement plan, supported by budget plans on 5-year increments.

SUMMARY STATEMENT:

If the Council approves changes to Chapter 612 to allow for special assessments to incorporate street construction costs, the Public Works Director would recommend the development of a detailed policy for special assessment of street construction costs.

The Public Works Committee (PWC) recommendation from the October 10, 2024 meeting was limited to street reconstruction because no street resurfacing projects are planned for 2025. Staff would like to develop a policy for special assessment of street costs, including reconstruction and resurfacing. The Public Works is requesting direction from the Council on the proposed policy, including if it should incorporate street resurfacing.

The attached graph demonstrates why street resurfacing is a critical component of a pavement management system, while the attached map shows the location of all streets classified as above a local street, per WI Department of Transportation criteria. The Public Works Director recommends that the potential policy for street construction distinguish between local streets and higher-traffic streets based on the fact that the higher-traffic streets provide community-wide benefits.

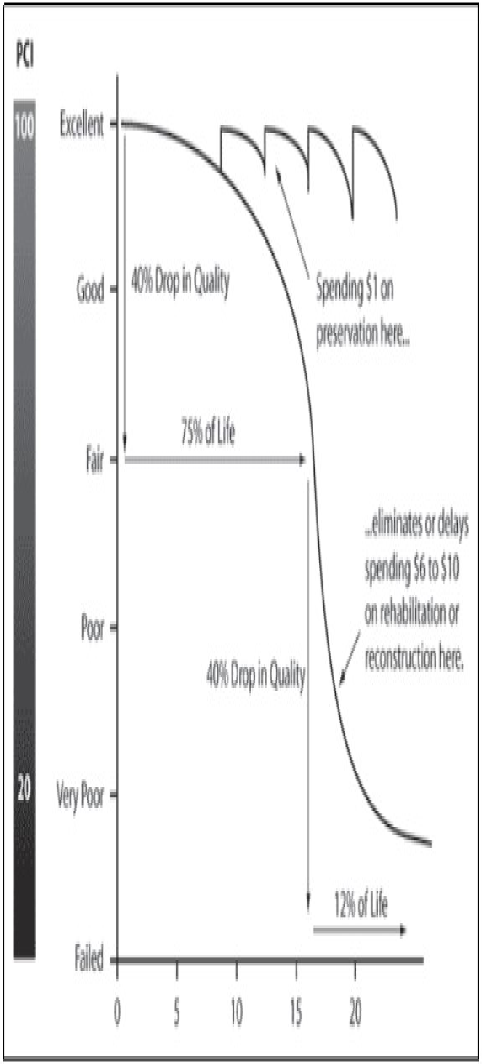
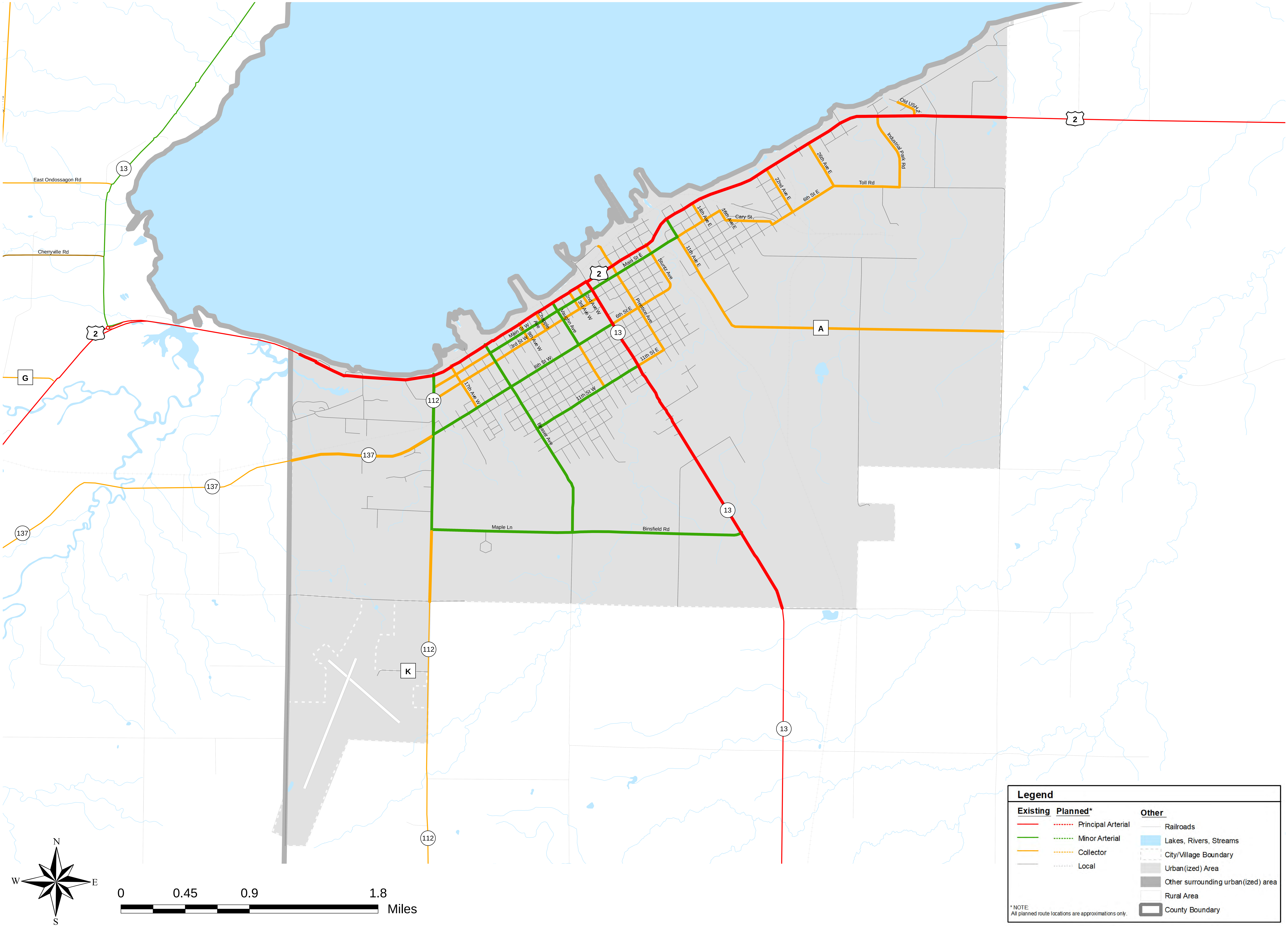


Figure 6 (from the Federal Highway Administration?s Office of Asset Management, Pavements and Construction) illustrates the steep deterioration curve commonly seen in pavements once they reach a "poor" condition. Timely preventive and reactive treatments create substantial value by restoring pavements to a high condition and preventing the onset of the rapid deterioration commonly seen in poorly maintained pavements. As noted in Figure 6 and in other FHWA reports, timely preventive and reactive treatments can produce a very high benefit/cost ratio. Conversely, underinvestment leads to the missing of the optimal treatment-timing window for many pavements and leads to their concurrent rapid, non-linear degradation. It is the accelerating, non-linear degradation that underlies the analysis? rapid accumulation of deficient lane miles and the rapid growth in the cost of the backlog, or the accumulation of the "infrastructure deficit".

ASHLAND

Functional Classification - November 25, 2019



WisDOT Bureau of Planning and Economic Development
FHWA Approval Date: Draft
PDF Created: 11/25/2019
Ashland