

**Ashland City School District Board of Education – Work Session  
Monday, May 8, 2017**

The Ashland City School District Board of Education met for a work session on Monday, May 8, 2017, at the Ashland City School District Central Offices, 1407 Claremont Ave., Dr. James Wolfe, Vice-President, called the meeting to order at 7:00 p.m.

- I. ROLL CALL** Mr. Rick Ewing, Mr. Bryan Lefelhoc, and Dr. James Wolfe were present. Mrs. Lindsey Saffle and Mr. Will Gravitt were absent.
- II. PLEDGE OF ALLEGIANCE** The Pledge of Allegiance was led by Dr. Wolfe, Board Vice-President.
- III. APPROVAL OF AGENDA 2017-05-046** Mr. Ewing motioned; second by Mr. Lefelhoc to approve the agenda as presented. Motion carried 3-0.
- IV. DISCUSSION ITEMS**

**A. Proposed Tax Abatement – SJE Rhombus :**

Discussion ensued regarding the application for 75% tax abatement for 15 years. The discussion included the following persons including the board members present:

Kathy Goon, Director, Ashland Enterprise Zone  
Taunia Suckert, SJE-Rhombus CFO  
Mark Ostlie, SJE Rhombus Director of Operations-Standard Products Division  
Shane Kremser, City of Ashland Engineer  
Hal Sheaffer  
Denny Bittle, Ashland County Commissioner  
Duane Fishpaw, Mayor, City of Ashland

SJE Rhombus representatives presented on behalf of the company:  
Charitable involvement in Ashland includes the United Way and their charitable funds have donated to prom, Kiwanis and the Salvation Army

Plans for growth include expansion of the controls business noting that Ashland is the hub for engineered control panels. The division was moved from Detroit Lakes, Minnesota to Ashland. The company has a long term commitment. The current building is leased and the design is not conducive to manufacturing. Their building design is designed for expansion. Their nationwide infrastructure improvements will continue to expand. The abatement will offset the burden on shareholders by building a new facility more conducive to manufacturing.

Q. What if the Abatement agreement is not met?

A. Kathy Goon – Taxes will have to be paid back. The negotiating committee meets annually to review terms per the agreement.

Dr. Wolfe read a prepared statement by Mr. Will Gravitt, Board of Education President.

Q. Percent of company ownership residing in Ashland

A. better than 5% ownership in SJE Rhombus

Q. Increased size since acquisition

A. Avg. 5 employees per year, vesting is 6 years

Dr. Wolfe asked SJE Rhombus to address the incomplete application questions

Q. Dr. Marrah - Will local companies would be involved in the construction.

A. Most likely, the project will request bids.

Other discussion by board members with SJE Rhombus included the support of local businesses and competition of similar businesses in the Ashland market.

Mr. Ostlie indicated that SJE-Rhombus has 3 brands of manufacturing from home sump pumps to large municipalities.

Mr. Lefelhoc stated that since there is competition of this type of business in Ashland, granting the abatement could be viewed as taking sides.

Other discussion ensued regarding the community involvement in the Charitable Foundation employee volunteer service and tuition reimbursement for Ashland-based employees.

Conclusion: True impact of the abatement is fairly limited. The district doesn't gain or lose; taxpayers are the bearer of the impact.

Representatives from SJE-Rhombus left the meeting.

Dr. Marrah stated that after the period of abatement, companies may file for property valuation decrease. Ms. Goon state that they may be assessed if the value decreases, but this is not a common practice.

The remainder of the presentation revolved around the school district's involvement in the Economic Development Council. The former treasurer was a representative and upon her departure the district no longer had representation. The Economic Development Council was not informed of the Treasurer's departure. The Mayor appointed another member after being made aware of the absence.

The Board of Education noted the poor communication between the Economic Development Council and the Ashland City School District.

Mr. Sheaffer indicated that the council is not a public entity and is not subject to public records law

Mr. Ewing stated that the school district is interested in economic development. Communication between the council and the district needs to be improved and the district should be a part of the process.

Discussion ensued regarding the operation of the negotiating committee of the Economic Development Council.

The Board indicated that there should be standards built for acceptance of abatements.

Mayor Fishpaw stated that the 1987 Economic Development Board Ordinance needs to be changed.

- B. Five-Year-Forecast** – currently in process, will meet with the committee.
- C. Financial Advisor Update** – Information from Redtree was presented.
- D. UH Samaritan – Bruce Boguski** – Dr. Marrah updated the Board
- E. Health Care Committee Update** – Will meet with the Committee and update the Board at the next meeting.
- F. Summer Projects** – Mr. Knabe discussed the High School roof, Edison HVAC, restrooms, and playground renovations. Temporary summer help will be hired.
- G. Other** –
  - 1) Barb Phillips presented the Board with SERS information packet
  - 2) Dr. Marrah said the Art Show was fantastic
  - 3) The High School and Middle Schools had active shooter simulations. Student's behavior was excellent.
  - 4) Mr. Lefelhoc thanked Dr. Marrah for his work on tennis courts.

- V. EXECUTIVE SESSION 2017-05-047** Mr. Lefelhoc motioned; second by Mr. Ewing to move to executive session.-Motion carried 3-0.

Whereas, as a public board of education may hold an executive session only after a majority of a quorum of this board determines by a roll call vote to hold such a session and only at a regular or special meeting for the sole purpose of the consideration of any of the following matters:

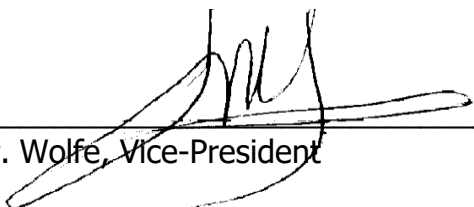
- A.** To consider one or more, as applicable, of the checkmarked items with respect to a public employee or official:
  - 1.  Appointment.
  - 2.  Employment
  - 3.  Dismissal
  - 4.  Discipline
  - 5.  Promotion
  - 6.  Demotion
  - 7.  Compensation
  - 8.  Investigation of charges/complaints (unless public hearing requested).
- B.** To consider the purchase of property for the public purposes or for the sale of property at competitive bidding.
- C.** Conferences with an attorney for the public body concerning disputes involving the public body that are the subject of pending or imminent court action.
- D.** Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment.
- E.** Matters required to be kept confidential by federal law or rules or state statutes.
- F.** Specialized details of security arrangements where disclosure of the matters discussed might reveal information that could be used for the purpose of committing or avoid prosecution for a violation of the law.

Now, therefore, be it resolved, that the Ashland City School Board of Education, by a majority of the quorum present at this meeting, does hereby declare its intention to hold an executive session on item(s) A2, E as listed above.

Entered Executive Session at 9:16 p.m.  
Executive Session ended at 10:02 p.m.

**VI. ADJOURNMENT 2017-05-048** Mr. Lefelhoc motioned; second by Mr. Ewing to adjourn the May 8, 2017 Work Session. Motion carried 3-0.

Adjourn 10:03 p.m.

  
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Dr. Wolfe, Vice-President

  
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Susan Guthrie, Treasurer

**IMPORTANT DATES**

May 18, 2017	Scholar/Athlete Recognition Night	AHS	7:00 p.m.
May 20, 2017	May Fiesta	Archer Auditorium	7:00 p.m.
May 21, 2017	May Fiesta	Archer Auditorium	2:30 p.m.
May 22, 2017	Regular Meeting	Central Office	7:00 p.m.
May 26, 2017	Farewell Assembly	AHS	8:00 a.m.
May 27, 2017	Baccalaureate	Grace Brethren Church	2:00 p.m.
May 27, 2017	Graduation	AHS	7:00 p.m.