

**CITY OF MASON
COUNCIL MEETING
DECEMBER 13, 2010**

The meeting was called to order at 7:03 p.m. Rabbi Yosef Kalmanson opened the meeting in prayer. All those present recited the Pledge of Allegiance.

ATTENDANCE

The following members of Council were present: Michael Gilb, Christine Shimrock, Rich Cox, Tony Bradburn, David Nichols, and Don Prince. Charlene Pelfrey was absent.

APPROVAL OF MINUTES

A motion to approve the November 22, 2010 Council Meeting Minutes was made by Councilmember Shimrock, seconded by Councilmember Cox. VOTE: ALL YEAS

RECOGNITION OF MASON GYMNASTICS CHAMPIONS

Mayor Prince introduced Yonce Daniels, coach of the Mason Gymnastics Team. The team took fourth overall at the State Championships in December, with four of the eight Mason gymnasts returning as State Champions. Ms. Daniels introduced the team members and their many awards.

RECOGNITION OF DOWNTOWN DECORATING CONTEST WINNERS

Mayor Prince introduced and presented a plaque to each of the winners of the Downtown Decorating Contest:

Mim's On Main: Honorable Mention
Banana Leaf Modern Thai: 3rd Place
Dowrey Stover Insurance: 2nd Place
Baysore's Flower Shop: 1st Place

RECOGNITION OF VISITORS

Roger Nienaber of 6454 Grand Cypress Way addressed Council concerning the Golf Center Academy Course driving range. He is a Board Member of the Eagle View Village Community which is located adjacent to the Kings Island Golf Course. He and his neighbors question the location of the proposed driving range on the first hole of the Academy Course and the necessity of this range when there are plans for another range at a better location (public range on Tennis for Charity land). The Academy Course Range would affect 236 residences and their major concern is the increased activity and exposure to injury due to errant golf balls. They may hold the City accountable for "negligence in design" and any damages or injury resulting from this design. He asked the Council to give this plan serious consideration. Mayor Prince stated that the tee box for this range was backed up to be 200 yards from the buildings (180 yards from the property line). Mr. Nienaber felt that this increase in distance would allow for more shots over the trees (which act as a barrier). Councilmember Shimrock asked if there is another solution, short of abandoning the project that would be acceptable. Mr. Nienaber discussed the "members only" driving range presently behind the 1st hole. This area allows members to take warm up shots at a location that is more convenient than the proposed range on the Academy Course. The members would like this to

remain with the public driving range located on the Tennis for Charity property. Councilmember Gilb, Chairman of the Golf Course Committee, invited Mr. Nienaber and all interested parties to attend future Golf Course Committee meetings.

Perry Schwartz of 6309 Tarton Fields Lane addressed Council concerning the proposed changes to Chapter 939 of the Mason Codified Ordinances. He expressed the need to make public any proposed replacement of trees and an announcement of any decisions made.

ORDINANCE 2010-150 AMENDING SECTIONS 939.07, 939.08, AND 939.09 OF THE MASON CODIFIED ORDINANCES REGARDING STREET TREES

A motion to read by title only was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: ALL YEAS.

Richard Fair addressed Council and explained that at their November meeting, Planning Commission, by motion, indicated a desire to provide staff with the ability to review and approve modifications to previously approved Street Tree plans. As developments continue to mature, initial plantings of Street Trees may or may not have performed as well as expected due to growing conditions, suitability, lack of maintenance, undesirable tree characteristics, as well as disease and insects. Richard summarized the three proposed changes to the Landscape Code: the City Planner would be able to make a change to the street trees at the request of the Planning Commission; replacement of trees would have to conform to existing trees and be as close a possible to the existing trees while offering better performance; and finally the list of acceptable and unacceptable trees could be modified by either the City Planner or the Planning Commission.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Bradburn, seconded by Councilmember Cox. VOTE: ALL YEAS.

A motion to refer Ordinance 2010-150 to Planning Commission and table it until the February 28, 2011 Council Meeting and was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: ALL YEAS.

ORDINANCE 2010-151 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$3,070,000 ECONOMIC DEVELOPMENT REVENUE NOTES, (AL. NEYER INC., PROJECT), FIRST (2011) RENEWAL OF THE CITY OF MASON, OHIO, THE PROCEEDS OF WHICH SHALL BE USED TO FINANCE THE ACQUISITION OF REAL ESTATE LOCATED WITHIN THE CITY OF MASON, OHIO TO BE SOLD TO AL. NEYER INC., FOR DEVELOPMENT; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH NOTES, AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTES.

A motion to read by title only was made by Vice Mayor Nichols, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

Eric Hansen explained that this ordinance calls for the re-issuance of Economic Development Revenue Notes. Council authorized Ordinance 2009-127 on December 15, 2009 to issue economic development revenue notes in order to secure property for future development. This property has been designated as the Oakpark Development District and is located along Western Row Road between I-71 and Old Western Row Road. The City working with the developer and an economic

development revenue process through the State was able to preserve the property for the attraction of longer-term and higher return developments. The notes require a financial guarantee by the developer and a repurchase agreement and does not impact the City's debt capacity. Eric stated that the intention visualizes the future development of a vibrant, mixed-use, high-end office market that would compliment the current successful businesses already in the area. The financial analysis for this development, which would include class A office, corporate headquarters and innovation sector businesses of the economy shows increases of job creation opportunities by over 530%. The developer will reimburse all costs associated with issuing the debt plus will begin repurchasing the carrying cost (principal and interest) of the property no later than 2013. In addition to paying for all cost of the property and debt, the developer also pays the City an annual financing fee. Eric concluded by stating that the re-issuance of these notes fulfills the commitment made in the development agreement while making strategic investments in the City's future economic development.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Cox, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

A motion to adopt Ordinance 2010-151 was made by Councilmember Shimrock, seconded by Councilmember Bradburn. VOTE: ALL YEAS.

ORDINANCE 2010-152 DECLARING THE 1999 PIERCE QUINT AS SURPLUS PROPERTY AND AUTHORIZING THE CITY MANAGER TO DISPOSE OF SAID EQUIPMENT

A motion to read by title only was made by Councilmember Bradburn, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

A motion to table Ordinance 2010-152 until the February 28, 2011 Council Meeting in order to review with the Safety Committee was made by Councilmember Bradburn, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

ORDINANCE 2010-153 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH 32 FORD FOR THE PURCHASE OF ONE 2010 FORD F-550, FOR THE TOTAL AMOUNT OF \$55,000.00.

A motion to read by title only was made by Vice Mayor Nichols, seconded by Councilmember Gilb. VOTE: ALL YEAS.

Eric Hansen described Truck 27 as a one ton Ford truck equipped with a lift that is used for manhole repairs and maintenance. The truck is eighteen years old and has repair costs that make it unfeasible to maintain. A year ago \$155,000 was included in the 2010 budget for the purchase of a replacement truck equipped with a tool box and snow plow, making it more versatile for snow and ice removal and other maintenance projects throughout the City. The purchase was delayed to determine what that multiple need truck would be. Eric explained that it has been determined that by purchasing a smaller truck with plow, purchased from utility funds, and by moving the lift from the old truck to the new will preserve the need for lift station maintenance and provide additional snow removal capabilities. The total proposed cost of \$58,000 represents a versatile vehicle and saves nearly \$100,000 from the 2010 capital funds. The Finance Committee has reviewed and is recommending adoption of Ordinance 2010 – 153.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Bradburn, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

A motion to adopt Ordinance 2010-153 was made by Councilmember Bradburn, seconded by Councilmember Gilb. VOTE: 5 YEAS, 1 ABSTAIN (Bradburn)

ORDINANCE 2010-154 AUTHORIZING THE RE-APPROPRIATION AND TRANSFER OF MONIES AND TRANSFERRING OTHER FUNDS AND APPROPRIATIONS FOR THE CURRENT EXPENSES OF THE CITY OF MASON: THEREFORE AMENDING THE ANNUAL APPROPRIATION ORDINANCE NO. 2009-146 OF THE CITY OF MASON, OHIO, PASSED BY THE COUNCIL OF THE CITY OF MASON, OHIO ON DECEMBER 15, 2009 FOR THE YEAR 2010.

A motion to read by title only was made by Councilmember Shimrock, seconded by Councilmember Cox. VOTE: ALL YEAS.

Jennifer Heft discussed both Ordinances 2010-154 and 2010-155. She began by stating that City Council approved the 2010 Budget with Ordinance 2009-146 on December 15, 2009. This appropriation ordinance is a plan and guide for City finances for the complete year. She explained that department heads are responsible for reviewing appropriation accounts and maintaining positive balances in all line items. As priorities change, they can request to transfer, within their respective department, appropriation amounts among all line items except those that fall outside the legal level of control. The legal level of control is the level at which Council approved the original annual appropriation ordinance. Transfers outside these levels of control require Council approval. Although department heads may transfer among the various appropriation accounts within their legal level of control, they must maintain the same total appropriated amount for their department. Jennifer stated that the re-appropriation ordinance is for those appropriation transfers, which fall outside the department head's legal level of control. The most significant re-appropriations are re-appropriating for additional operating and personnel cost for the expanded community center, senior center programs, street light replacements, and police overtime. She stated that there are also twelve fund transfers being requested as part of the Re-appropriation Ordinance. The General Fund transfers include: \$2 million to the General Capital Improvement Fund, \$1 million advance to the Federal Grant Fund for the Sports Park Irrigation and Bethany Road/Parkside Lift Station Elimination Projects, \$1,685,820 transfer to the Government Center Reserve Fund for the annual Municipal Center lease payment, \$1,400,000 transfer to the Community Center, and \$650,000 transfer to the Golf Course Fund to cover negative fund balances.

In addition, Jennifer then continued by explaining that Ordinance 2010 – 155 is a supplemental appropriation which is needed to accommodate for new priorities or to meet unanticipated expenses. There are twenty-one (21) supplemental appropriations, thirteen (13) are increases needed to ensure budgetary compliance for financial reporting purposes and eight (8) are decreases. She stated that most significant of the supplemental appropriation are the \$2 million transfer to the Capital Improvement Fund, a \$4.16 million supplemental was needed for the Street Maintenance & Repair Fund, a \$2.34 supplemental was needed to re-issue the Mason Road Improvement notes, and \$1.4 million supplemental was needed for street projects including the resurfacing partnership with Deerfield Township. She concluded by stating that although there are adjustments that will always occur throughout the year it is customary for an annual reappropriation ordinance to be prepared at years end to close the City's accounts.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Bradburn, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

During Council discussion, Councilmember Bradburn, the Finance Committee Chairperson, stated that this year's budget was the toughest he has ever worked with. He thanked the City's administration, department heads, and employees for their cooperation with all the adjustments.

A motion to adopt Ordinance 2010-154 was made by Councilmember Bradburn, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

ORDINANCE 2010-155 AUTHORIZING THE SUPPLEMENTAL APPROPRIATIONS OF MONIES THEREFORE AMENDING THE ANNUAL APPROPRIATION ORDINANCE NO. 2009-146 OF THE CITY OF MASON, OHIO, PASSED BY THE COUNCIL OF THE CITY OF MASON, OHIO ON DECEMBER 15, 2009 FOR THE YEAR 2010.

A motion to read by title only was made by Councilmember Bradburn, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Bradburn, seconded by Councilmember Cox. VOTE: ALL YEAS.

A motion to adopt Ordinance 2010-155 was made by Councilmember Bradburn, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

ORDINANCE 2010-156 ANNUAL APPROPRIATION ORDINANCE

A motion to read by title only was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: ALL YEAS.

Eric Hansen explained that this year's budget process has been particularly difficult as City revenues continue to decline while the cost of services grows. In fact, there are currently 10 vacant positions that will need to remain vacant next year. Efforts to cap costs and better utilize existing resources (both operating and personnel) have paid dividends this year and those efforts will need to continue and expand if possible. Extremely limited investments in new equipment and capital projects from general fund dollars were considered. Unlike previous years, Departments were given budget targets that involved reductions of between 5 and 20% to their typical operating levels. Across all Departments the resulting decreases will mean reduced flexibility and responsiveness to changing circumstances during 2011.

Eric stated that the budget continues to be based on conservative practices, which has helped prepare the City for long-term financial health, even during economic downturns. From a revenue standpoint, some of the City's strategies include: earnings tax revenues were budgeted to remain at 2007's estimate, keeping with the past practice of conservatively estimating revenues, and carryover balances are not included in annual revenue estimates. Eric then explained that the following cost containing initiatives fall into three categories: coordination between departments, partnering with other entities, and using in-house resources. He also pointed out that some of the initiatives, such as a reduction in training, are acceptable on a short term basis but the costs will need to come back in future years. The following initiatives were among many undertaken during 2010 to control expenses:

- Ten vacant positions remain unfilled
- Eliminated or reduced overtime
- Elimination or reduction of training
- Cross departmental coordination snow/ice removal
- Cross departmental coordination leaf removal
- Cross departmental coordination Red, Rhythm and Boom
- Cross departmental coordination – Parks maintenance
- Cross departmental coordination and in-house resources for remodeling and construction work at the Community Center
- Partnered with Deerfield Township on the Annual Street Resurfacing Program and newsletter distribution
- Outsourced mowing
- Used in-house resources for sidewalk and curb repair work
- Used in-house resources for design work on several projects

Eric explained that based on the current economic conditions many of these cost saving measures will continue throughout 2011. However some of the savings cannot be sustained indefinitely without a negative impact on the City's investment. Some key points included in the 2011 Budget:

- General Fund Expenses decreased by 5.5% from 2010 Budgeted
- Reduced principal amount of debt by \$3,526,000
- Capital Expenses are 13% of total appropriations
- Debt Payments are 8% of total appropriations
- Operating expenses are 45% of total appropriations, down 8% from 2010

Among the capital investments anticipated in the 2011 Budget are:

- Continuing the sidewalk replacement program
- Engineering for I-71/Western Row Road Interchange
- Flexible market driven investment in annual street maintenance
- Construction of US 42 Widening
- Outdoor Pool repairs
- Various floodplain improvements
- Utility projects including sewer master plan, Southwest sewer, Meadows/Downtown sewer rehabilitation and Beach lift station rehabilitation, Arbor Creek lift station improvements and Bethany Road force main relocation.

Amongst the recommendations included within the proposed budget are:

- Reduce funding to outside groups by 50% (Historical Society, Humane Society, Arts Council at \$4,000 apiece and NE Cincinnati Chamber at \$2,500.)
- RMS voluntarily initiated an \$86,000 reduction in City contract obligations to the Golf Center budget
- Reduce funding for Festivals of Mason to \$25,000.
- Suspension for 2011 of the City's Red, Rhythm & Boom celebration as well as the Summer Concert Series.

- Suspend standard police cruiser and fleet replacement cycle and monitor repair costs to time any replacements with the end of the vehicle's cost-effective life.
- Purchase one new brush chipper, but keep replacement in fleet as back-up as long as sustainable.
- Reduced street maintenance program split into two tiers based on funding and actual bid costs.
- Continued evaluation/monitoring of revenues during 2011 for possible further adjustment.

Eric concluded by stating that managing expectations amongst reduced funding will be an ongoing challenge next year. An element of uncertainty is also inherent in the Budget as weather conditions, collective bargaining, and other economic costs may escalate unpredictably. Perhaps more significantly, is the prospect of sharply diminished state funding which may directly threaten planned funding levels. He stated that City Council and Mason residents should be proud of the efforts of all City staff to aggressively and creatively conserve City resources. A unique "cost savings" focused culture is developing amongst City Staff. Ordinance 2010 - 156 is recommended for adoption by Council's Finance Committee.

A motion to suspend the rule and allow for adoption after the first reading was made by Vice Mayor Nichols, seconded by Councilmember Gilb. VOTE: ALL YEAS.

Councilmember Bradburn discussed the toughest budget he has seen in 20 years. He said that funds normally used for roadway repairs have been shifted to pay for capital improvements (trucks purchased). He said that a 30% to 50% reduction in State funding to local governments is projected. Councilmember Bradburn stated that the 2011 Budget's focus is on core services and has reduced or eliminated sponsorships to outside organizations and programs (i.e. Red, Rhythm, & Boom). He concluded by discussing some of the known revenue reductions which add up to \$2.9 million from the City's Budget. Councilmember Bradburn thanked the Administration and Committee members for their participation in the budget process. Council discussion continued by thanking the committee and administration for all their efforts to present a budget that delivers to the residents of Mason essential services.

A motion to adopt Ordinance 2010-156 was made by Councilmember Bradburn, seconded by Councilmember Cox. VOTE: ALL YEAS.

ORDINANCE 2010-157 AUTHORIZING THE CITY MANAGER TO EXECUTE AN ADDENDUM TO THE AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES WITH RECREATION MANAGEMENT SERVICES, INC., AND DECLARING AN EMERGENCY

A motion to read by title only was made by Vice Mayor Nichols, seconded by Councilmember Gilb. VOTE: ALL YEAS.

Eric Hansen stated that over the past several months the Golf Course Committee has been meeting with RMS to discuss the financial status of the course. Acknowledging the current and forecast economic climate and the deficits of the course, RMS voluntarily initiated an \$86,000 reduction in City contract obligations to the Golf Center budget. He said that the reductions are a result of the elimination of a 401K retirement contribution and a management fee based on customer service surveys. The Golf Course Committee reviewed RMS's proposal and the Finance Committee

recommended it as part of the Budget process. In order to effect this change, modifications to the original management agreement (Ordinance 2001-111) are needed.

A motion to suspend the rule and allow for adoption after the first reading was made by Councilmember Shimrock, seconded by Councilmember Cox. VOTE: ALL YEAS.

Councilmember Gilb, Chairperson of the Golf Course Committee, stated that this addendum to modify the original contract will reduce the City's obligation from \$475,000 to \$389,000.

A motion to adopt Ordinance 2010-157 was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: ALL YEAS.

CITY MANAGER'S REPORT

► City offices will be closed on Christmas Eve day, Friday, December 24 and New Year's Eve day, Friday, December 31. There will be no changes to the normal Rumpke trash and recycling pick up dates for these holidays. The Community Center is open every day. On Christmas and New Years Eve the facility will close at 4:30 p.m. On Christmas Day it will be open from noon to 4:00 p.m. and on New Years Day, residents can start their New Years Resolutions from 8:00 a.m. to 8:00 p.m. The Golf Center has indicated they will be closed from December 24 through January 3.

► Councilmember Bradburn made a motion to cancel the December 27, 2010 City Council Meeting, seconded by Councilmember Cox. VOTE: ALL YEAS.

► Councilmember Bradburn made a motion to not request a hearing concerning a new C2 liquor permit for Butcher Bills Meats and Deli, seconded by Councilmember Cox. VOTE: ALL YEAS.

► North East Cincinnati Chamber of Commerce Open House December 16 from 4:00 to 7:00pm at 316 West Main.

► At the Employee Holiday Lunch on December 8, the following employees were recognized for outstanding service by their peers: Jann Taylor (Community Center), Chris Williams (Fire Department), Cory Bower (Fire Department), Jeremy Saylor (Police Department), Kathy Wray (Public Works), Sheri Collins (Administration), Mike Ledford (Public Utilities), Michael Reaver (Finance), Scott Burkardt (Engineering & Building), and Devon Martin (Parks & Recreation). The City Wide employees recognized were Larry Rudd (Facilities) and Trent Turner (Public Works).

► Paul McKibben was introduced as the new reporter from the Cincinnati Enquirer.

COMMITTEE REPORTS none

OLD AND NEW BUSINESS

Vice Mayor Nichols encouraged the students in the audience and reminded them that although times seem to be tough now, with proper management of resources now, the City will be in a better position in the future.

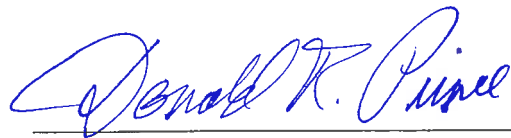
Councilmember Bradburn presented a video presentation "Remember Me" by Lizzie Palmer to honor and remember all military personnel in appreciation for their sacrifice.

RECOGNITION OF VISITORS

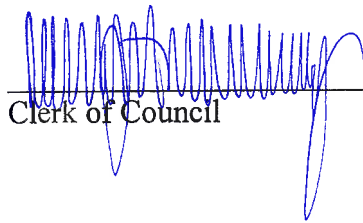
Perry Schwartz of 6309 Tarton Fields Lane asked Council what was in the budget for the operation of the Golf Course. Councilmember Gilb stated that \$389,000 has been budgeted. Perry then asked what differences are in the 2011 budget regarding the shared facilities with the School at the Community Center. Eric Hansen addressed his question by stating that relative to the Community Center in the Basic Building Services Contract Agreement there is no significant change from 2010.

ADJOURN

A motion to adjourn was made by Councilmember Cox, seconded by Councilmember Shimrock.
VOTE: ALL YEAS. TIME: 8:45 p.m.



Mayor



Clerk of Council