

**CITY OF MASON  
COUNCIL MEETING  
JUNE 13, 2011**

The meeting was called to order at 7:08 p.m. Chaplain J.D. Childers 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, Charlene Pelfrey, David Nichols, and Don Prince. Tony Bradburn was absent.

**APPROVAL OF MINUTES**

A motion to approve the May 9, 2011 Council Meeting Minutes was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: 4 YEAS, 2 ABSTAIN (Shimrock and Pelfrey).

A motion to approve the May 23, 2011 Council Work Session Minutes was made by Councilmember Cox, seconded by Councilmember Gilb. VOTE: 5 YEAS, 1 ABSTAIN (Pelfrey).

**PRESENTATION OF PROCLAMATION TO CHAPLAIN CHILDERS**

Mayor Prince presented and read a Proclamation in recognition of Pastor J.D. Childers' service to the Mason Community since 2002 as a chaplain in the Fire and Police Departments.

**RESOLUTION 2011-11 PROCLAIMING JUNE 13-17, 2011 AS SMALL BUSINESS WEEK**

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

Jennifer Heft stated that in 1999, the City of Mason, NEC Chamber of Commerce and Small Business Administration began a collaboration to recognize members of the Mason business community in order to reinforce their importance to the local and regional economy. This year the City of Mason and the Northeast Cincinnati Chamber are partnering together to recognize five Mason businesses that highlight the strength of our local business network. The award categories are: Family, Professional/Service, Retail, Emerging Small Business and Green Business Practices. She stated that tonight the winners will receive a plaque and family day pass to the Community Center. Additionally the City has purchased gift certificates from each of these organizations to be used as raffles at different activities, programs, and events that the City hosts throughout the year. Jennifer stated that Angie Morgan from the NEC Chamber and

Amanda Hisey from the City's Economic Development Office are here tonight to assist with the award presentation to the winners.

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

A motion to adopt Resolution 2011-11 was made by Councilmember Shimrock, seconded by Councilmember Pelfrey. VOTE: ALL YEAS.

### **PRESENTATION OF DOWNTOWN SMALL BUSINESS RECOGNITION AWARDS**

Mayor Prince presented plaques to representatives from each of the winning businesses in the following categories:

**Family:** Banana Leaf Modern Thai Restaurant – Pom Tongdanqjoue

**Retail:** Campioni's Pizzeria – Diane and Brad Sheltroun

**Professional/Service:** Everybody's Health – Dr. David Berring and staff

**Green Business:** Nixco Plumbing – Jeff Heger

**Emerging Small Business:** Steadfast Studios – Mike Stretch (not present)

Angie Morgan, Vice President of the NEC Chamber, thanked the Mayor for the opportunity to speak on behalf of the local business community. She stated that the chamber has watched businesses as they continually work to redefine themselves in this new economy. She stated that Nixco Plumbing and Everybody's Health are two examples of businesses that have been innovative and grown to meet the needs of its customers and community. She concluded by challenging the community to support local businesses as local business has supported the community.

### **PRESENTATION OF MASON FIRE DEPARTMENT AWARDS**

Mayor Prince presided over the swearing in ceremony for new firefighters Nathaniel Wyatt and Jordan Boyd.

Chief Moore introduced Lieutenant Tom Wentzel as Mason's Firefighter of the Year. He stated that Lt. Wentzel demonstrates strong leadership skills and a keen interest in training his crew. Chief Moore stated that Tom, while off-duty, assisted a heart attack victim at the mall in December of 2010. He directed others to call 911, locate the AED, administered CPR, two shocks, and was successful in reviving the gentleman at the scene. The families of these firefighters were introduced.

### **RECOGNITION OF VISITORS**

Before Visitor Recognition, Mayor Prince commented that Prasco Ball Park off of Snider Road, home field of the Cincinnati Spikes, is a major league field with great seats for watching high quality baseball. He stated that admission to the games is free and that the

concession prices are very reasonable with free soft ice cream, \$0.50 hot dogs, and \$0.25 bottled water.

Gene Nell of 607 Bunker Lane added that Prasco is more than just a first class business in Mason. The Ball Field is a premier facility with good entertainment and great prices. He expressed his concerns on the status of the golf course.

Jonas J. Gruenberg of Coolidge Wall, 33 West First Street in Dayton, an attorney representing Bunnell-Hill Development Corporation, stated that his client did not have the opportunity to address the benzene issue concerning Bethany Green Circle (Ordinance 2011-13). He requested that written communication on this subject be submitted as part of the record and that Council considers reopening the public hearing to address the benzene issue. Council discussed the benefits of reopening the public hearing and the importance of making an informed decision based on the facts.

A motion to set a Public Hearing for August 8, 2011 to address gasoline hazards as they relate to Ordinance 2011-13 was made by Vice Mayor Nichols, seconded by Councilmember Pelfrey. VOTE: ALL YEAS.

Joe Dezenso of 5083 Plantation Court stated that he has read in the newspaper about the City's need to raise taxes. He was against issue 19 that passed 3-4 years ago which cut taxes for some. Instead of raising taxes, he would like to take back issue 19 to solve the City's budget issues. Joe questioned the City's collaboration with Deerfield Township's Fire Department as a way to save costs while maintaining services. Mayor Prince explained the status of this collaboration. Councilmember Pelfrey suggested that the Council Work Session materials addressing fire funding be provided to Joe.

Kevin Shew of 222 Van Buren Drive stated that the permit to the Fire Department is prepared and ready to be approved. He highlighted the status of the Fireworks display scheduled for the 4<sup>th</sup> of July. He stated that approximately \$5000 has been raised and with Prestige Fireworks matching these donations a 10 minute fireworks show is expected. He asked the City to consider waiving the Fire Department inspection fees and to assist in traffic control expenses and park set-up. Boy Scout Troop 194 has volunteered to assist in clean-up. Food vendors will offer snack items such as soda, water, ice cream and kettle-corn. Kevin asked that Council consider making a \$5000 donation to extend the length of the fireworks display by an additional 8-10 minutes and to provide additional lighting. Council discussed the request for a contribution and the estimated costs regarding City services. Eric guesstimated these costs to be under \$1500.

Later in the meeting, before item 14 (Ordinance 2011-53), Council revisited the Fireworks issue. A motion to waive in-kind services and fees with a cost to the City not to exceed \$1500 for a fireworks display event provided by Prestige Fireworks and the residents of Mason was made by Councilmember Pelfrey, seconded by Councilmember Gilb. A motion to adopt was made by Councilmember Cox, seconded by Vice Mayor Nichols. VOTE: 4 YEAS, 2 NAYS (Gilb, Shimrock).

Perry Schwartz of 6309 Tarton Fields Lane asked if item 23 (Ordinance 2011-62) on the agenda authorizes an agreement or if it is *the* agreement. Councilmember Gilb explained that the Golf Course Committee has been in negotiations with RMS and has a fairly detailed signature-ready agreement that is being introduced tonight into legislation. Mr. Schwartz had further questions regarding execution and terms of the agreement.

**RESOLUTION 2011-12 FIRST READING: ADOPTING THE BUDGET OF THE CITY OF MASON FOR THE YEAR JANUARY 1, 2012 THROUGH DECEMBER 31, 2012**

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

Eric Hansen set the Public Hearing date for July 11, 2011.

**ORDINANCE 2011-13 APPROVAL OF A CONDITIONAL USE PERMIT TO ALLOW A GAS STATION AND CONVENIENCE STORE ON A B-2 ZONED PROPERTY LOCATED AT THE NORTHWEST CORNER OF BETHANY ROAD AND MASON-MONTGOMERY ROAD (BETHANY GREEN CIRCLE)**

This Ordinance was postponed to the August 8, 2011 meeting with a public hearing regarding gasoline hazards relating to this proposed conditional use.

**ORDINANCE 2011-52 FIRST READING: AMENDING THE ZONING CODE AND ZONING MAP OF THE CITY OF MASON, OHIO, TO PROVIDE FOR THE REZONING OF APPROXIMATELY 0.64 ACRES BOUNDED BY SECOND AVENUE, FOREST AVENUE AND RUTH CHESNEY WAY FROM R-4 TO B-1 DO (DOWNTOWN OVERLAY) AND TO AMEND THE DESIGN GUIDELINES HANDBOOK TO ADD THESE PROPERTIES TO THE DOWNTOWN OVERLAY DISTRICT (SECOND AVENUE PROPERTY)**

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

Eric Hansen set the Public Hearing date for July 11, 2011.

**ORDINANCE 2011-53 AUTHORIZING PAYMENT OF \$2500 TO THE NORTHEAST CINCINNATI CHAMBER OF COMMERCE (NECC) FOR THE POWER OF PARTNERSHIP (POP) SILVER PARTNER PROGRAM MEMBERSHIP**

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

Jennifer Heft stated that the City partners with the NECC on programs such as the small business awards tonight and Ordinance 2011-16 passed in February establishing a pilot

program for a Small Business Development Satellite Center in Warren County. Ordinance 2011-53 continues the City's support of the Northeast Cincinnati Chamber with our participation in the Power of Partnership Program for 2011. She said that the City has participated in this program in the past at a level of \$5000, however during the 2011 budget process, the Finance Committee limited contributions for 2011 to half of what has previously been designated, making the amount \$2500. This contribution will allow the City to attend business programming and activities.

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

A motion to adopt Ordinance 2011-53 was made by Councilmember Cox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS.

**ORDINANCE 2011-54 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH MIDDLETOWN FORD FOR THE PURCHASE OF ONE 2011 FORD F-550, FOR THE TOTAL AMOUNT OF \$55,000**

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

Richard Fair explained that this ordinance swaps vendors from an ordinance that was approved in 2010. City Council approved the purchase of a Ford F-550 4x4 Pickup Truck that was equipped for use by the Public Works and Public Utilities Departments. This was to replace a truck that was purchased in 1992. Once the purchase was authorized, the City received notice that the vendor, 32 Ford, was no longer in business. City staff has negotiated the purchase of a 2011 Ford F-550 from Middletown Ford for the same price of \$55,000. He stated that Middletown Ford was awarded this year's contract for F-550 trucks from the State of Ohio Cooperative Purchasing Program. Richard said that this is coming from 2010 budget dollars.

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.

A motion to adopt Ordinance 2011-54 was made by Councilmember Cox, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

**ORDINANCE 2011-55 EXTENDING A MORATORIUM FOR AN ADDITIONAL PERIOD OF THIRTY (30) DAYS ON THE GRANTING OF ANY PERMITS ALLOWING THE OPERATION OF SWEEPSTAKES/INTERNET CAFES WITHIN THE CITY OF MASON AND DECLARING AN EMERGENCY**

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

Eric Hansen stated that earlier in 2011 City Council adopted Ordinance 2011-10 which established a six-month moratorium on the issuance of Building Permits and Zoning Certificates for Sweepstakes/Internet Cafés to allow staff, Council, and Planning Commission time to consider issues associated with Internet Cafés. He explained that Internet Cafés are not focused on providing internet service but rather a computerized gambling type experience. He stated that staff will present new zoning ordinance language to Planning Commission at a public hearing in July. Planning Commission will make their recommendation to City Council and a public hearing is anticipated to be scheduled for the August City Council meeting. In order to accommodate the standard waiting period for the ordinance to take effect, a 30 day extension to the moratorium is necessary. Ordinance 2011 – 55 extends the moratorium until September 12, 2011. The Safety Committee has reviewed and is recommending Ordinance 2011 - 55 for adoption.

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 2011-55 was made by Councilmember Pelfrey, seconded by Councilmember Gilb. VOTE: ALL YEAS.

**ORDINANCE 2011-56 AUTHORIZING THE CITY MANAGER TO ENTER INTO AGREEMENT #23986 WITH THE OHIO DEPARTMENT OF TRANSPORTATION FOR THE PURPOSE OF CONSTRUCTING THE MASON-MONTGOMERY ROAD/BETHANY ROAD INTERSECTION ROUNDABOUT PROJECT**

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

Richard Fair addressed Council and described the next four ordinances together. He stated that the first two ordinances are projects that already have money, the third ordinance is for money we plan to get, and the last one is future money that we hope to get if the grants are approved. The first two Ordinances 2011-56 (Bethany and Mason-Montgomery Roads Roundabout) and 2011-57 (Kings Island Drive Improvement) move construction administration of the projects over from ODOT to the City of Mason. In 2010 the City received federal grant funding for both projects. If ODOT approves the City to administer both these projects, the City would realize approximately \$700,000 in savings.

Richard explained that the Bethany Road Roundabout pre-application, submitted in 2009, has ranked well enough to likely receive funding from the Ohio Public Works Commission. Ordinance 2011 - 58 authorizes the final application to OPWC for Project Year 26 (2012). As noted above, the project currently has secured federal funding in the amount of \$1,317,600 of the \$2,293,000 estimated project costs. This grant application requests \$1,025,400 in grant funding for the remaining project cost. If we do receive this grant, 100% of the project will be paid for with Federal and State funds. The only cost to the City would be for the design of the project, which is already in process. If successful

this project will go out for bid and be constructed in 2012.

Richard explained that Ordinance 2011-59 is for the normal three-year pre-application for OPWC funds for Program Year 28 (2014). The City is applying for five separate projects. The first two are for bridge projects. The Hanover Drive Bridge Replacement Project will replace a pre-stressed concrete box beam bridge that is deteriorating. The new bridge will include sidewalk for pedestrians and improved railings. The OPWC pre-application for this project requests a grant of \$225,000 (49%) against an estimated project cost of \$460,340. The second project is the Donna Jean Drive Bridge Replacement which will replace the existing corrugated metal pipe culvert on Donna Jean Drive over Muddy Creek. The bridge, originally constructed in 1973, has several locations that have rusted through and a section of the pipe is beginning to deflect from its original shape. The OPWC pre-application for this project requests a grant of \$219,500 (49%) against an estimated project cost of \$448,550. He stated that the next three projects are sanitary sewer projects. The first one is the Southwest Mason Sanitary Sewer Rehabilitation Project which will rehabilitate approximately 8,500 feet of existing 8-inch sanitary sewer and 200 manholes in the Olympia Fields and Manhasset Village areas by sliplining. The OPWC pre-application for this project requests a grant of \$375,980 (79%) against an estimated project cost of \$475,980. The second is the Meadows/Downtown Sanitary Sewer Rehabilitation Project which will rehabilitate 5,680 linear feet of 8-inch sewer and 145 manholes also using the sliplining technique throughout the Mason Meadows subdivision and Western Avenue. The OPWC pre-application for this project requests a grant of \$286,700 (79%) against an estimated project cost of \$362,930. The third is the Castle Park and Brookstone Lift Stations Rehabilitation Project which will be rehabilitated including new pumps and electronic controls. An automatic emergency diesel pump will be added to the stations for use in power failures. The OPWC pre-application for this project requests a grant of \$143,600 (49%) against an estimated project cost of \$293,100.

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

Councilmember Cox asked Richard if the roundabout is one or two lanes. Richard stated that it is a two lane design that initially will be used as a one lane roundabout. Councilmember Cox expressed the challenges that a two lane roundabout create and inquired as to the possibility of altering the project to install a traffic signal. Richard explained that ODOT has been very supportive of a roundabout at this intersection as the successful funding of the project demonstrates.

A motion to adopt Ordinance 2011-56 was made by Councilmember Pelfrey, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

**ORDINANCE 2011-57 AUTHORIZING THE CITY MANAGER TO ENTER INTO AGREEMENT #23987 WITH THE OHIO DEPARTMENT OF TRANSPORTAION FOR THE PURPOSE OF CONSTRUCTING THE KINGS ISLAND DRIVE WIDENING PROJECT**

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

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

A motion to adopt Ordinance 2011-57 was made by Councilmember Cox, seconded by Councilmember Gilb. VOTE: ALL YEAS.

**ORDINANCE 2011-58 AUTHORIZING THE CITY MANAGER TO SUBMIT A FINAL APPLICATION FOR OHIO PUBLIC WORKS COMMISSION, DISTRICT 10 STATE ISSUE 1 GRANT FOR PROGRAM YEAR 26 (2012)**

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

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 2011-58 was made by Councilmember Gilb, seconded by Councilmember Cox. VOTE: ALL YEAS.

**ORDINANCE 2011-59 AUTHORIZING THE CITY MANAGER TO SUBMIT APPLICATIONS FOR OHIO PUBLIC WORKS COMMISSION, DISTRICT 10 STATE ISSUE 1 GRANTS FOR PROGRAM YEAR 28 (2014)**

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

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.

A motion to adopt Ordinance 2011-59 was made by Councilmember Shimrock, seconded by Councilmember Pelfrey. VOTE: ALL YEAS.

**ORDINANCE 2011-60 AMENDING ORDINANCE NO. 2003-137 REDUCING THE BOUNDARIES OF THE TAX INCREMENT AREA FORMED PURSUANT TO SECTION 5709.40 OF THE OHIO REVISED CODE TO EXCLUDE CERTAIN PROPERTY AND DECLARING AN EMERGENCY**

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

Eric Hansen described the next two Ordinances 2011-60 and 2011-61. He explained that a Tax Increment Financing (TIF) District is an economic development tool that allows



the City, working with a developer, to use increased valuation and taxes generated by the development to pay for the public infrastructure improvements that facilitate the development. Ordinance 2011-60 removes territory from the Commerce West TIF, established in 2003, and moves it to a new TIF district, Everybody's Farm, in Ordinance 2011-61. He described Everybody's Farm as an 89-acre parcel situated at Snider Road and Tylersville which provides a similar opportunity that Commerce West did seven years ago. Everybody's Farm is currently zoned largely commercial retail and with the proposed creation of the Everybody's TIF the City would require at least 50% office. He stated that the development would also assist with a 2011 City Comprehensive Plan objective, which identifies certain areas as "nodes of activity." The use of TIF funding is anticipated to underwrite public infrastructure associated with both the development of the mixed-use plan as well as corridor improvement and enhancements. Part of the purpose of establishing these new boundaries is to achieve the needed term of financing, approximately 20 years, for the anticipated restructuring improvements. Eric stated that Council should anticipate future legislation associated with this that would issue \$1.4 in TIF private placement financing when the developer is ready to begin construction of the public improvements. Both ordinances have been reviewed by the Economic Development Committee and are recommended for approval as a way to attract additional jobs to the community.

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

A motion to adopt Ordinance 2011-60 was made by Councilmember Shimrock, seconded by Councilmember Gilb. VOTE: ALL YEAS.

**ORDINANCE 2011-61 DECLARING IMPROVEMENTS TO PARCELS OF REAL PROPERTY LOCATED IN THE CITY OF MASON, OHIO TO BE A PUBLIC PURPOSE UNDER SECTION 5709.40(B) OF THE OHIO REVISED CODE, EXEMPTING SUCH IMPROVEMENTS FROM REAL PROPERTY TAXATION, AUTHORIZING THE EXECUTION OF A TAX INCENTIVE AGREEMENT, A SERVICE AGREEMENT AND SUCH OTHER DOCUMENTS AS MAY BE NECESSARY, ESTABLISHING A TAX INCREMENT EQUIVALENT FUND AND DECLARING AN EMERGENCY**

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

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

A motion to adopt Ordinance 2011-61 was made by Councilmember Cox, seconded by Councilmember Shimrock. VOTE: ALL YEAS.

**ORDINANCE 2011-62 AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES WITH RECREATION MANAGEMENT SERVICES, INC.**

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

Eric Hansen stated that the Golf Course Committee has put a lot of time and work into preparing this new business model that dramatically changes how the Golf Course is managed. He explained that in 2007 the City of Mason acquired the Golf Center at Kings Island in order to control the strategically located property and avoid the prospect of high-density development impacting City and School service costs into the future. Entering into a Management Agreement with Recreational Management Services (RMS) was part of the terms and conditions contained in the agreement to purchase the Golf Center at Kings Island. This five year agreement expires the end of this year. Eric stated that a Golf Course Committee of Council was formed last year to focus on financial performance and prepare for expiration of the management agreement. Eric explained some of the items the Committee has pursued. He said that a third-party internal control evaluation was done that validated existing financial controls and offered suggestions for improvement. RMS agreed to help pay for the evaluation and implemented suggestions. Eric stated that significantly, the committee worked with RMS and Tennis for Charity to establish two driving ranges, a "boutique" as well as a traditional range. He said that the committee worked to complete a new annual lease with Tennis for Charity for the modified Bruin course and strengthened partnership with Tennis for Charity as well as created a fund for future joint master planning. Eric said that the committee has worked to position the Golf Center as a City asset for future economic development and joint land use. He said that last year the committee worked with RMS in voluntarily reducing the City's contractual obligation in 2011 by \$86,000. Eric stated that over the past four years of City ownership there has been an 8% decline in RMS personnel costs and 23% decline in RMS operating costs.

Eric explained that this year the Committee focused on the expiring management agreement. The City, as a municipality, has certain restrictions as how to approach a management agreement, taking into consideration tax-exempt status and financing. The committee considered a wide range of options pertaining to the management, leasing, and impact to neighboring properties of the golf course. Instead of modifying the current management agreement, the Committee wanted to pursue a radically different philosophy in how to address management of the course. Following a business minded approach, the City created a unique financial "model" that reflected their desire to better contain the City's risk, incentivize a management firm to high levels of revenue performance, and focus business accountability and decision making in the management firm. He explained that this model establishes net revenue targets and a management fee divided into guaranteed and variable segments. The variable segment is dependent on reaching predetermined revenue targets. The management fee now includes all personnel and organizational costs of the firm. The City continues to be directly responsible for other Center Expenses such as materials, supplies and utilities at amounts set by agreement.

He said that the Committee invested considerable time in developing and testing this model in the context of historical financials and legal obligations. Using this model, the Committee established preferred financial targets to gauge how successfully the variables were combined and to judge numerous possible scenarios. Eric explained that the current management firm, RMS, submitted a proposal that favorably surpassed these targets. Given RMS's familiarity and experience with the course, their record of customer service, willingness to work within the Committee's new model, a proposal exceeding the financial targets, and staff with a record of care and commitment to the course, City staff pursued discussions to finalize a management agreement with RMS that incorporated the business principles of the new financial model. Eric stated that these discussions ensured and RMS expressed a willingness to make dramatic changes to current costs and to adopt operations to a radically new management model. They also expressed an enthusiasm to reach higher revenue levels. This new agreement contains a fundamentally new approach to golf course management. In addition to the basic model, Eric reviewed some items to note:

- A negative variable fee for failure to meet minimum revenue targets.
- A City guarantee of \$30,000 in revenue to the Course. This provides economic development and marketing opportunities to be pursued annually.
- Annual "trigger points" that allow early termination should defined revenue targets not be met by benchmark dates. The first one occurs in September with the second trigger at year end.
- "Scope of Services and Standards" to provide base level of care to City asset without compromising management flexibility in managing expense/revenue relationship.
- A three year term with ability to renegotiate terms after the 2<sup>nd</sup> year.

Eric stated that in summary, the Golf Course Committee has invested significant amount of time and effort to both develop and formulate this new business model. To implement, it will require significant changes by the Management Firm and some variation in previous service levels (hours, menu choices, length of season, etc.) should be expected. By its nature, it distances the City from daily operating decisions and while it does reduce the City's financial exposure, it cannot eliminate it. Finally, it is a new and unique model that will need to be tested, monitored, and revisited in future years. The Committee aimed to develop a relationship that relies on fundamental business incentives and financial performance measures to motivate cost-control and revenue gains to the benefit of both the City and a successful management firm. Based on the Golf Course Committee's review, Ordinance 2011 – 62 is recommended for adoption.

Council discussion began with thanking the members of the committee, Councilmember Gilb, Vice Mayor Nichols, and Councilmember Cox, for their hard work. Councilmember Gilb answered questions regarding the term of the contract, explaining that it is 3-year contract with triggers in place to modify or terminate the contract after nine months if a 70% revenue target is not met. They discussed the timing of the first trigger, which is in September, giving RMS time to meet targets as well as the City time to consider other options.

Representatives from RMS, Jim Ashworth and Peter Ryan, addressed Council and expressed their appreciation to the Golf Course Committee for developing such a unique and smart business model that they believe will become widely known within the industry and adopted by other golf courses. The employees of RMS appreciate the opportunity to continue their relationship with the City. They stated that the success of the driving ranges have been hampered by the rainy weather and the need to build the business back up after a seven year absence, but they are optimistic.

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

A motion to adopt Ordinance 2011-62 was made by Councilmember Shimrock, seconded by Councilmember Cox. VOTE: ALL YEAS.

### **CITY MANAGER'S REPORT**

► Live Well in Mason will host a Men's Health Fair on Wednesday, June 15 from 7:00 am – noon in the entrance to the Community Center. The event will feature interactive and informational booths geared towards men and their interests.

► Active military personnel and veterans are invited to enjoy the Mason Community Center for free the week of July 3. From July 3 through July 9, active military personnel and veterans can receive a free family admission card to the Mason Community Center that is good for the entire week. The Mason Community Center will waive the first month's fee for any new Premier or Basic membership purchased from July 3 through July 9 by active military personnel or veterans and their immediate families. An active pass holder who is active military or veterans may receive 10 free guest passes to show appreciation for their service and patronage. To receive your passes visit the customer service desk at the Community Center.

► City offices will be closed on Monday, July 4 in observance of the holiday. Mason Community Center will be opened 6:00 a.m. until noon.

Councilmember Cox made a motion to not request a hearing for a D1 liquor permit request from Westshore Pizza Mason, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

Councilmember Pelfrey made a motion to waive Fire Department fees as requested by Rozzi's Fireworks for a show at the Manor House to benefit the Anthony Munoz Foundation on June 12<sup>th</sup>, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

### **COMMITTEE REPORTS**

Councilmember Pelfrey reported that the Safety Committee has been meeting to discuss the Sweepstakes Internet Café issue and the Fire Department funds.

## **OLD AND NEW BUSINESS**

Councilmember Cox encouraged attendance to the Historical Society's Ice Cream Social on Tuesday, June 21<sup>st</sup> at 6:00 p.m. on West Church Street.

Mayor Prince announced that the Festivals of Mason will be providing bicycle helmets for all Councilmembers to wear as they ride a bike in the Heritage Festival Parade.

Mayor Prince announced re-appointments of Kevin Collins and Jay Koepfle to the Park Board with terms from January 1, 2011 through December 31, 2013. He also announced the appointment of Larry Gill to Library Board. Vice Mayor Nichols made a motion to approve these appointments, seconded by Councilmember Cox. VOTE: ALL YEAS.

Councilmember Pelfrey announced that the Beach Waterpark has invited Council to the grand opening of their newest ride on Wednesday. She also reported on the Slide-a-thon Fundraiser held at Great Wolf Lodge to benefit the Big Brothers/Big Sisters organization. Great Wolf Lodge of Mason has been honored as the Great Wolf Lodge of the nation. She would like the City to also recognize Great Wolf Lodge at the July Council Meeting.

Vice Mayor Nichols thanked Perry Schwartz for his commitment to the City.

## **RECOGNITION OF VISITORS**

Perry Schwartz of 6309 Tarton Fields Lane stated that the golf course has been a good neighbor and that RMS has done a nice job managing the facility, but he feels that the City should be in conversation with other management companies to be prepared for the chance of failure. He also stated that he has observed a high number of Norway Spruce trees throughout the City dying for no apparent reason.

Ginny Sundin of 108 E. North Street reported that the Dixie Land Band will be playing at the Historical Society's Ice Cream Social on Tuesday.

## **EXECUTIVE SESSION: PERSONNEL, LAND ACQUISITION, LITIGATION**

A motion to adjourn into Executive Session for the purpose of discussing personnel, land acquisition, and litigation was made by Vice Mayor Nichols, seconded by Councilmember Cox. VOTE: ALL YEAS. TIME: 10:05 p.m..

Council reconvened into Regular Session at 11:14 p.m.

Mayor Prince added Ordinance 2011-63 to the agenda.

**ORDINANCE 2011-63 AUTHORIZING THE CITY MANAGER TO ACQUIRE THE REAL PROPERTY LOCATED AT 204 KINGS MILLS ROAD AT A PRICE NOT TO EXCEED \$120,000 AND DECLARING AN EMERGENCY**

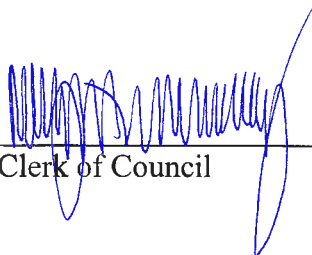
A motion to read by title only was made by Councilmember Gilb, seconded by Vice Mayor Nichols. VOTE: ALL YEAS.

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

A motion to adopt Ordinance 2011-63 was made by Councilmember Gilb, seconded by Councilmember Cox. VOTE: ALL YEAS.

**ADJOURN**

A motion to adjourn was made by Councilmember Gilb, seconded by Councilmember Shimrock. VOTE: ALL YEAS. TIME: 11:15 p.m.

  
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Clerk of Council

  
\_\_\_\_\_  
Mayor