

**CITY OF MASON
COUNCIL MEETING
November 24, 2003**

Mayor McCurley called the meeting to order at 7:07 p.m. Those present recited the pledge of allegiance.

ATTENDANCE

The following members of Council were present: Jim Fox, Dick Staten, Victor Kidd, Tom Grossmann, Peter Beck, Charlene Pelfrey and John McCurley.

APPROVAL OF MINUTES

A motion to approve the minutes of the November 10, 2003 Council meeting was made by Councilmember Kidd, seconded by Vice Mayor Fox. Councilmember Grossmann requested the minutes be amended to reflect a change in his comments regarding the Third Avenue extension. Councilmember Grossmann moved to approve the minutes as amended. Councilmember Staten seconded the motion. VOTE: ALL YEAS

RESOLUTION 2003-21 COMMENDING JIM FOX FOR HIS OUTSTANDING DEDICATION AND SERVICE TO THE CITY OF MASON, OHIO

Ken Schneider read the Resolution.

A motion to suspend the rule was made by Councilmember Pelfrey, seconded by Councilmember Kidd. VOTE: ALL YEAS

A motion to adopt Resolution 2003-21 was made by Councilmember Beck, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

Mayor McCurley presented him with the key to the City and a framed copy of the Resolution.

RESOLUTION 2003-22 COMMENDING DICK STATEN FOR HIS OUTSTANDING DEDICATION AND SERVICE TO THE CITY OF MASON, OHIO

Mayor McCurley read the Resolution.

A motion to suspend the rule was made by Vice Mayor Fox, seconded by Councilmember Kidd. VOTE: ALL YEAS

A motion to adopt Resolution 2003-22 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

Mayor McCurley presented him with the key to the City and a framed copy of the Resolution.

RECOGNITION OF VISITORS

Mark Campbell addressed Council and stated he is a 7th grade science teacher in Mason and he supports the request for a skate park in the City. He stated it is a popular sport and has more children participating in it than baseball. He said in 1995 it was determined 12.5 million kids nationwide participate in this sport. He said a petition has been circulated with approximately 1600 signatures supporting this project and he asked for Council to consider this request. Vice Mayor Fox stated the number of signatures shows growing interest. He added this would get more usage than a bike path and be used year round. He also said the City has spent nearly \$400,000 in playground equipment, \$313,000 on landscaping and irrigation expenses on Mason Montgomery Road and \$358,000 for the annual landscaping contract. He stated a skate park would receive a lot of "bang for the buck."

Lou Eves of 4708 Appaloosa Drive addressed Council and recognized the efforts of Dick Staten and Jim Fox. He also stated the 100 foot right-of-way issue on RT 42 began in 1975 at the Thriftway store location.

Betty Davis addressed Council and stated the City is a better place due to the efforts of Dick Staten and Jim Fox. Bill Kidder agreed with those comments.

Tom Evans of 5333 North Union Road in Franklin Township addressed Council and asked for support for his efforts to encourage the Warren County Commissioners not assist in the funding for the relocation of the Middletown Regional Hospital. He explained they are requesting funds from Warren County for the road improvements needed. He said the City of Middletown is currently showing a deficit and the relocation of the hospital would have a negative impact on the City. He also said Warren County stands to gain nothing from this relocation. He requested Mason City Council sign a memorandum of support of this position. Scot Lahrmer stated the City has not received anything in writing from the County or the City of Middletown. Councilmember Grossmann stated he was at the Warren County Commissioners meeting when this relocation was being discussed. He stated at that time all three Commissioners were willing to help fund roads if the hospital did not relocate to Greentree Road and went to the location on ST RT 122 they are currently pursuing. He said the funding they are requesting will improve roads in Warren County. Tom Evans responded the situation has changed and Middletown has stated they are concerned about the success of the project if Warren County does not contribute. He also said the roads to be improved are located in the City of Middletown corporation limits. He stated the City has a poor record of seeing projects to completion and he feels the same will be true for this project. He said the

hospital may be built but the surrounding development the City has planned for the area is nonexistent.

Brad Bulow of 7542 Temple Road of Harlan Township addressed Council and asked for support for the two ordinances appearing before Council tonight regarding the Cincinnati Metro service. He stated many people in attendance tonight ride this bus and would like to see it continue.

Russell Taylor of 316 W. Park Avenue in Lebanon addressed Council and stated he rides the Metro to Cincinnati and the bus is almost full. He stated Deerfield Township has approved their financial participation and he requested the City continue to support this mode of transportation.

ORDINANCE 2003-134 AUTHORIZING THE CITY MANAGER TO PROVIDE UP TO \$17,911.25 TO CINCINNATI METRO TO CONTINUE THE METRO 71/72 RUSH HOUR COMMUTE PUBLIC TRANSPORTATION SERVICE FROM WARREN COUNTY TO THE CITY OF CINCINNATI

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

Paige Bryant explained to Council, Metro operates two public transportation systems that connect Warren County and the City of Cincinnati. She said the City of Mason has financially partnered with Warren County, Hamilton County, and Deerfield Township to support the I-71 Peak Commute service and the Reverse Commute service for 7 years. She stated originally the service was valuable to the City as it provided workers for our businesses but now it is also valuable to us as it provides our residents with transportation to their work place in Hamilton County while enjoying living out here.

Councilmember Grossmann stated the Economic Development Committee had reviewed this matter and has recommended approval. Councilmember Grossmann stated he will agree to the legislation but does have some ambivalence over this matter. He stated the average cost is \$900,000 per year with the public subsidization being about \$600,000. He said of the service, approximately 300 people ride the metro daily from Warren County and 25 ride the reverse commute. He further explained, their public reasons to support this issue are reducing pollution, which he stated is negligible, and traffic congestion, which he stated with the amount of riders currently has almost no impact. He stated he supports this because one Mason employer has stated they want this service to be continued, Kings Island. Councilmember Staten stated he feels it is a worthwhile service to our residents and businesses and he will support it.

Claude Shields of 5635 Lakeview Drive addressed Council and stated he supports taxpayer dollars being spent for the bus service. He said one person rides everyday that is handicap and travels to her school. He stated the Metro has been a big help to her family. He said if the City can buy flowers for landscaping, then they should support the continued bus service.

Jennifer Nenadob of 5833 West Fountain Circle stated she moved to Mason five months ago and works in Cincinnati. She finds this a great service and wonders why there are no ads for this service.

Paige Bryant stated they have identified areas they want to work with Metro on and one is for Metro to be more accountable for agreed upon goals. She also stated the Metro service is on the Economic Development web page and appears in the Business Briefs. Councilmember Pelfrey stated she did think the City should advertise in Mason Matters.

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

A motion to adopt Ordinance 2003-134 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-135 AUTHORIZING THE CITY MANAGER TO PROVIDE UP TO \$6,600.00 TO CINCINNATI METRO TO CONTINUE THE 71/72 REVERSE COMMUTE PUBLIC TRANSPORTATION SERVICE FROM THE CITY OF CINCINNATI TO THE CITY OF MASON

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

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

A motion to adopt Ordinance 2003-135 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-136 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH LBJ, INC. FOR ENGINEERING SERVICES TO PROVIDE A SANITARY SEWER STUDY IN THE VILLAS CREEK AND CONCORD CROSSING AREA

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

Scot Lahrmer explained both areas addressed by this legislation have had problems with rainfall derived inflow and infiltration (I & I) into the sanitary sewers. He said Public Utility staff responded to the complaints and installed solid bolt down sewer manhole lids and castings on two manholes where there were indications of sufficient head pressure over the manhole to force water past the fiberglass insert placed under the manhole cover. He stated an outside contractor was hired and both complaint areas were videotaped and recorded for study. He said as a result, it was determined an in-depth study is needed for 4 reasons:

- 1) to identify possible sources of I & I which caused the backups on September 2nd;
- 2) determine the dry-weather adequacy of the existing Concord Crossing Sanitary Sewer,
- 3) recommend improvements to prevent future back-ups, and
- 4) identify other possible improvements to avoid extraneous flows to the sanitary sewer system.

He further explained three bids were received for this study and the lowest and best was received from LBJ for a not to exceed \$22,900. Staff recommends approval.

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

A motion to adopt Ordinance 2003-136 was made by Vice Mayor Fox, seconded by Councilmember Kidd. VOTE: ALL YEAS

ORDINANCE 2003-137 DECLARING IMPROVEMENTS TO PARCELS OF REAL PROPERTY LOCATED IN THE CITY OF MASON, OHIO TO BE A PUBLIC PURPOSE UNDER SECTION 5709.40 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

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

Paige Bryant stated in order to facilitate significant public improvement developments to property to the west of US 42 and boarding Tylersville Road, a TIF district is proposed as a financing method. She said an area known as the western gateway containing approximately 307 acres has been defined for inclusion in the TIF District.

Paige further explained, the Commerce West TIF District is proposed with a project initiated by Cincinnati United Contractors (CUC) as the catalyst. This financing method makes CUC's proposed plan to improve 18 acres on the northwest corner of US 42 and Tylersville Road (Klekamp property) feasible. She explained the City of Mason has been strategic in implementing TIF districts to assist with the development of land that has the potential to develop at a faster rate if public infrastructure support is established. While the Commerce West TIF District includes 307 acres of developed and undeveloped property, the only parcels that will be exempted at this time are the 18 acres known as Tylersville Crossing for the purpose of funding the TIF bonds. Paige said as future development is proposed within this district, TIF funding can be a financial tool to assist desired development. Paige then stated Council will be reviewing a request to issue

\$850,000 in TIF bonds at the start of 2004 when the developer is ready to begin construction of the public improvements.

Councilmember Pelfrey stated the current entrance to BW3 on Tylersville is problematic. Richard Fair responded that entrance was designed to be a right-in right-out only access point. He stated it has not worked as designed. He stated with this development a signal would be installed at that location. He said the signals would be placed about 1200 feet apart, which meets our access management regulations. Councilmember Pelfrey stated she is concerned over the number of signals that could be installed along this road as property develops. Richard Fair said there are six signals planned for the development from RT 42 to Butler Warren Road.

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

A motion to adopt Ordinance 2003-137 was made by Vice Mayor Fox, seconded by Councilmember Beck. VOTE: ALL YEAS

ORDINANCE 2003-138 AMENDING THE ZONING CODE AND ZONING MAP OF THE CITY OF MASON, OHIO, TO PROVIDE FOR THE REZONING OF APPROXIMATELY 88.7 ACRES FROM R-6, TO OFFICE/COMMERCIAL PUD AND APPROVAL OF THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN FOR THE TENNIS FOR CHARITY PROPERTY.

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

Mayor McCurley stated a public hearing would be held on this legislation on December 8, 2003 at approximately 7:05 p.m.

ORDINANCE 2003-139 AMENDING THE ZONING CODE AND ZONING MAP OF THE CITY OF MASON, OHIO, TO PROVIDE FOR THE REZONING OF APPROXIMATELY 18.66 ACRES FROM B-2 ROAD SERVICE DISTRICT AND B-1 CENTRAL BUSINESS DISTRICT, TO A BUSINESS PUD AND APPROVAL OF THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN FOR TYLERSVILLE CROSSING

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

Mayor McCurley stated a public hearing would be held on this legislation on December 8, 2003 at approximately 7:10 p.m.

ORDINANCE 2003-140 ACCEPTING THE PUBLIC IMPROVEMENTS FOR ARBOR CREEK SECTION 1 AND RELEASING THE PERFORMANCE BOND

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

Richard Fair stated Section 1 of the Arbor Creek subdivision includes Meadowbrook Lane, Rosewood Lane, Melampy Creek Lane and Bridgewater Court. He said the Public Utilities, Public Works and Engineering Departments have inspected the public improvements. The utilities and other public improvements will become the City's responsibility upon acceptance. Richard said staff recommends acceptance of the public improvements, contingent on the submission of a one-year maintenance bond.

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

A motion to adopt Ordinance 2003-140 was made by Vice Mayor Fox, seconded by Councilmember Staten. VOTE: ALL YEAS

ORDINANCE 2003-141 AUTHORIZING THE CITY MANAGER TO APPROVE CHANGE ORDERS, WITH A NET TOTAL INCREASE OF \$387,868.00, TO VARIOUS CONTRACTS NECESSARY FOR COMPLETION OF THE MASON MUNICIPAL BUILDING PROJECT

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

Eric Hansen explained to Council both Ordinances 2003-141 and 142 are required to close the contracts with the prime contractors and construction manager for all items revised, added or deleted for the new Municipal Center. Eric stated over the course of the Municipal Center's construction, many changes were necessary to add items not originally covered, include items not covered by the plans, address construction problems in the field, and reduce costs based on changes in information. He stated the Employee Building Committee met several times over the course of the project to list the change orders and their purpose, but months have gone by to complete many of these items and settle outstanding cost claims with the contractors. During the construction phase, the Employee Building Committee made periodic presentations of the change orders along with the overall budget to the Council Building Committee. Eric said the change orders based on the original project totaled less than 2.25%, which is extremely low for a project of this size and complexity where change order rates of 10-12% are standard. All change order amounts were carefully investigated and documented with the assistance of the City's construction manager, Dugan & Meyers, and MSA architects for accuracy and integrity. Eric stated the total project cost was more than \$1.2 Million below the Guaranteed Maximum Price (GMP) used for budgeting. Ordinance 2003-141 authorizes payment of \$387,868.00 to the remaining contractors. Eric stated Dugan & Meyers had two associated items in their contract. The first was a percentage of the change orders for administering the additional work, and the second was the incentive share of the contingency the City agreed to as part of the initial contract. The contractual increase for the change orders is \$23,131. The 25% share of the contingency owed Dugan & Meyers

is \$132,507. (The City retains \$397,521.) Ordinance 2003-142 authorizes payment to Dugan & Meyers per the original agreement.

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

A motion to adopt Ordinance 2003-141 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-142 AUTHORIZING THE FINANCE DIRECTOR TO PAY DUGAN & MEYERS CONSTRUCTION CO., INC. \$155,638.00, PURSUANT TO THE GUARANTEED MAXIMUM PRICE CONTRACT, FOR ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES NECESSARY FOR THE COMPLETION OF THE MASON MUNICIPAL BUILDING PROJECT

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

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

A motion to adopt Ordinance 2003-142 was made by Vice Mayor Fox, seconded by Councilmember Beck. VOTE: ALL YEAS

ORDINANCE 2003-143 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH PARADISE ARTISTS, INC. FOR THE RED, RHYTHM & BOOM CONCERT PERFORMED BY DON MCLEAN AT PINE HILL LAKES PARK ON JULY 3rd.

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

Scot Lahrmer explained to Council the past four years, the City has witnessed tremendous growth of the Red, Rhythm & Boom concert with 5,000 to 7,000 people in attendance at this year's celebration. Scot said this event has become a Mason tradition of entertainment and patriotic fireworks. Scot also said staff has worked with community members and received positive feedback on Don McLean as the choice for the 2004 Red, Rhythm & Boom entertainment. He added Don McLean had several remarkable songs top the charts from the 1970s all the way to the year 2000 including 'American Pie,' 'Vincent,' 'Everyday,' 'Castles in the Air,' and many more. Don McLean continues to represent the quality high profile entertainment the City provides as part of the Red, Rhythm & Boom celebration. Scot stated purchasing the services of an entertainer does not require competitive bidding since it is a service similar to contracting with an engineering firm. The contract amount is \$25,000.

Vice Mayor Fox stated Park Board has reviewed this request and recommends approval.

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

A motion to adopt Ordinance 2003-143 was made by Councilmember Staten, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-144 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SUNESIS CONSTRUCTION CO. FOR THE CONSTRUCTION OF THE PINE HILL LAKES DAM MODIFICATION PROJECT

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

Richard Fair gave a brief history of this project beginning in late 1999 when the Ohio Department of Natural Resources (ODNR), Division of Water completed a periodic dam safety inspection report for the Pine Hill Lakes dam. The report required the removal of a metal weir plate on the principal spillway, repair of erosion in the emergency spillway and a few additional maintenance items. In 2000, the Engineering Department began the process to declassify the dam from a Class I dam to a Class II or III. Richard explained by declassifying the dam, the removal of the weir plate and lowering the surface elevation of the water would not be required. In 2001, Fuller, Mossbarger, Scott & May (FMSM) was hired to complete the investigation and address additional erosion and flooding damage experienced during the July 17th rain event. During this event the water service elevation was only 6 to 8 inches from over topping the dam. Because of the flood damage and the potential for the dam to overtop, this project became the number one priority for the new Stormwater Utility. In 2002, FMSM completed the hydrologic and hydraulic study of the dam. The study found that the dam could not safely pass its design flood, regardless of the presence of the metal plate. The study proposed several alternatives to repair and/or modify the dam. After further review, it was recommended to have FMSM pursue the control design flood reduction and look at a combination of raising the dam and widening the spillway. In July 2003, City Council approved a grant agreement and accepted \$350,000 from the Ohio Department of Natural Resources via Representative Raga. The grant to the City of Mason is for use toward the modification of the Kings Mills Road culvert, modification of the existing Pine Hill Lake Dam and removes sedimentation along the lake's edge at Pine Hill Lake Park. In October 2003, City received final comments from ODNR on the proposed modifications to Pine Hill lake Dam. Because of the potential loss of life down stream of the dam, ODNR would not grant any control design flood reduction. Therefore, the final plans reviewed by ODNR include raising the dam approximately 4 feet and expanding the existing emergency spillway from approximately 40 to 90 feet. Richard stated in addition to the above-required improvements, the following park improvements will also be completed:

1. Installation of a handicapped-fishing area.
2. Regarding of the downstream slope of the dam to increase concert seating and comfort.
3. Address erosion of the existing bike path downstream of the principal spillway outlet.

Richard stated after carefully reviewing three received bids, conditions, and specifications, it is recommended that the low bidder, Sunesis Construction Co., be awarded the construction contract in the amount of \$299,171 (Ordinance 2003-144) and Fuller Mossbarger, Scott & May be awarded the construction administration and testing contract in the amount of \$24,575 (Ordinance 2003-145).

Councilmember Beck asked what the cost of the additional three items was adding to the project. Richard Fair stated approximately \$30,000. Mayor McCurley asked what happens if we do not do this work. Richard Fair stated ODNR could decide if the City must drain the lake. Stan Harris of Fuller, Mossbarger, Scott & May Engineers replied if we get a rain that is over the top, it can be catastrophic. Councilmember Beck asked why the last renovations didn't last. Richard replied now there are an additional 100 acres draining into the lake. Councilmember Grossmann asked why we didn't receive the 30% reduction alternative. Richard Fair said the ODNR would not allow us to do so and the Park Board was not in favor of that option as it would remove several mature trees and infringe on the pavilion.

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

A motion to adopt Ordinance 2003-144 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-145 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT FOR PROFESSIONAL SERVICES WITH FULLER, MOSSBARGER, SCOTT & MAY IN CONSTRUCTION ADMINISTRATION AND TESTING FOR THE CONSTRUCTIONS PHASES OF THE PINE HILL LAKE DAM MODIFICATION PROJECT

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

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

A motion to adopt Ordinance 2003-145 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-146 AMENDING ORDINANCE NO. 2002-165 TO ESTABLISH NEW RATES FOR THE LOU EVES MUNICIPAL SWIMMING POOL LOCATED AT CORWIN M. NIXON PARK

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

Scot Lahrmer stated last year the Parks & Recreation Department assumed management and staffing of the outdoor pool operations with the aquatic professional staff already in place at the Community Center. He stated the 2003 season, despite the cool rainy

summer, was a successful first year for the City to operate the pool. Despite an average temperature for July and August of only 79 degrees and the opening of the Community Center impacting pool pass sales and attendance, the City was able to keep expenses down and the bottom line deficit at a minimum. In fact, the year 2003 deficit of \$22,415 is one of the lowest in the pool's nine-year operating history. Scot said the attached year-end 2003 pool final report provides financial information and comparisons with previous years. The number of passes sold for 2003 was at an all time low with 609 passes sold (page 6 of the report). He further stated a majority of those passes sold were pre-season pass sales and more than half were Community Center pass holders taking advantage of a 20% discount. Community Center pass holders received a 20% discount toward the purchase of a pool pass. This type of incentive program probably maintained the minimum customer base needed to recover operating expenses. Daily admissions sales were high on the few hot summer days that occurred during the season. Scot reported Staff and the Park Board are recommending the City continue a 20% discount on pool season passes for Mason Community Center pass holders. The discounted fees of 20% continue to make the cost comparable to the fees charged in 1997. He explained it is hoped through marketing efforts with the outdoor pool (and hot weather), that attendance levels will increase and stabilize. Scot stated at the October 9th Parks & Recreation Board meeting, the 2004 pool fees and categories were discussed and, based on staff recommendations, the Board unanimously recommended the following pool rates and categories for 2004.

- The 2004 pool fees and daily admissions should remain at the current 2003 rates.
- Continue to offer a 20% discount on season passes for Community Center pass holders.
- The Guest Pass, which permits 10 daily admissions and is available only at the time of the season pass purchase, should continue at the 2003 rate of \$21.
- The Pool fee categories should match the Community Center fee structure categories for consistency and ease.

Councilmember Beck stated that he is in favor of allowing the rates to remain the same but he stated with the deficit of approximately \$22,000 from this year and the fact the budget for the pool is increasing by approximately \$85,000 he foresees a larger deficit of approximately \$100,000 in 2004. Scot Lahrmer responded the number of passes sold this year was at an all time low and the weather was a factor. He said much of this year's financial picture was dictated by the cold and wet weather. He added it is anticipated next year that will not be the case if the weather is good and the number of passes will increase as well as revenue from the concession stand.

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

A motion to adopt Ordinance 2003-146 was made by Vice Mayor Fox, seconded by Councilmember Kidd. VOTE: ALL YEAS

ORDINANCE 2003-147 ACCEPTING THE PUBLIC IMPROVEMENTS FOR FAIRWAYS AT PINE RUN SECTIONS 3 AND 4 AND RELEASING THE PERFORMANCE BOND

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

Richard Fair said the purpose of this legislation is to release the performance bond and accept the public improvements as recommended by staff. He stated Sections 3 and 4 of the Fairways at Pine Run subdivision includes Ganton Court, Killerney Court, Old Manchester Court, Blackheath Circle and the eastern section of Flagstone Drive. The Public Utilities, Public Works and Engineering Departments have inspected the public improvements. The utilities and other public improvements will become the City's responsibility upon acceptance. Richard concluded by stating staff recommends acceptance of the public improvements, contingent on the submission of a one-year maintenance bond.

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

A motion to adopt Ordinance 2003-147 was made by Councilmember Staten, seconded by Vice Mayor Fox. VOTE: ALL YEAS

ORDINANCE 2003-148 ACCEPTING THE PUBLIC IMPROVEMENTS FOR HERITAGE CLUB SECTION 10 AND RELEASING THE PERFORMANCE BOND

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

Richard Fair said the purpose of this legislation is to release the performance bond and accept the public improvements as recommended by staff. He stated Section 10 of the Heritage Club subdivision includes the northern section of Maxwell Drive. He added the Public Utilities, Public Works and Engineering Departments have inspected the public improvement and the utilities and other public improvements will become the City's responsibility upon acceptance. Richard stated staff recommends acceptance of the public improvements, contingent on the submission of a one-year maintenance bond.

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

A motion to adopt Ordinance 2003-148 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-149 AMENDING ORDINANCE NO 2001-219 TO ESTABLISH NEW RATES FOR THE MASON COMMUNITY CENTER

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

Scot Lahrmer explained to Council the Mason Community Center has enjoyed a successful eight months of operations since opening on March 1st of this year. Expanded recreation opportunities, program offerings, and new services to City of Mason residents have resulted from this unique partnership with Mason City Schools. Council will recall that the Community Center Joint-Use and Operations Agreement adopted earlier this year outlines both the School District's and the City's responsibilities and obligations for the Community Center. The City is responsible for management, daily operations, and budgeting for the facility. The agreement stipulates that membership fees be set at amounts to cover expenses while remaining competitive with fees charged for comparable services at similar facilities. However, as total revenues do not match total expenses, including the school administered "Basic Building Services" (utilities, maintenance, custodial, etc.) then fees must be increased a minimum of \$50 for each year through 2005. The intent of this provision was to open the Community Center, gain some experience, and gradually bring revenues up to the point where the Community Center is a self-sufficient entity. Scot stated Staff conducted a financial analysis based on current membership, revenue, and expense data and projections over the next two years (the agreed upon date that joint subsidizing of the Community Center ends with the schools.) Staff also compared the current rate structure with similar facilities to measure their competitiveness. This analysis demonstrated that the required \$50 minimum annual increase would fall short of meeting expenses. A \$100 annual increase for each of the next two years also failed to generate sufficient revenue to cover all operating expenses. The review also indicated that the Mason Community Center's membership rate for families was much lower than other facilities, while other fee categories were much closer to market rates. It also indicated that Mason's per square footage operating expenses were among the lowest in the State. Scot further stated it is important to the City's fiscal health that the Community Center become self-sufficient since all residents of the school district receive the resident rate – even if they don't live inside the City of Mason – because their tax dollars helped to build the center. However, this contribution by property owners provided only for construction, not the operation of the facility. If the city were to supplement the operating costs out of its General Fund, then residents' taxes would be subsidizing non-city residents who are members of the center. Non-city residents in the school district don't pay earnings or property taxes to the city. Revenues to operate the facility must, therefore, come from user fees. Consequently, a \$75 increase for all family passes effective January 1, 2004 is recommended. In addition a new three-month pass rate is recommended based on public input. While other rate categories are closer to market, based on Park Board input, the adult fee category is recommended to be increased \$10 and other rates remain the same. These increases together with ongoing attention to expenses will help to gradually increase rates to an appropriate level to cover operating costs and avoid subsidies from City of Mason tax dollars. Scot added the Board felt that the Community Center needed a longer operating history before increases larger than the agreed upon minimum of \$50 were enacted. The Board also recommended raising adult-fees \$10, but that youth and senior fees remain the same. While the Board was concerned that the facility become self-sufficient and understood

that if fees are not raised to a level to make the facility self-sufficient then the need for financial subsidies grows, they felt that a more gradual increase was more appropriate until further operating experience and data are available.

In conclusion, Scot stated it remains the City's goal to break even on the Community Center by 2005. The need exists, based on current data, to move forward with rate increases that can be reasonably expected to recover anticipated expenses in the future. Artificially deflating rates in the short-term will only delay and worsen the shock of sudden and dramatic increases in the future and could threaten the stability of the Center's membership. Scot said a \$75 increase is a fiscally prudent move that still ensures the Community Center represents an excellent and very competitive value for customer's membership dollars. It will also better position the City for needed rate increases next year and building pass rates to a stable level. Staff will continue to monitor the Center's progress and aggressively develop programming and other revenue sources, while minimizing expenses.

Mayor McCurley asked if the Park Board discussed a student rate for those students over 16 years of age still in high school that want an individual pass. Michael Hecker stated it has never come up at Park Board because it was assumed they were part of the family membership category. Scot Lahrmer stated those under 15 have limited access to other areas of the Community Center like the weight room and fitness area. A motion to amend the ordinance to reflect the adult age to be 17+ years and up and the student rate to be extended to include up to the age of 17 was moved by Vice Mayor Fox, 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 Fox, seconded by Councilmember Staten. VOTE: ALL YEAS

Councilmember Beck asked for clarification of the budget numbers as they relate to the current budget discussions. Scot Lahrmer stated the numbers quoted reflect the current budget discussions. Councilmember Beck asked about the current agreement with the Schools if the finances do not reach a break-even point. Scot responded it is a long-term agreement and under the current analysis the rates in 2005 would see a larger increase to reach the break-even point.

A motion to adopt Ordinance 2003-149 as amended was made by Vice Mayor Fox, seconded by Councilmember Kidd. VOTE: ALL YEAS

ORDINANCE 2003-150 CREATING TWO (2) ADDITIONAL POSITIONS OF ACCOUNT CLERK IN THE CITY OF MASON FINANCE DEPARTMENT AND ESTABLISHING COMPENSATION

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

Eric Hansen explained to Council based on current experience and ongoing workload growth, the Finance Department has concluded that the addition of the two full time

clerks, with additional temporary staffing for approximately 5 months (est. \$85,000) of the year to accommodate peak workloads is the most efficient way to accommodate the Tax Office's workload, ensure accurate and full tax revenue collection, and continue to maintain the Department's outstanding track record in managing City finances. Eric said as part of the 2003 budget process, the addition of two Account Clerks was discussed and recommended by the Finance Committee.

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

A motion to adopt Ordinance 2003-150 was made by Councilmember Staten, seconded by Vice Mayor Fox. VOTE: ALL YEAS

ORDINANCE 2003-151 AUTHORIZING THE CITY MANAGER TO ACQUIRE AN EASEMENT NECESSARY FOR THE CONSTRUCTION OF PHASE 1 OF THE U.S. ROUTE 42 NORTH TRUCK SEWER PROJECT

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

Scot Lahrmer stated this sewer project begins south of Tylersville Road near Muddy Creek and Phase I extends to Southwest Street between Third and Fourth Avenues. Much of the project will be pipe burst as was performed on the South-Central Sewer Improvement Project and wherever possible, the sewer main will be moved away from Muddy Creek. The project crosses property owned by St. Susanna Parish and the site for their future sanctuary. This property offers the only access for construction and timing is critical due to the church's construction plans. Scot stated the City had the property appraised and the appraised value for permanent easement, temporary easement, and right of entry for construction was \$54,966. An offer of \$40,000 was tendered to St. Susanna Parish and ultimately accepted. Staff recommends approval.

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

A motion to adopt Ordinance 2003-151 was made by Councilmember Beck, seconded by Councilmember Staten. VOTE: ALL YEAS

ORDINANCE 2003-152 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH CUSTOM DESIGN BENEFITS FOR THE PURPOSE OF ADMINISTERING THE EMPLOYEE MEDICAL INSURANCE PROGRAM

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

Eric Hansen explained to Council the available savings, direct and potential, as well as increasing control over future costs makes it desirable to change employees' insurance

program. He added it is anticipated that most rates will increase January 1, 2004 and the City should consider moving forward to take advantage of current prices. This change will not alter employees' existing benefit levels (which have been negotiated with bargaining units) but will enhance the City's ability to control this significant expense. The proposed change includes the following:

- A new administrator and re-insurer that will reduce the fixed costs (administration and stop loss) the City is currently paying by a minimum of \$10,000 annually (\$100,000 lower than the highest vendor.)
- A preferred provider network (PPO – HealthSpan) with a wider scope of coverage within the network - eliminating a higher percentage of out-of-network (and more costly) claims.
- City of Mason employees will be able to participate in a complementary wellness screening emphasizing early detection and prevention advice. Such programs can potentially lower the City's ultimate costs of medical services.
- A more responsive plan design, allowing covered members to access and follow their own claims. This is especially important with the HIPPA regulations that will affect the City as an employer in April of 2004 and should substantially reduce in-house administrative time. Both Finance and Human Resources have reviewed and agree that the claim and payment processing will improve for the City.

Eric stated the Employee Relations Committee of Council had an opportunity to review the above and recommended moving forward in changing the City's third party administrator yet this year, in order to take advantage of the existing rates

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

A motion to adopt Ordinance 2003-152 was made by Vice Mayor Fox, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-153 AUTHORIZING AN EMPLOYMENT AGREEMENT WITH SCOT F. LAHRMER AS CITY MANAGER TO BE EXECUTED BY THE MAYOR ON BEHALF OF THE CITY OF MASON AND DECLARING AN EMERGENCY

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

Scot Lahrmer stated, Ordinance 2003-153 renews an employment agreement with the city manager. This agreement reflects a 5% overall increase in compensation including a 2.97% in base salary to \$101,048 and an increase of \$2,000 annually to deferred compensation. The agreement also includes previous contractual items including benefits, severance agreement, a two-month voluntary resignation notice, responsibilities, professional development, suspension, termination and benefits. There are no other changes to the contract.

Councilmember Grossmann moved to make this a first reading tonight to provide an opportunity to further discuss some additional items. Mayor McCurley suggested we discuss this in executive session under personnel. Councilmember Grossmann agreed to defer it to executive session.

ORDINANCE 2003-154 AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTACT WITH LBJ, INC. FOR THE DESIGN ENGINEERING AND PROPERTY ACQUISITION SERVICES NECESSARY FOR THE WIDENING OF WESTERN ROW ROAD FROM 2,100 FEET WEST OF MASON-MONTGOMERY ROAD TO THE TYLERSVILLE ROAD.

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

Richard Fair explained to Council, Western Row Road is classified as a minor arterial (4-lane) roadway on the City of Mason Thoroughfare Plan and is a critical east-west connection through the City. He stated as traffic increases on Mason-Montgomery Road and with the addition of the LensCrafters facility, the need to widen Western Row Road is apparent. The City committed to LensCrafters that we would begin design of these improvements in 2003. The project limits start from Mason Christian Village and end at the Western Row Road/Tylersville Road Intersection. He added the Engineering Department obtained proposals for engineering services necessary to widen Western Row Road, add left turn lanes where needed, improve the condition of existing pavement and correct drainage problems. The design and coordination of the improvement will include lengthening the culvert at Mason-Montgomery Road and the culvert in front of Mason Christian Village to accommodate the turn lane, sidewalk and bike path. The new roadway will also include curb and gutter and a new storm sewer system. Design will attempt to avoid any disturbance to the oak trees on the south side of the road and the retention pond on the north side at the Village Lakes Subdivision. Richard stated the Engineering Department received proposals from four engineering firms for preliminary and final design; right-of-way appraisal and acquisition need for the improvements. After reviewing the proposals, staff is recommending LJB, Inc. as the lead engineer for a cost not to exceed \$285,084.00. Richard also said the Engineering Department's deadline for completion of the design and right-of-way acquisition is July 30, 2004.

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

A motion to adopt Ordinance 2003-154 was made by Councilmember Grossmann, seconded by Councilmember Beck. VOTE: ALL YEAS

CITY MANAGER'S REPORT

Christmas in Mason is Friday, December 5 from 6:00 to 9:00 p.m. with tree lighting on the library lawn by the Mayor at 7:00 p.m. The Mason Landen Kings Chamber of Commerce and the City of Mason are co-sponsors of Christmas in Mason. Carriage rides

are continuous from 6:00 until 9:00 p.m. There are also arts and crafts and children's activities, food court, strolling magicians, an ice carving demonstration, caricature artists and entertainment throughout the evening.

A meeting will be held on Monday, December 1 at 6:00 p.m. to elect a Mayor and Vice Mayor. Immediately following, there will be a reception to welcome new Councilmembers, Steve Osborne and Tony Bradburn. Prior to the organizational meeting, a dinner will be held for all Council members and their families. There will be a reception at 6:30 p.m. immediately following the organizational meeting.

A grant activity report has been prepared by Eric Hansen to illustrate the City's efforts to aggressively apply and receive grant funds available to municipalities.

COMMITTEE REPORTS

Councilmember Beck stated the Finance Committee has met and discussed the \$600,000 skate park request. It was determined more information was needed before a decision can be made.

Councilmember Staten reported on the status of the Snider Road extension. He stated the assessment process will delay the project but if the City is willing to pay for the bridge required for this project, it can move forward now. Mayor McCurley reported the cost of the bridge is approximately \$300,000. Councilmember Staten said the owners are prepared to put the road in at their expense with two cul-de-sacs. He said they feel they can have adequate access to their property with this solution. He stated the City could make this a through street by paying for the bridge. He also said they agreed to make it a three land road with curb and gutter. Councilmember Staten said we should ask for the dedication of the right-of-way for the bridge. Councilmember Pelfrey asked for clarification on how we can encourage a thoroughfare there. Councilmember Staten said we can do this by paying for the bridge, which is one-fifth the amount of the road. Councilmember Staten said if this project is bid out by the city it will be a great deal more expensive. Councilmember Pelfrey expressed concern over allowing the cul-de-sacs to be built. Mayor McCurley stated we are not going to let that happen. He said we are trying to control the expense of the job and see it gets done sooner. Richard Fair stated it would cost more if the City builds the road. He stated the City cannot assess bike paths and sidewalks.

COUNCIL OLD AND NEW BUSINESS

Councilmember Pelfrey suggested Council review the right-of-way matter in the downtown area and make a recommendation to the DMC.

Councilmember Grossmann suggested Mason voters get the right to vote for a complete credit on income tax they pay to other municipalities. He said now we give a half percent credit and many if not most cities give a complete credit. He said he has talked with Jennifer Heft and she had estimated it would mean a reduction of approximately

\$600,000 to \$750,000 in revenue to the city. He moved to put on the ballot a charter amendment to give our city residents a complete credit for the income tax they pay to other municipalities. He stated the reason it is significant tonight is due to the time requirement to place an item on the ballot for the March election. Councilmember Beck seconded the motion. He said this is not new. He stated it was discussed a number of years ago. He said it should be taken to the voters. Vice Mayor Fox stated while this is often a popular item politically, he would prefer to see an analysis before he could approve it. Councilmember Kidd stated he would like to see this in theory, but he would like to know the impact this could have on the city's finances. Councilmember Grossmann stated we have seen an increase of 7% in revenue October 31, 2003 and we can afford to return this money to the residents. He also said historically a reduction of taxes can stimulate the economy. He said tax decreases may increase the deficit in the short term but over time they can stimulate the economy and increase revenue. In any event, he said it is an issue that should be decided by the voters. He said we are not deciding the issue tonight; all we are doing is putting it on the ballot tonight. Mayor McCurley stated he is not opposed to this but feels it would be irresponsible to do so without all the facts. Law Director, Ken Schneider stated he believes if it is placed on the ballot by December 19 we can get it on the ballot. He said he will verify that date. Councilmember Beck said this is not a new concept. It was discussed six years ago. Councilmember Grossmann stated it is not necessary to make any cuts because we have a surplus. He also noted that this issue had been raised on several occasions in the Finance Committee during the discussion over next years budget. Councilmember Staten called the question. VOTE: 5 YEAS, 2 NAYS (Fox, Staten) Councilmember Grossmann asked if Ken would prepare the language that would appear on the ballot. Ken Schneider replied he would and he would also prepare the ordinance and bring it in at the December 8, 2003 meeting.

Mayor McCurley mentioned the Holiday Fest at the Beach Waterpark that begins on November 28, 2003. He also read a letter received from the Commander of Post 194 American Legion for the City's Veteran's Memorial.

RECOGNITION OF VISITORS None

EXECUTIVE SESSION

A motion to go into executive session for the purpose of discussing personnel and land acquisition was made by Councilmember Kidd, seconded by Councilmember Staten. VOTE: ALL YEAS

A motion to reconvene into regular session was made by Councilmember Staten, seconded by Councilmember Pelfrey. VOTE: ALL YEAS

ORDINANCE 2003-153 AUTHORIZING AN EMPLOYMENT AGREEMENT WITH SCOT F. LAHRMER AS CITY MANAGER TO BE EXECUTED BY THE

MAYOR ON BEHALF OF THE CITY OF MASON AND DECLARING AN EMERGENCY

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

Councilmember Grossmann moved to amend the contract language to include in Section 4 "or as a result of malfeasance, misfeasance or non-feasance in office, chronic absenteeism, or failure to perform the duties specified per the Charter of the City of Mason". The motion was seconded by Councilmember Staten.

A motion to adopt Ordinance 2003-153 as amended was made by Councilmember Staten, seconded by Councilmember Kidd. VOTE: ALL YEAS

ADJOURN

A motion to reconvene into regular session was made by Councilmember Staten, seconded by Vice Mayor Fox. VOTE: ALL YEAS

TIME: 11:55 P.M.


Clerk of Council


Mayor