

A meeting of the Council of the City of Blue Ash, Ohio, was held on May 25, 2006. Mayor Robert J. Buckman, Jr. called the meeting to order in Council Chambers at 7:00 PM.

**OPENING CEREMONIES**

Mayor Buckman led those assembled in the Pledge of Allegiance.

**ROLL CALL**

MEMBERS PRESENT: Councilman Rick Bryan, Mayor Robert Buckman, Councilman Lee Czerwonka, Councilman Henry Stacey, Councilman James Sumner, and Vice Mayor Mark Weber

MEMBER ABSENT: Councilwoman Stephanie Stoller

ALSO PRESENT: City Manager Marvin Thompson; Deputy Clerk of Council Sue Bennett; Assistant City Manager David Waltz; Treasurer/Administrative Services Director James Pfeffer; Parks & Recreation Director Chuck Funk; Service Director Dennis Albrinck; Recreation Center staff members Kathy Swensen, Barb Griffin, Tiphany Crane, and Brian Kruse; Golf Pro Bill Mayer; member of the press; and interested citizens

Councilman Bryan moved, Councilman Stacey seconded to excuse Councilwoman Stoller from the meeting. A voice vote was taken. All members voted yes. Motion carried.

**Finance & Administration Committee, Rick Bryan, Chairperson**

Councilman Bryan asked the Clerk to read Ordinance No. 2006-42 by title only.

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2006-42

AUTHORIZING A MANAGER EMPLOYMENT AGREEMENT WITH DAVID M. WALTZ PER ARTICLE V OF THE CHARTER OF THE CITY OF BLUE ASH; AND DECLARING AN EMERGENCY

Councilman Bryan moved, Councilman Czerwonka seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Sumner, Weber, Stacey, Czerwonka, Bryan, and Mayor Buckman voted yes. Seven yeases. Motion carried.

Councilman Bryan moved, Councilman Czerwonka seconded to adopt Ordinance No. 2006-42. Councilman Sumner explained his upcoming abstention vote in that although he is confident Mr. Waltz is a "top notch" selection, he remains uncomfortable with not having gone through a more extensive selection and interview process. There being no further discussion, the Clerk called the roll. Councilpersons Weber, Stacey, Czerwonka, Bryan, and Mayor Buckman voted yes. Councilman Sumner abstained. Five yeases. One abstention. Ordinance No. 2006-42 passed. Assistant City Manager Waltz thanked Council and commented that he looks forward to working with Council and the residents of Blue Ash to continue the community's success into the future.

**WORK SESSION – Topic 1: Update on potential new Golf Course Clubhouse**

Parks & Recreation Director Chuck Funk commented that the staff has been working on pro-forma information for the potential new Golf Course Clubhouse and Recreation Center expansion projects, especially as it relates to projection of revenues and expenses. He reintroduced the Architect assisting with planning and estimating, Dick Thomas of Steed Hammond Paul Architects.

Mr. Thomas gave a brief PowerPoint presentation, with highlights summarized below:

- ?? The revised site plan for the new Golf Clubhouse shows a new larger clubhouse in the same location as previously presented. After considering the previously planned lower level and additional cart storage options, the current recommendation is to utilize the existing clubhouse basement, with a new roof over the existing basement, for cart storage and perhaps some maintenance or storage areas.
- ?? Customer parking has been increased by 40 spaces. The current plan shows 296 parking spaces, which is essentially double what is presently available at the existing clubhouse.
- ?? Some layout changes on the interior have been made, with one being the relocation of the Pro Shop from the main level to the lower level. The locker rooms and changing facilities have also been relocated to the lower level.
- ?? Given the intended relocation of the cart storage to the existing clubhouse basement, additional dining area is possible for the lower level. A total of 298 dining seats are available on all levels. A dumbwaiter between the lower level and main level has also been added, creating flexibility with food service options.
- ?? Two large fireplaces are included.
- ?? Overall, a more efficient clubhouse has been created, resulting in greater value for the dollar. Although it is somewhat smaller, there will be more dining capability, in addition to more parking.
- ?? Regarding construction cost estimates, Mr. Thomas noted that for several reasons, costs have escalated significantly in recent years. The City should expect an 8 to 10% increase per year for construction costs. This is especially important if the project continues to be delayed. Projected estimated costs given a 2008 start are \$145 per square foot. Similar figures for 2007 and 2006 are \$134 and \$124 per square foot respectively.
- ?? Total estimated costs for the proposed Clubhouse as presented this evening are \$6.1 to \$6.4 million if the project would begin in 2007, \$6.6 to \$6.9 million in 2008, and \$7.1 to \$7.4 million in 2009. These estimates include the proposed basement, pond, and converted existing clubhouse basement.
- ?? Plans were reviewed for the proposed Recreation Center expansion, which are similar to what was previously discussed with Council. The plans would include relocating the fitness center to a two-story addition, with the weight equipment on one floor, and cardio equipment on the other. Other features include an elevated walking track, two-story rock climbing wall, renovated entrance/reception area, and creation of a family game area, which could also satisfy teen recreational needs (more details of the Recreation Center expansion were discussed later by the Recreation staff members present).
- ?? Estimated costs for the Recreation Center expansion, assuming a 2007 start, would be \$2.5 to \$2.8 million; similar estimates for 2008 and 2009 start times are \$2.7 to \$3 million and \$2.9 to \$3.2 million respectively.

In addressing questions from Council, the following points were made:

- ?? The drive-up window for golfers shown in the previous plan was removed because of the reconfiguration of the lower level. Given the relocation of the cart storage to the existing clubhouse basement, additional dining and access opportunities were possible on the lower level, making it very convenient for golfers.
- ?? The access and internal "traffic" issues for patrons using the main level dining facilities will still have to be finalized.
- ?? A new Clubhouse would be able to be used by the golfer or non-golfer. For example,

someone wanting to come enjoy the beautiful view and a casual beer would be able to do so.

- ?? There are at least five exits from the main floor.
- ?? The area shown on the plans in the lower level to the right (east) is a future build-out area. This could be used for a practice range, or other future plans.
- ?? The estimated costs for the Recreation Center do include the cost for additional equipment that will be needed. It is estimated that the cardio equipment will double (from current levels) and the weight equipment will increase by about 15 to 20%, given that new equipment for the current room was just put into use.
- ?? Mr. Funk commented that in his opinion, the cost and revenue estimates are conservative.

Highlights of a PowerPoint presentation made by Golf Pro Bill Mayer and Barb Griffin regarding the Golf Clubhouse and banquet facilities are summarized below:

- ?? A goal for a new clubhouse is to make the Blue Ash Golf Course a desired destination for social and business events as well. The new Clubhouse would accommodate both the golfer and the Blue Ash community in general.
- ?? Staff has visited several comparable golf and banquet facilities over the past several months in order to present current estimates and recommendations. Visits to several Hamilton County courses, as well as several courses in the Columbus area, were made.
- ?? Separate golf and banquet facilities (within the Clubhouse) would allow maximum use of the facilities and maximization of revenues. A banquet center which could accommodate at least 250 people is recommended.
- ?? Expanded golf programming opportunities, additional golf outings, and additional pro shop services would be beneficial.
- ?? An indoor golf practice facility would be desirable. This would also provide additional revenue year-round, in addition to more programming opportunities.
- ?? Expanded food service opportunities would be of great benefit, including expanded menu items, special food events, full-service bar, and a casual gathering place for golfers and non-golfers.
- ?? A banquet center at the Course would be a unique setting not offered currently in the Blue Ash area. It could be used for golf outings, wedding receptions, rehearsal dinners, special celebrations/parties, business meetings, seminars, and holiday parties.
- ?? Estimated staffing for the Clubhouse pro shop will remain the same (one full-time Golf Pro, two part-time year-round supervisors, and 24 seasonal employees).
- ?? Estimated staffing for the clubhouse food service/banquet center would include one additional full-time marketing/banquet manager, 3 part-time year-round supervisors, and 20 seasonal employees (resulting in the addition of one full-time position, two part-time year-round positions, and 15 seasonal positions).
- ?? Food service/banquet center financial projections associated with a new clubhouse show, for years one through five respectively, annual cash flows (projected revenue less projected expenditure) as \$153,000, 231,000, 273,000, 307,500, and 296,000.
- ?? Golf Course financial projections show for years one through five respectively show annual cash flows as -90,012, -89,167, -\$44,994, -\$85,724, and -\$51,270.

In addressing questions from Council, the following points were made:

- ?? As to how a new clubhouse/banquet facility could affect a potential performing arts

center, Mr. Funk commented that he estimates there would be 20% overlap. However, they do believe this facility would be targeted more towards social activities.

?? Mr. Funk commented that the projected cash flows for the clubhouse result in less of a deficiency in covering operations. Currently, the projections for a new facility equate to a facility being approximately 90 to 95% self sufficient. Currently, the golf course operations are 80 to 85% self sufficient, not considering capital expenses.

?? The cost estimates assume 40% capacity, which the staff believes is very conservative.

### **WORK SESSION – Topic 2: Update on potential expansion to the Recreation Center**

Highlights of a PowerPoint presentation regarding a potential expansion to the Recreation Center (discussed by Kathy Swensen, Tiphannie Crane, and Brian Kruse) are summarized below:

- ?? Fitness is no longer considered a fad, and users are very fitness “savvy,” as they are accustomed to a new, higher standard of facilities and services.
- ?? Members have shown great enthusiasm for the prospect of a proposed expansion.
- ?? An expanded recreation center would allow the Blue Ash recreation program to reach its full potential in fitness facilities and programs.
- ?? Proposed improvements include a renovated lobby area, new family zone (where the current fitness center is), a hot tub and sauna area (popular request from patrons), indoor running track, a climbing wall, and a new expanded fitness center. A renovated lobby will allow the merging of two staff positions into one and expanded services for residents and members.
- ?? A family zone area could have table games, pool tables, a “cyber café”, and additional programming opportunities for families and teens, the latter of which is a niche not currently addressed in the market.
- ?? The proposed indoor running track is .10 miles in length – one of the longest indoor tracks in the area. It is also a popular request of patrons and will help preserve the life of cardiovascular equipment, especially treadmills.
- ?? The fitness center is the most requested capital improvement by patrons. An expanded facility would be very user friendly and would offer expanded programs and service opportunities.
- ?? Some existing membership stats are that 65% of Blue Ash residents have a Rec Center membership; of overall memberships, 60% are residents, 38% business, and 2% other; 70% of eligible members have the fitness center membership add-on; and about 580 patrons use the Rec Center each day, with the fitness center alone averaging 325 users a day.
- ?? In the past three years, there has been significant increase in participation levels of the fitness programs. An expanded center would offer even more opportunity for growth.
- ?? Several comparable facilities were examined, including Evendale, Kettering, Sharonville, Springdale, and Westlake.

- ?? A look at projected revenues and expenditures for years one through five resulted in operational percentages of 36.5%, 37.7%, 36.4%, 35.4%, and 34.2% respectively. (These numbers show the percentage of self-sufficiency.) These budget projections assume one additional full-time position, estimated 12% increase in utility expenditures each year, \$20,000 increase in program revenue after construction, and 15% increase in membership levels the first year after construction.
- ?? The staff looked at the affect a small raise in membership fees would have on the "bottom line," and unless fees are increased substantially, the operation percentage does not change drastically. Overall, their recommendation is not to raise the fees.
- ?? A suggested option would be to lower the requirements for business memberships. For example, in lieu of the current requirement of being full-time in Blue Ash, they may suggest considering those who work part-time in Blue Ash to be eligible for membership to the Center.
- ?? Another option that should be considered is to establish a fixed number of non-affiliated memberships (i.e., non-resident), with an increased fee. For example, 100 memberships at \$500 would bring in an additional \$50,000 in revenue annually.

In addressing questions from Council, the following comments were made:

- ?? Regarding the potential of increasing non-affiliated memberships, Mr. Funk commented that currently we have about 600 business individual memberships and 400 business family.
- ?? City Manager Thompson suggested that the City consider allowing design and further plans to be finalized in 2007, with a 2008 construction completion. He recommends a 15-year maximum debt obligation. Mr. Waltz commented that timing would be key since the Kenwood Road bond will be retired in 2009 or 2010.

It was decided that the proposed projects discussed this evening would be revisited this fall and incorporated into the overall City Capital Improvement Project plan.

Councilman Bryan commented favorably about the proposed projects and the opportunity to put Blue Ash back on the top of area recreational facilities. He also complimented the Recreation staff in that he has heard nothing but praise about them.

### ***MISCELLANEOUS DISCUSSION***

Some discussion was had regarding the potential addition to the Veterans Memorial. On display in the Chambers was a prototype of a potential idea, showing an acrylic type monument with laser lights inside highlighting an etched drawing. Though the drawing is to show effect only, such an addition could be placed towards the Cooper Road entrance of the project, not directly with the statues. Previous discussions with Council have indicated Council's interest to pay tribute to all Americans who have served in the Armed Forces, not just those who served in the conflicts depicted currently by the statues at the Memorial.

City Manager Thompson commented that he believes strongly that at some point, an eleventh statue should be added to the Veterans Memorial to depict the current war on terrorism. He recommended that the concept described above should not replace this future addition.

Council was asked by the Administration to continue considering the concept of an addition to the Vet Memorial for future discussion, to be scheduled perhaps early this fall.

Councilman Sumner suggested that the City consider moving the Board of Site Arrangement to a different evening (perhaps the third Monday). Contact will be made with current Board members to see if such a change would work for their schedules.

Mayor Buckman complimented the Recreation Department staff presenters on a job well done.

***ADJOURNMENT***

All items on the agenda having been acted upon, Councilman Bryan moved, Councilman Stacey seconded to adjourn the meeting. A voice vote was taken. All members voted yes. The Council meeting was adjourned at approximately 8:44 PM.

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Robert J. Buckman, Jr., Mayor

MINUTES WRITTEN BY:

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Susan K. Bennett, Deputy Clerk of Council