

**Rising Sun City Council
July 2, 2008
7:00 P.M.
City Hall**

Call to order/Pledge

The meeting was called to order with the Pledge of Allegiance led by Mayor Marksberry with all of Council present.

Minutes

Minutes of the June Council meeting had been previously distributed to Council and Mayor Marksberry. After discussion a motion was made by Councilman Slack to approve the minutes of the June meeting as written, 2nd by Councilman Powell; motion carried 5-0.

Reports of Committees, Boards, & Departments

Project Manager—Mike Northcutt

Project Manager Mike Northcutt presented Council and Mayor Marksberry the bids received for the Library Drainage Project. See Attached Exhibit A. He further stated 3 bids had been received as follows:

O'Mara Contracting	\$331,728.30
McAlister Excavating	\$579,105.10
Sedam Contracting	\$329,685.90

There was some discussion that there was not much difference between the O'Mara bid and the Sedam bid. Attorney Siekman stated by Indiana Code you are required to take the lowest responsible bid. After further discussion a motion was made by Councilman Powell to accept the low bid of Sedam Contracting, 2nd by Councilman Radcliff; motion carried 5-0.

Northcutt also presented a quote from O'Mara Contracting for drainage work at First and Walnut and at Second and Walnut in the amount of \$51,498. According to Northcutt, Paul Rohe did not want to bid on the job. After further discussion Council requested Northcutt get other quotes for this work and bring back to the next meeting.

Bill Dichtl and Mike Northcutt approached Council and Mayor Marksberry regarding matching funds for the \$100,000 Re-Cap grant. They plan to submit a grant to the RS Regional Foundation for \$50,000 and requested a \$50,000 commitment from the City contingent on this funding. After discussion a motion was made by Councilman Graves to commit \$50,000 towards this project contingent on other funding sources, 2nd by Councilman Padgett; motion carried 5-0.

Economic Development Commission

Gary Green, EDC President, apologized to all for missing the Budget meeting. He reported the OMI project is initially complete. Green thinks there will be an open house possibly sometime in August. EDC bought the former OMI building with the help of the City and County. Performance Plus a business you will hear about later this evening has moved into the former OMI building. Green also informed the group that EDC is considering an environmental study at Brown Tool and requested an Executive Session with Council in mid-July. Green will get with Mayor Marksberry about setting this up. Green also informed all the Ohio County Community Foundation will celebrate their 10th anniversary on July 18 at the Senior Community Building.

Police Department

Police Chief, David Hewitt stated the Police Dept received \$2,000 from the OCCF for a kennel for K-9 Officer Joey. He stated Officer Rimstidt did most of this work or got donations for the project. Chief Hewitt requested Council to stop and take a look at the kennel. It will last for several years. Hewitt also reported several years ago the PD received 2 bikes as a promotion from the Mercedes Benz bikes. The Department never liked the bikes and only uses them as back up...basically they just collect cob webs. Hewitt stated the Department loaned the bikes to the Brookville PD for a festival they were having. The Brookville PD really like the bikes and Chief Hewitt requested Council declare these as surplus equipment of no value and donate to the Brookville PD. After discussion a motion was made by Councilman Padgett to declare these bikes as surplus property of no value and donate to the Brookville PD, 2nd by Councilman Radcliff; motion carried 5-0.

Tourism

Sherry Timms, Executive Director of Tourism had sent a report to Council and Mayor Marksberry prior to the meeting. See Attached Exhibit B. She asked if anyone had questions to let her know.

Rising Sun Regional Foundation

Ed Sullivan, Executive Director presented Council and Mayor Marksberry with a list of grants that had been awarded for this quarter. He stated the RSRF gave out close to \$400,000 in the grant round and received the lowest amount they have ever received from Grand Victoria through the project agreement.

Park Board—Jamie Bell

Jamie Bell, Park Director, informed Council and Mayor Marksberry they had 40 (10 kids/week) kids attend the summer programs: Tyke Hyke and June Bug. Bell stated Fitness Frenzy is still being offered. Bell reported they plan to offer a self defense class beginning July 10th. Other

upcoming events are the Vintage Baseball Game, Flag Burning 7/19—American Legion Post 59, Cub Scouts “Movie in the Park” 8/9 City Park and 8/30 Bearbranch—presenting “The Waterhorse”.

Revolving Loan Board

Kathy McKay with the Revolving Loan Board informed Council and Mayor Marksberry the Board received 7 loan requests. Four were tabled due to lack of information and a letter was sent requesting this information. McKay made the following recommendations from the Revolving Loan Board:

Performance Plus LLC Jennifer Thies: Wellness Fitness Education. Nothing like this in the area, with the closing of the YMCA in Aurora. They are going to be located in the old OMI building. They have been endorsed by Ed Brush, Director of Physical Therapy and Dr. Jim Swanson, Head of Orthopedics at DCH. They have spoken to area schools about working with their sports programs.

Requesting \$75,000 for 10 years. The Board recommends approval of this loan with collateral being shared with EDC along with a personal guarantee on the loan. After discussion a motion was made by Councilman Radcliff to approve the recommendation of the Board, 2nd by Councilman Graves; motion carried 5-0.

Twist and Shake John Miller: Requesting a micro loan to upgrade equipment (new cash registers)

Requesting \$7,500 for 2 years. The Board recommends approval of this loan. No collateral is needed because it is a micro loan; extend loan to 3 years if needed. After discussion a motion was made by Councilman Graves to approve the recommendation of the Board, 2nd by Councilman Radcliff; motion carried 5-0.

Harps on Main--William and Pamela Rees attended the May meeting. Rees had refinanced original loan and gotten subordination. They requested 4 items be changed regarding their loan. The Board has addressed as follows:

Due to refinancing and subordination the Rees were required to provide monthly financial statements. They request this be changed to annual. Board recommends this change be approved. They are to provide an annual financial statement 30 days from the close of their fiscal year; which is December 31st.

At the time of the refinancing and subordination the Rees did not have a CPA so they were required to take business classes. They now have obtained an Accountant and are asking that this stipulation be removed.

Board recommends that since they now have an accountant they not be required to attend business classes.

There were 2 late charges charged to Mr. & Mrs. Rees because the last day of the grace period fell on a day the office was closed. They did make the payments the following day when the office was open. The By Laws of the Revolving Loan Board are not clear as to when the late charges are charged. (If the last day falls on Saturday or Sunday do they have until noon on the following Monday?) Rees are requesting that for everyone this is clarified. Board recommends these 2 late charges be waived and Council establish a consistent policy be established and sent to all loan recipients regarding late payments.

After discussion a motion was made by Councilman Padgett to approve the recommendation of the Board on these 3 requests by Rees; 2nd by Councilman Powell; motion carried 5-0.

The fourth requested item is as follows:

Due to the refinancing and subordination Mr. and Mrs. Rees were required to have a co-signer. Mrs. Rees elderly parents are co-signers on the loan. The Rees are requesting the co-signers be removed. Ms. McKay requested Attorney Kay Fleming address Council and Mayor Marksberry. Fleming stated taking the Stanelys off as co-signers is more consistent with other loans and what has been done in the past. After the Board received this information they recommend the Rees request be granted and the Stanleys be removed as co-signers. After discussion a motion was made by Councilman Powell to approve the recommendation of the Board on this 4th request by the Rees and remove the co-signers; 2nd by Councilman Radcliff; motion carried 5-0.

Mayor Marksberry stated he had been contacted by one of the persons requesting a loan which RLF tabled. He thanked the group for their efforts and requested them to continue to do their due diligence on all loan requests.

Pamela Rees thanked everyone and stated this goes a long way to making them whole. She also stated regarding the Public Records requests thanks to Rae, Kay and Lane and all that had a part.

Tracy Marksberry approached the Mayor and Council and stated she was the fourth person on the agenda of the RLF that was denied. She stated she is furious and has been totally done wrong. She also stated she has offered to put property up as collateral and has still not received a loan. Ms. Marksberry requested a copy of these meeting minutes. Clerk Gipson stated she would respond to her request within 24 hours.

2nd Reading Ordinance 2008-2 “An Ordinance Establishing the Municipal Ordinance Violations Bureau and Ordinance Violations Bureau Clerk”

Mayor Marksberry presented Ordinance 2008-2 “An Ordinance Establishing the Municipal Ordinance Violations Bureau and Ordinance Violations Bureau Clerk” to Council for Second reading. Fines were set for all violations. After discussion a motion was made by Councilman Slack to approve the creation of the Violations Bureau, 2nd by Councilman Graves; motion carried 5-0. Attorney Siekman stated this will be effective 30 days from the date of publication in the local newspaper.

1st Reading Ordinance 2008-3 “An Ordinance Regulating the Use of Motorized Carts within the City of Rising Sun”

Mayor Marksberry presented Ordinance 2008-3 “An Ordinance Regulating the Use of Motorized Carts within the City of Rising Sun” to Council for First reading. This will be addressed for 2nd Reading at the next Council meeting.

Mayor Marksberry informed Council that RSMU had received \$50,000 from the RS Regional Foundation for the Well project. He stated the grant request had been for \$75,000 with the City and RSMU participating at the same level. Marksberry stated RSMU will be proceeding with this project and come back to Council with finalized numbers in the next month or so.

HEALTH INSURANCE

Employee’s health insurance information had been given to the Mayor and Council at the last Council meeting. Mayor Marksberry stated a committee had been created to review the health insurance options, which has worked out very well. The committee recommends going with Pinnacle Med Ben Split. See attached Exhibit C. After further discussion a motion was made by Councilman Padgett to go with Pinnacle Med Ben Split, 2nd by Councilman Powell; motion carried 5-0.

There was discussion regarding the employee co-pay for the insurance. After further discussion a motion was made by Councilman Slack for employees to continue paying \$15/pay for the health insurance, 2nd by Councilman Graves; motion carried 5-0.

There was also discussion regarding the employee HRA Accounts. After further discussion a motion was made by Councilman Slack to set the HRA amounts at \$1000 for family participant and \$500 for single participant, 2nd by Councilman Padgett; motion carried 5-0. Gipson will request that the HRA and health insurance both run on a calendar year.

Lifetime Resources—Funding Request

Julie Schaeffer with Lifetime Resources presented 2009 funding requests to Council and Mayor Marksberry for review. According to Julie the State funding level has been cut, but they are requesting \$15,200 the same funding as in 2008. Council will add the funding request into the 2008-2009 budget.

Rising Sun Medical Center—Walk Rising Sun Grant #2008-13

Pam Nowlin presented the Mayor and Council with a request for \$22,500 for the 2nd Annual Walk Rising Sun. According to Nowlin there were approximately 200 participants. These funds will be used to educate and promote wellness within the community. After discussion a motion was made by Councilman Radcliff to approve Grant Request #2008-13, 2nd by Councilman Graves; motion carried 5-0.

Equipment of No Value

Clerk Gipson requested Council declare the cash registers recently broke into at the pool as “equipment of no value” and donate to the Lions Club. After discussion a motion was made by Councilman Graves to declare the registers of no value and donate them to the Lions Club, 2nd by Councilman Powell; motion carried 5-0.

911 Communications—Joe Teke

Joe Teke, Director of 911 Communications presented Council and Mayor Marksberry information regarding the computer project and upgrade that he has been working on for the past few months. See attached Exhibit D. Teke reported all the departments agree the upgrades are what are necessary and 47% of the grant will be a direct benefit to the Police Department. With the \$40,000 of funds secured from the RS Regional Foundation in the first grant round this year---\$10,312 is needed as match from the City and County. The County has approved this amount. After discussion a motion was made by Councilman Powell to approve \$10,312 as City match for this project, 2nd by Councilman Radcliff; motion carried 5-0.

1st Reading Ordinance 2008-4 “Salary Ordinance”

Clerk Gipson presented Ordinance 2008-4 “Salary Ordinance” to Council for First reading. This will be addressed for 2nd Reading at the next Council meeting.

Miscellaneous

Mayor Marksberry informed Council Cheri Hall with the RS Medical Center is preparing a proposal to attract a doctor for Council’s review. Councilman Padgett volunteered to work with Marksberry and Hall in

this process. Marksberry encouraged Padgett to review and make recommendations to Hall or himself.

Mayor Marksberry informed Council he had copied them on a letter sent to the Corps of Engineers regarding the Hyatt hotel expansion. See attached Exhibit E.

Marksberry reminded Council of the Veteran's Moving Wall to be in town from July 9th – July 14th. Clerk Gipson requested City Hall be closed during the motorcycle escort. Council and Mayor Marksberry concurred with the request.

Councilman Graves reported the Honor Flight was GREAT.

Marksberry reported the City received \$15,000 towards the Website/Electronic Filing Grant and \$50,000 for the new Schroeder Park from the RS Regional Foundation.

It was discussed that Principal Majewski had requested possible speed bumps near the softball field on Shiner Blvd. Marksberry will check into this and bring up at the Board of Works meeting.

Adjournment

After the reviewing and signing of claims, and with no further business; a motion to adjourn was made by Councilman Slack, 2nd by Councilman Radcliff; motion carried 5-0. Meeting adjourned at 9:00pm.

Attest:

Rae Baker Gipson,
Clerk Treasurer

William A. Marksberry,
Mayor



The Schneider Corporation

Historic Fort Harrison 8901 Otis Avenue Indianapolis, IN 46216-1037 Phone: 317.826.7100 Fax: 317.826.7200

Exhibit A

INDIANA
Corporate Headquarters
Historic Fort Harrison
8901 Otis Avenue
Indianapolis, IN 46216
Toll-Free: 866.973.7100

Avon Office
Building 1000
5250 E US Highway 36
Suite 250
Avon, IN 46123

Carmel Office
12821 E New Market Street
Suite 301
Carmel, IN 46032

Merrillville Office
9800 Connecticut Drive
Suite B1-508
Merrillville, IN 46307

West Lafayette Office
1330 Win Hentschel Boulevard
Suite 100
West Lafayette, IN 47906

IOWA
Ames Office
1531 Airport Road
Suite 2
Ames, IA 50010

NORTH CAROLINA
Charlotte Office
2151 Hawkins Street
Suite 201
Charlotte, NC 28203

TENNESSEE
Nashville Office
400 7th Avenue South
Nashville, TN 37203

June 25, 2008

Mr. Mike Northcutt
Project Manager
City of Rising Sun
200 North Walnut Street
Rising Sun, Indiana 47040

Dear Mr. Northcutt:

We have reviewed the bid received from Sedam Contracting, Inc. for the Library Drainage project. The bid submitted is complete and includes all of the necessary information required per the specifications. The bid also falls within the expected cost range, based on the engineers estimate.

I know that you have some concerns about a couple of previous jobs that were not completed due to their financial situation at the time. To address these concerns, Schneider asked for and received additional references for Sedam Contracting. Schneider called the references and all references spoke highly of Sedam Contracting, their work and their ability to finish jobs on time. Additionally, Schneider called a couple of other sources to check on their background and those came back fine as well.

Based on the information received, Schneider would recommend accepting the bid of Sedam Contracting and moving forward with the project. If you have any questions or concerns at this time, please feel free to give me a call and I will help you out in any way that I can. You can reach me at (317)826-7171 or by e-mail at kfoster@schneidercorp.com.

Sincerely,

Kevin Foster
Project Manager

Library Drainage Project Bids
June 11, 2008

1. Dave O'Mara Contracting \$ 331,728.30
2. McAlister Excavating Co. \$ 579,105.10
3. Lykins Inc. \$ _____
4. Steve's Construction \$ _____
5. Bray-Arusperger Excavating \$ _____
6. Sedam Contracting \$ 329,685.90

Dave O'Mara Contractor, Inc.

1100 E. O & M Avenue - P.O. Box 1139
North Vernon, IN 47265
Phone: (812) 346-4135 Fax: (812) 352-1235
Fax Bid Information to: (812) 346-6305

June 10, 2008

Town of Rising Sun

Attn: Mike Northcut

Re: Changed Drainage Quote.

Gentlemen,

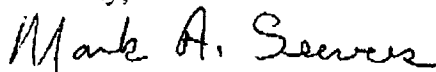
We submit the following quote for drainage work at First and Walnut and at Second and Walnut. The pipe size has been reduced to 18".

SCOPE:

- Obtain INDOT right-of-way permit.
- Remove approximately 310 LF of existing pipe and replace with 18" 14 ga aluminized CSP.
- Remove, but do not replace, approximately 70 LF of existing pipe.
- Install 2 catchbasins with chairback curb castings, 3 end sections and tees.
- Backfill trenches with flowable fill, 8" of high/ early concrete and cap with 1.5" of asphalt.
- Reconstruct the walk at First and Walnut to eliminate the hazard. This includes a section of curb that tapers to nothing.

PRICE: \$51,498 for above.

Sincerely,



Mark A. Seavers,
Estimator

Report to City Council July 2

There will be a First Friday Celebration before the fireworks on the Fourth of July. The Pendleton Art Center will sponsor a show "Summer Fun" from 5:30 until 8pm. There will be a Dixieland Jazz concert at Heritage Hall by the Acoustic Jazz Band from Cincinnati at 8pm.

We have been working on the Art Fair ,making a media plan and working with a PR person. We are also working on a series of articles for publication in arts magazines about developing an arts community in a rural area.

The Arts Academy had a successful summer camp with 73 spaces filled in a three week period. There will be more adult classes and a music component added to the academy this fall. This project was funded by a grant from the Rising Sun Regional Foundation and a grant from the Indiana Office of Community and Rural Affairs through Ohio County Tourism.

A puppet workshop was held in conjunction with the Art Academy and a performance was given at Heritage Hall.

We will also begin a children's theater program this fall.

We have presented national workshops in May, June and will in July. They were all filled to capacity. One student from Fort Wayne wrote that it was the best art experience of her life.

More business workshops will be held in August teaching website development and Quick Books. Another series of workshops is planned for arts businesses and another for art instruction. We will use Heritage Hall for most of these workshops which will be open to all artists in the region.

At the end of this grant cycle a "tool kit" will be created to showcase the arts as an economic development tool as well as Rising Sun as a productive developing community. This tool kit will be used for other communities to learn from our successes as well as our failures.

For our more "accepted" role as a tourism entity, we are working on a new Visitor's Guide (more elaborate than a brochure) are planning advertising for the Navy Bean Festival, sponsoring a road rally, participating in IACT and IAC conferences, working with the Medical Center on Walk Rising Sun, scheduling concerts for First Fridays, planning the Christmas House Tour, keeping the website up to date, planning 3 bus tours as well as 3 smaller ones, and entertaining the Indiana Tourism call center staff with a tour of Rising Sun.

We are working on new advertising venues and have signed a contract with NPR radio to advertise First Friday's and Rising Sun.

We have furnished gift bags for Car Show, Extension Secretaries and workshops.

Exhibit C

July 2, 2008

To: Mayor William Marksberry,

From: The Insurance Committee,

The insurance committee feels it is time for a change in the insurance company. Therefore, the majority of the insurance committee recommends the Medben split solution be considered by council. Pinnacle Advisory Group has been most helpful in explaining all the policies, having extra meeting, e-mails, etc. We have talked with other people who have had Medben through Pinnacle and they seem to be pleased with the service they received. We feel more people would be more pleased with a policy that has a co-pay and a lower deductible. The 1,500 deductible is hard to meet and it uses up all our HRA funds. Therefore, the employees are paying more out of pocket.

Sincerely,

The Insurance Committee

Carrier	Principal/Strategic Benefits		Pinnacle Advisory Group		
Type of Plan	PPO 1248 (Current)	Renewal 2008	Medben	Humana	Anthem
		Same coverage			
Single: 6	\$314.40	\$339.87	\$139.05	\$299.23	\$325.87
Employee/Spouse: 6	\$656.04	\$709.18	\$245.24	\$596.44	\$640.44
Employee/Children: 5	\$552.06	\$596.78	\$205.25	\$563.53	\$549.50
Family: 16	\$893.70	\$966.09	\$298.78	\$946.51	\$885.09
Life/AD&D: 36	\$258.79	\$258.79	\$269.46	\$269.46	\$269.46
	Deductible		Deductible		
Single/Family	\$1500/\$4500, \$3000/\$9000		\$0 DCCP/\$500/\$1000	\$500/\$1000	\$500/\$1500
Coinsurance Percentage	80%		80%	60%	90%/60%
out of pocket	60%				90%/70%
single	\$3000 \$		\$2,500.00	\$2,500	\$2,500
Family	\$6000 \$12000		\$5,000.00	\$5,000.00	\$5,000.00
Primary Office Visit Co-pay	20% After Deductible		\$15/\$20	\$30.00	\$20.00
Specialist Office Visit Co-Pay	20% After Deductible		\$15/\$20	\$50.00	\$20.00
E.R.	\$1500 ded/ 20% after ded.		\$100.00	\$500	\$100/10%ER
Urgent			\$50.00	Supp. Acc	\$50.00
Lifetime Maximum	\$5 million combined				
Inpatient Hospital	20% after deductible/\$500 +40% after deductible				
Outpatient Hospital-Surgery & other services	20% after deductible / 40% after deductible				
Prescription Drugs, retail	\$10/\$30/\$45		\$10/\$25/\$50	\$10/\$30/%50/25%	\$10/\$25/\$40
Prescription Drugs, mail in 90 day supply	2.5 x retail co-pay		\$25/\$60/\$125	\$25/\$100/\$163/25%	\$20/\$65/\$100
Pre-existing Clause	6/12		0		
Life Insurance(per	\$20,000.00		\$20,000.00	\$20,000.00	\$20,000.00
Total Fixed			✕ \$8,317.72 ✕		
Total Claims			\$21,609.63		
Monthly Premium	\$23,140.93	\$24,994.43	\$29,927.35	\$23,899.36	\$24,698.78
Annual Premium	\$277,691.16	\$299,933.16	\$359,128.20	\$286,792.32	\$296,385.36
	No wellness		Medben.com		
			All well checks covered		
			Wellness does not apply to deductible		

Exhibit D

<u>Description</u>	<u>Price</u>	<u>Who it is for (Fire, EMS, 911, Sherriff, Police)</u>
Server	12,900.00	F,E,9
Windows	1,778.00	F,E,9
VMWare Infrastructure	995.00	F,E,9
VMWare sub.	645.00	F,E,9
Server Change over	1,990.00	F,E,9
3 pks of back up tapes	945.00	911
LTO cleaning cartridge	79.00	911
PC Anywhere host and remote	359.90	F,E
Symantec Endpoint Protection	990.80	F,E,9
SQL Server upgrade Emergitech	899.00	911
SQL License	3,325.07	9,P,S
SQL Backup	1,162.66	9,P,S
Workstations	3,597.00	911-1, Police-2
19" LCD		
22" LCD	678.00	Police-2
MS Office Basic		
MS Office Small Business	600.00	Police-2
Laptop option 1		
Laptop option 2		
Printers, QTY 4		
Firewall	6,496.00	F,E,9
Networking	3,215.00	F,E,9
Network Support	2,130.00	F,E,9
Email and webhosting	1,994.75	F,E,9,P
Server	600.00	F,E,9
Windows	7,900.00	Police
Server Change Over	829.00	Police
Back up Tapes	995.00	Police
LTO cleaning cartridge	675.00	Police
PC Anywhere host and remote	79.00	Police
Symantec Endpoint Protection	179.95	Police
APC Smart UPS 1500	572.11	Police
Networking	559.00	Police
Network Support	2,130.00	Police
	1,324.25	Police
Total	\$60,624.00	

RSRF Grant	\$40,000.00	
911		had to use 27,000 out of 911 for new tower
Fire	\$5,156.00	
Sherrif	\$5,156.00	
Police	\$5,156.00	
EMS	\$5,156.00	
Total	\$60,624.00	

City Council	\$10,312.00	←
County Council	\$10,312.00	
911 Director- Joe Teke		<i>Joe Teke</i>
EMA Director- Tom Work		<i>Tom Work</i>
EMS President- Kim Smith		<i>Kim Smith</i>
Fire Chief- Kevin Armstrong		<i>Kevin Armstrong</i>
Police Chief- Dave Hewitt		<i>Dave Hewitt</i>
Sheriff- Eldon Fancher		<i>Eldon Fancher</i>

RISING SUN

MAYOR WILLIAM A. MARKSBERRY

200 North Walnut Street

Rising sun, IN 47040

E-mail: mayor@cityofrisingsun.com

Ph: 812-438-3340

Fax: 812-438-3561

July 2, 2008

Doug Shelton
Chief, North Section Regulatory Branch
Department of the Army
U.S. Army Corps of Engineers
P. O. Box 59
Louisville, KY 40201-0059

RE: ID Number 199401405-jea; Your June 3, 2008 Letter on Department of the Army Permit 199401405

Dear Mr. Shelton:

Thank you for providing the City of Rising Sun ("City") the opportunity to evaluate the impact of proposed modifications to the Grand Victoria Casino & Resort ("Grand Victoria") and to comment on the U.S. Army Corps of Engineers' (the "Corps") adverse effects determination. The City understands that because of its previous determination related to development of the Grand Victoria, the Corps may be required to conclude that the proposed modifications, which includes a six story hotel tower ("Proposed Modifications"), cause an adverse effect on historic and architectural quality of the surrounding area, however, the City strongly supports the Proposed Modifications and believes that the Proposed Modifications will have less of an adverse effect than would the hotel expansion consisting of three story buildings, previously approved by the Corps, but not yet built ("Approved Modifications"). The City respectfully urges the Corps to approve the Proposed Modifications and appreciates your consideration of the following:

The original, current Grand Victoria has had much less visual impact on the Rising Sun Historic District, the Rabbit Hash Historic District, and the Rabbit Hash General Store than was originally contemplated when the Corps permitted the development in 1996. Additionally, now that the landscaping around Grand Victoria is mature, there is a healthy and attractive visual barrier between the Rising Sun Historic District and Grand Victoria.

The Proposed Modifications are much improved, from a visual perspective, when compared to the Approved Modifications which have not been commenced. By locating the hotel behind the pavilion instead of sprawling it out from the pavilion, river views are enhanced and access to the Riverwalk into downtown Rising Sun is more convenient. The Approved

Doug Shelton
Chief, North Section Regulatory Branch
July 2, 2008

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Modification take away more of the riverbank than do the Proposed Modifications and requires the destruction of more trees than do the Proposed Modifications.

Worthy of note is the fact that the proposed modifications will enhance the view from the Rabbit Hash Historic District and the Rabbit Hash General Store. Under the Approved Modifications, Rabbit Hash would still be able to view an area behind the pavilion that is a primarily industrial area. The buildings and structures located within the industrial area include a water tower, car repair shop, car wash, dentist's office, industrial park, "biker bar," and Head Start building. If the hotel tower that is part of the Proposed Modifications is constructed all but the very top of the water tower will likely be blocked from the Rabbit Hash view. The additional planned planting of evergreen trees along the south border of the Grand Victoria will further mitigate the visual impact of a taller building.

The City also notes that all construction will occur behind the existing Grand Victoria pavilion with no construction between the existing structures and the water. Thus, the Rabbit Hash view of the construction site will be mitigated by the barrier provided by the existing structure.

The City appreciates this opportunity to also clarify what perhaps has become a misconception about the 1996 Memorandum of Agreement ("MOA"). Neither the height nor the number of stories of buildings is restricted by the MOA on the basis of visual impact. Rather, the height of the current pavilion clock tower was restricted because of its proximity of the riverbank. The pavilion clock tower is not at all obtrusive and approval of the Proposed Modifications is not contrary to the MOA. In 1996 the City did have a zoning ordinance in place that restricted building heights to 40 feet. However, after the City viewed the minimal impact Grand Victoria has had on its Historic District, the mature trees, and the Proposed Modifications both the Rising Sun Zoning Board and the Rising Sun Common Council voted to repeal the height restriction.

The continued success of Grand Victoria is critical to the continued financial strength of not only the City and Ohio County, but also to surrounding communities. In 1996 the City negotiated a Project Agreement by and between the City, some other municipal entities, and Rising Sun Casino and Resort, LLC, Grand Victoria's predecessor ("Project Agreement"). Pursuant to the terms of the Project Agreement Grand Victoria paid the City \$1 for every admission to the riverboat.¹ In order to insure it met the statutory guidelines, the City directed its Project Agreement payments to the Rising Sun Regional Foundation ("Foundation"), a not-for-profit entity the City established. The Foundation utilizes the money it receives under the Project Agreement to award grants to municipalities, school systems, and charitable organizations not only in Rising Sun and Ohio County, but also to municipalities, school systems and charitable

¹ The Fourth Amendment to the Project Agreement sets forth a formula that determines the ongoing Project Agreement payments to the Foundation.

Doug Shelton
Chief, North Section Regulatory Branch
July 2, 2008
Page 3

organizations located in Ripley County and Aurora in Dearborn County.² Thus, the continued viability of Grand Victoria is critical to a widespread region of Southeastern Indiana.

Grand Victoria is continually faced with increased competition in the market. Belterra, which is located approximately 30 minutes from Grand Victoria, has over 600 guest rooms.

Argosy, also located approximately 30 minutes from Grand Victoria, is currently constructing a much larger gaming vessel than it currently operates. French Lick opened its casino approximately one and one-half years ago and also competes for patrons in the Grand Victoria market. In June 2008, Indiana Downs commenced its racino operation and, as a result, is currently operating 2,000 slot machines. All of these properties are in direct competition with Grand Victoria. Grand Victoria is at a disadvantage with only 201 guest rooms. It is the City's understanding that in calendar year 2006 Grand Victoria turned away in excess of 35,000 room nights since it did not have sufficient room vacancies. The expansion of its hotel is critical to the future viability of Grand Victoria.

The City also notes that as part of its and the Foundation's commitment to the preservation of the region's historic nature, the Foundation has funded numerous preservation projects over the last ten years.³ Thus, the Project Agreement funds have been instrumental in preserving the historic nature of the region and the continued success of Grand Victoria is vital to the continuation of this preservation.

The City as a long history of emphasizing historic issues in approved development and continues that history today. The Proposed Modifications will not harm the historic character of Rising Sun and will not have any negative visual impact on our Kentucky neighbors. We strongly urge the Corps to approve the proposed modifications to Grand Victoria.

If you have any questions or need additional information please let me know. Thank you for your consideration of the City's comments.

Sincerely,



William Marksberry, Mayor
City of Rising Sun

² The Foundation issues grants in accordance with the direction provided by the City when the Foundation was established.

³ The Foundation has awarded in excess of \$589,000 in grants that involved the historic preservation of the region.

Doug Shelton
Chief, North Section Regulatory Branch
July 2, 2008

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