

Aiken City Council Minutes

January 31, 2014

Aiken's Horizons

Present: Mayor Cavanaugh, Councilmembers Dewar, Diggs, Ebner, Homoki, Merry, and Price.

Others Present: Richard Pearce, Gary Smith, Ed Evans, Charles Barranco, George Grinton, Glenn Parker, Alicia Davis, Kim Abney, Tim Coakley, Emory Langston, Sara Ridout, Maayan Schechter of the Aiken Standard, and Gary Allington of the Chamber of Commerce.

The Aiken City Council met at Rye Patch at 100 Berrie Road SW for their annual Council retreat called Horizons 2014, beginning at 12 noon with lunch.

Mayor Cavanaugh called the 28<sup>th</sup> annual Horizons Retreat for Council to order at 12:30 p.m.

Mr. Pearce welcomed everyone and said Ms. Abney, Finance Director, would talk about finances first.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

2013

Ms. Abney distributed copies of the 2013 Comprehensive Annual Financial Report (CAFR) to the Councilmembers. She pointed out the report is not required. The City of Aiken has prepared 23 of the CAFRs and have submitted and received awards for 21 CAFRs and the report for June 30, 2013, is currently being reviewed by the Government Finance Officers Association. The CAFR will be posted online next week. She pointed out the audit prepared by Elliott Davis is completely inserted in the CAFR. She pointed out the annual audit is required by state law. The city must have an independent CPA conduct an audit and give their opinion about the city's financial statements. The Financial Statements on which the auditors give the opinion have to be prepared in accordance with all the generally accepted accounting procedures. Several years ago the Government Accounting Standards Board decided it would make things easier to understand if they presented a government-wide financial statement and it would be on full accrual. She said she was not sure they achieved their goal, but that is how the City of Aiken reports now. She pointed out the first section is full accrual which means we report all of our fixed assets, which include infrastructure, things under the ground, streetscape, as well as equipment. She pointed out depreciation is reported as an expense. Long term receivables and long term liabilities (OPEB) are reported. The Fund Financial Statements are reported on a modified accrual basis of accounting for the General Fund and full accrual for the enterprise funds. The modified accrual does not include fixed assets or depreciation expense. The monthly financial statements are on a modified cash basis of accounting. Depreciation is recorded each month as an expense and cash is set aside for replacement of the equipment in the future. The amount for depreciation is in the budget which is adopted by Council. The depreciation is set aside as long as the vehicles and equipment that were budgeted are purchased. If the vehicle or equipment is not purchased then depreciation for that equipment is not set aside. Just because equipment is fully depreciated does not mean that it will necessarily be replaced. The equipment would be replaced when it is deemed that it really needs to be replaced. The criteria for replacement are miles and years of the equipment. Depreciation funds for equipment not purchased are set aside in a special holding fund so the funds are there when the equipment is replaced. It was pointed out that typically an asset is depreciated at 125% of the purchase price to cover inflation so there would be enough money available when it comes time to replace the equipment. It was pointed out that vehicles are bought out of depreciation funds.

Council discussed the process of how depreciation funds are set aside and new equipment and vehicles purchased from depreciation funds. Mr. Pearce pointed out that state

contract prices are a starting point for purchase of equipment and vehicles as employees use that as a negotiating price. There was also discussion on the amount of funds in the depreciation fund. There was a question about compensated absences in the amount of \$805,000. It was pointed out that is accrued vacation leave which is paid when employees leave employment with the city or take vacation leave. There was discussion on how much vacation can be accumulated. Councilman Dewar asked about "net other post employment benefit obligations" of (\$9,033,147). Mr. Pearce stated the number represents the post employment benefits for the retirees. This concerns health care cost for retirees. Many cities contribute zero dollars for this. The City of Aiken is contributing between 20% and 25% of the GASB amount because of the recommendation. It was pointed out the amount is an actuarial amount which considers everyone working full term, everybody retiring from the City of Aiken and getting health care benefits after retirement. In practice that is not what has happened in the city. It was pointed out once money is put in the OPEB account; it can't be taken out, but must be used only for retiree benefits.

Ms. Abney continued her discussion of the CAFR. She pointed out that when the reconciliation is done in August it is based on cash received and cash spent during the fiscal year. She pointed out that is why there may be a difference in the monthly financial reports and the actual figures in the audit report.

Councilman Ebner pointed out the 2012-13 budget was \$52+ million. He said he thought only about \$48 million was spent. He thought there was a difference of between \$3 and 5 million between the budgeted amount and the amount spent. He felt some of the big projects are being overstated by millions of dollars. He said when he votes on a \$52,800,000 budget, he would expect that \$52 million would be spent. He felt we are below \$50 million that was actually spent. He felt the budget and amount spent would be closer. Mr. Pearce pointed out that we expected to spend money on the water plant which is a \$3 to \$4 million project. Councilman Ebner felt part of the problem is the way we spend out the big expenditures. He felt there is no way that anyone could spend \$4 million on the water plant in a year. He said there are some big projects but we won't spend \$3 or \$4 million on the Silver Bluff water plant this year. Mr. Pearce stated in the timelines which Mr. Grinton is keeping, we are breaking the cost between fiscal years. Councilman Ebner stated he had been tracking the budgets and expenditures for four years, and he comes up with about \$48 to \$49 million for expenditures for those years. Mr. Pearce stated the budget document is a plan document. He said we make the best estimates we can with the information we have when we put the budget together.

Councilman Dewar stated it was difficult to track the budget. He asked if capital sales tax projects are shown in the budget. Mr. Pearce stated those funds are not shown in the budget. The money is in a separate fund. We have to account for how the Capital Projects Sales Tax money is spent and Council gets a report on the revenue and expenditures from the fund.

Councilman Ebner pointed out it is confusing because in the Audit report the Capital Projects Sales Tax is added into the budget figures.

Ms. Abney then continued her presentation on the CAFR. She pointed out the Audit Report from Elliott Davis is included in the CAFR. The city staff adds the Introductory Section which talks about the city and information about the city's history, awards won, and transmittal letter. Included in the transmittal letter is the Capital Projects Sales Tax information—Revenues and Expenditures for Funds 016 and 017 as of June 30, 2013. The projects are listed as they are listed on the ballot. She pointed out the information will be seen in the CAFR on pages 22 and 104 also. She pointed out the Financial Section which contains the Audit Report from Elliott Davis.

Ms. Abney called attention to page 15 of the CAFR. She pointed out that is the accumulated depreciation on all of the land, buildings, machinery, equipment, and infrastructure. She said that includes every asset. It is on the accrual basis. She said the city does not have \$30 million because we don't have money in the General Fund to replace infrastructure. We basically have equipment replacement in the General Fund. She continued to review various pages in the CAFR for Council's information and

answered questions for Councilmembers. Councilman Merry asked if garbage collection could be an enterprise fund and be self supporting. Ms. Abney stated that would have to be a determination by City Council and the fund would have to be self-supporting. In answer to a question regarding the percentage of taxes collected, Ms. Abney stated the city collected about 98% to 99% of the taxes. Regarding the Capital Projects Sales Tax funds, it was pointed out that Council gets information on the revenue and expenditures for the Capital Projects Sales tax quarterly. Ms. Abney pointed out the Statistical Section of the CAFR which gives information on a 10 year basis. She pointed out that the City of Aiken has no General Obligation Bond debt. The debt we have in the Water and Sewer Fund will be paid off December 12, 2014.

### BUDGET

Ms. Abney then reviewed for Council the current budget information for six months. She pointed out that real property taxes are coming in and we expect to exceed budget. Business licenses are in line with prior year and budget. Cable franchise fees are collected quarterly and should meet budget. Water and Sewer revenues are not expected to meet budget due to rainfall. Revenues related to new growth, permits and planning fees are over 50% of budget at this point and slightly higher than last year at this point. The stormwater fees are in line with budget.

Councilman Ebner pointed out that the number of Certificates of Occupancy issued is down from 15% to 30% a year for the last four years. He pointed out if revenues are at budget evidently the work being done is very expensive work and not as many things are getting built. Ms. Abney pointed out we are seeing more commercial activity rather than residential. She pointed out some activities that increased the fees are the Aiken County building, the SPCA, the new hotel on Whiskey Road, the South Point Shopping Center. Councilman Ebner stated population drives the other numbers. He said businesses lead the way, but the residential area and small business areas are struggling. Councilman Merry stated Aiken's population growth rate since 2010 is half what it averaged for the prior 10 years which was about 1.2% per year. Since 2010 Aiken's population growth is averaging about .55% per year. Aiken's growth is about half of the current state average. He pointed out Aiken is the 13<sup>th</sup> most populated city in the state. Every city above Aiken has a higher growth rate in percentage terms than Aiken. He said the growth may reflect the job conditions at SRS and the growth that we have experienced and counted on for the last decade is leveling off. He pointed out Aiken County's growth rate is higher than the City of Aiken and is about 1.6% per year. It was pointed out that the City of Aiken will get some benefit from the growth in Aiken County.

Councilman Ebner stated he gets his information from the Lower Savannah Council of Governments. He said Aiken is averaging half of what we did for the last 10 years. He said the projection for the future is not good. He pointed out the area around Bridgestone is growing, however, with a number of houses being built in the area. He felt this is a concern.

Mr. Pearce stated we try to be conservative in our budget revenue estimates. He said another trend is that newer members of the workforce are not necessarily interested in homeownership because their careers tend to be more portable.

Mr. Stuart Bedenbaugh, Assistant City Manager, pointed out that in 2013 Building Inspection issued 91 residential permits with a construction value of \$17,080,000. In 2012 they issued 104 residential permits with a construction value of \$16,500,000. In 2013 they issued 10 commercial permits with a construction value of \$14,900,000 versus 6 permits issued in 2012 with a value of \$10,800,000.

Councilman Ebner stated the 2014 figures show the economy struggling unless we have a great next 5 months. He said the trends are not in the right direction which will affect the 2014-15 budget. He pointed out presently there are no rumors of anything major coming.

Councilman Dewar stated he hoped with the new owners of the Aiken Mall that there will be some positive activity at the Mall.

Council continued to discuss the economy, trends and population with it being noted that the trends are down rather than growing or flat. It was also noted that you have to consider the inflation rate so all these things are beginning to crimp the budget. The revenues are not increasing 2.3% but we are paying that increase in the things that are purchased. It was pointed out that the Council of Governments trends show the City of Aiken's trends going down.

Mr. Pearce pointed out that the group of City/County Managers that were just in town said how beautiful Aiken is and how vibrant the downtown is and that they were going to bring others back to Aiken to see what Aiken is doing that is right. He said Aiken is still seen as a leader among South Carolina cities and counties. He said he recently attended a meeting where they talked about what the downtown needed to look like and Aiken had all the features. Mr. Pearce pointed out the Department Directors are in the process of preparing their budget requests, listing their needs and prioritizing the needs.

Councilman Merry stated the reason he did the research is that if our intent is to continue to deliver wonderful services and continue the beautiful downtown that we have, if expenses continue to go up we need our revenues to continue to go up, otherwise there will be a budget squeeze. One way to increase revenue is to count on population, residential, and commercial growth.

Councilman Ebner stated his concern is that we have to continue to spend the money, time, energy and hours that the staff does which makes us great. All those things have to continue. If the downtown gets in a spiral downhill, it would be difficult to recover. The expenses need to keep on, and they don't get cheaper. We have to work on getting our area growing and people coming.

Councilwoman Price stated she wants to continue to work to improve what we have and look for innovative ways to improve. She said visitors are coming and people are retiring here. She said her concern is the middle class that is making \$35,000 to \$40,000 and want to own their home, but they can't find a home with the payments they want. She pointed out that the houses being built in Trolley Run and in North Augusta meet some of those needs. She said she gets some positive comments about our building process, but felt we need to make some improvements so it is not difficult and take so long for the review process to get clearance to build. She felt it needs to be made easier to get through the building process.

Councilman Dewar stated what he is hearing is that our cost to provide services continually goes up yet we are not getting increased revenue. He said there are only a couple of ways to get increased revenue to meet the increased costs which is increase taxes by raising the millage rate or bonds. He said at some point we are going to have to talk about how we are going to generate the additional revenue needed to provide services or cut services. He said we don't want to cut services as we want to take care of the city.

Mayor Cavanaugh stated he felt we are almost there now. He said we are going to have to look at what the possibilities are of cutting certain things.

Councilwoman Diggs pointed out that her CEO complained about the process they have had to go thru for permits to get the building started for the Rural Health Center. She said she understood they are being charged \$400,000 for a road to the health center. She said that makes them have to cut down on things for the building. She said the Center will be providing numerous jobs once the building is open. She said if they had known of some of the expenses they might not have built in the City of Aiken.

Councilman Merry stated in talking with some fellow developers, he is not sure it is the length of time to process review of developments, but maybe there are too many things that add cost for a development, such as a larger stormwater structure. He said there are sometimes a lot of hurdles to jump in the process. He pointed out the Planning Department is following instructions that Council gives them. He said there are a lot of instructions.

Councilwoman Price stated there are no complaints once they are through the process, but contractors have said in comparing to other cities the process is time consuming. She said the problem is that we need to have all those involved in the project at the table at one time to discuss the project. She said they have to repeat themselves over and over to the various individuals involved in the process. She said for other places where they have developed it takes an average of a month to go through the process, but with Aiken it is an average of three months.

Mayor Cavanaugh asked that Mr. Evans, Planning Director, speak on what he sees in the process, what has been done over the past to improve the process, the length of the process, and if it can be improved.

Mr. Pearce stated we have had this conversation before, we have discussed the matter at staff level, and we are working on having the one face-to-face meeting with the different departments around the table. When we have done that it has gone very well. He said he has stressed to staff that we need to take those opportunities and meet together and answer the questions once instead of bouncing around.

Mr. Evans stated it is hard to give a general answer because every application is different, every project is different, there are different problems, and there are different ordinance provisions that apply. Each application is different. He said he would strongly disagree with a three month process. He pointed out the Mellow Mushroom project has probably taken longer than three months. He said much of that time was waiting for the owner of Mellow Mushroom to get information to the Planning Department. He said as soon as the Planning Department got the information it was processed quickly. He said they may have to wait a month to go to the Design Review Board. He said as far as staff response it was done quickly.

Mr. Pearce stated a developer could ask for a joint meeting with the different departments that are involved in a particular project. That has been done for some projects. Also, a special meeting can be set for a commission or board that needs to act on a project.

Councilwoman Price asked if it were possible to get approval for a development in 30 days. Mr. Evans responded that could be possible if everything is in order. He said typically if there is a longer wait, it is because Planning is waiting on the developer to respond.

Councilman Merry stated we are speculating what builders and developers complaints are. He asked Mr. Evans if he had ever heard what builders are complaining about and what their issues are. Councilman Merry pointed out that his experience has been that the Planning Department gets comments back to the developer quickly, but it would require the developer to meet with their engineer to redraw something and get it back to Planning. It is resubmitted and Planning reviews it again. Then there is something else that needs to be redone. By this time it has gone to Engineering and they have comments so he has to have something else done. He said there is a lot of back and forth which does make it take a long time. It is all the different hurdles that have to be accomplished. He stated, however, that all cities have the hurdles. They have landscaping ordinances, sign ordinance, etc.

Councilman Merry stated he would give an example. One was a restaurant that was looking to redevelop the Teresa's property on Whiskey Road. They were looking at tearing the building down and redeveloping the whole site. It would probably be a \$3 million investment and employ 30 people. In the end because of the stormwater requirements they could not make the project fit on the property. They even looked at neighboring properties to look for easements or ways to discharge stormwater off site, but that could not be worked out. Because of our stormwater requirements we lost a \$3 million investment, 30 jobs and the redevelopment of an empty building on Whiskey Road. He said another example is Checkers on Whiskey Road. They had done a market research and found that the north side of Aiken is the perfect setting for a Checkers. The owner said he was not going through dealing with the City of Aiken with all the hoops that he has to jump through to build on the north side.

Mr. Pearce stated the city can always improve. He said he was not getting the phone calls. He said he needs to talk with these people. He said if there are complaints or somebody shares some concerns, if he does not know about it, he cannot handle it. Mr. Pearce pointed out the contrast is Fred Bennett with the group that is to build Dupont Pointe which is an \$8 million investment. Through the process that group has had nothing but praise for staff. He said some of the issues on the \$8 million project were last minute and required staff to act very quickly. He said staff is happy to resolve customer concerns. He said he does not know how to handle problems he does not know about or doesn't know the details. He said he wants to meet with these people to see what we can do to help.

Mr. Grinton stated when a person wants to develop property, there are certain state and federal stormwater requirements. He pointed out Whiskey Road is a problem area. Any development along Whiskey Road could potentially exacerbate an already bad situation. It was developed over many years and the stormwater is overburdening some of the areas. The water will run as the land elevations flow. The water has to be carried all the way to its logical journey. It gets blocked at Powderhouse Road. A lot of the water still goes into an outfall area. He said that is a problem with developing George's Pond as all these issues have to be addressed. If you do anything, you become the person causing the problems. He pointed out that some time ago an expert was hired by the city to evaluate some of these issues. Their conclusion was that in that area we need to have a more restrictive rule which means that the outfall should be a two year rainfall flow design rather than what you see in the County at 25 years. You actually improve it as you go. That has been the policy that the city has been following. He said property like Teresa's has all impervious area. You have to handle the water. You cannot cause harm to your neighbor. That becomes a very expensive or impractical engineering solution. The cost is an unfeasible economic solution. There are solutions with pervious pavement throughout the parking lot, rain gardens, etc. but that adds expense to the developers and sometimes that cannot be worked out. It was pointed out the Teresa's building could be redeveloped as it is without having to go through all that process. Mr. Grinton stated the rule is to help the city dig out from past issues. It was pointed out that a lot of the property in the area was developed before it was part of the city. Once the property is annexed, it becomes a city problem.

Councilman Ebner stated without some major money, development along Whiskey Road will be tough. He said we are seeing that now. He pointed out the water is going to people's back yards down to Powderhouse Road. When we put in any other businesses or drainage along Whiskey Road it gets down to Powderhouse faster. He said we are talking about millions of dollars to help the situation on Whiskey Road.

Ms. Abney was asked to continue her presentation. She pointed out last year that if the weather continued with dry summers we should meet the budget. She pointed out, however, the water revenues went down and we did not meet the budget last year. This year is not much better and is even below where we were last year. This is because of all the rain we received last year. She pointed out that if the weather is no better; we will be approximately \$700,000 or almost 10% short in water revenue estimates for this year. The expenses are more stable than the revenues because you still have the employees to pay, depreciation, electricity, chemicals, etc.

Ms. Abney stated she felt we may also be under budget with sewer revenue by about 1% or \$80,000 to \$100,000 short this year. She pointed out that the Enterprise Fund has to be self-supporting and pay all the expenses with revenues from the system.

She pointed out that water consumption is down and rainfall is up. When it rains the water consumption goes down. Ms. Abney stated staff updated the water and sewer rate comparison chart with similar size cities in South Carolina. She pointed out that a lot of those cities had a rate increase. She stated the state average is now 52% higher than Aiken and only Myrtle Beach has a lower rate than Aiken.

Council then discussed the revenues for water and sewer. It was pointed out the Enterprise Fund is supposed to be self-supporting. It was felt the water revenue would be \$700,000 short and the budget would not be met.

Mr. Pearce stated staff wanted to alert Council to the situation. He said there are two Council meetings in February. He said it is proposed to do a rate analysis for Council in February. He said the matter needs to be addressed now.

Councilman Ebner stated the problem is what we have been saying we are going to do, what Council votes on, and what we are doing. He distributed copies of part of the minutes of the January, 2012 Horizons meeting. He said the minutes state that Mr. Morris made a proposal to add three crews of two man crews, a total of 6 people. He needed \$150,000 for the three new crews, and \$350,000 to buy equipment. He asked where the \$350,000 came for the equipment.

Ms. Abney stated when Council approved the rate increase we started charging higher water rates. That revenue comes in, but it was budgeted as new money. In the budget process it was not said that the purchase of equipment would come out of depreciation funds. The purchase of equipment was from the rate increase. The rates were increased, the crews were hired, and the equipment was bought. We pay the employees every two weeks and their benefits, and now we are depreciating the vehicles and equipment bought.

Councilman Ebner asked that Council look at the agenda of March 26, 2012, and what Council actually voted on. He pointed out the wording in a memo from Larry Morris to Richard Pearce. "The budget includes funds for the Shiloh Radium Treatment Facility as required by the SCDHEC; to start design of treatment equipment at the Shaw's Creek Water Plant to address the disinfection by-products rule as required by the SCDHEC; one third of the new meters; the purchase of ACPSA Sewer Capacity; the Silver Bluff Water Treatment Plant; and funds to cover increased costs of service. The revenue generated by the current rates is insufficient to fund these costs. The budget request was reviewed to reduce costs. This review resulted in a reduction in the budget request of in excess of \$900,000 by delaying equipment purchases and reducing operating cost estimates. After taking the reductions, it was determined that an increase of 8% in the current water and sewer rates would provide the revenue to fund the capital and operating costs. This represents a 2% increase to keep revenue even with inflation in cost of service and 1% for each new employee."

Councilman Ebner stated he interpreted that 8% of \$14 million was money dedicated to these items. He said on top of this we have \$1.2 million in System Depreciation. He asked how others interpreted the 8% increase in rates. He said the water and sewer rates were increased 8%. He said 5% was dedicated to these four or five items, but the money just went into the pool. It did not go into a separate account to spend or pay off the debt.

Ms. Abney said when the water revenue is billed, a bill is sent to the customers. That is what the rates are as they went up 8%. That all goes back into the water revenue account. Mr. Pearce pointed out that is the discussion we had in November.

Councilman Ebner stated his point is that we raised the rates 5% for a specific entity. Mr. Pearce pointed out the total rate increase was 8% with 6% for 6 new employees and 2% to cover inflation. Councilman Ebner stated then that is 6% of \$14 million which is roughly \$800,000. He said that \$800,000 goes into the whole amount. Mr. Pearce stated the revenue goes into 002 water revenue which is the Enterprise Fund. Councilman Ebner pointed out what we said in the memo is that the money was to fund these items. Mr. Pearce stated that was the anticipated increased costs because we have the dedicated crews to work on water lines and water leaks. Councilman Ebner pointed out it said we were going to put in one-third of the water meters with that money. Mr. Pearce stated Mr. Morris estimated 2,000 replacements a year. Councilman Ebner stated he estimated 2,000 water lines and one-third of the water meters which would be 5,000 a year. He said he did not think we had done that yet. Mr. Pearce responded that we have not done 5,000 water meters. Councilman Ebner stated we have not done 2,000 water lines either.

Councilman Ebner continued to discuss the 8% rate increase and stated he could not trace the 6% increase.

Mr. Pearce stated the 6% rate increase money goes into the revenue for the Utility Fund. There is no separate revenue account for the rate increase. The rate increase goes into 002 as a revenue which is what we talked about in November.

Ms. Abney pointed out if we don't sell water, we don't have money. We don't have what we had in revenue and we don't have 8% more.

Councilman Ebner stated he understands that, but 6% of the 8% rate was supposed to be dedicated to do the functions listed. If we don't get the 6% increase in revenue then we don't do the functions.

Ms. Abney pointed out we hired the employees, and we bought the equipment. Councilman Ebner pointed out that we have not done what we said we would do. We have not changed one-third of the meters, and we have not done 2,000 service lines.

Mr. Pearce pointed out we have been in conversation with Badger. We have replaced some meters, but we ran into some issues with the new meter reading units. Then we addressed the stainless steel to replace the brass base. We have worked that out with Badger, the supplier.

Mr. Grinton stated he would try to address the issues in his presentation.

Councilman Ebner stated he was trying to trace the 6% rate increase, but you really can't trace it as it goes into the pot. He pointed out though if we don't keep our revenue coming in, then the 6% that we dedicated every year to fixing the leaks goes away. Mr. Pearce stated we do still have the expenses for the employees, except we do not have the full revenue we expected to have. He said we anticipate a 10% shortfall this year which goes back to last summer and the rains we had.

Councilman Ebner stated when we come to the raise it needs to be explained to some people better. He said when we talked about raising the rates 6%, he assumed the 6% would be there every year to pay to replace meters, etc., but as the revenue went down the 6% shrunk to 0%.

Ms. Abney pointed out we don't have separate little pockets for the rate increase. She pointed out when we had the 11.3% rate increase a few years ago, that was not put in a separate pocket. When we increase the rates it is supposed to increase the water and sewer revenue for the system. That is all based on the assumption that we are going to sell water. If the water sales go down, it does not matter how much we increase you are still losing revenue. We hired the people; we pay them every two weeks. We bought the equipment and still have the expense of running the equipment as we are using it. The revenue from the rate increase is in with all the other revenue of the system.

Mr. Pearce stated the Finance Director can tell you where the money is, and Mr. Grinton can tell you where the money is going.

Councilman Ebner stated he felt the crisis is not going away. He pointed out we have to make up the 10% revenue we have lost. He asked if the 10% increase includes \$1.2 million for system depreciation that is supposed to be done this year. He said that is in the budget. He said if the rates are raised 10% will it cover the \$1.2 million depreciation.

Mr. Pearce stated we will be prepared to answer that concern when we bring it to Council. Ms. Abney stated that is not a yes or no answer.

Mr. Pearce stated we had discussed this matter in November. We wanted to look at the experience we have through the end of December. He said we have that now and know that we have a projected deficit.

Councilman Ebner stated he was expecting the answer today. He said a 10% rate is great, but he felt it was more like 15% to even get close to this year's funding.

## UTILITIES UPDATE

Mr. George Grinton, Engineering and Utilities Director, stated he would review some of the responsibilities of the Engineering & Utilities Department. Other responsibilities include GIS, review of commercial and residential development plans, building permit reviews, and dedication reviews. He stated from an engineering perspective there are three engineers on staff including him. The reviews are part of what they do, but they also are responsible for water production, water and sewer, lift stations, storm water control, the airport, and engineering projects. He pointed out their first priority is they have to comply with all DHEC regulations. He said DHEC basically regulates everything with the exception of the airport, which is regulated by the FAA. He said a lot of their job is to make sure they are passing inspections, meeting standards and in full compliance. The second priority is to secure the long term future of the systems, making sure we have adequate capacity that is reliable, and the infrastructure is in good shape. The third priority is optimizing the operation so we are using our resources and getting the most possible out of them so the taxpayers are getting their full benefit for what they are paying.

Mr. Grinton started with the responsibility of water production. He stated the total water capacity is 16.9 million gallons per day. That could be increased some for a short period of time but not on a sustainable basis. When the Silver Bluff Water Treatment Plant is completed that will add 2 million gallons per day capacity to the system. That will raise our capacity to 18.9 MGD. He said the record peak day demand was 15.9 MGD in 2000. The highest peak day in 2013 was 12.1 MGD. He said in 2013 there was a calculated water loss rate of 17%. He said that is calculated by looking at the water that was billed and what was pumped to get the percentage. He said he did not know that the loss represented revenue lost, but does represent water that was produced but was wasted. He pointed out that systems leak, and you can't stop all leaks. He said his goal is to get the leaks under 10%. He said he plans to have activities to reduce the loss rate and will need to have consultants to look at the matter.

Mr. Grinton stated he had spent some time during his first six months full time on the job trying to gather some historical information to understand where we are. He said it is his understanding that we lost a lot of water usage when Owens-Corning had a big drop in their consumption.

Mr. Grinton stated presently we have sufficient water production capacity to supply our needs. He said 70% of our water comes from well production and in the future wells should be where we get additional capacity that we need because it is our lowest cost source. He said one of the things he felt we need to investigate to confirm is the long term sustainability of well water. He said one thing that we could do to make better use of the wells that we have is water storage tanks to maximize the production capacity of the wells. He said we have more capacity, but we do not have enough water storage. He pointed out 5 p.m. to 9 p.m. is the highest water consumption time. He said this depletes all the storage available. This primarily occurs on the southside. He said the Silver Bluff Water Treatment Plant will help with that project. He felt if we studied strategically placed storage tanks we could utilize the wells. He said when the tanks are emptied; we are basically pumping what we can get out of the ground as the wells are producing. If there were storage tanks, water could be stored in the tanks at night. In response to a question Mr. Grinton stated a 1 million gallon storage tank would cost about \$1 million. He said that cost is the tank itself as the property would have to be purchased and there would be cost involved in the connection. There was a question as to whether the city already has some property where a tank could be constructed. Mr. Grinton stated it depends on whether we are allowed to have an elevated tank or have to have a ground tank. He said he has a location near the Silver Bluff Water Treatment Plant where he felt a tank would be suited. We would have to purchase the property. He stated the department needs to investigate the calculated water loss rate.

Mr. Grinton stated the water production priorities would be to continue the preventative maintenance spending, including well rehabilitation, system and control valves, fluoride feeders, etc. He pointed out that well rehabilitation was what got us through last summer's production season. In previous years we were cited by DHEC and that is a

reason the Silver Bluff Water Treatment Plant is moving along. He said when people turn on their sprinklers our wells cannot keep up and the pressure goes down. The pressure is not allowed to drop below 20 psi per DHEC. When that happens citizens complain and DHEC starts investigating and that results in a citation. He said last year we did not experience that because we refurbished a Town Creek well. Preventative maintenance is very important. The Lloydtown Water Tank painting is on the Capital Projects Sales Tax III project. The tank is to be painted inside and out during the winter. He said they had been meeting with USGS out of Columbia regarding a water sustainability study. They are proposing that we do a modeling and further investigation in a very scientific method to define the well sustainability, calculate the water budget, how much you can withdraw from the ground water and have it always be sustainable. He said we have 48 inches of rain on average per year. A certain percentage of that runs off and goes into other water sheds. A certain percentage goes into the ground water. That replenishment rate can be consumed in effect forever. The City of Aiken is the highest consumer of water in Aiken County. We need to be sure our water sources are protected. He said he is proposing to do a water leak study in 2016 as he is already asking for many other things this year. He said as we accelerate our water meter replacement, he is hoping that a certain percentage of the 17% is under reading of water meters and once we accelerate the installation of the electronic meters the consumption goes up. He said he had looked for water tank storage evaluation. He felt seeing what we can do to optimize our wells would be warranted. The last project is replacement of the Vale water system. He said the Vale water system is the system that the city acquired many years ago. The Vale water system is a standalone system. It actually has very shallow wells. He said we are thinking about doing the same thing we are talking about at the Lloydtown water tank, that is, refurbishing the storage tank. The estimate for the work to do that will be about \$400,000. He said we have looked at a location where we could connect that system to the city water distribution system, but it is about 2 1/2 miles away from the system. He said to install a distribution line would cost about \$680,000, but we would also incur savings doing that. He said this project would address the DHEC concerns.

Council then discussed various items. Councilwoman Price asked Mr. Grinton if he knew of any upcoming regulations for wells. Mr. Grinton stated he was not aware of any restrictive regulations.

Councilman Ebner pointed out a pressure volume test was done in 2000. He said there is no question there are some pressure regulation problems. He felt the water leak study needs to be done. He said the study needs to be done in the summer. He felt the study would probably solve some of our pressure problems by putting in-line pressure reducing stations in some places it would boost the pressure in other places. He felt a water leak study would be money well spent as he felt it would tell us something about our pressure problems. He said regarding the water tank storage evaluation, the city owns land at the Silver Bluff Fire Station. He pointed out that about 4 or 5 years ago the neighbors said they did not want a water tank there so we spent \$700,000 to \$800,000 to put the tank where we have it. He felt we need to revisit putting a storage tank at the Fire Station. He said a tank could be placed there and with some plantings around it no one would see it. He said we have to go back and look at some of the things we did not do in the past.

Mr. Grinton stated he felt the water evaluation Councilman Ebner is talking about, if a true water distribution evaluation was done, you would get the answers to storage, pressure, etc.

Councilman Ebner stated he would like to see the two evaluations in the budget, and Council could vote on it. He said until the two studies are done we are kind of shooting in the dark.

Councilman Dewar stated his water pressure is higher than 90 and he understands it should be 60. He wondered if houses should have regulator valves. He asked if too much water pressure at a house would affect the system. Mr. Grinton stated he felt the end user does not affect what the city has, but that the city affects the end user. He said ideally they would target for 70 psi everywhere. He said there is no requirement for a house to have a pressure regulator. That is usually a developer's decision. He said he

had seen Public Safety's readings of pressures at the fire hydrants and they have quite a spread.

Councilman Merry stated as a builder and an insurance agent, it is a good thing to check your water pressure. It would be a good idea to have an article in the water newsletter recommending that residents check their water pressure.

Councilman Ebner stated he felt the water pressure study would help the distribution problems. The study would not be cheap. The study would tell you where you need to put in regulator valves.

Mr. Grinton continued his presentation talking about water and sewer. He said there are 43 employees responsible for many things. About 36 employees are actually in the field. Some employees are water plant production people and there is administration, supervisors, etc. He said those 36 employees in general are pretty experienced. The supervisors and team leaders are very experienced. The crews are blended so new people are with experienced people. He said there are experienced team leaders who organize the work of their team of about 3 people. There was a question if we have a crew to strictly change meters. Mr. Grinton stated we have a couple of people who are just starting that. He said we plan to utilize available time as well. He pointed out the Finance Water Technicians have about a week in the month when they have some extra time, and they are joining the utility crews to change out meters as well. There was a question as to whether there was an area of town where it might be more beneficial to change their meters first. Mr. Grinton stated we have not looked at it from that perspective. We have routes that meter readers follow. We are planning to follow the routes to change the meters. He said they selected Beaver Creek but ran into problems so we switched to the next route which is Crosland Park. We will do Crosland Park and go back to Beaver Creek.

Mr. Pearce pointed out that the Finance crew replaced over 100 meters in Crosland Park. He said that is about 20% of the area. He stated we did start out where we had the highest incident rates of water leaks such as West Pleasant Colony, South Meadows, the subdivision behind the Mall and the Cinemas. He pointed out they were doing service line replacements in those areas as well as meter replacements while in the areas.

Mr. Grinton said the policy now is that when we have to replace a service line, they will have meters with them so they can replace the meters at the same time. He said a lot of paper work needs to be tracked so we are working through that to make sure that it is accurate. We are coordinating and meeting with Finance Department to make sure we are together on the project and doing it right.

Mr. Grinton stated he felt we are now doing a better job on water and sewer emergency and regular leak repairs. He said every leak has the potential to tear up a yard, the sidewalk, or concrete or asphalt drive. He said a lot of repair work is created in repairing water and sewer leaks. He said the division does new water and sewer service taps. They do sewer line preventive maintenance and water line service replacements. He said they have replaced 633 service lines. They average about 43 per month. That is not near the 2,000 replacements that Mr. Morris thought could be accomplished. He said he does not see that happening. He said he could do it with more people and more equipment. He said this is a national problem. There was a question as to how many leaks we have now, and Mr. Grinton responded that as of today we have 14 leaks. There was a question of when there is a leak is the line replaced or the leak fixed. Mr. Grinton stated if we have the time we will replace the line. There was a question as to the response time when a leak is reported. Mr. Grinton stated someone checks the leak the same day and evaluates the priority of the leak. He said for a normal leak a locate has to be called in which takes three days. He said a week is the shortest time to be able to work a leak. He said the goal is to repair a leak in two weeks unless the leak is high priority.

Mr. Grinton stated they have implemented calling the customers regarding when a leak may be repaired. When the citizen calls in a leak, someone determines what the leak is, and will determine when we think we can get it repaired. We have someone who will call the citizen back to let them know when the leak may be repaired. The objective is to

get the leak repaired by the time we gave the citizen. If it has not been repaired we call the citizen to let them know they have not been able to repair the leak and give them another date to keep them informed. After the leak has been repaired the citizen is called again to see if they are satisfied with the work and whether we are coming back to repair the yard or driveway, etc.

Mr. Grinton then pointed out some of the requirements that he felt they are not fully fulfilling. He said they are supposed to be doing a main line water valve maintenance program. He said DHEC likes to see us exercise 20% of the valves every year so that every five years we would have run every valve in the system and turned the valve so in the event of a major leak you can go to the valve and turn it off. Another thing DHEC wants us to do is clear our right of ways for water and sewer lines. He said these are things you can let go, but you pay for them later. He said he sees the maintenance of right of ways as mostly being a winter type job when we don't have as many leaks occurring.

Mr. Grinton said water flushing is a program being done by James Bryant in the Water Production. He said flushing of the hydrants is done by Public Safety mostly in the summer. He said more flushing needs to be done and it needs to be very focused. He said Mr. Bryant is working on developing a program where his people can do some flushing work. He said he would like to meter the flushing so we keep track of the water being used. He pointed out there are some very old fire hydrants that need maintenance and replacement, particularly downtown. It was pointed out that fire personnel inspect some fire hydrants. Mr. Grinton stated fire personnel inspect the hydrants from a functionality perspective and may not be looking at it from a maintenance or replacement perspective. He said they will probably partner with fire personnel and help each other in this matter. Another thing he feels needs to be done is a sanitary sewer line inspection. He said we need to be more proactive in looking at our sewer lines. He pointed out that the camera which was purchased is used almost every day to determine problems.

Mr. Grinton said we have replaced 937 water meters. He said they are working with the Finance Department in experimenting with service order assignments so the utilities people can focus on them more. He said for the sanitary sewer infrastructure assessment you can do the same thing you do with a water assessment. He felt such an assessment would be very beneficial for us to understand how much we need to consider replacing some lines. He said they have been using the camera on the lines downtown. The lines are old terracotta pipe and there are some issues. One side looks pretty good, but the other side is not looking good. He pointed out that Gem Lakes is a high priority area where the sewer lines need to be fixed. He felt for future planning we need to do a sanitary sewer infrastructure assessment. He said we are making a list of areas where it is felt a camera inspection of the sewer lines and repairs are needed. He said the major projects for Water and Sewer are the Gem Lakes outfall gravity sewer line replacement and the Crosland Park sewer line replacement. He pointed out bids had been received for the Crosland Park project. He said he would need to get Council's approval for advancement of money from the Capital Projects Sales Tax III to proceed with the work.

Mr. Grinton stated they had organized the crews into teams led by a Teamleader. A program to track performance should be initiated. A citizen call back program has been initiated and a mulcher attachment for the bobcat has been purchased for the clearing of right of ways.

Mr. Grinton stated the main priority for the Lift Stations is preventive maintenance on 39 sanitary and 9 stormwater lift stations. He said we are working on providing redundancy in the pump-arounds. During times of power loss you can keep operating. Another thing is that we need to protect the gravity lines at the end of force mains from the Hydrogen Sulfide gas. He said chemical addition equipment had been installed on the Gem Lakes line and Woodside is next.

Mr. Grinton said on Stormwater there is a new state permit that we must meet. He said next year we must update our stormwater pollution prevention plan. He said a requirement that hits us for December, 2014 is the total maximum daily limit monitoring implementation. He said we need to have a plan to monitor TMDL. He said there is one

outfall that ultimately goes from Sand River to Horse Creek which has to be measured. He said the measurement would be at our outfall which is defined as going into the Woods. Councilman Ebner stated Dr. Eidson is pushing the other way for the City to take it all the way down past the Bypass. He said this really needs to be watched. He said stormwater runoff gets more and more serious. He said as things develop people downstream start flooding.

Councilman Dewar asked about the Houndslake pipe. Mr. Grinton stated there is some old corrugated pipe in the area. He said some work needs to be done on the gabions by Oakland Hills, and there is some problem with water from the golf course. The golf course is to share in some of the cost of the repair based on the water shed.

Regarding George's Pond Mr. Grinton responded there is the obligation we have to do some aesthetic improvements to George's Pond when we bought the property years ago. He said George's Pond is the first spot where the City sees issues with the stormwater on Whiskey Road and all the impervious surface. The idea is to take George's Pond, get the Lowe's Pond, and make some modifications to both of them so we could depressurize a future project to enclose the ditches on Whiskey Road. If that can be done, it will address the energy and the release rate, but it won't address what we talked about earlier regarding Powderhouse Road being a dam and the volume of water. It would slow the water down but the volume of water still does not have a place to go. There probably needs to be another detention pond. He pointed out the properties are in the County so it becomes complicated. If the City does something at George's Pond that worsens the other project, then it is entirely possible that the City would be accountable for it and could be sued.

Mr. Pearce stated there is the consideration of the Powderhouse issue where there is no pipe under Powderhouse. Powderhouse Road has become a dam. He said this is something he and Councilman Ebner had discussed as well as Mr. Grinton. He said the problem is why we had an initial conversation with the owners of the land where the Lowe's pond is because they have a facility there that could become a part of this. There may be an opportunity to take the road that runs behind the area and move it and have a better facility at George's Pond and incorporate Lowe's Pond. He pointed out the other project Mr. Grinton mentioned is that there is money in the STIP through ARTS to work on the stormwater ditches along Whiskey Road to fill in the ditches, put in pipe and put in sidewalks on down Whiskey Road. He said that project had been approved by Council as part of the Strategic Plan.

Councilman Homoki stated he thought the City bought George's Pond and paid premium dollars for it because it could handle the stormwater from Millbrook to the pond. Councilman Ebner said that was what was said and he questioned it. He said he questioned SCDOT as to why they had not approved the permit and was told there is a water problem. He said the problem is the size of the pond. When the water gets down there you release it slower, but you release it longer and it will flood the people further down. He said if you put a pipe under Powderhouse, you just move the problem to the next people's lots.

Mr. Grinton stated he thought Mr. George planned for water to be in the pond as an aesthetic. The pond has to be dug deeper.

Councilman Ebner stated Council was not told that the pond was too small. They were not told that it was a 12 foot deep pond. When it came to Council, and the state will confirm it to him in writing if he needs it, we did not have approval on our plan that we were told to buy George's Pond. Now we have to back up and do all the calculations. It covers 250 acres. The State has confirmed that this pond has to deal with 250 acres, and it won't do it. He asked what the George's Pond work involved. He asked if it would be dug deeper.

Mr. Grinton stated the project is to cover the cost of the modification, acquiring Lowe's Pond, making modifications both to Lowe's Pond and connection between George's Pond and the Lowe's Pond. He said the road may or may not be moved. He said Mr. Tilden Hilderbrand is working on an estimate for the work.

Council was concerned as to how they got the wrong information and who said the pond was sufficient. Councilman Dewar stated he voted against the project because he felt the cost was too much.

Mr. Grinton stated the stormwater projects were listed in priority order and the estimated cost is about \$2 million. The Chesterfield/Newberry Railroad cost is about \$1.468 million. He said that project can be done in phases. He said phase I is where we have the stormwater coming out at Chesterfield and Newberry, the down pipe that feeds the storm line that runs along the railroad. He said that is our responsibility, and if we don't do that we are running the risk of undermining the foundation of the bridges on both streets. Mr. Grinton stated the down comers need to be replaced and then it needs to go back under the road until you get to a stable point. Then phase II would be the whole system down the street.

Mr. Grinton pointed out the stormwater pipe needs to be repaired in Springstone and Ascot.

It was pointed out that until George's Pond work is done the Whiskey Road project cannot be done. Mr. Grinton pointed out that the stormwater projects he just reviewed are from the enterprise fund, 006 Stormwater. No money is in the Capital Projects Sales Tax for these projects as they are stormwater fund projects. Mr. Grinton stated he would do the highest priority project and the rest of the projects would have to wait until funds are available. It was pointed out that these projects would have to be considered in the upcoming budget.

#### AIRPORT

Mr. Grinton then reviewed projects which need to be done at the Airport. He said some maintenance work needs to be done, including crack sealing of Runway 1/19 which is the short runway. He said the work is recommended by South Carolina Aeronautics Commission. He pointed out Runway 1/19 is not a FAA maintained runway.

Mr. Grinton stated there has been a request from the FBO for some upgrading of the parking area on the abandoned runway for Masters parking so we can continue to attract corporate planes to the airport. The cost is about \$100,000. The cost would be from 029 Airport funds.

There was discussion on revenue the city receives from the airport. It was pointed out the FBO pays the city for use of the airport. Councilman Dewar asked when Council could discuss a change in the fuel flow rate that the FBO pays the city. He felt the city should get more money out of the airport. Mr. Pearce pointed out that Mr. Laver had shared with Council in the work session held at the Airport that he puts money into the airport operation. It was pointed out that the money the city receives from the fuel flow fee does not cover the cost for maintenance of the airport such as cutting the grass, etc.

Councilman Ebner asked about the RFQ for airport consulting services. He pointed out in September, 2012, the city sent an updated Exhibit A to FAA. Mr. Grinton stated the Exhibit A has to be redone. Councilman Ebner stated he was under the impression that the Exhibit A was the new layout and what is to be developed and not developed. He asked that Mr. Grinton check out what was sent. He said he was under the impression that it was Exhibit A.

Councilwoman Price stated the airport has been discussed over the past 25 years, and we came to the realization that the city would not make any money on the airport. She said the reason we decided to build the facility was because we knew that a new facility would be an attraction for the city and would market Aiken.

Mr. Grinton pointed out that he had included in the Horizons booklet a listing of the Engineering Projects and their priorities. He said the department is actively working on the projects on the list. He said funding is available for the first few projects. He pointed

out there are three engineers on staff that are trying to handle all the projects. He said they would do all they can on the projects.

## PUBLIC SAFETY

### Capital Projects

#### 1033 Acquisitions

#### Public Safety Concept

Chief Barranco stated he had had several questions about the Public Safety Concept. He briefly reviewed the history of Public Safety in Aiken. He said he was passionate about Public Safety. He pointed out that in 1970 a decision was made by Council to move forward with a Public Safety concept. That was when the cross training started. The origination of the theory was due to the ISO rating which is the Insurance Service Office rating. At the time Aiken's rating was a Class 5. Under the Public Safety concept the rating became a 4 and then in 1983 Aiken became a Class 2. Aiken Public Safety was the first Class 2 department in South Carolina. Aiken was the first Class 2 Public Safety Department in the nation. He said it was pretty progressive and continues to be. On the law enforcement side for the division to become accredited there are national standards that must be met. In 1998 Public Safety was accredited for the first time. He pointed out Aiken was the first Public Safety Department in South Carolina and the third in the nation to become CLEA which is the Commission on Law Enforcement Accreditation certification. Since then in 2006 Aiken was named a Flagship organization which is a step higher than the basic accreditation. In 2012 Aiken was awarded the Agency of Excellence which is in addition to the standard accreditation.

Chief Barranco asked why does Public Safety help and benefit the city. He pointed out at an accident there are usually some roadway issues and some type of medical care needs to be provided. He said the Public Safety Officer can do all of that. They are able to provide and have the equipment to help. The focus is not just from the law enforcement side to direct traffic and work the accident; it is also to provide some basic first aid and first responder skills if needed.

Councilman Dewar stated since there are so few departments in the state of South Carolina that are Public Safety organized, he asked if it might be time for Aiken to take a look at whether or not that is the best way for us to manage our police and fire needs from a financial viewpoint and from a training viewpoint. He pointed out to train a Public Safety Officer requires 50 weeks of training. If we had separate fire and police departments, the training would be half the training hours. He pointed out some of the people want to just be a police officer or just a fire fighter.

Chief Barranco stated he believes Aiken has a very efficient program and that the citizens get the best service. He said if a police officer shows up at a broken water pipe at your home, that is not something covered in their area. He said, however, Public Safety Officers keep water keys in their vehicles so they can help turn the water off. He said that may seem to be a small example, but there are many things and benefits of Public Safety. He pointed out if the departments were separated, we would need a large number of people in the department.

Councilman Dewar asked if there were any studies on the merits of one system versus the other. Chief Barranco stated there is and that Aiken is part of that study through the Michigan State University. The program is called Police Consolidation and Shared Services. He said Aiken is part of the survey because Aiken has been recognized nationally because of the efficiency and effectiveness of the program. He pointed out there are many different integrations of public safety. He said they are trying to find out what is most effective. He said the Michigan State University says Public Safety is definitely the way of the future because of providing better service to the citizens.

Councilwoman Diggs gave a personal example of when Aiken Public Safety was a first responder in 2008 when her daughter passed out. She said she was grateful that Public Safety responded so quickly and was there before EMS arrived. She said she had called EMS and was not expecting Public Safety to respond, but was grateful that they did.

Chief Barranco gave some more examples of where Public Safety has proven very effective, including the Graniteville train wreck. He said the Public Safety Officers team that went in there were so much more familiar with the equipment that had to be used but also had the law enforcement mindset to be able to protect themselves. He said Public Safety is called on yearly by the Aiken County Emergency Management to work with them and the equipment they use to rescue people. He said the most recent training they have done is some of the active shooter training through the FBI. The next phase of active shooter training is the response to and medical attention that needs to be given to those victims which is an area our Public Safety Officers have familiarity because of first responder training.

Chief Barranco stated Aiken Public Safety has been a leader in both police and fire for many years. He said other departments come to Aiken to see how we do things. He said we have the South Carolina State Fireman's Association Executive Board coming to Aiken next month. They want a presentation on Public Safety and how it works in Aiken.

Chief Barranco stated a program that Aiken has that many people are not familiar with is the Public Safety Cadet Program. He said the program is in its 53<sup>rd</sup> year. It was started to give young men and women the opportunity to attend college along with making some money. He said the program has grown. He said there are people all over the United States and world that have gone through the program. He said there are some Public Safety Officers who went through the program as Public Safety Cadets. He said part of the program is that you must be enrolled in college. Once they graduate they have an opportunity to become a Driver/Operator or Public Safety Officer.

Chief Barranco stated he had seen a letter from former City Manager Roland Windham written in 1988 regarding the advantages of Public Safety. Chief Barranco mentioned the top three advantages that he felt the program provides. He said it provides increased productivity as they are able to do more having been cross trained. It reduces the duplication in efforts in communications, records, and in crime and fire prevention. Another advantage is that it reduces a lot of wear and tear on equipment. He pointed out when there is a call the patrol car will get there before the fire engine as they are out in the area. Sometimes they are able to reduce the response by seeing the situation and sometimes being able to take care of the situation. He said he believes those are valued advantages today for Public Safety.

Councilwoman Price stated she was around when this was discussed in the 1980's. Initially in the 1970's the Public Safety concept was not warmly embraced. Even though many thought it was a good concept, after it was passed there were still some who tried to derail it. She felt the Public Safety concept has turned out to work well for the city despite all the obstacles it has faced. She felt for the most part it had worked well for Aiken. She said personally she would not want Aiken to go back to the old system.

Chief Barranco stated we have agencies not only from South Carolina but across the nation that come to look at our program. He said he felt Public Safety works very efficiently in Aiken.

Councilman Dewar asked if the computers in the vehicles are okay or if they need to be updated. Chief Barranco responded they are working with IT regarding the operating system for the computers.

Councilman Dewar asked about the Fleet Vehicle Replacement status listed for Public Safety. Chief Barranco stated he had listed all the vehicles and when they are eligible for replacement. He said a large majority of those on the list for 2014-15 will be proposed to be replaced. He pointed out that all listed for 2014-15 are depreciated so that means in theory there is money available to replace the vehicles. He pointed out, however, that the Dodge Chargers that were obtained through grant money do not have the full depreciation money for replacement so additional budget money will have to be provided to replace those vehicles.

Councilman Dewar asked if the new vehicles go to shift personnel. Chief Barranco responded the shift vehicles are on a replacement program. He said they want the shift personnel to have the newer vehicles. He pointed out there are two type vehicles. There are assigned vehicles to individuals and fleet vehicles that rotate. The fleet vehicles are replaced every two years. The assigned vehicles are replaced about every six years. He said that is on the schedule set up with Finance. He pointed out the fleet vehicles are driven more. He said there are a couple of vehicles on the list that were set up for three year and seven year rotation and he explained the reason. He pointed out Captain Shelley had been assigned to manage the fleet to look at the whole system. He pointed out that it is a priority that the shift personnel have the best equipment.

Councilman Dewar asked about the comment from the Council meeting that officers have to pay mileage for use of the car. Mr. Smith, City Attorney, stated that is a city-wide and actually an IRS rule. If someone drives a vehicle for personal use, then the person is charged a certain amount per pay check. He pointed out his wife has a company car. She can drive anywhere. They give her a card to put gas in the car. They charge her a certain amount every month for the vehicle. In return for that she does not have to account to the IRS for her personal use of the vehicle driving it to the grocery store, etc. It used to be they would check the mileage, that is, how many miles were personal uses and how many miles were company use. Mr. Smith pointed out if the officer drives the car home that is personal use of the vehicle. He said it is a federal law.

Councilman Dewar stated he did not realize that was a law. He asked in the city's case where do the employees pay the mileage from. It was pointed out it is the mileage from their house to the station. Ms. Abney stated we only count one trip per work day. The rate is not the same as the reimbursement rate for mileage. She pointed out what we don't do for marked public safety cars is add additional benefit. Other non-marked cars also have additional benefit which is taxed at the end of the year.

Councilman Ebner asked when the next ISO certification is due. Chief Barranco stated it is due in 2015, but they could come at any time with a week's notice.

Councilman Ebner asked if we know where the new fire station should be. He said he understood ISO had changed their philosophy to response time rather than road miles in determining the location of a fire station. He said he thought that the fire station was to be put somewhere in Citizens Park. Mr. Pearce stated on Airport Road at East Pine Log Road is what ISO suggested so it was felt that Citizens Park would be a good location. Chief Barranco stated the only other suggestion that ISO had is a projected station in the future somewhere around Huntsman and the By-Pass.

#### Law Enforcement Support Office

Chief Barranco stated the Law Enforcement Support Office allows a law enforcement agency to have excess Department of Defense property transferred to local law enforcement agencies. He said it is known as the 1033 program. He said it had been a great benefit. He showed pictures of some equipment obtained through the program, including a Humvee, 4 light towers, tools for Technical Rescue Team, electric vehicles, boots for tracking team officers, and first aid kits for officers. He said during 2013 the Aiken Public Safety Department had acquired items worth \$737,257. He pointed out the city pays a yearly fee of \$1,200 to be part of the membership of the program. He said it is sort of like GovDeals. You look on line to see if there is anything you would like. You have to make the request, and it has to go through the state and federal government for approval. The expense is basically picking the items up and the yearly fee.

#### Burn Building

Chief Barranco stated there is money in the Capital Projects Sales Tax for renovating the Burn Building. He said the building was originally built in 1979. It is the only burn building in Aiken County. He said certified interior structural fire fighters are required annually to participate in a live burn. He said they may set up hay and pallets to burn. Over the years the building deteriorates because you have a hot fire and throw cold water on it. The building was remodeled in 1999 at a cost of about \$51,000 which was a joint

effort with the Savannah River Site. At the time some of the brick was replaced on the outside. It was designed to allow changes in configuration so it was not the same building every time and those being trained would not know what to expect. Currently the building is closed for all live burns. It is used for smoke machines, etc. and we use it and allow others to use it for search and rescue.

Chief Barranco stated the building needs repairs, including replacing the fire resistive panels, the concrete Spaulding, and support for the upper floor in the burn room. He said to have the burn building helps a lot with our ISO rating with points for the burn building. He said we would like to fix the three areas mentioned and would like to add a cat walk or fire escape for training. He said the burn building assists with realistic training not only for new recruits, but also for veteran officers. He said it is proposed in the upcoming budget to do the design of the remodeling of the building.

Councilman Ebner asked how we move forward with renovations to the Headquarters Station. He said the building needs modernization with utilities and size of offices have changed with computers in all the cars. He asked how we get the renovation of the Headquarters Station and the Fire Station at Citizens Park going. He said a concern is that we have \$10 to \$12 million that we have not spent in Capital Projects Sales Tax II and in another three to four years we will be looking at Capital Sales Tax IV. He felt it was not good to say you have taken 14 to 16 years to build something that was approved in 2004. He said his challenge was that we get designs for the two buildings this year and start work next year.

Mr. Pearce pointed out the projects are in Capital Projects Sales Tax III rather than II. He said we show spending \$100,000 in the 2014-15 budget year and \$115,000 in 2015-16. Councilman Ebner stated we had money in CPST II and wondered where it was. Mr. Pearce responded that we have had the discussion before. He said the money in CPST II was spent on the training grounds and not the burn building. The burn building is listed separately in CPST III as well as renovation of the Headquarters Station. It was pointed out that the Training Grounds had a budget of \$100,000 but ended up costing \$937,000.

Councilman Ebner stated he knew we had been over it before. He said he wanted to be sure as his interpretation and that of the Attorney General is different from Mr. Pearce's and Mr. Smith's opinion. He said he wanted to be sure before he asks the question again. He said he looks at this as a cancellation of a project. He said the rules say you cancel projects at the end of the list.

Mr. Pearce stated what the South Carolina Department of Revenue talked about was the carryover of projects. Councilman Ebner stated if you don't carry the money over, then you have no projects.

Mr. Pearce pointed out that in Capital Projects Sales Tax III the citizens voted on the upgrades to the Burn Building and item No. 15 P.S. New Fire Headquarters.

Councilman Ebner pointed out that expansion of the Public Safety Headquarters basically got cut out. He said he just wanted to clarify that. He said the same thing was done with the Whiskey Road Improvements.

Mr. Pearce stated Renovations to the Public Safety Headquarters is Item 19 on CPST III so it was not cut out. He pointed out Item 15 is the Fire Headquarters for \$1.5 million which we were talking about with the ISO. The Burn Building is Item 6 for \$250,000.

Councilman Ebner asked if we could follow the schedule for them and do them now rather than move them from year to year. He pointed out we will be getting the money.

Mr. Pearce stated we do need to go ahead and have a plan in place so when the money is available we are ready to start construction. It is staged so we can get the design and then when additional money comes in do the work.

Councilman Dewar stated we could use the \$600,000 out of 016 for the Burn Building. Mr. Pearce pointed out that money had already been spent for the Training Grounds. Ms.

Abney pointed out the next item on the list shows that \$100,000 was allocated for P.S. Training Ground Improvements, but \$937,988 was spent.

Mr. Pearce stated if that is what Council wants to do, there is unspent money in 016 we can bring that to Council for approval. He said his understanding is that the money got spent on the Training Ground facility which is located in front of the Burn Building.

Councilman Dewar stated it is how you want to consider it. He pointed out Items 19 and 13 were not combined; it is that the P.S. Training Grounds was over spent just like the Pawnee/Neilson project was over spent.

Mr. Pearce stated he did not combine anything. He said the project was completed before he became City Manager.

Councilman Dewar stated as far as he was concerned the \$600,000 is still there as far as he can see. He pointed out there is about \$10 million left. He said he had not been through the chart to see what the \$10 million would do based on the uncompleted projects.

Mr. Pearce stated we have talked about this several times. He said staff went back and looked at the archives. He said the information was that the priority became the Training Ground which was the firing range and the classroom. He said that got way overspent by three quarters of a million dollars. He said the point is well made. He said when we show you the reserves of 016 which is CPST II there is money to spend. He said if you don't spend money on the Landfill and a couple of the other projects that are farther down the list, then there is money to spend on the Burn Building.

Councilman Dewar stated there is money to spend \$600,000 from CPST II for Public Safety Improvements. Mr. Pearce responded it is a listed item and there is money in the bank. Councilman Dewar stated he wanted to make sure the money we have left is sufficient to do what we want to do for 016.

Mr. Pearce stated that has been a question. He said we have talked to people regarding the landfill on the legal side. We had a concept with a nice meadow and observation tower. The problem was it exceeded the budget so we talked to other firms that Mr. Grinton and his group checked with to look at issues like the methane underground to see what, if anything, can be done with the landfill. He said we have the answer on the landfill. He said there may be a way to have money to spend on a listed item. He stated he thought the past thinking was that there was a total amount under 016 for Public Safety spending and instead of dividing it between the classroom and firing range and the burn building the money got spent on the training ground.

Councilman Ebner pointed out Item 35 Northside Recreation has \$2 million allocated. He said the rule says if you run out of money on any project above that project, you can use the money from the last project and cancel the last project.

Mr. Smith stated the ruling is the reverse of what Councilman Ebner said. He said if you finish Capital Projects Sales Tax I and you have money left over, and you pass Capital Projects Sales Tax II, the left over money from CPST I can be used to fund projects in CPST II.

Councilman Dewar pointed out that is what was done.

Mr. Smith stated if you don't fund all the projects in CPST I and you have already passed CPST II the law does not say you can use CPST II money to fund CPST I projects that were left over.

Councilman Ebner stated he misstated. He said the state law says you spend the money in sequence unless there are undue circumstances. He said the intent was that if you overran some items at the top of the list and you ran out of money as you got to the bottom of the list, you just would not fund the last project by law. He pointed out Item 35 has \$2 million for Northside Recreation. He said if we need money for any of the

other 34 items the money comes off the item on the bottom line. He pointed out the project was separately listed, but you don't do the last project if you run out of money for the projects above it.

Mr. Pearce stated it was not in the list of projects, it was separately listed on the ballot, specifically designated.

Mr. Smith stated some members of Council disagree with him on this point, but the ballot does say that Council has the opportunity to modify the order of the projects. He said the ballot says that and the Supreme Court did not say that was not appropriate in the Florence County ruling. He pointed out Florence County has the exact same ballot that Aiken has.

Councilman Ebner stated we disagree how the money is getting spent. He said the law does not say we can combine two or three of the projects. In CPST II you can't combine three projects together that don't have the same title. He said that is his argument point.

Mr. Pearce stated the DOR opinion and the court opinion that Mr. Smith is referring to say that you can carry projects over.

Councilman Dewar stated the law says and Council passed a motion that said we do the projects in priority unless there are extenuating circumstances. Mr. Pearce pointed out that Council reserved the right to reorder the projects on the ballot.

Councilman Dewar stated he did not agree with that and felt the ballot was in violation of the law. Councilman Dewar stated if we start with project 1 and do the projects in order, if we run out of money before we get to project no. 35, then project 35 has to get carried forward to CPST III 017. He said that is what he understood the law to say.

Mr. Smith said the question is if No. 35 was on CPST II and there was not enough money to fund all CPST II projects. He said the Supreme Court recognized in the opinion that there was the ability to continue the tax as a continuous tax and did not have to do what Council is talking about doing - wait until all the money comes in from CPST II and all the money goes out of CPST II and then you see you don't have enough money. Then you have to reimpose project 35. He said the Supreme Court said they did not believe that was the intent of the legislature. They felt it was okay to maintain CPST I and before it runs out pass CPST II and before it runs out pass CPST III.

Councilman Dewar stated if we run out of money before we get to item 35 what do we do about item 35.

Mr. Smith stated if the item is not on CPST III, then there is no money to fund item 35. If you want to reimpose it on CPST IV Council can try to do that.

Councilwoman Price stated she wanted to make it clear with Item 35 on CPST II which is further construction and capital improvements on the northside recreation park that before we start saying we may not have enough funds that we make sure that we let people know what Item 35 is about.

Mr. Pearce stated Item 35 is a separately stated item on the ballot that says the next \$2 million collected under the Capital Projects Sales Tax shall be distributed as received to the City of Aiken for further construction and capital improvements of a northside recreational park.

Councilman Ebner asked if we had bought the tourist bus yet. He said it was in the budget, and we only have a few months left in this budget year.

Mr. Pearce stated we have received some pricing, and we have looked at some alternative fuel vehicles.

Councilman Ebner asked what alternative fuel meant, gasoline or diesel. Mr. Pearce said alternative fuel could be fuel cell, electric. Councilman Ebner said we can't go down that

road. We can't afford it. Councilman Ebner asked if the bus would be ordered in the next five months. Mr. Pearce stated it would be done in this budget year.

Councilman Ebner pointed out that in CPST II we have about \$9 million for parks stuff. He said we really need to move forward with that. He wondered how we can get that off dead center. He said we met in September about it. He said we have talked about the methane issues at least five times. He said we have not solved it in five years. He asked how we can legitimately move on with this and do the other park work that we are supposed to do. He asked if it was an engineering issue or funding issue but that we need to get a true engineering report on the landfill so we know what is good ground and what is bad ground. He said we talked about that last time.

Mr. Pearce stated that is what we have taken a look at. He said if the sentiment of Council is that the landfill project is not viable that would free up just under \$3 million.

Councilman Ebner stated we don't have a report yet that tells us it is not viable. Mr. Pearce responded we do not have such a report.

Councilman Ebner stated if we could get such a report, then he felt Council could act on the matter.

Mr. Pearce stated we have a firm that is willing to take a look at the landfill to see what the feasibility would be. The cost is under \$10,000, and it would take about three months.

Mayor Cavanaugh stated a study seems to be a starter for doing something about it.

Mr. Pearce stated we have a concept plan, and have an engineering study of it done. The concern is the methane. There are cities that have dealt with that, and they have public facilities. They have recreational facilities, but they cost a lot more than \$2.75 million.

Councilman Ebner stated he felt it is literally as simple as getting someone to give us a report on the boundaries of the methane. He pointed out if we don't touch the methane, then we don't have to do anything.

Mr. Pearce stated that is where we are trying to get.

Councilman Dewar stated if we get that study done, it will give us an answer.

Mr. Pearce stated he would verify that. He said it is his understanding that they can come up with the borders. He said that was one of the goals of Council last year. Councilman Ebner stated we need to decide which way we are going to go and then move on. There have been suggestions of other land that could be used. He asked if we had looked at any of the suggestions of land to see if the land is available. Mr. Pearce stated he had, and it is available for a price.

Councilman Ebner stated we have money from CPST II. His concern is that three years from now we may be talking about CPST IV and we have not spent the money from CPST II.

Mr. Pearce stated he had had ongoing conversations with numerous parties for a year. He said his impression and assessment of where we stand today is that in the first quarter of 2014 we will have some answers to the questions that Council has had over the past year, including Eustis Park.

#### NORTHSIDE REVITALIZATION INITIATIVE

Ms. Emory Langston, Neighborhood Services Coordinator, stated she would update Council on what is happening on the Northside Revitalization Initiative. Since the worksession in July we have been working very hard to address some issues and make some progress. She said she had been working to develop and redevelop partnerships and working on relationships that support the Northside Revitalization. She said there

have been some very positive steps forward, and there are more positive steps to take on the northside.

Ms. Langston pointed out that the City had been approached by the National Civic League about the All America City. She pointed out that was very important to the city back in 1986. She said we have an opportunity again to highlight some great things that the City of Aiken is doing in the city with our partners and looking toward making an application to the National Civic League for the All America City.

Ms. Langston stated she wanted to highlight some initiatives being taken on the northside that we will be including. The National Civic League wants to see civic involvement. They want to see partnerships and innovation. She said there are many examples of that. She pointed out one example that we will be able to highlight on the northside is the Rural Health Services with Margaret J. Weston Center. She said that is a health care center for everybody. She said a medical center that accommodates everyone really enhances our holistic approach towards the revitalization and redevelopment on the northside with services from birth to geriatric, women's issues, men's issues, pediatric issues. She said this started from grassroots and has come to be such a wonderful asset that will be on our northside. It will be located in a low to moderate income area. She said we would be highlighting that as part of our All America City initiative.

Ms. Langston stated the theme this year for the All America City is health and wellness. She said that is very important to what we will be conveying in our application, with Rural Health Services being very much in health and wellness. She said we have identified two other areas where we can show the City of Aiken with health and wellness. She said we would be incorporating and looking at the holistic approach on the northside with the Aiken Safe Communities. She said Aiken Safe Communities has had a big role in the continuing improvement that we are seeing in our northside. She said the initiative is new, but the things that are being put into place are making a difference. She said the whole northside issue is very much a team approach. She pointed out the Aiken Public Safety had done an amazing job with support on the northside. She said there are multiple officers in Crosland Park. She said the neighbors in the area are very pleased with what is being done.

Ms. Langston stated the application for the All America City will focus on three areas, and the application will be completed in March.

Ms. Langston then reviewed what is happening in the Edgewood community. She pointed out the city owns some lots in Edgewood. There are some stormwater issues in Edgewood. We are in the process of having a hydrology review conducted in Edgewood so we can identify where problem areas might be and what will need to be addressed. We are also reviewing the current infrastructure in the neighborhood for preparation for possible development. She said we want to know what the problems are before we go forward with any type of development. She said there is a cluster opportunity on Kershaw Street where the city owns several lots together. In the fall Council approved the purchase of 602 Kershaw Street. That is an issue that is still going on with the real estate agent to get that pushed forward. We are looking at a possible partnership to develop on Kershaw Street in the cluster area. An RFQ is being developed for three other lots that the city owns for residential construction.

Ms. Langston stated Toole Hill is a successful neighborhood that continues to thrive. She pointed out that Habitat for Humanity constructed a home on Hampton Avenue. She said she met with the Toole Hill Neighborhood Association in the fall and looked at the lighting issues, and they addressed areas where lighting is a concern. She pointed out that the Public Services Department has addressed some areas of overgrowth in the neighborhood. She said the neighbors talk to each other; they talk to the city and let us know what is going on and their concerns. She pointed out Toole Hill has a community garden. She pointed out the lot for the garden is very exposed, and we are looking at putting a fence around it to define the garden. She said she talks with the president of the association often.

Ms. Langston reviewed the status of Governor Aiken Park. She said the Governor Aiken Park neighborhood has many positive activities. There is a very strong neighborhood association. During the last fall they did several programs in the neighborhood. They had a meet your neighbor night. They are very in tuned with what is going on in the neighborhood. On Veterans Day they made sure that all the veterans of the neighbors received a flag. They make sure that if there is a concern in the neighborhood that there is transportation. They make sure the residents are registered to vote. She said stormwater issues are being addressed with new stormwater pipes. Lighting issues have been discussed with the neighborhood association.

Mayor Cavanaugh expressed the feeling that lighting is very important in these areas to help prevent crime.

Ms. Langston then moved to Crosland Park. She said one home had been sold in Crosland Park, and one home is under contract. She said interest in Crosland Park is increasing. She pointed out the real estate partners, the financial partners, and S.C. Housing are working as a team, and we are seeing some positive steps in Crosland Park. She pointed out that Public Services had done a tremendous job in cleaning up of the right of ways, the overgrowth, and the removing of the dead and dying trees. She said some of the areas were very overgrown and the clearing has made a huge difference. The neighbors feel with the clearing that the area is a safer place. She said there is a healthy community garden in Crosland Park. She said in an effort to improve the entrance to Crosland Park a split rail fence has been erected. A new sign is being made for the community garden and the Community Resource Center.

Ms. Langston stated there were three targeted areas for tree and root removal with asphalt repaired which Public Services did. She said they also took a look at the lighting issues in Crosland Park to identify dark spots in the neighborhood. She said in looking at the Sommer Street corridor, which Council discussed at the work session in July, three houses have been abated of asbestos and demolished. She said there are some professional planners who can take a look at the approach for the Sommer Street corridor. She said looking into the concept template she thought a fee of between \$50,000 and \$75,000 would be the cost to have some planners look at a proposed development on Sommer Street. She said that approach could be implemented in other areas as well. She said One Cent Sales Tax is available for a possible study and the Aiken Corporation is willing to release funds for the development plan as well.

Ms. Langston stated there is a tract adjacent to Crosland Park on the park side going toward the interstate that could be identified as additional space for development. She said she continues with the marketing campaign to sell houses in Crosland Park.

Council then discussed various items. Mayor Cavanaugh asked if other real estate agents are helping market houses in Crosland Park.

Ms. Langston stated the city's partners are Meybohm, Aiken Properties, Harper Realty, and Woodside and other realtors are looking at city properties and are positive about what the city is doing.

Councilman Dewar asked if the houses that are to be abated are going to be demolished. Mr. Pearce responded that they have been demolished. Councilman Dewar pointed out there are others listed that are to be abated, and he wondered if the others would be demolished. Mr. Pearce stated we are trying to sell houses to create funds to have the abatement done. He said the abatement is being done in-house.

Councilman Ebner stated he had driven through Crosland Park on every street. He said it is obvious which houses belong to the city. The windows have plywood and the plywood is painted. He said he thought money could be directed to take those seven houses down. Mr. Pearce stated if Council is comfortable with that we are ready to demolish them.

Councilman Ebner asked about the houses that CDIC rents from the city. He asked if that is viable. He pointed out the agreement was that they would keep renting them until somebody moves out. He suggested that if somebody moves out we should go ahead and

close the houses out. Mr. Pearce stated he felt it was time to convert them to homeownership when the renters move out. Councilman Ebner pointed out those houses have not been renovated, and he wondered if they were in shape to sell. He stated since that was Council action, he wondered if there needed to be Council action to say that when the current renter moves out, don't rent it any more. Mr. Pearce stated it had always been said that the project is focused on homeownership. He said as Manager he would take the suggestion as a directive from Council that we get out of the home renting business into homeownership. Councilman Ebner stated he did not want to throw people out of the rental homes, but if they moved out he felt that was the time to convert to homeownership and not rent them any longer.

Mr. Smith stated if we want to lease property that the city owns to somebody, City Council has to approve that lease. He said if there is a house owned by the city and nobody is living in it, before it can be rented again Council has to give their approval.

Councilman Ebner stated if we have somebody in a rental house and they are still in it that is okay to continue the rental. However, if they move out the house cannot be rented to somebody else. Mr. Pearce stated then the house would be converted to homeownership.

Mr. Pearce pointed out the original thought when renting the properties was to have people repair their credit and then buy the houses.

Councilman Ebner stated he felt we need to look at the rental houses. He felt we should not spend \$50,000 to \$60,000 renovating them. He felt as people move out of the rental homes CDIC needs to be notified not to rent the houses any longer. Then the houses need to be put on the demo list. He pointed out there were also two houses that are leased to own. One is on the eviction notice. The occupants in the other house have been in the house for four years. He wondered about the status of that house. He pointed out the houses were renovated and leased to own. He pointed out there was also another house, he thought it was 1258 Aldrich, that was leased to purchase. The person was to renovate the house. Mr. Pearce stated that did not work out. Councilman Ebner stated we need to analyze that house and give some feedback as to whether that house is salvageable. He said that house probably is not worth fixing. He thought the house is empty now. Mr. Pearce stated he would check on these houses.

Councilwoman Price stated she recognizes that the City is not in the rental business, and we have to move forward to get someone in the houses. She said there is a reason the City got into the rental business in the beginning. She reviewed the situation of a renter of another house and pointed out since 2010 the husband left the person. She has five children; she has cancer; a child is on a ventilator; another is asthmatic. She is trying to repair her credit, but based on circumstances that will be tough for her. She said her case is not isolated. She said there has to be some compassion in terms of our realizing that there is a need for some rental properties.

Councilman Ebner stated he did not say to throw the renters out, but not to rent it again when the present renter leaves. He said he is talking about voluntary vacating.

Councilman Dewar asked if an ordinance is needed to buy more property in Crosland Park. Mr. Smith responded that property is bought by resolution and property is sold by ordinance.

Councilman Dewar stated he wished we had a big picture program of Crosland Park. He wished we had a sense of where we will end. Mayor Cavanaugh pointed out that we are dealing with Sommer Street and talked about that being an area to build houses.

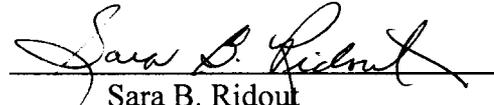
Mr. Pearce stated Ms. Langston was talking about having a consultant to present a concept for Sommer Street and then possibly using that concept in other areas.

Councilman Ebner stated he appreciated whoever talked to Mr. Zackman as he had cleaned up the four houses across the street. He said that is the activity we need. He said sometimes a simple cleanup goes a long ways.

Councilman Homoki asked if the Aiken Corporation was involved in housing in Crosland Park. Mr. Pearce stated there is one house on Aldrich that when it closes the Aiken Corporation will get \$35,000 from the sale. He said the Aiken Corporation is also interested in a concept plan and putting money towards house construction in Crosland Park.

ADJOURNMENT

The meeting adjourned at 5:25 P.M.

  
Sara B. Ridout  
City Clerk

Aiken City Council Minutes

February 1, 2014

Aiken's Horizons

Present: Mayor Cavanaugh, Councilmembers Dewar, Ebner, Homoki, Merry, and Price.

Absent: Councilwoman Diggs

Others Present: Richard Pearce, Gary Smith, Stuart Bedenbaugh, Ed Evans, Glenn Parker, Kim Abney, Charles Barranco, George Grinton, Tim Coakley, Alicia Davis, Sara Ridout, Gary Allington of the Chamber of Commerce, Maayan Schechter of the Aiken Standard, and Avery Spears-Mahoney, Derrick McLane, and Melissa Viola of the Aiken Young Professionals.

The Aiken City Council met at Rye Patch at 100 Berrie Road SW for continuation of their annual Council retreat called Horizons 2014, beginning at 8 A.M. with breakfast.

AIKEN YOUNG PROFESSIONALS

Mr. Pearce stated three members of the Aiken Young Professionals are present to give a report to Council on their activities for the year and goals they would like to see happen to attract young professionals to the downtown.

Mr. Derrick McLane thanked Council for giving the Young Professionals the opportunity again this year to speak to Council about their ideas. He said they would share with Council ideas collected from their members.

Ms. Melissa Viola reported on the activities of the Aiken Young Professionals during 2013. She said 2013 was their sixth anniversary. In February, 2013 they had 250 members and are shooting for 300 members in 2014. She read their mission and vision. She pointed out the mission is based on three main points—networking, education, and community involvement. She said last year they tried to focus on the mission and tried to execute each one of the components. Last year they had 11 third Thursday events. They added an event this year called Small Group Happy Hour and had 12 of the events. They focused on the component of education and professional development. Last year they had a public speaker come and make a presentation on public speaking. They had a seminar on understanding balance sheets and budgets. She pointed out they may change the focus of their Lunch and Learns and may have some of Council do a Lunch and Learn with them. She said she wants to get the members familiar with the local government and local leaders and get the members involved in different areas. Another component was their voice in the local community. They spoke at a City Council meeting. Members were appointed to certain boards. She said they partnered with the Aiken Parks, Recreation & Tourism Department to compile the Fun Map which lists attractions in Aiken. They also consulted with Global Spectrum at USCA and are involved with the Aiken Playhouse as far as their opinions on what kind of entertainment would appeal to their crowd. They also partnered with several sponsors for the first Oktober Fest. She presented a list of various organizations with which members of the Aiken Youth Professional members are involved. She pointed out the persons are involved in the clubs and organizations because of their involvement with AYP. She said their members are focused on getting involved and being leaders in the programs of other organizations. She said they feel like their voices are being heard.

Ms. Viola stated their members are interested and are involved in various organizations. She said their group is a very diverse crowd. She said they have people that love being involved and are looking to be involved. She said they had 260 members last year, but their emails go out to over 500 people. She pointed out the group grew tremendously last year. She pointed out as a group they completed over 600 hours of community service last year. She said they are very proud of their community involvement. They assisted in

collecting funds for local charities. She said 2013 was a busy year. They more than doubled their community service and involvement.

Mr. McLane stated that Ms. Viola was the 2013 Chair of the AYP and did an excellent job. He said he would be the Chair for 2014 and hoped he could do as good a job. He pointed out Ms. Viola reviewed a lot of the outcomes from the presentation to Council last year. He said those are things on which they have seen progress as a result of their presentation to Council. He presented a wish list for 2014. He said some are the same from last year, and they are still very important to AYP.

Ms. Spears-Mahoney stated they made a list of three categories, including green space, infrastructure, and recreation programs. She reviewed the list for green space. She said bike corridors connecting outlying neighborhoods to downtown such as Whiskey Road, Richland Avenue, and Banks Mill are important to AYP. They listed bike stands downtown as something they would like. It was pointed out there are two bike stands at the Administration-Finance Building. They would also like more seating and congregation space downtown, including outdoor furniture such as a picnic table. They would like promotion for more downtown businesses to have more café style seating. The AYP group likes the outdoor seating. They also want to ensure that green spaces are included with new outlying developments and that trees be left rather than being clear cut during development.

Mr. McLane stated there were comments for continued support of public school capital improvements. They would like the development of affordable and appealing housing options in the downtown district. They talked about the opportunities that may arise from the new County Complex building, and the revitalization of Gyles Park. He said they want to live downtown, bike downtown, and walk downtown, but can't afford a \$250,000 condo. They would like to create downtown markets on weekdays for vendors on nights and weekends. They would like continued support and improvement of a variety of entertainment options in downtown. He pointed out they love events such as the Lobster Race and the Oktoberfest. Another thing they would like is Wi Fi downtown. He said he did not know how much that would cost or what is entailed. They would also like to diversify the downtown small business community.

Councilman Dewar pointed out that the Aiken Public Library has a Wi Fi connection. He said many businesses are afraid to have the Wi Fi because of security reasons. He said that may be a marketing effort to convince them they can provide Wi Fi to their customers. He pointed out McDonald's does it, as well as Burger King, and most of the fast food restaurants.

Ms. Viola pointed out that in some of the bigger cities the city provides a city-wide Wi Fi and that perhaps something could be done like that for the downtown area.

Mr. Pearce responded that the city has pilot projects at the Smith-Hazel Center and the Weeks Center.

Ms. Spears-Mahoney then reviewed the suggestions for recreation programs. She said most had been mentioned in the past. They include: adult sports league to foster fellowship and new relationships, lights with timers at Citizens Park, Color Run downtown, a 5K in Hitchcock Woods, bike rentals for downtown use, and a consolidated community calendar developed by partnering organizations. It was pointed out there is a community calendar and anyone can download something after they get a password. It has been marketed, but it seems to be a matter of getting all the people who monitor calendar events together. It was pointed out that there are many things going on in Aiken. Mr. McLane stated there are events, but what is frustrating is why a 27 or 28 year old that has been in Aiken for six months is sitting in his apartment. He asked why 20 and 30 year olds do not know about the events, but have to go to Augusta and Columbia to do something. He said that is not the case. He said it is frustrating in trying sometimes to share with other people the experiences they can have in Aiken. There was a question as to how they hear about events in Augusta and Columbia. It was pointed out that young people don't read the newspaper. They communicate with Facebook and Twitter. It was

pointed out that AYP get their information from Facebook and Twitter. It is not just the city or organization posting something, but AYP members talking about it and sharing it.

Mr. McLane stated the last suggestion was a food truck touring showcase Ms. Spears-Mahoney said she was working with Kati Rabun at The Mill on a food truck and incorporating that into an outdoor market on Saturday morning for downtown. Mr. Pearce stated there had been discussion about having picnic tables under the arbors on Newberry Street. Ms. Spears-Mahoney stated she is talking with Elizabeth Harm about having the Farmers Market coming downtown on Thursday evenings, having Bluegrass and getting people together. Mr. Pearce pointed out the city has mobile bleachers and stage and, as the events build, the city has those facilities available. He pointed out that possibly Wi Fi in the Newberry Street Festival might be a good pilot project as opposed to trying to cover all of the downtown.

Ms. Violo pointed out that the AYP group is here not just to help plan things, but they are here to help execute them and bring in crowds and work the events.

Councilwoman Price pointed out that Oktober Fest was successful because of AYP and the way it was marketed. She said there was concern about attendance, but the crowds came. She said AYP has an incredible group of enthusiastic young professionals who are willing to share their ideas.

Mayor Cavanaugh suggested to the AYP that they think about sponsoring a marathon walk. He said his wife had attended one, and it was a great event. He said it could be not only for the Young Professionals, but could be to raise some money for a non-profit organization. It was pointed out that some of these events can bring in lots of people.

#### MUNICIPAL ASSOCIATION AWARD

##### Public Safety

##### Safe Communities Program

Mr. Pearce stated Chief Barranco would talk a few minutes about the application for the annual Municipal Association Achievement Award. He said he had mentioned to Council that we were proposing to submit our Aiken Safe Communities Initiative. He pointed out that the proposed application is in the Horizons booklet.

Chief Barranco stated they were excited to present the Safe Communities Initiative as the Achievement Award in the Public Safety category. He said the written application is due February 12, 2014. If we get to the presentation portion that will be March 24 and 25, 2014. He pointed out the six categories on which the application will be judged, including innovation. He said Aiken is the only municipality in South Carolina with the program focused on violent crime. It is felt the program is an effective use of our resources. We recently reassigned some things in the department to make sure we were adequately staffed in being able to communicate with the different agencies. It is felt the program falls in line with the city's overall vision for lowering crime and promoting safety, attracting businesses and boosting the economy. He pointed out that the Public Safety Department partners with 16 different law enforcement agencies operating in their specialty. He said the program has enhanced communication between the agencies. It is also a growing base for our community partners.

Chief Barranco stated regarding the question on quantifiable results, the statistics from SLED show an 8% reduction in violent crime which includes weapons violations. One of the high marks in that category is murder. Aiken had 7 murders in 2012. In 2013 we had 1 murder. Burglary was down 12.5% in 2013 and robberies were down 17.5% in 2013. He said he believes the focused deterrence on the violent offenders has made an impact. It is also felt that the relationships with the community have made an impact as well. Regarding adaptability in other towns, Chief Barranco said the program is not something that costs a lot of money, but a lot of sweat equity and building relationships with the community makes it effective. He showed some pictures of various events in working with High Point, North Carolina, to set up the program and pictures of community engagement events, such as Coffee with the Cops, Community Café, Citizens Academy, etc.

Chief Barranco stated the submission does highlight some of the law enforcement efforts, but it is felt the strength is the community engagement and the partnerships that we have to make our city better and safer. He said the program is still in its infancy. One of the new additions is Safe Business, partnering with the downtown and other area businesses, and working with them about shoplifting, fraud or counterfeit checks, etc. He pointed out that the Aiken Young Professionals have worked with Public Safety on different projects. They will keep them engaged and get input from them.

### GOALS

Mr. Pearce stated it was time for Council to talk about goals for the next fiscal year which will help staff with budgeting presentations and work sessions this spring.

Mr. Pearce reviewed and gave an update on the goals for FY 2013-14 with Council discussing the present status of the goal and Council deciding whether to continue the goal for 2014-15.

Mr. Pearce stated the first goal under Short-Term Goals was about continuing to improve communications with various types of media. He felt this goal would be appropriate as a continuing goal, based on the experience and conversations with the Young Professionals. He said it is one thing to say we have these various communications that we utilize, but it is another thing to find out what the audience that uses the technology is expecting. He felt that goal could be a continuing goal because of the advancements that are made.

Mr. Pearce stated there had been conversation in yesterday's session regarding Goal 2 about the design for a Senior and Youth Center at Eustis Park. The ongoing question about that has been an appropriate location. He stated he had mentioned yesterday that in the first quarter of 2014 that we might have a better idea of a potential venue.

For Goal 3 Mr. Pearce stated Mr. Grinton had talked about water, sewer, storm drain, and roadway repairs as part of our annual budgeting process in his presentation yesterday and has the Capital Projects listed. That listing will be received by the Planning Commission at their February 11, 2014, meeting. He said a copy of the projects as well as the projects for the Capital Projects Sales Tax II and III was included in the Horizons booklet.

On Goal 4, Mr. Pearce stated Ms. Emory Langston had talked about the Crosland Park Redevelopment Project and the Northside Revitalization program in her presentation yesterday. He said we do have a path forward on that project. He said he did have a conversation with Councilwoman Diggs yesterday, and she would like for Council to have a goal that specifically mentions work being done in the Edgewood Subdivision as part of the Northside Revitalization.

On Goal 5, Mr. Pearce stated Ms. Langston had talked about Edgewood in her presentation.

Mr. Pearce stated Goal 6 was opportunities to partner with the Aiken Corporation on new projects in order to continue to improve our community. He said after closing on the house on Aldrich Street which is anticipated to be this month, we will cut a check for Aiken Corporation for \$35,000. That means their housing account will be very close to \$300,000 total. They have expressed interest through the Executive Committee to partner with the City on some residential construction, but they would like to see, particularly in Crosland Park, a more comprehensive concept and an end point before committing funds to a particular project. Ms. Langston discussed in her presentation yesterday the potential cost for developing an area. We are in the process of developing an RFP or RFQ for that area.

Mr. Pearce stated Goal 7 was to develop a plan and renovate the first floor of Aiken City Hall on Park Avenue. He said the consultant of JLA out of Mt. Pleasant, SC, has scheduled a stakeholders meeting in the Conference Center for February 13, from 11:30 a.m. to 1:30 p.m. with a bag lunch. He said Council is invited to attend. He said the

consultant had said this meeting should be a time for the stakeholders—the users of the facility. Mr. Pearce said there had been several discussions about the space and whether it should be a meeting facility, city offices, or some combination of uses. He said an architect and structural engineer has looked at the first floor of City Hall. He then showed some drawings to Council of the area and the layout of the first floor of the building. He pointed out the block downtown that includes lodging, food, and meeting space between Park Avenue and Richland Avenue and Laurens Street and Newberry Street. He said the question of what can be done as far as attracting people to come to the area will be the discussion that will begin in the stakeholders meeting. He pointed out one board shows the drawing and rendition of the current configuration for the first floor of the Municipal Building. He said the discussion will be with the stakeholders and renters of the Conference Center for various functions. He pointed out the drawing also shows the opportunities to take City Hall from 1930 and 1980 into the 21<sup>st</sup> Century. He said we want to have a discussion about what the space could be used for based upon what the stakeholders and feasibility would report. He said we have had discussions on concerns about parking and concerns about best use of the space. He said structurally speaking we have an opportunity to open up what used to be the reception area for the City Manager's Office, the payment area of Finance, the work area, and offices which were in the Finance section as well as an opportunity to raise the floor in the Conference Center. There would be discussion as to whether there is a use for the property that is now the Public Safety Community Services Division offices as a phase II or as part of this project or what use would be best. He pointed out structurally the dotted lines on the drawings are walls that could be removed, and the solid lines are what structurally needs to remain in place. A possibility would be to keep the old City Manager's Office suite of offices to have some offices on the first floor. There could possibly be a caterer's kitchen in the old Finance area. The proposed uses depend on what the feasibility study shows. If there is meeting space, there could be some breakout rooms of various sizes. Mr. Pearce pointed out there had been an announcement regarding The Mill as a business incubator. They will be able to take care of small meetings for 6 to 12 to 20 people.

Mayor Cavanaugh pointed out there had been talk about catering, and when we first started talking about this we wanted to make sure we don't compete or hurt Newberry Hall, Center for the Arts, and other caterers in any way with big gatherings. He said in discussions we had been very clear that this should represent a business opportunity, not a discount business competitor. Mayor Cavanaugh stated parking had been a concern also.

Mr. Pearce stated we had a 2006 parking study. The consultants have been looking at that as well as another study which was done by one of our Succession Management participants as a project. He pointed out there is a lot of available parking within a block or two of the building.

Councilman Ebner asked who would be invited to the meeting. Mr. Pearce stated the consultant had asked that we have a very small group initially. He said this was seen as an opportunity for Council, Downtown Development Association, representative groups, the Chamber of Commerce, and frequent renters of the space. Councilman Ebner suggested Kati Rabun, Clifton Jones, and Gene Eidson might be invited. He pointed out that USCAiken has committed to work with The Mill. Councilman Ebner stated we need to listen to the community. He said when he thinks of a Conference Room he feels we need the latest audio and visual equipment and need to think about how you would outfit the rooms.

Councilman Merry stated there was no question if you make the area a Conference Center, then it needs to be done in the most technologically advanced way to plan for the future. He said he was not totally convinced that he wants to be providing a conference facility. He felt that was a role for the private sector. He said he also felt this particular building in this particular location might be able to have a better impact on downtown if it were used in a different way.

Mr. Pearce stated that was the reason Council funded the feasibility study and the reason to start with a focus group that represents several different sectors of the local economy and get their recommendations.

Councilman Dewar asked who would be allowed to use the facility and who would not be allowed to use it. Mr. Pearce responded the building is a public building so once it is open to the public it is available to the public. He said depending on the facility, we would have to look at the rate structure that would be involved. He said that would be considered after the feasibility study. First we need to know the best use of the building and the audience to whom we would appeal before we get to the rate step. He pointed out that with the renovation in 1987, the reason for the Conference Center was that there was not much meeting space downtown. As part of the Aiken 20/20 and the Strategic Planning process to keep the downtown viable, having meeting space downtown was something foreseen as a critical need. The Conference Center was developed with an affordable rate schedule so people could have a family reunion and bring their own food, or there could be something like the Governor's Rural Economic Summit meeting in the same space.

Councilman Dewar stated he felt part of the feasibility study would be projected revenue from whatever is done. Mr. Pearce felt that would make the feasibility study cost more than \$15,000. He said we have a lot of questions at this point so once we can determine some of the best uses for the space, then we could go forward and do some economic analysis with local firms or an outside consultant could be contacted also.

Councilman Dewar stated he felt it was important to have ground rules. He said he did not know the current ground rules for the current facility. He said he understood it had not been available for rent for the last several months. Mr. Pearce stated the Conference Center is available for rent through the end of March.

Councilman Ebner asked if the rental was through the end of March, 2014, or 2015. He pointed out the money to renovate the first floor is in the 2015 period. He said we are a year away before we start anything. He asked Councilman Merry what he would suggest as some potential other uses for the first floor. He felt it would be good to talk about uses. He said we are headed down this way; if we get so far we may not be able to make a U turn.

Councilman Merry said he would make comments on first things that pop in his head. If we want to create an environment that's vibrant in downtown, that will encourage and draw the Young Professionals as well as older folks alike, then the Alley is probably the place it will happen. He said there are four or five buildings in The Alley that could really provide some level of restaurant or courtesy type retail business. City Hall is one of them. An alternative would be for the Municipal Building first floor to be a restaurant or some other type establishment like that, privately owned and operated. He said if we need and want a Conference Center and meeting space and breakout space in the downtown, then something like that we could condominiumize the building and sell or lease the first floor and keep the ownership. It needs to be something to serve the downtown Alley in a way that can draw general members of the public, but he felt it should allow private interests the first opportunity at it. He felt that would be a draw for the young professionals and still be a draw for other folks. He said people will come for a conference and that will bring some people, and some people for three hours on Saturday night, but a privately owned retail establishment, particularly a restaurant will have people coming downtown every night, every week. Those people would be spending money which would help our local economy and our local restaurants. He said if we were to condominiumize and sell off the first floor, not only would there be an impact on The Alley and downtown, but we would also be getting tax revenue. He said he would give that opportunity first. He said if we feel Aiken must have a state of the art conference center, then put it up for sale or lease for someone to open a conference center in the space. A private sector business could be more selective of who uses it, how and when. There is the component if the city is doing it, of the city being in competition with the Center for the Arts, Newberry Hall, and the Aiken Hotel. He said the hotel has a big ballroom, but he did not know if the hotel would provide conference space as many times that is provided by hotels and hospitality establishments like that or in other parts of town. He said we may be talking about downtown, but we may be taking business away from people on the southside too, not just downtown businesses. He felt we need to open it and let the market determine what it could be used for. If we feel we need

conference space, see if private enterprise wants to put a conference center in there. Of the four or five buildings in The Alley, the City owns two of them. The City owns the Community Services building and the Municipal Building. Not only are these properties not contributing to our tax base, they are not contributing to the economy of The Alley very much. He said having a function in the Conference Center might allow people at the end of the function to leave and do things downtown, but it is not the same as coming downtown for the purpose to spend money. He felt these buildings and functions were not contributing much to The Alley in terms of actual dollars being spent and actual people being drawn.

Councilman Ebner stated building on what Councilman Merry said what would happen if we put an RFP out for information gathering on the internet that we have space available and ask for suggested uses for the space. He said that would be kind of like what they are doing for the old County Building. They are saying they have prime property entering the City of Aiken and asking for proposed uses for the property.

Councilman Merry stated that was not a bad idea, but if we told a real estate agent that we have a certain amount of square feet of space for lease or sale, real estate agents will find you a tenant for it. He said there may be a lot of retrofit that would be needed for a restaurant, but that would be a potential interest, particularly with the patio area. He said a real estate agent would work harder for it than the internet would.

Councilman Dewar stated the City had bought the Brinkley property to expand the Municipal Building, but we are not expanding the Municipal Building so we could sell the Brinkley property as we do not need it.

Councilman Ebner asked if the city could go to one of the commercial realtors as well as the internet and say the city has this space that they see being developed. He said the staff should still go down the path we are going with the firm doing the survey because that would help. He asked if there is a reason we should not do that.

Mr. Gary Smith, City Attorney, said that would be legal.

Councilman Merry stated one of his goal ideas was to have one or more real estate professionals look at our real estate assets. Mr. Pearce pointed out we would have to do a RFQ because of the modifications to the Procurement Ordinance.

Councilman Ebner stated we could do an RFQ or a RFP which has no dollars and ask what can be done with the properties. He said you would be getting a feasibility study from them.

Councilman Merry stated you would be getting what the market demand might be which probably is not what the feasibility study that is being conducted now is doing. He said his idea as far as a goal was to look at all the City assets, particularly the downtown assets because he shares the thoughts about the Brinkley property to see what might be the best use of the buildings and the value of them. He said he had asked a real estate person about the worth of the Brinkley property where the Community Services offices are. He pointed out the City had paid about \$940,000 for the property. The response was that on a good day the property is probably worth about \$300,000, with or without the building. He said the building in the eyes of the real estate community is worthless. He said it is worth what someone is willing to pay for it. He asked what could it be worth if you took the present building down and put another building there with more square footage and put a business there that was vibrant and contributed to the downtown and The Alley. It could be worth more both in terms of generating tax income and more importantly in terms of the people coming downtown and spending money. He said word of mouth and the energy that comes from word of mouth is everything. If people have more options to come downtown, then it will help all of us.

Councilwoman Price stated she would like to make a few comments. She said she knew there were some bookings of the Conference Center in March and February. She pointed out that the top floor Conference Center at the North Augusta Municipal Building was a result of a group from North Augusta surveying businesses in Aiken asking what might

be needed to improve North Augusta. She said North Augusta has that great Conference Center because a number of businesses in Aiken expressed the need to have space to hold events. She said businesses normally have a lot of events. She said her suggestion was to consider talking to some business leaders and finding out how we are not meeting their needs, and if we need a conference center in the downtown area. She pointed out the Conference Center has been used not only for business meetings, but also for family reunions, weddings, birthday parties, etc. People remember as a child attending events at the Conference Center, and they want to have events at the Conference Center. She felt a Conference Center could be used for many purposes. She said she wanted input in terms of different organizations and businesses as far as the need and use of such a facility.

Mayor Cavanaugh stated when we first started talking about the Conference Center the thought was the use that we have now, but enlarging it and having some breakout rooms. He said that was what he felt most of them thought. He felt it was good to brainstorm as to what is best for the space. He said if the space is kept for a Conference Center possibly the City could make some income from rental of the Conference Center. He asked if the City was making money on the Conference Center as maintenance is involved.

Councilman Dewar stated he felt the focus for the space has to be more on the business community as much as you may want to have it for social purposes as well. He pointed out Newberry Hall can take 280 people, but you do have to have a buffet. He said he was not interested in competing with Newberry Hall. He said Newberry Hall just as any number of other businesses can cater a banquet function at the Conference Center. Mr. Pearce pointed out at times Newberry Hall double books and has an event at their facility and one at the Conference Center. He pointed out when the City/County Managers held their meeting in Aiken there was a function at Newberry Hall and they catered the lunch for the Managers' meeting at the Center for the Arts. It was an opportunity for them to extend their opportunity to make money as they did two events.

Councilman Dewar stated he understood there was a real need for a facility that will take more than 200 in this community. He said if you want to have an event for 300 or 400 there is no place in Aiken except the Convocation Center or at USCA.

Councilman Ebner stated usually a group of 400 people coming into town is not a one day affair, and they don't want to be in outlying areas to attend an event downtown. They are going to a place where they can all be within a short distance from the meeting space.

Mr. Pearce stated that was the reason for the aerial photo. He said we could look at just the building and not consider the Brinkley property, but what he hears from the state associations is if the Brinkley property is in play that gives the pre-function space. That is what the Conference Center does not have now. He said when they had the Governor's Rural Economic Summit, there was a crowd in the hallway from Park Avenue. When you look at the Conference Center now, you can get to it from The Alley and from Park Avenue. There is a potential vision if you put the Brinkley property in play and have pre-function space, that will allow access from Newberry Street where the parking is. The conventions that have 300 to 400 people that are multi-day functions would love to be within one city block, and they really want to be downtown. He said that is the information we are getting. He said that is why we have the feasibility study. He said that is the questions we need to answer. He said if we get too far into the weeds this morning we won't get our goals set. Also, the things mentioned are valid concerns and points and that is the reason the consultant is coming in for the feasibility study. He said we are not going to resolve those matters at this meeting. He said that can be a goal that we work on this spring and make sure that is done through the feasibility study. He pointed out, however, we will have to spend more than \$15,000. The feasibility study is more of a preliminary report of what the customer base could be depending on what you want to do with the building, whether it is have the private sector rent the building. There could be some city offices on the first floor and have the rest available for the public to rent or there may be something else we have not talked about.

Councilman Dewar stated if the criteria is that parking would be within one block, there is a problem. Mr. Pearce stated he did not think that is a criteria. He said if folks are willing to walk a couple of blocks there is a lot of available parking.

Councilman Merry stated the Brinkley property and that building represent 25% of the most valuable real estate downtown. He said he did not like taking that out of the private sector. He said if we are talking about incorporating the Brinkley property and building new space and tying into the other building we are talking millions of dollars. He said if there is a demand, he felt the private sector could fill that need. He said he liked the idea of getting people downtown, but getting them downtown every month or two is not the same as getting them downtown six nights a week which is what a private business would be able to do.

Mr. Pearce stated in order to finish on time, he would like for Council to get into the goal setting session. He said it had been helpful in the past to have the short term and continuing goals. He pointed out we had already reviewed the existing short term goals. He asked if Councilmembers had suggestions for some new short term goals.

Councilman Merry stated a goal he would like to suggest is that a commercial real estate firm or person look at the city's real estate, assets, holdings and list their highest and best uses, their current values, etc.

Mr. Pearce asked if Councilman Merry was asking that the scope of the first floor city hall study be expanded to include a commercial real estate evaluation. Councilman Merry stated he was talking about all city facilities, but was not talking about an expensive study. They should be given a list to look at everything the city owns. If there is some potential value beyond the city's use, have them give us an assessment of that value.

Mr. Pearce asked if Councilman Merry was talking about Public Safety facilities, recreational facilities, vacant land, existing buildings or what. He said that is a very long list. He said there is no way that evaluation would not be expensive.

Councilman Merry stated we probably don't want to do all the Public Safety facilities or recreation facilities. He said he had not seen a list of city assets.

Mr. Pearce suggested considering comments made earlier, would it make sense to do an evaluation for City Hall and then see based on that experience how we could expand that to other facilities. It was agreed to evaluate City Hall and the Brinkley property first. Mr. Pearce stated the city has a list of city assets.

Mr. Pearce asked if the goal would be to expand the first floor study of City Hall to include a commercial use feasibility study. Councilman Merry stated he would suggest using a local real estate person or firm that knows the local trends, needs, etc. Mr. Pearce stated if he is talking about adding an economic development attractiveness feature to the feasibility study, he would hate to be hand strung and just use local business but there could be local business preference.

Councilman Ebner suggested going to Will Williams of the Economic Development Office. He felt he could give him some suggestions for businesses for downtown as that is what he works with. Mr. Pearce stated there is a separate state group that does that. Councilman Ebner stated there are other people who deal with small businesses downtown.

Councilman Merry stated if he owns some commercial real estate and if he wants to know what it is worth, he calls someone to do an appraisal. He felt his best appraisals would come from a local person. He said if he wants to know the highest and best use of the property or building, he asks a local professional. He said that is kind of what he is talking about doing for the city—what is the property worth, what is its highest and best use, what would be the impact one way versus another way.

Mr. Pearce said that is a consideration, but his concern would be if we are looking at attracting national vendors with franchisees he wanted to have the flexibility of having that person contribute any information to share as well. He said staff would put a RFP out to see what we get.

Mayor Cavanaugh stated we are looking at the goals. He asked that we go back and look at last year's goals to see what we want to continue and then add new goals.

Councilman Dewar stated he had concerns about Short-Term Goal 1. He said Goal 1 started several years ago when he raised the issue of televising City Council meetings. Aiken Standard televised the meetings for a while, but it was not economically viable for them. He said not all of the matters in Goal 1 had been done. He commended Public Safety and Parks and Recreation in their use of Facebook and Twitter. He said he never posts on either, but he gets valuable information from them. He pointed out that Channel 4 seems to be in limbo at this time in terms of what we are trying to do. He said he had the impression that we were going to enable broadcast of Council and boards and commission meetings with the upgrading of the technology for Channel 4. He said he was not clear about what was happening.

Mr. Pearce stated we are trying to get away from the analog system and go to digital broadcasting. He said we have to get the platform done before we can go further. He said that has been the discussion for the last several months. In response to a question as to who we were dealing with on this matter, Mr. Pearce stated we are working with Tootsuite, and he has a meeting set up for next week.

Councilman Dewar asked how we would word Goal 1 then to be compatible with where we are in the process. He pointed out that a lot of the goal had been accomplished. He said we have improved the city communications; we are sharing information with the media social and networks, and print media. He pointed out that broadcast outlets to include video-on-demand and live streaming technologies had not been done. He asked if that would include live or recorded telecasts of Council meetings. He said he did not care if they were live just as long as we get them on Channel 4.

Mr. Pearce said to answer the points of Councilman Dewar, he had put in his report on the progress of the goal that upgrades to Channel 4 are still in progress. He said we know that we need to continue to work on the upgrades to Channel 4. He said in his preliminary remarks he had said that we are experiencing technological updates to Facebook and Twitter. He felt we should not just stop talking about that. He said he and staff would encourage Council to keep improvement of the various types of media in the goal to make sure we stay current. He pointed out there had been a presentation by the Young Professionals so we know that we can't just post things, but have to be sure we are pushing the message out so folks get the information so they can talk about it and see what events they want to participate. He felt goal 1 would be a good continuing goal because technology changes so quickly. He said he would like to move it to a continuing goal.

Councilman Homoki asked regarding communications how we make sure everybody in a region gets the word, for example to boil the water if there has been a water leak. He wondered if there was a reverse 911.

Mr. Pearce pointed out the reverse 911 only works for people who have a land line. He said we have used door hanger notes and used Public Information Officers with Public Safety visiting in the area. He said it would be good to have this as a continuing goal as there may be new technology that may help us do a more effective job. He said as the Young Professionals said, communicating is a continuing goal.

Councilman Dewar stated he had signed up for the E-211 system run by the County. He said that system has a lot of information and could help Public Safety in many ways. He said he would strongly recommend using E-211. He said that is an item that we could put in the Aiken Report at some time and on a recurring basis.

Mr. Pearce stated in Goal 2 we had talked about Eustis Park and the Senior and Youth Center. He said that is something that is an ongoing goal. He said for the short term we need to identify a venue appropriate for the center so we can begin the design work. He pointed out he felt in the first quarter of 2014 we may have an opportunity to look at the venue that is on the original Eustis Park property so we could build a facility.

Councilman Ebner pointed out that in Capital Sales Tax II and III we have about \$11 million of park stuff. He said we have had the same conversation the last four years at Horizons. He asked how we can get these projects off dead center and on a timeline. He said on his first meeting Woolpert had done Phase I and II of the landfill. He said there is technology to identify areas of the landfill that may be usable. He said it takes energy to get these projects done. He said we have five sets of money to spend. If we don't spend it by the time we get to Capital Projects IV we will have a hard time selling new projects when we have not done anything on the projects already approved. He said the parks money is the main piece that is left. He said that is \$10 to \$11 million in the bank. He said his concern is how do we move forward to get these projects done. He said we need somebody to push these projects. He said that may be a contract employee from a business company that does that kind of work.

Councilwoman Price stated she knew that we had been working on some of the issues with Eustis Park in terms of the property and the land. We worked with the School District at one time and some issues had been resolved. She said there may be a combination and multi-use of facilities. She felt this could be moved along in the next six months. It just takes some concentrated effort. She said the goal was to identify the land and design plans.

Councilman Dewar stated he would have no problem with identifying the land as a short-term goal. The present goal says to continue with a design for a Senior/Youth Center. He felt we would not spend the money for a Senior/Youth Center for 3 to 4 years. He said he supports the short-term goal of getting the land, but felt we would not be designing the building for a while.

Councilwoman Price felt we could design the building within a year in 2015.

Mr. Pearce stated he felt there could be an answer within the first quarter of 2014 then we would know the venue we have. He said we are not on dead center. He said he had had conversations with several consultants. He said the landfill has some legal issues, and we have not been able to resolve the legal issues at this time. He said before we do anything the legal issues have to be resolved. He said he had talked with some folks in Columbia about this. They are looking into it, but it is not resolved at this time. He said at Eustis Park the city does have some land and there may be some opportunity for some other land. Nothing has been finalized, but we are working on it. That is something that can be done as part of the short-term goal. When we know where we are for certain, then we can start the design work. He said this is not a budget item, but a Capital Projects Sales tax item which is not limited to the budget year. It is something staff is working on and we do have money to spend. The actual money we are waiting on for the Eustis Park project will be the construction money. He said we already have land acquisition and design money in the bank in the reserve funds.

Councilman Ebner stated the key is that we need to move forward. He said we may need another person to help. He pointed out it is not only Eustis Park. He said we have money to buy land. We have \$2 million to improve it, and we have another \$1 million to develop a park. He said he was talking about the total amount for CPST II and III. He said Eustis Park is the biggest part.

Mr. Pearce stated as far as the other items we have talked about, there are a lot of players. We have had conversations with some, and we are working on trying to identify potential sites. He said we are not on dead center. We are having conversations. We are just not ready to go public with information yet as we don't want to jeopardize the conversations we have had. We want to make sure we get the best value for the taxpayers. He said that involves some preliminary work, but it has gone very slowly.

Councilman Ebner stated his concern is that if it drags on for another couple of years we will be in Capital Projects IV. He thought it was 2017 when Council has to act on the Capital Projects Sales Tax extension. He said that is just three years away.

Mr. Pearce stated he would like to keep the goal as a short-term goal so we do work on it.

Councilman Ebner stated he would list all of the capital projects instead of just Eustis Park. He said it could be Parks and Recreation projects. He said there are about 4 to 5 projects that we have money for.

Mr. Pearce pointed out that Parks, Recreation and Tourism does have a master plan. Mr. Parker included money in the Five Year Capital Projects for projects. He said staff needs direction from Council.

Councilwoman Price stated it is a short-term project that we need to be working on.

Mr. Pearce stated there are two separate areas—Eustis Park and a Northside Recreation facility. He said the projects for all of the Northside recreation facility money from the ballot could be listed with a timeline so we have a progress report.

Mr. Pearce stated Goal 3 was the phases of the water, sewer, storm drain, and roadway repairs as part of our annual budgeting process. He said that was part of Mr. Grinton's presentation. He pointed out that Mr. Grinton has the Capital Projects Timeline that we presented to Council. He said it would appear to be appropriate to leave it as a goal as is. Councilman Ebner stated it was outlined in detail at this meeting. He said it is probably a goal, but this is covered in two or three places. It is covered going through the Planning Commission. Mr. Grinton just presented it.

Mr. Pearce stated the goals go in the budget book. Mr. Ebner stated he was not sure Goal 3 needed to be in the list as that is part of the business to do this. Mr. Pearce stated from a staff perspective we have the items as a goal so we budget and continue to work on them. He said it is very helpful to staff to have that as a goal that Council votes that we put in the budget book. That gives staff the direction and the policy that we need to do the staff level work.

Councilman Ebner pointed out there are 50 to 60 pages. He said Council gets updated that every year. He said he felt that would push it forward. He said if it is needed in the goals for staff, he would not say take it out. He said that is a day to day affair, not a Council goal.

Mr. Pearce stated the role of Council is to set policy. He said if this is the policy of Council, because we do have the timelines, that provides the guidance to staff to budget the project.

Mr. Pearce stated Goal 4 was the top-to-bottom review of Crosland Park Redevelopment to evaluate the best practices to maximize returns from investments made in the Northside of Aiken.

Councilman Ebner stated we talk about this every year. We need to define a 5 year-plan. If we are going to proceed with this, we need to be a little more definitive. He said if we need to do a \$50,000 to \$70,000 study to get the plan out there, that's what we need to do. He felt we are a little bit too piecemeal. We have finally taken 550 homes, and we are down to working on one street now. He asked how we quantify that and put it together as a plan. He asked using Ms. Langston and other staff members, if we could quantify some things to do—go talk to Augusta, etc. or do we need to spend the money to get the official plan. He asked how we define what we are going to do the next five years.

Mr. Pearce stated he felt we were talking about Goals 4 and 5. Councilman Ebner stated he would keep the projects separated because Edgewood is a much more progressive area. It probably has a higher chance of getting something done as far as building some houses on Kershaw Street.

Councilman Dewar stated he does not mind separating them, but he felt we are at cross purposes in a few cases. We are doing Crosland Park. We want to do Edgewood. We just approved the Second Baptist Church building at Dupont Landing. He said he felt that was in direct conflict with Crosland Park. He asked where would they buy a house if they got a chance to buy a house in Dupont Landing where they can get some equity built up in a new house or would they buy a house in Crosland Park. He said he was not against the Dupont Landing as he voted on it, but we have to be careful that we do not get at cross-purposes here.

Mr. Pearce stated he agreed, and it goes back to the first floor of City Hall. Why compete with the private sector. He pointed out we have to step back and look at Dupont Pointe. The investors are going to own the property for 15 years. The Northside Initiative that we have undertaken for the last decade has found folks that have the opportunity to do their credit repair on a quicker basis than 15 years. He said Dupont Pointe fills a need in that folks can rent for 15 years and just continue to rent, but if they rent for 15 years and build up the equity, they have an opportunity to purchase. He felt it was a little bit different business. He said staff had seen Dupont Pointe as more complimentary to what the city is doing in some other areas.

Councilman Dewar stated we know what we are going to do in Crosland Park. He pointed out there is a list of houses that the city owns. He said he would like to see us clear that list. He felt that the goal should be to clear the houses on the list and demolish the houses determined to be torn down and sell the houses that we can sell. He said as time permits stop renting houses. He said he was not advocating throwing anybody out, but as they leave put the house back in inventory. He said we know what we are going to do in Crosland Park, but he did not know what we are going to do after dealing with the houses on the list in Crosland Park.

Councilwoman Price pointed out that the entrance to Crosland Park needs to be improved. She felt number one is to improve the entrance and the infrastructure in Crosland Park. The second is to focus on one street and improve the housing in that area. She pointed out that a lot of trees had been cut down and aesthetics had been improved in some areas. She said the infrastructure needs to be improved and the entrance to Crosland Park needs to be improved. She felt the first impression of Crosland Park would make a big difference in the Park.

Mr. Pearce stated we had consolidated the goal on Parks, Recreation and Tourism master plan and projects that we have funded. He said we want the Northside to be segmented. He felt it would be helpful to talk about Edgewood. He pointed out Goals 4, 5, and 6 are related to the Northside Redevelopment Initiative. He said his opinion would be to consolidate them into one item and have the different projects and identify the logical next steps for those projects. He said we do have some short term goals that we should accomplish before we have Horizons next year. He said that could be getting the entrance to Crosland Park and the infrastructure done. In Edgewood if we could get the stormwater feasibility study finished and get an RFP out for potential home construction and complete some homes before January, 2015. He said he would like to be consistent. He said he had heard Council would like to do that for PRT and that could be done for the Northside. There could be a broad listing and then show the action items for the next year if Council would like.

Councilman Ebner pointed out that in Edgewood on Kershaw Street, the city owns some land. He wondered how we could get the business or commercial side to build some houses in Edgewood. He said there is room for six houses on land the city owns. He said he would like for it to be done like the other three houses that were built in Edgewood. He asked if we were pushing the private sector or if we were trying to do the houses ourselves. He said he would like for the city to get out of the real estate business other than owning the bare land. It was suggested that incentives would have to be offered. It was pointed out that if the land was free that would be a big incentive for builders. Mr. Pearce pointed out that staff is already developing an RFP for the private sector to come in and build on city-owned land. He said the part that the city needs to get done is the stormwater runoff. He said we may have six lots or it may be three lots. He said a lot

that we were purchasing has tax lien issues that we are trying to resolve so we can have a cluster of homes that can be built on by the private commercial sector. He said the city was not looking to build houses in Edgewood.

Councilman Ebner pointed out that Councilwoman Diggs asked for money in the budget to do a stormwater study in Edgewood.

Mr. Grinton stated the city was looking at the three properties that are buildable. He said the survey results should be delivered next week so we would know the property boundaries and the information needed for the builder to properly construct and flow the stormwater. He said it is not a hydrology study per se. It is a lot specific survey so one could construct. He said they had not done a stormwater study yet. He said his suggestion is that when it is determined the properties that the city has, at that point there needs to be another study to assess bioswales, etc. He said the lots need to be defined first. Then you could define what studies are needed.

Mr. Pearce stated the other step was to look at existing infrastructure to see what needs to be upgraded. Mr. Grinton said he had done a quick review of that. He said if you address that looking at the 11 properties the city owns and designate a certain part of the property to contain stormwater, the existing stormwater structures can handle the runoff if you allow the discharge to go into the stormwater structure.

In answer to Councilman Ebner's question as to when we would move forward with the RFQ to build on the lots, Mr. Pearce stated we are doing that now. He said we need to understand what the group wants to do and identify our boundaries.

Councilman Dewar asked how much stormwater work would need to be done as he did not see it on the priority list. Mr. Grinton stated there would not be any infrastructure stormwater in that neighborhood. There will be lot construction localized stormwater which will be part of the package. Councilman Dewar stated then it sounds as though the city might lose a lot so we could build on the rest of them.

Councilman Ebner pointed out that when it rains the area does not flood. He said the water stands on the property, but it is gone in 24 hours. He stated the runoff drains to Jake Place. The biggest issue is getting the water away from the area faster. Mr. Grinton stated it is a localized issue, but you can't build on property where the water is going to stand. He said a bioswale for the neighborhood may work with the lots and rescoping of the next door lots so the water goes to the designated area. The existing stormwater structures can then handle it.

Councilman Ebner asked Mr. Grinton when he thought this would be done and the land redivided. Mr. Grinton responded it should be done before the next horizons.

Councilman Merry stated he wanted to speak regarding Councilman Ebner's remarks about bringing in a private developer or builder. There are two keys. One of the biggest problems in the development building industry now, is access to capital. He said this would be speculative work. He said there is virtually no access to capital for speculative work. He said if you want to facilitate that then you would need to facilitate access to capital to build. If you want people to take a chance, you have to help them get some money to take that chance. He said that is not happening from the private sector and banking industry. Another thing that drives it is the potential for profit. If you don't have the potential for profit, then you won't get anyone to do the project. It has to be a viable business or someone who can make money, and they have to have some access to the funds in order to do it to make money. If we are looking for ways the city can help, that would be to facilitate access to capital.

Mr. Pearce stated he had had some discussions with some local lenders that are interested in these kind of opportunities. Mr. Pearce stated the discussion had been very helpful. He said he would propose that Goals 4, 5, and 6 in the Short-Term be combined under the heading of Northside Redevelopment Initiative. Then we could take the different areas and describe an action plan based on what we have shared today and the presentations. By the time of Horizons in January, 2015, we can look at what has been done and what

we need to add. He said he would have a listing of the goals at the February 10, 2014, meeting for a vote by Council to approve the goals. He said it would be good to have the goals as a guide in the budget process. The goals would have a list of the different areas where we own land where we can do work and what kind of work we would plan to get done by January, 2015.

Councilman Ebner stated on some of the goals we need to put a sunset date. He said we need to have a sunset date where we have done all the things we can do. He pointed out the competition is really building up, even in Deodar Plantation and Fox Haven, behind Target, etc.

Mr. Pearce stated what would be presented to Council for approval would be what staff believes, based on the circumstances now, could be completed before Horizons 2015.

Councilwoman Price stated she wondered if we need someone dedicated to these projects as there is a lot going on. She said we have \$51 million in Capital Projects Sales Tax that was approved. She said that represents a lot of projects, and she wondered if we need to have a dedicated person to follow this and track the projects. Mr. Grinton stated he had assigned Pierce Atkins to big projects as Construction Manager or Project Manager to oversee the projects. He said in looking at the Capital Projects Sales Tax projects, you can hire consultants and charge that to the project in the capital sales tax. He said it becomes kind of a personal workload issue to manage that many consultants. You have to keep an eye on the consultants as well because their meter runs at a very expensive rate. He said if the project is in the budget, we tend not to use consultants because we don't have much in the budget. He said the comment is a valid issue.

Mr. Pearce stated that is why on the Silver Bluff Water Plant, we hired a construction manager. Staff needs to make sure we are achieving the milestones we need to achieve. He said the city does not need to be in the construction management business. He said hopefully in the Capital Project money as we have contingencies in contracts, we will also have construction managers. He said on the Northside Ms. Langston will be making sure that our consultants are continuing to give us what we want. He said he agrees that we need timelines and dates for the projects so they march forward.

Mr. Pearce stated we would consolidate the present Goals 4, 5, and 6 and will list some action items for completion by the Horizons 2015 which will be the sunset date.

Mr. Pearce stated Goal 7 on the Short-term Goals would be the first floor work on City Hall. He said based on the conversations had this morning, his understanding is to go forward with the feasibility study. Then with the feasibility study results in hand go to the commercial sector to see what recommendations, what opportunities and the feasibility of looking at a lease, sale, etc. of the first floor with an eye towards generating commercial traffic in the Alley versus just professional space.

Councilman Merry asked if there was a reason to wait on doing one subsequent to the other. Mr. Pearce stated he needed money and only has \$15,000 for a study. Councilman Ebner stated he felt some local persons would give an opinion over the telephone. Councilman Merry stated that is what he was talking about. He felt he could get an opinion off the top or for \$2,000 you could get a nice report.

Councilman Merry stated there was going to be a stakeholders meeting on the Conference Center. He asked if real estate people could be considered stakeholders. Perhaps there could be a stakeholders meeting with real estate persons and let them give their opinions also. He felt the information could be obtained concurrently without much expense. Mr. Pearce stated this is something we can't answer today. We will pursue the suggestion and find out the best way to do it.

Mr. Pearce stated Goal 8 is pursuing a plan to connect Dougherty Road to the Publix Shopping Center. He pointed out the city has purchased the property. He pointed out the owner of 911 Murrah Drive will be out of the house on February 7, 2014. An engineering firm has been obtained to help with the design. Staff is having conversations with the shopping center and the Publix owners as far as the plan to go forward. He

pointed out the city does have an existing easement that is recorded for access to the property line. He said a concept for the connection will be developed and taken to the public and the neighborhood. Mr. Pearce stated we hope to have the connection made by the next Horizons.

Mr. George Grinton, Engineering and Utilities Director, stated he would like to make a point regarding RFQ and engineers. He pointed out that because at the present time he is allowed to select professional services to start a project, he has a meeting on Monday to start working with the engineer to do the design. He said when the \$10,000 RFQ professional services might be approved, he will have to go through about a six weeks process to write the RFQ, give a three week time period for submittals, and then review the RFQ submittals. He said it is about a five to six weeks process. He said when that happens he would not be as far along on the project. He said he would be a month to two months away if the ordinance is changed for RFQ's for \$10,000 for professional services. He said he understands the need for an RFQ, but a \$25,000 limit would free up a significant effort on our part to be able to move quickly for professional services. He said we do select competent, cost effective consulting services. He said the same thing will happen when he has to do the hydrology study for Edgewood. He said he would make an appeal for considering a \$25,000 limit for professional services rather than \$10,000 for an RFQ.

Councilman Dewar stated Council could approve \$25,000 for an RFQ anytime it is on the agenda.

Councilman Ebner stated he would give the reason it is there. He said in his experience there had been real issues with starting out at \$25,000 and \$250,000 later they were still building something. He said we are trying to prevent the doubling, tripling, etc. He said that had been one of the hardest things he dealt with—the domino effect. He said it is worth considering, and he would do some thinking about it.

Councilman Dewar stated he would like to add two short-term goals. He said he felt we should meet with the company that owns the Aiken Mall and promise to work with them and expedite what we can for them to bring increased businesses to fill the vacancies in the Mall.

Mr. Pearce stated he would prefer the goal not be specific to a particular entity. He said a short-term goal could be to: Review our application process and identify opportunities to shorten the process and make the process more efficient. Goals tend to be broader in addressing all the concerns. He said we want the goal to cover that plus anything else.

Councilman Dewar stated the other goal he would suggest is a result of approval at the last Council meeting to identify and submit to Council a list of companies that can perform an employee survey designed to improve morale.

Councilman Ebner pointed out in Aiken's Tomorrow there is a goal regarding alternate fuel vehicles. He said the government has finally realized that it costs more to make ethanol than you get from it. He asked if a standard new vehicle costs the same as a hybrid. He said he sees vehicles with hybrid on the back. It was pointed out that typically a hybrid costs more. Councilman Ebner stated we are paying premium dollars for something that really is not helping us. He said if it costs more to buy a hybrid vehicle, the question is should we be buying that hybrid vehicle.

Mr. Pearce stated he was not aware that we had purchased any hybrid vehicles. Mr. Coakley stated there is something called flex fuel, and you can run either on it. He said we are not spending any extra to buy any vehicles. Chief Barranco stated some of that is required by State Contract to use flex fuel. He said as far as the XL and XLT on a car that is the model of a base car or a car with more features. Chief Barranco stated in some cases they have been able to find some models in Georgia similar to the state contract, but they may have a few more features, but we are not paying more for the vehicles. Mr. Pearce pointed out that the city uses state contract as a starting point and negotiates down for the vehicles. Councilman Ebner stated he wanted to be sure we were not spending more for vehicles that use different fuel, which might actually cost more to run the

vehicle, so it never pays for itself. Mr. Coakley stated there has been research on compressed natural gas, but the infrastructure is not here yet.

Mr. Pearce pointed out that the City of Rock Hill did put in a CNG with a grant from SCE&G, but the grant money has dried up. He said we talked about alternative fuel in 2010. He said Public Safety has some electric vehicles. We are set up to recharge all electric vehicles. He said we have looked at compressed natural gas, propane, and some other technologies, but they were not cost feasible.

Councilman Ebner pointed out the Chamber of Commerce had sent a letter to all of Council regarding the economic vitality for the City of Aiken looking at the next 3 to 5 years. He pointed out there is a lot of data being collected which shows the city growing 10 years ago, but now there is a straight line. He pointed out the fees for building permits and Certificates of Occupancy are tapering off. He expressed concern about the future of the economy. Mr. Pearce asked if that could be considered under the Continuing Goals.

Councilman Merry stated state law mandates with regard to the Comprehensive Plan various elements. He said there had been a lot of talk about the Natural Resources Element which is in the works. He said an Economic Development Element is required by law as well as a Housing Element and the City of Aiken does not have either one of those. He said he would like to consider as a short-term goal to initiate the process to identify a consultant to draft a starting point document for the Economic Development Element and a Housing Element. He said a lot goes into an element. We have to evaluate where we are now. He pointed out that Councilman Ebner had mentioned a reduction in growth and permits, etc. He said we could develop an element to look at that and summarize where we are now with recommendations and help chart a course where we can go forward. He said there had been mention of possibly raising taxes as the cost for delivering services continues to go up, but if we are not growing the revenues will be stagnant. He said with a proper economic development effort and a real plan, maybe we could use economic develop to outpace the increase in cost of services and not have to increase taxes like we have done for the last 30 years. He said let's look at ways we can plant the seed for economic activity that will allow us to not have to raise taxes in the future and allow us get new sources of revenue. He suggested that we look at doing the Economic Development Element and the Housing Element as he felt that would help with our vision for Crosland Park, Edgewood, and others. He asked that we start with the process of identifying someone to draft the elements as a short term goal.

Mr. Pearce stated that is on the Action Agenda for the Planning Commission. They thought they would get to that this year. As far as hiring or finding a firm to draft the elements to advise the Planning Commission, that is something that would come to Council and could be done.

Councilman Merry stated there are some areas of Aiken that are particularly challenging with respect to stormwater, particularly the space between Powderhouse Road and Whiskey Road. Because of that at some time in the past City Council adopted a stormwater detention standard of a two year standard, meaning that you had to retain water calculated at a two year accumulation rate. That meant that our detention ponds and detention requirements were much stricter than the rest of the state and much stricter than they may have needed to be anywhere except in the space between Whiskey Road and Powderhouse Road. He said he had heard from a number of engineers over time and recently saying that our requirements for stormwater detention are greater than what might be necessary. He said he was trying to introduce a conversation and start study on the issue. He said there may be places in the city where we still need the two year rate, but there are other parts of the city where we could go back to possibly the 10 or 20 year rate. He said that might be helpful in the northside where he thought stormwater is not nearly the problem it is on the southside. He said little elements like that provide some of the sparks that could help some of the investment in economic development for new businesses and new annexations. He said one reason people don't want to annex is they don't want to have to build a three-quarter acre detention pond. If that detention pond goes down to a quarter acre, that makes a big difference in terms of how much land they have to buy and how much money they have to spend on the structure, etc. He said as a short term goal he would like for Council to really take an in depth look at that, study the

possibilities of changing the stormwater detention standards to more of a regionally accepted standard.

Councilman Dewar asked Councilman Merry if we were asking Council to evaluate the stormwater retention policy with a view towards modifying it to encourage economic development.

Councilman Merry stated he represents District 6 which has a lot of trees and spaces. He said he had been inundated with complaints about the recent cutting of trees. He pointed out, however, if there is an ice storm people will be glad the trees were cut. He said it is necessary to cut the trees to protect the power lines so they can deliver power which is a life-safety issue and to be able to deliver good service to people. He suggested that we look at alternatives to the current configuration and current cutting schedule. He said a lot of people suggested underground power lines. He said with his experience he knows that the technology in terms of boring and burying of lines is so much improved and cost effective that certain lines can be put underground. He said SCE&G spends hundreds of thousands of dollars with Carolina Tree Service for their cutting contract yearly for Aiken. He said if we were able to get lines put underground, SCE&G would save money on the cutting contract. SCE&G would reduce power outages which help in terms of public relations. It would also reduce their manpower costs for fixing downed power lines and lines damaged by trees during storms and otherwise. He said this would be a multi-year goal. He said SCE&G spends a lot of money for maintenance of the power lines. If the lines were underground they would not spend as much. If the lines were underground there would be fewer power failures, they would not be cutting trees in front of houses, and that would help with customer satisfaction. It would improve our aesthetics not having power lines overhead. He said he would like to see us come up with a plan that might have to be implemented over 5 to 10 years in phases to bury lines so we could get away from cutting of trees on a 5 year cycle with SC&G. He felt there would be nothing but benefit from undergrounding lines. He felt there are ways to offset the costs.

Councilman Homoki agreed with Councilman Merry. He said he had read recently where SCE&G is building an above power line along Trolley Line Road. Mr. Pearce pointed out that is a replacement project, and the line is a major transmission line. He said undergrounding had been mentioned to SCE&G, but their issue is cost. It was pointed out that high voltage does not go underground.

Councilman Ebner stated undergrounding in residential is okay, but once you get above about 60,000 volts and you go underground the failure is about 25 to 35 years. Then you really have trouble, and you have no way to expand. With high voltage the failure rate underground is tremendous. He pointed out high voltage lines run down Hampton and Trolley Line Road.

Mr. Pearce stated the SCE&G transmission line down Trolley Line Road is just a pole switch out. They are going to put in galvanized poles. They were using the rusted brown poles, but are going to replace them with galvanized poles which will be done in phases. He said Trolley Line is the initial phase of the work as they are going all the way over to the Fiberglass Plant with the new poles for the transmission lines.

Mr. Pearce stated under the tree trimming policy with the franchise agreement, it is not just SCANA, SCE&G but Aiken Electric Cooperative as well. They consult the city Arborist before they do the tree trimming. He said the work they have done so far from an Arborist standpoint is acceptable. They are doing a five-year cut. We did not have any power outages in the recent ice storm. It is a visual impact because it is a five-year cut. We have looked at Barnwell Avenue between Laurens and York and South Boundary for undergrounding of the power lines because some of the most dramatic impact we have seen is on South Boundary.

Mr. George Grinton pointed out that the local manager of SCE&G refuses to underground lines on South Boundary because they are concerned that if anything happened to those trees they would have terrible publicity issues. He said we need to have a discussion about that as a city. He said he had talked with Tom Rapp. Mr. Rapp

is convinced that you can safely bore under the trees. That has been conveyed to SCE&G but they still say they are not touching it.

Mr. Pearce stated we are having conversations with SCE&G and going forward. The project underway is the project on Newberry Street and The Alley to underground the lines. He said there are some funds available such as Capital Projects Sales Tax funds. Both utility providers are supposed to do a set aside of funds each year for undergrounding which has not been utilized much. The goal to underground lines is a good goal. He said his suggestion would be not just undergrounding lines but have discussions with an appropriate pay grade level with the utility to look at the tree trimming practices and see if there is opportunity to revise those as well. He said there could be a two prong approach instead of just undergrounding.

Councilman Dewar stated no one argues that the trimming needs to be done, but it is the way they cut the trees. He said no local tree trimmer would trim the trees the way they do.

Mayor Cavanaugh stated one matter talked about is that in five years eleven more Public Safety Officers will be retiring because they have to under the LERI program. He said we need to be working on when we start getting new replacements for those retiring in a timely manner so we don't lose them and have eleven positions open. He said he just wants to be sure we don't get into some of the situations we have in prior years.

Mr. Pearce asked if it would be helpful if we had all the department directors involved even though we don't necessarily have a retirement incentive for the other employees we know people have indicated they are going to retire in a certain period of time. He said that is why we started the Succession Management Program. You could do something city-wide with employees.

Councilman Dewar stated he felt that was very important. He pointed out Larry Morris retired more quickly than expected so Mr. Grinton did not get to work with him as long as expected. He said we need to look at the Department Heads and section heads and identify those we will be losing in the near future and make sure we have some replacement plans for them. He said that is critical.

Mr. Pearce pointed out that MTU America had received international recognition for the mentorship program they have. He said we are looking at the next logical steps for the Succession Management Program. He said we are working with the alumni of the Succession Management Program. He said we could develop that into a mentorship opportunity beyond the Succession Management as a possible way to address the matter.

Mayor Cavanaugh stated he was talking specifically about the eleven officers that would be leaving. He said he was talking about getting officers in to become Public Safety Officers.

Councilman Dewar pointed out that Council has not authorized Public Safety to hire people prior to having an opening so when they have the opening they have a person to take the job.

Mr. Pearce stated it is not so much authorization as funding. He said Council's role is funding.

Councilman Ebner stated when it comes to Public Safety we need to get off the funding kick. We know in Public Safety that retirements are eminent, as they are in the LERI program, and they have to leave after being in the program for five years.

Councilman Dewar pointed out that 1 Public Safety Officer has to retire in 2016 and 10 in 2017.

Councilman Ebner pointed out that it takes 50 weeks for the training of an officer plus the hiring time. He said that means at the end of 2015 he needs to do something about hiring new officers to have them ready when the others retire. He said we may have a couple of

extra officers for a couple of years. He said if the Chief needs money to do that he felt Council should put that on the Council agenda. He said he did not think that would get turned down. He said if some is needed in this budget year we may need to do that. He felt it was not a bad thing to have an extra officer or two in Public Safety. He felt that is something we need to look at, especially with the retirees. He said if money is needed in next year's budget, we need to put it in there.

Councilman Dewar pointed out Councilman Ebner is focusing on Public Safety, but it is very likely that the other Department Heads will have unanticipated losses as well. Councilman Ebner pointed out other departments do not require 50 week training to fill the positions. He said Public Safety does fit into an area that obviously is specialized training. He said he would get an email to the City Manager to get that in the budget.

Mr. Pearce stated we know we have participants in a Retire/Rehire Program so the short-term goal would be to identify whatever appropriate program would need to be in place to make sure we have as smooth a transition as possible once they max out on the Retire/Rehire Program.

#### Continuing Goals

Councilman Dewar stated he did not get a sense of the continuing goal 2 regarding future missions at the Savannah River Site. He asked if the funding was just for the fiscal year ending October.

Councilwoman Price pointed out we don't have full funding for SRS for the year. She pointed out the Chamber of Commerce has a joint effort with several Chambers of Commerce in this matter. She said there are different things we need to be working on as a partnership with the city and with Savannah River Site besides just the annual travel to meet the legislators in Washington, DC. This needs to be an ongoing goal. She said Council needs to hear from the manager of DOE at a Council meeting on things Council needs to be doing in terms of supporting the mission efforts of SRS as well as the manager of SRNS.

Mr. Pearce stated the Chamber and the local Legislative Delegation is very interested in having the Governor visit SRS, and it has been a scheduling problem. Any help would be appreciated in getting the Governor scheduled to visit SRS.

Mr. Pearce asked about Continuing Goals 1, 2 and 3, and Council felt they should be continued.

Mr. Pearce stated Goal 4 regarding strategies to redevelop and stabilize Northside neighborhoods, has been in the goals since it is an ongoing project. It will be on the short-term goals as well. Councilman Ebner stated he would just have the goal in short-term as he felt we have to keep pounding on this to make it happen. He said we will discuss it every year.

Mr. Pearce stated the present short-term Goal 1 regarding the communications items discussed earlier will go to continuing Goal 4.

Council then continued reviewing the remaining continuing goals. They wanted to continue Goals 5 and 6. They asked that Goal 7 be combined with Goal 3 on short-term goals. They asked that Goal 8 regarding equestrian areas and open space be continued.

Mr. Pearce stated the Whitney Trustees and Whitney Polo Club were going to be meeting to discuss the suggestion Councilman Ebner made regarding consideration of the sale of the sand lot to give them capital money to do the improvements they talked about at the polo field.

Councilman Ebner stated he would be meeting with them. He felt the Trustees have done some change in their thinking over the past two years about what they need to do. He felt there is a much more receptive issue of what they might do. He said the development rights are key to the project. Mr. Pearce stated if it is an outright sale of the sand lot there

could be some conditions in the deed about whether the property could be redeveloped or not. He said funding may not necessarily be Accommodations Tax money as it could be Open Space money.

Council asked that Goal 9 regarding city bike pathways and pedestrian walkways be continued.

Councilman Dewar stated Mr. Lex spoke at the last Council meeting regarding bike paths on Hitchcock Parkway which he supports. He said, however, he really would like to not have sidewalks on the Parkway. He felt it was not appropriate for a parkway to have sidewalks. He pointed out that Mr. Gantt of SCDOT has indicated that whether there are sidewalks or not the space has to be available for them. He said that space might be an acceptable bike path. He asked if the process for sidewalks to be removed from Hitchcock Parkway, was for the city to send a letter to the ARTS Commission saying we don't want sidewalks which means City Council would have to approve doing that. He said he had asked that at some point in the future that be on the agenda.

Mayor Cavanaugh stated he had talked to Mr. Gantt, and he is planning a fall meeting. He said he had asked Mr. Gantt when Council would see the whole picture again of what the parkway would be. Mr. Gantt said there would be a public hearing in the fall. Mayor Cavanaugh stated at that time Council could say whatever they want to about sidewalks, bike path, etc. He said the meeting could be done earlier if Council would like. Mayor Cavanaugh stated the letter may just go to SCDOT rather than to ARTS.

Council asked that Goal 10 be continued regarding cooperation with local academic campuses and groups such as the Young Professionals to promote city amenities and services. It was suggested that The Mill on Park Avenue be added in the groups as well as the Urban Ecology Center of Clemson.

Councilwoman Price asked about the Blue Ribbon Committee of the Chamber of Commerce. Mr. Pearce stated wording could be added to work with the Chamber on the next steps recommended by the Blue Ribbon Committee for the economic vitality of the City of Aiken.

Council agreed to continue Goal 11 regarding alternative fuel and electric vehicles.

On Goal 12 Mr. Pearce stated there had been some discussion regarding redevelopment of the old landfill as multi-use and passive city park facility. He pointed out there is \$2.75 million in Capital Projects Sales Tax for this project, but it has been a difficult project. There may be opportunities for the money to be spent elsewhere on the list. He asked if Council wished to rephrase the goal.

Councilman Ebner stated all the 6 or 7 projects need to be listed including Eustis Park in one goal which is to be moved to Goal 4 in the short-term goals. He asked that all the money we have from Eustis Park down to the redevelopment of the landfill be listed. He said this way we will have all of them in one list.

Councilman Dewar stated he wanted to be sure he understood where we are with the landfill. He wondered whether we are at the point where we are going to say that we can't do anything with a portion of the landfill because it would be too expensive. Mr. Pearce stated we are having some legal issues that we have to resolve so we can see what can or cannot be done with a certain portion of the landfill. Councilman Dewar stated we may conclude that we can't do anything with a portion of the landfill because of the cost, but we possibly can do something with the rest of the land. Mr. Pearce stated that is the issue we are trying to work out. He said it is a tough issue because of existing regulations. If you touch the land what will you trigger. Councilman Ebner stated we need to define how much good land we have and whether it is feasible to do anything with the good land.

Mr. Pearce stated Goal 13 has to do with efficient lighting installations throughout city facilities. He commended Mr. Coakley and his group for the installation of lighting which they have done. There have been some installations at Public Safety, behind City

Hall and down Bee Lane. He felt there may be more grant opportunities for us to incorporate not only in new facilities, but existing facilities.

Councilman Dewar asked if the street lights, traffic signals, etc. are using LED lights. Mr. Pearce stated we tried using LED for the street lights, but the lights are not as bright. The traffic signals are something that SCDOT installs. We have a contract with SCDOT to maintain the lights.

Councilman Dewar asked about internal lighting in city buildings. Mr. Pearce responded that we have been using LED lights in city buildings.

Council agreed to continue Goal 13 regarding lighting.

Council asked that Goal 14 be moved to Goal 3 on the short-term goals.

Mr. Pearce asked if Council had any new continuing goals.

Councilman Merry stated he would like for the city to consider some time during the year a public show of support for the schools and their effort to improve infrastructure. He said he understood the School Board is going to seek support from all the entities in the County as far as a public statement of support. He asked that at some point Council have a discussion on support of the School Board regarding infrastructure improvements. He asked that the City Manager continue to make an effort to cooperate with the School Superintendent and the School Board on what we can do to help them. Mr. Pearce stated they want the support of Council. He said it is in the Strategic Plan that Council adopted as well.

Councilman Dewar stated we have to keep in mind that nothing can be done until a law is passed allowing Aiken County Schools to have a One Cent Sales Tax. He said that would be the time to consider support.

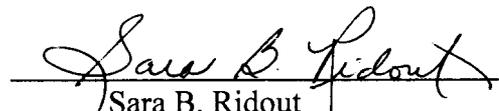
Councilman Merry stated he would not ask that Council speak towards support of the One Cent Sales Tax, but speak in general support of the importance of improvements to the schools and educational facilities.

Councilwoman Price stated very few people will disagree that we should have had the passage of their school bond early on, but the votes were not there to support it. She said there is still a need, but based on conversations with others the School District's strategy has to change. She said if the strategy does not change we may end up with similar results if the strategy does not change. There is a tremendous need.

Mr. Pearce stated they have an item in the Strategic Plan and asked if Council wants to have a continuing goal of identifying opportunities to support school improvements. Council agreed to the goal.

#### ADJOURNMENT

The meeting adjourned at 12:25 P.M.

  
Sara B. Ridout  
City Clerk