

Aiken City Council Minutes

REGULAR MEETING

May 13, 2013

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

Absent: Councilmember Homoki.

Others Present: Richard Pearce, Gary Smith, Stuart Bedenbaugh, George Grinton, Kim Abney, Ed Evans, Alicia Davis, Tim Coakley, Phil Kestin, Rick Brown, Phil Berley, Jeff Metz, Kim Coleman, Sara Ridout, Susan Mimmie, Amy Banton of the Aiken Standard, Chad Mills of Channel 12, and about 37 citizens.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 7:02 P.M. Councilwoman Diggs led in prayer, which was followed by the pledge of allegiance to the flag.

GUIDELINES

Mayor Cavanaugh reviewed the guidelines for speaking at the Council meeting. He asked that those who would like to speak raise their hand and be recognized and limit their comments to five minutes.

FERAL CATS – ORDINANCE

Amend City Code

Mr. Pearce stated on the April 22, 2013, agenda there was an ordinance regarding feral cats. He stated that item has been removed from the agenda and is not expected to be put on the agenda.

RECOGNITIONS

Mayor Cavanaugh recognized Joel Smith, who is working on his Eagle Scout badge.

MINUTES

The minutes of the regular meeting of April 22, 2013, and the Worksession of May 1, 2013, were considered for approval.

214 Park Avenue SW

Renovations

Conference Center

Feasibility Study

Capital Projects Sales Tax

City Attorney Gary Smith stated Council had been given a revised ordinance from the April 22, 2013, meeting to incorporate some comments received from Councilmembers on the Capital Projects Sales Tax funds for a feasibility study for the Municipal Conference Center.

Councilman Dewar stated that ordinance concerned advancing money so the City Manager can do a feasibility study for the first floor of the Municipal Building. Councilman Dewar stated he appreciated the changes. One concern he had about the wording of the ordinance was that it seemed to imply that the City Manager was only going to worry about improvements on the first floor of the Municipal Building. He stated the change has been made so he will be able to study everything from parking, private sector, competition, and the other matters Council discussed. He stated that is what Council was looking for. He stated the other question had to do with the repayment

of funds. He said he was still confused because it said the funds shall be repaid by December 31 or as soon thereafter once adequate funds are available to repay this loan. He stated that there was something to the effect that other capital projects in process would have priority over repayment.

City Manager Pearce pointed out that so far under the Capital Project Sales Tax III, Council has authorized the advancement of \$3.39 million. The tax is projected to collect \$44 million. He said based on past collections the funds should be repaid within the first year.

Councilman Dewar stated his concerns were addressed.

Mayor Cavanaugh stated Council talked a lot about anticipated problems with a Conference Center – parking and competition. He asked if the study could include a study on making the Municipal Building a building with business offices. He stated it would eliminate the competition that the City may give to Newberry Hall or others downtown, and it would also eliminate all the excess parking.

Councilman Dewar stated that discussion should take place after the Feasibility Study. If Council decides that the Municipal Building is not suitable for any reason to do the Conference Center, then Council will need to decide what to do with the building. He stated the City bought the Brinkley property to expand the Municipal Building, but we are not going to do that since the City bought the bank building, so should the City be considering selling that property as well.

Councilman Ebner stated that David Jameson, of the Chamber of Commerce, has mentioned that people starting a business call him about startup office space.

Mayor Cavanaugh stated it would be a perfect use for the building.

Mr. Pearce stated the private sector is interested in setting up a business incubator. He stated that information will be presented at the June 10, 2013, meeting.

Councilwoman Price stated she would like to hear from the public to see how they recommend using the space.

Councilwoman Diggs stated a Town Hall meeting would be good in order to get the public's opinion.

City Attorney Gary Smith asked regarding the ordinance if it was the consensus of Council to delete the sentences stating: "CPST revenue payments received by the City shall first be applied to works-in-progress. The balance of revenues received from CPST shall then be paid toward reducing the balance of any loans made under this or any other Ordinance." It was agreed to delete those two sentences.

Councilwoman Diggs moved, seconded by Councilwoman Price, that Council approve the April 22, 2013, and May 1, 2013, minutes as corrected. The motion was unanimously approved.

PRESENTATION

Tennis

Super Senior Ladies 3.0

Mayor Cavanaugh stated City Council would like to recognize the Weeks Tennis Center Super Senior Ladies.

Mark Calvert, Tennis Pro, stated it was an amazing accomplishment to make it to the Nationals. He stated they are the first team from Aiken to ever win a Southern Championship as a whole team and advance to Nationals. He told the team how proud he was as a coach. They dominated at the state championships--winning 5-0 as a team and

14-1 individually. They next travelled to Columbus, Georgia, and were 4-0 to win that title as well. Three weeks ago, they traveled to Surprise, Arizona, for the USTA League 6.0 Super Senior National Championships. They placed eighth nationally after a good hard fought tournament with an overall 1-2 team record, but a 5-4 individual record.

Captain Cate Cruse, joined by Linda Summer, Ruby Long, Sue Rondeau, Jean McDonnell, Jackie Walker, Phillis Hoy, Robbie Wilson, and Dianne Logan have worked hard and achieved admirable success in the Super Senior Ladies 3.0 Tennis Circuit.

For their persistence and performance under pressure, Mayor Cavanaugh presented them with a Character Award. He also read the proclamation that had been prepared declaring Weeks Tennis Center Super Senior Ladies 6.0 Team Week.

The captain of the Super Senior Ladies, Cate Cruse, thanked City Council for the recognition. She stated it was a wonderful ride and a great group of women. It was an honor to represent the City of Aiken, and the State of South Carolina.

The team stated Odell Weeks is a beautiful facility with top notch tennis courts. They wanted to recognize Mark Calvert because he is one of the best teaching pros around.

Councilman Dewar stated Al Marshal, one of his constituents, is affiliated with the US Tennis Association, could not be at the meeting but wanted to offer his congratulations as well.

BOARDS AND COMMISSIONS

Appointments

Ben Lott

Design Review Board

Mayor Cavanaugh stated Council needed to consider appointments to the various boards, commissions, and committees.

Mr. Pearce stated Councilwoman Diggs has recommended that Ben Lott be appointed to the Design Review Board. If appointed, he would fill the unexpired term of Philip Merry and that term would expire December 31, 2014.

For City Council consideration is approval of one appointment to the Design Review Board.

Councilman Merry moved, seconded by Mayor Cavanaugh, that Ben Lott be appointed to the Design Review Board with the term to expire December 31, 2014. The motion was unanimously approved.

Councilman Dewar stated he will support the nomination, but he has heard from a lot of folks that are not happy with a partially constructed foundation in his neighborhood.

Mayor Cavanaugh stated there has been some discussion about this appointment, but he had some discussion with someone he thinks very highly of who knows Mr. Lott and has watched his progress through the years. It is his understanding that Mr. Lott has been approved for everything he has taken before the Design Review Board.

Councilman Ebner stated he would like to reappoint Phil Haggerty to the Building Code of Appeals Committee.

Councilwoman Diggs stated she would like to reappoint Nathaniel Dicks to the Housing Authority.

Mayor Cavanaugh stated the nominations would be on the next Council agenda for consideration by Council.

City Manager Richard Pearce stated there were two additional requests. He stated Aiken Downtown Development Association has asked that Council be represented on their Board. They have asked if Councilman Philip Merry would be interested. Also, Council needs to make an appointment to the ARTS Committee to replace the position vacated by Don Wells.

Councilwoman Price moved, seconded Councilwoman Diggs, that Dick Dewar be appointed to represent the City on the ARTS Subcommittee and Philip Merry be appointed to represent the City on the Aiken Downtown Development Association Board. The motion was unanimously approved.

TAX MILLAGE RATE – ORDINANCE

Millage Rate

Budget 2013-14

62 Mills

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to set the millage rate for fiscal year 2013-14.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY CITY PURPOSES AND FOR CAPITAL DEVELOPMENT PURPOSES IN THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2013, SET THE MILLAGE AT SIXTY-TWO (62) MILLS AND TO PROVIDE FOR THE EXPENDITURES THEREOF.

Mr. Pearce stated every year, City Council adopts a budget for the following fiscal year. By a separate ordinance, Council sets a millage rate to ensure proper revenue to meet anticipated budget expenditures.

Our review of projected revenues and expenses shows the proper millage rate for this balanced budget to be 62 mills. Adopting this millage rate will represent 25 consecutive years without a millage rate increase. The millage rate was reduced in 2011 [from 66 mills to 62 mills] due to reassessment.

We are happy to have been able to control raising taxes, and we contribute the success to the careful stewardship of these funds by Council and staff alike.

For Council consideration is first reading of an ordinance to set the FY 2013-14 millage rate at 62 mills.

Councilwoman Price moved, seconded by Councilman Ebner, that Council pass on first reading an ordinance to set the FY 2013-14 millage rate at 62 mills. The motion was unanimously approved.

Councilman Merry asked how the millage rate was set before the budget was approved.

Mr. Pearce stated the millage rate determines the revenue the City will receive, so without the millage rate we would not have the revenue to have a balanced budget.

Councilman Dewar stated that historically there have not been any major changes to the budget once the City Manager presents it to City Council.

BUDGET – ORDINANCE

FY 2013-2014

Mayor Cavanaugh stated an ordinance had been prepared for first reading to approve a budget for fiscal year 2013-14.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE ADOPTING A BUDGET PROPOSED BY THE CITY MANAGER, CONTAINING ESTIMATES OF PROPOSED REVENUES AND EXPENDITURES BY THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2013, AND ENDING JUNE 30, 2014, AND DECLARING THAT IT SHALL CONSTITUTE THE BUDGET OF THE CITY OF AIKEN.

Mr. Pearce stated City Council had their budget Work Session on May 1, 2013. He stated the budget is organized as in past years.

He stated the total budget expenditures for these funds is \$51,707,542. He stated some adjustments were made based on the discussion at the last meeting. In particular, there is a weatherization grant which has been moved to the Crosland Park proposed budget. He has been in conversations with the South Carolina Department of Revenue. It has been determined that they sent a check in error so the previous estimates for the Accommodations Tax expected revenue have been adjusted.

Mr. Pearce stated the main increase in this year's expenditures will be \$3,860,000 to complete our new water plant on Silver Bluff Road. This project has been on our long term capital construction list.

Also, as part of the FY 2013-14 goals set by Council at the Horizons Retreat, we will also pursue the timeline for Capital Sales Tax Projects, Second Round [CPST II] which include:

City Recycle Center Redevelopment	2,700,000
Open Space Preservation	1,000,000
Stormwater Runoff Abatement	421,000*
Eustis Park Senior-Youth Center Site Selection/Preparation	1,000,000
Total	\$5,121,000

* Our Stormwater Utility will pay \$281,806 toward these costs, and the balance can be paid out of CPST II funds on hand, and will include work in Edgewood Subdivision.

In addition to the capital projects, some of our major purchases in the budget include:

Nine (9) ADPS vehicles	\$253,000
Firefighter self-contained breathing apparatus	50,000
Leaf Vacuum Trailers	100,000
Roll-Off Truck	160,000
Landscaping Equipment	116,750
Tourism Trolley	100,000
Virginia Acres Park Walking Track	175,000
Smith-Hazel Center Roof Replacement	250,000
Total	\$1,204,750

This budget has a proposed 1/2% salary adjustment for all employees and for employees who earn \$24,000 or less, per year, an additional raise in salary of \$500 which will affect about 53 employees. Depending on the results of our second quarter review of revenues and expenditures, we will also seek merit bonuses for high-performing staff. Council had asked about our Tuition Reimbursement Program, and that information was provided to Council for information as well as the work session memo and the budget summary from the proposed 2013-14 budget.

For Council consideration is first reading of an ordinance to adopt the FY 2013-14 budget.

Councilman Dewar moved, seconded by Councilman Ebner, that Council waive the rule and proceed to discussion. The motion was unanimously approved.

Councilman Dewar stated he is confused by the listing of the city recycle center redevelopment and wants to make sure if Council approves the budget that they are not approving doing anything with the landfill or anything definitely with the open space preservation or the Eustis Park Senior-Youth Center. A portion of the storm water abatement funds is part of the budget. He feels those items should be dealt with separately from the budget.

Mr. Pearce stated these items will not be in the budget because there are designated funds from the Capital Project Sales Tax. The information is to inform Council he anticipates coming to them later with the proposed projects that would spend the Capital Project Sales Tax money. He stated this is based on the Short Term and Continuing Goals that Council discussed at Horizons then later unanimously adopted at a Council meeting.

Councilman Dewar stated regarding the salary increase of 1/2%, he is not comfortable with the salary increase for certain employees who make less than \$24,000. If there is a problem with the wages that are being paid to people, then he would rather consider a permanent adjustment to wages. He stated he is not a fan of merit increases. He said he was disappointed with the way it was handled last year with the one week extra pay.

Councilman Merry stated he shares some concerns about compensation for City employees. He feels a 1/2% raise seems very small, but he understands we have to be careful with taxpayers' money. He said compensation for the City's valuable employees is a priority for him. He said he is still dealing with this.

Councilman Dewar stated largely because of a request he made Council has been able to see the wage structure within Public Safety, which is a reflection of the same increase. He pointed out the City has lost Public Safety people for more pay. He stated Mr. Pearce pointed out in the budget work session that you cannot just consider the pay, but have to consider the benefits, uniforms, and tuition reimbursement also.

Councilwoman Price expressed concern about those making less than \$30,000 per year. Their skills are different, but they are hardworking employees. She stated she would like to revisit the 1/2% adjustment with the categories of the salaries and see if the budget could support an increase of more than 1/2%.

Mr. Pearce explained that for the employees making \$24,000 or less, if they are given the 1/2% salary adjustment and then paid an additional \$500, that is equivalent to a 2% increase for them.

Councilman Ebner stated that would be an equivalent increase that doesn't happen every year. They would have to be given \$500 next year to get the increase. He wondered if the proposal is part of the hourly rate.

Mr. Pearce responded that would be their salary. He said the base salary would be increased 1/2% and then \$500 would be added to make their permanent salary. He said the effect is a 2% increase. He said the idea was to have the biggest impact on the salary for those employees at the lower level of pay. He said the thought was to get them into a living wage category.

Councilman Dewar stated generally wage surveys are conducted to make sure the City's salaries are close to what they should be. The City has Apparatus Drivers, who drive the vehicles to the fires. They are paid a lot less than Public Safety Officers.

Mr. Pearce stated the salaries for Apparatus Drivers have been adjusted based on 86 hours in a pay period. They have to be paid for 86 hours in a pay period based on their working 12 hours on and 24 hours off. They would qualify for overtime or comp-time. He stated we tend to work on comp-time, but they work 12 hours on and 24 hours off. We went through a salary review as part of the budget process and worked with Chief Barranco and adjusted the Driver Operator salaries.

Councilman Dewar asked if the comp-time is the employee's choice or the City's choice.

Mr. Pearce answered it was the City's choice. The City is trying to contain their overtime costs. Comp-time can be offered up to a certain limit, and then after that overtime is paid.

Councilman Dewar stated he had heard that Public Safety had a furlough program, but comp-time must be what they are talking about. He stated comp-time is typically part of the employee's choice. He said he understands the necessity to manage overtime.

Mr. Pearce made it clear that nobody is being furloughed in Public Safety. He stated there were some Duty Days that employees were being paid for but those have ended.

Councilwoman Diggs asked for an explanation of Duty Days.

Captain Phil Kestin, of Public Safety, stated there were two different programs that were in place. The first one was the Driver Operator Program. The Driver/Operators were working 24 hours on and 48 hours off. Every third month, on that schedule they would actually work one extra 24 hour period. The way some fire departments deal with that is called a Kelly Day, which the firefighters refer to as a furlough day. The City used to pay them for that every third month. Now they are given that day off instead of giving them the extra 24 hour pay period every three months. They have their normal schedule all the way through, and we adjust that by adjusting other people's schedule to work the day they would have worked.

Councilman Dewar asked if that reduced their annual pay.

Captain Kestin stated it has reduced the pay. He stated the other Duty Day that Mr. Pearce referred to is there are several people in the department, including the captains, maintenance people, and detectives who are on call for one week out of every five or six weeks, depending on their work schedule and they would get a day off sometime during the month of that six week period in addition to their normal time off for having to be on call for that month. Now the City pays them if they are called out instead of giving them an automatic day off for being on call.

Councilman Dewar asked for Captain Kestin's assessment of what this adjustment has done to the morale of the apparatus drivers. He asked if it had adversely affected them.

Captain Kestin stated it initially hurt morale.

Councilman Dewar asked if there was a bonus that goes to firemen that comes from some type of insurance program that is supposed to go to line firefighters.

Captain Kestin stated he is aware of volunteer firemen getting a tax rebate, but he is not familiar with what Councilman Dewar was asking.

Mr. Pearce asked Councilman Dewar to send that question to him so that Chief Barranco can get that information when he returns to town.

Councilman Ebner stated the Capital Project Sales Tax projects are not in the budget, but we list them in the budget. He feels if they are in the book then they are in the budget but the money is not part of the budget, as the money is a separate account. He asked if they should be removed for second reading.

Mr. Pearce stated they are not in the budget but they are in the goals that were adopted by Council. The City is trying to meet Council's directive that they work on various projects. There is no dollar amount attached to it because it is in the list that the citizens voted on. He said the list is in his budget message, but is not part of actual expenditures.

Councilman Ebner stated there are three other CPSTII projects that are to be voted on tonight. There are still about eight or nine more projects in CPSTII that he feels should be accounted for in the cover letter. He felt it would be good to list the projects to be sure they are all covered from the dollars aspect.

Mr. Pearce stated that list is being worked on and will be ready by the June 10, 2013, meeting, but to be clear, the City is not finished spending the CPSTII money. There is an expected surplus and a division of that money so we hope to hear about that soon.

Councilman Dewar asked if a portion of the surplus money has to be requested or is it automatic.

Mr. Pearce stated he had spoken with the county representatives, and he has been assured it is automatic and there will be a pro-rated division of any excess funds. There is no set date to get the surplus funds.

Councilman Ebner stated the other item on Capital Project Sales Tax is an agenda item for the settlement of the claim on Pawnee-Neilson with a claim of around \$1 million but the settlement is for \$200,000. He asked where the other \$800,000 will come from.

Mr. Pearce stated nothing has been adjusted yet, but there were some other road projects in that area. When the capital projects are presented we can take a look at that. If the money for the other projects--Dougherty to Aiken Mall, Dougherty Road Corridor, or Dougherty to Walmart which is the money we did spend—if there is an additional \$350,000 to \$150,000 from those projects, looking at that money will put us within a quarter million dollars on that project. He hopes to see what surplus money comes in from the county and then perform reconciliation at that time.

Councilman Ebner asked if the other eight or nine projects would be reconciled, such as the bicycle paths and some miscellaneous items that come up to a couple of million dollars.

Mr. Pearce stated that list was distributed at the work session. The City will perform a reconciliation with the surplus payment and then develop a timeline.

Councilman Ebner stated the surplus will be needed to cover the costs.

Mr. Pearce stated that is true to an extent, but there was the Attorney General's opinion that the City Attorney shared with Council at the budget worksession. He said to the extent that there are carry forward projects, for example, the renovation of the Public Safety Headquarters is actually in CPSTIII, CPSTIII money covers that expense which was listed in CPSTII. It was carried forward and voted on by the citizens.

Councilman Dewar asked what was meant by carried forward.

Mr. Pearce stated for example a Public Safety Building Expansion was listed as \$600,000 in CPSTII and immediately below that was the Public Safety Training Ground Improvements for \$100,000, for a total of \$700,000. What was actually spent was \$937,988. In CPSTIII there is actually \$900,000 to put towards a Public Safety Building Expansion because the money was spent on the training ground improvement.

Councilman Dewar asked if it was allowable to mix and match the CPST Round 2 and 3 monies.

City Attorney Gary Smith stated the Attorney General's Opinion talked about reimposition. He stated Mr. Pearce is saying the CPST III money of \$900,000 is a reimposition of the CPST II money.

Councilman Dewar stated that when CPST II is completed, either there will be money left over or not. It will not come out perfect. The law seems to say we can put the unused money to the next round if it is reimposed. If there is not enough money then it seems to say we take the money from CPST III to pay for what could not be completed in CPST II. He said he could not see the connection to say that funds for a project approved in CPST III two years before CPST II ended can be used to satisfy our over spending on a project in CPST II.

Mr. Smith stated he did not know why else money was appropriated in CPST III to do the Public Safety Building.

Councilman Dewar stated the staff gave it to them on the list and said it was what they wanted to do on the Public Safety building.

Mr. Pearce stated that at the time the list was presented, the training grounds had been completed so the prior City Manager knew there was a shortfall that could be covered with the third round.

Councilman Dewar stated he was not aware of the connection, and it had not been brought up in any of the discussions on the projects for CPST III. Mr. Pearce stated that was why the reimposition language of the Attorney General's opinion was helpful.

Councilman Dewar stated regarding the issue on the Pawnee-Neilson Connector road, he was not sure why money to repair the problem that developed and caused a lawsuit should come out of Capital Projects Sales Tax money. He said it seems that should come out of budget money.

Mr. Pearce stated there was budget money for Pawnee-Neilson. He said there was \$713,463 and \$325,000 from the 2006 Year End reconciliation that was put towards the Pawnee-Neilson project. He said some budget money was used. There was also some first round One Cent Sales Tax money for the project. He said a little over \$3 million had been spent for the Pawnee-Neilson project.

Councilman Dewar stated he was not sure if that should come from the Capital Projects Sales Tax funds. He felt it had nothing to do with the original project. He said there had been a legal problem and the issue with DHEC requiring us to make the big hole, but he did not know why the cost for the legal issue should come out of Capital Projects Sales Tax Funds.

Mr. Pearce stated that cost was an expense to be able to complete the road so it could be opened.

Councilman Dewar asked the City Attorney if he felt it was fair to use Capital Projects Sales Tax funds for the legal problem.

Mr. Smith stated the statute does not state what happens when a project comes in over or under budget. It does not specifically say what to do or how to do it. In the perfect world every project would come in right on the number that is on the ballot. The statute does not say what you are to do when you are not able to complete the project on that number. He said Council can discuss the issue and make a decision on how Council wants to approach that. He said Mr. Pearce is providing Council with a proposed way to handle it and asking for Council's approval.

Councilman Ebner stated he would like to get all of the information summarized and in writing. He said he does not mind shuffling the money if he knows where it is going.

He said if we are going to do this, he felt Council needs to vote on it because it is a change in the philosophy.

Mr. Pearce stated it would be presented to Council at the June 10, 2013, meeting.

Councilman Dewar stated he felt Council should vote on the issue of where the money is to come from to fix the problem of the Pawnee-Neilson road.

Councilman Ebner stated in the budget ordinance, all of the funds are listed. He asked why all of the funds listed on the first page of the ordinance are not listed in Section 3 of the ordinance, since we are committing those funds. He also asked if the funds with a few dollars or zero dollars were necessary or if they could be omitted. He asked if those funds needed to be in the actual budget book or if they could be left out.

Kim Abney, Finance Director, stated in Section 3 of the ordinance, the word "commit" was a word that had to be added to the ordinance about 3 years ago because of the change in fund balance. City Council has to commit the fund balance for those specific funds. It is wording the Government Finance Officers Association requires us to commit those funds. She stated that the funds listed in Section 3 are specifically used for those named purposes of the fund. Ms. Abney stated that any money, no matter how small, has to be included in the budget because that money is for that specific fund.

In response to Councilman Ebner's question about the funds being listed on the first page of the ordinance and not in Section 3 of the ordinance, Mr. Pearce stated the fund is actually in the budget with different divisions and the individual budgets are separate monies with their own revenue.

Ms. Abney stated that Section 3 is just to meet one very specific criteria that says City Council has to commit those funds and those are the only funds the auditor, the City Manager, and Finance Director have determined to be required to be committed. The Victims Services funds are restricted by the State. City Council cannot tell the City how to spend those funds. The LOP Sunday Alcohol Fund is also restricted by the State.

Mr. Pearce advised Councilman Ebner that the other funds are in Section 1 of the ordinance. Section 1 discusses the revenues and expenditures for various purposes named in and set forth in the conduction of business of government.

Councilman Ebner stated his next concerns are with the interfund loan that was made several years ago. In April, 2009, there was a loan that was made to the Northside Redevelopment from the Utilities Fund. It is due within this budget. There are some conditions that he feels are not being met. In the minutes of the meetings, the City Manager, in June, 2010, stated the money would be renewed and it would be brought back to City Council if it was not paid off. Mr. Ebner's concern is that he does not see where the loan is being paid off which is what the City Ordinance dated April 13, 2009, required. He said we need to come to grips with that between now and the next meeting. He said we have not been paying that back. He stated it is about \$18,000 - \$22,000 interest per year. There was also a statement about the money that was to buy the houses and renovate them. There was also a statement that we would not sell any houses less than what we had in them. A couple of years later we said we could sell the houses at whatever the market value was. He felt this should be addressed at the next meeting as part of the loan payment. We have the issue that if we sell a house now it will be below what we have invested in the house. He felt we need to be up front with the citizens on how the money is being spent.

Mr. Pearce stated the ordinance that Council passed said that staff was authorized to go forward with a sale as long as it did not sell for less than its appraised value. He said that is what we have operated under.

Councilman Dewar stated he always thought Council had to approve a sale if the city was going to lose money on the sale. Mr. Pearce stated Council would have to approve the sale if it were to sell for less than its appraised value. He said that is in the ordinance.

Councilman Ebner stated there are other conditions that need to be looked at that were in discussion of meetings in March, 2009 and November, 2010 and some other discussions in 2012. Obviously market conditions have changed. He feels the loan needs to be renewed.

Mr. Pearce stated while there is no cash asset to pay off the loan, we do have the houses, which are assets that were purchased with the loan proceeds. If the proposed sale is less than the appraised value for the house, then it goes before City Council for approval.

Councilman Ebner stated he could not find the ordinance with the words of "appraised value." He said he did not know how important that is today anyway because we keep lowering the price of the houses to get an offer. He said the price would obviously be below the vested value that the city has in the houses, whether it be part of Aiken Corporation's money or the City's money. He felt this needed to be looked at before the next meeting.

Councilman Ebner stated the ordinance may need to be changed in relation to the money. He does not see where the interest is being paid back. He said the ordinance he is referring to is dated April 13, 2009. It states the loan is to be paid annually with interest and paid off on April 1, 2014, which is in this budget year.

Mr. Pearce stated he had a July 13, 2009, ordinance stating the City of Aiken has authorized staff to transfer right, title and interest in real property as purchased or purchases in Crosland Park for not less than the appraised value established by a licensed South Carolina Real Estate appraiser.

Councilwoman Price clarified for those in attendance that what was being talked about was the Crosland Park issue which is a similar investment the City has made such as the City did with Toole Hill. Both areas were causing safety concerns for the residents living in the area. In order to invest in that community, we had to protect it by rehabilitating some of the homes. At one time, based on the market value, these homes were appraised at a higher value than now because of the market. These are 60-year-old homes that have been invested in, and we were selling them at close to \$100,000 and people were saying they could get a better, new home in Trotter Run or some other places where they did not have these issues that these homes brought, so the property was not selling. She stated the situation had to be reevaluated so these homes could move and get off the market. The question now is what to do in terms of making these homes less expensive so they move off the market.

Councilman Ebner stated he and Mr. Pearce have been working on trying to establish what the City has in the houses. If you look at the five years, there is about \$3,000 total in interest on the loans. He is concerned about some of the terms of the loan and whether we should be charging ourselves interest that we are not paying because there is no money. He thinks that is one of the things to look at when the loan is renewed. He said there is no need to charge ourselves interest when we will probably never be able to pay it. He does not see the \$1.5 million being repaid because money is being spent out of the general fund or some funds to keep the houses up. He felt this needs to be considered at the June 10, 2013, meeting. He asked how do we manage this. Do we need to budget money in Crosland Park to keep the houses up or do we just keep doing it out of the General Fund like we have been doing.

Councilwoman Price stated there are several elements that need to be looked at besides Crosland Park. She stated there is the issue with the Pawnee-Neilson Road and Gem Lakes and having to invest more money in the roads which could cost a lot. She said it is not just a Crosland Park issue, but there are other areas where we are having to reinvest in the areas. These could cost the City additional money.

Councilwoman Diggs asked when Council will get a copy of the market plan for Crosland Park.

Mr. Pearce stated it will be brought back at the June 10, 2013 meeting.

Councilman Ebner distributed copies of a letter from Mr. Wade Brodie. He stated there was a three-pronged approach. He said there is the marketing plan, and we have to look at the \$1.5 million loan. He stated that Pat Cuning is going to look at how the other houses can be renovated to be acceptable housing but in a more economical way.

Mr. Pearce stated the email from Mr. Wade Brodie was related to item 1 under Petitions and Requests.

Councilman Ebner stated his intention was for it to be placed under New Business but it was placed under Petitions and Requests. He said he wanted to discuss the matter here. He stated Mr. Brodie's comment was very appropriate. There is a committee under Aiken Corporation called the Housing Committee. That committee may need to work more directly with the City. He stated some of the arrangements we have made are a bit odd when the Aiken Corporation buys a house with money the City loaned them and then sells the house back to the City. Then the City pays them back and there are also some grant issues tied up in this. He stated Council needs to decide if it is better for the City to run the whole thing or a separate housing committee.

Councilman Ebner stated during the Horizon 2013 meeting, there were three goals that talked about housing. One goal was conducting a top to bottom review of Crosland Park Redevelopment project to evaluate best practices to maximize returns from the investments made in the Northside neighborhood. He stated that is what was talked about – a marketing plan, getting finances in order and then figuring out how to renovate the other houses.

Mr. Pearce stated the houses were owned by the City of Aiken. It was the City's renovation project, not Aiken Corporation. Aiken Corporation has an equitable interest in two houses – on Alderman and Aldrich Streets. The City has the legal title to these houses. There was another house on Alfred Street that was sold to the Toney's a year ago. Aiken Corporation bought the properties, but the City reimbursed their purchase price. When they conveyed back to the City, the deed just shows \$5.00. The equitable interest they had in the property was the money they fronted in order to buy the property.

Councilman Ebner stated the money cannot be traced by the paperwork. When we go back to the budget when all this happened, the budget for Aiken Corporation shows it was a year or so before the money was put in there. He does not think that Aiken Corporation should be paid back more money than the cost of the house.

Mr. Pearce stated Aiken Corporation was reimbursed for the money they fronted to purchase the house originally. That is what was done with Alfred Street and there is a deed on record that shows the purchase price that Aiken Corporation paid for the house.

Councilman Ebner stated that the deed he has is for \$35,000 and the City paid back \$39,000.

Mr. Pearce stated he thought \$35,000 was paid back but he would check on it.

Councilman Ebner stated what is left to pay on two houses that they paid \$35,000 for, is shown as \$78,000 on the quarterly report that is turned in for Aiken Corporation.

Mr. Pearce stated that was not related to those houses. He stated that is the forgiveness of the grant money for the Toole Hill houses.

Councilman Ebner stated that was a different item. He stated that grant money was about \$56,000. He stated this is why he feels all the information needs to be gathered together.

Mr. Pearce stated that was Aiken Corporation's books. The deeds left are one for \$32,400 and the other is for \$40,000. Those two properties, Aiken Corporation conveyed

to the City of Aiken. The auditors reported in the Aiken Corporation audit that the City took title to the property and was going to renovate them and then convey them back to Aiken Corporation to sell. Then Aiken Corporation could pay the City back for the renovations. Since we had houses for sale, we kept title to the property. We knew Aiken Corporation had the equitable interest of the front money so we are paying Aiken Corporation what they paid to buy the property.

Councilman Ebner stated he did not see the need for that. He thinks that all the finances need to be in one place. He said that is what he is proposing to be ready for them to talk about when talking about the marketing plan and getting our loan order together. He said he did not see the need for swapping the property back and forth. Mr. Pearce stated we did not swap back and forth. He said we took the property title, sold the house, and then reimbursed Aiken Corporation the money they fronted to buy the house. Councilman Ebner asked why the city took the house. Mr. Pearce stated Council approved taking the house. Councilman Ebner asked why Council was asked to approve it. He said that goes back four years. Mr. Pearce stated the thought was that we were in the process of renovating the houses and Ms. Segura, who used to work for the city, was under the impression that we needed to have Aiken Corporation have title to the property to extend the eligibility for home grant funds. That program dried up. The program has been reinstated at a lower rate. There are two different programs. One program covers closing costs. The other covers a forgivable loan that goes against the purchase price of the house. There is a third program for heroes which is for veterans, firefighters, law enforcement officers, etc. Councilman Ebner responded that the city or anybody could apply for the programs if they are a 501(c)3, even a citizen. He said it did not have to be Aiken Corporation. Mr. Pearce stated the purchaser would apply for those grants mentioned. Mr. Pearce stated the City has title to all the property in Crosland Park. Councilman Ebner stated what he was saying is that there is no need to do what we are doing. Mr. Pearce stated the only thing we need to do is reimburse Aiken Corporation for the money they fronted for the two remaining houses that they bought.

Councilman Ebner stated they were not understanding each other. He said we have swapped the money back and forth and there is no need for City Council to approve that. He said he wanted us to undo that so everything is on the city's ledger. Mr. Pearce responded that everything is on the city's ledger now. Councilman Ebner stated the \$78,000 is not on the city's ledger, but is on Aiken Corporation's ledger. Mr. Pearce responded that it is not \$78,000, but is \$72,400. He said Aiken Corporation paid \$40,000 for one property and paid \$32,400 for another property.

Councilman Ebner stated that is why he is saying we need to get the loan straightened out so we know how much money we have invested and how much more we need to do. He said this was one of his campaign projects, and he wants it to be successful. He said he felt we need to reevaluate what we did about five years ago. It has not been as successful as we wanted it to be, but we need to make it successful. He said he felt we need to clean up our finances to show that. He said that was his whole point. He said we need to go through and get it all straightened out. He pointed out it is still taxpayers' money. He felt we can straighten it out and get it on a footing so we know what we are doing going forward.

Mayor Cavanaugh asked if Mr. Pearce and Councilman Ebner could meet to get this resolved outside this meeting so Council could move on at this meeting. Councilman Ebner stated something needs to be put in writing to get all this together. Mayor Cavanaugh stated that had been said a number of times, and he felt everybody agrees to that. Councilman Ebner stated he did not know where to go from here. He had tried for a couple of years. He said he would like to get it done by June 10, 2013. He said he and Mr. Pearce had never been together on the numbers from the accrual base. They are better than they were, as they used to be quite different.

Councilman Ebner stated he had other items to discuss. They are budget items that he has asked for. He has been working with the City for seven years on some issues, mainly infrastructure. Over the three years he has had a number of calls from citizens. He said Mr. Pearce has all the data.

Councilman Ebner stated his first item was the Silver Bluff storm drain at 2126 Huron Drive. This item occurred when Woodside built their new offices on the main entrance to Woodside. They did not take care of the storm water, so for 10 or 12 years, whenever there is a hard rain, it washes across Silver Bluff Road. The line goes through the ladies' yard, and there is either a manhole or grate there which pops off and floods her yard. The State pointed this out to the City. The State says it is a City issue to take care of.

Mr. Pearce stated one property is in the City and the other property is in the County. The City's calculation is that SCDOT is contributing just under 19% of the runoff so we do not necessarily agree with Mr. Gantt. He stated he had been in discussion with SCE&G. They have an easement there, and we are looking at a possible swale installation. As far as the requested budget amount, we feel we have money in our storm water account to cover any City responsibility. Mr. Pearce stated we are studying this to see what the City's responsibility may be. He said we need to discuss the matter with SCDOT and Aiken County for contribution because there is county property and runoff from SCDOT.

Councilman Ebner stated the next item he wanted to address was the landscaping on East Gate Drive. He was told by the previous Engineering Director that it just never got done.

Mr. Pearce stated he has the Public Services Division working on it, and there is money in their budget to cover it.

Councilman Ebner stated Mr. Alan Karten is present at this meeting. He has worked with the previous Engineering Manager for a couple of years on the trails. He has put all the information together on the trails for almost everything south of Whiskey Road. When it was discussed at the budget session, it was said the survey money was in the budget. Mr. Karten walked the area with the previous Engineering Director. Councilman Ebner said he thinks it is important that we relive the City ordinance that was written where Sidewood Development deeded to the City a trail for the City to develop and then give it back to Woodside. This is all in the ordinance. He believes we own this land because it was deeded to the city. There are some easements involved. He would like for Mr. Karten to walk this with the new Engineering Director before the June 10, 2013, meeting. It has some severe slopes to deal with. This matter has been going on a couple of years.

Mr. Pearce stated depending on the topography, we wanted to survey and establish the exact City portion. It is possible that we might be able to do this work in-house. He stated there are materials budgeted and available. He said this is not a greenway project. It is an equestrian trail.

Councilman Ebner also asked that the trail networks and buffers be verified. He stated there has been a lot of discussion about buffers, and there are miles of them missing. Mr. Karten has done a study on all the buffers. Councilman Ebner suggested that in the next couple of months we get a committee together of each of the areas and the appropriate City people and let Mr. Karten make a presentation of the trails.

Councilman Ebner stated the next item is about city road cave-ins. He stated there are issues with roads caving in and he is concerned that we are using the process of run to failure. He stated Ascot in Springstone was put in about 8 or 9 years ago. A piece will be fixed, and, then it continues to go down the road. He is concerned that we fix it, and a couple of days later it is already falling in. There are engineering solutions to drill test holes in that road, and it needs to be fixed. He stated one of these days a car will fall in and someone will get hurt. He has had two letters from the POA in Springstone. He stated we need to start being proactive, and fix roads that have a history of caving in. He stated he did not think it was water leaks as there are no water lines under the road. He said Ascot is the main road in Springstone. He said the reason he thinks there is some other problem at Springstone Court and Ascot is that the stormwater interceptor has been worked on three times. He said there is probably too much flow in the pipe, and when the water fills up during a rain storm it is probably shaking it to pieces. That will happen in stormwater pipe if it is not put in right. He said he thought the contractor for the development went bankrupt, and the city had to go in and spend money to fix it. He said

this is probably a carryover problem. He said the fix we have been using is the third fix, and it seems to be working better. He said they have tried three or four fixes on the street where he lives. He said the fourth fix seems to be holding. He said the others are still caving in on his road, along with about four others in the city. He asked how we can start looking at these issues. He said he did not think the Stormwater Fund has enough money to cover all these road issues. He said we need to be proactive, but we aren't, and that is his concern. He said we see the road caving in. We can get a drill company to come in for about \$1,000 per hole and drill some holes to see what kind of problem we have. He said he knows the city does not have \$500,000 to fix the problems. He pointed out that on the road where he lives the developer has spent about \$800,000 or \$900,000, and the City has spent about \$200,000. He said his road needs another \$300,000 or \$400,000 before it quits caving in. He said he could name several other roads which have problems with the roads caving in. He said we need to look at this very closely.

Mr. Pearce stated there are funds in the Stormwater Fund and the Capital Project Sales Tax money to repair roads. He stated he has been in discussion with the new Engineering and Utilities Director. He is putting a system in place to identify the problem areas, and go in and camera it and take appropriate action. He said we have had an opportunity to try some different methods for repairs which we feel will work better.

Councilman Ebner stated the next item concerns water line and water meter replacement. He asked Mr. Pearce to take a look at this. In the last three or four years, we have raised the water rates about 20% or 21% and each year there was carry over money. He asked if the carry over money moved forward to the next year. He stated there is \$2 million to replace water meters in the 2012-2013 budget, and we are not going to spend that. He stated we need to look at the number of water lines that need to be replaced. There are 10,000 to replace and we estimated replacing 2,000 a year. It looks like only 500 will be replaced a year, so we need to analyze that. It would make our cost 2 ½ to 3 times greater than our 6% will cover.

Mr. Pearce stated what was in the budget this year was to hire the six people to put the meters in. He stated that money would be carried forward because the City did not borrow the money to purchase all the meters. We buy an inventory and install it. The \$1.2 million and \$600,000 was to buy meters. The rate increase was to hire a staff of six people to work on replacements. The 6% rate increase was to hire staff. The 2% was to go to inflationary pressures for the utility. That has been done. The \$600,000 and the \$1.2 million were to buy hardware. The 6% rate increase was to hire the additional crews. He said we have been spending money on salaries for the people working on the replacements. He said there are three crews of two, the trucks, and the equipment they needed. He said we have spent that money.

Councilman Ebner stated he figured a five year average with depreciation, etc. is about \$754,000 a year for the crew. Then we bring in \$780,000. The other money would be for the meters. He said the plastic pipe is not that expensive. Mr. Pearce stated 2% of the money was for inflationary pressures. Councilman Ebner stated there were 17,000 meters to replace. He said he was asking that Mr. Pearce take a look at this by June 3, 2013, and if his numbers are right we need to reevaluate what we said we could do. Mr. Pearce stated that is what Mr. Grinton is working on.

Councilman Ebner stated the last item is Lynn Street stormwater control. He said at the budget review he had asked Mr. Morris if we had finished the entire stormwater system from Whiskey through Springstone Villas, Springstone houses, on down through the backside of Chukker Creek. Mr. Morris stated all that had been renovated and fixed to city specifications. He said this was item 7 on the list. Councilman Ebner stated he would like staff and Council to consider all the items for the June 10, 2013, meeting. He said that gets him caught up on concerns that people have brought to him over the last seven years.

The backyards on all the houses on Lynn Street are a ditch. They cannot grow grass or anything in it. Part of the problem is all the water from Whiskey between Stratford and Chukker Creek goes in the backyards of these people. The City needs to do something to

divert the water. He would like the City to look into this and if needed, go to DHEC and get a permit to fix it.

Councilman Dewar asked if Sec. 2: "Funds obtained from any sources may be used for any of the appropriations named in this budget, except funds specifically restricted by city ordinance or by state law," was required by law to appear in the budget ordinance.

Mr. Pearce stated that is how the money has to be spent. He pointed out that within a division there may be expenses over a particular line item, but as long as they don't overspend for the division it is okay.

Councilman Dewar then pointed out Sec. 4 (a) "The City Manager, without prior approval by City Council, may transfer sums among line items in the budget within a city department for the purpose of accomplishing the objectives set forth therein...." He said that makes him wonder why Council is wasting all this time to lay out a budget by department which should serve to direct staff to get certain things done with the money that Council gives them, if we have the two catchall sentences that basically say you can do whatever you want.

Mr. Pearce stated it is a practicality of the actual execution. This is the best prediction of revenue and what we will spend the coming year and sometimes we have outside forces that dictate otherwise. It is what has been every year with the budget. He stated Section 2 is Council's authorization to not only collect the money but then to spend the money. If it is restricted money, then it has to be used on the particular project.

Councilman Dewar asked if all cities pass their budget by ordinance and if these provisions are in other cities' ordinances this way.

Mr. Smith stated other than the initial question about Section 3, this ordinance has not changed significantly in over 15 years. It has had the same language in it since he has been City Attorney. It is very similar to other cities.

Councilman Dewar asked about Section 4(c) of the ordinance: "Prior to June 30, 2014, or as soon thereafter as possible, City Council shall review and approve by ordinance all interdepartmental and intradepartmental transfers of sums in the aforesaid budget made during the fiscal year. For purposes of satisfying this requirement, it shall be suitable for City Council to review the annual audit report from the City's auditor who shall provide a detailed accounting of all interdepartmental and intradepartmental transfers of sums during the fiscal year."

Mr. Smith stated that is done every year when the auditor comes to town.

Councilman Dewar stated the 016 Capital Project Sales Tax has \$1.75 million for Northside neighborhood renewal. He asked why this money cannot be used to pay the loan.

Mr. Pearce stated the \$1.5 million was used to purchase the properties. The Capital Project Sales Tax money was used to renovate houses. He stated it was part of the budget.

Councilman Dewar asked if final year numbers will be printed in the final budget printing in August.

Mr. Pearce stated that is being looked at. Only a certain number of lines can be used. He said we will not be able to print those numbers until we have the final budget reconciliation in August once we have closed the books in June. It takes the month of July to do the reconciliation and determine if there are any unspent funds.

Councilman Merry asked if we are considering approving the proposed budget on first reading with the additions that Councilman Ebner has presented.

Mr. Pearce stated there are funds to cover the items Councilman Ebner mentioned with the exception of the road cave-in. He pointed out that Attorney Smith clarified that the approval was for the budget as presented.

Councilman Ebner stated the items that Mr. Pearce says we can't handle, we will discuss at the next reading of the budget.

Councilwoman Price stated for clarification Mr. Pearce is saying that everything that Councilman Ebner discussed on the listing provided is already included in funds except for city road cave-ins which is \$500,000 per year.

Mr. Pearce stated he felt we have funds budgeted for most of those items. He pointed out the items like trails at \$90,000 and East Gate Drive at \$10,000. He said we are already working on East Gate Drive. He pointed out he does not have the \$90,000 to budget for trails other than the funds he has already proposed for surveying the trail and having staff on call that could potentially work on the trail depending on the topography. He said the survey has to be done and then have a meeting to find out what the expectations are. He said we can't build a greenway there. The proposal is for an equestrian trail.

Councilwoman Price stated she did not want the money designated for houses in Crosland Park to be moved for work on the trail. Mr. Pearce stated no, he would not do that.

Councilman Dewar stated but it is all right to take money from elsewhere to put in Crosland Park. Mr. Pearce stated no, that money is from Capital Projects Sales Tax funds, which are designated for that.

Councilman Ebner pointed out that the proposed trail is 25 feet wide.

Councilwoman Price stated seriously that we are talking about an area that has serious criminal elements and whether we want to allow that to continue. She said we are trying to make an area safe like we have in Toole Hill. In order to do that, there are investments that the city has to make for safety of the citizens.

Mr. Pearce stated there have been improvements in the crime rate in Crosland Park.

Councilman Dewar stated we all went into the Crosland Park improvements with the expectation and hopes that taking a small number of all those homes would work. He pointed out that a large part of what we spend in the city is going to Crosland Park. He said we are completely redoing the sewer system. We are working the streets. We are providing safe routes for children to travel from the houses to the school. We are doing a lot of projects in an effort to revamp Crosland Park. He said it is worth the effort.

Councilman Dewar stated he was not sure Council had settled on what they want to do with employee wages. He said Councilmembers expressed some concerns, but he was not sure what Mr. Pearce plans on doing with that discussion. Mayor Cavanaugh stated he felt it was up to Council to decide.

Mr. Pearce stated he needs direction from Council on salaries. He said he had submitted a proposal trying to address concerns about employees on the lower end of the pay scale.

Mr. Smith stated he hoped it was clear that when he suggested that the motion would be that the budget is approved as presented that it would include what Mr. Pearce has presented to Council in the budget and for salaries it would be the 1/2% increase for all employees and for employees earning \$24,000 or less it would be 1/2% increase plus \$500.

Councilman Dewar stated whatever Council desires needs to be made clear to Mr. Pearce to be fair to him. He said Council needs to give Mr. Pearce some guidance and direction.

Mayor Cavanaugh stated he felt we have the guidance in writing already. He said the question is whether the majority of Council agrees with that. He said there is no doubt that we want to pay our employees a fair and good salary, but we also have to look at the budget and consider all alternatives. He pointed out we have not had a tax increase in 25 years, but we could have a tax increase. He said the time will come when we will have to have a tax increase. He said we can't continue with no tax increase forever. He pointed out some other cities' employees are not getting any increase. He said Aiken has always given something to our employees. He said we would like to do more, but the problem is where the money will come from. He pointed out that we have talked for over an hour about funding for many other things. He pointed out that last year worked out well for last year.

Councilman Dewar stated he felt the HR turnover numbers are higher than he felt he would like to have.

Mayor Cavanaugh stated we have jobs and are filling all the jobs.

Mr. Pearce stated as far as the turnover numbers, he would like to remind Council that the HR report does show that we have seasonal workers, summer workers, and retirements. He said that is a significant portion of the turnover rate.

Councilman Dewar stated he would vote for the budget on first reading, but he was not happy with what we have for employees. He said if anyone else feels that way, they need to tell the City Manager.

Councilwoman Price stated she has a passion for those people who are making wages close to minimum wage and some barely living wages. She said that brings to mind that we have created homes such as those around Smith-Hazel, those that Habitat helped with, because of the wages that we pay employees. It does help them to fulfill their dream of owning a home. She said if we did everything for everyone, we would be a town envied by everybody in the world, but that is not reality. She said she was happy that we have a city that looks at people who have these needs.

Mayor Cavanaugh pointed out that when we got into the Crosland Park project, that the economy turned down and that has affected the project. He said we are all in hopes that will improve and help us with the project.

Councilman Ebner moved, seconded by Councilwoman Price, that Council pass on first reading an ordinance to approve the budget for fiscal year 2013-14 as presented. The motion was unanimously approved.

ELECTION SCHEDULE

2013 General Election

6-1 Plan

Mayor Cavanaugh stated the election schedule for the November, 2013, general election is presented for Council's information.

Mr. Pearce stated Sara Ridout, City Clerk, has reviewed the ordinance for the election schedule, and has provided the schedule for conducting the upcoming election as follows:

- | | |
|---|--------------------|
| 1. Opening of filing for nomination petitions and entry of candidates for primaries | August 5, 2013 |
| 2. Closing of entry of candidates for primaries | August 12, 2013 |
| 3. Municipal Party Primaries or Conventions | September 10, 2013 |

- | | |
|---|--------------------|
| 4. Closing of entries for nomination by petition | September 20, 2013 |
| 5. Municipal Party Primary Run Offs, if necessary | September 24, 2013 |
| 6. Last day for certifying candidates to
Election Commission | October 4, 2013 |
| 7. Election Day | November 5, 2013 |

This schedule is presented to Council to give notice of the election. This year the election will be for Districts 2, 4, 5, and 6. Council members Price, Ebner, Homoki, and Merry will be eligible for reelection.

Councilwoman Diggs moved, seconded by Councilman Dewar, that Council approve the election schedule for the November, 2013 General Election. The motion was unanimously approved.

Councilman Dewar asked the City Attorney to work with the Election Commission so the City does not have to conduct an election if there are no opponents. He understands that State law says if there are no opponents, then there does not have to be an election. He stated when he ran for reelection, he had no opponents in the primary, was not challenged by petition, and yet his name was on the ballot for the election. When he spoke to the Election Commission, he was told that by law he was in but yet his name had to be on the ballot. He felt it would have been confusing if people had written another name in.

Councilman Dewar stated the law is the law. He said he was told that it was written so cities would not have to spend money if they did not need to. He said if there are no opponents on the election, he would like the city to consider not having an election. Everybody has a chance to run for election.

City Attorney Gary Smith stated he would look into the matter for Councilman Dewar.

BID

Shiloh Springs Filtration System

Mayor Cavanaugh stated bids for the Shiloh Springs Filtration System were presented to Council for approval.

Mr. Pearce stated Council will recall that we are in the process of remediating the radium in our water supply at Shiloh Springs. As part of this work, we have bid this project.

Gene Ray Fulmer is the apparent low bidder to install this equipment for \$1.3 MM. We are in the process of receiving approval for a forgivable loan in the amount of \$1.0 MM to defray the cost of the installation of this filtration equipment. In order to qualify for this forgivable loan, approval of the bid by the governing body must be obtained. We have funds in our budget for this project.

For Council approval is a bid of \$1.3 MM for the filtration system installation at Shiloh Springs.

Councilman Dewar moved, seconded by Councilman Ebner, that Council approve a bid of \$1.3 MM for the filtration system installation at Shiloh Springs. The motion was unanimously approved.

HITCHCOCK PLAZA – RESOLUTION 05132013DeedAcadia HendonPawnee-NeilsonPine Log RoadDougherty RoadSilver Bluff Road

Mayor Cavanaugh stated Council needed to consider acceptance of a deed from Hitchcock Plaza for a portion of the streets in the shopping center.

Mr. Pearce read the title of the resolution.

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF A DEED OF DEDICATION FROM ACADIA HENDON HITCHCOCK PLAZA, LLC.

Mr. Pearce stated as part of completing the Pawnee-Neilson connector road from Pine Log Road to Dougherty Road, the principals who own additional right-of-way and land adjacent to this project agreed to convey property to the City to ensure this right of way is properly configured.

With construction of Academy Sports and Outdoors, we are now best positioned to accept the owners' deed to this real estate.

Mr. Pearce pointed out on the plat that there are two sections of roadway to complete the dedication. One section goes from Silver Bluff Road along Pawnee about half way to Neilson. The other section is on Neilson to complete the right of way so the roadway is completely city-owned. The intervening section had already been conveyed by the developers to the City of Aiken back in 1988. This will complete the connection.

A resolution has been prepared for Council's approval to accept a deed of dedication of certain real estate for the Pawnee-Neilson Connector Road Project.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council approve a resolution authorizing acceptance of a deed from Hitchcock Plaza for a portion of the streets in the shopping center. The motion was unanimously approved.

Councilman Ebner pointed out that Fabian had been dedicated to the city since 1988. He pointed out it is in good shape and has lasted for 20 years. He stated the new portion of the road was built by the city. He asked if the city built the road to city specifications. Mr. Pearce stated he thought the retired Director of Engineering and Utilities Department would say it was built to city specifications.

Councilman Merry stated there is a portion of Fabian right before it enters the Wal-Mart parking lot that has never been dedicated to the City. It was originally designed with the Wal-Mart Shopping Center and intended to ultimately be dedicated to the City, but Wal-Mart has not done that. He asked if there was a way to get it dedicated to the City.

Mr. Pearce stated there have been extensive discussions with Wal-Mart going back at least 2 years trying to connect Hamilton Drive into the Wal-Mart parking lot. The City is trying to get it all completed at once. He stated George Grinton will follow up with Wal-Mart to find the status of this.

Councilman Merry asked if there were any parking lot or maintenance standards for a development like Wal-Mart. He stated they have not dedicated that portion of Fabian, and they apparently have a company that sweeps the parking lot but they ignore Fabian. Since it has not been dedicated to the City, the City is also not cleaning it. From Pawnee-Neilson into the Wal-Mart parking lot, there is a dumping ground.

Mr. Pearce stated there is a Property Maintenance Standard and the City will have the Property Maintenance Code Official take a look at the problem.

Councilman Ebner stated it would need to be checked close because the same issue arose with the Woodside Medical Center as to who owned the parking lot.

AIKEN CORPORATION

Note

Mayor Cavanaugh stated Councilman Ebner had asked to be placed on the agenda to call the Aiken Corporation note due and payable.

City Manager Richard Pearce stated Councilman Ebner requested calling the Aiken Corporation note for \$328,800.

Councilman Ebner stated that item had been covered earlier in the meeting when he distributed a copy of the letter from Wade Brodie. He stated we will discuss how to get the finances together for Crosland Park.

Mr. Pearce stated he understood the specific request was to call the note.

Councilman Ebner stated his specific request was to put it under New Business for Council discussion. He said he had already covered it. He stated it had already been part of the budget discussion and part of the \$1.5 million loan. He said he felt the things are integrated so tightly that we have to come to an agreement with what we have to do with them.

Councilman Dewar asked if Councilman Ebner's intent was that this was part of voting for the budget.

Mr. Pearce stated that would be a separate matter from the budget.

Councilman Ebner stated it could be a separate item, but it is tied into the \$1.5 million. He said we are taking \$1.5 million money and renovating houses. He said it moves money and deeds back and forth.

Councilman Dewar suggested having a work session on Crosland Park.

Mr. Pearce stated \$328,800 is the funds that City Council approved loaning to Aiken Corporation for housing so they could work on joint housing projects such as Toole Hill, Asheton Oaks, Chesterfield North, and several other projects. He stated what was discussed at Horizons was new projects for Aiken Corporation to work on with the City of Aiken. He stated potentially building houses in Edgewood or other areas of the Northside had been discussed.

Councilman Ebner stated the better use of the money might be in Edgewood as it is a more defined issue to work on.

Councilwoman Diggs stated Jake Street would be a perfect start with the drainage issues.

Mr. Pearce stated the \$328,800 is not tied to Crosland Park. Councilman Ebner stated it is tied to Crosland Park now, and we have to untie that knot. Mr. Pearce stated he did not know how the money is tied to Crosland Park. It is for housing. Councilman Ebner stated Aiken Corporation deeded two houses to the City that they bought from that money. He said it came out of that account and was credited back to the account when the house was sold. Mr. Pearce stated that was done, but it does not tie the \$328,000 to Crosland Park.

He said the City is tied to Aiken Corporation to reimburse \$32,500 and \$40,000 the purchase price for two houses in Crosland Park. When those houses sell, the money

would go from the City of Aiken to the Housing account for Aiken Corporation. That does not obligate Aiken Corporation to spend it in Crosland Park at all. They can spend it on housing based on the recommendation of the Housing Subcommittee to the Executive Committee for Aiken Corporation and then vote to move forward. When the storm water work is completed in Edgewood, that would be an appropriate juncture to see if Aiken Corporation would be interested in partnering with the City on some other Northside issues.

Councilman Ebner stated he and Mr. Pearce don't agree. He said we have to separate the money and approve it by action of City Council. He said the city bought three houses for \$5, and we need to get rid of those. Mr. Pearce stated we are trying to sell the whole group of 11 houses. He asked if there was any action by Council as he needed guidance from Council. He asked if the item was to be an item of new business on June 10, 2013, for a resolution to call the Aiken Corporation note.

Councilman Ebner stated his original request was to have the matter on the agenda under New Business.

Councilman Ebner stated as far as he is concerned, Council covered the petition request in the budget discussion. He said Council would get together and deal with the \$1.5 million loan and separate and list all the houses so Council will know who owns what and show what is owed.

Mr. Pearce stated the City of Aiken owns all of the houses and owes Aiken Corporation \$72,400.

Councilman Ebner stated we would get into what Mr. Cunningham said. How much loss is Aiken Corporation going to take on three houses? He said these are the issues that we need to address. He said we don't need to address them at this meeting. Mr. Pearce stated Aiken Corporation has already advanced \$143,500 for options that they had to write off. They have already taken the loss. Councilman Ebner asked if they would be writing off part of the money for three houses. He said these are the questions that he wants to get straightened out and separated so we know what money we have in each pocket. He said he felt that could be done later and brought back to Council on June 10, 2013. He said as far as he is concerned there is no action on this item today.

FIREWORKS DISPLAY

Gaston Livery Stable

July 4, 2013

Mayor Cavanaugh stated a request had been received for approval of a public fireworks display.

Mr. Pearce stated Coleen Reed is present on behalf of Gaston Livery Stable. As part of a July 4, 2013, holiday celebration at the Gaston Livery Stable, a public fireworks display is desired to be featured. The fireworks will be launched on a parcel immediately adjacent to the Gaston Livery Stable on the DSS Office lot. Wacky Waynes is scheduled to conduct this display. Public Safety will be hired under an extra-duty contract to provide fire protection for this event. We also understand that all necessary permits and insurance coverages will be obtained to cover this display.

Under our City Code Council can approve public fireworks displays. For Council approval is a July 4, 2013, public fireworks display at the Gaston Livery Stable.

Ms. Coleen Reed stated this is not a fundraising event; it is a community event. Last year there were over 650 people in attendance at the event. The Friends of the Gaston Livery Stable are trying to give back to the community. She said they have the space to allow people to come and observe the fireworks. She pointed out the professional team from Wacky Waynes will conduct the fireworks display. They will be doing residential grade fireworks. The fireworks will not go higher than 16 feet in the air, and all safety precautions will be taken. The County is providing the Star Light Cinema so they can have a movie as part of the celebration.

Councilman Dewar asked if there was a certain time frame in which the fireworks should end.

Mr. Pearce stated City Council has given him the authority to provide that variance.

Mayor Cavanaugh asked when fireworks had been approved before. He stated his concern is safety and the precedent that will be set.

Mr. Pearce stated several years ago there were some fireworks displays at the Aiken Mall.

Councilman Merry stated he was concerned with the 16 foot height for the fireworks. He stated 16 feet is not very high, and he feels they will go quite a bit higher. He stated his concern is disruption to the residential neighborhoods and potentially animals in the area.

Mr. Pearce stated the residential area is a bit removed from this location, and there will be a brush truck on the scene.

Councilwoman Price asked how long the fireworks display would last.

Ms. Reed stated it would be 10 to 15 minutes. She pointed out fireworks are expensive. She stated if it is dry, they will exercise all precautions.

Councilwoman Diggs asked if the fireworks display would be the only event.

Ms. Reed stated there will be vendors, children's games, a water slide, bouncy toys, some historic costume characters, and possibly a pony. It will be a free event.

Councilman Merry stated in his experience with the Design Review Board they were concerned about setting a precedent. He said Mr. Pearce had advised them many years ago in approving a request that they give a reason for approval. He said if there is a motion to approve the fireworks, perhaps Council should include in the motion that it is because the fireworks will be held on a large piece of property, the area is removed from residential areas, and the fireworks will be of a residential grade with no high explosives.

Mr. Henry Krippner, 144 Krane Court, stated he is in favor of this event. He stated his concern is where the hot fireworks trash will fall. He stated that High Fields has been working very closely with the Gaston Livery Stable and if High Fields does not have an event going on, they have a big field that could handle this.

Mr. Pearce stated they are talking about launching the fireworks at the DSS parking lot which is an asphalt parking lot, not at the Gaston Livery Stable.

Ms. Jenne Stoker, Kershaw Street, said she had some questions about the event, but from what she has heard, it is not as much of a concern as she thought. She feels that 15 minutes of low grade fireworks and not a lot of explosions will not be that bad. She feels the Mayor's concern is valid in setting precedence.

Ms. Reed stated regarding insurance there will be \$2 million coverage. She stated she will add the event to their present coverage and Jane Page Thompson is also getting a separate insurance policy.

Councilman Merry moved, seconded by Councilwoman Price, that Council approve a July 4, 2013, public fireworks display at the Gaston Livery Stable because it will be on a large piece of property, quite a bit removed from a residential area, the fireworks will be of a residential grade with no high explosives, the fireworks will not last more than 30 minutes, they will obtain all permits and insurance coverage, and they will have a Public Safety extra duty contract to provide fire protection. The motion was unanimously approved.

SPLASH PARKRestroomsCitizens Park

Mayor Cavanaugh stated Council needed to consider the Citizens Park Capital Project for restrooms at the splash pad infrastructure.

Mr. Pearce stated as part of our Capital Sales Tax Projects II list, additional parking, a splash pad, and restrooms at Citizens Park were listed. Total funds for all of these related projects is \$500,000. Council previously approved the splash park equipment, and it has been ordered. Delivery of this equipment is expected within eight weeks or so. When it is delivered, we will have to plug it into something. A copy of the concept plan for the splash pad and restrooms facility was provided to Council. Engineering & Utilities Director George Grinton will be using the professional services of Joe Walker of Joseph M. Walker Construction Managers to bid out labor and materials for this installation as well as to oversee this work. With Council review of these materials, we can then proceed to commencing work on what should be a welcome amenity to our award-winning Citizens Park Recreational Complex. Mr. Pearce stated the restroom facility is budgeted at \$100,000.

Councilman Merry asked if Joe Walker's fees were included in the \$500,000 amount. Mr. Pearce stated they were. His fee is \$18,000.

Councilwoman Diggs asked if bids were taken on this project. Mr. Pearce stated bids would be submitted for the construction.

Councilman Dewar asked if there would be area lighting near the restrooms. He asked if there would be any camera capability outside the restrooms monitoring the area. He also asked if the restrooms will be locked at night.

Mr. Pearce stated there would be lighting. Cameras were not budgeted, but the City can take a look at that. Mr. Pearce stated that typically all of the parks are closed from dusk to dawn. If there was an event there, hours would be established, but to the extent that the park is closed it would be locked.

Councilman Merry stated he sees that Mr. Walker is to bid out the labor, materials and oversee the work. He asked if the City needs to spend \$18,000.00 on that.

Mr. Pearce stated that is the recommendation from the Engineering and Utilities Director, and he concurs with that. There are so many projects going on, and Mr. Walker did an excellent job with the Administration and Finance Building. Mr. Walker is a tough negotiator, and he brings value to this project to keep it within budget and on time.

Councilman Ebner stated someone needs to watch these jobs that we have not been watching in the past. Councilman Ebner stated in his experience with the City we have not had Mr. Walker watching but one or two jobs. The jobs that no one has been watching go on two years and are \$50,000 jobs. He stated we need something to get our jobs finished up in an appropriate time and budget. We have not been doing that in the past.

Councilman Dewar asked about the outside cameras, lighting and locking of the restrooms.

Mr. Pearce stated the locks and lighting are included, but we don't have cameras. We will have to look into cameras for the area. He said we may be able to work out something with the IT Department for cameras.

Councilwoman Price stated this is a welcome addition to the park and citizens will love it.

Councilman Ebner moved, seconded by Councilwoman Diggs, that Council approve the Citizens Park Capital Project for restrooms at the splash pad infrastructure. The motion was unanimously approved.

TOGNUM/MTU

Donation

Mayor Cavanaugh stated Council needed to consider donation of equipment from Tognum/MTU diesel.

Mr. Pearce stated Joerg Klisch, the Vice President of Operations, North America, for Tognum America Inc., has made a generous offer to us. Citizens visiting our new Administration and Finance Building have remarked that they would appreciate a table in our lobby for writing out checks or otherwise organizing their paperwork. Tognum has offered us one of their smallest diesel engines, their 8V2000 diesel engine. In addition, Bespoke, a local interior design business has generously donated a nine-foot long glass table top that can be placed on top of this engine to create the public counter space they have requested.

Having the glass top will also allow visitors to learn more about one of our local manufacturing plants and the technology they are using to build massive engines used in all kinds of vehicles, ships, and heavy equipment.

Mr. Pearce stated the engine would be about 4'x3'x40" high and weigh about 1 ½ tons.

Our preliminary research shows the heavy duty concrete floors will supply the necessary support for this heavy installation. It certainly provides a unique opportunity to showcase local industry--a stated goal in our 2010 Strategic Plan Update: *Aiken's Tomorrow*.

Councilwoman Diggs asked if there was a picture of the engine or if Mr. Pearce had seen it. She asked if it would take away from the décor of the building. She said she would like to see a picture of the engine.

Mr. Pearce stated if it is installed and everyone dislikes it, then it can be moved.

Councilman Merry stated it was a terrific idea.

Councilman Ebner asked what the long range plan was for the lobby area of the Administration and Finance Building. He feels when he walks into the lobby, it is not homely feeling. He feels it needs some improvement. He asked if one of the teller windows could be the information desk. He said the arrangement of the lobby is just not homely.

Mr. Pearce stated there will be brochures and magazines for people to utilize while waiting and they will also be able to use the glass top for writing their payments and other business. He said when people come in the door that is when they need information. Mayor Cavanaugh agreed that the information desk needs to be near the door where people enter.

Alex Grennor stated he felt the engine would not give the right feeling for the public in the lobby at the Administration and Finance Building. He feels, as a historian, the engine would be better suited in the Visitor's Center.

Mr. Pearce stated the size of the engine will not lend itself to the Train Museum Lobby. The furnishings are in place and there are group events there.

Councilwoman Price stated she also feels the impression people get when they walk into the lobby is not the impression they expect to get. They are expecting a warm smile and the citizens are not receiving that welcome.

Councilman Dewar stated he was very pleased with the volunteers that sit at the information desk.

Councilman Ebner moved, seconded by Councilman Merry, that Council approve the donation of equipment from Tognum/MTU diesel. The motion was unanimously approved.

SETTLEMENT

Pawnee-Neilson Connector Detention Pond

Mayor Cavanaugh stated Council needed to consider a review of a settlement proposal.

Mr. Pearce stated local Attorney Rob Braithwaite is representing the City of Aiken in a lawsuit in Federal District Court against Cranston Engineering firm concerning the design work they did for the Pawnee-Neilson connector road. This case arises from the installation of the Pawnee-Neilson Connector Road. Slopes in the detention area adjacent to the road developed cracks and eroded.

Attorney Braithwaite has negotiated a written offer of settlement of all claims raised in this case. Under the settlement terms:

1. The Defendants will pay \$200,000 to the City of Aiken.
2. The City of Aiken will allow Defendants to participate in the bidding process for City projects.
3. As with all settlements in Court cases, the payment to the City is a settlement of all claims without any admission of liability.

Under our City Code, Council must approve the settlement offer to resolve all litigation of claims in this amount. For Council approval, therefore, is settlement of all claims in the Pawnee-Neilson suit on these stated conditions.

Councilman Merry asked what negligence or mistake was made by the Defendant.

Mr. Pearce stated the design of the slope was a 1 to 1 slope and the allegations of the lawsuit were that the design resulted in failure of the slope. He stated the City worked with Schnabel Engineering and they recommended a 3 – 1 slope, and we spent an additional \$900,000 installing it.

Councilman Merry stated he has trouble with this. If the engineering firm was wrong, then they should not be let off the hook. He said if they didn't make a mistake, why would they be offering a settlement. He said it is either right or is wrong. Mr. Pearce responded that the litigation world is never that black and white. He said he had litigated cases for 20 years, Mr. Smith for 21 years, and Mr. Braithwaite has been trying cases for 30 years. Mr. Braithwaite feels this is an appropriate resolution.

Councilman Ebner stated there were some other extenuating circumstances. He mentioned co-management was an issue. He stated the City Code calls for a 3 – 1 slope but a 1-1 slope was put in with approval from the City.

Councilwoman Price stated she has a problem with the vendor wanting to be on the bid list to do more business with the City of Aiken. Councilwoman Diggs stated that was the issue she had also.

Councilwoman Diggs moved, seconded by Mayor Cavanaugh, that Council approve the settlement of all claims in the Pawnee-Neilson suit with the stated conditions. The motion was approved with a 6 – 1 vote with Councilman Merry abstaining since he was new on Council and is not familiar with the issue.

INFORMATION

Delaney, Carla
Planner

City Manager Richard Pearce introduced Carla Delaney as the newest Planning Department staff member.

214 Park Avenue SW
Renovations
Conference Center
Feasibility Study
Capital Projects Sales Tax

City Manager Richard Pearce stated Channel 12 aired a video regarding the Conference Center. He stated Council's concern is how the City is handling rentals of public facilities. He stated he listened to the dispatch tapes and there were only 3 calls regarding the March 28, 2013, event at the Conference Center. Once Public Safety was called, they responded within 4 minutes. EMS had to be called because one student was hit with a stick. The City rented the facility in December between Christmas and New Years to Ms. Alicia Barnes. At that time, there was an incident where the fire alarm was pulled and some vertical blinds were damaged. The damage deposit replaced those blinds.

Councilwoman Diggs pointed out that a fight broke out the evening of December 27, 2012, and Public Safety was called.

Mr. Pearce stated Public Safety met with Ms. Barnes and discussed security. Ms. Barnes used a private security firm with the March rental. Mr. Pearce commended Public Safety on how quickly they responded and how quickly the situation was diffused. Ms. Barnes cancelled her rental for June 6, 2013. She has moved the event to another location.

Mr. Pearce stated the question now is what to do with rentals in the future of public facilities to avoid such problems. He stated Public Safety has done some extensive research, in particular with the academic community – college campuses. They have had bad events that have taken place. In the research that was performed, the college campuses have a grid system and various factors are used to determine what level of security is needed. Public Safety will draft a policy that will be presented to City Council very soon. He stated when future rentals take place, there will be a sheet about the actual rental and in addition to the actual application, there will be a security pamphlet that will be with it. The renters for all city facilities will need to comply with the security guidelines.

Mr. Pearce stated that the Lobster Race took place May 3, 2013, and no arrests were made. There were three arrests from the March 28, 2013, event. Three juveniles were charged and their cases are pending in Family Court. The incidents took place in The Alley, the Pizza Joint, and on Chesterfield Street, not in the Conference Center. The video was taken just outside the Conference Center, and the conduct is not acceptable. He said we believe by putting the grid system in place and having Public Safety involved, we can make sure we have appropriate security based on the type of event.

Councilman Merry stated the material that was presented to him included reports from 2 or 3 other events that had no relationship to Ms. Barnes. It is a problem not isolated to this one person. He asked if the City had a Risk Manager on staff.

Mr. Pearce answered that Nathan Campbell is the City's Risk Manager.

Councilman Merry said the first rule of risk management is risk avoidance. He feels in addition to Public Safety, the Risk Manager should see how to control and minimize or avoid these situations with rentals and how to deal with things before they go wrong. He felt some areas of concern are who is using the place, the nature of their event, the ages of

people coming to the event, whether it is invitation only or open to the general public, how large the group will be, whether there is alcohol to be consumed and if it is provided by the party versus being sold, what insurance the renters have, especially when alcohol is being consumed, and the qualifications of private security. He pointed out the video showed the private security guard completely over matched by middle school and high school aged kids. He felt we need to look at the amount of the damage deposit. He said a \$100 damage deposit is hardly adequate for the smallest amount of damage. He said perhaps we should ask the person renting the facility to swipe their credit card and if there is damage charge it to their credit card. He said if Public Safety has to be called because of a party that spills out into The Alley or onto Park Avenue or somewhere else, we should look at charging that person for any extra Public Safety services required because of their party getting out of control. He said there are a lot of things that need to be considered in terms of how to avoid the risk and how to minimize the risk, not just how to stop it once it has gotten out of hand. He said he would ask that the Risk Manager look at this comprehensively to set new policy from the point of application all the way through to closing of the party at the end of the night.

Councilwoman Diggs stated the City cannot take the renters word that they have adequate security. She would like to see Public Safety providing the security instead of companies that we know nothing about. She stated that after a renter has a problem, there should be certain stipulations in order for them to use it again. She stated she knows Ms. Barnes personally, and she gives a lot of the funds that are raised to some of the programs in school. You cannot always control who comes to the party unless it is a private party with a checklist and someone there to keep people out.

Councilman Merry pointed out that it only takes one bad thing to happen to one of the attendees of an event for the City to be in serious legal trouble. He also pointed out that it is not safe for our employee that works the event to handle it by themselves. He said he felt we need to have a comprehensive review of rental of the Conference Center by a qualified Risk Manager. He said how we deal with this is part of the feasibility of using the space and how it will be used, whether it should be rented for night time parties at all.

Mr. Pearce stated the Conference Center has been rented out since 1987 and these occurrences have been very few and far between. Councilwoman Price stated while the incident was very shocking to the viewers, the Conference Center has been rented for years and incidents such as this have been very minimal, whereas we have rented the facility for hundreds of events over the last 25 years.

Councilman Merry stated there is a general changing in what the Alley is at night on the weekends. It is getting the reputation as a place for college kids to party and get drunk. He said that perception can damage the Alley area and the whole downtown.

Mr. Pearce stated he met with a group of young adults in their 20s and their perception of downtown is that is not where they want to go and drink because Public Safety is there, and they will get arrested. He stated the reason the Conference Center was redeveloped was because in 1987 when Council approved renovating City Hall, there was no downtown rental space and the Conference Center fit a niche for people who could not afford a larger facility. He said that was why we tried to have a price that would still keep people downtown. He said Public Safety has been alerted to the downtown area, and we have a bigger presence downtown. He said there had been good comments from the downtown merchants about the police presence in the downtown. He said we don't necessarily agree with everything that was reported, as there were some fairly wide ranging comments. We know we had an incident. We have looked at college campuses across the country and noted the steps that they take to minimize the adverse behavior. He said we will involve our Risk Manager and others who can help us. He said we would like to start with Public Safety because crowd control is something they did very effectively at the Lobster Races. He said he hears that people want to be downtown.

Councilwoman Price stated in Charleston, SC there are young people hanging out at all times of the day and night. There is a balance of older and younger people. There are bars open but nobody is misbehaving. She stated Greenville, SC is the same way. We

can have the same ambiance in Aiken. She does not believe that one incident is going to kill the image of what people believe our downtown offers though it did not look good on the news. She believes we need to instill on them that downtown is safe and the City has control of this. She stated that young people have no place to go, and the City needs to create a venue for them to get them off the streets and have something entertaining. She stated the splash park is good. She remembers when the young people used to hang out in parking lots in town. She stated it is up to the City to create the wholesome venue where they are protected and entertained as well.

Councilman Dewar stated he spent 20 years in private security dealing with special event security for the most part. He stated he would not have touched a job with 50 – 75 teenagers. He stated there are many events that private security can take care of very easily. He stated there is no guarantee that a private security is trained well. You have to look at each event. Each event is different. He does not want to add extra duties to Public Safety for providing private security for events. He stated he has no solution as to where the event with middle schoolers should be held, but he feels what Ms. Barnes did was wonderful. She tried to find a place for the kids to party. He stated private security can be effective in some cases. He feels Council needs to work with the Chief and see if they have the people to support the events. He stated if alcohol is at an event then off duty Public Safety officers should handle the event, not a private security firm.

Mr. Pearce stated they have had a conversation with Public Safety and have come up with the grid system they are preparing for Council to look at.

Councilman Merry stated perhaps he has overstated his concern in one area. He stated he did not necessarily want to stop anyone from having a party. He stated he did not want to stop people from doing things like Ms. Barnes. He said it will only take one lawsuit or one person severely injured to turn into a lawsuit. He said he was suggesting having a proper Risk Management Assessment of the Conference Center with recommendations for changes.

Parks, Recreation and Tourism Way Finding Stations

City Manager Richard Pearce stated that Glenn Parker wanted to let Council know there are additional funds for the Way Finding Stations that are downtown with maps and brochures in them. The City will put them up.

Crosland Park

Mr. Pearce stated a new marketing plan is being developed for Crosland Park. Leslie Wilcher is working on this. As part of that, Council was informed that the houses would be priced in the \$80s range, the highest price being \$89,900. One main component of this marketing plan that is being developed is to advertise the houses in the \$70s. In June the proposed marketing plan will be presented to Council.

Councilman Merry asked if there was a program for down payment money for a house. He asked if interested people are able to get approved for funding for the houses.

Mr. Pearce stated there are three different programs. There is a program that helps with closing costs, one that helps with a \$5,000 forgivable loan – if you live in the house long enough you can have free equity, and the Heroes Program. Mr. Pearce stated no houses have been sold in over a year, but people have been able to get approved for funding before. Mr. Pearce stated crime rates in Crosland Park are down.

Councilman Ebner stated that Security Federal has staff that works with people any way they can to get them in a home. He said there are a lot of things going on for people. He said basically a person should be able to buy a house for rent if they have a job.

Compliment
Public Services

Councilwoman Diggs stated she was at Hopelands Gardens and observed how beautiful the grounds are kept, but one employee in particular stood out to her. Diane Holler is a very hard working lady that takes pride in everything she touches. Ms. Diggs watched her work and spoke to her and let her know how much she was appreciated.

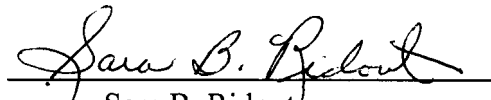
Retention Period
Audio Recordings

Councilman Dewar asked for an update on his request to increase the retention period on audio minutes.

Mr. Pearce stated that he hoped by the end of the month we will be able to access audio minutes from 2004.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:41 P.M.


Sara B. Ridout
City Clerk