

Aiken City Council MinutesREGULAR MEETING

December 9, 2013

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

Others Present: Richard Pearce, Gary Smith, Stuart Bedenbaugh, George Grinton, Kim Abney, Ed Evans, Tim Coakley, Charles Barranco, Glenn Parker, Alicia Davis, Sara Ridout, Maayan Schechter of the Aiken Standard, and about 15 citizens.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 7:01 P.M. Councilman Dewar 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. He pointed out that citizens could only speak on the items on the agenda.

MINUTES

The minutes of the regular meeting of November 25, 2013, were considered for approval. Councilwoman Diggs moved, seconded by Councilman Ebner, that Council approve the November 25, 2013, minutes as submitted. The motion was unanimously approved.

PRESENTATION

Mike Laver
Airport Fixed Base Operator
Around the World Trip
Resolution

Mayor Cavanaugh stated Council would like to recognize Aviation Circumnavigator Mike Laver.

Mr. Pearce stated our Municipal Airport Fixed Base Operator, Mike Laver, recently completed his dream of a lifetime: a flight around the world in his 40-year-old, refurbished Mitsubishi MU-2 twin turboprop airplane.

As part of his journey, he flew into Nagoya, Japan, the location of the first MU-2 flight 50 years ago. His 25-day flight took him from Aiken to faraway places such as Indonesia, Australia, Iceland, Taiwan, Russia, Alaska, and Canada. In Nagoya, he was warmly received by over 100 local citizens and Mitsubishi representatives, who were all happy to see this high-quality airplane completing such an impressive run. This trip brought Mike and our Aiken Municipal Airport international recognition.

Mayor Cavanaugh read and presented a resolution prepared to recognize Mike Laver for his accomplishment. He also presented a birthday card to Mr. Laver, whose birthday is on Tuesday, December 10, 2013.

Mr. Pearce presented a bag of items from the City of Aiken to Mr. Laver in honor of his achievement and recognition of his birthday.

Mr. Laver thanked Council and staff for the honor in recognizing him for his trip and said the recognition made his trip more worthy. He said Aiken was a great place to come

home to. He said in his travels around the world he realized what a wonderful city Aiken is and the wonderful airport we have. He said he enjoys being a part of the aviation community in Aiken. He thanked Council for the honor.

Council thanked Mr. Laver for what he does every day in promoting Aiken through the airport.

BOARDS AND COMMISSIONS

Appointments

Carmen Roa

Leroy Myrick

Community Development Committee

James R. Findley

Building Board of Appeals

Butch Roberson

General Aviation Commission

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

Mr. Pearce stated Council has 17 pending appointments to fill vacancies on different City boards, commissions, and committees. Four appointments are presented for Council's consideration and vote at this meeting.

Councilmember Dewar has recommended the reappointment of Charles Herbst to the Design Review Board. If reappointed, this term would expire December 31, 2015. He has also recommended the reappointment of Mary Anne Archibald to the Environmental and Energy Committee. If reappointed, her term would expire December 31, 2015.

Councilmember Diggs has recommended the reappointment of Susan DeBruhl to the Planning Commission. If reappointed, her term would expire December 1, 2015.

Councilmember Homoki has recommended that Robert Newburn be reappointed to the Environmental and Energy Committee. If reappointed, Mr. Newburn's term would expire December 31, 2015.

For City Council consideration is the reappointment of Charles Herbst to the Design Review Board, Mary Anne Archibald and Robert Newburn to the Environmental and Energy Committee, and Susan DeBruhl to the Planning Commission.

Councilwoman Price moved, seconded by Councilman Homoki, that Council reappoint Charles Herbst to the Design Review Board with the term to expire December 31, 2015, Mary Anne Archibald and Robert Newburn to the Environmental and Energy Committee with their terms to expire December 31, 2015, and Susan DeBruhl to the Planning Commission with the term to expire December 1, 2015. The motion was unanimously approved.

Councilman Dewar stated he would like to recommend that Al Snell be reappointed to the Park Commission.

Councilman Homoki recommended that Lucy Knowles be reappointed to the Design Review Board.

Mayor Cavanaugh stated the two recommendations would be on the agenda for the January 13, 2014, meeting.

AUDIT – ORDINANCE 12092013

Elliott Davis
FY 2012-13

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance accepting the audit adjusting the FY 2012-13 budget to show actual revenues and expenditures.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE ACCEPTING THE FISCAL YEAR 2012-2013 AUDITED FINANCIAL STATEMENTS AND AUTHORIZING VARIANCES TO THE FISCAL YEAR 2012-2013 BUDGET ORDINANCE.

Mr. Pearce stated our auditor, Elliott Davis, LLC has prepared the FY 2012-13 financial audit, required by state law and our city code, of our city finances. In this audit the line items from our FY 2012-13 budget have been adjusted to show actual revenues received as well as actual expenditures made.

Elliott Davis Shareholder Tim Grow was with us at our October 28, 2013 meeting and reviewed their audit with Council. As you know he reported that the audit showed no material weaknesses [what has been referred to as a "clean report"] and no instances of noncompliance material to our financial statements.

We have also provided Council with a repayment plan for the Silver Bluff Water Treatment Plant internal loan and information about a path forward to pay in full the Crosland Park loan.

Mr. Pearce stated we need final approval of the ordinance approving the adjustments to the budget as we are required by state law to file the audit report with the state to be qualified to receive state grant funds.

City Council unanimously approved the ordinance on first reading at our November 25, 2013 meeting. For Council action is second reading and public hearing of an ordinance to accept our FY 2012-13 audited financial statements.

The public hearing was held.

Councilman Dewar distributed copies of a document. He said he had discussed the matter at the last meeting. He said the City Manager answered one question as to why we approve the variances. He said he guesses that is so we approve the final budget. He said the paper he distributed was two pages, one having to do with the General Fund and the other with non-government funds. He said they generate a lot of questions. The variances by themselves are not an issue. He said he compiled a list of the variances that were above or below \$50,000. He felt it paints an interesting picture, in light of the fact that last year's budget had an overflow of around \$700,000. However, when he looks at the variances in the General Fund it comes to almost \$2 million in Depreciation that was not spent. He said the budget is supposed to reflect what we intend to do with the money that we receive. He said it is impossible for it to be perfect. For example, we thought we were going to get \$7.5 million in property taxes, and we got \$7,648,000, which is more than we anticipated. In other areas we got less. We were down in Police Fines and Court Costs. He said what led to his concern was the lack of money that we said we were going to put in for Vehicle and Equipment Depreciation and Capital Outlay. It was almost \$2 million. Yet, somehow we ended up with an overage of money in last year's budget. He said he did not understand that. He suggested that at Horizons possibly we could get into more detail in looking at how we budget and why these things happen. He said it is very, very confusing to him. If we did not spend \$101,000 in Residential Solid Waste for Equipment and Vehicle Depreciation, where did that money we said we were going to spend go. He said he knows we can't predict with great accuracy when a pipe is going to break or when a major problem is going to occur. When we go to the non-government funds it is the same thing. We put \$4.3 million for the well which we have done for the last two or three years, and yet we did not build the well. Neither did we do it last year.

He thought it was going to be done this year, however, as it looks more promising than it has in the past. He said that raises the issue of why we put money in the budget to spend for equipment, but we don't spend it. We have had \$1,435,000 in the account for the last several years for water and sewer meters. He said perhaps Council needs an education on how effective the budget system is and how, if we don't put money into Depreciation, at the end we can come up with money to reallocate elsewhere and have raises, etc. which has been the case the last several years. He said he was not against salary raises, but is just asking how we can end with these variances with extra money. He asked if other Councilmembers had concerns and how they might want to address the concerns.

Mayor Cavanaugh asked if the matter could be on the agenda for Horizons.

Mr. Pearce started it could be on the Horizons agenda. He said staff typically does a financial review as part of the Friday afternoon session. The scope of the session could be expanded.

Councilman Dewar stated he was not talking about a financial review. He said this is the nitty gritty stuff.

Mr. Pearce stated the nitty gritty stuff can be added. He said we have not taken Building Depreciation for some years. Council was informed by the former City Manager that for two years that the Water and Sewer System Depreciation would not be taken. That is \$1.2 million per year. As part of the budget reconciliation ordinance that Council approved in August, we did add back Building Depreciation. He said staff would be glad to pull that together. He said it points out that a budget is a planning document. He said staff would be glad to go through this in detail. Mr. Pearce stated he would be glad to meet with Councilman Dewar prior to Horizons so staff has all of his concerns and can address them.

Mr. Pearce stated take the Property Tax, for example, that revenue may be up. The next item is Delinquent Property Tax, and that item is down. There is kind of an ebb and flow. He pointed out that he was happy to report that on most of the items from Councilman Dewar's list, the revenue received was actually higher than anticipated. He said we have to rely on the County for the tax digest for the total property value for property in the City of Aiken. He said the digest was actually higher than the figures originally given to the City, so we had a higher revenue. Staff will be happy to address the concerns. He said the audit is the research that is done to the extent that we had money coming in and money was paid out, and it was accurately reported. He said we have been very fortunate through quite difficult financial times to have unspent funds at the end of the budget year. He said that is why staff comes to Council to find the best places to allocate the unspent funds. He said we were happy to provide our staff with raises that would come very close to what the inflation rate is, as well as beginning to fund the Building Depreciation again. He said we came up short for the depreciation for the Water and Sewer System. He said that was economics. He said we probably had the wettest summer on record, and no one saw that coming. We have experienced a significant reduction in revenue of about 7%. He said he would be happy to do a presentation at Horizons.

Councilman Ebner stated the other thing is that we don't have to look at the whole thing, as Councilman Dewar pointed out two specific items, with one being depreciation. He said depreciation is not exactly a straight line but occurs every year. Then there are the projects. He said he had grumbled about those to the previous City Manager since he had been on City Council pointing out that we can do a spendout on these projects, and we should not be carrying the full amount every year. He said he had asked the auditors about that. They just call it overextending the budget or not keeping in line with what you are actually going to spend. It is not an audit exception unless you do an internal audit. Councilman Ebner stated he had already met with Mr. Pearce and Ms. Abney to be sure we go over the water and sewer in detail. He said to pay for the projects coming up, his numbers reflect some type of rate increase every year regardless of how much water we sell. He said he felt Council needs to take a look at the amount of debt that we will incur. Presently we are in pretty good shape, but when we construct the water tank and change out the meters, we will need to raise the water and sewer rates. He said those

items have to be done, and he felt the citizens would understand that when rates are raised. He said we have done exactly what we said we would do when we raised the rate in 2013. He said he was looking for a good report at Horizons so we can say this is what we have done, and this is what we have to do and the cost for the construction. He felt that was the message to Council that we need to look to be sure we don't get overextended.

Mr. Pearce stated we don't want to get overextended. He said we have been very successful borrowing from ourselves, and we provided all of Council with that spendout. He said we budgeted the Water Plant because we thought we were going to start construction. We had a bid anomaly, and we had to rebid the project. That is why we did not spend the money last year. We had every intention of doing the project, but it was the bidding process that showed that we had a problem. We had to rebid the project so we had to rebudget the project. He said we hope to have the water plant up and running by the summer of 2015.

Councilman Dewar stated we budget the depreciation, and he wondered if this was the only time that Council gets involved in understanding that we did not do what we had promised to do with regards to Depreciation.

Mr. Pearce stated we talked about this in August. Councilman Merry stated what Council talked about in August was reinstating the budget line items for buildings. Mr. Pearce stated staff has the complete numbers that were presented. He said the matter could be addressed at Horizons.

Councilman Dewar stated he was confused with Mr. Pearce's August comment. Mr. Pearce stated the August comment was that once we had gone through and processed all the expenditures through June 30, 2013, of the 2012-2013 budget year, we looked to see if expenditures exceeded revenues or revenues exceeded expenditures. That is when we came to Council with a recommended list of how to spend the unspent money.

Councilman Dewar stated the audit report is the absolute verifiable results of the budget for the last fiscal year. Mr. Pearce stated for the money that came in and the money that was not accurately reported, that is what the audit report does.

Councilman Dewar stated the question he would have, to pick one item, is regarding depreciation expense for recycling of \$236,000. We said we were going to set that money aside for Depreciation, but we did not. He said the other thing with the audit is that it does not list at any place that he has been able to find, the total amount we spent and the total amount received. He said it is not in the audit. He said he had asked Tim Grow. He said he did not know if he added up all the numbers in the audit if that would be the total or not. He said there is no place that says this is the total spent last year.

Mr. Pearce stated that is in the audit. He pointed out that in the budget we take out the Depreciation and Special Holding. He said Ms. Abney could address this now or address it at Horizons.

Councilman Dewar stated the auditor said the total was not there when he called him and asked him. He said he asked him where he could find the total amount spent for the entire year, and he said it is not there.

Mr. Pearce stated it would be helpful to have the discussion prior to the Council meeting so staff could have the answers for him. He said we will get that information.

Councilman Ebner stated we definitely want to have the discussion at Horizons.

Councilman Ebner moved, seconded by Councilwoman Diggs that Council approve on second and final reading an ordinance to accept our FY 2012-13 audited financial statements. The motion was unanimously approved.

DUPONT LANDING – ORDINANCE 12092013A

Dupont Pointe
TPN 120-14-15-002
Teague Street
Columbia Avenue

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to modify the Development Agreement for Dupont Landing/Dupont Pointe.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO AMEND THE 2010 ORDINANCE TO MODIFY A DEVELOPMENT AGREEMENT FOR CERTAIN PROPERTY LOCATED ON THE SOUTH SIDE OF DUPONT DRIVE.

Mr. Pearce stated Developers of Dupont Pointe have been in extensive conversations with staff for some time. They have received an award from HUD and the State of South Carolina to build 44 homes on land owned by Second Baptist Church South of Dupont Drive, East of Teague Street, and North of Columbia Avenue. Under this development approach, people rent detached single family residential units for 15 years. After this time, if current tenants have properly maintained their residences and met other requirements, they are eligible to purchase these properties from the developers. A portion of rent paid to date can be used as equity for this purchase.

City Council approved a development agreement for Dupont Landing. Under it, the City agreed to cover the cost of all residential impact fees and spend up to \$100,000 towards stormwater detention/retention. A copy of this agreement was provided to Council. We have reimbursed the developers approximately \$14,000 of these costs so far.

Since this project will now be 44 units instead of 40 units, and the developer has changed, we need to modify and update the development agreement for this project. Our monetary commitment will remain the same, except we would be covering four more residential water and sewer impact fees. Our stormwater funding will be a maximum of \$100,000 as set out before.

Mr. Pearce stated Harvey Ramseur is present, along with Reverend Doug Slaughter, and Tom Faulkner, representing the developer. He said we are excited about their presentation. Their presentation represents an \$8 million investment in the northside of Aiken, which Council targeted 10 years ago for revitalization.

City Council unanimously approved the ordinance on first reading at our November 25, 2013 meeting. For Council consideration is second reading and public hearing of an ordinance to update the Development Agreement for Dupont Pointe Subdivision.

Mr. Harvey Ramseur stated the proposed development is being put together by a development group that is made up of the Bennett Group, out of Alabama, the Nehemiah Development Corporation out of Greer, and Second Baptist CDC. It is not something new. He said he wanted to make sure that Council is aware that the subdivision is a result of approximately 10 years of efforts by a lot of entities and a number of very interesting and cooperative dynamics blended together to make this happen. He said number one was the city need, and City Council examined the trends going back several decades. That examination indicated that the northside of our All America City was in need of some significant development, both in terms of the infrastructure, housing, and amenities, community education, recreation, and social activities. From that Council came up with a very dynamic and aggressive plan for the Northside Revitalization Plan. Council became very active in the revitalization of a community that over the years had deteriorated, such as Toole Hill, which is now a model community. There is still work to be done. The City went in and with some participation by non-profits, with Second Baptist CDIC being one of them, homes were built, some homes were renovated, streetscape was put in, street lighting, and gutters. It is an ideal community, and the community continues to grow. Council, now through the Northside Revitalization Plan,

is involved in Crosland Park, another community which was on the top side years ago, but over the years became into a state of decline. It is now on its way back, thanks to the forethought and energy provided by City Council. He said he understands the City is also focusing on the Governor Aiken Park. The City was also involved in the revitalization of Chesterfield North and Asheton Oaks. The City is not new to development and creating an environment in this city for all our citizens. The City has been more active than other cities in which he has had experience.

Mr. Ramseur stated secondly, the Second Baptist Church under the leadership of Reverend Slaughter, adopted what they call Vision 2050. That vision, unknown to what City Council was doing, also addressed the needs of our extended community. It talked about housing for families and seniors. The 2050 vision also focused on education, social activities, and recreational activities, things that would make the entire community, not just the northside, a better place to live. He said when he moved to Aiken he had a conversation with Reverend Slaughter, and, when the conversation was finished, he found himself the Director of Second Baptist CDC. He said he came to Aiken from Southern Africa after a number of years in foreign service and Director of Pearce Corps, to retire, play some golf, and do some art work. He said he plays golf badly, and has not had the opportunity to do as much art work as he would like. He said, however, he is excited about the work that he does through the Second Baptist Community Development Corporation. He said the Nehemiah Corporation was their first development and had been their development partner in everything they have done. He said as they began the journey in the ocean of development activities, along with the Nehemiah Corporation, they have had the opportunity over the years to develop a number of small subdivisions, single family homes and homes for the elderly. He said their last venture was the completion of nine homes on what is now Bennett Avenue. He said in 2007, when Mr. Faulkner suggested that they take a look at the opportunity to do a tax credit application, he had no clue what that was and how difficult it was, but they did it. The City was excited about that opportunity. That is when they developed with the City the Dupont Landing Development Agreement. They were looking at the possibility of building 40 homes on property that is owned by Second Baptist Church. He said as they find enough money for contracts to purchase land, they go ahead with development. He said the City agreed to the Dupont Landing Development Agreement. He said we want to look at that tonight and modify it to meet the needs of the present development project. He said in 2007 they got close. He said Mr. Faulkner suggested that they take another look in 2008. He said he convinced Reverend Slaughter that it was an effort that they should not forget, because it represented a following of the language of the City's revitalization plan for the Northside. Secondly, it dovetailed with the Vision 2050 of Second Baptist Church and the effort of the Second Baptist Community Development Corporation. Again, they came to the City and said there is a component in the Tax Credit Application process that is missing. They asked if the City could develop the Dupont Landing as an act of Council, because it would show the city's continued participation in the development efforts of the Dupont Revitalization Development and the CRDP and Council agreed. He said he did not know how many others exist in this state. He said they have a relationship with Council that goes back many years. Again, it did not fly. He said they restructured their partnership and made another application in 2013, another effort. He said they again convinced Reverend Slaughter to do it again. The only thing that will defeat failure is lack of effort. He said they tried. The thing about the partnership they have now is that it is so rich and supportive of everything they are doing in Aiken. He said it is almost like Tom Faulkner and Fred Bennett are residents of Aiken. They are so eager to see things happen here. We were fortunate this time around, and were awarded a tax credit opportunity to build 44 homes on land that they will purchase from Second Baptist Church if Council moves positively on the request to modify the development agreement.

Mr. Ramseur stated he would have brought a markup of the proposed community, but he did not have one. He said they do have a visual presentation, and Mr. Faulkner will make that presentation.

Mr. Tom Faulkner, President of Nehemiah Community Revitalization Corporation, stated they have been working in Aiken for a number of years, primarily with Second Baptist Community Development Corporation and Second Baptist Church. He said they were very excited to see that, not only would they be seeing development of 44 homes, but also a Health Clinic is going up on the property. He said the 2008 vision of the community

revitalization plan focused on a senior development on the east side of the property, and the dream is that someday something will occur on that part of the property as well. He said the dream or the idea of a church leaving this kind of legacy for the community to him is very humbling and exciting. He said he had known some churches that have taken such a risk and such a step, but they have been few and far between, and he had been attracted to them.

Mr. Faulkner stated he wanted to give Council some idea of what this particular development is about. He said there would be 44 single family detached homes, a club house, playground, and a gazebo picnic area included in the master plan. He then showed Council some pictures of typical homes that will be built in the area. He said it would be a neighborhood that would have a tremendous amount of variety in the houses. He said there would be 16 different elevations of homes to be built in the area. There will be both two story homes and single story homes. He showed pictures of some homes that have already been built on Bennett Avenue. He said they would blend very well into the new neighborhood. He showed a picture of a typical two-story home. He said the two-story homes that will be built will have one bedroom on the first floor and two bedrooms on the second floor with two baths. He also showed a picture of a single story home that is in the area. He said they would complement the character of the homes that will be built as Dupont Landing. He showed pictures of some homes that have been built in other developments by Palmetto Architectural Group out of Greenville, SC. Similar homes have been designed for the Dupont Landing Development. The homes will be about 1,250 square feet. There will be two ranges of rent. Eleven of the homes will rent for somewhere around \$490 per month. The other 33 homes will be somewhere around \$595 per month. He said the idea is that at the end of 15 years the homes will have a base price of \$150,000. They could be worth more than that. The arrangement they have planned with the tenants is that additional appraised value of the houses will not immediately go to the tenant or buyer, but over a period of time, depending on how long the family has lived in the house, it will be forgiven over a period of years. If you look at the value of \$150,000 for those families who have lived in the houses for 15 years, as much as half of the value of the base price will be able to be provided in equity to that family. They could get a loan basically for \$75,000, if credit worthy. He said he, Harvey Ramseur, and Reverend Slaughter would be working very hard with the families to give them a sense of home ownership from the day they move in.

Councilwoman Diggs thanked Mr. Faulkner and Mr. Ramseur for their vision, and for making these homes affordable. She felt Aiken definitely needs more affordable homes on the Northside. She pointed out from the pictures shown, she felt they would be beautiful homes. She asked how many jobs the project would create.

Mr. Faulkner stated he was not sure if he had an answer to the question. He said the proposal is an \$8 million development. Based on his experience, he said with just the project itself, there would probably be about 150 people directly employed with construction. He pointed out as far as analyses in terms of a spin on the \$8 million, he felt there would be a spin creation of other economic benefits that would be either two or three times the cost.

Mr. Pearce stated we have talked with representatives from the Lower Savannah Council of Governments, and the spinoff is about double the cost of the project. If the project costs about \$8 million, the ripple effect to the local economy is about \$16 million.

Councilman Ebner stated that is similar to what was used for the Railroad Depot. It was a little higher as she used 2.3 rather than double, but he felt double is in the range.

Councilwoman Price stated she did not see a garage or carport to be included. She asked how storage space for lawn mowers, etc. would be handled. She pointed out this was an issue with Toole Hill. The homes were built. After building the homes we saw that things were sitting out in the yards which make it an unpleasant neighborhood over time without storage facilities. She said we ended up buying storage facilities to accommodate this issue. Then the amenity was added later on. She wondered about the plans in terms of storage.

Mr. Faulkner stated one thing about the tax credit development is that the heated space of 1,250 square feet cannot be exceeded. He pointed out that the item Councilwoman Price raised regarding a garage/carport or storage typically would not be heated space. He said he thought there had been discussions where they were going to try to see if they could accommodate storage space. He said what they did with the houses in Anderson is what the City of Aiken did in Toole Hill. He said they basically developed a certain standard for the type of building in the backyard where lawn mowers, etc. could be stored. He said they would check on her question. He said he thought the architect had discussed this in the plans. He said he would get that information to the City Manager and what they plan to do.

Councilwoman Price stated her second matter deals with the amount of rent. She said the rent seems affordable given what she sees and hears that individuals are paying for housing we would not want our family members to live in. She said they are paying about \$600 per month. She said their rental fee is a good base price in terms of working with the community.

Councilwoman Price stated the third item concerned when the project would start and how long to complete. Mr. Ramseur stated they would like to start as soon as they close on the land. He said they would hold a construction meeting with the city. He said it is unlikely construction will start before the end of the year, but once the project is started the contractor has indicated that he can get it up and out of the ground in 11 months. Mr. Faulkner stated they are targeting December 16, 2013, for the closing and syndication of the construction loans, conditional to Council's action at this meeting and a number of other details.

Councilwoman Price stated she likes the name Nehemiah and wanted to applaud Reverend Slaughter for his vision. He came here several years ago and noticed that there were a lot of things that needed to be addressed in this community. He did not sit and talk about it, but he started acting on it. She said when you look at the school that he started for children and the learning that is taking place there, the affordable housing, and criminal justice issues that he has addressed, he is trying to make citizens lives richer. She said Aiken is blessed to have Reverend Slaughter to come from New York to Aiken.

Mr. Ramseur stated Reverend Slaughter is an unusual individual. He is caring, concerned, and supportive, but he is not always so easy. Mr. Faulkner pointed out that when Reverend Slaughter came to Aiken he came from Brooklyn, New York, where the Nehemiah project had become a model project where churches had basically taken town houses and come up with ways the banks and the public sector could provide opportunities for lower income families to buy their own homes. He said that is pretty exciting. He said that is why they picked the name Nehemiah because of that model project.

Councilwoman Diggs stated that two of the streets were named after HBCU. Mr. Ramseur said the plan when they started this journey several years ago was that every street in the community would be named after colleges. He said he had just realized that the first street they had put in was Bennett Avenue, but they had not struck up a relationship with Fred Bennett. He said he hoped he did not think they named the street for him. He said the first street in the subdivision was named Bennett Avenue, which is a college in his home town.

Councilman Ebner stated to follow up on what Councilwoman Price was saying on storage buildings, the city did that in Crosland Park. A standard shed was built for each house, and used University of South Carolina Aiken and Aiken Tech students to furnish the labor. He said he was leading the project, so he knows what they cost in material. He said there may be the possibility to get some community involvement to do storage buildings if they choose to do that rather than buying the plastic ones, which will only last a couple of years. He said the other question he had was whether they build for other clients, such as if the City wanted to build some houses or if they only look at this type of development. Mr. Ramseur stated they could talk about it. He said he was sure they could probably find a way to be of some help in that area.

Councilwoman Price pointed out that Councilman Ebner and his wife Gail had been contributors to building some of the storage facilities. Councilman Ebner stated they had built 22 storage units so far. He felt that could be a good community involvement project if that works out. He said they are here to help if they can.

Mayor Cavanaugh thanked Mr. Ramseur and Mr. Falkner for what they are doing. He said this would be a wonderful addition to our city and for families who will be able to move into the homes.

Councilman Ebner stated there are some time limits for the financing of the project and other things in the deal to put it together. He said we need to be sure since this is money coming in from the outside and has higher level government regulations, that the City does not cause them some concerns if we have six months of rain. We need to take a look at how we can help out, such as if you can't have all the roads paved before you start a house, etc. which is typically what we do. He said if they run into some issues, we need to look at being able to accommodate them. He said we want to be sure nothing happens. He said probably Mother Nature will be the only thing that will interfere with it, but we may be able to help out with some lenience some way in this. He pointed out this is a government funded project.

Mr. Pearce stated staff has worked with the developers through the entire project and found ways to streamline as well as to make sure that what needs to be done gets done when they need it. He said that is a conversation that continues. He said it is not something that is 100% settled, but it certainly is all worked out so there is a path forward. He said they know how to contact him. There have been a few conference calls and face to face meetings with staff. He said he wanted to commend staff on their role in helping this project come to fruition because a lot of details have been ironed out before any shovel touched any dirt. He said he felt we have a clear path forward and staff understands what they need to do.

Councilman Homoki stated this would be a good test case to make sure procedures are good for making sure the roads are stable so we don't have another Gem Lakes problem.

Councilwoman Diggs moved, seconded by Councilwoman Price, that Council approve on second and final reading an ordinance to update the Development Agreement for Dupont Landing/Dupont Pointe Subdivision. The motion was unanimously approved.

BUDGET AMENDMENT – ORDINANCE 12092013B

Accommodations Tax Funds

Soccer Field Lights

Weeks Center

Virginia Acres Park

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to amend the Fiscal Year 2013-14 budget to allow for the use of Accommodations Tax Revenue Reserve funds to pay for soccer field lights at the H. O. Weeks Center.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AMENDING THE BUDGET OF THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2013 AND ENDING JUNE 30, 2014.

Mr. Pearce stated our 2013-14 annual city budget includes \$45,000 to replace lights at our H. O. Weeks Center Soccer Field. This amount was based on an estimate we had obtained from a professional electrical contracting firm. Unfortunately the firm did not realize the field was a larger than normal soccer field.

We conducted a sealed bid opening on October 1, 2013. Sealed bids were received from three vendors. The apparent lowest responsible bid is \$79,400 from G & G Electrical Services of North Augusta.

We have identified \$34,400 in Local Accommodations Tax Revenue reserve funds to offset the remaining balance needed to fully fund this project. He pointed out, as Council is aware, soccer games bring in hundreds of people to Aiken every year.

City Council unanimously approved the ordinance on first reading at the November 25, 2013, meeting. For Council consideration is second reading and public hearing of an ordinance to amend the Fiscal Year 2013-14 budget to allow for expenditure of Accommodations Tax Reserve Funds in order to fully fund soccer field lights at the H. O. Weeks Center.

The public hearing was held.

Councilman Dewar asked if the field was used for soccer tournaments. Mr. Parker responded tournaments are held there as well. Councilman Dewar asked if this was the field that was mentioned earlier this year, and if the one on Banks Mill Road is scheduled for lighting at some point. Mr. Pearce stated the lighting is in the five year plan. Councilman Dewar stated he thought the field at the Weeks Center was more for children. Mr. Pearce stated all ages have played on the field at the Weeks Center. He pointed out that the field is larger than a regulation field.

Mayor Cavanaugh stated we need to talk about lighting for the field on Banks Mill Road at some point too.

Councilman Homoki moved, seconded by Councilwoman Price, that Council approve the ordinance on second and final reading to amend the Fiscal Year 2013-14 budget to allow for expenditure of \$34,400 of Accommodations Tax Reserve Funds in order to fully fund soccer field lights at the Weeks Center at Virginia Acres at a total cost of \$79,400. The motion was unanimously approved.

ANNEXATION – ORDINANCE 12092013C

H. Douglas Atkins
601 Douglas Drive
TPN 122-06-05-015

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to annex 601 Douglas Drive and zone it Residential Single-Family RS-10.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN CERTAIN PROPERTY CONSISTING OF 0.38 ACRES OF LAND OWNED BY DOUGLAS ATKINS AND LOCATED AT 601 DOUGLAS DRIVE AND TO ZONE THE SAME RESIDENTIAL SINGLE-FAMILY (RS-10).

Mr. Pearce stated Mr. Douglas Atkins, the owner of property at 601 Douglas Drive, consisting of .38-acre, would like to annex his home into the city. The property is currently zoned RC, and we are recommending an RS-10 zone. The property is contiguous to the city by means of the homes on the opposite side of Douglas Drive. The applicant is interested in receiving city services.

The Planning Commission considered this request at their November 12, 2013, meeting and unanimously recommended this annexation.

For City Council consideration is second reading and public hearing of an ordinance to annex property at 601 Douglas Drive under the RS-10 zone.

The public hearing was held.

Councilman Dewar moved, seconded by Councilwoman Price, that Council approve on second and final reading an ordinance to annex 601 Douglas Drive and zone it RS-10. The motion was unanimously approved.

BUSINESS LICENSE - ORDINANCE 12092013D
BUSINESS LICENSE – ORDINANCE 12092013E

Amendment
Mobile Vendors
Debt to City

Mayor Cavanaugh stated two ordinances had been advertised for second reading and public hearing to amend the Business License Code.

Mr. Pearce stated our Business License Official and Finance Department Director have recently determined that our Business License Code would benefit from two minor modifications in order to better enforce it.

Mr. Pearce read the title of the ordinances.

AN ORDINANCE REVISING CHAPTER 12 BUSINESSES ARTICLE II BUSINESS LICENSE REGARDING REGISTRATION OF MOBILE VENDORS.

Mr. Pearce stated this is an ordinance to better define the business operations our code covers. Specifically, it would more clearly state that mobile vendors serving food must have a business license, in addition to other permits, in order to sell food from carts or other types of mobile food service vehicles. We have had some questions from some of the mobile food vendors as to whether selling food from a trailer requires a business license. We have checked with other cities, and they do require a business license. Typically a business is attached to a location. With a mobile vendor it would attach to the truck because that would be the location of their operation

AN ORDINANCE REVISING CHAPTER 12 BUSINESSES ARTICLE II BUSINESS LICENSE BY REVISING SECTION 12-44 REGARDING FEES OWED TO THE CITY BY BUSINESS LICENSE APPLICANTS.

Mr. Pearce stated this ordinance proposes an amendment that will require applicants who apply for business licenses to have cleared all debts, including any outstanding fees or taxes due, with the City of Aiken before any business license could be issued. We did collect other fees before under provisions of the License Ordinance, and this amendment helps clarify that they could not open a second business until they paid what they owed the city first.

Our City Solicitor, who will be prosecuting any violations under this revised code, has prepared these ordinances for Council review and a vote.

For Council consideration is second reading and public hearing of ordinances to amend our City Business License Code.

The public hearing was held.

Councilwoman Price asked if the mobile vendor had a lesser fee since they are a smaller business. She said sometimes these are people who are starting a business to see if it will work.

Mr. Pearce stated we don't estimate the first year's income. The license is a flat rate of \$60 for a business license fee. Then future applications are based on their gross receipts by Class. If it is a small business, the fee is smaller since it is based on their gross receipts.

Mr. John Winfield stated he had a question about the city business license. He asked if a business is required to acquire a license to operate a business in the City of Aiken, and if they pay a fee. Mr. Pearce stated they do pay a fee, with the first year of operation being a flat rate and subsequent years being based on the businesses gross receipts. Mr. Winfield stated his question was why the business charges the customer for their business license fee.

Mr. Pearce stated the city would not be involved in that part of the process. Mr. Winfield said the question is whether that business license fee is going to the City of Aiken. Mr. Pearce said that is correct, if the business is charging you a fee. He said sometimes it depends on the business. Some vendors will come in and do one job so they will buy a license for that particular work. He said he did not know the particular situation, but that could be why they are charging the license fee to cover their overhead. Any business that gets a business license would have that fee as part of their expenses. Mr. Pearce stated he would be glad to meet with Mr. Winfield to look at what he is talking about. Mr. Winfield pointed out that major companies, such as SCE&G, AT&T, Verizon, all charge a business license fee to the customer. He said he wanted to know if the City of Aiken was getting that money.

Mr. Pearce stated those companies do pay the City of Aiken franchise fees every year. He said if Mr. Winfield would bring in his bill, he would take a look at it. It is typically a franchise fee that they have on their bill. Mr. Winfield stated he was concerned about it because he gets charged for it every month, so he wanted to know if the City of Aiken was getting the fee.

Mr. Pearce stated the City would love to have that revenue. He said the city works with the Municipal Association in Columbia, and they collect the fees. He said he would be glad to look at that with Mr. Winfield at his convenience. Mr. Winfield said he was just concerned about it, and just wanted to know if the City of Aiken was getting the money. Mr. Pearce stated the City does get a check from them.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council approve on second and final reading two ordinances amending the Business License Ordinance regarding mobile vendors serving food and business license applicants clearing up all debts owed to the city before a business license can be issued. The motion was unanimously approved.

JURY BOX 2013

City Court

Mayor Cavanaugh stated Council needed to consider approval of the City Court Jury Box for 2014.

Mr. Pearce stated Sara Ridout, City Clerk, has prepared a Jury Box, which, under state law, must be submitted to City Council for approval.

Under the Council-Manager city government model, City Council acts as Jury Commissioners for our City Court. Each year, Council must approve the preparation of the names for our jury box. The box contains two compartments--designated as Compartment A and Compartment B. The names of all registered voters and holders of a valid driver's license, or state identification card, issued pursuant to state law are placed in Compartment A. During the year jurors are randomly selected from this compartment and after selection for a particular term of court, the names are then placed in Compartment B. Therefore, the names are not selected again during the calendar year. We have placed a total of 15,501 names in the box.

For City Council consideration is approval of the 2014 City Court Jury Box.

Councilwoman Diggs moved, seconded by Councilman Merry, that Council approve the preparation of the 2014 City Court Jury Box. The motion was unanimously approved.

LOAN – ORDINANCE

Crosland Park Northside Revitalization Water and Sewer Fund

Mayor Cavanaugh stated an ordinance had been prepared for first reading to modify the Crosland Park loan from the Water and Sewer Fund.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AMENDING THE TERMS OF A LOAN TO THE CITY OF AIKEN
NORTHSIDE REDEVELOPMENT FUND.

Mr. Pearce stated by ordinance Council approved a \$1,500,000 loan to be borrowed from the Water and Sewer System Depreciation Fund. That was to be paid back in April, 2014. We have had a few discussions about this. A copy of the ordinance of 2009 was provided to Council for reference, as well as a copy of the note. He said at the November 25, 2013, meeting City Council discussed approaches for ensuring repayment of the \$1,500,000 borrowed for Crosland Park home renovations. Under Ordinance 04132009A, Council approved borrowing up to this amount from the Aiken Utility System Replacement Fund. The balance on this loan is now \$1,459,700. It is currently due April 1, 2014. During the terrible economy, we have been able to pay interest, and we have paid some of the principal of this note. He said we did close last week on a house at 1220 Alfred Street and received a net check of over \$67,000. Another house is set to close right after the first of the year. We have had a lot more activity in Crosland Park. We do have the note coming due, and at the end of this year, we will also have our first year's receipts from Capital Projects Sales Tax III. If we could delay the note falling due in April to December, 2014, it will provide us an opportunity to look at receipts from all sources to determine what we would need to do to retire this note and put the money back in the Enterprise Fund for the water and sewer system operation.

As part of a path forward toward repaying this loan, we are requesting extension of the repayment date from April 1, 2014 to December 31, 2014. We have several reasons for this request.

First, while we are beginning to sell houses in Crosland Park, this additional time will help us better assess how our re-priced homes will sell.

Second, we will receive CPST III funds in 2014, and fully expect to collect funds sufficient to pay off this loan in full.

Third, so that we can continue to make progress in the meantime, the Aiken Corporation Housing Sub-committee has considered committing housing funds they have on hand toward the construction of new homes in Crosland Park in a concentrated area.

Therefore, for Council consideration on first reading is an ordinance to modify the loan terms of this loan from an April 1, 2014 due date to a December 31, 2014 due date.

Councilman Ebner said he would like to have some discussion so he would like to suspend the rules and have discussion on the matter. The motion was seconded by Councilman Dewar and unanimously approved.

Councilman Ebner stated there are some clarifications. He pointed out there is a typo in Section 1 of the ordinance which says the note shall be repaid on or before December 31, 2015. He said that should be December 31, 2014.

Councilman Ebner asked if we may need something in the ordinance or have a separate resolution. He pointed out in the original ordinance when this was done, and as we sold houses, there was a comment that the sale would be reinvested. That is in other ordinances. He asked if that needs to be a separate ordinance, so the money from the sale of the two houses which are being sold now will be applied to the loan. Then we would have the money that Aiken Corporation has said could be used to build houses in the meantime.

Mr. Pearce stated Aiken Corporation has not said that yet. They will meet on Wednesday and vote on that matter. The Sub-committee was recommending a feasibility study, not a commitment of funds. He said there will be a discussion on Wednesday on the matter. Mr. Pearce stated he would like to share staffs' position on this. He said we have \$67,000 from the sale of one house. What we did talk about originally was to roll that

money forward, because the money follows an asset. If we pay down the loan when we know by the end of the year we will have money to cover the full loan, and the Aiken Corporation does not vote to invest money in the project, then we will have a project lull. The project will shut down. If we could, from a staff prospective, pass the ordinance on first reading at this meeting the second reading will not be until January 13, 2014. By the time of the January 13, 2014, meeting staff could let Council know where the funds are needed most critically. In the 2013-14 budget we budgeted that we would sell three houses a year. That was part of the revenue stream. If the money is committed to repaying the loan only, then that is in contravention to the budget adopted. Staff would like the money from the sale of the houses to be the revenue for the project. He said there had been some discussion as far as what the city should do as far as abating asbestos on properties to be demolished and whether there is work in the right of way we could do in the target area.

Councilman Ebner stated they had discussed the matter. It is roughly \$120,000, and it is a little bit of \$4 or \$5 million. He said he did not have a real issue with doing that as long as we recognize it.

Councilman Merry asked how the loan would be paid back if we don't use the money from selling the houses. He asked where the money will come from.

Mr. Pearce stated in the budget we were using money from house sales to put into the next asset. We rolled the money forward to keep the project moving forward.

Councilman Merry asked if we would always have a \$1.5 million debt. Councilman Dewar pointed out the loan would be paid off with Capital Projects Sales Tax, from CPTS III.

Councilman Ebner pointed out in the proposed ordinance, second paragraph, where it says the repayment terms of the 2009 Note required the NRF to repay the principal sum and all interest by April 1, 2014. He said technically it was 20% a year. He said he was just pointing that out. He did not feel we need to change it.

Mr. Pearce stated we could change the wording to say "in full by April 1, 2014." Councilman Ebner stated he wanted to get it so it is captured so that we don't come up in April and say we can't do that. Mr. Pearce stated this is first reading of the ordinance so it is the time to make any changes.

Councilman Ebner stated Councilman Merry had alluded to this. He said he felt we need to add a section as to how and where we intend to pay the loan from—Capital Projects Sales Tax III. He said the item was number 8 on the voters' list. He said he felt we need to specifically refer to CPST III, Northside Neighborhood Renewal. On the priority list it was item 8. Literally it will be in line, the way he did the math, so we can pay off the others except the Eustis Park Senior/Youth Center because we probably will not be spending any money on that project next year. For the rest there is the Hopelands renovations, Citizens Park fencing, and the burn building and all that can come in later. We get roughly four payments between now and then, which is pushing \$8 million. He said \$1.4 million is the number Mr. Pearce was using, so it would be \$5.6 million to pay off the loans we have plus these items. He felt it would be wise to put that in the ordinance so we don't get cold feet next year.

Mr. Smith, City Attorney, stated he felt that would go in the third whereas paragraph where we talk about we would plan to repay the loan by December 31, 2014, and add language that says by utilizing CPST III funds. Mr. Pearce stated from a staff perspective if the language could be paid utilizing CPST III or other appropriate funds.

Councilman Ebner stated that would be fine as we could have some other windfall in sales or something else. He said the extra wording is fine.

Councilman Dewar stated he was not happy with the wording. He said once again we are just watering something down. Mr. Pearce stated the intent would be that if we sell homes in calendar year 2014 then that would potentially reduce the amount of money we

would need from CPST III for the \$1,750,000. To the extent that we don't have to use the CPST III funds that could be used for the additional work on the Northside such as Crosland Park.

Councilman Dewar stated that would be automatic. We are only going to pay the loan balance that exists as in the interim we may pay it down because of house sales. Mr. Pearce stated the staff concern and Finance Department's concern is if we name a singular fund, we would have to pay it out of that fund, but we may have other revenue to help pay down the loan.

Councilman Dewar stated you have to be kidding me. Mr. Pearce stated not at all. He said there may be other sources of revenue to pay down the loan. We have not sold homes in three years, but we did a closing last week with a buyer who is very excited to be in Crosland Park.

Councilman Dewar stated we had talked about adding to pay in full by April, 2014. Mr. Pearce stated we had said that, but what we were having the discussion about is that it would be nice to have "or other appropriate funds" because if we have excess revenue from house sales that is CPST III money we don't have to use to pay the loan. Councilman Dewar stated he understands. He asked if the sale of a house is an appropriate fund. Mr. Pearce stated we have in the budget an anticipated sale of three houses to help with the budget in Crosland Park. We anticipate revenue. He said this is the first year we have actually got some revenue. He said we are one-third of the way. Councilman Dewar asked then if that is considered an appropriate fund as Mr. Pearce had said it would either be CPST III or other appropriate funds. Mr. Pearce stated he did not know what might happen between now and December, 2014. He said he anticipates a lot of good things. Councilman Dewar stated he was shell shocked. He said when we did this loan in the beginning we were going to pay it off by the end of the year because we were so confident that things were going to work out, but we gave ourselves an extra three years just to have flexibility, but flexibility has not worked out quite so well.

Mr. Pearce stated that is right, but we have been in the worst economy for the last five years in his life time. Councilman Dewar stated he did not see it getting much better.

Councilman Homoki asked for clarification. When a house is sold the check comes to the City, and not Aiken Corporation. Mr. Pearce responded that the money does not go to Aiken Corporation. Aiken Corporation helped with the lot purchases so they would receive a portion of the sale of the house on Aldrich Street. Aiken Corporation did not have involvement with the Alfred Street house, so the City gets the full check of \$67,000+. Councilman Homoki stated then if the Aiken Corporation had some involvement then the City would owe the Aiken Corporation. Mr. Pearce stated when we close 1407 Aldrich Street, Aiken Corporation will be looking for \$35,000 from the net purchase.

Councilman Ebner stated we passed the \$1.5 million as a loan. He asked if it was really a bond, and if it was classified as a bond. He said he asked the auditor that question. He wondered if there could be some question as to whether this was a bond that we issued ourselves, or whether it is actually a loan. Mr. Pearce stated it was always considered an interior loan. He said he did not know where it was a bond came from. Councilman Ebner asked that Ms. Abney check on that to be sure it is a loan and not a bond. Mr. Pearce stated he felt we could get a written statement from the auditors. Councilman Ebner stated he felt that would be wise because he did not want anything to come back. He said this has been a struggle. Mr. Pearce stated he had struggled along with him. He said if you go through a bond process there is a very specific way to do a bond issue. He said that was purposefully what we did not do to avoid the attorney's fees and the expense of issuing a bond, etc. Councilman Ebner asked that Mr. Grow be asked to send a letter regarding the matter being a loan and not a bond for clarification. He said when we do the 2015 audit we don't want this to show up as a bond and a comment in the audit. He said we don't want it to show up as a comment. He said one of his key things is that he wants this to show up as a clear thing we were doing.

Councilman Ebner moved, seconded by Councilwoman Price, that the ordinance be passed on first reading to modify the loan terms for the \$1.5 million loan for the Northside Revitalization Program for Crosland Park with the changes as noted. The motion was unanimously approved.

RESOLUTION – WOODSIDE PLANTATION 12092013F

Deed of Dedication
Sanitary Sewer Lines
Water Lines
Storm Sewer Lines
Easements
Hanlon Woods
Phase 3, Section 16A

Mayor Cavanaugh stated Council needed to consider approval of a resolution accepting a deed of dedication for sanitary sewer lines, water lines, and storm sewer lines and easements in Woodside Plantation Hanlon Woods, Phase 3, Section 16A.

Mr. Pearce read the title of the resolution.

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF A DEED OF DEDICATION FROM THE RESERVE AT WOODSIDE, LLC AND WOODSIDE GOLF, LLC.

Mr. Pearce stated the Reserve at Woodside, LLC and Woodside Golf, LLC are ready to dedicate to the City of Aiken the utilities and their infrastructure located in Hanlon Woods, Woodside Plantation Phase 3, Section 16A consisting of storm sewer lines, sanitary sewer lines, water lines, and related easements as built. Our City Attorney has reviewed this request with the developer's attorney.

Our Engineering staff reviewed the records from the Engineer of Record, who found no deficiencies in the systems. We, therefore, recommend that City Council accept this deed of dedication as indicated in the memo from George Grinton, Director of Engineering and Utilities.

For City Council consideration is the approval of a Resolution accepting the deed of dedication for the water, sanitary sewer, and storm sewer systems and associated easements located in Hanlon Woods of Woodside Plantation Phase 3, Section 16A.

Mayor Cavanaugh asked what the city's responsibility is in accepting these lines and easements. Mr. Pearce stated if we accept the deed of dedication, then the city would be responsible for the maintenance of the water lines, sewer lines, and storm drain lines in the public right of way.

Councilman Ebner moved, seconded by Councilman Dewar, that Council approve the resolution accepting the deed of dedication for the water, sanitary sewer, and storm sewer systems and associated easements located in Hanlon Woods of Woodside Plantation Phase 3, Section 16A. The motion was unanimously approved.

INFORMATION

OSHA
Fine

Mr. Pearce stated he regrets to report to Council that the City has been fined by OSHA in the amount of \$2,000. This was during some stormwater line work being done in Houndslake. Unfortunately, when the inspector arrived the crew was not able to identify the certified person for stormwater work. The City paid a \$2,000 fine. Another issue was whether or not the trenching box had been installed. He said this was an unfortunate situation. Of course, we took disciplinary action against the staff who was there. He said he and George Grinton had had discussion about this and had worked with our Risk Managing Crew, but we do not anticipate a repeat of this. It is just an unfortunate situation that has occurred.

Crosland Park
1220 Alfred Street NE

Mr. Pearce stated the City had sold the house in Crosland Park at 1220 Alfred Street NE.

Hitchcock Parkway
Public Safety

Mr. Pearce stated Public Safety had put traffic counters out at Silver Bluff Road and Hitchcock Parkway, at Rhinehart Way, Dibble Road, S.C. 421, and the section where the railroad trestle is between S.C. 421 and Richland Avenue. He said the counts are very interesting. When we did the 2012 traffic count at Silver Bluff and Hitchcock Parkway, the average automobile daily trips were 17,300. He told Council the City put the traffic counter for a seven day period and counted a total of 126,644 vehicles. With a simple math calculation dividing the total by seven, there was an estimated 18,092 cars per day. He provided copies of the report for Council's information, showing the dates the counts were taken. Rhinehart Way is near Aiken Elementary School. The 2012 report showed 19,000 trips per day. The City's count with a straight line mathematical calculation, which is not how the traffic engineers do it, shows 18,784 vehicles per day. Within the margin of error the count is virtually the same. The count in 2012 at Dibble Road and 421 showed 17,700. The city's actual count divided by the number of days which was a 5 day period showed 17,097 per day. He said what might be a little more significant, not a big increase but a difference, is the section from S.C. 421 to Richland Avenue going under the railroad trestle. In 2012 the report showed 12,700 trips per day. The recent count over a 10 day period showed 13,500 trips per day. That is about an 850 vehicle trip increase per day. He said this was a concern of Council, so staff wanted to give this to Council for information.

Councilman Dewar stated, as he recalls, the section of 421 to Richland Avenue was the worst rated. Mr. Pearce stated that section is rated a "D". The section by Aiken Elementary School actually had the worst rating, which was an "E". Councilman Merry stated that section is the hardest one to fix because of the railroad trestle. Mr. Pearce stated Rick Toole was very clear about that in that the city did not want to get into a situation where you expand that area. He said they showed a four lane underneath the trestle.

Councilman Homoki asked why the counts would have been done from Friday to Monday. He felt that was not really representative of the true traffic.

Councilman Dewar pointed out that the count was done over a 10 day period from November 1 thru November 11.

Mayor Cavanaugh asked what the comment about the trestle area was. Mr. Pearce stated that Rick Toole in his presentation about considerations for a concept plan, pointed out that the railroad trestle is considered as static. You would not try to make a longer trestle, as it would push the cost way up. Mayor Cavanaugh pointed out, however, there is room there for four lanes.

Councilman Dewar stated he received an email from Mr. Pearce having to do with a timeframe to respond to Kevin Gantt with comments regarding the SCDOT public hearing at St. Paul's Church on December 5, 2013. He said he was hoping to convince the rest of Council to go on record as asking that the sidewalks not be included in the project for the widening of Hitchcock Parkway, but Mr. Gantt stated he needs his data by December 20. He pointed out Council will not meet again before that time. He said Council will individually have to send their comments regarding the sidewalks. He asked that Council individually send their comments regarding sidewalks along Hitchcock Parkway to SCDOT. He said he can't see a need for sidewalks along Hitchcock Parkway. He felt sidewalks defeat the idea of having a parkway. Not having the sidewalks would not save any land, but it would save cement and therefore would save cost.

Councilman Homoki asked if it was carved in stone that you have to have a sidewalk to get money for the project.

Mr. Pearce stated there is a federal requirement to show pedestrian pathways and bike lanes. However, sidewalks can be deleted from the project if cause is shown why they deleted it. Mayor Cavanaugh pointed out deleting the sidewalks would save over \$1 million.

Councilman Ebner stated the key is that the dirt, width, etc. is the same, you just don't have the concrete. He said we would have to encourage the state to ask for a waiver, just like we did for the bicycle path and with the Silver Bluff project.

Councilman Merry pointed out the cost was specified at \$250,000 per mile for the double sidewalk, and there are about 5 miles of the parkway.

Councilman Dewar stated he would ask that Councilmembers send an email to Mr. Gantt requesting him to delete the sidewalks along the proposed widening of Hitchcock Parkway.

Public Safety Personnel

Councilman Dewar stated the other matter he wants to mention is the manning of the Public Safety Department. He said he had utilized the Human Resources Reports. He said he continues to be distressed with the manning. He said he was not critical of what Public Safety is doing. They are trying to hire as many as they can. He said his computations of voluntary turnover since January, 2012, is 37%, with involuntary turnover 4%. He said in Public Safety that over 30 of the people have been with Public Safety since January, 2012. He said that is a young force. He said he would plead for more effort on the part of Public Safety leadership to keep the experienced people that we have. He said there is a sworn force of 89. He said we have at least 30 and possibly more that have been here since January, 2012. He said we need to keep our experience, or there will be bad consequences all around. He said he would like to think we have a good city, and we will be recognizing a lot of people with service awards. He pointed out staff turnover based on HR reports is 25% voluntary and 9% involuntary. He said that is assuming a staff employment of 341. He said that report is good today, but tomorrow it will change and yesterday it would be different. He said you take the total number of bodies that you have by the people that have left for one reason or another. He said there are four reasons people leave—they retire, they are terminated, they can voluntary resign, or they can die. He said those are bad numbers. He said he had been mentioning them along. He said he was not going to continue to beat a dead horse, but he wished he could get the rest of Council as concerned as he is with the manning of the turnover.

Councilman Merry stated he was concerned about it. He said he did not know how to pursue finding the answers to the questions or where to take it. He said it concerns him that there has been 41% between voluntary and involuntary departures from Public Safety out of an 89 man force. That is almost half. He said that concerns him. He said he was just too new. He did not know what the next step would be after recognizing the matter.

Councilman Dewar stated he felt there was a demand to look into it and ask ourselves what is happening and why these people are leaving and responding to what you find out.

Councilwoman Price stated when you have a high turnover rate that is always a concern. She pointed out that many years ago we had some high turnovers, but we knew why they were leaving. Many of them were leaving to go to higher paying jobs. When we saw where they went and the pay they were going to, then we made some adjustments within the city and with our Public Safety Department. You are hearing all kinds of variables now as to why people are leaving. It is certainly high. She felt we do need to look into it and see if we need to make some improvements or changes to keep a stable workforce and high morale. She said she did not know how we do that except to talk to the individuals who have left. She said she assumed that exit interviews are being conducted when people leave to find out why they are leaving. She pointed out that you will get very few who give the real reason they are leaving, but if they are leaving because of

some personal issues they want to leave on a clean slate without any impact in case they want to return. She felt they all want to find out why people are leaving, given the numbers that we are seeing. She pointed out that Chief Barranco had advertised for more individuals. She said we want to make sure we keep an ample supply of people to keep the trained workforce in place without having so many new ones on the streets patrolling our city.

Councilwoman Diggs stated she agreed that she would like to see us do everything we can to keep the experienced officers. If they are in a situation where their job performance has been outstanding and they really don't want to leave, she felt we should do everything we can do to help them stay.

Councilman Homoki stated he was not as concerned about the young officers. He pointed out the two fatalities that we had were both with very experienced individuals. He said he has faith that the young public safety officers are just as qualified. He said he was not that bent out of shape because we are losing experienced levels. He felt it is up to management and Chief Barranco to make sure he applies whatever management techniques are needed to take advantage of that and consider that they are young. He said he was not as concerned about having a young guy versus somebody that has been there 10 to 15 years.

Councilman Dewar stated there is a 52 week process for the people hired since January, 2012, to be qualified. He said we have a lot of people that are not fully qualified. He said that does not mean they can't go on patrol. They go on patrol, but you might have somebody on patrol who has been to the Police Academy, but has not been to the Fire Academy. He said when you have a long training period you have to work hard not to lose people. You can't afford to lose people when you have a 52 week training period. That is almost a year. That is why you have to make sure the pay is good, and the work environment is good. There are a lot of things that go into that. He said we are not having any difficulty hiring new people, but we have challenges in the community. We see that every day. He said he was not convinced that we have made as strong an effort as probably needed to be made to keep people on board. He pointed out there had been a changeover in management, and that will cause some turnover by definition, but not 37%.

Mr. Pearce stated we are doing a salary survey as we told Council we would do. We have a staff retreat on December 12 and will be discussing this topic.

Mayor Cavanaugh stated he would like to say that he thought our Public Safety folks are doing a swell job. It is true that we have lost some people. We lost 13 or so early on when their retirement was due, and they could not do anything but go. He said he had seen a number of the folks, and he felt we have some really good young people on the force. The training period is long, but every day they get trained a little more. He felt they are doing a good job of clearing up many of the break-ins. If the citizens would do as good a job of locking up their vehicles and houses, then maybe we would not have so many of the break-ins. He said they have tried to get that word out. He said he was proud of the Public Safety Department. He said they will get better every day. He said he appreciates what they do every day. They are out there working for us, trying to save our lives and others. They will get better every day.

Councilwoman Price stated the key is that we want to make sure that the morale is good. If the morale is good, they will stay. Whatever we can do to keep the morale high with the officers, then we can look for more stability in our numbers even though we bring in new people in law enforcement.

Mayor Cavanaugh stated we always talk around the Chief, and he does not have a chance to speak. He said perhaps at the next meeting Chief Barranco can have some facts and let Council know of his feelings.

Councilman Dewar stated he had had two meetings with the Chief and the City Manager.

Mayor Cavanaugh stated this matter had come up several times at the Council meetings. He said Council could sit and talk about it, but we need to talk about this with the Chief who has this responsibility.

Councilman Homoki asked if Council could have an executive session, since it would be talking about personnel.

Mayor Cavanaugh stated it did not matter to him as to whether it would be an executive session or an open worksession. He asked that the City Attorney state how a meeting should be handled.

Councilman Merry stated he liked the idea of an executive session, as he felt it was easier and more of a free form and a more efficient exchange in his opinion.

Mr. Pearce stated staff can do whatever Council wants to do. He said he wanted the record to reflect that the Aiken Department of Public Safety enjoys a Class 2 rating. There is a national accreditation outfit that periodically comes in to review the department. Aiken is an Agency of Excellence which means we are a flagship. We are a role model for Public Safety operations. He said in the last agenda packet there was information that Michigan State University has specifically focused on our department as a department that is a leader on a national level. He also pointed out that we had a call-in Thursday, December 5, 2013, which was our third notification hearing for Safe Communities. The Aiken Department of Public Safety is the first in South Carolina to pursue this model for containing crime in the community. He said he has the opportunity to work with Public Safety every day, and he is continuously impressed by the efforts that they are making. They have probably been through the worst possible experience for any law enforcement agency. He said turnover is a consequence of having officers who are killed in the line of duty. He said he did not know what you can do to prevent that. It is a horrendous occurrence. That was when Chief Barranco was a brand new director, and he was not that long a City Manager. He said this is something staff would be happy to discuss as it concerns operations. He said he knows Council is concerned about it because it has come up on more than one occasion. He said staff will address it the best we can. He said he would like to remind Council that years ago we talked about the fact that we knew we would have some officers who would be retiring because we had the LERI retirement for law enforcement officers. We felt it was an opportunity to recognize promising officers in the department with them being promoted to positions of responsibility and authority. He felt they had stepped up in a big way. He said we can talk about this in the format that Council is most comfortable with. Staff will be glad to try to address Council's concerns.

Councilman Merry stated he wanted to go on record saying he does not doubt anything that Mr. Pearce said. He said he felt they do an excellent job. The ones there are working hard doing phenomenal work. He said none of his concerns reflect on the work being done. He said unlike Councilman Homoki he does think seniority in these roles and experienced relationships with the public and other officers plays a big role in how they do their work. He said he felt that when you lose a senior officer, you do lose something that can't be immediately replaced by a new person. He said they are doing a great job with what they have. He said he worries whether they will be able to continue to do that if we are losing officers and we have vacancies and we can't fill them.

Mr. Pearce stated we are filling vacancies. He pointed out we had over 100 applicants for the last round of vacancies we had. He said there is a lot of interest in working for the Aiken Department of Public Safety.

Councilman Merry stated he had seen an article in the newspaper that we were looking for people, which gave him the impression that we didn't have a ready pool to draw from.

Councilwoman Price stated based on conversations with the Chief, we have enough officers. However, with Public Safety you don't want to just have enough, but you need an overflow in the event someone has a catastrophe or something happens. You need more than just enough to cover the duties and responsibilities. She felt that might be why we solicited more officers.

Chief Barranco stated the department has three vacancies.

Councilman Dewar asked how many are completely fully trained and have completed all 52 weeks training period.

Mr. Pearce stated staff will bring that information to Council at the next meeting.

Mr. Smith, City Attorney, stated to address the executive session issue, the FIOA envisions an executive session being allowed to be held when Council is discussing a specific individual. He said if Council is talking about department policy, managerial issues, or evaluation of the department and that kind of information, he did not feel that is an appropriate discussion to have in executive session.

Mr. Pearce stated there will be a presentation from Chief Barranco at the next meeting in January, and then see if there is any further action necessary.

Councilman Merry asked that no one misconstrue his remarks as critical of the work that the officers are doing or the officers themselves.

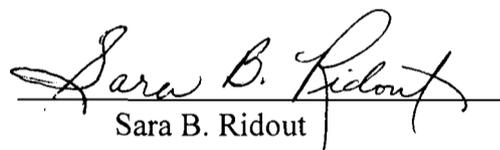
Mr. Pearce stated no one is taking this as any criticism. He said staff is here to serve Council. Council sets the policy that staff tries to execute. He said he was very proud of the Public Safety Department, and he has regular contact with those who drive the trucks all the way up to the Director. He said he sees a lot of positive energy at Public Safety.

Councilman Dewar stated he had said it before, but would say it again that he is not concerned about the performance of the people that he sees in Public Safety. He is concerned about staff's efforts to keep an experienced force. He said a 37% turnover is just not acceptable.

Mr. Pearce stated it is what has happened. He said he thought they had the reality of what has happened. He said as he recalls in the conversations with Councilman Dewar, he has no complaints about Public Safety, but has a concern about the staff.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:53 P.M.


Sara B. Ridout
City Clerk