

Aiken City Council Minutes

January 28, 2011

Aiken's Horizons

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

Others Present: Roger LeDuc, Richard Pearce, Ed Evans, Pete Frommer, Larry Morris, Glenn Parker, Kenneth Cook, Kim Abney, Ben Moore, Gary Smith, Sara Ridout, Steve Hale, Debbie Nix, Keith Bashant, and Amy Banton, of the Aiken Standard.

The Aiken City Council met at Rye Patch at 100 Berrie Road SW for their annual Council retreat called Horizons 2011, beginning at 12:30 p.m. with lunch. Mayor Cavanaugh called the meeting to order at 1:05 P.M. Mayor Cavanaugh welcomed everyone and emphasized the importance of this meeting in planning for next year and setting goals for the city.

Mr. LeDuc, City Manager, reported on a couple of pending items. He pointed out a meeting had been held this week to come up with a policy for the lowering of the flag to half staff. He stated several complaints had been received about the city not lowering the flag for observance of some designations. He said the city would have a policy for the flying of the flag in a few weeks.

He also reported on the complaint regarding the dumpsters at the Shoppes at Richland being emptied early in the morning. He stated staff had checked on this, and the dumpsters were being emptied at 6:30 a.m. He stated it would be difficult for the city to have a policy regulating when the garbage can be picked up. He said four companies pick up garbage in the shopping center. He said the company that was picking up garbage early this week was contacted, and they have agreed to work out something on this issue.

Mr. LeDuc also reported that staff had met with the Whitney Trust this week regarding drainage problems in the Magnolia-Mead area and also trying to work out something to preserve large tracts of land in the horse area. He said something is needed to try to protect these large tracts. He said an agreement will be drawn up with the Whitney Trust for the city to be able to make some improvements in the area, and the Whitney Trust will agree to preserve the land. At this time the Whitney Trust does not intend to sell the land, but it is hard to say what will happen in 25 years. He did point out that some papers had been found to verify that the Whitney Trust does own the property known as the Sand Lot.

COMPREHENSIVE ANNUAL FINANCIAL REPORTCAFR

Ms. Kim Abney reviewed for Council the information contained in the CAFR, pointing out the information on the history of Aiken, the Financial Audit, and the various charts showing taxes, business licenses, information regarding the number of water and sewer customers and the water and sewer rates.

BUDGET

Roger LeDuc, City Manager, presented an update on the budget expenditures and revenues for fiscal year 2010-2011 for the General Fund, Utilities Fund and for the Interfund Loans. Mr. LeDuc discussed the revenue sources, including taxes, business licenses, water and sewer fees. He stated the major revenues, including taxes and business licenses are expected to exceed the budget. He projected property taxes should exceed the budget by \$200,000 and business licenses are at 94% of the budget, but police fines are only at 45% of the budget. Revenues for franchise fees and intergovernmental grants should exceed the budget. Water revenue is expected to exceed the budget, and sewer revenue is expected to collect 96% of the budget by year end. Revenues from

new growth, which includes building permits and planning fees for new developments, are at an average of 50% of the budget. He reviewed a six month comparison of taxes, business licenses, building permits, planning fees and police fines.

Mr. LeDuc reviewed the Water Revenue Analysis chart, showing the revenue for 2008, the highest year for revenue, and 2009, 2010 and the estimated revenue for 2011. It was pointed out, with the 11.3% increase in rates, the revenue should meet the budget estimate. He also reviewed a Six Month Comparison for the Water and Sewer Revenue. He reviewed a chart showing the Water Consumption for the last 10 years. He pointed out water usage had gone down since 2008.

Mr. LeDuc reviewed a Water/Sewer Rate Comparison with other major cities in South Carolina. He pointed out that, even with the water and sewer rate increase last year, the City of Aiken's rates are still 62% below the state average.

Mr. LeDuc reviewed the Interfund Loans, which include Gem Lakes Sewer System, Aiken Corporation LED, Willow Run Building Painting, Housing Committee, Toole Hill Homes, Rehabilitation of Homes, and the Utilities Orion Water Meter project.

He also pointed out water customers can pay by bank draft and can receive their utility bill by email. 849 customers have chosen to receive an ebill each month, which has resulted in an annual savings of \$6,376 in postage, paper and printing costs for these customers. The city also makes electronic payments to vendors, and 122 vendors and 180 employees are signed up to receive payments electronically.

It was pointed out the Aiken Corporation Loan will come up for renewal this year, and there are several options for this loan.

SECURITY SYSTEM UPDATE

Weeks Center

Mr. Glenn Parker, Recreation Director, reviewed for Council the improvements which had been installed at the Weeks Center for security. He said the Weeks Center is a safer facility today than it was one year ago. He reviewed the camera system that was installed at the Weeks Center. He said 69 cameras were installed, with 59 focused on the interior of the building and the remaining 10 focused on the outside of the building. He said staff sitting at the front desk can view monitors that show different areas of the building and see if people enter or exit the other doors of the building. Staff can review what occurred on previous days and can pull up recordings of a specific location, date and time. The cameras have a zoom feature to allow for close-up viewing. The gyms and the parking lots have panoramic views which are designed to create no blind spots or areas that are not being recorded. Alarms have been installed on all exit doors, except those at the front desk where customers are to enter and exit.

Mr. Parker stated the Community Resource Officers have been very visible at the Weeks Center and at other PRT events. They normally work from mid afternoon until closing.

Mr. Parker stated the User Card Pass System has been installed at the Weeks Center and has been in operation since July. Based on the swipe cards and sign-ins there have been over 31,000 people to enter the Weeks Center in the past 6 months.

Mr. Parker pointed out the front desk had been relocated, and the restrooms in the rear of the Weeks Center have been renovated, so users of the walking track, playground and tennis courts can use the restrooms at hours when the Weeks Center is closed.

Mr. Parker stated plans are to install a camera system at the Smith-Hazel Center like what was installed at the Weeks Center. Call boxes are to be installed along the Weeks Center walking trail and outdoor park areas. This project will be bid in the spring. In the future it is hoped to be able to install call boxes at all walking trails and possibly Hopelands Gardens.

Mr. Parker then showed a live view of the various areas that the camera system can see at the Weeks Center. He said it is felt the camera system has made the Weeks Center a safer place for our citizens. He said staff feels the camera system is working well.

Council suggested that the camera system should also cover the Visitors Center and should be included in the cost of any future projects.

Mr. Parker stated the Recreation Department had also instituted the credit card system and on line registration for payment of registration fees for the various ball teams.

CITY WIDE SECURITY

Public Safety Department

Mr. Pete Frommer, Public Safety Director, reviewed for Council some special cameras the City of Aiken is using to survey various areas to help in solving crimes and to monitor areas. He pointed out it has become common practice that, when a crime occurs in public locations, our investigators will visit business locations in the area of the crime to download video in case the perpetrators or their vehicles might have been caught on tape.

Mr. Frommer pointed out electronics are getting smaller, better quality and less expensive, and the technology is moving at a rapid pace. He said in the upcoming budget he will be proposing increased funding in surveillance equipment to locate surveillance cameras in the downtown business district and several of our recreation parks. Mr. Frommer stated Billy Dunlap of Wildfire Connections was present to talk about some surveillance systems in several South Carolina cities, including Laurens, Abbeville, Anderson and Rock Hill. Mr. Dunlap showed views from cameras installed in several other cities and the clarity of the images being picked up about 10 miles away.

Mr. Dunlap reviewed for Council how the surveillance systems work and answered questions regarding how the systems are set up and the cost involved.

STREET LIGHTING

Mr. Larry Morris, Public Works Director, reviewed for Council information on the city's street lighting policy and cost. He pointed out street lighting in the city is provided by SCE&G and Aiken Electric Cooperative. He stated the cost for street lights in 2005-06 was \$302,527. This amount has increased through the years to \$435,876 in 2009-10. This is a 44% increase in yearly cost. The majority of the increase is the result of rate increases for the lights and an audit of the lights in 2007, which increased the monthly billing for lights not previously being billed.

Mr. Morris pointed out street lights are provided by a variety of poles and fixtures. He reviewed the cost of the various poles and fixtures, with the cost ranging from \$18.91 per month for the basic unit to \$25.32 for the decorative poles and fixtures. The monthly cost per light covers the original installation, maintenance and power. The City does not replace damaged poles or burned out bulbs on these units.

Many of the lights in the downtown area are the Old Aiken Pole and light as selected by a committee about 15 years ago. The City purchases these poles, installs conduit supplied by SCE&G and installs the poles. SCE&G pulls the power wire and installs the fixture. The monthly fee for these lights is \$10.62.

Lights along Hayne Avenue, Edgefield Avenue and Morgan Street were installed by City personnel and placed on meters. The City pays only a power consumption bill for these lights.

The City's current street light policy is that lights are provided at street intersections, severe curves, and in the middle of the block if the block is over 600 feet in length. Also, Public Safety can request a light in an area that is experiencing a high crime rate.

The City has been maintaining the Old Aiken Poles, the Morgan Street and Hayne Avenue lighting systems for over 5 years. Over this period of time records show that maintenance cost of the poles and systems is approximately \$4 per pole per month. The monthly maintenance cost covers bulb replacement and pole replacement if damaged. The poles, which are fiberglass, have to be painted periodically.

Mr. Morris stated staff was looking at options to try to provide street lighting at a more economical cost, as the street lighting budget had increased so much over the years.

Mr. Morris stated one option considered by staff was to require all new developments to place street lights on a meter and turn them over to the city like other utilities in a subdivision. He reviewed the costs for installing street lights in a subdivision, the monthly charges by SCE&G and Aiken Cooperative for each light, and the savings that would be realized if the lights were installed in the subdivision by the developer and placed on a meter. The developer then would add the cost of installing the street lights to the cost of the lot. The City would realize a savings on the street lighting, since they would not be paying the monthly cost charged for installing and maintaining the lights, but would just be paying for the power usage. It was pointed out that wiring in new subdivisions is underground.

Mr. Morris also pointed out the costs to install conduit, wiring and meters in existing subdivisions would not realize any savings for the city, but would be costly to the city. He stated, however, if the lighting system were installed concurrently when streets are being improved with curb, gutter and sidewalks the cost could be a break even.

Mr. Morris then discussed street lighting in existing subdivisions. He pointed out that in some subdivisions that have been annexed, the street lighting does not meet the city's current policy of lights at intersections and mid-block on long streets. Some subdivisions have more lighting than the current city policy and others have less. He pointed out Deodar Subdivision had more lights than allowed by city policy, so the city agreed to only pay for the lights meeting city policy, and if the homeowners in the subdivision wanted the additional lights, they would have to pay for them.

Mr. Morris stated option two to help with cost of street lighting was to charge residents their fair share of light cost above the cost of the "base" cobra head light. He said this option involves charging residents the difference in cost between the "base" light on the wood pole and the decorative light on the fiberglass pole. North Augusta uses this method to control their costs. The neighborhoods would have to be inventoried to determine the number of decorative lights in the neighborhood. The cost differential would be calculated and then a proportional share charged to each residence.

It was pointed out the options available are: (1) require developers of future subdivisions to install lighting systems for the subdivision and then give the system to the city like is done for other utilities in a subdivision. (2) Do nothing. (3) Go back and do something for the lighting in current subdivisions.

Council then discussed the options at length. Concern was expressed about going back and putting lights in subdivisions annexed to meet the street lighting policy. It was also discussed that the cost would prohibit the city from going back and getting current subdivisions on a meter system. Council also discussed other issues with street lighting and the use of the large rustic poles versus silver poles, especially at Hampton Avenue. It was pointed out the rustic poles are used to fit in with the environment and require less maintenance.

After discussion it was the general consensus of Council to go forward with requiring new subdivisions to install the street lights in a subdivision on a meter and then turn the system over to the city like other utilities. This is to be listed as a goal for Council.

SOLID WASTE USER FEE

Mr. Morris stated the City of Aiken Solid Waste Divisions are responsible for the collection and removal of residential garbage, yard trash and recycling for city residents. These services are provided to each home one time per week. The total cost of these services last year was \$2,399,720. The City has 11,345 customers. The current solid waste user fee is \$14.00 per month, which was not enough to make the service pay for itself. Council has generally asked that services pay for themselves through user fees. In the case of the solid waste services, there was a shortfall of \$390,000 from the user fee. This means General Fund tax dollars were used to supplement this service. In order to make the service pay for itself, the user fee should be \$16.86 per month. It was pointed out that at \$16.86 per month the fee would still be less than other cities in South Carolina and less than local private haulers. The \$16.86 per month would be direct cost and not include administration costs.

Mr. Morris presented three options for Council to consider. The first option was to increase the user fee of \$14.00 by \$2.86 for a new fee of \$16.86 to break even for the service. The second option was to increase the current user fee of \$14.00 by \$1.43 this year for a 50% recovery and consider \$1.43 next year to bring the fee to \$16.86 over a two year period. The third option was a three year recovery of the shortfall by increasing the rate by 33% of the shortfall or \$.95 per year until break-even is reached. The 2011 rate would be \$14.95, with the 2012 rate being \$15.90 and the 2013 rate being \$16.86.

Mr. LeDuc pointed out that one mill of taxes is about \$100,000, so the city is using about 4 mills of taxes to subsidize the solid waste services. He stated the city had not increased taxes for 21 years, but one reason they had not increased taxes was that Council had a policy that services would pay for themselves and had placed a user fee on the services. He pointed out that the garbage fee had not been increased to make this service pay for itself, but was being subsidized by the General Fund. He stated one reason the fee had not been increased was that the city went to the roll cart system with street side service and one time per week pickup which helped keep the costs down. He pointed out that most county residents are paying \$22 per month for garbage service, and they don't get trash pickup.

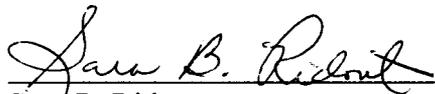
Mayor Cavanaugh stated he was against going up on the solid waste services fee. He said he was against any increase as he felt this was the wrong time for any increases.

There was some mention of using reserve funds, and Mr. LeDuc warned Council not to start taking reserve funds to pay for services. He pointed out reserve funds can only go for so long. He warned that using reserve funds is when cities start getting into trouble. He pointed out that other fees and services to the city such as electric rates have been increasing.

Council discussed the matter of increasing the solid waste user fee at length. It was discussed that Council will have to look at the services and decide what services the city wants to have and whether some services may have to be cut to stay within budget. It was the general consensus of Council that Council and staff needed to really look at services to see if there was some way to tighten the belt to keep costs down. It was felt that we need to look at everything possible to not increase fees. It was felt people expect the city to tighten the belt in these economic times. The general consensus of Council was that the solid waste fee not be increased at this time.

ADJOURNMENT

The meeting adjourned at 5 P.M.


Sara B. Ridout
City Clerk