

Aiken City Council MinutesWORK SESSION

May 12, 2014

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

Others Present: Richard Pearce, Gary Smith, Stuart Bedenbaugh, Kim Abney, Charles Barranco, Sara Ridout, George Grinton, Alicia Davis, Mike Goss, Captains Sawyer, Brazier, Turno, Burgess, and Shelley, and Lt. Harm and Mahoney, and Eddie George, Sheriff Mike Hunt, Maayan Schechter and Michael Ulmer of the Aiken Standard.

BUDGETFY 2014-2015

Mayor Cavanaugh called the Worksession to order at 5:02 P.M. and stated the purpose of the meeting was to discuss the proposed budget for Fiscal Year 2014-2015, revenue projections, and salary review.

City Manager Richard Pearce stated in the front of the budget book, the Budget Message talks about the goals and some of the larger expenditure items that we propose to undertake in the next budget year. The funds being talked about are the General Fund, Water and Sewer Utilities, and then the other funds, which include the Aiken Theater, Storm Water, Local Accommodations Tax, Sunday Alcohol Sales, Victim Services, Airport, Community Development Block Grant Money, Ventures Industrial Park, Northside Redevelopment, and Crosland Park. The total expenditures are \$49,997,712. There is also information that Councilman Ebner asked to be prepared showing the actual revenues and actual expenditures for the last three years. The budget is a plan. It is expected revenue, and the expected expenses that the City will need to cover.

Mr. Pearce stated as part of the budget since 2011, one of the revenue items is the property tax. It is based on the millage rate, and in the memo provided for the Worksession, it is shown how a tax bill is calculated based on the value of the house, whether a person lives in the house that they own or lives on the property they own, and the millage rate. For a \$100,000 house, based on the current millage rate, the tax bill is about \$248 a year. Finance Director Kim Abney is present at the Worksession to answer any questions. She has talked with staff at the State Budget and Control Board. Mr. Pearce stated in several meetings, inflation has been discussed and the effects of inflation and how it has the potential to erode purchasing power. It has been between 1.5% and 2.25 % over the past several years. Included in the budget is a 2% salary adjustment. There was an extra week's salary paid in 2012 to help offset the economic pressures. He stated on the first page of the memo he provided for the Worksession regarding Aiken Public Safety salaries, under the Budget and Control Board calculations, four budget years can be considered. At reassessment in 2011, a portion of the allowable millage increase was used to balance the budget and set the rate at 62 mills. He stated City Council could adjust the millage rate based on the information from the State Budget and Control Board and State Law as high as 66.62 mills, roughly. With that in mind, there have been discussions with Public Safety staff and staff has also taken a look at other Public Safety Departments, and Director Charles Barranco is present to speak about what some of the other departments are looking at doing regarding their salaries. Sheriff Michael Hunt is also present at tonight's meeting. He has made a request to Aiken County Council for a millage adjustment for law enforcement. Mr. Pearce stated as he and Chief Barranco were going through the budget and comparing the City's salaries to other departments and looking at the responsibilities our officers have versus those of other departments, they looked at any number of ways to approach this and they have three options for Council to look at. They are on the second page of the memo. He stated one option is the potential to increase the salaries for all the department employees across the board. That is an estimated cost of \$400,000. Another option is to look at the 91 sworn Public Safety officers who are doing patrol/fire/first responder work and do a

percentage adjustment for them. Since that is not everyone in the department, that option is approximately a \$300,000 cost. The third option would be for the 91 sworn Public Safety officers to have a flat salary adjustment. The advantage of that would be that if it is a set dollar amount increase, the employees that earn less than others would have a more significant impact to their bottom line. That would cost about \$259,000. The millage adjustment necessary is listed on the memo. He stated, regarding all City employees, the Work Budget has a 2% salary adjustment in it. One is in the millage rate. There is also a separate millage rate ordinance in the agenda packet. That is to adjust the millage rate since we are permitted to do so by the State Budget and Control Board for inflationary pressures to take the millage rate from 62 mills to 63.3 mills and use that money for a 2% cost of living adjustment for all employees. In the workshops that were held in April, City Council was specifically concerned about what Public Safety employees were paid. As shown in the memo, the recommendation, depending on which option City Council wants to undertake for Public Safety, was to look at setting the millage rate at 66 mills. That would cover not only the 2% for all City employees, but would also allow a salary adjustment for the Public Safety officers.

Public Safety Director Charles Barranco thanked City Council for raising the concern about Public Safety's salaries. He believes that the option reflects a current market place, specifically in our area. With the potential adjustment that the Sheriff has proposed, it increased talks at Public Safety. In talking with the staff, Public Safety officers and other employees are very interested in what City Council has to say. Chief Barranco explained the documents he handed out. The current starting salary is \$35,443.20 a year. A 5% increase is implemented once they complete both academies raising their salary to \$37,215. At the 3-year mark, after they are off of probation, their salary is \$39,076.

Councilman Dewar asked for clarification of the salary timeline. He asked if it is actually 2 years that the officers receive the last increase.

Chief Barranco stated the officers receive a 5% increase after they complete both academies, which makes the salary \$37,215. After they come off of probation, which starts after they are released from all the FTO programs and is a six month period when they are working on their own after all training has been completed, they receive the next 5%, changing their salaries to \$39,076. He stated he uses the 1 and 3 year marks because that is a similar number for some other agencies that will be pointed out. Chief Barranco stated Councilman Dewar was correct, that it is the two year mark that the officers receive the last increase. He stated Council asked about some of the benefits that are offered at the City of Aiken. There are education benefits; additional compensation the City has afforded the employees are longevity bonuses, shift differentials for those working the midnight shift, and holiday pay. Some of the self-initiated additional compensation includes the physical fitness or wellness program, paid specials if they want to take that opportunity to work them, and the Master Career Path. In order to participate in the Master Career Path program, an officer has to be off of probation and have been a sworn officer for two years. There are six steps that are 2 ½% at each step. Also, the City will reimburse an employee up to \$1,500 while attending an accredited institution of higher learning. Chief Barranco asked Council to look at the second page of the handout. He stated it shows North Augusta's starting salary, Aiken Public Safety's starting salary, and the Sheriff's starting salary. Using option 1, with the proposed increases, it would be an increase of a little over \$3,000 for the starting salary. With those scheduled increases, at year one, the salary would go up to \$40,614 and at the 2-year mark it would be \$42,548. He stated during the Worksession, the value of Public Safety was discussed, the value being both police and fire. Some of the benefits of this were recently seen during the ice storm, with officers being able to respond to a downed power line or a medical first responder call. He believes this to be a huge value to the citizens of Aiken. If Public Safety were split into police and fire, initially the City would need 40 firemen. If they were paid \$30,000 a year, that would be \$1.2 million. Significantly there is a huge value to Public Safety. He stated when talking with the City Manager about the budget, and the Sheriff's proposals, he shared with the City Manager that he has great concerns if the City is not able to make some salary adjustments with the potential of the increase that the Sheriff has and North Augusta's already high salary. He received a memo from Lexington PD through the South Carolina Law Enforcement Association stating they start at \$39,500 without any experience. He feels that Public

Safety has valued itself and been a trademark of a qualified, certified agency. He is fearful of the City training them and then having them leave. We are very fortunate in the openings we have had. We have had a lot of applications and have been able to hire some great people. An example of that is 97% of the most recent hires in the last 2 ½ years have either college, emergency responder experience, or military. Public Safety has been able to recruit good people and would like to retain them. He stated they talked in staff that they do not want to be that training agency. They want to keep the best qualified people with Public Safety. He knows the City cannot keep everyone, but feels that with a salary adjustment, it would definitely take strides in keeping the ones we have.

Councilman Merry stated he felt the comparisons were relevant because these people are recruiting the same candidates that the City is. He asked what is known about other benefits that are offered by North Augusta and other places. There is substantial difference in salaries, so maybe there is a substantial difference in the City's favor as far as benefits.

Chief Barranco stated one of the benefits is the take home car program that North Augusta has. Currently the City's officers are limited to taking their car home in our fire response district. North Augusta is five miles out of their city limit.

Councilman Dewar stated Newberry limits their vehicles to within the county. Lexington does not charge anything.

Councilman Ebner asked for Chief Barranco to explain what the City of Aiken does first, then explain the other places.

Chief Barranco stated in order for an officer to take a car home, they have to live within our fire response district, which is outside the corporate city limits of Aiken. The amount an officer has to pay depends on how far they live from headquarters or their assigned duty station. There is a mileage rate that is used by Finance to figure the amount. He stated with the amount of cars Public Safety currently has, it is decided by seniority of the officers working shifts who will drive them home. Not every single person takes a car home.

Councilman Dewar asked what the formula was to figure how much an officer would pay to take home a car.

Chief Barranco stated it is a formula using the commuting mileage and the price of gas. It is different for each officer.

Mr. Pearce stated the total amount paid is \$25,000, collected from all the officers.

Councilman Dewar stated we are one of the few municipalities that do this. He stated the City needed to get rid of it.

Councilman Ebner stated there are 12 per shift, and 8 are driving around. He asked if all had cars.

Chief Barranco stated some are motor fleet cars that stay at headquarters.

Councilman Ebner asked how many will be driving on each shift. He asked how it is decided who will drive the vehicles home.

Chief Barranco stated it depends on the shift. It is decided by seniority and how long the officers have been here as to who drives the cars. When they are in training for the first year and a half, they are back and forth to the academies and drive fleet cars.

Councilman Dewar asked how many take home cars the department has. Chief Barranco stated he did not know. Captain Ron Shelley stated it is in the high 50s.

Councilman Steve Homoki asked if all the shift cars were equipped with computers and internet, and what percentage of the cars are like that.

Chief Barranco stated all of the cars assigned the patrol function are equipped with the computers.

Councilman Merry stated he understands that one of the differences is that Aiken does take home cars within the fire district. He asked what are the other differences in benefits.

Chief Barranco stated that North Augusta is able to have a take home car five miles outside their jurisdiction. It is a bigger area. They do not pay for gas.

Councilman Merry asked if the other places had the same benefits as Aiken.

Chief Barranco stated Lt. Harm has been working with North Augusta. Chief Barranco said he is not aware of many that are much different from what Aiken has. He does not believe they have the Master Career Path program, but they have something a little different.

Councilman Merry asked if they offer the education bonuses.

Lt. Harm stated not in the research he has done. With the wellness program, the City has been very proactive and it is a very good City benefit. North Augusta Public Safety officers can use their gym and recreation center by the greenway. They can use it as much as they want, and depending on the shift, some officers are allowed to go during their shift.

Councilman Merry asked if North Augusta's benefit package is similar to Aiken's. Lt. Harm stated it is pretty similar.

Councilman Dewar asked about holiday pay. Chief Barranco stated it is typically 8 hours.

Mr. Pearce stated hourly employees are non-exempt. There are exceptions to this, and supervisors that are salaried are exempt.

Councilman Dewar stated Council was given, in March, a wage and salary study of the City of Aiken done by the Archer Company. He stated the City's goal needs to be to start the bottom line salary at a salary that is going to keep people, and we are at least \$2,000 or \$3,000 below it. The spread in the study for PSO I states the mid-point of their salary is \$46,332. He asked for an explanation of what mid-point means.

Chief Barranco stated it is the mid-point of the range of the salary for PSO I.

Councilman Dewar stated the survey average came in at \$40,943. He asked what that number represents.

Councilman Ebner stated the average is everybody's salary divided by the number of people and the mid-point is different.

Councilman Dewar stated what the report tells him based on the survey of organizations at Anderson, Greenwood, North Augusta, Greenville, Clemson, Rock Hill, Summerville, North Myrtle Beach, Georgetown, and Aiken County the average is \$40,943 and the City of Aiken is talking about starting at \$35,000. He wants to get to a level where the City of Aiken will not lose employees to other communities. He would like to see Aiken take care of this in this budget year and start at \$40,943.

Councilman Ebner stated that would be for the new hire that walks in the door and then the same type of increases after that. He asked where this puts the City at the 5 and 10

year place. He asked where this would put them in comparison to the officers that have the 8 and 10 years of service. The City does not want to pay a 3 year officer more than an 8 year officer. It would have to be prorated.

Mr. Pearce stated there was a salary adjustment for entry level about 5 years ago and there were some 3 year people who were making more than some 7 year people and that has caused a lot of problems.

Councilman Dewar stated they need to look at a higher base and adjusting appropriately the people that have a little tenure so we do not end up with a new officer making more than someone that has been on board for 3 or 4 years. He does not know what that will cost.

Councilman Merry asked Councilman Dewar if he was saying to pay the new officer off of the street before training \$40,943 and then add the 5% after the training.

Councilman Dewar stated that was correct. He does not want to lose any more officers.

Mr. Pearce stated based on the inflation factor, without having to go to a general ballot, Council has the authority by ordinance to make an adjustment as high as 66.62 mills. With the 2% cost of living salary adjustment for all employees that is already in the budget that uses up 1.3 mills. That would leave 3.362 mills for any other adjustments. He stated in the choices that were given today, if the person has a college degree that adds \$1,440 to their salary and that would be a total salary of more than \$40,000 a year.

Councilman Dewar stated he would like the City to simplify the pay system so it is not so complicated. He does not know why more needs to be paid for a college degree. He asked if an officer with a college degree is more productive than one with a high school degree or military experience.

Mr. Pearce stated that City employees are encouraged to get an advanced degree. There are opportunities for an officer to enhance their starting salary, whether it is through physical fitness or education.

Councilman Dewar stated this complicates the pay system. He does not know what the benefit is for the shift differential. It would simplify the system to just pay people. They all do the same job no matter what time of the day it is and if it's more dangerous at a certain time of day or night then Council needs to know that. If the system is to be restructured to provide an excellent compensation package that is going to attract and keep people, then these are the things that need to be looked at. He asked Sheriff Hunt if the County pays shift differential. Sheriff Michael Hunt responded no.

Councilman Dewar stated we could even give a back door pay raise getting rid of the pay for the take home vehicles. Some of the other departments are letting the officers live within the county and have a take home car.

Councilwoman Price apologized for being late. She stated she supports the salary increase. She asked what the increase from \$35,000 to \$40,000 will cost the City.

Mr. Pearce stated it is in the memo and pointed out the options that he explained earlier in the meeting. He briefly reviewed the options with Councilwoman Price.

Chief Barranco stated he feels option 1 is the best option. He realizes it's the largest dollar amount. He stated the other options only include the 91 Public Safety officers. It does not include the Driver Operators, Dispatchers, Maintenance Workers, or Administrative Staff that processes all the paper work. The environment at Public Safety is of public safety. These staff members are doing more than just their assigned job because the Public Safety officers cannot do it all themselves. That community, family, supportive environment from the dispatchers to the driver/operators that are also medical first responders, the maintenance workers are also fire fighters and first responders. It is

not as simple as the Public Safety officers take care of all of it. Every division is touched by the response for emergency calls. He said they had talked several times. He said he and Captain Shelley and the rest of the staff had talked to ensure that he would present to Council tonight Option 1 because of the concern of these other emergency responders not being included in all the options.

Councilwoman Priced asked if it was a 7% increase. Chief Barranco answered yes.

Councilman Ebner asked how many people option 1 would cover. Chief Barranco stated 135 employees.

Councilman Homoki asked if Public Safety was the only department being talked about. He was concerned about the rest of the employees. He stated the City is not growing. Growth will not increase the revenues. He agrees something needs to be done for Public Safety, but he wants to know where that leaves the City with all the other employees. He is concerned. He stated the property appraisals are good for three more years. Supposedly the revenues will not be increased by increasing the appraised values like they did a couple of years ago. There are supposed to be on a five-year cycle. All they can do is look at the millage rate. He asked if we should find out what the budget requirements are and then make a millage adjustment, not just for Public Safety, but possibly for the whole city.

Mr. Pearce stated that was in his initial remarks to Council. The millage rate is 62. He looked at a 2% cost of living adjustment for all City employees which takes about 1.3 mills. In the Work Budget and the ordinance there is a 63.3 millage rate. That would help with the cost of living for everyone. The additional millage is being looked at for Public Safety, based on the discussion Council had in the workshops about the budget. The millage adjustment reflects inflation. That is what Council could have done every year since 2011, but we have not adjusted the millage rate because we were looking at several factors. He stated there is some development, such as Dupont Point that Council approved, and that is 44 houses. There have not been major subdivisions developed, but there have been some commercial construction and improvements.

The discussion Council had on how we address inflation is why we looked at the millage rate. There are 1.3 mills dedicated to a cost of living for all city employees. The additional millage was the question about the starting salaries and appropriate salary adjustment for Public Safety. Certainly our employees throughout the city, just as Public Safety is looking at the request the Sheriff's Department made, will look at the request Public Safety is making.

Mayor Cavanaugh stated he has been sensitive to the millage increase as well as everyone has. There has been a good run on it. For 25 years the millage rate has not been raised. He believes it is time to raise the millage rate. The salaries for Public Safety need to come up. He feels Council is at a point where they all agree; it is a point of how much and when. Something has to be done now and not put it off another year. He feels most of the citizens will understand. He feels Public Safety deserves more money. He said anytime we say Public Safety that is a group beyond some of the others. He said all work hard, and we all work together whether it is pick up the trash or whatever, but when you get to Public Safety you get more serious. He felt they deserve more money for reasons everyone understands. He said it is a different thing when you get in a car and you go out at night or any time during the day. Things can happen. He said, hopefully, things like that don't happen picking up trash. He said he did not mean to downgrade what they do. He said to him Public Safety is beyond and above some of the other jobs that we have. He said the City of Aiken should be as close to North Augusta as we can be. He said Aiken is a bigger city than North Augusta. He wondered if we could make the adjustment in one jump or in two years. He said certainly we have to do something.

Councilman Dewar stated between this meeting and the next meeting, staff needs to do a lot of work to be able to tell Council the real cost of what is being asked. He said it is not just the base pay. He does not feel it is right for Public Safety officers to have to work holidays and only get paid for 8 hours if they work 12 hours. He would also like to have

a discussion on the reason for shift differential. He feels it would make it easier for Finance if they did not have to worry about it.

Mayor Cavanaugh asked Chief Barranco if staff had talked about the benefits of the City and of North Augusta.

Chief Barranco stated one of the biggest issues that has been brought up has been paying for the gas for the take home cars. He asked who sets the holiday pay rate, as he did not know.

Mr. Pearce stated it is policy. It is overtime at time and a half and holiday pay.

Finance Director Kim Abney stated all holidays are designated 8 hours. Councilwoman Diggs asked if it is 8 hours even if you work 12. Ms. Abney stated that is the way the policy is written.

Councilman Ebner asked if he is on a 40 hour shift and he is working on Memorial Day Monday, does he get time and a half for Monday or just get 8 hours.

Ms. Abney stated the holiday is 8 hours so he would get paid RG for 12 hours because he was working and also 8 hours for the holiday at time and a half.

Councilman Dewar stated that needs to change. They should get paid 12 hours overtime.

Councilman Merry stated we need to get a grip on this. He said we have not only the potential raise for officers just walking in the door off the street, but also the filter effect for the guys that have been there for three to five years to keep them ahead. Then if we are talking about doing away with charging for the gas for the take home cars and also changing the way for pay for holidays, there will be some serious number crunching that has to go on. He said this is a lot more than just adding 2 plus 7% to fund all this.

Councilwoman Price stated there needs to be more discussion about this subject in terms of when you start adding to what is being discussed in terms of increases, you can end up with an employee making more than the senior employees. She said she assumed that the Department Directors and Supervisors are not paid overtime, but are salaried. She said depending on how skillful the employee can be in terms of wanting overtime pay, they can make close to what the supervisors make.

Councilman Dewar stated it is a practice of the department to receive comp time instead of overtime pay.

Councilwoman Price stated she also receives comp time but does not take it off. She stated there needs to be more study and discussion as far as how much it will end up being and how much overtime is allowed in a given year. It can get very pricy. Some employees will end up with great salaries based on overtime.

Councilman Dewar suggested that Council be given the top 20 salaries for Public Safety for last year. He feels this will reassure Councilwoman Price that there is not a Public Safety Officer II making more than a Captain.

Mr. Pearce stated Council can have whatever information they request.

Captain David Turno stated the officers need to be checked to make sure they are not working paid specials. Mr. Pearce stated that was correct. There are all types of compensation.

Councilwoman Diggs asked if paid specials were events. That was confirmed. It is events such as the Lobster Race. Mr. Pearce stated they are paid time and a half for that as well.

Councilman Ebner stated he agrees with Councilwoman Price in that you have to get back to the base salary and work from there. Every organization has the overtime glutton. They will double or triple their salary and go brag about it. He asked if option 3 raises all 91 sworn officers, not just the starting people. Chief Barranco stated that is correct.

Mr. Pearce stated that is current officers, which includes the people who have just started. He stated in option 3 all boats are rising on the same tide.

Councilman Ebner stated it starts the salary at \$39,000 but it raises all the salaries by \$2,850.

He was told that was correct.

Councilwoman Diggs stated the sworn officers will receive \$42,900 in a year if they start off with \$39,000.

Chief Barranco stated that was correct but that is only sworn officers, not the driver/operators, dispatchers, maintenance mechanics, or anyone else.

Councilman Ebner stated he understands.

Councilwoman Diggs stated she understood that Mr. Pearce stated the City encourages education. There is tuition reimbursement for them, but what types of incentives are given for employees obtaining their education.

Councilman Merry pointed out a Public Safety officer receives \$700 for an associate degree and for a bachelors degree it is doubled.

Councilwoman Diggs asked if that is added to the annual salary. Mr. Pearce stated that was correct and added that there is a Master Officer Career Path as well that adds to their salary.

Councilwoman Diggs asked what the incentive was for the Master Officer Career Path program.

Chief Barranco stated it was 2 ½ % per step, and there are 6 steps.

Councilwoman Diggs asked how many officers are masters.

Chief Barranco stated a good many of the PSO I and PSO II participate in the program. He stated it can go anywhere from 2 years as a sworn officer to 10 years as a sworn officer. There are different requirements for longevity as well as additional training to be eligible for the Master Career Path.

Councilwoman Price recognizes we are a City and the Sheriff is County, but it is important that we align things pretty closely. They will not be exact because the range of the Sheriff's officers is a lot more than the City's, but the City's officers are called in to assist the Sheriff's Department. She asked Sheriff Hunt how they handled overtime pay.

Sheriff Hunt stated they have been paying overtime this year. They had been doing comp time, but you can only build up so much comp time and be able to take it. They felt it was a morale issue giving one person a lot of comp time when he knows somebody has to work so it was their decision to pay overtime. They are over in their overtime budget this year.

Councilwoman Diggs asked if the Sheriff's Department sets a limit of the amount of hours they can work overtime.

Sheriff Hunt stated no, but typically it works itself out. They work 12 hour shifts, and they do not allow someone to volunteer to work for overtime. When he says pay for overtime, if an officer works 4 hours over because of a bad call, they have to pay it, but they do not let an officer volunteer to come in and work overtime.

Councilman Dewar asked if they give any special assignments for his employees.

Sheriff Hunt stated they have paid specials. He stated he has quite a few paid specials. They are paid for by the agency wanting the paid special.

Councilwoman Diggs stated if someone is hosting a party or event they can call the Sheriff's Department and the department will send someone. She asked what the hourly rate was for paid specials.

Sheriff Hunt stated that is correct. It is done through a contract and goes to their check. He stated it is about \$45 an hour. It takes care of taxes, workers' compensation, and other things that have to be taken out of the check.

Chief Barranco stated Public Safety and the Sheriff's Department work closely on paid specials.

Councilman Homoki asked what the Public Safety officers are paid for court time when they have to testify in court.

Chief Barranco stated that typically their court is set when they are working, however, there are times when they have to go to General Sessions court, and they are paid additional for that.

Councilman Merry stated in his insurance business that if you follow best practices, there is a ratio regarding staffing. Essentially you should have roughly \$90,000 - \$100,000 in revenue per employee. That's a good way of measuring the staffing level. He asked if there was any such rule of thumb to determine proper staffing for an organization such as Public Safety.

Chief Barranco stated that through accreditation, they have used the national models for staffing patrol beats. They just redid it a year and a half ago. There are staffing requirements through ISO and CALEA that Public Safety is required to maintain. They feel comfortable at this point with the current staffing. He said every year when they evaluate the department, they look at staffing projections. He said we know in a couple of years that we are going to need to ask for an additional dispatcher and an investigator. He said currently they feel comfortable with the staff.

Councilman Merry asked if it would be possible to deliver the same level of service with fewer people.

Chief Barranco stated no, because they have cut service when they had some turnover. They reallocated all the Community Services to Patrol. That is the backbone of the department. To continue to supply the service of answering calls when they call 911, that's what they did. They are now able to get back to a little bit of providing those services in the neighborhoods, such as Smith Hazel, Crosland Park, Governor Aiken Park, and Downtown. We are already lean because we are a Public Safety department. Being police and fire, there are a lot of people doing crime and fire prevention by one officer. He said he feels pretty good where they are, but would not recommend going down on officers.

Councilman Merry stated he is grateful for Jane Page Thompson's letter to the editor in the paper. He thought it was a good perspective. He stated he feels the first role of any government is to protect the citizens. If everything else has to be given up, you don't give up the importance of the safety of the people you serve. He is grateful for what

Public Safety does. He feels it is the number one responsibility to make sure the City has the best, brightest, and most well equipped and trained to be out there doing it.

Councilwoman Diggs asked how many officers have been lost to North Augusta or surrounding cities because of pay.

Chief Barranco stated that, of the officers we have lost to other agencies, all but one went for a pay increase. There were 13 officers that went to other places. He stated that may not be the only reason, but all but one of the officers that went to other agencies had a pay increase except one.

Councilwoman Diggs asked how long had those officers been with the City. Chief Barranco stated it ranged from 3 years to 10 or 12 years.

Councilman Ebner asked Ms. Abney about option 3. He stated according to option 3, 91 sworn officers would get a \$2,850 increase. He asked if that was the \$259,350 total. He asked what was factored in. He said when you go 1 1/2 times the overtime and the other things based on percentage in a year's time you will probably be at \$300,000 or \$325,000 actual increase, because if you pay overtime you have to pay overtime on the next \$2,850. He wants to be sure as there is going to be another \$50,000 or \$75,000 thrown in on top of this.

Ms. Abney stated no, and it also did not calculate the benefit increase, because every time you pay higher salaries, there will be higher benefits, more particularly the police officers retirement contribution.

Councilman Ebner asked if the benefits were in the figures or the statutes overtime. Ms. Abney answered no.

Councilman Ebner stated in reality we are in the 3 1/4 - 3 1/2 range for the raises on the average year. The statutes will be almost 16% now, plus all the other stuff.

Councilwoman Price stated Sheriff Hunt budgets money for overtime pay and they know when they are running low with that budget. She asked if he had approached County Council about this.

Sheriff Hunt stated he has advised the County Administrator that they are going to run over and there is a way to cover that.

Councilwoman Price asked Chief Barranco if there was a budget for Community Services at one time. Is there a budget now and is there ample staff for this?

Chief Barranco stated it is broken out in the budget book and is division 2142.

Mr. Pearce stated the total of salaries for Community Services is \$876,199 for this budget year. Overtime was at \$4,000. If they are working a paid special, like a Lobster Race, the event sponsor covers that cost and pays 1 1/2 times their hourly rate.

Chief Barranco stated in Community Services they are able to control the overtime because the hours are a little more flexible.

Councilman Dewar asked if comp time is still being used instead of paying overtime on a normal weekly basis. They get comp time as opposed to overtime.

Chief Barranco stated they are receiving comp time.

Mr. Pearce stated there is an overtime budget though. The supervisor can determine whether it is paid overtime or comp time. It is at their discretion. For Patrol and Fire overtime is \$17,500.

Councilman Ebner stated it sounds great and he has lived here a lot of years, but when you start giving comp time to hourly people, it is a nightmare to keep up. Not only that, when you give someone three days off, someone has to work in their place.

Councilman Ebner stated he was supporting Option 3 at this time. He asked Ms. Abney when she added the \$2,850 to that, where was the 2%. Was it on top of the \$2,850 also or was it added before.

Mr. Pearce stated the 2% is already in this budget. That would be in addition to the 2% as he stated in his memo.

Councilman Ebner stated he was getting his numbers together. He said now we are \$350,000 to \$400,000 for the total budget for an increase, depending on where you put the 2%. He asked if it was 7% on top of 2% or 2% on top of 7%. Mr. Pearce stated it was 7% on top of 2%. He said the way the options were put out to Council is on top of the 2%.

Mr. Pearce stated staff can go through a bunch of calculations and presentations, but he feels it would be helpful to staff if Council could give them a clear idea of what pot of money they have to work with. As he stated in his original presentation, with the inflation adjustment, Council has the option to raise the millage as many as 4.62 mills. That would give them about \$550,000 - \$600,000. That is total money for the 2% cost of living for all City employees and then with that difference being a pot of money that would be available for a presentation on how you could disburse that in Public Safety, whether it was just the sworn officers, or a pot of money only for new hires, and whether it would be a fixed amount of money or a percentage. It can be done all kinds of ways, but not having a sense of Council as far as what type money we have to work with makes it very difficult for staff.

Councilman Ebner asked how many mills the 2% would be. Mr. Pearce stated 1.3 mills.

Councilman Ebner asked if that was full time employees, all 365 of them. Mr. Pearce stated it is full time and regular part-time employees. There are less than 35 part-time employees.

Councilman Ebner stated 1.3 mills of the total of 4 1/2 to 5 mills is in the budget.

Mr. Pearce stated 1.3 mills is in the budget for a 2% cost of living adjustment for all full and regular part time employees.

Councilman Ebner stated if City Council goes with option 3, then another 1.6 mills needs to be added to the 1.3 mills. Mr. Pearce stated yes.

Ms. Abney stated to be clear, that is \$2,850 x 91 sworn officers. That does not include benefits.

Councilman Merry stated the millage rate would need to be raised more than that because the actual cost to deliver that \$2,850 is higher than \$2,850. You still have the cost of benefits to add and if they take away the charge for gas, and all the other items mentioned, you have to add for that.

Councilman Ebner stated if you take the statutes and the percentage on the percentage of overtime and the percentage on top of the 2%, you could add another .6 to .9 mills to it. Overtime now is going to be 1.5 x 2% + the percentage. He stated option 3 would actually cost about 2.3 - 2.5 mills.

Mayor Cavanaugh stated there is a big decision to make. Council needs to decide which option is to be used. Should all employees be included or not?

Councilman Dewar stated the whole process was started because they felt the City was not paying entry level Public Safety officers enough money to retain them. Now Council

is talking about giving everyone \$2,850 which does nothing for the entry level. Mr. Pearce stated it was the sworn officers only.

Councilman Dewar stated we are talking about entry level sworn Public Safety Officers. He said we got into this process because they are not getting paid enough, and we are losing them. He pointed out that giving \$2,850 to what they are getting now will still be below North Augusta. It was pointed out that would be \$39,000. He pointed out Mayor Cavanaugh had stated we may not be able to do all they want in one year. He said Council needs to look first at what they need to do financially. Then they need to look to see what kind of money they have instead of forcing the salaries to fit the 1, 2 or 3 options. It may be that none of them will work. The problem is the PSO I and PSO II level. Those are the people the City wants to retain, and we have lost too many of them. He said his sense is to figure out what they want to do, and then figure out the cost. He would like to get rid of the take home car money. He would like to pay overtime for 12 hours if they are working 12 hours. He would like to get an assessment from the force, not the people at the meeting, about how important the shift differential is. He stated if it is not a problem with Finance then keep it, but the more we can get a picture of what our employees are making, the more we can structure a system that will keep them with the City of Aiken and encourage them not to leave. He said \$2,000 or \$3,000 at that level can be a lot of money.

Mayor Cavanaugh stated there are a lot of things that can be changed one way or the other.

Councilman Dewar stated Council has not talked about the fire apparatus drivers. You cannot put out a fire without an apparatus driver because he will get the vehicle to the fire. He feels Council needs to understand how important they are, and they are not sworn officers.

Chief Barranco stated the fire apparatus drivers are included in option 1.

Councilman Dewar stated you can talk about tuition assistance for driver/operators, but somebody has to be paid to work for them so they can go or they have to take comp time. He asked when the last time an apparatus driver received payment for overtime and the same for the holidays. He said the driver/operators get \$10 to \$11 per hour. Some of them have been with the city for 10 years. He said they work for 24 hours. He said they are sweating maybe switching to shifts, which he sees the budget does not provide for, and he was glad for that. He said Council needs to consider them as well. They are the ones that maintain the vehicles and they get the vehicles to the scene of the fire. They are very important.

Councilman Homoki stated if the millage rate is increased, for what year taxes will it be effective. Mr. Pearce stated it would be in the tax bills that go out this fall.

Mr. Pearce stated by way of perspective, right now the millage rate is at 62 mills. Now someone who owns a \$100,000 house that they live in, will pay \$248 a year for taxes. If Council adjusted the millage to take into consideration inflation factors, we can look at four years, that \$248 bill becomes a \$266.48 bill. It goes up \$18.98 per year.

Councilman Homoki asked if Council passes a millage rate increase, is it effective from the date Council approves it. Mr. Pearce stated the tax bill this year will have the increase; we do not roll back.

Councilman Merry stated if Council sets a millage rate increase and then tries to make the salaries fit it, then they really are not accomplishing what he felt the motivation for this was. He feels Council needs to figure out if they want to be more competitive with North Augusta and provide better compensation for a job well done. Council needs to see what salary level they want to start people at, what salary level they want them at after the first year, and what incentives they want to keep, remove, and modify, like the take home car program. All of that needs to be calculated plus the raises needed for the second and third years, plus the cost for benefits, and see what it comes to and then

determine the millage rate. He said it may be broken out for the take home car is X dollars. He said it could be broken out by each benefit or modification. He said the point is that he feels you have to have the goal and accomplishment of the goal ahead of setting the millage rate, not setting the millage and seeing what you can accomplish. He pointed out Mr. Pearce had said he wanted Council to give direction on what pot of money would be available.

Mr. Pearce stated it is helpful to know which approach Council seems to think is the best way to go with the salaries. That helps with the calculations.

Mayor Cavanaugh stated it needs to be decided whether all employees are to be included or not. He stated Chief Barranco started off his conversation saying he thought that was the most important thing to do. That is a decision that Council needs to start with and then we know how many people will be involved.

Councilman Dewar stated the focus has always been on the PSO I and PSO II positions. Those are the people that are leaving. He asked how many of the 91 are totally trained with Police and Fire Academies.

Chief Barranco stated all but 13 are totally trained.

Councilman Dewar stated 13 of the 91 are not fully trained, but that does not mean they cannot do anything. He understands that. He stated he did not like any of the options presented. His focus has always been on the entry level officer. Let's get that compensation set so we do not lose the people. He stated the City is losing Sergeants, Lieutenants, and Captains to retirement, promotion, or possibly other places, but not many. We are losing a lot of the entry level people. He said when they walk out the door, it takes us 50 weeks to replace them after we find them and hire them.

Mayor Cavanaugh asked if this was something that could be done this year and then go into next year with others.

Councilman Dewar stated once it is decided what amount of money is being talked about, then Council can determine what the capabilities are. We may not be able to do it all this year.

Mayor Cavanaugh asked if the City wants to be up with North Augusta or not.

Council agreed the City of Aiken should at least be up to their level.

Councilman Dewar stated the City needs to find out if North Augusta is planning on raising salaries since they are doing budgets also.

Mr. Pearce stated North Augusta is on a calendar year not a fiscal year.

Mayor Cavanaugh stated at least the City of Aiken would be approaching that level.

Councilwoman Price stated she wanted to hear what Chief Barranco had to say since he has to live with the problems Council may create.

Chief Barranco stated if only the entry level salary is adjusted, that will put those officers above some of the other people.

Councilman Dewar stated if only the entry level is adjusted, then changes will have to be selectively made as high as needed in position, so an entry level employee is not making more than one that has been on board for two or three years. He said he would think that it might be the people who have been with you three or four years and maybe the ones who have been here four years would not get as much of an increase as the three. He felt that could be worked out.

Chief Barranco stated that historically at the City, we have rewarded people for longevity, whether they have been in the PSO I or PSO II level. They make a pretty nice salary that is above some other levels because of their longevity. That has been a philosophy that the City has stuck with. It has affected Public Safety at times. All departments do it.

Councilman Dewar asked Chief Barranco if he could look at that and bring it back to Council so they can see how much it would cost. He would also like to see the top 20 wages in Public Safety for last year so he can get a sense of where they are.

Councilman Merry asked if they received that information in 2012.

Councilman Dewar stated they did not. They got the total as of 2012, over a year ago.

Councilwoman Price stated she feels it will take some discussion with the Chief and Kim Abney in terms of discussing a pay scale for different levels so they will not overlap having a new officer starting at more than one of the 2-3 year service folks and making those adjustments and bringing that to Council for review. She stated right now Council is not prepared to make any informed or intelligent decisions.

Mayor Cavanaugh stated that takes care of one thing, but it does not take care of all of our employees.

Councilman Dewar stated there is a 2% built in.

Mayor Cavanaugh stated he thought they were shooting higher than that.

Councilman Ebner stated he feels there needs to be a gradual adjustment up. You may give 5% this year and 2% next year. For whatever reason in the past we have not raised the rates. He would be cautious and give 5% this year and then 2% and 2% and work up to it over a two or three year period. If your goal is to raise it 5% in three years or 6%, you raise it up at a proportion. That way you follow somewhat and hopefully your tax base increases a little bit.

Councilman Merry stated there is not much amplification of revenue to expect over the next few years. There is not a lot of growth happening in population, annexations, or new developments. With reassessment, which is on the distant horizon, he does not believe we will see property values go up. They could possibly go down in some areas.

Councilman Dewar stated they will use 15% across the board. He said that is what they did the last time.

Councilwoman Price stated that based on the discussion, she understands that Council is proposing a millage increase this year, a millage increase next year, and a millage increase three years from now.

Council agreed they were not proposing that.

Mayor Cavanaugh stated Councilman Ebner was advocating that perhaps in what he was saying, but that is not being proposed right now.

Councilwoman Price stated that is what the discussion is about, and she would hate for the public to think there was going to be a millage increase for several years.

Councilman Dewar stated the only mention of an increase for next year was once Council determines how much money they need to structure the Public Safety salary system the way they want, they may not be able to do it in one year. If it cannot be done in one year, then it would be considered to raise the millage rate next year. There is no guarantee.

Councilwoman Price stated if there is going to be a millage increase, she would rather have it one time instead of 2 or 3 times. We just had a water rate increase and it is increase after increase and there are infrastructure problems and it goes on and on.

Councilman Dewar stated he had 3 emails that supported the increase. He has not had any negatives.

Councilmembers Diggs, Merry and Price stated there will be some negative comments. They said if there is to be an increase, they would rather do it all at one time, not multiple years.

Councilwoman Price stated the key is that whatever Council decides to do needs to be thought out so they can speak intelligently to the constituents about what has been talked about and it will yield a certain result. To come another year and say we should have done more last year, but now we have to give another increase this year is not a well thought out plan.

Mr. Pearce stated that was the purpose of the memo with the three options showing the millage rate. Those are the options based on the guidance he had from Council at the workshops. That is why it was brought before Council tonight to the Worksession. The only thing in the budget is a 2% cost of living adjustment for all City employees. With the discussion tonight, staff can go back and try to come up with a couple of different scenarios based on a focus of the entry level and trying to match North Augusta with salary plus benefits and attach a millage rate to that. He stated as he understands with the vote on the millage tonight, that does not prevent an amendment at the June 9, 2014 meeting.

City Attorney Gary Smith stated it would not prevent an amendment.

Mr. Pearce stated that is the nice thing about having the ordinance tonight and the second reading being on June 9, 2014. It gives staff a chance to do the background research and make those suggestions. If there needs to be another Worksession before the June 9, 2014 Council meeting, that can definitely be scheduled and walk through this another time.

Mayor Cavanaugh stated he has not heard anything definite. He stated he does not think Council knows what to do tonight. He hates to vote on anything as a result of all the discussion.

Councilman Dewar agreed.

Mr. Pearce stated what is in the agenda is a 1.3 millage increase for the 2% cost of living for all City employees.

Councilman Merry stated that brings up a question. He stated if Council wants to make the increase all at one time, should it be continued or discuss it tonight and vote on it.

Mr. Pearce stated it would be helpful, and Mr. Smith just said appropriate amendments can be made. There can certainly be another Worksession before the June 9 meeting to walk through the second version of what could be done regarding Public Safety salaries.

Councilman Merry stated he is worried about how the message gets out. He stated Maayan Schechter of the Aiken Standard could write a story about Council voting to increase the millage rate 1.3 mills to give a 2% raise to staff and then a month later Council is considering another millage increase to give raises to staff.

Mr. Smith stated if Council is going to move to approve the budget as presented tonight, the 1.3 mills for the 2% increase is already in the budget. You are moving to approve the budget as presented and prior to the Council meeting there was a Worksession where the Chief's proposal regarding Public Safety was presented. There were some questions

about that directed to City staff to be answered and to be presented at the next City Council meeting where the budget will be approved on second reading.

Councilman Dewar stated he agreed with the Mayor. He feels that as a body Council does not know what they want regarding Public Safety.

Mr. Smith stated that does not obligate Council to any of the three options or any options that may not have been discussed yet. We are letting the public know that serious consideration is being given to the modifications.

Councilman Merry asked if Council needed to pass the 1.3 mill increase now or could it wait.

Mr. Smith stated Council needs to pass the budget before the deadline of June 30.

Councilman Ebner stated they can amend it later. He asked if the revenue is projected to be up in 2015 or is it completely flat. He stated it shows a million dollar increase. He asked if that was part of the 1.3 mills in that \$1.1 million increase in revenue from year to year.

Mr. Pearce stated 1.3 mills is about \$175,000.

Councilman Ebner stated if you look at the budget that is going to be voted on, the revenue increase in the general fund goes up about \$1.2 million.

Mr. Pearce stated that about \$869,000 is anticipated FEMA grant money which will be one-time money.

Councilman Ebner asked what that money will pay for. Councilman Dewar stated for generators for the pump stations.

Mr. Pearce stated that was correct. He stated the City is going to apply for mitigation money as well that could potentially fund a bonus for the employees if there is not a cost of living.

Councilman Ebner stated that money was spent this year, so how is the budget compensated from one year to the next. All of these people were paid this year.

Mr. Pearce stated we are not anticipating getting the FEMA grant money before June 30. The 30-day, 90-day, and 6 month money will take us into the next budget year.

Councilman Ebner stated that basically we are in the \$200,000 plus or minus range of real increase from City taxes, accommodations tax, and that.

Mr. Pearce stated that accommodations tax is separate.

Ms. Abney stated the 1.3 mills would generate just under \$200,000 in revenue.

Councilman Ebner stated on the chart provided it shows a net revenue of year over year of about \$1.2 - \$1.3 million. Take out \$900,000 for FEMA, and it leaves \$300,000. Take out \$175,000 for the 1.3 mills. Year over year general fund budget increase is about \$200,000-\$300,000 net increase and \$29,000,000 or \$30,000,000. If you figure up that percentage point, there will not be enough to buy 10 more patrol cars. He feels Council needs to keep that in mind. It needs to be analyzed. If Council votes for a 1.3 mill increase tonight and then add 2 more mills later on, that will be a political nightmare.

Councilman Dewar stated it is a normal process. Council does a first reading and then a second reading. It is one process.

Councilman Merry stated the average person would read that City Council voted on a rate increase. They don't realize it does not take effect after first reading. He pointed out, however, Council can't legislate based on public opinion either. He said he would like to do an increase all at one time.

Councilman Dewar stated the only way to avoid that argument is to not pass it on first reading. He does not like what Council is doing but will vote to pass it to second reading, but if everyone is worried about what Maayan is going to put in the paper tomorrow based on first reading, we should not do anything until we are prepared to deal with the total package.

Mayor Cavanaugh stated there was time to have another Worksession this month.

Councilman Dewar stated if everybody is worried about what the paper will say tomorrow, Council needs to not pass first reading and have first reading next week when there is more data from staff. Mayor Cavanaugh stated he was not worried about what the paper will say tomorrow, but what is the right thing to do.

Councilman Ebner stated there is enough increase, if you take out the \$900,000 and 1.3 mills out, there is still enough money for the 2% increase.

Mr. Pearce stated that is not correct because that has been committed to other expenditures that Council wanted because that was talked about in the budget workshops.

Councilman Homoki asked what the millage rates and taxes are compared to other communities. He stated the taxes in Aiken are fairly reasonable. He stated perhaps someone should do a little study on the tax rates on an equivalent valued house in other communities like what was done for the water rate. What do they pay in Rock Hill or Charleston or some of the communities like Greenwood or Greenville?

Mr. Pearce stated the City of Aiken is about the lowest.

Councilman Dewar stated he would still like to see the numbers for the Chief to do the increases that were discussed plus the others that were associated that would be required because of the increase of the PSO I and PSO II. He would like to see what that number is at the next meeting. He would like to see the top 20 people in ADPS and what their wages were for 2013.

Mr. Pearce stated if there is an increase in the revenue, whether it is \$200,000 or \$300,000, if it is dedicated to salary, then we cannot buy anymore gas or pay more money for what materials cost. It is all dedicated to the salary. When we went through the department budgets, you saw in Parks, Recreation and Tourism, there were a couple million dollars more in expenditures, and we simply do not have that money to spend on those projects. He said he discussed with the department directors in the budget process and we have talked about it in the workshops, as we look at the spending trends, we look at the potential revenue, and to the extent we want to do all the things we want to do with the budget, we try to keep it within our expected revenues. A 2% cost of living increase cannot be done without the millage adjustment.

Councilman Ebner asked if that was about \$400,000 or \$500,000 for the 2% gross level. Mr. Pearce stated no, for the General Fund it was under \$200,000. Councilman Ebner stated you have to take special funds and all. Mr. Pearce stated there are a few in the storm water and a few in the utilities.

Councilman Ebner stated Mr. Grinton laid out a long range plan of what needs to be done. That is coming out of two funds. He works with mostly two pieces of money – storm water fund and water and sewer fund. Then there is Public Safety and Parks and Recreation and all the others. We have to lay out what we are going to do, and it will take raising water rates, storm rates, and millage rates every year unless we get some growth. That is the bottom line for the City.

Mr. Pearce stated the recommendations in the budget are based on the discussions that Council had at the workshops--what Council wanted addressed and inflationary pressures. That is why staff is coming to Council with these choices to figure out what direction Council would like to go with the budget. What you have tonight is based upon the discussions that have been had so far.

Councilman Ebner stated we have to be careful with the \$900,000, which is a one-time infusion. He stated it is like a corporation writing off \$2 million. He feels Council needs to be careful saying this money is there because next year we have to make up \$900,000 more which would be 3 or 4 mills.

Mr. Pearce stated it is for one-time construction projects, one-time purchase of items, and not recurring expenses like salaries or benefits.

Councilman Dewar asked if the FEMA money is guaranteed.

Mr. Pearce stated based on the discussions we have had, staff is putting together the 30-day reimbursement which is somewhere in the neighborhood of \$600,000, which is a little over half a million. That is the 85% money.

Councilman Dewar stated he was talking about the fact that Mr. Pearce told Council they could get FEMA money for generators.

Mr. Pearce stated that is the mitigation money. That is a competitive process. There is nothing guaranteed about that. What is in the budget is the reimbursement funds for the debris removal, the damages we have had, the contracts that we know we need to enter into for the leaners and hangers.

Councilman Dewar stated all of the work that the City did from the beginning of the storm until last Friday, he believes he read that the City had to submit their paperwork, and it all comes to \$900,000.

Mr. Pearce stated that is the City's estimate. It is about \$896,000. That revenue is shown as the FEMA grant and is in the budget.

Councilman Dewar asked if the City has been given any indication when they will know about receiving the FEMA money.

Mr. Pearce stated he has not been given an exact date, but he anticipates it would be over the summer. This is for the 30-day money, we are still working on the 90-day. He stated the City has 6 months to complete all the remediation work from the storm. He stated Woodside has a caseworker and Kalmia is not through the City because it has a 501(c)3. It is done through SCEMD and FEMA.

Mayor Cavanaugh asked what Council wants to do.

Mr. Pearce stated Council needs to vote on the budget.

Councilwoman Price stated to carry it over until Council receives the information asked for.

Councilwoman Diggs stated the police department salaries need to be carried over. She felt no one is ready to choose an option.

Mr. Pearce stated the Public Safety salaries is not in the proposed budget that is on the agenda for this meeting. He asked if Council wanted to vote on the budget tonight or not.

Councilman Ebner stated Mr. Pearce is saying to forget the \$900,000. Council has to raise the millage 1.3 mills to give the 2% cost of living increase. That is what is on the agenda tonight.

Mayor Cavanaugh asked Council if they wanted to raise the millage rate tonight or have another worksession.

Councilman Dewar stated there is a perception in the room that if they approved the 2% on the first reading and then another 2% for Public Safety at the next meeting, then people will think they are getting two separate increases. If that perception is reality, then we need not pass the first reading tonight and there needs to be another meeting where it is done once.

Councilman Ebner stated that the numbers need to be right the first time or as close as we can get them. The general consensus of Council was that they only wanted to make an adjustment in millage rate one time.

Mr. Pearce stated the numbers are right. It is a matter of getting it the way Council wants it.

Councilman Ebner stated what is in the book is correct but what was discussed at tonight's meeting was not in the book.

Councilman Dewar stated what the Chief gives them may be an option 4, rather than options 1, 2, or 3,

Councilman Homoki asked what the millage rate was in the proposed budget. He stated Council needs to approve the budget and increase the millage rate for the first reading.

Mr. Pearce stated Council can pass the 63.3 mills tonight and then Council can have a Worksession to look at the appropriate millage based upon what Council decides to do with Public Safety salaries at second reading on June 9.

Councilman Homoki stated he felt Council would be better off if they try to figure out what the increased millage rate would be to take care of everything all at once. He asked what it would take to satisfy the options.

Mr. Pearce stated that was in the memo. He stated option 3 had a millage rate and an increase would be necessary of 1.6 mills.

Councilman Homoki asked if the 1.6 mills could be added to the 63.3 mills. He asked how it computes.

Mr. Pearce stated it would be in addition to what is in the budget now.

Mayor Cavanaugh stated Council is not voting on anything. He felt Council needs an understanding of whether they want to have another Worksession or move forward on the 2%.

Mr. Pearce stated the City Clerk had a concern. City Clerk Sara Ridout stated the budget has to be advertised at least 15 days prior to the public hearing by State law.

Mr. Pearce stated there are only 14 days between June 9 and June 24.

Councilman Ebner stated that Council can pass the budget on first reading with an amendment that takes out the 1.3 mills and the 2% cost of living increase. Then you have 15 days between readings.

Mr. Pearce stated Council can do that. This will allow time to advertise. He stated what he understands is that on first reading, Council would vote to amend the ordinance to

keep the millage rate at 62 mills, which would mean there is no cost of living adjustment for anybody. There would be a Worksession before the June 9 meeting to talk about the cost of living increase and talk about Public Safety salaries and on June 9 when you hear the budget again, Council could vote the millage rate appropriate, whether it is just a cost of living or a cost living plus Public Safety, so you have not changed the millage rate yet. That would be something to look at second reading.

ADJOURNMENT

The meeting adjourned at 6:50 P.M.

Aiken City Council Minutes

REGULAR MEETING

May 12, 2014

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, Charles Barranco, Glenn Parker, Tim Coakley, Alicia Davis, Emory Langston, Sara Ridout, Captains Shelley, Sawyer, Brazier, Turno and Burgess, and Maayan Schechter of the Aiken Standard, TV Channel 6 and about 35 citizens.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 7:02 P.M. Mayor Pro Tem Homoki 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 work sessions of April 1 and 24, 2014, and the regular meeting of April 28, 2014, were considered for approval. Councilwoman Price moved, seconded by Councilman Merry that the minutes of the April 1, 24 and 28, 2014, meetings of Council be approved.

Councilman Ebner stated in his particular case, and he had been working with the City Manager and everybody, we still have some very open discussions on the storm debris pickup and discussion in the worksession about how the FEMA money is going to be paid. He said he can't support the minutes until we get everything straightened out on the storm. He said Mr. Pearce is working on that, and he has given him his first submittal. He said once we do that he could approve the minutes, but right now there are just too many open questions for him.

Councilman Homoki pointed out that the minutes reflect what was discussed, not necessarily provide a solution to some of the issues discussed. Councilman Ebner stated the minutes make statements in there about what we can do and not do sometimes. He said some of those he does not disagree with, or he wants to see the whole picture at one time. He said that was his own personal feeling.

Councilman Homoki stated perhaps now is the time, if you want to correct the minutes, to actually highlight some of the disagreements Councilman Ebner has so it will be in the record, otherwise the minutes just reflect the discussion Council had.

Councilman Ebner stated he does not disagree with Councilman Homoki's statement, but none of us know some of the answers yet. Councilman Homoki stated that is exactly what the minutes reflect. Councilman Ebner stated he did not disagree with what Councilman Homoki said, but that is his own personal feeling.

Mr. Pearce stated for purposes of having a complete record, there was some reference to a kickoff meeting and invitations and Council involvement. He said we did bring the SCEMD FEMA representatives to Council at the same meeting where we had non-profits present for a question and answer session. He said the minutes reflect that. By way of information for Council we anticipate completing our application for reimbursement for the first 30 days worth of expenses under the Pilot Program. Once that is finalized FEMA is preparing the document for signature, and we anticipate having that within the next couple of weeks. Staff will make that available to Council for review. He said that may have some information that Councilman Ebner has questions about. Councilman Ebner stated he was just looking for the total picture, and he and Mr. Pearce had discussed it quite a bit. Councilman Dewar stated he, too, has some concerns about the minutes. There are things that he expected to see--the FOIA information. He said it is not the end of the world if one or two don't vote to approve the minutes.

Mr. Pearce stated the FOIA materials were made available at the link provided to Council.

Mayor Cavanaugh called for a vote on the motion to approve the minutes of the April 1 and 24, 2014 worksessions and the regular meeting of April 28, 2014. The motion was approved by a vote of 5 in favor and 2 opposed. Opposing the motion were Councilmembers Dewar and Ebner.

PRESENTATIONS

Elliott Levy

Aiken County Historical Museum

Mayor Cavanaugh stated Council would like to recognize Elliott Levy, the Aiken County Historical Museum Executive Director, who will be retiring May 30, 2014. Mayor Cavanaugh read a proclamation honoring Mr. Levy.

Mr. Pearce also presented a bag of commemorative gifts to Mr. Levy.

Mr. Levy thanked everyone. He said he had been very fortunate. He said he came to Aiken and had met so many wonderful people and made so many wonderful friends. He said Aiken had been a joy. He said he had had more than his share of success. He said he called Aiken the Mesopotamia of the United States because so many things have happened here. He said he was so fortunate to have been able to find this place and to find his niche in this place. He thanked everyone. He said all had been so kind and wonderful to him.

Ridge at Chukker Creek

Mayor Cavanaugh stated the next presentation is an update on The Ridge at Chukker Creek.

Mr. Pearce stated that on a couple of occasions we have had the developer of The Ridge at Chukker Creek, Ron Monahan, with us to talk about his work in the development. The city had sent him a letter in March, 2014, with some items for attention by him. Mr. Monahan wanted to come before Council tonight to talk about that and also talk about possibilities with the Ridge at Chukker Creek.

Mr. Wayne Smith, of the real estate firm of Wilson-Kibler in Columbia, said he had been asked to assist FDA, the owners of The Ridge at Chukker Creek, with several items. He said he was present to update Council on their progress on some of the items in the letter that Mr. Pearce mentioned. He said the purpose of their request to be on the agenda was

to request a bond extension for the completion of the outstanding items that are on the punch list for the Ridge. At this time there is an agreement to sell the majority of the lots to the present builder. He felt that was significant as to their means to complete the list. Also, today they had a meeting with the subdivision's lender, and they have agreed in principle to extend the letters of credit for the bond. He said they have done that, and they will continue their discussions with the lender until that is completed. Mr. Smith stated he felt it was important to note that FDA is still the owner of the Ridge. They are vested in the project. They still own lots and they are still accepting responsibility for the items on the punch list. They are not going anywhere, even though they have an agreement with the existing builder. The principals of FDA and some of the homeowners association members are present at this meeting. He felt there has been substantial progress made on the list. The list is not completed yet. FDA has met with city staff on more than one occasion in the last couple of weeks to go over the items. They are continuing to make progress and will see them through to completion. Mr. Smith stated he felt it was most important to know that they now have the means to complete the items, with the sale of the additional lots giving them the money. He pointed out as we all know we have just been through a terrific recession, and that has slowed sales and cash flow to the Ridge just like any other project. That has hindered the ability to complete the list in a more timely manner. He said they now have those means, so they are just asking for time. He said that is a commitment by FDA, and a statement they wanted to make to Council.

Mr. Smith stated basically they are accepting responsibility, and they want to continue to work. It is the responsibility of FDA to complete the items. They are the ones that should do it, and they intend to do it. He said they are asking for an extension to allow them the time to complete the items.

Mr. Pearce stated the city's records show that the Letters of Credit were set to expire July 6, 2014. Mr. Pearce stated from the presentation he was not sure what type of extension is being requested. Mr. Smith stated the previous extension was for a year. He said an additional year's extension would be their request.

Mr. Pearce stated since staff had already granted one extension under the development regulations, it would take City Council approval for an additional extension.

Mayor Cavanaugh asked Mr. Smith if he would give Council more detail on the success they had had and how they are moving forward. He said it sounds as though there are people on board and organizations on board to back them up.

Mr. Smith asked if the Mayor was referring to success on the punch list. He said the work that is being done, for example, revolves a lot around storm drainage. He said there have been some storms that have caused additional storm drainage issues since the original letter was written. He said that is one of the general items that has been worked on a lot. He said the big item where there was a sewer line underneath a particular lot and house has been completed. A major item to be completed which is normal in the course of a bond is for the top coat of asphalt to be placed on certain portions of the subdivision. He said they will be bidding that out with the general contractor. He said it is typical of a subdivision to leave that top course off until houses are completed. That will be done within the proposed new bond completion time of a year.

Councilman Ebner asked if the request could be put on the agenda for the meeting to vote on.

Mr. Gary Smith, City Attorney, stated the developer is giving Council details that there were not public knowledge of prior to this meeting. He felt it was best to have a resolution before Council at the next meeting.

Councilman Ebner felt it would be good to have it on the next agenda just to be sure all the neighbors are okay with it. He pointed out Mr. Smith had said some of the neighbors are present at this meeting. Councilman Ebner stated he had some questions about some items on the list whenever it was appropriate to ask. Councilman Merry stated he felt Council should have a copy of the punch list.

Mr. Smith stated it would be acceptable to them to have a vote on the request for an extension at the next meeting of Council. Mr. Pearce pointed out the next meeting would be on June 9, 2014. He said it would be helpful to staff if the developer would provide the city with a list of what they feel are completed items so the city can inspect it.

Councilman Ebner asked Mr. Smith if he was familiar with the status of the famous equestrian trail. He said Mr. Monahan is very familiar with it. He said it was the one with the big rocks in it. He said there had been a lot of discussion as to what to do with it. He pointed out that he had complimented Mr. Monahan. He said the development was an equestrian community converted to a regular residential. He said if he had not done that he probably would not have the houses there today. Councilman Ebner stated we still have to deal with the ditch that is there now and the rocks in it. He said if that is okay with the neighbors, then it is okay. He felt the neighbors should have some comment on that. He pointed out the ditch is behind about half the houses down the north side.

Mr. Smith stated he knows something about the ditch, and he understands it has been an item of much discussion over the last several years. He pointed out technically the ditch is not in the bond punch list. He said he would assure them that they are glad to meet with any group, including Council and any homeowners association to further discuss the ultimate outcome of that.

Councilman Ebner felt it is the homeowners who live there that are important. He felt since it was part of the original concept plan to have a 25-foot wide trail down the side, he would think the city would be involved. He said a point of contention was why it was not on the punch list and part of the bond. He said the minutes of the meeting say it was part of the bond. He said that is neither here nor there. We need to get it fixed. He said Mr. Pearce or Mr. Smith need to say how we address this to be sure what we have is okay. He said it is really the neighbors that live on it that are important. He wondered who gets involved to say it is okay like it is. He pointed out there are big rocks in the ditch. He wondered if it was a problem with the neighbor kids, etc. He said the issue is whether the neighbors are happy or not happy.

Mr. Wayne Smith stated he would like to add one thing that might add some light on the matter. He pointed out that part of that concept is on undeveloped land that will be developed at a later date. He said there is an additional phase of the Ridge to be built. He said they are in the process of signing an additional contract to have that developed at the appropriate time. He felt it may be inappropriate to allow the completion of any portion in that area because of the construction that will go on in the future.

Councilman Ebner stated he was talking about on the north side only. He pointed out there were about 8 or 10 houses that actually back up to that ditch. On up the hill there is no ditch. He said we need to be sure those neighbors are happy with it. If they are, then so be it. He said he did not know how we get to that point because right now it is not developed by the concept plan.

Mr. Pearce stated if the developer could give staff a letter, we could set up that meeting. It would probably be best to have that meeting on site and give the neighbors the opportunity to meet. Councilman Ebner felt that needs to be done. He said several neighbors had talked to him about it. Whatever agreements there have been over time, we just need to bring that to fruition. If the neighbors are happy with it, then it is fine and no problem.

Mr. Smith asked Councilman Ebner if he was talking about a specific 8 or 10 houses. Councilman Ebner stated it involves about 8 to 12 houses on the north boundary. Mr. Smith stated they would be glad to help facilitate that meeting. Councilman Ebner stated it is a concept plan issue and Council would need to vote on a change.

Mr. Smith, City Attorney, stated he felt there were two issues. He felt one is fairly simple. The other he felt is complicated. He said the simple issue is whether or not

Council wants to extend the bond for one more year. The more complicated issue has to do with the ditch. He said he had not heard the developers ask for amendments to the concept plan yet, but they may want to have amendments to the concept plan. He felt there are two items. The concept plan modifications, if they are going to have them, can come back later to Council. He felt the bond extension needs to be done fairly quickly or else the bond will be due.

Councilman Ebner stated he has no problem with that. He said the ditch is an issue. He said Council's next meeting is June 9 so between now and June 9, it would be nice to get the neighbors together and go over the matter regarding the ditch. He pointed out that the neighbors are the ones who bought the property thinking there was no ditch. He said for some the ditch was there, but for some it was not. He said he wanted to be sure the neighbors were happy and that Council changes whatever they need to, so 10 years from now if a new homeowner says they are not supposed to have a ditch there the matter is noted.

Councilwoman Price pointed out that this had been discussed at length and beat to death in the past. Councilman Ebner said it was discussed at least three times. Councilwoman Price stated we are going to beat it again. She pointed out that Mr. Smith is here for the purpose to ask for an extension of the bond. She said if we want to call the neighbors and let them get out and say if they are opposed to the ditch, we can add that, but the intent is to determine if Council wants to give the developer a year's extension on the bond. She said if we want to discuss the ditch matter we can do that at another meeting. She said the issue now is whether to give the year's extension on the bond.

Councilman Ebner asked that the matters be on the agenda for June 9, 2014.

Mr. Smith stated Council does not need to vote at this time, but was getting information from the developer.

Councilwoman Price asked that in the next agenda that staff pull the minutes on the discussion that Council has had in previous discussion as to what this involves.

Mr. Pearce stated staff could provide the minutes. He said with a letter from the developer and an inspection by staff, that will give much more detail. Mr. Smith pointed out that those inspections are ongoing.

Councilman Ebner stated that could be a second agenda item for June 9. He felt if the two items could be handled on the same date, that would be valuable and put an end to it.

Ms. Robin Verenes stated she lives in the Ridge. She said her house is the brick house directly next to the retention pond and her property backs up to the ditch or big boulders. She pointed out she and her husband were the first couple that moved into the Ridge. When they moved in there was a ditch. They subsequently improved the water issue by putting those boulders or stones there. She said she has no problem whatsoever with the ditch and stone. She said she works out of town and was not sure she would be able to come to the Council meeting on June 9. She said she wanted it on the record that she has no problem with the ditch as is.

Councilman Ebner asked if it was the same opinion from the other neighbors there. He asked if any of them have any little kids running around. Ms. Verenes stated the lot next to her is empty so there are no neighbors. She said the next lot is a couple with some older children as in high school age. For the next lot to that they also do not have younger children. She pointed out by that time you are not in a ditch area, but on an incline. Councilman Ebner asked if she felt there was a problem with the other neighbors. Ms. Verenes stated Council could have it on the agenda for June 9 and maybe the neighbors would show up. She pointed out, however, the lot next to her is empty.

Councilman Homoki asked if there was supposed to a horse trail and a concept plan along the fence and area we are talking about. He asked if the concept plan had changed or the plans changed. He asked how we eliminate that aspect.

Councilman Ebner stated Councilman Homoki obviously does not remember the discussions. He said there were three discussions. He said the concept plan calls for one thing, and there were some changes to the way the addition was run. He said the concept plan does not match what is there. He said if the neighbors are happy with it, then Council needs to change the concept plan.

Mr. Pearce stated there were some storm water issues and the South Carolina Department of Health and Environmental Control came in. Councilman Ebner said the problem is that 10 years from now somebody buys a house and they have a kid fall in the ditch and they come back and say the ditch is not supposed to be there. He said right now the permanent record shows there is not supposed to be a ditch there. Mr. Pearce stated the discussions included the involvement by the South Carolina Department of Health and Environmental Control on the storm runoff, and that is why those mitigation steps were taken. Mr. Pearce stated we will get all that for the June 9, 2014, meeting.

BOARDS AND COMMISSIONS

Appointments

William Price

Senior Commission

Laverne Justice

Arts Commission

Mayor Cavanaugh stated Council needed to consider approval of appointments to fill vacancies on different City boards, commissions, and committees.

Mr. Pearce stated Council has 12 pending appointments to fill vacancies on different City boards, commissions, and committees. Two appointments are presented for Council's consideration and vote at your meeting tonight.

Mayor Cavanaugh has recommended the reappointment of William Price to the Senior Commission. If reappointed his term would expire March 14, 2016.

Councilmember Diggs has recommended the appointment of Laverne Justice to the Arts Commission to replace Jack Benjamin. If appointed Ms. Justice will represent the education category on the Commission. Her term would expire April 11, 2016.

For Council consideration is the reappointment of William Price to the Senior Commission and appointment of Laverne Justice to the Arts Commission.

Councilman Dewar moved, seconded by Councilman Ebner, that Council reappoint William Price to the Senior Commission with the term to expire March 14, 2016 and appoint Laverne Justice to the Arts Commission with the term to expire April 11, 2016. The motion was unanimously approved. Councilwoman Price was out of the Council Chambers and did not vote.

ANNEXATION – ORDINANCE 05122014

114 Glenn Place

Sohaila Rothermel

Roy Rothermel

Bridlewood Subdivision

TPN 106-06-08-001

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to annex 114 Glenn Place and zone it Residential Single-Family (RS-15).

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN PROPERTY OWNED BY SOHAILA AND ROY ROTHERMEL AND TO ZONE THE SAME RESIDENTIAL SINGLE-FAMILY (RS-15).

Mr. Pearce stated the owners of 114 Glenn Place, Sohaila and Roy Rothermel, have requested annexation of their property into our city limits. The property is located in the Bridlewood Subdivision and is contiguous to the city limits.

The Planning Commission met on April 15, 2014, and unanimously approved this annexation request and recommended Residential Single-Family (RS-15) zoning.

Council approved this ordinance on first reading at the April 28, 2014, meeting. For Council consideration is second reading and public hearing of an ordinance to annex into the Aiken City limits, property located at 114 Glenn Place owned by Sohaila and Roy Rothermel.

The public hearing was held and no one spoke.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council approve on second reading an ordinance to annex 114 Glenn Place owned by Sohaila and Roy Rothermel into the city and zone it RS-15 Residential Single-Family. The motion was unanimously approved.

BUDGET – AMENDMENT ORDINANCE 05122014A

Load and Haul Debris

Winter Storm PAX

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to amend the FY 13-14 budget to approve a contract for hauling Winter Storm PAX chipped debris.

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 Winter Storm PAX left tons of storm debris in its wake. Once the debris is chipped, we will need to haul it away from the temporary storage locations we have been using since February. Our conversations with FEMA indicate that this expense is reimbursable, since hauling is part of debris removal. Debris chipping started the week of May 5th.

The hauling cost was advertised for sealed bids, because we expected the cost to exceed \$25,000. We received three responses. The apparent low bidder is McWhortor Logging, Inc. at \$2.75 a ton for debris hauled one to 25 miles; \$3.00 a ton for debris hauled 26 to 50 miles; and \$3.25 a ton for debris hauled 51 to 75 miles. The vendor is able to charge a much lower cost because a large portion of the chips can be hauled by them to various plants and mills in the area. We estimate there will be as much as 9,047 tons of debris. Loading and hauling costs are projected to be in the range of \$24,879.25 based on the amount of debris we have collected so far [144,751 cubic yards]. That cost is if the vendor hauls all the debris. He said there have been some equipment problems with the chippers. The haulers will begin hauling debris from the Centennial Park area. Within the next two weeks the Citizens Park debris will be processed, and the plan is to have free mulch available for the public at the Citizens Park debris pile which is on Barry Johnson Boulevard. It is east of the new Splash Park at Citizens Park and will be much handier and safer for citizens who come to get mulch. After those piles are chipped, then we will go to the Powderhouse Road location. The good thing about this particular hauler and the reason for his bid being so reasonable is that he has an end user for the chips and they will use it to generate power for a plant operation. It will not go to the landfill, but will be used.

We have sufficient reserve funds to temporarily offset this storm damage hauling. We will be filing for reimbursement of these costs as part of our FEMA reimbursement claims.

Council approved this ordinance on first reading at the April 28, 2014 meeting. For City Council approval on second reading and public hearing is an ordinance to amend the Fiscal Year 2013-14 budget to appropriate funds in order to load and haul debris caused by Winter Storm PAX.

The public hearing was held and no one spoke.

Councilwoman Diggs moved, seconded by Councilman Merry, that Council approve on second reading an ordinance to amend the budget for Fiscal Year 2013-14 to approve a contract with McWhortor Logging for hauling Winter Storm PAX chipped debris for a cost not to exceed \$24,879.25. The motion was unanimously approved.

ZONING ORDINANCE AMENDMENT – ORDINANCE 05122014B

Outdoor Lighting

Planned Commercial Zone

Planned Institutional Zone

LED Lighting

Emergency Lighting

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to amend the Zoning Ordinance regarding outdoor lighting in the Planned Commercial and Planned Institutional zones.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE REGARDING OUTDOOR LIGHTING IN THE PLANNED COMMERCIAL AND PLANNED INSTITUTIONAL ZONES.

Mr. Pearce stated as part of their Action Agenda, the Planning Commission has reviewed Outdoor Lighting use in the Planned Commercial and Planned Institutional Zones. They have compared existing Zoning Ordinance language to see how it could be revised to enhance new lighting technologies that were not available for purchase at the time the Zoning Ordinance was adopted in 1999. After their review, the Planning Commission has recommended these revisions:

- 4.3.8.F1(e) would be changed to allow LED lighting or any other type of lighting as approved by the Director of Engineering & Utilities.
- 4.3.8.F.13 would be changed to exempt lighting for emergency purposes from the prohibition on "lights used to attract attention" so that emergency lights in parking lots or in places such as the walking track at Virginia Acres park would not be prohibited.

Mr. Pearce pointed out the example page in the agenda packet that shows this new language to be added as underlined and in bold print.

The Planning Commission voted unanimously to recommend approval of these changes to our Zoning Ordinance.

Council approved this ordinance on first reading at the April 28, 2014, meeting. For Council consideration is second reading and public hearing of an ordinance to amend the Zoning Ordinance regarding outdoor lighting in the Planned Commercial and Planned Institutional zones.

The public hearing was held and no one spoke.

Councilman Merry moved, seconded by Councilman Ebner, that Council approve the ordinance to amend the Zoning Ordinance regarding outdoor lighting in the Planned Commercial and Planned Institutional zones on second reading. The motion was unanimously approved.

HITCHCOCK PLAZA – ORDINANCE 05122014C

Development Agreement
Acadia Hendon Hitchcock Plaza LLC
Silver Bluff Road

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to cancel the Developers Agreement with Acadia Hendon Hitchcock Plaza LLC.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO RESCIND ORDINANCE NUMBER 10252004 AUTHORIZING THE CITY OF AIKEN TO ENTER INTO A DEVELOPMENT AGREEMENT WITH ACADIA HENDON HITCHCOCK PLAZA LLC.

Mr. Pearce stated the Acadia Hendon Hitchcock Plaza LLC owners have contacted us regarding their Developers Agreement that was approved in Ordinance No. 10252004. Acadia representatives seek cancellation of this Agreement because they report they have met all requirements of this Agreement. According to these owners, without a cancellation of this prior ordinance, the public records would show that these Developers Agreement terms have not been met yet. City staff have reviewed this agreement and have found that all terms of it have been met. The Agreement has been recorded at the Deed office, so anyone checking the title or looking at this particular property would think there is a pending Development Agreement. At the request of the owners they are seeking cancellation of the ordinance so the conditions of the agreement can be documented as satisfied.

Council approved this ordinance on first reading at the April 28, 2014 meeting. For City Council action, therefore, is second reading and public hearing of an ordinance to cancel the Developers Agreement approved by City Council under Ordinance No. 10252004.

The public hearing was held and no one spoke.

Councilman Dewar moved, seconded by Councilwoman Diggs that Council pass on second reading an ordinance to cancel the Developers Agreement approved by City Council under Ordinance No. 10252004 as the requirements have been completed. The motion was unanimously approved.

LOAN – ORDINANCE 05122014D

Silver Bluff Water Plant
Interfund Loan
Meter Replacement Project

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to authorize a loan up to \$3,840,000 to fund construction of the Silver Bluff Water Treatment Plant and Wells Projects.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AUTHORIZING THE CITY OF AIKEN TO LEND UP TO \$3,840,000 TO PROVIDE FINANCING TO FUND THE CONSTRUCTION OF THE SILVER BLUFF WATER TREATMENT PLANT .

Mr. Pearce stated as we discussed at Horizons, our recent Engineering and Utilities budget work shop, and in other Council meetings, work is continuing on the Silver Bluff Water Plant and wells project. As this construction progresses, it is becoming time to activate the interfund loan to provide cash flow for it. The borrowing and repayment schedules for these project costs have been previously provided and are included again for Council's reference. He pointed out the proposed Note is on page 156 of the agenda and the proposed payout appears on page 157 of the agenda.

Mr. Pearce said based on the discussion at the last Council meeting there was concern by Council. He said the interfund loan and the actual total funding for the project with a loan from the General Fund was approved when Council adopted the 2013-2014 budget. This ordinance provides the specific details of the process to accomplish what you already approved in this year's budget and directs where the money is to come from in the General Fund transfer and the interest rate to be charged. Page 157 of the agenda shows a payout in FY 2018-19. He said the Finance staff has run an amortization schedule. He said Council will recall in the discussions at the April 28, 2014 meeting that currently we are in the process of setting aside funds to retire the 2009 Utility Bond. The final payment is \$1,030,124. Since that money was set aside to pay the Utility Bond, that will be the loan payment money for the budget year 2014-15. The bond payment pays out the end of the 2014 calendar year. At that time there will be no bonds that need to be paid, and that frees up money for use in the Utility Fund. Since this is a construction project, we have had discussions with Mr. Grinton, Director of Engineering and Utilities Department. He will complete approximately \$2,900,000 plus, just under \$3 million of the \$4.2 million water treatment plant project at Silver Bluff Road. In effect the interfund transfer becomes a construction loan. We anticipate that the construction will be complete, and our goal is to have the certification before the 2015 summer watering season. When that is all confirmed, then, beginning with the 2015-16, 16-17, 17-18, and 18-19, the funds that were used to pay the bond that we had can instead be used to retire the interfund loan and put the money back in the General Fund account. We have heard comments from Mr. Smith at the April 28, 2014, meeting that will be an appropriate transfer of funds with an ordinance and a note that is repayable. We have rerun the amortization schedule. It appears if the payment amount is in the neighborhood of the amount we have done for the bond retiring, which was approximately \$85,000 a month, then at a 1.2% calculated interest rate the interfund loan could be repaid in 46 months from the first month of payment which would be 46 months from July, 2015. That is shown in the repayment schedule on page 157 of the agenda.

Mr. Pearce stated staff had looked at this. He said he had discussed it with a couple of Councilmembers, and he believed we have addressed the concerns from the first reading of the ordinance on April 28, 2014. For Council consideration on second reading and public hearing is an ordinance to authorize interfund loan transfer to pay for the Silver Bluff Water Plant and Wells Project

The public hearing was held and no one spoke.

Councilman Ebner stated he and Mr. Pearce had a discussion on this. Councilman Ebner moved that Council approve the ordinance on second reading with a revision being that the payment amount be \$85,843 per month. He said that is what Mr. Pearce just stated. He said that is the only difference. He pointed out that on page 164 of the agenda packet the amortization calculation has \$81,975 as the monthly payment. Councilman Ebner stated we need a new amortization schedule.

Mr. Pearce stated the repayment period would be 46 months, and the monthly payment would be \$85,461.38. Councilman Ebner asked if the City Attorney could correct those items so all the numbers would match.

Councilman Dewar asked what month we would start making the monthly payment set aside. Mr. Pearce stated the monthly payment set aside would begin July, 2015. Construction will be completed at that time, and we anticipate that the plant will be certified, and we could make that payment.

Councilman Ebner said we would still pay for it whether the plant is running that month or not. Councilman Dewar stated he understands, but he thought we were making a payment on July, 2015. Mr. Pearce responded that July, 2015, will be the first \$85,461.38 payment. He said as we do with construction loans, we would set aside interest this year. We calculated that as \$46,000 worth of interest. That will take us from now through July. Councilman Dewar asked if the status of the project as best we know now is in good shape. Mr. Pearce stated the project is on time and good to go.

Councilman Dewar stated he had one other question. He pointed out page 157 of the agenda packet. He said he intends to support the motion, but not if it means that he approves of what is on page 157 about financing about the water meters. Mr. Pearce stated this interfund loan is separate from the water meters. Councilman Dewar pointed out that water meters were listed on the page. Mr. Pearce stated the Projected Capital Expense and Debt Service page on 157 in the agenda was strictly for information only. It shows a new interfund loan, and it shows that in the next budget year there will be an interest payment of \$46,084, and in 2015-16 there will be \$998,084 paid out. Mr. Pearce stated what the actual payment will be will be the amortized amount. Councilman Dewar stated he understands the results as it refers to the Water Plant, but he still was not approving of funding of water meters.

Councilman Ebner pointed out that water meters are on page 135.

Mr. Smith stated he wanted to clarify Councilman Ebner's concerns. He asked Mr. Pearce if he had calculated the monthly payment based on current interest rates. Mr. Pearce stated that is how it had been calculated. Mr. Pearce stated the amount is \$85,461.38 per month currently. Mr. Smith stated what he wanted Council and Councilmember Ebner to understand is what he can do is amend the Note. The Note would say that using the current interest rate the initial monthly payment would be \$85,461.38 if that payment were to start today. He pointed out that Ms. Abney is not going to calculate what the real first monthly payment is until July 1, 2015, because that is when she will know what the interest rates are for the preceding 12 months. Councilman Ebner stated that is true. Mr. Pearce stated unless we see a significant change, the repayment over the course of the year will be more like \$1,025,500, not the \$998,000. Councilman Ebner stated if the interest rate changes, it will change the amount. Mr. Smith stated he could put a parenthetical in the Note that would say for example if the payment were to start today, it would be X amount of money, but that will be recalculated on July 1, 2015, by the Finance Director. Councilman Ebner stated we will do that on an annual basis. Mr. Smith stated that is correct. Councilman Dewar stated the amount will be recalculated annually in July. Mr. Pearce stated July would be the anniversary date of the Note.

Councilwoman Price asked who did the initial design of the water treatment plant and who is doing the construction. Mr. Grinton responded that Woolpert Engineering designed the plant and Harper Construction was building the plant.

Councilman Ebner moved, seconded by Councilman Merry, that Council approve the ordinance on second reading, with a revision being made in the Note by the City Attorney that the monthly repayment amount would currently be \$85,461.38 with the current interest rates, but that may change when the Finance Director calculates the monthly payment July 1, 2015, when she knows what the interest rates are for the preceding 12 months. The motion was unanimously approved.

CROSLAND PARK – ORDINANCE 05122014E

Sale of Home
1407 Aldrich Street
Margie Stephanie McFadden
TPN 120-12-02-004

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance for the sale of 1407 Aldrich Street in Crosland Park.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AUTHORIZING THE CITY OF AIKEN TO CONVEY CERTAIN REAL PROPERTY IN THE CROSLAND PARK SUBDIVISION AT 1407 ALDRICH STREET NE TO MARGIE STEPHANIE MCFADDEN.

Mr. Pearce stated Margie Stephanie McFadden has made a cash offer to purchase 1407 Aldrich Street in Crosland Park for \$70,000. We asked for several conditions as part of the agreement to purchase the property:

1. The property must be owner-occupied;
2. The seller will pay normal seller closing costs;
3. Seller will install a small patio in the backyard off the exterior kitchen door;
4. Aiken City Council must approve the sale.

Ms. McFadden has agreed to these stipulations. Mr. Pearce stated he and staff have reviewed this proposed purchase and recommend Council approval. He pointed out that Ms. McFadden had identified an attorney from the Dufour-Dufour Law firm to handle the closing.

Council approved this ordinance on first reading at the April 28, 2014, meeting. For Council approval is second reading of an ordinance to sell 1407 Aldrich Street to Margie McFadden for \$70,000 upon the terms and conditions set forth in the Purchase and Sale Agreement.

The public hearing was held and no one spoke.

Councilwoman Diggs moved, seconded by Councilwoman Price that Council pass on second reading an ordinance to sell 1407 Aldrich Street to Margie McFadden for \$70,000 with the terms and conditions set forth in the Purchase and Sale Agreement. The motion was unanimously approved.

ANNEXATION – ORDINANCE 05122014F

911 Murrah Avenue
TPN 122-17-04-009

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to annex property at 911 Murrah Avenue and zone it RS-10 Residential Single-Family.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN PROPERTY CONSISTING OF 0.69 ACRES OF LAND, MORE OR LESS, OWNED BY THE CITY OF AIKEN AND TO ZONE THE SAME RESIDENTIAL SINGLE-FAMILY (RS-10).

Mr. Pearce stated the City of Aiken requested the Planning Commission to consider our request to annex a 0.69-acre lot at 911 Murrah Avenue with RS-10 zoning. The property is contiguous to the city limits on the south. The property is located immediately adjacent to the Publix Shopping Center. We purchased this tract to construct an extension of Christee Place into the Publix Shopping Center. He said we have been in discussion with the owners of Publix as well as the owners of the shopping center. He said we have a design from Toole Engineering for an access road to provide access directly from Dougherty Road down Christee Place into the shopping center. He said that was part of the Dougherty Road Corridor Study and a recommendation of the study. This will help us alleviate traffic on Dougherty and on Whiskey Road.

The Planning Commission met on April 15, 2014 and unanimously approved this annexation request and recommended Residential Single-Family (RS-10) zoning.

Council approved this ordinance on first reading at the April 28, 2014, meeting. For Council consideration is second reading of an ordinance to annex into the Aiken City limits, property located at 911 Murrah Avenue owned by the City of Aiken.

The public hearing was held.

Councilwoman Price asked how much the city paid for the purchase of the property. Mr. Pearce stated he did not remember, but he thought the city purchased the property for about \$120,000. (Resolution No. 10142013D reflects a purchase price of \$120,000 for

911 Murrah Avenue.) Mr. Pearce pointed out the purchase was made with One Cent Sales Tax money.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council pass on second reading an ordinance to annex property at 911 Murrah Avenue owned by the City of Aiken. The motion was unanimously approved.

VENTURES INDUSTRIAL PARK – ORDINANCE

Lot 13

Airport

Chad Ingram

Mayor Cavanaugh stated an ordinance had been prepared for first reading for the sale of Lot 13 in Ventures Industrial Park.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AUTHORIZING THE CITY OF AIKEN TO CONVEY CERTAIN REAL PROPERTY KNOWN AS LOT 13, VENTURES INDUSTRIAL PARK TO CHAD INGRAM.

Mr. Pearce stated Chad Ingram has made a cash offer to purchase Lot 13 in Ventures Industrial Park for \$5,300 per acre. The letter of Intent to Purchase from Mr. Ingram was included in the agenda packet on page 186. We have discussed several conditions as part of this agreement to purchase the property:

- City will provide an appraised value of the land to be sold;
- Sale is subject to FAA and City Council approval;
- Sale includes an easement over other city-owned land to provide airport runway access. This easement will be for a 25-year term, which can be renewed for 3 additional 25-year terms;
- Subject to appraisal for at least \$5,300 per acre;
- Subject to the restrictive covenants for Ventures Industrial Park;
- Subject to review by the City of Aiken Aviation Commission.

Mr. Pearce stated the city had had a recent appraisal of some property in the Verenes Industrial Park, and it appraised for \$5,300 per acre. He said an appraisal would be done as part of the purchase if Council passes the ordinance on first reading. He pointed out an original plat showing Lot 13. He pointed out next to it to the left is Lot 14, and there is a corner. He said the actual property line goes from that corner to the right and is parallel to the abandoned runway. He said there is a strip of land between this property boundary on Lot 13 and the runway that would be subject to a lease. Mr. Ingram has offered to pay the same lease rate for that strip of land that has access to the runway at the same rate that the FBO is paying for the FBO leased ground. Then as part of this, his understanding is that Mr. Ingram would like to construct a hangar and have an airplane housed there. He needs access to the runway to access the airport. He said that would take a through the fence operation agreement with the Federal Aviation Administration. We consulted our consultant at the airport, and they are going to help us prepare that document and process that with the FAA.

For Council approval is first reading of an ordinance to sell Lot 13 in Ventures Industrial Park to Chad Ingram for \$5,300 per acre upon the terms and conditions set forth in the proposed Purchase and Sale Agreement Letter.

Councilman Dewar asked with the sale being subject to approval by FAA what would happen if FAA does not approve the sale. Mr. Pearce stated we would obtain the initial approval from FAA before we close on the sale, as that is a condition of the sale. Councilman Dewar wondered how long it might take for FAA approval. He pointed out we would have to wait for FAA approval to close on the sale. Mr. Pearce stated that is a condition of the sale. Councilman Dewar asked if that approval would also indicate approval to cut through the fence. Mr. Pearce stated typically what FAA would be

looking at is that the remainder of the property would be fenced so the public would not have access to the airport property and some other criteria they apply as well.

Councilman Dewar stated the lot contains about 8 acres and Mr. Ingram would build a hangar. He asked what else could be built on the lot. Mr. Smith responded he could build whatever the restrictive covenants allow. Mr. Pearce stated the lot is part of the industrial park so whatever the restrictive covenants permit could be built on the lot. Mr. Pearce stated that is where Newman Technology and S.C. Metal Products are located.

Councilwoman Price asked if she was to assume that the property value at the Ventures Industrial Park is \$5,300 per acre. Mr. Pearce stated the city was going to have the property appraised. He said we were waiting for first reading before incurring that expense. Councilwoman Price stated that price per acre seems quite cheap to her for property in the industrial park. Mayor Cavanaugh pointed out that the property would be appraised before second reading of the ordinance. Mr. Pearce stated it would be appraised before second reading.

Councilman Merry moved, seconded by Mayor Cavanaugh, that Council pass on first reading an ordinance to sell Lot 13 in Ventures Industrial Park to Chad Ingram for \$5,300 per acre with the terms and conditions listed in the memo to Council. The motion was unanimously approved.

MEMORANDUM

To: Aiken City Council members, Mayor Cavanaugh, Acting City Manager Stuart Bedenbaugh

From: Aiken General Aviation Commission

The Aiken General Aviation commission met on June 4 to discuss an issue in which a private citizen has requested to purchase Lot 13 at the Ventures Industrial Park which adjoins the Aiken Municipal Airport. The following is a brief summary of the findings from that meeting.

Mr. Chad Ingram appeared before the Aiken City Council on May 12, 2014 for the purpose of receiving approval to purchase Lot 13 from the Ventures Industrial Park located just south of and adjoining the Aiken Municipal Airport. Mr. Ingram stated that his plans are to construct a hangar on the property for his private use. One of the City Council's responses was to place several conditions on the sale. One of these conditions was that the sale be subject to approval by the Aiken General Aviation Commission. A special meeting of the General Aviation Commission was convened at 5:00 p.m. on June 4 with all seven Commission members present. The purpose of the meeting was to have Mr. Ingram present his proposal to the Commission and answer questions from Commission members.

Some of the more significant findings by the Commission from that meeting are as follows:

1. According to the City covenants adopted when the land was purchased by the City as a part of the Ventures Industrial Park many years ago precluded any private individual from purchasing a parcel, but that the land could only be leased from the City since it adjoins the Aiken Airport property. Therefore, the sale of Lot 13 in the Ventures Industrial Park by the City to Mr. Ingram would be in violation of these covenants.
2. The sale of Lot 13 would constitute a concept known as a "through the fence" operation by the Federal Aviation Administration (FAA). These operations are strongly discouraged by the FAA and are only allowed under the most stringent conditions and must receive FAA approval. The Commission's opinion is that FAA approval could not be obtained in this case. Although the lease of Lot 13 would not be considered a "through the fence" operation, it would have nearly all of the negatives associated with such an operation.

3. The private or leased use of Lot 13 would also reduce the number of available parking spaces for large aircraft at events like the Masters Golf Tournament. Since access to and from Lot 13 would have to be maintained, a required continual un-obstructed access to and from lot would reduce the number of available parking spaces. This would limit the number of large aircraft using the airport which would, in turn, reduce fuel sales and therefore reduce revenue for the City. Mr. Ingram also stated that he would like permission to construct his own fuel farm on the property. This would also reduce revenue for the City due to loss of the fuel flowage fee paid to the City by the Fixed Based Operator (FBO). So economically, the private use of Lot 13 would have a negative impact on the City.

4. The sale of Lot 13 by the City to Mr. Ingram was determined to be part of a land swap deal, a "1031 Exchange" action, in which land is allowed to be sold and another property of "like kind" be purchased within a certain time period to avoid or reduce the capital gains taxes from the property sale. If Mr. Ingram is allowed to lease the property only, then can this swap still be considered a viable 1031 transaction? Mr. Ingram was tasked to find the documented answer to this question before any further discussion by the Commission on this issue is initiated.

5. Any structure built on Lot 13 may preclude the future possibility of an Instrument Landing System (ILS) approach to Runway 1. Although not envisioned at this point, future growth may show the need for a second ILS. Aiken Airport is the 11th busiest airport in the state and the busiest airport without a control tower. Any structure built on Lot 13 may hinder the requirement for a "clear zone" near the approach end of Runway 1 as required by the FAA for an ILS.

6. Mr. Ingram requested in his proposal that he wanted a 25 year lease access to the Airport parking area from Lot 13 renewable for another 75 years. FAA regulations specifically forbid any lease agreement in excess of 50 years and recommends up to only a 30 - 35 year lease. Current leases at the Aiken Airport are for just 20 years.

7. Other lots are available at the Aiken Airport for lease or sale which would not have the negative impact of Lot 13.

There were several lesser findings by the Commission that would find Mr. Ingram's proposal not in the best interest of the City, the community or the FAA. These can be enumerated at a future time, if necessary.

For these reasons, and others, the General Aviation Commission unanimously recommends NOT supporting the sale or lease of Lot 13 to Mr. Ingram, the proposed lease term limit and also any future structure development on Lot 13.

The Commission awaits Mr. Ingram's reply to whether the lease of Lot 13 or any other Aiken Airport lot qualifies for a "1031 Exchange."

MILLAGE RATE – ORDINANCE

Budget

FY 2014-15

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to set the millage rate for Fiscal Year 2014-15.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY CITY PURPOSES AND FOR CAPITAL DEVELOPMENT PURPOSES IN THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, SET THE MILLAGE AT SIXTY-THREE AND THREE TENTHS (63.3) MILLS AND TO PROVIDE FOR THE EXPENDITURES THEREOF.

Mr. Pearce stated every spring, Council adopts a budget for the following fiscal year. By a separate ordinance, Council sets a millage rate. He said Council had a worksession about the budget, and it is his understanding that there may be an amendment by Council to set the millage rate at 62 mills and have another worksession before our June 9, 2014, meeting where the millage rate would be under consideration at second reading of the budget depending on what Council would like to do regarding a cost of living adjustment for all city employees and salaries for Public Safety personnel.

For Council consideration, is first reading of an ordinance to set the FY 2014-15 millage rate at 63.3 mills, in order to account for the effects inflation has had on our budget purchasing power. Mr. Pearce pointed out the current ordinance says 63.3 mills, but it is his understanding there is a desire by Council to amend that to 62 mills which is the current millage rate.

Councilman Dewar moved, seconded by Councilman Ebner, that Council approve an ordinance on first reading to set the millage rate for the FY 2014-15 at 62 mills and that second reading of the ordinance be set for June 9, 2014. The motion was unanimously approved.

BUDGET – ORDINANCE

FY 2014-15

Mayor Cavanaugh stated an ordinance had been prepared to approve the FY 2014-15 budget.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE ADOPTING A BUDGET PROPOSED BY THE CITY MANAGER, CONTAINING ESTIMATES OF PROPOSED REVENUES AND EXPENDITURES BY THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, AND ENDING JUNE 30, 2015, AND DECLARING THAT IT SHALL CONSTITUTE THE BUDGET OF THE CITY OF AIKEN.

Mr. Pearce stated this is first reading of the annual budget for the City of Aiken. He said Council did discuss expenditures at the budget workshops in April where Council talked about the Public Services, Public Safety, Engineering and Utilities, and Parks, Recreation & Tourism budgets. The work budget Council had in the worksession did have the 63.3 millage rate which included funds for a 2% cost of living for our employees. It is our understanding that Council has kept the millage rate at 62 mills so in effect the 2% cost of living adjustment for employees would be taken out of the budget figures. He said we understand Council has requested further information regarding potential salary adjustments for our Public Safety personnel, and staff will prepare that and have a worksession before the next regular meeting of Council on June 9, 2014.

Mr. Pearce stated Council had been provided with a list of Revenue and Expenditures as of June 30, 2011, 2012, and 2013. Those figures show the actual revenues for the General and Utilities Funds as well as the actual expenditures from those funds for those three years. He said Council will note there has been a modest increase in each year's budget. Staff has provided Council with a list of the major projects to be undertaken during 2014-15.

Mr. Pearce stated the proposed budget incorporates the General Fund, the Water and Sewer Utilities Fund, Aiken Theater, Stormwater, Local Accommodations Tax, Sunday Alcohol Sales, Victim Services, Aiken Airport, Community Development Block Grant, Ventures Industrial Park, Northside Redevelopment, and Crosland Park funds.

Mr. Pearce pointed out page 190 of the agenda packet shows the proposed major purchases including Public Safety vehicles, self-contained breathing apparatus, fire rescue truck, landscaping equipment, garbage trucks, grapple truck, yard trash trailer, Recreation landscape equipment, Rye Patch improvements, Shaws Creek machinery,

Silver Bluff Water Plant, water meters, sewer system maintenance, and lift station maintenance.

Mr. Pearce stated when we had a discussion with the Parks, Recreation & Tourism session that Glenn Parker led on April 24, there was a discussion about setting aside \$100,000 for the Railroad Depot for potential construction of the deck and baggage building. That money is included in the Accommodations Tax budget. Mr. Pearce stated we are experiencing increases in fuel costs and everyone has seen that at the pump. That money has been restored in the budget as requested by the department directors.

For Council consideration on first reading is an ordinance for a proposed budget with a 62 mill millage rate.

Councilman Ebner moved, seconded by Councilman Merry, that Council approve on first reading a proposed budget with expenditures for a 62 mill millage rate.

Councilman Dewar stated he was responding to a Talk Back, and asked if the city was buying the small green roll carts. Mr. Tim Coakley stated the roll carts come in 40 gallon and 90 gallon sizes. The green carts are used for garbage and blue is used for recycling. Mr. Coakley stated it ties up a great amount of money in inventory to offer two size carts. He said the larger carts are requested 25 to 1. He said there has been a big increase in the need for the larger blue carts as people shift more to recycling. He said it made sense to them not to tie up thousands of dollars in inventory with the smaller carts since they were not being requested.

Councilman Dewar stated his thought was that he could imagine that seniors may have difficulty with the larger carts and may not fill them up. Mr. Coakley stated they went out and talked to a lot of people and found with the larger wheels with the center of gravity that some people feel the larger carts are actually easier to roll than the small carts with the small wheels. He said they could stock both sizes if Council desires, but it does tie up more money in inventory. Councilman Ebner asked if they were bought by the truck load. Mr. Pearce stated to get the best value that is how we buy them. Mr. Coakley responded we can get the carts individually, but the cost is significantly higher. Mr. Coakley stated it became more efficient for the department to go to all large carts since most people were requesting the large carts.

Councilman Dewar stated Council talked in the worksession about revising the Take-Home policy for Public Safety. He asked if Council should wait and talk about it at the next meeting or is that something Council can do now. He felt there was a general agreement on it.

Mayor Cavanaugh stated there were so many little things Council talked about that add up so he felt we should wait to the next worksession.

Mr. Pearce stated it would help staff if we could present a total package to Council.

Councilman Dewar stated he was not a fan of putting in the things that we want to buy based on getting a FEMA grant. He pointed out there are generators in the budget for the lift stations and several other things. He felt there is a lot of money tied up in the budget as he understands it based on the city getting money from FEMA. He said personally he would rather get the money and then buy the equipment.

Mr. Pearce stated the proposed equipment purchases are related to the storm event. He said if we had damage to a backstop, for example, we were using funds from reserves. Councilman Dewar stated the backstop was covered and that is okay. He said in the Engineering and Utilities discussion Mr. Grinton was talking about getting a lot of generators for many buildings and lift stations and the money would be available based on a grant application. Mr. Pearce stated that is the Mitigation Funds and that will open up later this month. Councilman Dewar asked if that money was in the budget. Mr. Pearce stated there is money in the Engineering and Utilities budget for a stationary generator at the Shaws Creek Water Treatment Plant. Councilman Dewar asked if that was something that FEMA would reimburse the purchase. Mr. Pearce stated it was not

that FEMA would reimburse the city to purchase it. He said the city will get FEMA funds that could be used to purchase the equipment. The other pot of money would be the Mitigation Funds that go to the State of South Carolina. He said if we can get the Mitigation funds, then that saves having to spend \$300,000 on a generator for the Shaws Creek Plant.

Councilwoman Diggs asked if we know how much money the city will receive from FEMA. Mr. Pearce responded we do not at this time. He said we know that our first 30 day submittal will be in the range of \$600,000. It is reimbursed at the rate of 85%. He said we are looking at over \$500,000 to be paid to the city from that request.

Councilman Ebner pointed out we have taken funds out of our reserve account for fixing the fence, chipping contract, and the hauling contract. He said that would come out of this money. He asked if we would take part of this money and put it back in the reserves. Mr. Pearce stated we could make the reserve flush again. Councilman Ebner stated that would amount to about \$350,000. He asked what happens to the rest of the money. Mr. Pearce pointed out we would not spend the money unless it was for storm related expenses. Councilman Ebner asked if we would put it into our fuel account and all the things we used up, etc. He said we call that money revenue, but the \$869,000 does not really play into the money that we are spending in the budget. Mr. Pearce stated it will to the extent that we fix backstops and mitigate situations that are not covered by the mitigation money. Councilman Ebner stated as discussed the FEMA money is a one time event. Mr. Pearce stated the grant money is related to the Winter Storm PAX. It is one time money.

Councilman Dewar stated he understood we are increasing the money from the Victims Fund for the Cumbee Center and the Child Advocacy Center, and he supports it. He stated we need to make clear that the increase is only because we got the extra money as opposed to guaranteeing that they will get the money. He said if the money is not there, they can't get it. Mr. Pearce stated that is an excellent point. He said if we don't spend the money, it has to be paid back to the State. He pointed out that those two organizations desperately need the funds. Councilman Dewar stated they could get \$20,000 this year, but next year depending on funds, it may go back to \$10,000. Mr. Pearce stated those funds are budgeted every year. Staff would take a look at what funds are available next year.

Councilman Dewar asked why we have a Sunday Alcohol Fund. Mr. Pearce stated that was a referendum to allow businesses, a restaurant or bar, to sell alcohol on Sunday. He said that went to a referendum that was voted on by the voters. It passed. He said the revenue is kept separately. Councilman Dewar stated then it was a referendum voted on by the citizens of Aiken. Mr. Pearce stated it was a public referendum.

Councilwoman Price stated she had two items regarding the Capital Projects Sales Tax. She asked if the salary for a Project Manager was included in the budget. Mr. Pearce stated it was not in the proposed budget. That would be paid out of the Capital Sales Tax Project funds. Councilwoman Price asked if we are looking for a person for that position. Mr. Pearce stated if Council approves that. He said that is part of our budget request that he be authorized to find an Operations Manager. He said he anticipates that salary range to be \$50,000 to \$60,000 a year plus benefits and a full time position. Councilman Ebner stated Council would have to vote on that separately, as that is not in the proposed budget. Mr. Pearce stated it is not in the proposed budget. Councilman Ebner asked if that needed to be put on the June 9, 2014, agenda. Mr. Pearce stated that is what he was going to do.

Councilwoman Price stated the second question deals with Safe Communities. She said Chief Barranco and his staff have done an excellent job in terms of Safe Communities. The statistics look very good in terms of declining crime within the city. She said her concern is that group or division have a budget. She said there are more and more requests coming in for these people to go out and work with others. She said she received a call from Orangeburg for Aiken people to go to Orangeburg to speak and share the things Aiken has going on. She said Aiken is being used as a model in terms of other

cities liking what we are doing and they are asking for the Chief and others to go speak and share our successes. She wondered if that expense is appropriately budgeted. In addition to that, the folks in the community are asking and making demands on that group as well. She said she wanted to make sure we have adequate funds in the budget to support those activities.

Mr. Pearce pointed out that the Public Safety Department has a notification on Thursday, May 15, 2014, in the evening. During the day our mentors from High Point are coming down and representatives from Conway are coming.

Chief Barranco stated Orangeburg, Conway, and Blackville will be in town on Thursday. He said this past week he spoke at the U.S. Attorneys' Conference in Gatlinburg about Aiken's Safe Communities. The U.S. Attorney from the South Carolina district was there. He said people are very interested in what Aiken is doing. He pointed out it is not a cookie cutter approach; they can pick it up and put it in their community and mold it to their community. He said that is why it is so attractive to so many different communities. Councilwoman Price said Orangeburg stated they had seen other models, but liked Aiken's model the best which is why they wanted to connect with Chief Barranco to see if they could do some of the things Aiken is doing in their town.

Councilman Merry stated he did not know the appropriate methodology, but he would like to add before second reading on the budget that we give some consideration to some sort of economic development incentive or funds. He pointed out that Council talked in the worksession that we expect in future budget years to have mostly flat growth in terms of revenue. He said he would like consideration be given to having a line item in the budget to begin an economic development initiative to try to help recruit, promote, or perpetuate our city.

Mr. Pearce stated there is an economic development line item in the budget on page 63. He said that contribution goes to the Economic Development Partnership. Councilman Merry stated he had talked to Mr. Pearce about that and supports the money for the Economic Development Partnership, however he felt we also need something else. He pointed out that Mr. Williams works for Aiken County and Edgefield County. He felt we also need something for the city. He said he would like to get some consideration between now and the next reading of some funds. He pointed out the initiative that North Augusta has started with a consultant that is able to mine some data from credit card sales and with that information they will be able to target specific developers, industries, and specific activities that they can maybe recruit to North Augusta where there is a need or an untapped need in that city. He said that is one of many potential ideas and initiatives. He said he would like for us to start giving some thought to that. He said since 2010 Aiken is growing at one-fifth of the rate that is considered the survival rate for a city. Mayor Cavanaugh asked where that information came from. Councilman Merry stated that is population growth, which is one-half of 1% per year. He said a city should grow about 2 1/2% per year.

Mr. Pearce stated he wanted to complete the thought. He said the amount for economic development had been raised from \$10,000 to \$20,000. He said we don't have a full time equivalent position in the city for that. We do have professional services funds. Councilman Merry stated he did not want to solve the problem right now, but wanted all Council between now and then to give some consideration and think about it.

Mr. Pearce stated we do have some money in the budget for other professional services. He said staff will be in discussion with North Augusta to see what kind of investment they have made. He felt we do have time between now and June 9 to come up with some ideas.

Councilman Dewar stated he had some questions regarding Accommodations Tax on page 189 and 190 of the budget. He said the first item is \$60,000 for park maintenance in the Buildings and Grounds Division. He asked what we would do with that money. Mr. Pearce stated that is in the Public Services Department and Mr. Coakley will answer the question. Mr. Coakley stated the money is used for the flowers city-wide and

maintenance of the parkways. He said the money is for work that Mr. Rapp's group does.

Councilman Dewar then pointed out another Parks & Tourism Division for \$15,000. Mr. Pearce stated that is the park maintenance in the Parks, Recreation & Tourism Department. Mr. Parker, Recreation Director, stated the parks maintenance account takes care of Citizens Park, Tennis Center, fertilizer, etc. Mr. Pearce pointed out this supplements his regular General Fund account.

Councilman Dewar pointed out another account for Building Improvements for \$25,000. Mr. Pearce stated that is for work that is to be done at the H. O. Weeks Center for some ceiling tile replacement of tiles from 1975. Councilman Dewar asked about \$90,000 for Rye Patch. Mr. Pearce stated Building Improvements goes to security at the Thoroughbred Hall of Fame, some pavers to replace the gravel in front of the Hall of Fame. He pointed out the gravel gets in the storm drain and clogs it up.

Councilman Dewar noted that \$100,000 had been allocated to the Railroad Depot, but he was hoping that we could start looking at something for the scoreboard at Whitney Polo Field. He said Council had talked about it and that does lend itself to a use of Accommodations Tax money. He said from what the Board members told Council they put heads on beds and probably buy a lot of equestrian supplies, etc.

Mr. Pearce stated we don't have a definitive budget from either the Polo Club or the Whitney Trustees. He said that is an ongoing conversation we have had so it was impossible to budget for it, as he does not know what the costs are. Councilman Dewar stated he thought they had given Council a cost of about \$195,000 all together. He said he was hoping that we could do a little bit for each of the next two or three years. Mr. Pearce stated he did not have a cost from them, but would be glad to take a look at it. Councilman Ebner asked what would be a reasonable number for them to ask for, such as \$25,000 or \$50,000 a year from the Accommodations Tax money, above and beyond the other state Accommodations Tax fund that the Accommodations Tax Committee reviews. Councilman Merry asked how many of the things they are thinking about might be taken care of by the open space money they talked about. Councilman Ebner stated they did not buy into that.

Mr. Pearce stated originally Council had a meeting and discussion with the principals and talked about some sort of conservation easement or assignment of development rights, and there was no progress. He said he had had no follow up correspondence or proposed budget or anything more from the group. Councilman Dewar stated last time it was discussed he mentioned potentially using some Accommodations Tax money for that effort. Mr. Pearce stated we could do the research to see if that is an appropriate use of the funds, but he was not aware of that until right now. Councilman Dewar stated we will just put it back in their court. Councilman Homoki stated we need to find out the right person to talk to in the Foundation. He said at the meeting there were three or four spokesmen, and they all had different approaches to the issue. He said we need to find out the individual that we need to talk to and let them sort out what their points are and come to Council instead of us seeking them out. Councilman Dewar stated he felt making improvements over there was in line with Accommodations Tax, because people come from out of town and other countries and spend money in the city.

Councilwoman Diggs asked how much it would cost to make some improvements on the track at the Weeks Center. She asked if we have any money in the budget for that. Mr. Pearce stated that project was budgeted in this year's budget. He said the project had been bid, and work will commence soon. Mr. Parker stated the Corporate Cup and City Cup games are coming up. After that, work will start on the track. He said the bid has been awarded for resurfacing the track. He said by the middle of June resurfacing of the track should be done. Mr. Pearce pointed out that what was being done at this time is to take care of the roots growing under the track. He said they are going to put fabric down so the roots won't go under the track, but the other direction.

Councilwoman Diggs pointed out that the Mayor walked with her on May 3 for the Lupus Walk for three miles.

Councilwoman Price pointed out the exercise equipment that had been installed outdoors on the south end of the walking track is getting a lot of use. She said that is well received. She said the second thing that concerns her is that she has seen a lot of kids around the debris that is still there. She pointed out the philosophy is for other people to see that we have picked up everywhere else before we pick up our facilities. She said when she tells people that when she walks they are not buying into that. Mr. Parker stated we have a trash can coming. He said they had also debated hand sanitizer, but have chosen not to put it out there. He said we offer it for the indoor facilities, but we don't offer it for playgrounds, etc. Councilwoman Price asked about the piles of debris that is in different areas around the track. Mr. Parker stated a request had been made to Mr. Coakley. He said the Recreation Department has a tennis tournament starting on Saturday, and it will be gone by then. Councilwoman Price stated that gets a lot of conversation. She said every time she has been out there she hears somebody talking about the debris out there.

Councilman Merry thanked Mr. Parker for his services. He said they will miss him. He said he knows he has a few weeks left, but if this is his last Council meeting he would like to tell him thank you.

Councilman Ebner stated on page 190 of the agenda packet in the listing of major purchases, now that Council has passed the Silver Bluff Water Plant loan everything else on the list is funded in the budget. Mr. Pearce stated all the items in the list for \$4,685,500 are in the budget.

Councilman Ebner stated from the conversation earlier, on page 135 there is \$1,000,000 from Depreciation Transfer. Mr. Pearce stated that helps balance the budget. Councilman Ebner stated that will take care of the million dollars for the meters on page 155. He said we have to fund that from somewhere. Mr. Pearce stated the meters are a part of the total Utility Fund budget so that depreciation is being used to fund them. Councilman Ebner asked about the Shaws Creek DBP on page 149 of the budget for \$450,000. Mr. Pearce stated the total estimated for the project was \$1,400,000. He said he and Mr. Grinton had talked about that and there was no way to spend all that in one year. He is very encouraged that they may not have to do the DBP project at all. It may free up money for generator purchase at Shaws Creek. However, there was about \$100,000 worth of water table work to be done. He said we will have to see whether we need to spend it on the DBP or on the water tables instead. He said we will know better by the time of the November utility rate review that Council has requested. Councilman Ebner stated he just wanted to be sure that everything at the bottom of page 190 in the agenda package is covered. He said it sounds like it is. Mr. Pearce stated the items are in the balanced budget presented.

Councilman Dewar asked about the \$15,000 for the Best Friend Express. He said as he understands this, the funds are given to the COG. He pointed out that not a lot of those funds are given to the Council on Aging, who runs the program. He asked if there was an opportunity for the funds to be given directly to the Council on Aging. Mr. Pearce stated that is subject to Council's vote. He said we have tried to support the programs as they operate within the city limits. That is money they have requested. Councilman Dewar stated when he has talked to Scott Murphy, he was left with the impression that money is taken from the funds for COG operations. He said the bus is a valuable service. Councilwoman Price stated that the COG serves a lot of areas, and \$15,000 is not a lot of money considering the people that they serve with transportation needs. She said before we start cutting, she would like to hear from Lynnda Bassham, who is the director, before we start cutting her budget. She pointed out the COG budget has been cut by the state. Councilman Dewar stated he was not talking about cutting, but eliminating the middle man. Councilwoman Price pointed out that the Council on Aging has their own vehicles, and she thought that was meeting his needs in terms of the fleet that he has. Mr. Pearce stated he can follow up with Mr. Murphy and confirm what is happening. He said he was

just hearing about this for the first time. Councilman Dewar stated this is the first time we are talking about the budget too.

Councilman Dewar asked about Character Education. He asked if the city does the monthly Character meetings. Mr. Pearce stated monthly meetings are held except for July, August and December. Councilman Dewar wondered if we could possibly look at quarterly meetings because of the man hours that it takes. He said if about 50 people come to the meetings that is about 100 to 150 man hours of work time. Mayor Cavanaugh pointed out there are more than 50 people at the meetings. Councilman Dewar said he was just suggesting quarterly meetings as a thought.

Councilman Dewar stated he was not a fan of buying a snow plow and a sand spreader. He said if FEMA wants to buy it for us and give us the money, he is okay. Mr. Pearce stated that could come out of the FEMA grant money that we have in the budget. Councilman Dewar stated he would go back to his comment that he would rather wait until we have the FEMA money before we purchase that stuff. Mr. Pearce stated we would not purchase it until we had the money in hand. He said it is more of a discretionary purchase. If we have the funds we can do it. If we don't, we can still operate the city.

Councilman Dewar asked if we could have an index in the budget showing the page numbers for the various divisions. He said the colored documents are okay. He said that was all the questions he had.

Mayor Cavanaugh called for a vote on the motion by Councilman Ebner, seconded by Councilman Merry, that Council approve on first reading a proposed budget of expenditures and revenues with a 62 mill millage rate. The motion was unanimously approved.

AIKEN COUNTY HAZARD MITIGATION PLAN – ORDINANCE

Hazard Mitigation Plan

Mayor Cavanaugh stated an ordinance had been prepared for Council consideration to adopt the Aiken County Hazard Mitigation Plan.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO ADOPT THE AIKEN COUNTY HAZARD MITIGATION PLAN PREPARED BY THE LOWER SAVANNAH COUNCIL OF GOVERNMENTS.

Mr. Pearce stated this question came up because FEMA provides a credit for having a Natural Hazard Mitigation Plan. He said the city had been operating under the 2005 ordinance that adopted the Mitigation Plan. He said when we checked our records we realized that the 2011 Aiken County Natural Hazard Mitigation Plan had not been adopted by ordinance by Council so that is the reason for the ordinance at this time.

Mr. Pearce stated in 2010 Public Safety worked with Aiken County and the Lower Savannah Council of Governments to update the County Hazard Mitigation Plan. This plan represents our commitment to reduce risks posed by natural hazards and serves as a guide for the South Carolina Emergency Management Division's funding prioritization and our mitigation goals. He said the full Mitigation Plan is about 200 pages. He pointed out that Councilman Dewar had asked for a hard copy. He said a link had been provided for Council for access to the full document rather than incur the expense of printing 1,500 pages. He said a copy of the portion that relates to the City of Aiken operations was included in the agenda packet.

With this plan in place, we will be able to apply for Hazard Mitigation Grant money to assist us with several projects:

- Install generators at City Hall, our H. O. Weeks Center, and Smith-Hazel Recreation Center;
- Install pump-arounds at 34 lift stations to prevent sanitary sewer overflows;
- Install stand-by generating equipment at our Shaws Creek Water Treatment Plant and off-site wells at our Town Creek and Pine Log Water Treatment facilities;
- Stabilize slopes at the railroad cut near the Willcox as part of our storm water program.

To directly apply for Hazard Mitigation Funding, Council must approve the County Hazard Mitigation Plan. Sections that apply to cities were provided to Council in the agenda packet. The full document can be accessed at:
<https://www.cityofaikensc.gov/WebLink8/0/doc/172609/Page1.aspx>.

For City Council's consideration is first reading of an ordinance to adopt the Aiken County Hazard Mitigation Plan.

Councilman Dewar stated the Hazard Mitigation Plan is an interesting plan. He said it had never come before Council. He said as he looked at it he found that two of our Public Safety people represented the city with the county and the county approved the plan. Councilman Dewar asked if this is the plan that the city is supposed to have to prepare for an ice storm, tornado, or hurricane. He said it is pretty generalized.

Mr. Pearce stated it is general. He stated Council adopted an ordinance in 2005 to operate under the plan. He said our Emergency Preparedness Plan is done in tandem with that. It was updated in 2011 so this is the ordinance to adopt the amended updated version. He said we do need this in place to apply for the Mitigation funds from the state. Councilman Dewar stated it seems that is its only purpose. He asked if we do anything based on the plan. Mr. Pearce stated it is something that we refer to when we update and prepare our Emergency Preparedness Plan as it has several sections that talk about natural hazards.

Councilman Homoki moved, seconded by Councilman Ebner, that Council approve on first reading the Aiken County Hazard Mitigation Plan of 2011. The motion was unanimously approved.

WATER BILL

Trailer Park

East Pine Log Road

Mayor Cavanaugh stated Councilmember Dewar has asked that an item be placed on the agenda regarding a water bill adjustment.

Councilman Dewar stated potentially there are two issues that he might have. He said he was not sure that he wanted to go into too many details with the individual. He said he received a call regarding a late payment. The person who experienced the problem asked some questions and was told that the city could waive the late penalty if there were four conditions. He said he thought he was talking correctly, but if not he hoped staff would bail him out. He said one condition was that you have to be over 62. You have to be a permanent resident. You have to be on fixed income, and the water bill has to be greater than \$350. Councilman Dewar stated he felt the conditions do not fit a lot of people. He said he had been in Aiken for ten years and had never had a \$350 water bill. He said the policy was supposed to help the less fortunate of our community. He felt age should not matter. He said as far as fixed income, you can have a \$100,000 retirement check and Social Security and you are on fixed income. He said he would like to think that staff would have the judgment to waive a late fee given we may be talking about a customer that has been with us for ten or twenty years and has never had a late fee and something goes wrong. He said he wanted to bring that up to Council. He said he did not know the entire policy. He felt Ms. Abney could probably explain the policy.

Mayor Cavanaugh stated he would agree that it needs to be looked at. Councilman Dewar stated he wanted to make sure he knows what he is talking about in reacting to a telephone call.

Ms. Abney pointed out that Councilman Dewar referred to a late fee, but then talked about pieces of the leak allowance policy. She said a late fee is added on the 20th of the month to any balance that is left unpaid. If the balance is under \$40 the late fee is \$1. If the balance is over \$40 the late fee is 10% of the entire balance due. She said staff does have some discretion with late fees. She said if the customer says they mailed their payment and the city did not get it on time, the city does allow one late fee adjustment per customer and that is marked on their account. She said the person may say they have lived there 34 years and been late twice. She said staff does look at that. She said they look at the account, and it may have been 10 years since that was marked on their account. She said they have the ability to go back to March 4, 1996, for the history if a person has been at the same address to see if they have had a late fee adjustment.

Ms. Abney stated she would talk about the leak allowance policy. She said there are two pieces to that. There is the senior citizen. Those in the city's policy are defined as 62. She said some say 55, 60, or 65. The city defines a senior as 62 on a fixed income. If they have a leak and bring in the documentation to prove a leak at their home, not a business or rental house, but their home, and the leak has been repaired, then we will calculate the leak allowance based on what their average would have been for the preceding three months and half the difference of the leak. She said if the leak resulted in a \$100 bill, the person is over 62, and they are on a fixed income, they may be eligible for an allowance. She said the city does not get into a person's business. If they tell us they are on a fixed income, they are a senior citizen, this is their home, and they prove that they have had the leak repaired, the city will calculate the consumption average. She said she would use dollars to make it easier. She said if the average bill was \$50, and this month the bill was \$100. The city would give an adjustment of \$25. She said we split the difference—half the city writes off and half the customer pays.

Ms. Abney stated if someone is not a senior citizen, if they have a leak that resulted in over \$350, water portion only, which is a substantial leak, then the city would basically do an adjustment, once they get the leak repaired and prove that it has been repaired. The account has to be their home, not a business or a rental house. The customer would pay the \$350 and the city would split the difference over that. She said if there was a \$500 water bill. The customer would pay \$350 plus \$75, or one-half of the \$150.

Councilman Dewar asked if that only applies if the bill was at least \$350. Ms. Abney responded no. She said if a person is a senior citizen on a fixed income, it could be that the normal water bill is \$22. The person had a leak and the bill was \$30. If the person comes to the city, and they are a senior citizen on a fixed income, they had a leak at their home, and they have the receipt that they repaired the bill, there is an \$8 difference in the normal bill, and the city would give a \$4 adjustment. She said the \$350 comes into play if a person is not a senior citizen. She said that is the present policy.

Mr. Pearce stated this is something we can take a look at. He pointed out that is the existing policy and it can always be reviewed. Councilman Dewar stated the policy might be okay.

Councilman Dewar asked if there was another issue with a water bill. Mr. Pearce stated there was a problem with the water meter as it was stuck. The meter was replaced, and there were problems with the new meter as it was stuck. He said there is now a third meter, and it appears to be working. He said we want to see how it works in the next couple of months to see if any adjustments would be appropriate. He pointed out that the water usage more than doubled. Mr. Pearce stated the third meter is working and the city will monitor it.

DECLARATION OF EMERGENCY

Ice Storm

Mayor Cavanaugh stated the next item was a request from Councilman Ebner to end the City of Aiken's State of Emergency from the ice storm.

Councilman Ebner stated that he and Mr. Pearce had discussed the matter, and he concurs with Mr. Pearce's opinion. Councilman Ebner stated essentially the declaration will self destruct in six months.

Mr. Pearce stated the city is under the Pilot Project so the emergency declaration will go from February 10, 2014, to August, 2014.

Councilman Ebner pointed out there are three piles of debris at Powderhouse. He asked if they would all get shredded. He said there is different stuff in the piles.

Mr. Pearce stated there were some piles that had plastic bags and that would not be shredded. Councilman Ebner pointed out that right by the road there are two piles that have showed up with a lot of leaves and pine needles.

Mr. Coakley stated there are several piles of debris at Powderhouse. He said they windrowed it per the fire department specifications and DHEC and FEMA requirements. He said the pile nearest the road will go to the landfill. He said that is debris that was backhauled there so we could meet the time limits of our customers. He said it was quicker to haul it there than to go all the way to Graniteville. He said the employees were already working 14 and 15 hour days trying to get back on schedule. Mr. Coakley stated today they worked until 8 p.m. and the landfill closed at 4 p.m. He said we are hauling to that pile from 4 p.m. to 8 p.m.

Councilman Ebner stated he had been through three FEMA presentations so now he is an expert. He said one of the things they told them when they met with the POA is that they should not be picking up leaves and pine needles as they don't count. He said he wanted to be sure the city was keeping them separated. Mr. Coakley stated that is why they are keeping them separate.

Mr. Pearce pointed out that under the pilot program for winter storm damage cleanup and mitigation, we have up to 6 months to complete all our work. We are very close to picking up all winter storm debris, chipping it up, and hauling it to an end user.

There are other tasks we will be working on over the summer as part of dealing with everything Winter Storm PAX left with us.

They include:

1. Finishing chipping and hauling.
2. Restoring storage facilities to their original condition.
3. Clearing up our parkways.
4. Applying for storm mitigation members.

Therefore, we would like to continue with Council's declaration in effect so we do not jeopardize our applications for reimbursement, which are all pending at this time.

EARTH DAY

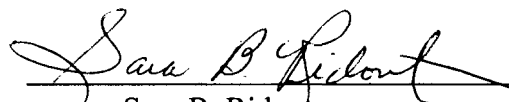
Councilman Dewar stated in reading the Environmental Committee meeting minutes, the minutes reflect that the Committee is still not clear on what Earth Day is going to look like next year. He said we know we will be getting the younger folks involved in that. He wondered if they were going to work with the Environmental Committee to structure Earth Day.

Mr. Pearce stated they are. He said they have had a meeting, and it was very productive. They have a lot of ideas and actually want to move it downtown to the Newberry Street

Festival Center. He said they wanted to do a lot of things; the discussion went well, and they are going to come back with some proposals on how to do the new improved Earth Day.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:45 P.M.

A handwritten signature in cursive script, reading "Sara B. Ridout", written over a horizontal line.

Sara B. Ridout
City Clerk