

Aiken City Council MinutesEXECUTIVE SESSION

February 29, 2016

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

Others Present: John Klimm, Stuart Bedenbaugh, Gary Smith, George Grinton, Sara Ridout, and about 12 citizens.

CALL TO ORDER

Mayor Osbon called the meeting to order at 5:09 p.m. He stated an executive session had been advertised. He asked that Gary Smith, City Attorney, read the reason for Council going into Executive Session.

Mr. Smith stated the purpose of the executive session specified in the public notice was for City Council to go into Executive Session pursuant to Section 30-4-70(a)(2) and (5) to discuss negotiations incident to a proposed contractual arrangement and proposed sale or purchase of property and to receive legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claims, or the position of the public agency in other adversary situations involving the assertion against the agency of a claim. City Council will also discuss matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body. Specifically, City Council will discuss a proposed contractual arrangement with the owners of real estate regarding the possible purchase and/or acquisition of land to develop a new road in the City of Aiken. City Council will also discuss the provision of City services to a facility that is considering expansion near the City of Aiken. City Council will also receive legal advice about a potential lawsuit.

Councilwoman Diggs moved, seconded by Councilwoman Price, that Council go into executive session to discuss the matters as indicated by the City Attorney. The motion was unanimously approved.

Council went into executive session at 5:11 p.m.

After discussion Council returned to the Council Chambers at 6:36 p.m. Mayor Osbon stated Council had been in executive session and no vote was taken by Council.

Councilwoman Diggs moved, seconded by Councilman Homoki, that Council come out of executive session. The motion was unanimously approved.

Aiken City Council MinutesSPECIAL MEETING

February 29, 2016

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

Others Present: John Klimm, Stuart Bedenbaugh, Gary Smith, George Grinton, Sara Ridout, Dan Brown of the Aiken Standard, Andy O'Byrne, and about 12 citizens.

GRANT – FEMA HMGPGrant AwardWillcox Inn Soil Stabilization Project

Mayor Osbon stated Council needed to consider acceptance of a grant award from FEMA HMGP for a Willcox Inn Soil Stabilization Project.

Councilman Ebner moved, seconded by Councilwoman Price, that Council approve acceptance of a FEMA grant for the Willcox Inn Soil Stabilization Project.

Mr. Klimm stated staff appears before Council again to answer some of the questions and concerns that were raised on February 22, 2016, when the issue was on the agenda. He pointed out that this issue was discussed at length in August, 2014, when Council at the time approved the city proceeding with an application to FEMA for several mitigation projects. In the evaluation of all the projects the project before Council regarding the Willcox Inn Soil Stabilization project was deemed by Council as the highest priority of all the projects under consideration.

We have received official notification that the City of Aiken was awarded a FEMA grant for an evaluation of Council's top priority project: The Willcox Inn Soil Stabilization Project - Phase I with a cost of up to \$265,380. That was an estimate that was derived after significant consultation between our Engineering staff and the FEMA staff. Obviously it is only an estimate. There was concern that the dollar amount was a high number for simply a study or an evaluation. He pointed out that we have to put this work out to bid. He said the recommendation to Council would be that the work go to the lowest qualified bidder. Even though the request is before Council for approval, it will be returned to Council after the project has been put out to bid. Council will have one other opportunity to review the documentation and review the proposals and decide whether or not Council wants to commit city funding for the project. This is a 75%/25% federal/subrecipient share FEMA grant. FEMA has split the original grant application into two phases. The first phase is being awarded so the project can be evaluated, designed and bid out to determine the construction cost for a potential Phase II mitigation grant. The first phase would include completing geotechnical evaluation of the bank in question, a completion of the designing of the stabilization project, a development of project specifications, and a construction bid package, and completing a bid of the project to determine actual costs by FEMA. There are Phase I deliverables that the city would be responsible for such as engineering design and analysis, surveying studies, construction plans and bid documents, detailed cost estimates to implement the entirety of the design project, and benefit cost analysis required to determine the cost effectiveness of the proposed project. At the completion of the Phase I project we would inform FEMA of the construction costs of the successful bid and FEMA would decide if we are to receive that amount for the Phase II construction of the soil stabilization.

Mr. Klimm stated several questions had been asked at the last meeting that staff wanted to respond to. One question was where we would propose that the money come from. It is the staff's recommendation that for Phase I we utilize funds from the Storm Water Fund which was created for such projects. Obviously if we went into a much larger Phase II we would have to look at alternative funding sources. The Hospitality Tax has been mentioned as a possibility since the Willcox is our crown jewel for tourism and for our visitors. There has been a question as to whether our commitment to approve the grant obligates the city to the completion of Phase I and the obligation for Phase II. The answer in review of the documentation is that commitment for 25% of Phase I in no way commits the City or Council to proceed to Phase II for any reason deemed appropriate. We have gotten that very clear response from both FEMA and the Hazard Mitigation Grant Program at the state level. Mr. Klimm pointed out in relation to the comment regarding the high cost of Phase I, staff will put the project out to bid, and it will go to the lowest responsible bidder. Council retains the right to review the proposals and determine at that time when we actually have bids in hand whether or not we want to continue with obligating the city to pay 25% of the entire cost of Phase I. There is no obligation for Phase II. If there is any legitimacy to the vote that was taken in 2014 by Council, this is the highest priority storm water project that needs to be addressed and the potential for federal and state funding. If there is still legitimacy to that and if it is a

project that we do believe at some point we are going to have to address, he would suggest there may be merit in accepting the 75% federal and state match to get the work done.

The Federal cost-share of this Phase I grant is \$199,035 and the local cost-share is up to \$66,345. We would use budgeted money from the Architectural/Engineering line item from our Storm Water Fund [006-3170-467.32-04] for this evaluation.

Mr. Klimm stated staff is present to answer any questions.

For City Council consideration is acceptance of a FEMA grant for the Willcox Inn Soil Stabilization Project - Phase I totaling \$265,380 with a 75%/25% federal/subrecipient share cost.

Councilwoman Price asked Mr. George Grinton, Director of Engineering and Utilities Department, if the railroad company was aware of the soil stabilization project that we are trying to help with in the railroad cut and if the railroad would contribute any towards the project.

Mr. Grinton stated the railroad company is aware of the project, and they have provided the city with a letter of support. The support will come in coordination, helping us move equipment, allowing our equipment to be on their right of way during the duration of the construction if we go to Phase II. There have been no discussions of funding. He said from their perspective he felt they were not very motivated because as long as the railroad track is stable and not falling on the track, they are not that concerned. He said he did not think they would help financially.

Councilman Homoki asked if we have any facilities, talents, or materials that could go into the in-kind city portion of the cost of the project to reduce the cost. Mr. Grinton responded there is the opportunity to have in-kind match of the 25%. We would have to come with an approval for it and define what it is, get a value for it, and have it approved by FEMA. At this point we do not have that included in our application, and we did not indicate that we were going to do that in our application. He felt those types of things can be amended once the work is started.

Mr. Grinton stated he did want to say one thing about the Phase I elements. He stated FEMA granted us more money than we expect to spend because of the three work elements there are only partial amounts that need to be spent. For example, the \$70,000 for the site preparation was included in the \$265,000 number, but we will not be allowed to do that because that would be considered construction. What we are going to be allowed to do is very localized engineer geotechnical specifically directed grubbing so we can ascertain the design and the design package. We may only spend a few thousand dollars of that \$70,000, and we will only be obligated to the 25% of the amount we totally spend. Prior to completing a Phase II application we have to close out Phase I. The money that we do not spend in Phase I can be rolled over into Phase II and all that will be reconciled at the time that Phase I is completed.

Councilman Merry asked if the most we would be committing for the city to spend at this point is \$66,000. Mr. Grinton responded that is correct. That would be maximum if we spent 100% of the \$265,380.

Councilman Dewar asked if the city had to pay the money up front just like the ice storm issue. The city pays and FEMA reimburses the city. Mr. Grinton responded it is a reimbursable grant that we can apply for as we go along. The State will reimburse. They have a close out reconciliation. Assuming we have done everything correctly and spent it on the correct terms, then everything will be reconciled. He said we can ask for reimbursement as we go along with the project.

Councilman Dewar pointed out if we proceed to the Phase II we will need to come up with \$1.6 million to finish the project and wait for a period of time to get reimbursed. He pointed out the city's portion of the phase would be \$402,000. Mr. Grinton stated the

same thing would apply. The City would be allowed to request reimbursement as we go along with the project and be reimbursed at the rate of 75% as we move along.

Councilman Dewar stated as he recalled there was a good bit of time between our submitting our claim to FEMA and getting our money back from the ice storm. He asked if the city has \$1.6 million we could float. Mr. Bedenbaugh, Assistant City Manager, stated in terms of getting our money back from FEMA, from the storm clean up it took approximately 45 to 60 days after we filed the paper work to get the reimbursement.

Councilman Merry pointed out that the reimbursement can be requested along as the work progresses. The job does not have to be finished to request reimbursement. Mr. Bedenbaugh responded that FEMA does allow for progressive as you go reimbursement requests at mileposts during the project.

Councilman Ebner pointed out that this issue goes back to 2010 when we had a wind storm and it blew some of the trees down then. The Ellis's started applying for some type of relief due to the railroad. Congressman Joe Wilson and a number of others had to get involved. He actually went to the Railroad Commission to get the railroad to be helpful on this. It goes deeper than just FEMA. It actually started at the federal level and trickled down to us. Then the ice storm pushed it over the hump and the Willcox has actually lost some of their property twice already. He said it has been a long haul. A lot of other people have worked on this issue during the last six years. He wanted everybody to be aware that this did not just show up overnight.

Mayor Osbon thanked the City Manager and Mr. Grinton for getting more information to Council since the item was continued from the February 22, 2016, meeting. He pointed out that as a personal opinion, for projects like this he would like to have some advance opportunity to see, hear and understand them before they come to a Council meeting.

Mayor Osbon called for a vote on the motion by Councilman Ebner, seconded by Councilwoman Price, that Council approve acceptance of the FEMA grant for the Willcox Inn Soil Stabilization Project Phase I with the local cost-share of up to \$66,345 to be paid from the Architectural/Engineering line item from our Storm Water Fund [006-3170-467.32-04] for this evaluation. The motion was unanimously approved.

ANNEXATION – ORDINANCE

William Putnam
Owens Street
Dougherty Road
Apartments
TPN 122-13-02-015
TPN 122-13-02-029

Mayor Osbon stated the next item for consideration is second reading and public hearing of an ordinance to annex 5 acres owned by William Putnam located on Owens Street, approve the Concept Plan and zone the area Planned Residential (PC).

The title of the ordinance is:

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN CERTAIN PROPERTY CONSISTING OF 5 ACRES OF LAND, MORE OR LESS, OWNED BY WILLIAM PUTNAM AND LOCATED ON OWENS STREET AND TO ZONE THE SAME PLANNED RESIDENTIAL (PR).

Councilman Dewar moved, seconded by Councilman Homoki, that he would like to see the item continued and would like to see further appraisal of the property. The motion was approved by a majority vote, with Councilman Merry opposing the motion.

Mayor Osbon stated he knew there were some people who came to the meeting to speak and ask some questions about the item. He asked if Council would be willing to let those present make some comments.

Councilman Dewar moved, seconded by Councilman Ebner, that Council suspend the rules and allow those present to speak on this matter. The motion was unanimously approved.

A public hearing was held.

Ms. Veronica. Donovan, 385 Barnard Avenue, stated she is a business owner that would be affected greatly by the proposed annexation and plan for apartments. She said she speaks for the 11 other local businesses located on Owens Street.

Ms. Donovan felt an important issue is the lack of infrastructure. She pointed out if the apartment is a development for low income there may not be as many cars on the development, but people will be traveling by foot and bicycle and there are no sidewalks in the area except in front of Walgreens. She pointed out there may also be students walking to the school about a quarter of a mile from the area. The alternative for people would be to cut through woods and private property to get to Walmart, the high school or cross Dougherty Road. She stated foot and bicycle traffic is already dangerous for many people who travel on Whiskey Road. She noted Goal 6 of the Comprehensive Land Use and Transportation Plan which is to promote a transportation system which will accommodate but minimize the impact of automobiles, promote public transportation, and accommodate pedestrians and bicyclists. She felt this might not be feasible with the widening of Dougherty Road. Ms. Donovan pointed out that the surrounding area is zoned Urban Development and was previously a residential area, but has now become a commercial zone. She questioned putting residential in the commercial area.

Ms. Donovan stated she was greatly concerned about the police, fire and emergency medical services, garbage and recycling trucks trying to access the apartment complex in the afternoon when traffic is at its heaviest. She felt they would block traffic and cause a delay when rendering their services because the proposed road does not connect to Neilson. She pointed out there is no shoulder on Dougherty Road or Whiskey Road. She said Owens Street is a road that goes to nowhere and does not connect to anything. She pointed out that the Comprehensive Plan promotes fewer deadends and more interconnecting streets in developments.

Ms. Donovan stated the safety and livability of a residential area is supposed to be of utmost importance. She felt the multi-family complex would become one of the most difficult and unlivable areas in Aiken. She pointed out that the traffic on Dougherty Road and Whiskey Road has been a problem for a decade. Solutions have been offered, but nothing has been done so far. She said the Dougherty Road improvements have recently been moved to the Tier 1 Step.

Ms. Donovan stated she had a problem with the Traffic Impact Study that was provided by the developer. The 1% impact on traffic states there would be only 56 cars throughout the day. She felt careful consideration should be made as to how this would directly affect traffic. She felt there would be more than 56 cars going in and out of the apartment complex to meet the daily needs.

Ms. Donovan had a problem with the apartment being managed by a third party from out of town as they would not have roots in the community. She pointed out that the Hahn Village area which is a Section 8 multi-family housing complex has doubled the number of crimes in that area and she was concerned about that happening at the proposed complex as that would cause lower property values, increased insurance premiums and higher taxes.

Ms. Donovan stated, according to the city's plan, public housing should not be large complexes or concentrated in one area. She felt that if something is built that it should be smaller and tailored to what the traffic and environment can handle. Ms. Donovan asked that a proper drainage study be done because there is a huge flooding problem in the area. She said new developments have provided retention ponds but they disconnected the ditches. Water fills the ditches and flows over with no place to go. She pointed out that when it rains there is flooding underneath their building which is now causing a mold problem. She felt the infrastructure and support system of the community needs to be in

place before a residential development of any kind can be safe and successful. She pointed out that traffic problems and increasing accidents have been a problem for the city for a decade.

Ms. Donovan pointed out that Councilwoman Price had stated at previous meetings that the city needs to be proactive versus reactive. She felt the proposed development would put the city in a very reactive situation. She stated the businesses in the area are an asset to the community whereas the apartment complex would be a liability.

Ms. Donovan stated because of the short notice of the Council meeting other business members were not able to attend the meeting. She felt the city should do due diligence and research this a great deal more as there may be something else that might be a much better fit on the vacant lot. She distributed some pictures of the drainage issues in the area on Owens Street.

Mayor Osbon pointed out that Council had seen what the Connelly family puts out as a product. He stated they are very well maintained in those communities and highly regarded by the communities in which they are located. He said just because they don't live in Aiken does not mean that they would not be well maintained. He asked that Mr. Grinton, Engineering and Utilities Director, speak to the storm water situation in the Owens Street area.

Mr. Grinton stated the proposed development would be required to meet all state and city storm water regulations. They would have to comply and dispose of their storm water in a safe and practical manner. Mr. Grinton pointed out the area in general is in the county so some of the storm water problem is actually in the county. He said it may be something that the county has to address.

Councilman Dewar complimented Ms. Donovan on her presentation and stated she obviously did her homework. He said they might not all agree with everything she said, but he thanked her for taking the time to be diligent enough to present her views.

Councilwoman Diggs pointed out the comparison to Hahn Village with the proposed development. She stated Hahn Village is totally Section 8 housing and they are under the Housing Authority. She pointed out there are other housing units in the city that are doing well and noted the development on the by-pass off Rutland Drive which is a very beautiful complex. There have been no issues there.

Ms. Tracy Sims stated she has a business at the intersection of Whiskey and Dougherty Road and has been at that location about eight years. She said she was very concerned about the traffic and safety. She was concerned that the city would allow the housing development with that many cars to locate in the area with 60 units and 90 parking spaces when there are already traffic problems in the area. She was also concerned about foot traffic in the area. She pointed out that the city had not resolved the traffic and safety problem already there, and to allow the development would compound the problems already there.

Mr. Kevin Connelly, President of Connelly Builders and Development, and developer for the proposed apartment complex, stated he appreciated the opportunity for citizens and also him to speak. He said he would try to address some of the concerns and issues of the citizens. He said he did not dispute issues for the community regarding traffic and sidewalks. He pointed out that the city is working very hard to try to address some of those issues. He pointed out they did not create the problem, but they are coming into the situation. He noted that the Mayor had pointed out that they had reduced their community to 48 units rather than 60. They have also compacted the footprint so they would work with the city to allow a new connector road to go through to help alleviate traffic and hopefully sidewalks. He said the city is working on this. He said his development is not part of the problem, but are trying to be part of the solution. He said they want to help be a part of the solution. He noted that the flooding issues are existing issues. He pointed out that every year there are new development requirements. He noted that in other areas where they have built developments in the past several years, when they had the heavy rains and flooding they did not have any problems at their

developments. He said they did not have problems because they are already using the new methods and facilities. He felt they could be a part of the solution. He said they could not be the complete solution. New sidewalks and roads are needed as well as additional storm drainage. He said his company had agreed to a lot of requirements and may be one of the first to agree to some of those conditions. He said they are trying to do something to help solve the problems. He pointed out that their fees for the development will be in excess of \$200,000 for the facility. He said that was more than he is paying in a lot of larger municipalities such as Charlotte, North Carolina.

Mr. Connelly stated in other communities they endorse trying to put multi-family housing close to amenities so it is a walkable community and there is less traffic. He pointed out some of the problem now is that the businesses are downtown and all the housing is outside of town and people are commuting back and forth. He said that is a different point of view, but as communities grow they try to put people downtown so they do have less traffic problems.

Mr. Connelly stated in many cases they fence their properties to keep people from crisscrossing their properties just like other businesses do. He said they want to control the foot traffic as well. He said they are good neighbors in communities in which they operate and he could give several references to check. He said they don't allow their residents to trespass and if they do they should be fined for trespassing.

Mr. Connelly stated as far as lowering property values and crime in the developments, they have built in many communities, he has examples of where they have gone in and built in communities and they have increased the property values and decreased crime. Councilwoman Diggs asked Mr. Connelly why he chose the area on Owens Street for the proposed apartment complex. Mr. Connelly pointed out that the proposed development is not a Section 8 property. The property will have Section 42 tax credits which is much like the property noted on the by-pass. The State has a qualified allocation plan, and the plan has a point scoring criteria. He noted that he was one who helped make recommendations to the state agency, along with other developers, on some best practices. The developers list things they think would be good for the residents. He said when you put sites through a filter, whatever is on the bottom is a good site for a development. He said they created a list, suggested it to the State Housing Authority, and they accepted that as part of the recommendation. Things they look for is proximity to services so they are walkable communities. He said some working people don't make as much as others so they want to be able to walk to various stores instead of contributing to traffic. He said the distance to services is why the site on Owens Street was chosen. In response a question regarding the income range of residents, Mr. Connelly stated it is 60% of varied median income for Aiken County. He said the residents of the apartments are working people.

RESOLUTION

Purchase Property
Agreement
Option
Road
Traffic
Whiskey Road

Mayor Osbon stated for Council consideration is approval of a resolution authorizing the city to enter into an option to purchase real estate.

Councilman Dewar moved, seconded by Councilwoman Price, that Council continue the resolution to enter into an option to purchase real estate. The motion was unanimously approved.

RESOLUTION – UTILITIES 02292016

Project Full Court Press
Water
Sewer

Mayor Osbon stated the next item for consideration by Council is approval of a resolution authorizing the City of Aiken to exempt a manufacturing facility known as Project Full Court Press from the city's policy for the provision of city water and sanitary sewer services.

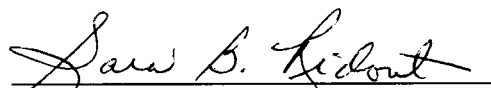
Councilman Dewar moved, seconded by Councilman Merry, that Council approve the resolution authorizing the exemption of the manufacturing facility known as Project Full Court Press from the city's policy for the provision of city water and sanitary sewer services.

Mr. Gary Smith, City Attorney, stated there is an economic development project in Aiken County presently that is looking to expand their facilities. The city has been providing water and sewer service and fire service to this facility. The city's most recent annexation policy that was passed in January, 2016, would make them be obligated to apply for annexation in order to receive water and sewer service. They are asking that they be exempted from that policy and not be obligated to apply for annexation. He said the purpose of the resolution is to grant an exemption from the city's annexation policy so the project can move forward with economic development.

Mayor Osbon called for a vote on the motion by Councilman Dewar, seconded by Councilman Merry, that Council approve the resolution authorizing the exemption of the manufacturing facility known as Project Full Court Press from the city's policy for the provision of city water and sanitary sewer services. The motion was approved unanimously.

ADJOURNMENT

There being no further business, Councilwoman Diggs moved that the meeting adjourn. The motion was seconded by Councilman Merry and unanimously approved. The meeting adjourned at 7:18 P.M.


Sara B. Ridout
City Clerk