

Aiken City Council Minutes

WORK SESSION

March 24, 2014

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

Others Present: Richard Pearce, Gary Smith, Alicia Davis, Judy Chun, James Sparks, Sara Ridout, and Channel 12 TV.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 6 P.M. He stated this was a work session to discuss a proposed Employee Engagement Survey and bonus payments for winter storm workers.

Mr. Pearce stated Ms. Judy Chun had made a presentation on an employee engagement survey at the March 10, 2014, meeting of Council. He said Council had expressed an interest in having an opportunity to take a look at sample questions for the survey that she proposes for an employee engagement survey.

Ms. Chun stated the process for employee engagement and employee satisfaction surveys is just as important as the outcome from the report. She distributed copies of examples of questions for the survey. She pointed out that the first answer that comes to an employee's mind is usually the right answer; otherwise they over think it. She said the process and questions are highly confidential not only for the employee being anonymous, but also for the proprietary material that Council is to see. She pointed out that the handout was exactly what the city's employees would see either in a paper version or in the on-line version. She pointed out that page 2 contains information about confidentiality of the survey. She said it pointed out that all of the results will be held in complete confidence. She said that is a reassurance to each employee, because it is natural for individuals to wonder if their boss will know the results. She said the data goes straight to the headquarters in Texas. The results are tabulated and then she returns the reports. The survey takes 10 to 15 minutes to complete. She stated pages 3 and 4 contain the actual questions. She said the survey questions are scientifically validated, which means anyone in any position, any gender, and any background can read the questions and all understand them the same way. It is very simple to read. There are both positive and negative questions which help assure that someone does not just go down and mark consistent 7's and 1's. They have to actually read each question or a distortion value will be shown. They have to select on a scale of 1 to 7 how they feel about the question. There are 22 questions with the optional 23rd question.

Ms. Chun stated the next section of the packet includes 20 additional questions that have been validated by the PhD department, both positive and negative. She said this had been prepared at Mr. Pearce's request to have additional questions for Council to choose from that have been validated in case Council wanted to substitute any of the questions on pages 3 and 4. She said that is a customization, but all the questions have been validated. She said the last material in the handout is the same sample report that Council saw at the last meeting. She said there was concern expressed last time whether it was actual data or reflected data of the Public Safety Department, so she revised it so it shows clearly the report is an example for X department. She said the survey is called an engagement survey. It also asks questions about satisfaction with the job, with the manager or management. She said engagement is so important because the end result for the city is to have, to the extent possible, engaged, productive employees because they are serving the citizens of the city while they are keeping costs low by being more productive. This will also help identify where we might have problem areas. She said then they come up with recommendations based on the specific data metrics that are derived from the survey results.

Councilman Merry asked if Council wanted to change some of the questions, how could that be done. He asked if there would be another meeting to go through the survey and change the questions. He asked what was meant by an optional 23rd question. Ms. Chun stated that could be done now depending on the time Council has available. On the optional question, if Council would like to know something such as what level, management, non-management, supervisory, staff position to drill down a little further by each department that could be done. She said it would be a circle response and would give the options.

Councilman Dewar stated if an organization is disengaged, what does that mean. Ms. Chun pointed out that on page 2 of the actual report sample, it would be the opposite of the company benefits from engaged employees. She said there are four levels of engagement in each organization whether it be a municipality or for a profit or non-profit. There is the highly disengaged employees which means they are extremely unhappy on the job. They let that perspective be known to all their coworkers. They may have a legitimate reason for the feeling that needs to be flushed out and resolved or it may be they are unhappy in whatever job they are in but they cause problems for the rest of the work staff. There is the disengaged who are late for work; they call in sick; they are not really vocal about their unhappiness, but they are not a productive employee. There is the engaged employee who shows up for work on time and does their job, but they don't have any personal stake in the success of the city's operation. The highly engaged employees are excited and enthusiastic. They use their own personal time to help promote the city's mission. For example, they work through their lunch hour. They stay a little late or come in a little early. They feel very much a part of the city's mission. The ideal is to have the majority of the employees on the engaged side. She said that would be shown on the graphs that would be prepared.

Councilman Dewar asked how the survey would locate the problems. He asked if it is clear with the questions that are asked that you can determine what stage of engagement employees are in. He said if the employees are disengaged, he felt the organization should want to know what causes them to be disengaged. Ms. Chun stated some of the questions will drill down, particularly to line management. She pointed out the proposed survey is a fairly inexpensive survey. She said the recommendations would be to come back and let them give the tools so they can go further and deeper with the concerns. She said the proposed survey would give enough information, as you can see from the sample report, where it will give insight into where the problems arise.

Councilman Ebner stated the information would just give the general nature of the problem. Ms. Chun stated the next steps that are on page 7 of the handout is a sample of where they would help identify what next steps you can take to get more specific information that will tell where you should focus your time.

Councilman Dewar asked if we wanted to save time, if there was an instrument that could give that information or a more extended version of the survey. He said Ms. Chun was implying a two step process. The first would tell you that you may or may not have a problem. He said if the results are that everyone is engaged or highly engaged, there is not a problem, but if that is not the case then Ms. Chun would tell us that we are at the point where we need to probe deeper and find out exactly what is causing the employees to be disengaged. Ms. Chun stated there are three ways to do that. You can use one of their other surveys which are more extensive and will take about 45 minutes to complete. She said it is a lot more expensive. She asked what is Council's goal in wanting to conduct a survey. Councilman Dewar stated he had indications there are morale issues within the city, and he wanted to know how to validate that. He wanted to know if we do have a morale problem in the city. He said all of Council had had indications one way or another. Councilman Merry stated if there is a morale problem, then they want to know if there is a common theme or cause for the problem.

Ms. Chun stated the survey will tell you what the issues are. She asked if they would be surprised if the survey said that the city does not have a morale problem. Council indicated they would be surprised. Ms. Chun stated that would be result number 1. She said the survey would tell Council if there is a problem or not.

Councilman Ebner stated with his background, the surveys they did internally with corporations that he worked for, they went the next lower level the first time. He said surveys were done on a periodic basis, different times of the year, etc. He said they got down to a person's task, asking if the employee was happy with their task. He said what we are looking for is if the employee is unhappy because they were told to do something but they know that is not the right thing because they have been doing it for 20 years. He said the proposed survey does not get that low.

Ms. Chun stated she felt it would give the information Council is seeking. She said we would have the actual data for each of the questions that is asked—the actual data response. She said if you look at the questions that are being asked, such as, I often feel energized by my work. She said if 80% of the respondents chose 1, 2, or 3 that is in the lowest group, but if you have 80% in the 5, 6, or 7 groups that will give you your answer. She said the same applies for their managers, such as, "Management is committed to advancing our skills and providing us with job opportunities." She said that goes with satisfaction with their boss and city management. She said if the majority of the respondents are in the 5, 6, or 7 category that will tell you something completely different than the 1, 2, and 3.

Councilman Ebner stated in his experience the questions were typically more pointed to the work force. He said in this operation, there is only part that run 24-7. He said we are looking for the unhappy employees so they don't shut your plant down so you ask a few more detailed questions that might have an (a), (b) or (c) under them, such as, what has management done for you, what you would like to do different, and how can we improve your job. He said that is the type he has been used to. He said whether that would fit this occasion he does not know. He said the city does have people who have very repetitive skills in the city. He said they were looking for the repetitive type issue as well as happiness on the job.

Ms. Chun said that is a different set of criteria. She said what we are looking for in this approach is scientifically validated data that you can rely on. It is not subjective; it is objective. She said if Council wants to drill down to the next level, she would recommend that we provide Ms. Davis with a survey that can do that, which is not necessarily computer based. She said when you are writing in suggestions or comments, it is a different process than a validated survey results. She asked Councilman Ebner what his goal was.

Councilman Ebner stated his goal is a little different because of what he is used to. He said a lot of the tasks in the city are repetitive and a lot of tasks are identical to employees that worked for him in the past.

Councilman Homoki stated if we do a survey he felt it should be done later, because a lot of employees have been working very hard cleaning up after the ice storm. He said there may be a lot of employees who feel like they may have been taken advantage of and there is still some determination on compensation as far as he knows. He said if we do have a survey, we need to wait a while.

Councilman Ebner stated he agrees with that. He said we all have an expectation depending on their backgrounds. He pointed out where he worked previously the surveys were done on a regular basis, but at random times of the year. He said we sure don't want to do a survey since we just had an ice storm. He said his expectations were another level down.

Councilman Merry stated the first purpose they all shared and the reason for wanting to do a survey was to determine if there is a morale problem. He said the proposed survey to him does seem to do that in a confidential and objective way. He said he suspects that after presenting the results you might present a recommendation for a drill down and then propose a step 2. He said the option would be if there is a more extensive way of doing it now and getting a drill down now as opposed to doing this survey to see if we need a drill down. He said he had received a lot of input that a lot of the other Councilmembers had

received about there being a morale problem. He said the survey would be the most objective way to determine that. He said if we were to get the results that most employees are highly engaged and engaged, we would not need to go to step 2. He pointed out the proposed survey is less than \$2,500 to do all of our employees.

Ms. Chun stated that is correct. She said the survey would be by departments so Council would be able to look at each department in its own unique way. Then you could make a decision by department if you want to drill further or not. She said they have a plethora of tools to help.

Mr. Pearce stated he wanted to put this proposal out for Council consideration, but would do what Council wanted to see done. He said the city does an annual evaluation. As part of the annual evaluation, we do ask our employees how we can help them do their job better or training that would be helpful. He said that is more one on one with the supervisor. He said, depending on what the initial survey would show, we could tailor those questions in the annual evaluation more to the areas that might show there is an employee engagement issue.

Councilman Dewar asked to what level the survey was written. He pointed out we are dealing with people who are digging ditches up to people who have masters degrees, attorneys, etc. He said when we ask the question does my job energize me, he would like to know that the questions on the survey will be read the same by the City Solicitor the same way as read by a guy who mows the grass.

Ms. Chun stated the fact that the questions have been validated for all genders, all jobs, status levels, all races, etc. means that it will be read the same by everyone.

Councilwoman Diggs asked if the survey would be voluntary. She said they talked at the last meeting as to whether the employees would be required to take the survey or if it could be done on a voluntary basis.

Ms. Chun stated they recommend that the survey be done on a voluntary basis. She said there is a measure that tells you the result for the folks that want to take it. She said if only 25% of the work force wants to take the survey, that gives you information there that you have a disengaged work force.

Councilman Merry stated he asked about that last time. He said he adheres somewhat to the theory that you can have 10 satisfied customers that won't tell anybody, but you can have 1 dissatisfied customer that will scream from the mountaintop about it. He felt this may be similar. He said if you make it voluntary, the only people who will speak up are the dissatisfied employees and they will scream from the mountain tops. They want to tell you how bad the city is. The 75% of the people who don't feel that way, will say things are great and they don't need to take a survey. He felt we could possibly end up with results that may not be accurate. He said that was just his sense. He said we may just hear from the disgruntled employees. He said if he was ticked off about something, and he was given a survey, he would complete a survey. He said he feels the survey should be made mandatory. Then at the least we could say we got information from everybody.

Councilman Homoki asked whether you lose substance if you go with a preliminary survey with the 23 questions as suggested. Then later when you find you have a problem, you administer a deeper type survey. He asked if you lose anything when you do that or would it better to actually go for the deeper survey first. He said once you do a survey and you get resurveyed, there is probably a feeling that something is wrong. People will almost automatically think they are digging for something. The employees might get too defensive.

Councilwoman Diggs stated you have to know that you will have to consider all kinds of attitudes. She said when her company does their employee satisfaction survey, there are a lot of employees who say they are not going to do it because it is a waste of time. They may say they are dissatisfied, but a survey is a waste of time and that no one is going to

care what they have to say anyway. Then there are others who will think the survey is too long, and they don't have time to complete it. She said then there would be the few who will take the survey voluntarily. She said when we do it voluntarily; we lose a lot of people because we are not really getting a good reading on what the majority really want, because they won't tell us. She said if we don't make them take the survey, then we will never know.

Councilman Dewar stated Ms. Chun had mentioned doing the survey by departments. He asked how she would mechanically run that process. Ms. Chun stated there would be a different protocol for each of the departments so the results could be determined by department. Councilman Dewar asked if the survey would be a different version for the various departments or if the survey is targeted towards the actual operation for the department. Councilman Ebner stated the survey does not get to that level. It is implied and you go deeper. Ms. Chun said the questions would be the same for the departments. Councilman Ebner asked who the survey should come from. Should it come from City Council. He said the front page says City of Aiken Office of ? He asked if the cover should say City of Aiken City Council sponsored and then Ms. Davis would go out and tell the employees that they should take the survey. He asked about the protocol for administering the survey.

Mayor Cavanaugh stated the survey should include City Council as well as the city staff. Ms. Chun said the survey is for city employees. Councilman Ebner stated it could come from City Council. He asked what the title would be. He asked if it should say City of Aiken, City Council Members. Ms. Chun stated she would suggest a cover memo or letter and have a joint notice to the employees that City Council has raised the issue and that the City Manager has recommended that the survey be conducted--just the factual truth. She said the report is for your eyes only, so however you want the report to be set up is fine. The next step is releasing the results to the employees. She said they would provide specific recommendations by department on how you might want to do that to share the information with the employees.

Councilman Dewar asked how you eliminate the likelihood or the possibility of supervisor interference with the survey and wanting to see the employees' answers. Councilman Homoki asked if there is a chance Council could take a look at the blacked out prior survey so Council could get an idea of what we are really going to be seeing. It was pointed out that information was in the March 10, 2014, agenda packet. Ms. Chun stated it was also included in the packet that Council has today. Councilman Homoki stated he did not think it really digs into the problems. Councilman Ebner said in his vernacular it would be a philosophy check. Then you would go from that and drill down. He said the ones he had been very familiar with do it all at one time. He said you get the philosophy and send it to the operators, mechanics, first line, second line, etc. He said it was very similar, but they went to the next lower level the first time. Councilman Homoki stated he did not want to bad mouth the report, but the report is really not something they could do anything with or make any kind of determination on what they see. Councilman Merry stated the report would lead you to either choosing to go to the next step or not. He pointed out Ms. Chun had said the next option was a more involved and deeper looking survey and is much more expensive. He felt the reason Mr. Pearce liked this survey is because it is very low cost and fast for the employee to complete. He said the next level might possibly be combined and just do one step. He said it had been mentioned that it was a lot more expensive.

Ms. Chun said the next level survey is very expensive, and it may come back in recommendations as well, but it would be something you would need to budget for. She said she would like to offer a couple of options for Council to consider. She said in getting back to the question on confidentiality, if the survey is taken on a computer the individual will log in. They will assign their own password. This is where management and Human Resources have to come in and let the supervisors and managers know that they are not to stand behind those individuals. Councilman Dewar stated how do you insure that it does not happen. Ms. Chun stated she could give some specific tips. One is that computers be set up in a confidential area, and you give employees 10 or 15 minutes of their regular work time to come in and take the assessment. She said there are several ways that can be done. She said if you have more concerns in certain departments then

use a different protocol than in other departments. She pointed out that there are some individuals who don't want to use a computer, don't know how to use a computer, and don't have access to a computer. In those cases she said the paper surveys are delivered and she is the proxy. She said she makes sure it is done in a confidential manner.

Councilman Dewar stated the employee would get the paper survey. They would fill it out. They would probably get an envelope to put the survey in and seal it. Ms. Chun stated it would be like a HIPPA document. Councilman Ebner asked if the employee could do it on their home computer as well. Ms. Chun said that would be their decision on how they want to set it up. It can be done from a person's home computer. They could log in the same way as if they were at work, and they would assign their own password for it.

Councilman Homoki asked if the employees taking the survey see the questions prior to taking the survey. He asked if they are put on a website or is it like a test. The first time you see it you have to respond to it. Ms. Chun said the latter is right. She said part of the validation is that when you look at a question the first reaction to that question is the truest response. If you give people time to look at the questions ahead of time, the survey will not be as objective. She said the way to get to their concerns perhaps is to tailor the questions so it drills to the kind of issues that Council is interested in. She pointed out if Council is concerned about pay, there could be a question on that. There could be a question on work being repetitive. She said these questions could get to Council's concerns.

Councilman Dewar stated when he first thought about making a motion for the survey, his idea was that we would have a survey. The city would have no part of it. The employee would be given a piece of paper with questions, fill in the blanks, etc. or however the mechanism is best suited. The employees would complete the survey, and they would send that to a firm. That firm would report directly to Council. He said that is what happens with the audit or what is supposed to happen with the audit where the auditors give the report to Council. He said that is what he is looking for. He said to be frank, if you have a morale problem you are talking about issues with existing staff, existing supervisors who may be part of the problem as well. Anybody in the chain can be part of the problem. The concern is that we ask folks to participate in the survey, and Council won't be around when the survey is completed so you have to be concerned about interference with the process. He said it is easy for those in this room to say you have a room with a computer that you put the employee in and close the door and everything happens. He said it sounds wonderful, if that is the way it really works. He said quite honestly he does not want to know how engaged people are. He wants to know if we have a morale problem. If we don't we are fine. If we do, then Council has to decide what it wants to do to address the problem. The more details Council has, if that is the case, the more Council can learn. He said an engagement survey seems to say that people are generally okay or not okay, but he was not sure it tells you why they are or why they aren't. He said the other issue is that we have 440 employees. He asked if there is a magic number of surveys to be completed for the survey results to be good or bad.

Ms. Chun said to the first observation there are processes and procedures that would need to be implemented to make sure that the surveys are anonymous and confidential. She said they would work with HR to implement those processes and procedures. She said the idea of having some employees who have computers take the survey at home is a very good idea for example. Making work time available is what they encourage clients to do. It would not have to be done at lunch unless the employee wanted to. The city would make work time available. She said the results either go to her or into the computer and no one else sees them as they go to the Texas headquarters, and the report is tabulated and comes back to the city with degrees of each of the answers. She said Council can customize the questions to drill down and that may be a good first step for the city. She said the word engagement is synonymous with satisfaction which is synonymous with morale. She said it could be called a morale survey, an engagement survey, or a satisfaction survey as they all mean the same thing.

Councilman Dewar stated when the survey is done on a computer does it monitor how long it takes the employee to do it. Ms. Chun stated they have the capability built into the system so we know when a person starts and when they complete it, but it is not something we normally monitor. Councilman Dewar stated he would expect whether the survey is written or done on a computer that some of the employees will take a lot longer than others to complete the survey. He said that is why he asked the question about grade level it was written to. He said it will take some employees a lot longer to complete than others.

Councilwoman Diggs asked if the employee would be able to complete one section, and if something came up and they could not complete it that day, they could come back to the survey and complete it. Ms. Chun stated they could using their own pass code.

Mayor Cavanaugh asked once the survey is completed and the information comes back to Ms. Chun and the information is given to "us," who is "us." He asked if that would be City Council and staff as well. He asked about that step. Ms. Chun stated they normally give to both at the same time—the Council and management at the same time along with recommendations. She said she would debrief management and City Council. Mayor Cavanaugh stated suppose there are a number of issues where employees have been negative about things, and we feel we need to look into this, how do you go about that. Ms. Chun said depending on the results they would customize the next steps--that would be everything from controlling the costs. Mayor Cavanaugh asked Ms. Chun if she was saying use different questions, different ways of saying things, and doing it all over again. He asked if we could use the information we have from the survey. He said when the information comes to Council and Council sees it, what does Council do with it. He asked if Council goes to the City Manager or the division heads. He said Council wants to do something about the results, but does not want to do another whole survey necessarily.

Ms. Chun stated the report by department would be very illustrative and give great insight. She said when the information is given by question by answer, it will give more information. The recommendations they provide will not be to go through the same process again. It will be something different. She said if we are to help control costs, if that is the number one objective, then it would be to assist with an in-house next step. If there is a budget for it, and Council wants to create a budget for it, then they would give Council additional recommendations. She said that is the approach and would really model after the real good employees and working with the employees that need to be worked with.

Mayor Cavanaugh stated it seems, as others have said, that we are going so far, but we are not really getting to understand what the problem is. He felt to do it all over again with other questions, that we may still not be able to get to the problem. Ms. Chun stated that is where customizing the questions will give insight. Mayor Cavanaugh stated it seems though that at some point in time somebody has to talk with that employee. If it is to do any good, you have to be able to approach the employee if you see something that really bothers you. He said he was wondering who would be the proper person or persons to do that.

Ms. Chun stated there are the supervisors, the directors, and the management, and they should know what is going on. If they don't, then there is a problem with that supervisor or manager. If he or she doesn't know what is going on with the staff there is a problem. She said as mentioned at the last meeting, Council is here, and there may be problems down here, but unless the team is not letting you know and carrying that through the layers, and in some cases indirectly, then you will not know what needs to be fixed. She said certainly if there is a really disgruntled or unhappy employee or an employee just in the wrong job so they can't advance or they really feel they have been treated disrespectfully or whatever the case might be, the supervisors or managers should have that information, and they should be getting that to Human Resources. Then a specific plan of action is developed. She said the survey, because it is confidential, was intended to address the immediate concerns or the initial concern, which is whether we have a morale problem. She said the survey will tell us that answer. She said then to some

extent, we can drill down on where the problem lies. She said with any kind of Human Resources function, you should know where there are problems with individuals that you can help or weed out depending on the circumstances.

Councilman Homoki stated the problem here is that Council is trying to charter a survey, but they really are not managers as Mr. Pearce will tell you. He said Council is hardly allowed to talk to some of the individuals that work for the city. He said it would be nice for Council to find out exactly what it is. He said perhaps someone needs to be sent to a different department, but that is not Council's job. Council can't do that. He said he was trying to figure out what Council will learn from the initial survey. He asked Ms. Chun if 150 people answer the survey out of the 440 employees, if she felt they would highlight or mask a morale problem. He said that is where they started.

Councilman Dewar stated he would be disappointed if only 150 out of 440 employees filled out the survey. He felt we have to take a lot of things in context. He said from Council's viewpoint they are evaluating city staff. He said they would not be evaluating one department or another. They would be evaluating city staff. He said if the report comes back that says we have an issue or we don't have an issue then Council will have to deal with that. He said the frustration you are talking about is that it is a nice perspective assuming that everybody is perfect. He said if we have an organization with a problem at different levels, then some of the things you think will happen will not happen. The supervisor could be part of the problem causing employee morale to be low. The supervisor's supervisor could be part of the problem. He said we just don't know. He said what they are looking for is a mechanism to evaluate the work environment for the City of Aiken that will tell us whether we have a problem and hone down to the problem as best we can. Ms. Chun stated the survey is the tool that will help to do that. Councilman Dewar stated when he originally mentioned the survey as managerial, the idea was that Council would deal directly with the person doing the survey and that person would give Council the report. He said Mr. Pearce was to give Council a list of companies, one of which Council would select. He said he thought that is where he thought we were headed. He felt the number of people that respond will be very important. He said they have to recognize reality, and that is that some people don't have the computer skills to fill the survey out on the computer. Ms. Chun stated that is why she would provide the survey on paper. Councilman Dewar stated even doing it on paper, will take some employees longer than others.

Mr. Pearce stated the vote of Council was to identify a company, not a list of companies. He said staff had talked to several different entities, and Ms. Chun seemed to have a very good comprehensive initial approach at a very good value to the taxpayers for us to see if there are hot spots, problem areas, etc. He pointed out there is an annual evaluation process. If we have areas that have been identified then from a manager's perspective he would like to know if there are particular departments that have an issue, or if there are different levels of the departments with issues so we can concentrate any efforts where needed. He said that is something that would come out in the evaluation with the supervisors. He pointed out we do a supervisors' training. He said once Council has the results, the audit report, that would give us an opportunity to develop an action plan so we know that we are addressing concerns of the employees regardless of the level they might be working.

Councilman Dewar stated it is easy to criticize, but hard to resolve. Even if you ask what department the employee is in on the survey, there will be some people who feel that they are being spied on and that we will know who is completing the survey. He said we have some small departments so it might be possible to know who completed a survey, but in the larger departments that might not be the case. He said Councilman Ebner honed in on the question as to what does Council do to encourage people to finish the survey. Councilman Merry stated he felt the survey should be mandatory. He said if you only get 150 surveys back and you are suspicious of possibly a supervisor, the supervisor might have only picked their 10 best people to fill out the survey. He felt the survey should be required of everybody. He said he felt that possibly the next step might be to bring back the idea of a grievance procedure. He said that might tell us if there is a morale problem and to some extent might identify the department or what the morale problem is. He said assuming there is a morale problem, if there is a grievance procedure where people in

some anonymous way can air their grievances now and in the future if they feel something is unfair, there is a way to get feedback through the grievance procedure. He felt we could never come up with a system that we could make everybody feel perfectly sure that they are not being spied on. He said he believes the proposed survey would be confidential, but some people will doubt it no matter what. He felt we would never get a list of questions that can really drill down to everybody's concerns. About the only thing you can do is give them a piece of paper and offer a confidential way for them to give their opinion.

Councilman Homoki stated Ms. Chun had said that a survey that digs down deeper is much more expensive. He asked what is much more expensive. Ms. Chun stated what she would like to recommend is that they need to know where the problems are first. She said the city needs to know if they have a big problem, little problem, or no problem and that it be by department. She pointed out that each culture in each department is different because their duties are different and the management is different. She said the recommended survey is an inexpensive way to get that information. The recommendations that would come from this would depend on what level the individual is. She said she would recommend that they go through the performance evaluations that Mr. Pearce referred to earlier. She said if the survey shows the employees are highly disengaged, then what are the evaluations telling you from that department. She said some of this should not be a surprise to you. Drilling into the performance evaluations should give them an idea. Talking to the supervisors and directors would help as they know a lot more about the opportunities to improve productivity, performance and satisfaction.

Councilman Dewar asked if there are other optional questions they could consider. He pointed out there were 22 on the survey. He asked if there were others.

Councilman Homoki stated suppose we give the proposed survey to 440 employees and we get the results back. He asked how you discern where the person is in the structure. It could be someone who supervises 25 people that is very unhappy or it could be the person on the bottom of the totem pole. He asked how you differentiate. Ms. Chun said if Council feels that is important then she would recommend that information be included in the survey as the 23rd question on the survey. She said the question would depend on what is important to Council whether the employee is a line position, staff position and what level. Councilman Merry stated he felt we have to be careful doing that because it takes away some of the confidentiality. If an employee wants to say something negative about their job or their employer, they don't want to give any information as to who they might be.

Councilman Dewar stated he was right, but we need to face it that this is a tool for the employees as well as for Council. If they are interested in identifying accurately the work environment, they should want to give the information. He said he could not imagine anyone being upset about saying whether they work in Public Safety, Public Services, or Engineering and Utilities. He said they would be one of a bunch of people in those departments. Councilman Merry stated he was talking about going down further and asking if you are a supervisor, etc. Councilman Dewar stated we could probably only ask one of the questions because if you ask two, you may be able to identify the individual.

Mr. Pearce stated when we were proposing the Survey Monkey survey we had those kind of questions and the message he received from Council is that you did not want to go that way. He said Ms. Chun's survey seemed to answer the concerns that we had when we discussed it before. He said at some point in time we just need to do the survey and get some results back. Then management could have a recommendation about some paths forward. Councilman Dewar stated we need to have a survey that will encourage the employees to participate. He said we need to explain clearly to the employees that the survey is between them and the survey company. He said if they get any indication that there is any way to identify who they are we have lost everything and credibility with them.

Councilman Dewar stated he would like to think about the proposal and look at the optional questions. Mr. Pearce asked if it would help Council if they are allowed to take the optional questions, and then Council could send in the questions they would like to see on the survey. That way we could put together a survey.

Councilman Homoki stated he felt they should leave it to the professionals to decide what the questions are. They know exactly what we are looking for. Mr. Pearce pointed out that they had the benefit of the discussion today as well to see what the different issues were among Council. He said that is the reason for the worksession to make sure we put together something that will yield the results that will help Council.

Mayor Cavanaugh stated we may need another worksession soon to talk about it some more. Mayor Cavanaugh thanked Ms. Chun for being present and for the discussion.

STORM WORK COMPENSATION

Mr. Pearce stated he had one other item. He said Council had talked at the last meeting about compensation for folks who worked during the three days of Winter Storm PAX. He said there were about 261 people that worked at some level over the three days that the offices were closed. Of that 261 people 71 worked three days or more time. Another 72 worked two or three days, 93 worked at least a day. In sitting down with Finance there is a pool of funds. FEMA will look at reimbursing us for the overtime pay that we have paid. There is the pilot program which was mentioned before. He said the pilot program would be the first 72 hours of the response to the storm. He said staff had not met with the case worker yet. The case worker has been assigned. He said the understanding under the pilot program is that FEMA would pay time and overtime. There is potentially a pool of money for us to pay a bonus. There are some special holding funds that are for right-of-way work, which is where the employees have been working clearing the right-of-way and then removing the debris. He said as Council knows people who did work were paid. If they worked more than 40 hours, they were paid their regular time plus overtime. The concern was whether a bonus should be paid. He said we have a pool of funds of about \$50,000. He said 261 people worked in some capacity, with some working as little as a quarter of one day. Some worked three days or more. He said staff looked at \$100 a day for the work during the ice storm as a potential bonus. There would be funds to cover that. He said Council would have to approve an ordinance, because the proposed bonus is not in the budget. This would be an amendment to the budget. He said before he prepares an ordinance to amend the budget, he wanted to bring the matter up in the work session to make sure the ordinance, if brought to Council on April 14, 2014, would be in line with what Council was thinking we would do to recognize the employees who worked during the storm event.

Councilman Dewar stated he wanted to clarify why he brought this forward. He said he brought this forward because he got a complaint regarding a promise made to pay overtime for three days for the employees who worked during the ice storm. He said people were going to get their regular pay if they stayed home and did not come to work. He said whether it was right, a mistake or whatever it was, there were people who went to work during the storm for the three days during the storm who were working with the expectation that they would get overtime. The checks that came did not show overtime. He said he was not speaking to all employees. He said Mr. Pearce said there was an IT person who worked for a couple of hours and came in. He said that was not the person he was talking about. He was not talking about Public Safety either, as their schedule did not change at all with the exception of possibly some dispatch people who came in to handle calls. There was no question that those people came in. He said his concern in bringing this issue up was only for those employees who were told they were going to get paid overtime and did not. He said he also mentioned to Mr. Pearce that there was no question that staff did an admirable job and is doing an admirable job now. He said at some point in time, they need to be recognized collectively as a group. This issue was just for the people who probably came in from Parks & Recreation, Public Services and Engineering & Utilities employees who were led to believe they were going to get overtime and did not for the three days of the ice storm. He said some of the overtime may have been paid. They could have worked overtime already. He said some could

have worked all three days and not received any overtime. He said he was not talking about 261 employees.

Mr. Pearce stated we do know the employees who worked and those who got paid overtime. He said we have the time sheets. He pointed out there are hourly employees and salary employees. He said we were trying to be fair for everyone who worked to potentially make them eligible for the bonus.

Councilman Dewar stated that was not the issue. It was only trying to be fair to the people who were promised the overtime. He said he would assume that would be the hourly workers.

Mr. Pearce stated there was an email that went out. He said he gave Council a copy of the email and the follow up email which was very clear that said once you work over your regular work time, then they would qualify for overtime.

Councilman Dewar stated following that email there was a catch up because it was dated February 26. Mr. Pearce stated that was before the paychecks came out. Councilman Dewar stated that was not his understanding. Mr. Pearce stated he had talked with the department directors, and he was not aware of any supervisors who were saying come on to work because you will get paid overtime. He said he did not have that information. He said we do have the actual hours worked. He said to try to rectify a situation would be difficult. He said with the first winter storm, we awarded comp time for the employees who worked. He said the difference with this storm is that we do have money that will be paid to the city for the work time and overtime which does create that pool of money to be able to pay a bonus to the employees who came to work.

Mayor Cavanaugh stated the matter was not going to be settled at this time. He said it is time to adjourn and go to the regular meeting. He said there needs to be another meeting to talk about it. He said Council needs to get together again anyway and try to resolve what we want to do about an employee survey. He said Ms. Chun had taken her time to come to Council. He said Council needs to say yes or no or whatever Council wants to do. He said we need to schedule another work session.

Aiken City Council Minutes

REGULAR MEETING

March 24, 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, Maayan Schechter of the Aiken Standard, Andrew O'Byrne of the Aiken Leader, and about 16 citizens.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 7:05 P.M. Councilwoman Price pointed out she was not present at the last meeting because her husband suffered a heart attack the day before the meeting. She said she personally wanted to express thanks to those who made phone calls, sent emails, flowers, and made some special contacts with her husband. She said that was very special to him. She pointed out we go about our busy schedule not realizing that things can happen in seconds that can be life changing. She said her family was especially grateful for what God has brought in their lives and her husband's recovery. Councilwoman Price led in prayer, which was followed by the pledge of allegiance to the flag.

GUIDELINES

Mayor Cavanaugh reviewed the guidelines for speaking at the Council meeting. He asked that those who would like to speak raise their hand and be recognized and limit their comments to five minutes. He pointed out that citizens could only speak on the items on the agenda.

MINUTES

The minutes of the regular meeting of March 10, 2014, were considered for approval. Councilwoman Diggs moved, seconded by Councilman Ebner, that Council approve the March 10, 2014, minutes as submitted. The motion was unanimously approved.

BOARDS AND COMMISSIONSAppointmentsMichael GibbonsAccommodations Tax Committee

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

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

Councilwoman Diggs has recommended the appointment of Michael Gibbons to the Accommodations Tax Committee to replace Todd Lista who has resigned. If appointed Mr. Gibbons' term would expire March 25, 2016.

For Council consideration is the appointment of Michael Gibbons to the Accommodations Tax Committee.

Councilman Dewar moved, seconded by Councilman Merry, and unanimously approved, that Michael Gibbons be appointed to the Accommodations Tax Committee with the term to expire March 25, 2016.

Councilwoman Price stated she would like to recommend Charles Matthews to replace Terry Provost on the Planning Commission, JoAnne Saunders for the Arts Commission, Angela Key for the Accommodations Tax Committee, and Helen Simpkins for the Senior Commission.

WATER AND SEWER RATES – ORDINANCE 03242014Water RatesSewer Rates

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing on an ordinance to adjust the water and sewer rates.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE ESTABLISHING NEW CHARGES FOR WATER AND SEWER SERVICE.

Mr. Pearce stated the proposed ordinance goes back to a discussion Council had at the Horizons meeting as well as budget discussions we have had for several years. Those discussions have talked about the need for considering inflationary pressures and their effect on our budget. That was something we looked at the last time we visited the water and sewer rates. In the meantime we are seeing that a 10.5% shortfall is very possible before the June 30, 2014, end of our fiscal year in our water and sewer fund. Water and sewer revenues are not meeting the projections. The water and sewer rate adjustment proposed by staff is something that will help in our capital program and capital needs to

keep our system operating. He said the water and sewer system are expected to work 24 hours a day seven days a week, 365 days a year. In particular we have had a Consent Order from DHEC. The city is required to install a filtration system at the Shiloh Springs water facility on the northside of town. We also have the water plant we are constructing on Silver Bluff Road, which is new technology. That is something we studied for several years, had a consultant involved, bid the project out, and it is now under construction. This water plant will help us provide better water service and also help with new customers on the water utility system. He pointed out Aiken's population has continued to grow. One thing Council has been very supportive over the years with the utility system is to make sure we make the proper investments at the proper time and maintain as modern a facility as possible. He pointed out the city is in the process of installing new water meters, and will install several thousand of them over a three year period. He said the meters are significant in that they don't have moving parts, but have the ability to measure the water flow. They don't have moving parts that will wear out over time. With our existing system we have an impeller system which spins so it wears out over time and may not be as accurate over time. The meters also have a battery. He said Aiken was one of the first cities in the state to have a remote meter reading of the usage of customers service at their residence or business. That eliminated the need of having meter readers who would have to physically flip up a lid and take a reading and write it down. Presently that is all done remotely now wirelessly. We have had several cities who have studied the system. He said we have worked with Badger and have a system in place now which we think will be very accurate. He said we are trying to make necessary replacements so customers of our water utility pay for the water they use and not one penny more.

Mr. Pearce stated with the investments in the system, the extra \$1 per week that we are asking the typical water customer for helps us purchase this equipment and helps us make sure we have money in place when the bills come due for modernizing our system.

For Council consideration on second reading and public hearing is an ordinance to adjust our water and sewer billing rates.

Mr. Pearce stated at our March 10, 2014 work session and Council meeting, staff presented a proposed rate adjustment to our water and sewer rates. We presented seven factors that show a rate adjustment is needed now to:

1. Pay for the Silver Bluff Water Plant construction.
2. Fund water meter replacements over a three-year period.
3. Fund our share of the Shiloh Springs Filter installation project to meet requirements mandated by a Consent Order with the South Carolina Department of Health and Environmental Control.
4. Fund our System Depreciation Account to have money available to pay the bills we know are coming due to replace our aging system equipment.
5. Fund a multi-year comprehensive installation of generators at our Shaws Creek Water Treatment Plant and sewer lift stations to ensure they will continue to operate in spite of any power outages that may occur.
6. Establish a rate that is more consistent with covering costs of operating our water and sewer system.
7. Cover the effects of inflation on our labor and material costs.

As Council voted on first reading, this Water and Sewer rate adjustment ordinance is amended to include these seven factors that have made this rate adjustment necessary.

Mr. Pearce pointed out that staff had surveyed 30 other water systems in the state that are comparable to Aiken. Even with the proposed rate adjustment Aiken will be the fifth lowest amongst the 30 cities.

Mr. Pearce stated the specific items listed in the ordinance, as requested by Councilman Ebner, are to pay for the Silver Bluff Water Plant construction, fund water meter replacements over a three year period, fund the city's share of the Shiloh Springs Filter installation project mandated by a consent order, fund the city's Depreciation Account with funds we know we need to replace aging system infrastructure equipment, fund a multi-year comprehensive installation of generators to operate our water and sewer system including staffing levels for water and sewer system work and maintenance crews, establish a rate that is more consistent with the cost expected to operate our water and sewer systems, and to keep rates adjusted to cover inflationary impacts upon labor and material costs. He said everything we have seen in our publications is that there will be a 1.7% to 2.4% inflation factor for our utility system.

Councilman Ebner moved, seconded by Councilman Merry, that Council pass on second and final reading the revised ordinance to adjust the water and sewer rates beginning with the April 1, 2014, billing.

Councilman Dewar stated he had several questions. He said with regard to the seven items that are listed in the ordinance, item 4 says to fund our System Depreciation Account. He pointed out there is no amount. He wondered if it should mention the amount of \$1.2 million which is what we have always considered as fully funding our Depreciation Account.

Mr. Pearce pointed out that is done in the budget process. Councilman Dewar stated he understands that, but the budget process does not seem to be working because we have not fully funded depreciation since 2008. He said the depreciation account has been short for several years and a couple of years it was zero. He pointed out in 2012-13 the Depreciation funding was \$580,000. He said he was looking for a mechanism to force us into fiscal responsibility. In other words, we say we are going to fund the \$1.6 and we charge staff with telling Council if it is not going to happen for any reason. He said there are reasons it can't happen. He said he hates to find out this late in the year and be at the point where we have to make a 10% increase. He said that is what he is looking for.

Mr. Pearce said he could address that concern. He said staff does come to Council every August and talk about the resolution of the budget and reconciliation of the expenditures made to get our numbers confirmed so the audit can proceed. When the Depreciation was not funded, that was by his predecessor. Council received that information at the time. He said staff came to Council two years ago when we funded a little over \$1 million, and then in August, 2013, when we talked about the \$580,000 that was funded. He said if we fund the Depreciation Account, we have a target amount in the budget. However, if we have some sort of emergency like a utility system break such as the McDonald's Restaurant on U.S. 1, we have to find a way to fund that. The budget is the plan for funding the Depreciation Account. If we have an emergency, that might be a consideration we have to make. It helps staff if it is in the budget process. If it were in the proposed ordinance, it might put us in a corner where we could not handle an emergency situation.

Councilman Dewar stated a budget is supposed to paint us into a corner. He said that is the idea, and that is how you end up with a balanced budget. He said with regard to Mr. Pearce's comments regarding Depreciation funding and the predecessor, in 2007 and 2008 it was funded by \$1.2 million. In 2009 and 2010 funding was zero. In 2011 it was \$1,050,000; and 2012 it was \$1,080,000; and 2013 it was \$580,000. He said when we get to August it is way too late. That is the end of the budget year. He pointed out Mr. Pearce made a decision, and he was not critical of it, that he had to make to use the Depreciation money for something that broke. He said Mr. Pearce is right, we can't predict when we will have a breakage. He said under the current system, Council is not told about that until August. Mr. Pearce pointed out staff comes to Council when there are emergency repairs to say we have to fund the emergency that has occurred. Mr. Pearce stated the emergency repair would not be a budget item, so staff would have to come to Council for approval for any expenditure over \$25,000. He said staff came to Council when the McDonald's sewer collapsed.

Councilman Merry asked how the Depreciation amount is calculated. He asked if it was an arbitrary amount, a percentage of something, a number times something. He asked how we arrive at the figure. Mr. Pearce responded it is an amount that is set based on the capital projects that Mr. Grinton talked about at Horizons. It is for debt service for the construction of the water plant, for the water meters, the filtration system that we are required by court order.

Councilman Merry stated from Councilman Dewar's comments it sounds as though the Depreciation has been the same amount of \$1.2 million for several years. Mr. Pearce stated it has been the same number. Councilman Merry asked how it came to be that number and why is it always the same. Mr. Pearce responded it has been based on the debt service that the utility system has had to bear as well as the projects that we want to build. He said we try to plan so that when we have a need, we can pay for the need. That is why that amount is put back.

Councilman Ebner stated it also serves as our flywheel for ups and downs with our income. He said it has been the emergency fund or serge fund. If we don't have enough money to fund everything, we just don't fund all the Depreciation Account. He said the way we do our water and sewer rates, we base everything on how much water we sell versus having a base rate that pays for the operation of the systems.

Councilman Merry stated he understands that, but he just wondered how the \$1.2 million number was determined. He said he knows how it has been used and how it is funded or not funded. He just wondered where the number came from.

Mr. Pearce stated with the Depreciation Account as talked about before, we know the assets we have. We know the life expectancy for the assets. We try to put money back so when improvements are needed we have the funds to do that work.

Councilman Dewar stated we show that if the proposed rate increase is approved that we project to receive \$7,692,113 in revenue. He asked what the cost is for the water that we sell. Mr. Pearce stated there would be different cost levels. It depends on the water source. He said we looked at that when we looked at the opportunity to purchase water rights. The most efficient system we have is the deep water wells. They are the best value because the water comes out of the ground typically pure. We have to add chemicals per DHEC regulations in order to distribute it through the system. Shiloh Springs probably comes in next since it is a spring source. The most expensive would be Shaws Creek. Councilman Dewar pointed out Council has the 2013 number of \$7,644,200. He asked if the cost of water, because it is well water, is simply the electrical cost to pump it and chemicals. He asked if we know how much it costs us to get that \$7,644,200 million in revenue. Mr. Pearce stated there are a lot of costs—labor cost, benefits for labor, equipment, chemicals, electrical cost. He said we predict revenue, and that is how we base our expenditures.

Councilman Dewar pointed out the \$7.6 million was for 2013, and we have gone through the reconciliation. He asked if the number is available of how much we had to spend to get the \$7,644,200. Mr. Pearce stated that is in budget reconciliation, the audit report, and the CAFR. It is in the information staff provided at Horizons. He said he could get that information.

Councilman Dewar stated the reason he asks is because we are talking about a budget increase that will get us \$7,692,113 in 2014. Then we are talking, because we will get this increase, that we will do the seven items listed in the proposed ordinance. He asked if the seven things are platitudes. He asked if we will really have a chance to do those items. He pointed out there is \$3.6 million for water meters. He said there was \$600,000 last year which we did not spend. Mr. Pearce said that amount was actually for the current budget year which ends June 30, 2014. Councilman Dewar asked if we would spend that. Mr. Pearce stated Mr. Grinton could talk about his spending schedule. Councilman Dewar stated Mr. Grinton is projecting \$1 million for the next three years for water meters. He said his point is do we need the seven items in the ordinance. They are all just nebulous statements, but don't have any numbers attached to them. He wondered if it was a meaningful thing to do or a waste of time.

Mr. Pearce stated the seven items were included in the ordinance because Council was of a sentiment that the items should be included to show how we could tie the rate increase to make sure that the money goes toward the projects that the rate increase was for. Councilman Dewar stated he was not sure we would be getting enough money to do that.

Councilman Ebner stated he had asked to put numbers and dates in there, and the City Attorney said we really should not do that. He said the items were put in because if you want to go back in history. He said in four and one-half years on Council he voted for three increases, and every year we paid for the meters, but we did not do them. He said the purpose of getting at least the items listed in the ordinance is when we come to this same discussion, we can go back and say we discussed that. He said if you go back to 2012 one of the items says to fund one-third of the water meters in 2012, and we have not done that, but we supposedly put the money in.

Mr. Pearce asked if Councilman Ebner was referring to the 8% increase. He pointed out that in 2012 the 8% increase was 2% for inflationary pressures. The other 6% was for the city to hire three crews of two members each to replace water lines since we have defective water lines and we are triaging the water leaks. He said that was killing us with water leaks.

Councilman Ebner stated Mr. Morris put six items in his memo and that was one of them. Another was funding the water meters, one was the Shiloh Springs radium filter system, and the other one was to pay off part of the debt. He said his whole object here is that when we come to next year that he and Mr. Pearce don't have the discussion as to what the increase was for last time. He said that was not in the ordinance before, and even hiring the people was not in the ordinance. Mr. Pearce stated that was the discussion that Council had though. Councilman Ebner stated it was in the discussion, but it was not in the ordinance. He said Council agreed to do that to help us. He said next year he was going to try to get numbers put in the ordinance and see what the City Attorney tells him he can or can't do.

Councilman Dewar stated the ordinance does not say you are going to spend \$1 million next year for water meters. Councilman Ebner asked Mr. Grinton how much it costs to put a new water meter in. Mr. Grinton stated the cost is either \$215 or about \$270 depending on whether the meter has a backflow prevention device which has to be replaced at the same time. If the meter does have a backflow prevention, then the cost is the extra \$55, for a cost of about \$270. Councilman Ebner stated if the meters are replaced in three years it would roughly be 4,000 to 5,000 meters a year. Mr. Grinton stated he had calculated that 76 meters per week need to be installed between the Finance Meter Technicians and Utilities Meter Technicians to meet the goal. Councilman Ebner stated at that rate the cost would be about \$900,000 to \$1 million a year if they meet the goal of 4,000 to 5,000 meters.

Councilwoman Price asked if any of the money that was on the Capital Projects Sales Tax for water and sewer infrastructure could be used for the installation of the water meters. Councilman Ebner stated the funds could not be used for that. Mr. Pearce stated the funds could not be used for that. He said there had been several discussions about the projects and that is why Mr. Grinton has developed a list and a timeline. Mr. Pearce stated there was a discussion at Horizons on the projects. He said the funds total a little over \$8 million for water and sewer infrastructure. He said that was arbitrarily split half and half. He said Mr. Grinton has very specific issues as the funds are for infrastructure, which is actually sewer lines and water lines. Mr. Grinton stated that is where the money for Crosland Park infrastructure came from. Mr. Pearce stated those were the projects that we actually listed when we had the capital projects sales tax discussions. He said we actually had the idea of where the money would go, such as the SSES survey, etc. He said that money had already been earmarked.

Councilman Ebner stated he was on Council when they had the discussion for the capital sales tax projects. He said the money was designated for infrastructure 40 years or older so it would not be used for projects such as changing out the meters which is a maintenance issue. He said it could be used for things such as the water wells that are 40

years old, which Mr. Grinton has on the list to fix. He said the \$8 million is to be used to fix the water wells and replace lines across the city.

Councilwoman Price stated another question has to deal with the timing of the proposed rate increase. She said usually the time for a water and sewer rate increase aligns with the budget. She pointed out she recognizes that Ms. Abney wants to get some money in the bank early or we will not be able pay our bills. She pointed out we will still be hurting at the end to pay the bills, even with the increase. She said what puzzles her greatly is that we tend to do things on an emergency basis. She said she recognizes the word of being conservative, but the taxpayers should not have to deal with a 10% increase this year, and then next year possibly the same predicament. She said Ms. Abney had stated the lowest water use is March, April, and May and the winter months. However, we want to increase the rates now for March, April and May. The citizens are not watering their yards, but the city needs the revenue to get the money in the bank. She said that concerns her. She felt the citizens are asking more from us in terms of planning. She said she did not think they object so much to the increase, but rather we do things without planning properly for these increases. She said that is what she is hearing. She said she had been told by the voters that they have no problem that the increase is needed, but that the city needs to plan more appropriately.

Mr. Pearce stated he felt that was a fair comment from the voters, and he appreciated Councilwoman Price sharing that. He said by the average water customer spending \$1 or more a week for their water, we can make sure we have the infrastructure. He said they are actually purchasing the infrastructure for the system. He said the reasons are in the ordinance so we all know the reason for the rate increase. He said we know we will continue to have inflationary pressures. He said staff will continue to look at the situation and plan as best we can. He said this particular year, when we got to December and had collections for June through October, looking forward we knew that we were going to come up short. He said we tried to act as quickly as possible. He said that was figured out by the end of December, and staff came to Council at the end of January at Horizons to talk about the need. He said Council had asked some very good questions. That was the reason we had gone back to the drawing board. He said Mr. Grinton and his crews have found some great ways to economize and do work in house to try to find savings for the taxpayers. He said the fact is that we have infrastructure that is aging out that we have to replace to accurately measure usage. We have to have the southside water treatment plant. That study was done, and there was a lot of discussion. That work is underway. The city has a consent order with DHEC on the Shiloh Springs, so we have to put that filtration system in.

Councilman Dewar stated all that is true, but it has been true for the last several years. Mr. Pearce pointed out on the Shiloh Springs filter treatment that staff went to the State and got a forgivable loan for \$1 million. He said we saved the water customers \$1 million by getting the state grant. He said that is an increase we don't have to ask for. He said he wanted to share with the public present and the rest of Council, that staff does try to keep costs down. He said the last thing he wanted to do was to come to Council and say that we have to raise taxes, fees or revenue in the utility fund. He said the fact is that to have the clean water available 24 hours a day 7 days a week, 365 days a year, and through the Winter Storm PAX we have to make this investment to keep the system up.

Councilman Dewar stated he understood that. He said he was just going back to Councilwoman Price's comment about the planning. He said we have known about a lot of these things. Councilman Dewar asked Mr. Grinton if we look at the water revenue in November and December should we be doing it then as opposed to waiting until February and then making an increase in April. Mr. Grinton stated we have tried to put things together for Horizons being an opportunity. He said we can look at revenues constantly, and we do look at revenues constantly. It is a question of when you recognize a trend.

Mr. Pearce pointed out the city bills in arrears so we run 30 to 45 days lag time. That is why you see us doing the assessment in the November – December timeframe because then we have the receipts through October. He said as he recalls from Ms. Abney's presentation at Horizons the key months are July, August, September, and October as far

as how she prognosticates, looks into the future, to plan what she anticipates revenues to be.

Councilman Homoki stated his impression is that it is almost like people consider the chart showing us that Aiken is the second lowest water rates in the state as more important than actually going ahead and planning forward. He pointed out that rates were increased in 2012. He asked when rates were raised before that time. He said we have been very averse to raising the rates going along, and now all of a sudden we are stuck, and we have to make a pretty healthy raise.

Councilman Ebner stated in previous discussions he had had while he had been on Council have been after the fact. He felt what has happened is that we kind of blink our eyes in between years and say we will make it another year, but we have not made it another year yet. He said this has been happening in the past. He said some citizens may have been tracking this for years. He said we have to do it every year and be serious about it. Councilman Homoki stated that is his point. He felt we are suffering for what has happened in the past.

Councilwoman Price stated she had received the question as to whether they can expect another rate increase next year. She said her response had been that we don't know that. She said citizens don't like the fact that we gauge increases on whether they use more water or not. They do not like that kind of dependency on whether the water rates go up or not.

Mr. Pearce said if that is the sentiment, we can look at the base rate that Councilman Ebner was talking about before, knowing that we have to run a system, and we have to cover our overhead. He said that would entail a base rate adjustment. He said this is a learning experience for all. We had a very, very wet summer, which was an unexpected event. He said it is not just one thing. It is not just the rainfall from summer. It is inflationary pressures. It is the infrastructure that we know we need to replace. The cost of labor is more. He said it is one of those things where we have a system, and we need to run it. Everyone wants a quality system. He pointed out that Mr. Grinton and his group have won a state award for the fluoridation of the water supply, and it is a model for the rest of the state. He said we are trying to find opportunities to economize as we can. The plain fact is that we have to run a system, and we do have costs associated with running it.

Councilwoman Price stated she wanted to say to Mr. Grinton to not take this as any indictment upon our city staff. She said we all know you are doing a good job. It is up to Council as a body to help do better planning. She said they want Aiken to continue to be a great city, but it is up to Council to help all staff to make sure it is a great city and part of that is to help with better planning. She said Council is part of that planning as a body.

Councilman Dewar stated people had asked him if we would have another rate increase. He said his response is that yes, probably every year, a minimum of inflation plus whatever. He pointed out we are talking about a minimum of \$1 million a year for the next three years to replace meters. He said if there is a choice of replacing meters this week or repairing a burst pipe, there is no choice where you are going. You are going to the burst pipe. He pointed out the work load is not as predictable as the budget would like it to be, and we all have to recognize that. He pointed out the work being done in Crosland Park. He said six years ago when he got on Council who would have thought we would have to do that work. He stated we have committed about 90% of the Capital Projects money for water and sewer. He said that is money that is supposed to last us through about 2017. He said we have to face facts. We are not in control of what happens in the water and sewer budget as much as they would like to think, because we can't predict when we are going to have a pipe to burst. Even during Storm PAX we had two water leaks on Whiskey Road. He said money was not budgeted to fix that, but we had to spend it. He said he did not see any reason why we won't be here next year making the same concerns and complaints, etc. we had to spend money on something that we did not know about. He pointed out there is a \$1 million drainage problem on Chesterfield that just came to his attention about three months ago. Councilman Ebner stated he was referring to the storm drainage problem at the railroad track and

Chesterfield Street. Councilman Dewar stated he did not know about it until three months ago. He pointed out when talking about the budget last year, we did not know about that, but we have to spend that money, as we have no choice. We have to fix the problems.

Mr. Grinton stated staff will work hard to do value engineering to make that problem as cost effective as possible. We will engage in creative design so hopefully we can minimize the cost.

Councilman Dewar stated he had utmost respect for the work that Mr. Grinton and the department does. He said he felt Councilwoman Price said the same thing. He felt everyone on Council feels the same way. He said it is just that you can't predict what you are going to be doing tomorrow because the infrastructure is old.

Councilman Merry stated he felt that is precisely why you can't put numbers in the ordinance. Councilman Dewar stated the reason he wanted the numbers in the ordinance is so we would not wait until next February to discover that we need an increase. He said he would like to look at it earlier, perhaps September or October. He said we want to defer everything to Horizons which happens the end of January. He said he would like to look at it in the August or September timeframe. He said perhaps we won't have enough data at that time, but we could at least look at it. If we don't have enough data in September, maybe we can look at October. He said he would do anything to avoid a 10% increase. He said 10% is hard to sell.

Mr. Pearce pointed out staff is providing Council with quarterly updates that show revenues and expenditures. We have been doing that on a quarterly basis. We have been making available the checks that we have written on a monthly basis as well. He said he appreciates the compliments to Mr. Grinton in the public session, and he felt he deserves them. He said what he had seen with Mr. Grinton's work over the last several months is that we want to get away from triage and get more to the planning so we know where we need to do the work so we don't have a pipe burst in order to know what we are doing. He said that takes time to put into effect. He said Mr. Grinton talked to Council at Horizons, and he will have an opportunity to talk to Council in the budget workshops in April about some of the priorities that he sees for the utilities and his reasons for that. He said that should be a real good productive discussion. He said that is something we can do with the budget every year.

Councilwoman Diggs stated her concerns and most of her calls have been from people on fixed income who are already struggling in this economy. She pointed out food is going up; gas is going up; and now the water is going up. She said we say \$1 a week or \$4 per month, but \$1 a week is a lot for many people. She said the people that have been calling her have asked if it goes up that much this year, what will they do next year as they are already struggling to pay their bills. She said she agreed that we do have to do a better job of planning.

Mr. Tom Dean, of Houndslake, said he had been a resident of Aiken for about 24 years. He said he was totally in support of the effort to maintain and upgrade the water and sewer system in Aiken. He said in listening to the discussion he felt a monthly spending plan projection might be very helpful to put things into perspective. He said he attended the workshop meeting when this was discussed. He said it looks like over 50% of the cost or expenditures really are not under the city's control. In other words they are mandated and you know exactly what the outlay is going to be every month for a large number of the categories. He said that should highlight what kind of allowance needs to be done for unplanned occurrences. If you could look back over the average unplanned occurrences that may help do a projection of what unplanned occurrences might entail and how that fits with your proposed revenues. He said he was supporting the effort totally and wished them well.

Mr. Virgil Sauls, of the Magnolia Street area, said he wanted to thank the Mayor, City Councilmembers and City Manager who have put up with his emails and have talked to him and provided responses and pointed him to various documents to help him better understand the rationale behind the cost increase. He said he still has a couple of

questions. He said the Finance Director has said there should be a 10% rate increase. The fund will be short \$557,000. He asked how the additional \$557,000 going to be made up. He pointed out Councilman Dewar does not give him a warm fuzzy talking about a rate increase next year. He said he and Councilman Dewar discussed this. He said he understands the need for a rate increase periodically to cover inflation, but not 10%. He said his question is how the city will recover the \$557,000. He asked will we be back here in a year or two discussing another 10% rate increase. He said this will be the third rate increase in the past four years. These rate increases total almost 30%. He felt that was a pretty large cost increase over a short period of time. He said that is well above inflation. He asked what actions in addition to accounting for inflation are being taken to assure that significant rate increases will not be required in the future.

Mayor Cavanaugh stated he felt several folks had spoken to some of the issues. He said he certainly agrees with them. He said we need to get back to a plan. He said he would first admit that we missed the boat on keeping up with the Depreciation and keeping up with things every year. He felt it was important that we get back to the point where we will have perhaps a small increase for inflation maybe every year. He said we are not there now, unfortunately. He felt some thought all along the last thing we want to do is come to the citizens for a tax increase. He said he have not done so far on the property taxes. He said for 25 years we have not had a tax increase as far as the millage rate. He said some increases may have occurred on property taxes because of other things, but has not been because the city increased the tax millage rate. He pointed out the millage rate had been lowered four times over the past 25 years. He said he hoped we do not have to have a property tax increase any time soon. He said he did think, however, that we do need to get back to managing the water and sewer utility to where it should be. He said very likely there may be an increase again next year. He said he felt there were others on Council who feel the same way, until we get back on track. Mayor Cavanaugh stated he did not know of anything the City Manager has not done. It all comes to Council. Several Councilmembers have been on Council for a number of years. He said Council has the obligation to ask these questions. He said it is up to Council to ask questions about what we are looking at before passing a budget. He said he was not putting the blame at all on the staff for where we are now.

Mayor Cavanaugh stated another thing is if an increase had been done another way; that is, look at the rates and increase them every year, look at the number of increases we would have had. He felt we possibly would have had the same increase, but it would have been done in steps. He said we all probably thought we would get a lot less rain than we got. He pointed out the amount of rain was not the only issue, and was only a piece of it. He pointed out the City Manager had outlined seven things that basically the money would be used for. He felt we have to do a better job of managing.

Mr. Pearce pointed out that in answer to Mr. Sauls question regarding the shortfall, to the extent we don't have the revenue, we will not make the expenditures. He said we present a balanced budget. He said if we are \$557,000 short that is \$557,000 we cannot spend.

Mr. Sauls asked if the city was going to try to make up the \$557,000 or would the Depreciation Fund be short \$557,000 when the fiscal year ends. Mr. Pearce responded that he could not predict what the Depreciation Account contribution would be at this time, but that is something we will have to take a look at. He said the \$557,000, if that is the exact amount of the shortage, is just money we cannot spend because the revenue did not come in. Mr. Sauls asked if the city would try to recoup that revenue next year or is that just revenue you will not have the opportunity to collect. He said that is his question. He said there is still over a half million dollars still sitting out there, and the Finance Director says there will still be a shortfall. Mr. Pearce responded there will be a budget shortfall. Mr. Sauls said his question is then will the city have to collect that money by raising the rates again or will it just get written off.

Councilman Ebner stated if you look at the records for the last eight or ten years, unless we have a banner year selling water, that is just lost. He said that is what has happened. He said it just is not brought in and not spent as the City Manager has said. He said the chances of making up the shortfall is unreal. He said we would have to have a drought in the next four to five months. He said looking at the amount of water we are pumping per

day, we would have to pump an extra million to million and a half gallons per day for the next four or five months. He said that is not going to happen. He said that money just goes by the past. He said as pointed out earlier that if only \$1 million was put in Depreciation, that other \$170,000 to \$180,000 is just not spent that year. He felt there is not much of a chance to gain that money back unless there is a drought in the next 5 to 6 months. He said he can't predict the weather, but he felt that was the reality we have to look at.

Councilman Dewar stated the frustration is that for every other department, we are able to predict with a little more accuracy than with the water and sewer utilities. You can't predict when a pipe is going to break or predict some of the other things. He said those are real live problems when you are dealing with an aging infrastructure such as the city has.

Mr. Sauls stated he understood all that and the documents he was referred to helped him to better understand that. He said, however, the number of \$557,000 shortfall he never could get a clear answer, but he felt he now has that answer.

Mr. Sauls stated the other thing he would agree with Mayor Cavanaugh is Council does need to do a better job of watching the expenditures and revenue stream.

No other citizens spoke.

Mayor Cavanaugh called for a vote on the motion by Councilman Ebner, seconded by Councilman Merry that Council pass on second and final reading the ordinance to adjust the water and sewer rates beginning with the April 1, 2014, billing. The motion was unanimously approved.

Councilwoman Price stated when asked the question about this proposed 10% rate increase, and people thought it was steep, she replied that the city has three choices. Those choices were to either raise taxes, raise the rate or do nothing. She pointed out that to do nothing was not an option, because if we do nothing we would be in worse shape than we are now and would not be able to pay our bills. She pointed out no one wants their taxes raised. She said everywhere people are fearful of taxes being raised. She said the \$4 or \$5 per month depending on the amount of water the customer uses, is less of an impact per month than a tax increase. She said that is where she fits in the record with her approval of the 10% rate increase.

AIRPORT – ORDINANCE

Sublease

Aviation School

Hilton Head Flyers, LLC

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to allow an aviation school sublease at the Aiken Municipal Airport.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE APPROVING THE SUBLEASE OF PROPERTY AT THE AIKEN MUNICIPAL AIRPORT.

Mr. Pearce stated Mike Laver, owner of Aiken Aviation Enterprises, Inc., our Fixed Based Operator [FBO] at the Aiken Municipal Airport, has requested City Council approval of a commercial sublease of space to Hilton Head Flyers, LLC. This lease will allow operation of a flight school at the airport. Our Aviation Commission has reviewed this sublease and recommends that it be approved by City Council.

Under state law and our lease with the FBO, an ordinance by City Council is required to approve subleases of City-owned property.

For Council approval is first reading of an ordinance to approve subleasing of space by Hilton Head Flyers, LLC from Aiken Aviation Enterprises, LLC.

Mayor Cavanaugh asked if the city would get revenue from the additional fuel that will be sold. Mr. Pearce stated that was correct under the operations agreement for the airport. He said the city gets a fuel flow fee from fuel sold at the airport.

Councilman Ebner moved, seconded by Councilwoman Diggs, that Council approve the ordinance on first reading to allow the subleasing of space by Hilton Head Flyers, LLC from Aiken Aviation Enterprises, LLC for space at the Aiken Municipal Airport. The motion was unanimously approved.

ANNEXATION – ORDINANCE

D & M Enterprises of Aiken
Hudson Road
Lindsey Drive
TPN 087-16-03-006

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to annex property on Hudson Road at Lindsey Drive.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN CERTAIN PROPERTY OWNED BY D & M ENTERPRISES OF AIKEN AND TO ZONE THE SAME RESIDENTIAL SINGLE-FAMILY (RS-6).

Mr. Pearce stated property owner D & M Enterprises owns 1.2 acres at the corner of Hudson Road and Lindsey Drive. Representatives of D & M have petitioned to annex this vacant lot into the Aiken City limits.

The proposed zoning for this property is RS-6 [Residential Single-Family]. D & M Enterprises wants to subdivide the property into four lots and construct four single-family residences on it. This application has been reviewed by our City Planning Department staff and our Planning Commission.

Planning Commission took up this request at their March 11, 2014 meeting. After their review and public comments, they voted unanimously to approve the annexation and zoning request because it was consistent with the city's Comprehensive Land Use Plan.

For Council consideration on first reading is an ordinance to annex into the Aiken City limits, property at the corner of Hudson Road and Lindsey Drive and to zone it RS-6 [Residential Single-Family].

Councilman Dewar stated the property consists of 1.2 acres which would be zoned R-6 residential. He asked how many houses could be built on the property. Mr. Pearce stated the zoning is an indication of the minimum lot size. The minimum lot size would have to be 6,000 square feet. He said the 1.2 acres meets the minimum standard. In response to a question regarding the square footage, Councilman Merry stated possibly 8 houses could be built on the property with RS-6, depending on the layout of the property. He said probably it would be more like 7 houses. Councilman Dewar asked if the developer wanted to build anything else, if he would have to request a variance from the Board of Zoning Appeals. Councilman Ebner stated the developer could get 7 or possibly 8 houses on the property with the RS-6 zoning.

Councilwoman Diggs moved, seconded by Councilman Merry, that Council pass on first reading an ordinance to annex property at the corner of Hudson Road and Lindsey Drive and zone it RS-6 Residential Single-Family. The motion was unanimously approved.

ZONING ORDINANCE AMENDMENT – ORDINANCE

Electronic Signs

Electronic Readerboards

Mayor Cavanaugh stated an ordinance had been prepared for first reading to amend the Zoning Ordinance regarding electronic readerboards.

Mr. Pearce read the title of the ordinance.

AN ORDINANCE AMENDING THE CITY OF AIKEN ZONING ORDINANCE REGARDING ELECTRONIC READERBOARDS.

Mr. Pearce stated the Planning Commission has held several public meetings and reviewed their Action Agenda item to recommend whether any amendments are needed to the Zoning Ordinance regarding electronic readerboards. A memo from Planning Commission Chair Liz Stewart was provided to Council as information.

After their review, Planning Commission recommended Zoning Ordinance amendments to include:

- Add a definition of "Electronic Readerboard" to Chapter 10.
- Set standards for electronic readerboards including:
 - Zoning districts where they are allowed.
 - How often the message may change and how any transitions may occur.
 - Require signs to adjust automatically to ambient light conditions and limit their brightness.
 - Require signs to turn off in case of a malfunction.

Planning Commission voted unanimously to recommend these revisions. A draft that shows how the existing sign provisions in the Zoning Ordinance could be specifically changed was provided to Council for reference.

Mr. Pearce stated Mr. Evans had pointed out that there was a mistake in the exhibit under 4.4.10 D. Illumination. He said the sentence needs to read as follows: "Signs in residential districts shall be illuminated only by external incandescent lighting, except for an electronic readerboard included in a PR Concept Plan approved by City Council or for a school, church, governmental or tax-exempt entity as permitted by Section 4.4.7.E.2." He said the words "approved through a Special Exception by the Board of Zoning Appeals" was being replaced.

Mr. Pearce stated the special exception approval was something that the Planning Commission considered originally, but then abandoned it. He said the recommendation from the Planning Commission was that the amendments be approved with the exception in wording as noted in Section 4.4.10 D.

For Council consideration on first reading is an ordinance to amend our Zoning Ordinance to include these new provisions regarding electronic readerboards.

Councilman Ebner moved, seconded by Councilman Merry, that Council approve on first reading an ordinance to amend the Zoning Ordinance adding new provisions regarding electronic readerboards.

Councilman Merry asked if he was reading it correctly that the electronic readerboards would only be allowed in Planned Commercial or Planned Residential zones. He asked if the intention was that electronic readerboards be allowed in a Planned Residential zone.

Councilman Ebner pointed out that in Section 4.4.7 E.2.a. it stated such signs are allowed in the GB, LI, I, and LM zones.

Mr. Evans, Planning Director, pointed out that as stated by Councilman Ebner, under Section 4.4.7.E.2.a. electronic readerboards are allowed in GB, LI, I, and LM zones as well as potentially Planned Residential and Planned Commercial.

Mayor Cavanaugh asked if the readerboards could be at schools, etc. and if a readerboard could be in front of Mead Hall. It was pointed out that Mead Hall would be subject to the Historic District and Downtown Overlay District. Mr. Evans stated Mead Hall is probably in the Downtown Business (DB) zone, which would not allow readerboards. Mayor Cavanaugh asked if the readerboards would be allowed down Whiskey Road, and Mr. Evans responded they would be allowed.

Mayor Cavanaugh stated he had been concerned ever since he had heard about flashing signs. He said he hoped we would have some discussion about that which might relieve his fears. He pointed out he had concerns about flashing signs even though the signs could change every 10 seconds. He said that bothers him a little bit. He said it would be good to hear from the business community. He said he may be the only one who has some fears. He said there could be so many of these signs flashing or changing at one time or another going down the road. He said he wondered what effect readerboards would have on the drivers as they pass these signs. He said he knew what the answer would be from those who sell readerboards, and he was not saying they are wrong. He said those who sell readerboards would say the signs would not affect the drivers of cars. He said he was concerned about a busy road with a number of the readerboards along the road. He said he also wondered what it would look like. He was concerned about safety.

Councilman Dewar pointed out the readerboards are not flashing signs. Mayor Cavanaugh stated the signs are not flashing, but change often, which is better than flashing. He said maybe he was a little bit overdoing his fear. He asked if there was discussion about concerns at the Planning Commission meeting. Mr. Evans responded there was discussion to a limited degree. There was not a lot of discussion, but some.

Councilman Dewar asked if there was anything in the proposed ordinance about keeping the signs visible. He said that had been an issue. He asked if that was something the Planning Commission would be dealing with later. He pointed out some shrubbery grows and obstructs the visibility of the signs. Mr. Evans stated the Planning Commission is discussing that now, and will deal with that at the next work session. Councilman Ebner stated he was at the Planning Commission meeting. He said the proposed ordinance only covers where the sign is in relation to the right of way. He said the Planning Commission had already had some good discussion about when the leaves are on the trees, you can't see any of the signs going down that side of the road. It was pointed out that visibility of the signs is an issue to be discussed later.

Councilwoman Diggs asked Mr. Evans if he had been approached by Very Berry for a sign. Mr. Evans responded they got approval for a wall sign. They could have another sign on the Richland Avenue side but they don't yet.

Councilman Ebner stated the 10 seconds for changing the readerboard is the same as what the County uses. He said there was a lot of discussion about using a nit which is a new electronic measurement. He pointed out foot candles was used in the proposed ordinance. He asked if it was okay with the industry to use the foot candle. He said that is a standard measurement. Mr. Evans stated that is what the Planning Commission recommended.

Mr. Mark Steinkamp stated he was one of the guys that makes his living selling signs like this. He pointed out that Mr. Wade could not make the meeting tonight. He said he and Mr. Wade had been hoping and trying to help the Planning Commission come up with a very responsible ordinance, and he thought they had done that. He said they appreciate the work they have done. Mr. Steinkamp stated on the flashing issue, he felt it was very appropriate that that had been prohibited in the ordinance. He said safety is a concern. There have been numerous studies over the last several years that have provided evidence

that there is no correlation between changing signs and traffic accidents. He said he could provide any of the studies that Council might like. He said that was the main points that he would like to make. He said he would appreciate Council's consideration of the ordinance. He said that would provide business owners an opportunity to be more successful with this type sign. It would be making them able to communicate better with their customers or potential customers.

Mayor Cavanaugh asked if that had been proven also in the studies. Mr. Steinkamp stated the Small Business Administration published a study in 2001 that showed an average increase of 15% growth in sales and up to, they claim, 150% growth for certain types of businesses. There has been some evidence of that published as well through the Small Business Administration.

Mr. Richard Heaton, with TLC Medical Center a small community pharmacy on Silver Bluff Road, stated that five years ago they put up a readerboard in belief that one day that something is going to change. He said that change is coming. He said they do want a readerboard. He said this would be a grand opportunity for them as a small business. He said from an information perspective they have to have a relationship with the community. They compete with the chains. They compete with the big guys. The only thing they can do is advertise however they can. He said they spent \$27,000 five years ago on a readerboard. He said through the readerboard they can get messages out to people. They can get messages out to people about diabetes education, about changes in medication, information about a Strawberry Festival or a Chocolate Festival. He said they could even get information to the community on amber alert type issues. He said they want to be a part and have to be a part of the community. He said all of their money stays in Aiken. All of their employees are from Aiken. He said they need Council's support on this. He said one last component, and he would emphasize this as a pharmacy, as they look more toward disaster preparedness and issues that confront the community, they want Council's input, and he believed other participants in this would want Council's input, as to what they can do for the community. He said he would urge Council's support of the proposed ordinance. He said he did not want a flashing sign, either.

No one else spoke.

Mayor Cavanaugh called for a vote on the motion by Councilman Ebner, seconded by Councilman Merry, that Council approve on first reading an ordinance to amend the Zoning Ordinance adding new provisions regarding electronic readerboards. The motion was unanimously approved.

BUDGET AMENDMENT – ORDINANCE

Bid

Citizens Park Field 5

Backstop Fencing

Winter Storm PAX

Mayor Cavanaugh stated an ordinance had been prepared for Council's consideration to amend the budget to replace the Citizens Park Field 5 backstop fencing damaged by Winter Storm PAX.

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 damaged the backstop at Citizens Park Field 5. It must be replaced in order to resume games on this field. He said the city made a claim with our insurance carrier, and they have informed us in writing that our insurance policy would not cover this damage.

Since the replacement cost was greater than \$25,000, we advertised this project for sealed bids. We received three responses. Our apparent low bidder is Boyd Fence, a division of Maner Builders Supply. They submitted the lowest responsible bid of \$29,781.83.

Mr. Pearce pointed out the damage was directly related to Winter Storm PAX, and we will seek reimbursement from FEMA. We have sufficient reserve funds to temporarily offset this storm damage repair. We will be filing this expenditure as part of our FEMA reimbursement claims, and will make every effort to recoup this replacement cost. Since this field is used for baseball, softball, and soccer, we would like to replace this backstop as soon as possible.

For Council consideration is first reading of an ordinance to amend the Fiscal Year 2013-14 budget to appropriate funds in order to replace the backstop at Citizens Park Field 5 damaged by Winter Storm PAX.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council pass on first reading an ordinance to amend the Fiscal Year 2013-14 budget to appropriate funds in order to replace the backstop at Citizens Park Field 5 damaged by Winter Storm PAX. The motion was unanimously approved.

CROSLAND PARK

Mayor Cavanaugh stated there was a request from Councilmember Ebner.

Mr. Pearce stated Councilman Ebner had requested an update on the Crosland Park house inventory.

Councilman Ebner stated he had been following this for some period of time. He said a lot of good work had been done all over the city from downtown to the north, south, east, and west. He felt what has happened, specifically on the northside, is the successes we had early on kind of got dampened when the recession hit and got dampened a whole lot. He said Council had a meeting last year at Crosland Park to discuss some things to do. He said one of the things Council decided to do and this has been started, is the demolition of the houses that have been run down and boarded up for the last five years. He said that was priority one. He said he noticed on the status list for March 21, 2014, that the 1243 George Street house is now empty. He said it obviously needs to have some painting and other things done. He said he was proposing that we look at this. He said he was not asking for a vote at this meeting. He said he wanted to get Council thinking about and come forward at the next meeting with a plan of what we need to do. The third item is that we need a decision on Mr. Roberts' house. He said he thought the house was 1258 Aldrich Street [1220 Alfred Street NE]. He said Council passed an ordinance since he has been on Council for a lease to renovate and purchase. He said that fell through. He said Mr. Smith, City Attorney, may have to help us to see if that needs an ordinance to reverse what we agreed to do. He said the city agreed to sell the house for a certain price and had a list of things the city would do there. He felt the matter on that house needed to be cleared up, which may be to rescind an ordinance.

Mr. Smith stated he would need to review the file to see what was done. Councilman Ebner stated he felt we needed to do that to be sure the house is clear for the future. He said some day Mr. Roberts may come back and say the city ordinance said he bought that house. He said we need to clear the house up legally. He felt that was important, and then the decision has to be made as to whether it is worth fixing or demolish it.

Mr. Pearce stated we have our Property Maintenance Inspector working with our Special Projects Coordinator looking at the houses to see what is salvageable. Councilman Ebner stated that could be added to the vacant homes which are boarded up and may need to be torn down.

Councilman Ebner stated we are doing a good job on clean up of the right of ways, etc. and need to keep this up. He pointed out that Ms. Langston brought up at Horizons about a development plan. He said he had called a couple of people. They all kind of come across with the same idea. He said he did not know if we are on a path to get a

development plan officially from somebody. It is something we would have to pay for. He said at some point we need to come up with what the outside world would look at doing with this area that has 550 homes in it, has tax value, neighborhood value, etc. He said that is a food for thought. He said we need to do something currently with that.

Councilman Ebner stated the house at 1160 Cornish was another that was a lease to own. He said they have been in the house for almost five years. He felt we need to look at that and see if that is a feasible lease to own. He wondered about the status of the lease.

Mr. Pearce responded that the payment plan is current. That was discussed this morning. He said there could be a discussion about changing that, but as far as the payments that are due they have been paid. Councilman Ebner asked if it looks feasible for them to purchase the house one day. Mr. Pearce stated he would have to check on that. He just knows that they are current in their payments. Councilman Ebner stated we do need to check on that and see if we need to rework that. He pointed out that was one of the higher priced houses that we put somebody in. Since that time we have reduced the prices in the neighborhood of \$20,000 to \$30,000 per house. Councilman Ebner stated he felt that is one that Councilmembers Price and Diggs can help out. He said we need to take a look at that house specifically and the family there. He said he understands it is a good family, but there are probably some things we need to look at for this particular house. He said he was going down his list to get Council up to date on the housing.

Councilman Ebner stated that Item 7 is to discuss the future of 4 houses CDIC rents for the city. He said CDIC rents some houses for the city. He said he had not read the agreement with them. Mr. Pearce stated it is a property management agreement. They perform the maintenance services, and they collect a fee for managing the property. Councilman Ebner asked if we have anything in the future for the four houses rented by CDIC. He said once we sell the others will we tear them down or renovate them. He asked what might occur in the next five years. He said they had been rented for five years. Mr. Pearce stated they have been rented for five years. He said anytime we relocate someone as part of the revitalization project we have to pay relocation expenses, and that is a fairly significant investment.

Councilwoman Diggs asked how long they are able to rent before they are encouraged to purchase. Mr. Pearce stated he did not have a date, but the renters are current in their payments.

Councilman Ebner stated the current agreement which he had read in the Aiken Corporation notes is they could keep rerenting the houses. He said following up on what Councilwoman Diggs has said, once that particular individual moves out we should not rerent the houses. We should put them for renovation or resell. Mr. Pearce stated that is the way they are designated. Councilman Ebner stated the agreement, unless it has been changed, says the houses can be rerented. If said if the city does not say don't rent it any more we will take the property over, it will just stay there forever and will not get put in the mill to be redone.

Mr. Pearce stated he understood the point. He said it is very clear, and he and the Special Projects Coordinator had discussed it, that the city wants to get out of the rental business. Councilman Ebner asked if the city had sent a letter to Mr. Barner of the Housing Authority. He asked if that would take City Council action since Council had taken action for CDIC to rent the houses. Mr. Pearce stated staff would look into that.

Councilman Ebner stated we have to clean up some things that are five to fifteen years old. Mayor Cavanaugh stated while talking about rentals and Item 7, then we probably need to establish something for all rentals. Councilman Ebner stated he thought these four rentals would end the rentals and get the City out of the rental business.

Councilman Ebner stated 22 sheds had been built with the help of USCAiken and Aiken Tech Student Habitat Chapters. He said we need to be sure the 22 sheds are at the right houses. He thought there may be two sheds stored somewhere. Mr. Pearce stated those sheds are at the Operations Center where Mr. Coakley is. Councilman Ebner stated he wanted to see whether we have some houses that need a shed.

Councilman Ebner stated that Item 9 concerns money from CPST III for Northside Neighborhood Renewal in the amount of \$1,750,000. He said we need to get into reality as to what money is dedicated to the North Side. He said CPST III had \$1,750,000. We will use about \$1.5 million to pay off the loan to the Water and Sewer Department which will be in December, 2014. That would leave about \$255,000 for the Northside after that. Those funds won't be available until 2016 unless we borrow against them.

Councilman Ebner stated Item 10 is on the agenda for Aiken Corporation on how to use the \$328,000 housing development loan. He said since that was initiated 10 to 12 years ago, basically the grants that we could get through Aiken Corporation and not though the city had all died in 2010 and 2011. He said that is a callable loan from Aiken Corporation to the city and one way to do that may be to call the loan and put that money back in the "kitty" to work on the Northside.

Councilman Ebner stated he puts all these items before Council so we can get up to date. He felt Mr. Pearce needs to go through these and come back at the next meeting and ask whether we want to use the money that we have to go ahead and demolish the 7 houses and do the other things we need to do that he had listed. He said he may not have listed everything. Councilman Ebner stated his proposal is a discussion item at this time.

Councilwoman Diggs asked what was being done for the houses that are for sale. She asked if there are regular open houses. Mr. Pearce stated there had been an open house after the first of the year and another is scheduled for May. He said there had been an increase in interest in the houses. He said Ms. Langston had mentioned that people are beginning to stop by her office. Councilwoman Diggs asked if we were advertising these open houses. Mr. Pearce pointed out the last open house was pretty much a rain out. He said we do promote the open houses. We do facebook, twitter, we work with the local media, and we have advertised in the print media as well with Aiken Standard. The houses are on the website with the virtual tour as well. We also work through the real estate agents, and they have them in their materials. Mr. Pearce stated we have one house sold; another house we think will be ready to sell in April; and by the end of April we will know about a third house in Crosland Park with a potential buyer for it.

Councilman Dewar asked if he could get a large copy of the map of Crosland Park so he could map the properties on the map. Mr. Pearce stated we already have the map available, and it would not have to be marked as it is already marked. Councilman Dewar stated the reason he wanted to look at it, is he did not know that we need to go out and get a consultant for a development plan. He said the thing that we did not do is that we did not look at a neighborhood. We just looked at the entire complex of Crosland Park instead of looking at a neighborhood and working on maybe 10, 20 or 30 houses and getting them up to speed and just expanding that peripherally. He said ultimately he felt we all had grand illusions that it would be much more successful than it turned out to be. The intent was right, there is no question about what we are doing.

Mayor Cavanaugh pointed out there was one street that Council talked about developing. Mr. Pearce stated this was reviewed at the worksession last summer. He said we have shown a couple of consultants the area. They are interested, but the issue is money. He said we need the money to do the study. They had some great ideas and some great suggestions. Mr. Pearce stated if he was hearing Councilman Dewar right, it goes to the issue of what we were talking about where we identify a section that is appropriate for the redevelopment, do that and then build on the area.

Councilwoman Diggs stated the biggest mistake was doing random houses rather than having an entire street. She felt it would have gone very well, if we had just focused on one street at a time. Renovate the houses on that particular street, and market that particular area. She felt we could have sold those houses and gone on to the next street.

Mayor Cavanaugh stated we should not lose sight of the downturn in the economy that affected the project terribly. Councilwoman Diggs stated that was a factor. She pointed out, however, if you look at where the houses are, they are in random locations. Then if you look at everything around them, that has an impact on the sale of a house. Mayor

Cavanaugh pointed out that those were the houses that people wanted, and it just worked out that you had to have somebody in a house to show what you are doing. Councilwoman Diggs pointed out that renovated houses were selling for \$80,000 and everything around the renovated house was selling for \$30,000. She felt any smart person would not put \$80,000 in a house that had \$30,000 houses around it because if they needed to sell it, they would not be able to get their money out of it.

Mr. Pearce stated the consultants they had talked with said exactly that. They agree with what Councilwoman Diggs said.

Councilman Dewar stated his last question, which he mentions every time, is that he would like to see the source of authority that says we have to pay to relocate people in Crosland Park. Mr. Pearce said it is a federal regulation. He said he would be glad to get it for Councilman Dewar. He said it is a HUD requirement.

Councilman Ebner stated the path forward is to come back with answers to the appropriate questions from Mr. Pearce and Mr. Smith. Then Council needs to talk about the \$105,000 or \$110,000 we got from the sale of two houses. He said his recommendation is that we tear down the vacant houses. Then Council needs to decide whether we want to go ahead and get the study. The number used at Horizons by Ms. Langston was \$60,000 to \$70,000. He said that was kind of the number he got from two or three people. He said you get a pretty highfalutin thing for that. He said he had looked at one that somebody had done. He said Augusta is doing one now. He said at the next meeting he thought we need to have a petition for a vote on it. He asked that staff look at that.

Councilwoman Price stated she would like to add something to what Councilman Ebner had said regarding the Northside. She said the Toole Hill area is waiting patiently for the Senior/Youth Center facility. She said she knew there were a lot of things on the plate, but they were waiting on that. She pointed out that Councilwoman Diggs is anxious for the recreation facility and where we are going with that direction as well.

Mr. Pearce stated that is something we were working on this spring, and we wanted to have something worked out by June. He said we have money for site acquisition and for design. We don't have the \$3.5 million for the center. That is money yet to come in. He pointed out that is probably at least two or three years down the road. He said we are working on that, and will be happy to provide whatever information we have.

DEBRIS PICKUP

Mr. Pearce stated he had distributed a sheet showing the progress of the debris pickup from the ice storm. For the first pass Mr. Coakley has said they are 87.6% done. He said he knew Council was getting calls from residents. He said crews are trying to clean up the areas as much as we can. He said as far as he is concerned versus 2004, we are way ahead on the debris pickup. He said Council approved the purchase of additional equipment for Public Services, and it has served us very well. The City of Greenville has helped us in the Woodside Subdivision, and Garvin Oil Company has committed a driver and an 18 wheeler dump truck to help us with the debris hauling. He said we are in the process and have had conversations with folks that are interested in the debris once it is chipped up and mulched. We are going out with a proposal on that and will have more information for Council. So far we have collected 79,437 cubic yards of storm debris. In 2004 there was about 100,000 total. He said we are well on track to double that.

Councilman Ebner asked who follows the state or does this include the state highways and the county pickup. Mr. Pearce stated staff had an interesting meeting last week. It turns out the South Carolina Department of Transportation has done no debris collection within the by-pass, SC 118. They have done zero collection in a month. That all changed last week. They have staged for Kalmia Hill and Alpine Drive. They are beginning their pickup. We talked with the County. He pointed out the areas of Aiken Estates and Bonnieview. He said they have not touched it, because for whatever reason the SC 118 bypass was the boundary they set up. They are beginning that debris collection now.

Councilman Ebner pointed out he has been talking to people who live in these particular neighborhoods. He said they are taking the information that we are putting out as including their streets. Mr. Pearce stated our information only includes the areas inside the city. Councilman Ebner pointed out that those residents do pay taxes for everything else, they get city water, etc. He asked how we get information out from the state and the county. Mr. Pearce stated we would be glad to post it on our website, facebook and tweet it.

Councilman Ebner stated obviously they must be a little bit slow. He said the downtown is from Boardman all the way to Hampton and almost the bypass to Beaufort. He pointed out a big share of that is state highways. He said he did not see anybody picking up bushes and cutting tree limbs trying to run him off the road as he drove down there. Mr. Pearce stated that is what he was saying, they did not do anything inside the SC 118 bypass. Councilman Ebner stated they have not done anything in the last two months. Mr. Pearce stated nothing had been done since the storm, but that changed because of the meeting and discussion with them last week.

Councilman Ebner asked if that was their job as City Council to help the folks who unfortunately live on a state highway, but still pay city taxes. He asked how we can help them. Mr. Pearce stated if the property is inside the city limits, the city is picking that debris up. Councilman Ebner asked if the city was picking up debris along state highways. Mr. Pearce responded the city is picking the debris up. He said the city had had that agreement for decades.

Councilman Ebner stated he thought he had read in one of the memos that the city was not picking up debris on state highways. Mr. Pearce said he would not have said that. Councilman Merry pointed out the city is not picking up debris if they are outside the city limits. Mr. Pearce stated we are picking up inside the city limits, but not outside the city limits. Councilman Ebner stated then the city is picking up on state highways that are within the city limits. Mr. Pearce stated that is what the city does routinely, except for the bypass, which is SCDOT. Councilman Ebner asked if SCDOT would pay the city back 100% for picking up trash on state highways—25% plus 75% from FEMA.

Mr. Pearce stated he did not understand the question. Councilman Ebner stated if the state picked up the debris it would not cost us anything. He asked if the city would get reimbursed 75% from FEMA and 25% from SCDOT for picking up debris on state highways inside the city limits.

Mr. Pearce stated the city picks up debris along state highways within the city all the time and residents pay the city a yard trash fee. He said the city is going to seek reimbursement for all that debris the city picks up because the city is obligated to pick it up. He said the City Attorney researched that, and we are on the hook for the hazard in the city limits even though it is SDCOT's right of way. He said the city will get reimbursed for that.

Councilman Ebner stated the city will get reimbursed for everything we pick up, for example, the tree limbs along South Boundary, and we will get 100% reimbursement. Mr. Pearce stated we are filing the claim for the reimbursement. He said he could not say it would be 100%. It is 75% for FEMA. We were going to participate in the pilot project so to the extent that we pickup within 72 hours, 30 days, 90 days, and 180 days there is a reimbursement level.

Councilman Ebner stated Senator Young put out an email that on state highways, the city would get another 25%. Mr. Pearce stated he would be glad to send a bill to him.

Councilman Dewar stated he had talked with Senator Young, and he said obviously that comes with approval by the State Legislature, which is in the process. He said he would remind everyone this is election year so there is some leverage. Mr. Pearce stated he would like very much to get 100% reimbursement.

Councilman Ebner stated who do we deal with on the County level. Mr. Pearce stated Clay Killian is the person with Aiken County. He said Mr. Killian was in the meeting with them last week. He said both DOT and the County have a contractor.

Councilman Ebner asked about the 501(c)3 property owners associations. He said there are about 13 property owners associations around the city that are cleaning up their common areas. He said they are a state identified entity just like the city. He asked if they could claim for reimbursement for the clean up. Mr. Pearce responded they would need to file a request for assistance from FEMA. He said they would need to do that now. FEMA will investigate that.

Councilman Ebner stated he thought the city might have a list of the POA's in the city. He said there had been a list of from 13 to 15 in the past. He said he knew Ms. Betty Myers is over the one at Toole Hill. Mr. Pearce stated the city picked up in Toole Hill. Councilman Ebner asked about the common areas. Ms. Myers stated the area had been cleaned with USCA basketball players. She said they cleaned the parks, streets and the cemetery. She said it was put at the curb. Mr. Pearce stated he would get with Mr. Coakley and look at that.

Councilman Ebner asked then if the entities need to file directly with FEMA. Mr. Pearce stated if they are a non-profit organization, and at the organizational meeting last week there were several in the room, they will have to file a request for assistance with FEMA. He said the contact is on the FEMA website.

Councilwoman Price asked how many outside contractors the city is using. Mr. Pearce stated the city had partnered with other South Carolina cities. He said we have helped other cities, and they are helping us. The only contractor we have worked with is Garvin Oil with the 18 wheeler. He said we did hire Schneider Tree Care to do work in Hopelands Gardens. The Friends of Hopelands and Rye Patch gave a \$10,000 donation. They sent tree climbers to help us with the hangers that were in the trees in Hopelands. Councilwoman Price stated then the city is not paying any outside contractors, except Garvin. We have partnered with other cities. She asked if the city would reimburse the other cities. Mr. Pearce stated FEMA has a reimbursement schedule, and the cities that have helped us have all said they will accept the FEMA payment. He pointed out the City of Aiken has provided them with lodging and meals. He said the city would get reimbursement from FEMA for that.

Councilman Homoki stated he had seen some companies from Minnesota. Mr. Pearce stated there are dozens of companies in town that are helping private property owners.

Councilman Ebner stated if we are getting 100% reimbursement, why would the city not hire contractors to help us. Councilwoman Price stated that is what she is wondering.

Mr. Pearce stated he had had that question several times. He said we have to live with what is left behind by the contractors. Our work with the contractors has shown some real concerns. He said he was sure they are doing a fine job for private property owners. He said Councilman Dewar had shared that he had a real good experience. He said the city had not. He said, in fact, Public Services is doing a more efficient job picking up debris than they did in the 2004 storm. They are just about done with the first pass through.

Councilman Dewar stated he did not know how Mr. Pearce could say he had had a bad experience with the contractors at this time when we have not even tried one. Mr. Pearce stated he was talking about the contractors that have worked outside of the bypass area in neighborhoods. The city has had to go and clean up their mess.

Councilman Ebner stated that is a contract management issue. He said surely somebody can go and talk to them if they are doing a halfway job. Mr. Pearce stated we do have staff doing an excellent job, and they are just about done with the first pass through. He said we are going to get this done. He said it was a two or three month proposition when we started. He said in his discussions with Mr. Coakley and other staff, we are very comfortable with the progress we have made. We have had some folks who have stepped

up and provide us land to store this debris. We have had folks who are interested in purchasing the ground up wood chips. He said we are trying to march this the best we can. We are picking it up a lot faster than we did 10 years ago. He said he had talked to a lot of people about the piles of debris. He said we are getting it done. It will take us three passes, and we are almost done with pass one. We are working on it.

Councilwoman Price pointed out that people have been patient. She said people had been asking her about the outside contractors we were using. She asked if we expect to have any FEMA dollars remaining with using the outside cities that had partnered with Aiken. She asked if we expect to spend all the FEMA funds. Mr. Pearce stated we have not met with the FEMA caseworker yet, so we are working on that.

Councilman Ebner asked if we will be in the July or August timeframe to get back to normal schedule. Mr. Pearce stated he was not saying that.

MUNICIPAL BUILDING

Feasibility Study

Councilman Merry stated he wanted to talk about the meeting which was held on last Wednesday, March 19, regarding the feasibility study being done for the Conference Center on first floor of City Hall. He said as we went through the conversation, there was a lot of good feedback. He said we kept bumping into the problem of limitations of the scope of work that had been assigned to the JLA company out of Augusta that is helping us. He said the general guide coming out of that meeting was there was a real question about the feasibility and usefulness of the space as a Conference Center in general. He said when he heard the word feasibility study he felt we were going to look at what is feasible and best for that space. He said that is what the conversation was during that meeting. He said he wanted to have Council consider the idea of broadening the scope of work that we asked JLA for so we can discuss the matter. He said their scope specified that they were supposed to look at ways to change the floor plan.

Mayor Cavanaugh stated that is what we asked for. Mr. Pearce stated that is right. Councilman Merry stated he would have to read the minutes to see what Council specified. Councilman Dewar stated he had asked for a copy of their contract, and he was waiting to get it so he can see what their scope of work is.

Councilman Merry stated the point is that if you were to take a vote of the people in the room that day, and it was not a scientific survey, he felt there would not have been anywhere near the majority in favor of having it as a Conference Center at all. He said then to limit JLA to drawing a new floor plan for something that perhaps Council needs to talk about using it in a different fashion, we are disrespecting their time and wasting some money to complete a floor plan. He said he would like to broaden that scope of work so they can look at other potential for that space. He said, based on the information if our intent is to have a facility that can hold up to 500 people, based on that information, that would take a space of 9,000 sq. ft. and 9,000 sq. ft. as Councilman Ebner said and others is not doable on the first floor. He said it is almost not doable without totally disrupting the Council Chambers in the process of doing anything. He said 9,000 sq. ft. is not going to be possible downstairs. He said we can get a space to hold 325 people instead of 315, essentially no different from what we have, and we find ourselves still in direct competition with other private enterprises in Aiken. He felt we should broaden the scope so we can stop and look to see what the best use of the space is. If we want to have a 500 person facility somewhere in Aiken, what would be a recommendation where that could go and how that could be done. He felt the study should not be limited to a floor plan.

Mr. Pearce stated he could get a quote from JLA to find out what that expense would be. Councilman Dewar stated based on what they heard, he felt there needed to be another work session and talk amongst ourselves and what we have expected. He said keep in mind when we did the feasibility study they expressed concern about parking and what could go there. He said we wondered what was likely to go there. He said we don't know for sure that we can't put a 500 seat facility there. He felt we need to regroup and take a look at the big picture. He said he had asked to sell the Brinkley property, but Mr.

Pearce had asked to wait until we see what the study shows. He felt we need to open it up to the whole thing. He said we own all the property, and we need to ask ourselves what we can do and what is the best use. He said it does not make sense to spend over \$1 million to add 20 people to the capacity.

Mayor Cavanaugh stated he felt we need another worksession to look at this situation also. He said he had mentioned that at the meeting, and then the fact came out that they were doing what they were supposed to do—just look at the floor plan for the first floor. He said he felt we also need to understand that it might be helpful in some way to look at the use of the Conference Center right now. He said he understands that it is used about every weekend for something. He asked how valuable that is to us. He asked if we are making money on that deal as it stands.

Councilman Merry stated he agrees, but he wondered in the meantime should we ask JLA to postpone drawing floor plans until such time we have had a follow up meeting. Mr. Pearce stated he was not sure they are drawing floor plans as much as just determining a feasibility study.

Councilman Merry stated that is what they said to him. He felt we should ask JLA to hold up until there has been a follow up meeting on this. He said he would hate to have them just spinning their wheels. Mayor Cavanaugh said he felt we should ask them to hold up for the time being.

SPLASH PARK

Mr. Pearce invited Council to a ribbon cutting on Wednesday, April 9, 2014, at 12:30 p.m. at the new Splash Park at Citizens Park. He asked Council to let him know if they would be able to attend.

SAVANNAH RIVER SITE

MOX

Councilwoman Price expressed concern about the Savannah River Site and MOX. She said there is a potential for 1,600 jobs to be lost there. She said time is moving very swiftly with that. She pointed out there had been articles in the newspaper and comments from Governor Haley and Governor Hodges. She pointed out Council had in their Strategic Plan to support the Savannah River Site. She asked if it would be appropriate to prepare a resolution to send to DOE. She said the exit strategy as far as getting the waste out of this community is going to be halted. She said she has an article which says more weapons containing plutonium are to come from Japan to here. She said it will come to Savannah River Site. She said we are bringing in the waste, but we are not taking it out. She said the concerns right now are serious. She said she wanted to suggest that we consider drafting a resolution.

Mayor Cavanaugh asked if Councilwoman Price was asking Council to support what the Governor is doing now.

Councilwoman Price pointed out that it is proposed that more stuff come in to SRS. She said what she is saying is that with what we have right now if they shut it down and put it in cold standby, we are stuck with this stuff. She said we don't want to be stuck with it, but want it out of our state. She said if we can't get funds to continue MOX, then give us an exit strategy as to how they plan to get it out of our community.

Mayor Cavanaugh stated he felt we want to support what the Governor is doing and the Aiken Delegation. The general consensus of Council was to provide support.

RECREATION DIRECTOR

Glenn Parker

Councilwoman Price stated she was sad to hear that Glenn Parker, Parks, Recreation and Tourism Director, had stated he is retiring. She said she had not received that information very well. She said Mr. Parker had been an excellent leader, and she thanked

him for all he had done. She said Mr. Parker cares about us and takes time to help and educate us.

SMOKE ALARM PROGRAM

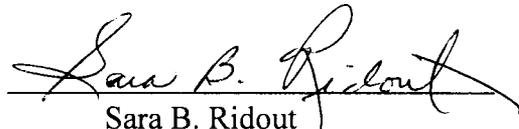
Kennedy Kolony

Councilwoman Diggs stated she wanted to thank the team of officers and city staff that were at Kennedy Kolony on March 15 providing smoke alarms and carbon monoxide detectors for residents in Kennedy Kolony. She said the residents were very appreciative of the smoke alarms. She said residents of other areas were wondering when they might get smoke alarms too.

Mr. Pearce stated he was there on Saturday morning and met the State Fire Marshall and talked with him about the program. He said it was a real honor that they would select Aiken for the program.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:04 P.M.


Sara B. Ridout
City Clerk