

Aiken City CouncilWORK SESSION

August 12, 2019

Present: Mayor Osbon, Councilmembers Dewar, Diggs, Girardeau, Price, and Woltz. Councilwoman Gregory participated in a portion of the meeting via telephone.

Others Present: Stuart Bedenbaugh, Gary Smith, Sara Ridout, Kim Abney, Kym Wheat, Mike Przybylowicz, Tim O'Briant, Ryan Bland, Joy Lester, Angela Hales, Charles Barranco, Lex Kirkland, John Poole, Jessica Campbell, Tim Coakley, Colin Demarest of the Aiken Standard, and 8 others.

CALL TO ORDER

Mayor Osbon called the work session of August 12, 2019, to order at 4 P.M. He said the first item was discussion of Northside Interchange Infrastructure Improvements.

NORTHSIDE INTERCHANGE INFRASTRUCTURE

Mr. Bedenbaugh stated since late spring, we have been working with Cranston Engineering on the feasibility of expanding infrastructure [water and sewer] near Exit 18 [SC Highway 19] and Exit 22 [US 1]. He said Council had mentioned that we need to grow toward the interstate. He pointed out that we already have some infrastructure out by Exit 22. He said we engaged Cranston Engineering to look at how we can proceed with existing infrastructure and expanding on that at both Interstate Exit 19 and 22 both of which are within our water and sewer utility area. He said over the last few months Cranston Engineering has looked at how things stand and how we might chart a potential path forward as we look to expand our capacity and grow out that way.

Mr. Thomas Robertson, of Cranston Engineering, noted that the type of land use depends on the availability of utilities, but the utilities probably will not be there unless you have a demand for the land. He said you need to look ahead at what might occur out near the interstate that would infill the area between I-20 and the current city limits which is a good distance and then extending somewhat beyond the interstate. He pointed out that the two intersections with I-20 are somewhat different. He pointed out Edgefield Highway (Exit 18) with a motel and Shaw Industries at US Highway 1 (Exit 22). The goals of the project were twofold. First was to develop a land use plan scenario. What could happen, what might happen, or what should happen at each of the exits and then provide a utility plan to extend services for water and sewer to each exit and then you would figure out how to phase that to meet demands at various places. He said they studied a 2.5 mile radius from each exit or roughly 38 square miles. Each exit has some light industry. There are some large undeveloped parcels, particularly in the Edgefield Highway area. Most of the undeveloped land is agricultural/residential uses at the current time. Over half of the parcels in the area are 1 to 5 acres.

Mr. Robertson stated to develop the Land Use Plan they reviewed the Northside Comprehensive Plan, did a windshield survey of the existing conditions throughout the study area, developed some future scenerios of what might happen, and then prepared a utility plan for water and sewer and a project cost list.

Mr. Robertson stated the Northside Plan had a number of categories of land use which were not that useful for determining what type water and sewer is needed. They are generally useful for figuring out what might happen in the future. Essentially those were corridor development. They were gateways at each of the Interstate interchanges. There were nodes at the various intersections of commercial or through routes, a corridor for commercial along the main routes on Edgefield Highway and US 1. Then there was contiguous growth which essentially is what would infill between. That could be a number of things. He said they also looked at the categories of uses of the lands according to Aiken County's Comprehensive Plan. There were some industrial, some agricultural/residential, etc. He noted that none of the characteristics helped much in

determining the future use. He said they grouped the area into Character Areas. The areas are industrial, agricultural/residential, and suburban residential. He said they learned that the traffic patterns on Edgefield Highway and US 1 are almost the same traffic count going out, but on Edgefield Highway the traffic continues to go, whereas, the traffic on US 1 basically the traffic goes each way on the interstate. US 1 is a four lane road. The Edgefield Highway is a two lane road. After looking at all the areas and the potential for new development, the scenario that they settled on is that most of the industrial type heavy commercial would be concentrated primarily at Exit 22 and the development of Edgefield Highway would lend itself more toward residential and the neighborhood commercial things that would support residential uses.

Mr. Thomas Parrott stated that the area to US 1 Exit 22 already has a lot of different structures and water to the area because of the Industrial Park. After consulting with City Engineering they looked at the best places to extend services where there might be an immediate demand. He said there is a demand on the northside for water and sewer services. He said from that knowledge the plans developed reflect that and provide services for the area. They developed plans to extend services for short term and long term planning. The recommended plans include a general route and utility sizing. They provided planning level cost estimates and grouped projects into phases based on location and sequence.

Mr. Parrott reviewed the list of proposed projects. The number 1 project was to extend sewer service to the northside of I-20 and make improvements to existing sewer facilities. The sewer extension and improvements include Exit 22 north sewer extension, Highway 1 parallel line improvements, pump station improvements, industrial park pump station enhancements, new Highway 1 industrial park, new pump station and force main, and alternate frontage road gravity relief. The estimated cost for this phase would be \$2.9 million.

The next project would be Shaws Creek Extension to provide gravity sewer services for the Shaws Creek Basin. Sewer could be extended from Shiloh Church Lift Station to the interstate. An alternate would be Industrial Park Gravity Relief. This would open up a large area for potential growth. The estimated cost for Phase 3 is \$4.1 million and for Phases II and III the cost would be \$3.2 million.

Mr. Parrott then reviewed the project for sewer service extension for Edgefield Highway (Exit 18) for sewer services along the corridor and extend to the north of the interstate with two phases for the project. The estimated cost for the project is \$1.4 million.

The next project is Waterline Extensions and Improvements which includes extension of water services to the north side of the interstate. The project would include Shiloh Creek Phase 1, Shiloh Creek Phase 2 and New Industrial Park Extension. The project would also include Shiloh Creek Treatment Facility Improvements. The Shiloh Creek Phase 1 cost is estimated to be \$3.1 million and Phase II \$4.2 million. There is a potential for additional water capacity at Shiloh Church with a larger well.

Mr. Parrott stated the East Frontage Road Improvement includes providing utility services to the area between East Frontage Road and Wire Road. The project would include a gravity line and lift station and force main as well as water extension.

Mr. Parrott stated for some of the upper portions to come into play, there will be a need to do some maintenance and upgrade due to the increase in services provided. There would need to be some improvements at the Shiloh Pump Station, improvements to existing sewer lines, including expansion of the S-14 Shiloh Force Main and upgrades to S-15 Croft Mill Gravity Main line. He said this would be a long range project. He noted there are short, medium and long range projects.

Mr. Bedenbaugh stated Cranston did a good job working with staff at Engineering and Utilities and with Tim O'Briant in putting this together and grouping the projects and trying to identify potential funding for the projects so we could do the projects realistically in a short term manner because some of it is obtainable. He pointed out that Council had made a point in terms of economic development that it is something they are

very interested in. He noted that one of the building blocks, foundation and fundamentals of economic development is access to utilities, including water and sewer.

Mr. Parrott pointed out that the short term and immediate needs would be Exit 22 at about \$2.9 million. Then as things happen and there is interest you could go down Long Branch and provide frontage on Exit 18 Edgefield Highway at \$1.4 million.

Mr. Bedenbaugh stated the study gives Council a good sense of the cost for the projects and this is positive information in terms of how we can grow in an orderly fashion. He said we have the Industrial Park on US 1 at Exit 22, and we can backfill our way in terms of growing rather than trying to grow from the corporate limits out. Some work needs to be done in terms of upgrading and expanding. He said we have been approached over the last few months that the possibility exists for development and lack of infrastructure is what is stopping it.

Councilwoman Price asked what other funding sources are available for the projects. Mr. Bedenbaugh responded that we have some funds in-house to do some work. He said we would apply to RIA for the liftstation upgrade and the Industrial Park Pump Station Enhancements. He said in terms of extending the sewer under I-20, we have the ability to do funding in-house.

Councilman Dewar expressed concern about spending all of this money to upgrade and extend infrastructure and how this will benefit the city. He pointed out that the project calls for us to build infrastructure and spend a lot of money, and someone else gets all the benefit. He pointed out that if the City puts the infrastructure in, the large parcels will still be in the County. We will have paid for the infrastructure and the parcels will stay in the County.

Mr. Bedenbaugh stated it would be done similarly to how we have done other expanded infrastructure on a prorate basis. If it costs \$100,000 and it would serve a certain number of acres, for example, as parcels tap into the sewer, they reimburse the City prorate based on the cost of the line. They may not come into the city, but they would be paying the city for sewer service and the city would be gaining revenue from water and sewer. He said it will take time for the city limits to grow out to the interstate, but one day we will be glad that we extended the utility services. He pointed out that years ago North Augusta ran sewer lines out to Interstate 20 when their corporate limits were confined to an area around the Hammond Hill Subdivision. Now they have grown out to that area. He said the City would gain some revenue from the double water and sewer rates for being outside the city.

Councilman Dewar pointed out that we make deals with these industrial businesses to get them to come to the area, and he was not sure the city would get that much of a benefit. He said he just raised the issue as a matter of concern.

Councilman Girardeau stated that is where annexation comes in to play. He pointed out that a developer wants to build a subdivision on a large tract and they want water and sewer, they will want to come into the city. He said annexation of some properties may seem impossible, but it is not.

Councilwoman Price pointed out that on the northside some of the area in the city now was considered to be no man's land, but risks were taken recognizing that in the future we would grow in that direction. She pointed out that we have grown and even though some of the property is still outside the city, we get some value out of the property.

Councilman Woltz stated we have to take some risks for the future.

Mayor Osbon stated we have present Ms. Laura Bagwell, an Aiken Soil and Water Conservation District board member.

Mr. Bedenbaugh stated this had been a very good discussion. He said he felt staff would take some of the short term information and come back to Council in a few months with a potential action plan for consideration.

SHAWS CREEK WATER ASSESSMENT REPORT

Water Treatment Plant

Goodwyn, Mills and Cawood

GMC

Mr. Bedenbaugh stated our water plant on Shaws Creek on US 1 has been in operation since 1954. It is still a viable functioning plant, however, it is something we need to look ahead for in the next few years. He said CPST V round will be here before we know it. In 2024 we will be voting on CPST V. He said he felt we need to start planning. He said the water plant could be a major element of what the City might have on a CPST V ballot. He said that is regarding renovation or replacement of our water plant. The water plant is not getting any younger. He said along with that we want to talk about funding sources. He said the main source of water for that plant is Shaws Creek, and we want to talk about some ideas we have about upstream from Shaws Creek. He said we had made some allusions to the Brunswick tract, and he wanted to talk about that to set the table for something we might be discussing at a future work session. We recently had Augusta engineering firm Goodwyn, Mills and Cawood [GMC] perform a preliminary study of the water plant as we need to begin planning its renovation or relocation over the next 7 to 10 years. We will want direction from Council as to whether our next study should go forward, because, at this time, it appears that this project will need to be a key item in our Capital Projects Sales Tax V list, which will be before voters in 2024.

Mr. Kyle Titus, of Goodwyn, Mills and Cawood (GMC), gave a presentation about the condition of the city's Shaws Creek Water Treatment Plant. He noted that Mitch Freeman, Senior Water Engineer in Augusta, Kevin Laird, Senior Water Engineer, in Columbia, and Graham Sizemore, Engineer in Augusta, GA, were present with him. He said they have worked with the City of Aiken on several projects. He said they had recently finished the Water Model, modeling the entire water system. He said they are working on the Sewer Model now. He said a few months back Engineering & Utilities, engaged GMC to take a look at Shaws Creek. He noted that as Mr. Bedenbaugh had said, Shaws Creek is a functioning plant and is a very important plant for the water system, but it was built in the 1950's. It has been upgraded a few times since then, but it is not getting any younger.

Mr. Titus pointed out that the Shaws Creek Water Treatment Plant is on Highway 1 about half way between the city and Exit 22 at I-20. Mr. Titus gave a brief overview of the water treatment plant. It was built in 1953, upgraded in 1960 and 1992. It is currently permitted to withdraw 8 million gallons of water per day (8MGD). Today we are getting about 5.5 MGD. That is due to several reasons, with the biggest reason being the intake structure is dated. The treatment technology at the plant is dated which leads to some energy inefficiencies. There is some fear that if the plant were to go off line, because it is so old, DHEC may require us to do several upgrades before we could bring the plant back on line. The existing plant will not meet future regulations. There are some safety and structural issues and electrical code issues.

Mr. Titus reviewed the recent upgrades where the city had spent about \$1.6 million in the last 5 to 6 years to keep the plant running. He said these were upgrades required to keep the plant running. He said it is a very important plant to the city's water system. Mr. Titus then reviewed a series of slides showing the dated and insufficient structures at the water plant and antiquated equipment. These slides included the insufficient intake structure and antiquated equipment. It was pointed out that the water plant still works and the water quality is very good, and we are recognized by DHEC for our water quality. Mr. Titus stated the presentation is not to scare Council, but they do want to convey a sense of urgency that some work needs to be done on the water treatment plant.

Councilman Dewar stated he had a constituent send him a picture of a filter from their sink. He asked in the process of going from Shaws Creek to the houses is it likely to pick up any bad material in the water lines. Mr. Titus pointed out that the water line pipes are pressurized so very little material will make into the lines. However, if you have old infrastructure, the pipe lines may be degrading.

Mr. Keith Lowe, Water Plant Manager, pointed out that when a water line breaks and they have to interrupt the service, it jars the water lines and old stuff breaks loose so there may be some sediment in the lines that gets to the houses. He also pointed out that it depends on how long the water customer leaves the filters in. If they have been there a long time, they collect sediment. Most manufacturers recommend that the filters be changed monthly. He pointed out when the customer puts a filter in, they are taking away all the safety issues that the City has put in the water, including chlorine, fluoride, etc. He pointed out that many times people leave the filters in for a year or more and that should not be done. The manufacturer recommends changing the filters often.

Mr. Bedenbaugh stated we could put an article in the water bill newsletter about the use of filters, what they do, and changing the filters.

Mr. Titus continued to review slides showing the condition of the equipment at the Shaws Creek Water Treatment Plant. He pointed out the pumps that have to be manually oiled two to three times a day. He noted that if some of the equipment fails, it will really impact the system for a while. He pointed out the condition of the flocculators and sedimentation basins. He pointed out the concrete typically has a useful life of about 50 years. What we have is going on 70 years.

Mayor Osbon asked if any money had been budgeted in CPST IV for work at the Water Treatment Plant. Mr. Bedenbaugh responded no, that the money was budgeted for pipe infrastructure.

Mr. Lowe pointed out that they had actually done a lot of upgrade of the filter tables at the plant at a cost of \$100,000 or more. He pointed out that for the last 10 years they have been patching the plant. They have been doing what they need to do to keep the plant operating, but they can only do so much.

Mr. Titus pointed out that the operators are doing an incredible job and are keeping the water quality high and are well below DHEC's requirement for turbidity below .3.

Mr. Titus pointed out that the Shaws Creek Plant operates as a make-up plant and takes care of the summer peaks for water supply.

Mr. Titus stated they know how important the Shaws Creek Plant is for future development on the northside. He pointed out that they looked at several future options, and decided on the two most feasible options. One option is a comprehensive plant upgrade. Using the existing parcels there are about 8.2 acres of usable area of which about two-thirds of the area is taken. He said it would be hard to expand and build any raw water reservoirs or phase any construction. He said, however, they did look at that option. That would involve basically stripping everything down to the floor and rebuilding the plant. He said the cost would be \$40 to \$55 million to upgrade the plant. There are several reasons. It is very high level. There are a lot of unforeseen circumstances in going through the plant and tearing it all the way down and rebuilding it. He said the cost is more of a programming number than an estimate on the construction. He said they would recommend doing a preliminary engineering report so the number could be firmed up.

Mr. Titus said option 2 is to construct a new plant. He said there had been a lot of conversations with staff. He said there is a large parcel adjacent to the existing plant. He said a new plant could be built while the present plant is operating and then turning over the service once it is ready. We could tie into the existing intake structure that is already in Shaws Creek and save a lot of time and money and just upgrading what is there. He said it is a totally different permitting process to build a new intake structure. He said a new plant could be built while the present plant is in operation and turn it over. There would be room for raw water reservoirs and additional utility engineering facilities. The cost to build a new plant would be \$30 to \$45 million. He said the cost is a programming number, and it is felt through a preliminary engineering report we would be able to get the cost lower.

Council then discussed the two options. There was a question about Option 1 as to whether the plant would continue to run or would it be shut down. Mr. Titus stated we would have to keep the plant running. The update would have to be phased and that is one reason the cost is so high. It could possibly be taken off line for a month or two during the winter, but that is not enough time to complete the upgrade. Mr. Titus said he had pointed out the advantages and disadvantages of the two options. He said it is easy to see that a new plant would be more efficient and more cost effective. With a new plant, you could incorporate a lot of newer technology.

Mr. Lowe pointed out in upgrading the Pine Log Road and Town Creek plants with new technology, they went to a variable frequency drive which controls the amount of power usage. He said they have actually cut power usage back at Pine Log and Town Creek by about 25% and are saving a lot of money.

Mr. Bedenbaugh stated the reason for the discussion is that we need to chart a path forward. He said Mr. Lowe and Mr. Reardon are making the plant workable. The water quality is very good, but we need to consider setting a path forward before we have a major problem.

Mayor Osbon asked how much money we have in the water depreciation fund. Mr. Bedenbaugh stated with the carry forward recommended for this year, we would have about \$2 million for water and sewer depreciation.

Mr. Titus stated there are several grants available, and they would pursue the grants. He felt there would be the potential to get \$3 to \$5 million from grants.

Mr. Bedenbaugh stated the next step to go forward is to do a more refined, targeted study based on a new plant location and come back to Council with a firmer cost. We would then begin seeking the funding. The study would take about nine months. The study would be required to get any grant money. It was also pointed out that the city would have to purchase land on which to build the new plant.

Councilwoman Price stated she felt we could go ahead and approach the agencies about a grant and gather information now. She felt that we don't have to wait; we can do some preliminary checking.

Mr. Bedenbaugh stated staff would go ahead with a Preliminary Engineering Report (PER), and we will go ahead and get GMC to help us reach out to various grant agencies to start applications to the agencies. We will get GMC to go ahead with a Preliminary Engineering Report to get a better refined cost based on the option of a new water plant. It was noted that it will take 3 to 5 years to be able to break ground for a new water plant. Mr. Bedenbaugh stated that was the reason for coming to Council now because the CPST V would be voted on in 2024. He said we want to go ahead and get this as a priority project. He said it is staff's recommendation to Council that we pursue this. He said he needs Council's direction so staff can begin this process.

Councilwoman Price asked how others have gotten money for a water plant project. It was noted that bonds would be the quickest way to get funding for the project. Also, SRS money is the cheapest money, but it takes a while to get it.

Ms. Bagwell, Soil and Water Commissioner, asked if the preliminary engineering report would include an alternative analysis for replacing a plant using surface water intakes versus building a new network of ground water wells.

Mr. Titus stated that was one of the options that they looked at originally, and they decided not to present the option for several reasons. One is that it would be solely dependent on ground water which limits your options. In order to get the infrastructure there would be several wells, and you would need to be able to take the plant down and replace it with at least about 1 million gallons per day per well. If you have 8 MGD, you would have to have 8 wells and you would have to have infrastructure to get to the wells. Not only do you have to build the wells, but you have to provide the infrastructure to get to the wells. He said they did not think that option was a feasible option.

Ms. Bagwell stated she had specifically wondered about the option for a very big well and an intermediate well, a well cluster near the current Shaws Creek intake. It was pointed out the problem with that is radium as we would be close to Shiloh Springs. It was pointed out that the water quality and water quantity on that side are not as productive.

Ms. Bagwell stated for Council's information, this discussion following so closely on the heels of the decision by DHEC in November to implement ground water tapping use rules in Aiken and several surrounding counties means that the average water consumer in Aiken County is highly aware of where their water comes from, and they are very educated. She said she sees that as a real benefit for the decision makers moving forward. She said it is the time for Council to make the smartest decision now and the smartest decision that would serve the drinkers of the city's water and the growth needs of the city and county going forward. She pointed out there will never be a more educated populace to bring this issue to. She said from a hydrogeological perspective there might not ever be a more important time. The challenges that we have with regards to increasing the use of ground water in this region are on the other side of the equation mirrored by increasing uses of surface water. She pointed out this will serve a great number of people who live outside the city limits. She pointed out there will never be a more important time to have this conversation with the people who are elected and the people who drink our water.

Mr. Bedenbaugh stated we have engaged in some surface water protection with easements, etc. along Shaws Creek. One thing to consider is that they brought up the Brunswick tract property which is 2,500 acres adjacent to our reservoir which Shaws Creek runs through. We could look to try to find some funding for protection of the above ground surface water. We have some CPST Greenspace money for some funding for protection of the above ground or surface water source at Shaws Creek which is our primary water source. However, 80% of the water in our system-wide comes from wells, but a lot of our people get their water from Shaws Creek. He said we have had discussions with Council about that, and we are continuing at the staff level to have discussions about pursuing that. He said he was looking to get someone here to talk to us about looking at how we can potentially conserve that portion of Shaws Creek from our Mason Branch Reservoir down towards our plant. He felt that was critical as well as we talk about expanding our potential reach of our utilities that we have water with less treatment and less chemicals which saves money. Having a watershed conserved, he felt, was very important and Council needs to hear that.

The general consensus of Council was that staff should proceed to get a preliminary engineering report for the option to build a new water treatment plant and Engineering and Utilities will work with GMC on the water plant PER and the water storage protection angle of Shaws Creek between our reservoir and the Shaws Creek Plant. Also, staff and GMC are to work to identify funds and alternate sources for grants for the project and to look at the cost for purchase of adjacent land for the plant.

Mr. Keith Lowe, Water Plant Manager, stated he had come to work for the city 38 years ago. The plant was antiquated then. He said it is immaculate now from the way it used to look. He said the pictures do not do the plant justice. The water quality is great because there are dedicated operators that keep it that way. He said they have been trying to upgrade the plant each year to keep the water quality high. He said he was going to do what he could do to the plant as long as he is working with the city to keep it going and to meet DHEC regulations.

Mr. Bedenbaugh stated staff was going to move forward with the plans to do a PER and pursue a parallel track of funding, alternate sources of funding, and the watershed source protection.

BUDGET AMENDMENTCarry Over Funds
2019-20 Budget Amendment

Mr. Bedenbaugh stated a memorandum from Finance Director Kymberley Wheat regarding unspent funds from the FY 2018-19 budget had been provided to Council. The memo lists the items recommended for the use of unspent funds at the end of the budget for the fiscal year ending June 30, 2019. He said he was recommending that the FY 2019-20 budget be amended to include these carry forward funds for these items. The attachment lists each item and the funding for the item. The primary reason the General Fund has over \$2 million in unspent funds is because of increased property tax revenue and insurance collections and salary underruns.

He said this is done every year if there are unspent funds. On the average the unspent funds have been over \$500,000 a year for the General Fund. He said there would be first reading of an ordinance amending the fiscal year 2019-2020 budget to include these funds in the budget. He said some of the unspent funds are the result of budgeted items from fiscal year 2018-19 not coming in time. He pointed out that we have historically been very conservative in our revenue estimates. He felt Council would appreciate staff coming with a conservative estimate versus one where we spend more than we took in. He said staff was surprised by the amount of the General Fund revenue surplus. That was primarily due to the Municipal Association collecting insurance premiums for all jurisdictions, and our insurance premium collection was well over budget, about \$500,000 more than anticipated.

Mayor Osbon asked how much we were over budget, and Mr. Bedenbaugh responded there was \$2,044,000. Mayor Osbon asked for a line by line breakdown of the over budget revenue.

Councilman Girardeau noted that Council had considered raising the tax millage rate 2 mills. He pointed out that the budget unspent funds is seven times what a 2 mill tax increase would have brought in. He pointed out then we went through the process of adjusting the budget line items to present a balanced budget. He asked what would happen if the budget were \$2 million less than budgeted. He said Council would probably terminate staff. He said being over \$2 million is a little bit on that end. He said \$2 million over budget is too much. He pointed out how foolish Council would have looked had they raised taxes 2 mills and then had a \$2 million surplus. He said that is not acceptable. He said he understands being conservative, and we do want to be on the positive side, but \$2 million is a lot.

Mr. Bedenbaugh stated some extra revenue was property tax revenue being more than anticipated, as well as the insurance premium collections being more, and underruns for salaries for positions not filled.

Ms. Kymberley Wheat, Finance Director, pointed out that expenditures were about \$2 million under budget. If you look at the total revenue in the General Fund, we really only made budget for total revenue. Had we spent all the money we budgeted, we would have still needed a tax increase. The property tax and insurance premiums were over the budgeted amount, but in total the General Fund revenue was not over. It was the expenditures that were under spent. She said that was a good thing to her that we were good stewards. She explained that salary underruns were \$500,000.

Council then discussed why revenue was over and why budgeted funds were not spent, including the salary underruns. Mr. Bedenbaugh explained that the salary underruns is a rolling item. He pointed out that when a job gets filled another job is vacant. He noted there is a lag between when a position is vacant and when it is filled. Presently Public Services is 12 positions short so that makes an underrun of expenditure for salaries. It was pointed out that Engineering & Utilities is 6 positions short and Recreation is 7 positions short. It was noted that they are having trouble finding qualified applicants for the positions, mostly for the level entry jobs. Chief Barranco stated he has also had trouble getting qualified applicants.

Among the Highlights:

We are recommending, based on Council's comments during the budget process, that an additional \$525,000 be added to economic development, which already has \$250,000 allocated in this year's budget. If approved, we would have \$775,000 designated for economic development projects. We are also designating \$700,000 for Municipal Building consolidation. We are adding \$50,000 for façade grants for our downtown. If approved, the FY 2019-20 budget would have \$75,000 designated for façade grants. Increased façade grant funding was a goal for Council this year with the Downtown Business zoning district being expanded eastward from Union Street to Williamsburg Street several months ago. We are adding \$300,000 to building depreciation for all General Fund departments. We are also recommending adding a reoccurring expense, a Crime Analyst for Public Safety. Chief Barranco has asked for this position for four years, and I believe we can benefit from this addition. Finally, we are adding \$457,000 to our water and sewer system depreciation fund.

Council continued to discuss the unspent funds from the 2018-19 budget and the items to be carried over to the 2019-20 budget, including the request for a Crime Analyst for Public Safety, the camera system for the downtown, and cyber security.

Mr. Bedenbaugh reviewed each line item proposed for use of carry over funds to the 2019-2020 budget.

The work session ended at 5:55 p.m.

EXECUTIVE SESSION

Mayor Osbon stated City Council needs to go into Executive Session pursuant to Section 30-4-70(a)(2) to discuss negotiations incident to a proposed contractual arrangement and proposed sale or purchase of property and to receive legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege.

Specifically, City Council will discuss the following:

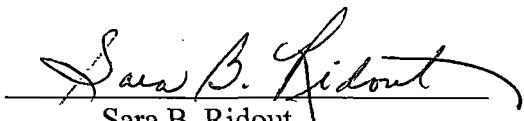
1. Proposed contractual arrangements with the potential owner of real estate for purchase by the City of Aiken.
2. The proposed sale of property owned by the City of Aiken.

Councilwoman Diggs moved, seconded by Councilman Girardeau, that Council go into executive session to discuss the items mentioned by Mayor Osbon. The motion was unanimously approved.

Council went into executive session at 6:00 p.m.

After discussion, Councilman Dewar moved, seconded by Councilwoman Price, that Council come out of executive session to conduct the regular meeting and then go back into executive session after the regular meeting. The motion was unanimously approved.

Council came out of executive session at 6:59 p.m.


Sara B. Ridout
City Clerk