

Aiken City Council MinutesWORK SESSION

October 24, 2016

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

Absent: Councilman Dewar

Others Present: John Klimm, Stuart Bedenbaugh, Gary Smith, Sara Ridout, Charles Barranco, Ron Shelley, Mary Ann Burgess, David Turno, Marty Sawyer, Bryan Mills, Brian Brazier, Ryan Bland, Joy Gillespie, Dan Brown from the Aiken Standard, and about 9 citizens.

CALL TO ORDER

Mayor Osbon called the work session to order at 5:00 P.M. Mayor Osbon stated the purpose of the meeting was to discuss two items, one being a presentation by Hussey Gay Bell on the Public Safety Building and second the tax millage rate after reassessment. He asked that Mr. Klimm, City Manager, discuss the tax millage rate first.

TAX MILLAGE RATEFiscal Year 2016-17Reassessment

Mr. Klimm stated there is a comprehensive power point presentation prepared by Ms. Abney, Finance Director, if Council would like to go into the details of the terminology and calculations that are involved in setting the millage rate. The issue before Council is the need to decide on a permanent millage rate for the FY 2016-17 budget. He noted that there was a county-wide reassessment of all county real estate this past year which impacts the city's tax rate. He said this is an initial discussion prior to Council's formal meeting to discuss the issue and to make a staff recommendation.

Mr. Klimm pointed out that this is October and the budget process has been completed for some time, and we are actually beginning to work on next year's fiscal budget. During the budget process this past year we totally revamped the budget document and have done much work in the area of financial forecasting and our capital needs, one of which is the condition of some of our buildings. Staff will be reporting to Council on our financial forecast at the Council work session on November 7, 2016. During the budget process this past year, staff recommended several new targeted revenue sources to address specific needs, such as the need to implement a Roads Maintenance Program with our Vehicle Maintenance Fee for city roads where no maintenance program presently exists. The need to create a fund for new roads and new infrastructure to address traffic congestion, especially on Whiskey Road, and other road improvements like sidewalks to increase public safety in our neighborhoods, bike paths and undergrounding with a franchise fee increase. The need to address public safety concerns like the condition of our Public Safety Building Headquarters which we will discuss next which was mentioned as partial justification for the franchise fee increase. Also, the need to be more focused with the Hospitality Tax in areas such as addressing the downtown parking challenge and a new road, specifically as it impacts our visitors and tourists through the use of the Hospitality Tax.

Mr. Klimm stated during the budget discussion over the past six months, there was never any discussion about a general tax increase. We did not propose it; we did not discuss it; we did not suggest it; and we don't support it. An increase in the millage rate at this time is not supported by staff, and we believe it would not be consistent with what we have said and what we have done over the past 6 months to a year. We recommend maintaining the millage rate of 62 mills which, with the associated reduction in property values in the city, will actually mean a tax cut for over 40% of our city's residents. He

said that is staff's recommendation to Council and staff is present to answer any technical questions. He noted this matter will be addressed in the regular Council meeting at 7 p.m. Mr. Klimm stated staff feels that through efficiency measures we can make up the shortfall in revenue. We will present budget adjustments in the near future so we can end the fiscal year in balance.

Councilman Homoki stated from what he has heard it seems that many of the appraisals for property were down. If the city keeps the 62 mill rate, the city will collect less revenue. He noted that in the newspaper there was mention of a millage rate of 63.7. He asked if the city raises the millage rate to 63.7 would property owners' taxes increase. He said he would like to get some representative figures for taxes at 62 mills and at 63.7 mills on various properties to see if property taxes would increase. He said he thought the city should seriously consider a bond issue to help with the Public Safety Headquarters building and other capital projects mentioned. He felt rather than a tax increase, we should look at issuing a bond. He said he was against a tax increase at this time, especially if the staff can balance the budget by making budget adjustments.

Mr. Klimm stated that unless we review everyone's new property values, we could not report to Council how many would receive an increase with a millage rate of 63.7 mills. He noted there would be a significant number whose taxes would increase because as some values went down, others went up. He said as to the second question, this is part of our review of all of our needs including buildings. What we fund in the future and how we fund it will be topics of many, many hours of conversations, beginning on November 7. It is very clear that if we are going to start addressing some of the financial challenges we face, we need to look at other options such as bonds. He said we know that we have hundreds of millions of dollars of infrastructure that need attention and buildings which need attention, especially the Public Safety Building.

Councilman Ebner noted there are 15,031 parcels in the city and 6,061 of those parcels had a decrease in property tax value which means 40% of our parcels decreased in value. County-wide 33% of about 110,000 parcels decreased in value.

Council expressed concern that a great percentage of the tax parcels decreased in value. After discussion the general consensus of Council was to take the recommendation of staff to keep the millage rate at 62 mills and make some budget adjustments.

PUBLIC SAFETY BUILDING HEADQUARTERS

Laurens Street

Hussey Gay Bell Consultants

Feasibility Study

Mr. Klimm stated the second issue is that as we begin to address our capital needs we are looking at the condition of our buildings. He said we had had a review of the Public Safety Headquarters Building by Hussey Gay Bell. He said Joy Gillespie had been working with Public Safety personnel regarding their building.

Ms. Gillespie stated she and Chief Barranco had been working with Doug Straughan, of Hussey Gay Bell, on determining the best path forward for the Public Safety Headquarters Building. She said Mr. Straughan is here to present the feasibility study and the options available for the Public Safety Building.

Mr. Straughan, of Hussey Gay Bell an architectural and engineering firm, stated his firm was hired by the City of Aiken a few months ago to complete a feasibility study on the Public Safety Headquarters Building on Laurens Street. Mr. Straughan stated he would review the existing conditions of the current Public Safety Building, the process used with the committee to program the building and determine space needs, and then review the three potential schemes of designs for the proposed building.

Mr. Straughan reviewed the current facility on Laurens Street showing an aerial view of the facility and a floor plan of the facility. He showed some pictures of various sides of

the building and then pictures of the inside of the building. He noted that after investigation of the infrastructure of the site, currently the water, sewer, and storm drainage needs for the facility and future needs of the facility are available at the site. He noted he would request that the zoning of the current site be rezoned to Downtown Business District which would allow use of more of the site for the building. He noted that the current building houses the police and fire and administrative facilities. Currently the Fire Department has a three bay fire station. He noted that the back of the Public Safety building was built in 1975 and is about 40 years old. A small addition was added to the front of the building in 1998. He stated plumbing, electrical and mechanical engineers had inspected the building and evaluated the systems in the building. They found a lot of equipment had run its useful life. A couple of air conditioning units had been replaced recently, and it is proposed that we try to reuse the new units, but for the most part the equipment in the building is old and has outlived its useful life. He noted that the Public Safety Building also houses the Municipal Court. He pointed out that there are spaces that are being used in the building that were not originally designed for that particular use, with one example being evidence storage. He also noted the shortage of parking at the building. He pointed out that currently about 140 personnel work at the building.

Mr. Straughan then reviewed the process used to identify the space needs for the Public Safety Headquarters, noting they had a series of meetings starting in August with all of the division heads. He pointed out that Aiken is unique in that all of the divisions are under one command. He pointed out that in many cases there are separate fire departments and police departments with separate buildings as they don't work well together. However, the City of Aiken is different and the public safety concept works well for Aiken. Being together they have the opportunity to share facilities and share costs, whereas in other municipalities they would not. He said he met with each individual division head and a space needs assessment was developed for office space, storage space, copy rooms, meeting space, etc. for current use and future expansion. After meeting with each division they came up with the size, square footage, and quantity of each space and came up with a net total for each division and added to that a grossing factor to account for wall thicknesses, mechanical rooms, electrical rooms, etc. and came up with a gross square footage for each division. They also did a Room Data Sheet for each room in the building listing all that particular room would need. When the process was completed, they came up with a gross square footage of 46,133 square feet which represents the total space needs of the current Public Safety facility.

Mr. Straughan stated they had come up with three schemes. He reviewed each scheme. The first scheme was the Renovation and Addition Scheme. The middle portion of the scheme would be the existing portion of the building that would be renovated. A portion on the back would be demolished to make room for the fire station. The 1998 addition in the front of the current building would be demolished to make room for a much larger office building in the front. He pointed out that all the proposed schemes would take advantage of some available property next door at the Trinity Lutheran Home that is available to the city for additional parking. The addition next door would allow for about 80 total parking spaces. The fire station currently has three bays. Based on the apparatus needs, four bays are needed. The front of the building would be two stories. He pointed out this scheme could be phased so employees could continue to be housed in the existing building, but that does present some problems and does increase the cost. Scheme A total project cost would be about \$12,992,540.

Scheme B would completely demolish the existing building and build a new facility. This scheme would allow additional parking spaces in the back of the fire station. The fire station would be a single story, but the addition would be a three story addition. Most of the third floor would be shelled in and available for future expansion. This scheme would be about 60,000 square feet. Scheme B total project cost would be about \$15,786,925.

Scheme C is all new construction and the existing building would be demolished. The fire station would be at the rear of the building with additional parking behind the fire station. The addition would be in the front with about 51,000 square feet. This would

take care of the program space needs as well as provide about 6,000 square feet of shelved in future expansion. This scheme would be set back some from the street. This scheme also shows where the various divisions would locate with Investigations, Youth Services, Support Services, and IT on the second floor. The third floor would be for the Administrative Division, Executive Suite, and future expansion. Scheme C total project cost would be about \$14,146,743. Mr. Straughan then showed a picture of what the proposed building could look like.

Mr. Straughan stated he had worked with the committee to come up with the various schemes. He felt it was unanimous that Scheme C was the recommendation of the committee.

Mr. Straughan then answered questions. One question was how much space would be gained compared to the present building. Mr. Straughan stated presently Public Safety has about 25,000 sq.ft. The recommended scheme would about double the present space. He stated there had been some discussion about whether or not any of the divisions at the present site could go to other locations, but no determination had been made on that. As far as the timeframe there would be about an 8 to 10 month design period, a month for permitting, a month for bidding, and 10 to 12 months for construction, with a total of about 24 months before the building could be occupied. Other locations had been identified to house staff during construction.

There was a comment that a few years ago there was some consideration about separating fire and police and relocating the fire station. Chief Barranco stated that was considered, but the movement of the fire station would impact the city's ISO rating. He pointed out that on the Capital Projects Sales Tax projects there was an item for a new fire station, but with the recalculation and going from road miles to response time, it is not recommended that Aiken needs a new station. The fire station still needs to be in the present location. It was pointed out that the cost for the fire portion of the building would cost more for construction because the material is more durable.

There was a comment regarding the building could be built to meet current needs or could be built to plan for growth. There was a question as to whether cybersecurity had been considered in planning for growth in that area. Chief Barranco stated that had been considered and would be in the Investigative Division space and additional space was considered for Information Technology in the building. There was a question as to how the proposed Public Safety Building would be financed, how it would enhance service and response time to the public, and if increases in salaries were being considered for the Public Safety Officers along with a beautiful building.

Mr. Klimm stated regarding the financing staff is in the first step of evaluating the condition of city buildings, including the Municipal Building on Park Avenue. The plan is to put a comprehensive capital list together for Council to ultimately make the decision on which ones have the highest priority and how to fund them. Consideration of a bond issue is to be discussed on November 7, 2016.

Chief Barranco stated this focus had been on the building condition and consideration of salaries comes from a different source and is not addressed in this project. He noted that response time is good and that is why it is felt it is important that the building be at the Laurens Street location and the setup of the proposed building would maintain the quick response time. Mr. Straughan stated as far as the building being user friendly, they took great care in trying to locate the things the citizens would be coming to the building for on the first floor. The upper floors would be for areas where citizens would not go very often. There would be increased space for Dispatch.

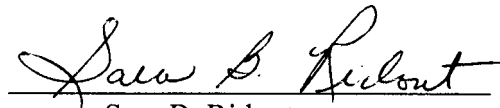
Councilwoman Price pointed out that Mr. Klimm had stated that staff is not just picking and choosing projects, but a list is being prepared of the needs in the community so the citizens know what the needs are.

There was a question regarding storage of evidence items, and it was pointed out that storage of evidence items would be located in the Investigative Division. There was a question regarding the fourth bay for fire trucks and whether this location was the best place or perhaps it could be located elsewhere in the city. Chief Barranco pointed out that presently the three fire bays are packed and even some vehicles are stored outside. It was noted that it is felt that the Laurens Street location is the best location as that station runs the largest amount of calls.

There was a brief discussion on the recommendation that the zoning be changed from Limited Professional (LP) to Downtown Business (DB). It was pointed out that Downtown Business allows buildings to be built up to the property line and does not require parking.

ADJOURNMENT

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


Sara B. Ridout
City Clerk