

Aiken City Council Minutes

WORK SESSION

June 23, 2014

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

Others Present: Roger LeDuc, Gary Smith, Stuart Bedenbaugh, Kim Abney, Sara Ridout, and Maayan Schechter of the Aiken Standard.

Mayor Cavanaugh called the work session to order and stated the purpose of the meeting was to discuss the proposed 2014-15 budget.

BUDGET

FY 2014-15

Interim City Manager Roger LeDuc stated, over the last two weeks in meeting with Council and staff, there have been a number of items in the budget that there was not a defined path forward as to what the City is doing or trying to do. He could see the need for a Council work session every week for the next two or three months to try to resolve some of these issues. He stated he nor Council wants to do that. One of the things that has been done in other organizations, primarily under an Administrative form of government, is that Council has formed committees to handle certain issues. Two to three Councilmembers would sit down, meet with the manager or certain staff members, and work out a path forward or solution that is then brought back to all of Council. Those committee Councilmembers would recommend to Council a path forward. He stated, for example, the Municipal Building has been a topic of discussion, and it has been a year since it was talked about. There are ideas, but the bottom line is there is a half empty building that is being heated and cooled and other staff members could be moved in or other things could be done. He needs direction as a path forward as to what needs to be done. His suggestion was that some committees made up of Councilmembers be formed. He would contact that group and set up a meeting and go over the item. In the past with other towns, generally two meetings is all it takes. If it is a really tough issue, it may take three meetings. Usually at the first meeting we talk about the item, ideas are presented, we get some solutions and answers, meet again, and there is a solution. Mr. LeDuc handed out a list of proposed committees. He asked that no more than three Councilmembers sign up for each listed committee before the end of the meeting. He said other committees or items could be added to the list.

Mr. LeDuc reviewed the list of items to make sure all of Council understood each item. The first item is with the SIB (State Infrastructure Bank). There are three projects. He received some correspondence from Gary Smith last week saying the state has been looking for some information for quite some time. He needs to sit down with some Councilmembers and talk about the projects to see where we are and what needs to be done. The next item is Gem Lakes Extension. Employee pay for the storm is another item. Four months ago we had the storm event. Some commitments were made. Nothing has been done yet. He would like to sit down with some employees to talk about that and bring back a solution to Council for approval. We are starting tonight on the next item with an ordinance on first reading – hiring a Capital Project Sales Tax Manager. He said there may need to be some changes in the job description. Once the person is hired, the priority of the projects needs to be determined.

The next item is the Municipal Building and what to do with the building. Another item is the Department Directors for Parks, Recreation and Tourism and for Planning. He has thoughts on the hiring and would like to know Council's thoughts. His thoughts are probably on not hiring, but what is to be done in the meantime until we do hire someone or the next City Manager hires someone. The next item is Crosland Park and Edgewood. What overall plan do we want to give for these areas. There is a proposal that is written

and ready to be sent out to get some information and draw up a plan on it. We are probably talking about spending several tens of thousands of dollars. Is that what Council wants to do? What direction does the City want to go in? The last item is the longer term use of Accommodations Tax funds. In the past we came up with projects that we funded for a multiple number of years. Right now there is currently \$74,000 in the Accommodations Tax funds budget for the Railroad Depot. It was in the original budget. He does not know if Council wants that or not. He does know we recently had a pavilion proposed at Whitney Field. That was something that was talked about several years. Is that what Council wants? He stated Council needs to come up with a long-term use of the Accommodations Tax money. There may be three or four more items that Council may come up with tonight. That is why he is presenting this now so those items can be added to the list and committees formed to start moving them forward. If Council does not agree, that's fine. This does not have to be done. He feels it is a path forward that will help him, if nothing else. Mr. LeDuc asked Council if they were okay with the idea of listing the items and forming committees.

Mayor Fred Cavanaugh stated it was an excellent idea.

Councilman Dewar stated he liked the idea. He would add one or two more items. Public Safety obviously needs to be considered – both salaries and management. North Augusta showed Aiken they have an organized approach as to how they treat their staff in terms of range, and that is something that applies throughout the staff. Council needs to get the same information obtained on Public Safety, more privately, from the rest of the departments. He feels there is a massive imbalance. Going back to Public Safety, there are sworn officers working as mechanics and a sworn officer working as a records retention person. That is an area that should be on the list.

Mr. LeDuc asked how to list that item. Councilman Dewar stated to list it as staffing structure.

Councilman Ebner asked if, under Municipal Building, the Municipal Building and the Administration and Finance Building were included.

Mr. LeDuc stated his concentration is mainly the Municipal Building. If Council wants to talk about the Administration and Finance building, he would like to make that a whole separate subject.

Councilman Ebner stated he feels it needs to be an item to review some of the policies that the building is using now and access by the public.

Mr. LeDuc added the Administration and Finance Building to the list of items.

Councilman Homoki asked about the fire stations. He asked if they were in good shape. Councilman Dewar asked if he meant physical issues. He said he is not aware of any physical issues.

Councilman Merry stated he would add the PACT building to the Municipal Building item.

Mr. LeDuc stated that would be part of the Municipal Building. We just had someone come in to look at the building, and they would like to have a lease/purchase on that building. If the people now in the building could be moved somewhere else, the City could possibly make some money on that building.

Mr. LeDuc stated some Councilmembers may want to be on every committee. He will meet with whoever is on the committees.

Mayor Cavanaugh asked that over the next few hours or days that Council look at the list and let Mr. LeDuc know what committees they want to serve on.

Mr. LeDuc stated four or five Councilmembers might want to be on one committee. He felt the number of Council on a committee has to be held to three or less so there is not a quorum of Council. Otherwise it becomes a meeting of Council for advertising, etc.

Councilman Dewar asked if Mr. LeDuc needed to attend every meeting or if the Councilmembers could meet amongst themselves. City Attorney Gary Smith responded they could as long as there are three or less members of Council meeting.

Councilwoman Price stated she felt Mr. LeDuc needs to be at every meeting. Mr. LeDuc stated it would be much better if he is at the meetings as he wants to learn the status of the items and see how Council wants to go forward.

Councilman Dewar stated it would be a waste of time because Mr. LeDuc does not have that much time.

Mr. LeDuc stated something needs to be started on the items and whatever time it takes, then it needs to be done. Councilman Dewar stated he agrees, they need to be pushed. Mr. LeDuc stated some items need to be done quicker than others.

Councilman Dewar stated he understands but there are a lot of things that need to be brought to Council for Council to make a decision on where to go. He pointed out that if Mr. LeDuc is to attend every meeting, it will take up a lot of Mr. LeDuc's time. He pointed out there are 10 issues for committees already. He pointed out the staff structure is a very broad issue.

Mayor Cavanaugh stated the items need to be prioritized.

Councilman Merry stated he would like to add one more item. He stated there needs to be a strategy developed on how to find a new City Manager.

Councilwoman Price stated it does not take a strategy. Council needs to tell the Human Resources person to advertise.

Councilman Merry stated he feels a lot more than that needs to be done. He thinks they need to look at having a professional recruiter that specializes in this type of municipal administration role. He thinks Council needs to look beyond the state of South Carolina. It is important to get somebody with qualifications, experience, and clout. Council needs to get as close to the perfect person as they can find, and just posting it on the Municipal Association website will not be adequate. He has been down this road with two pastoral searches at two churches. There are two ways to do it. One way you get people with not many options and the other way you get the cream of the crop. He felt they need to go after the cream of the crop.

Councilwoman Gail Diggs stated she did not think they would limit it to the Municipal Association website. Councilwoman Price stated that has not been talked about.

Councilman Merry stated he was talking about getting a firm to do it and that firm will help try to develop the goals and figure out what kind of manager the City is looking for. Secondly, they would do the leg work as far as paring the number down to a select few. It would be less work on Council in the end, and we would get a handful of very qualified candidates that Council could then interview and make a choice from.

Councilwoman Price asked how much he was prepared to pay, \$200,000? Councilman Merry asked if she meant for the consultant or the City Manager. Councilwoman Price stated the salary for the City Manager. Councilwoman Diggs stated if the person is coming from way off they will want a large salary.

Councilman Merry stated he does not know if that is necessarily true, but if it is, that is a factor in the hiring decision.

Mayor Cavanaugh stated Council was off the subject. He thinks they need to discuss the budget, and then hopefully they will have some time after the budget. He feels hiring a City Manager is the next important item.

Councilwoman Diggs asked if they know which committees they are interested in if they could go ahead and put their name down before someone else takes the slot.

Councilwoman Price asked if they were prepared tonight to write down the committees they want to serve on and give it to Mr. LeDuc. Mr. LeDuc stated that was fine.

Councilman Dewar stated the County has an Administrative Committee and possibly other committees comprised of three members of County Council. He said they meet individually and he has attended some of the meetings. He stated sometimes Clay Killian is there and sometimes he is not. They meet and report to Council on their particular issue. He thinks Scott Singer is a member of the Administrative Committee, and they have clearly defined areas of County operation that they oversee. He thinks it is a wonderful idea because it gets Council involved. Finance is one of the big ones. He would see nothing wrong with the Councilmembers meeting collectively and reporting back to the group. There is no power among three people so they cannot do anything without the concurrence of the group and they certainly should not do anything without working with the City Manager.

Mr. LeDuc stated the City Manager does not have to be in the room every time, just under the City Manager form of government, they have more say so than in an Administrative form of government. In the Administrative form of government, the Council is in charge of everything that goes on.

Councilman Dewar said to keep in mind that no action can come out of the groups except to brief, so it is not a function of how the City is organized.

Councilman Homoki stated that what the committee brings back to the Council should be what the majority would agree on anyway.

Mr. LeDuc stated he was going to start the budget process discussion. He stated Council asked him to look at the budget to come up with a balanced budget that they could at least work with in the interim. He said he was stating this from the consensus of Council. Different individuals had different thoughts as to where and what needs to be done. The consensus was to come up with something that could be approved, and that they could start working on in July and then come back at a later date and make some changes to it as necessary. The original budget that was approved on first reading had a millage increase. That has been removed from this budget. There is no millage increase and no fee increases whatsoever in this budget. At a later date Council may need to look at some fee or millage increase. He stated there was concern, and rightly so, that the original budget had \$869,000 in FEMA funds as a revenue line item. He does not expect that next year there will be \$869,000 or \$500,000 or \$200,000 in FEMA money. If so, that would mean a major disaster or storm has come through the area. That is a one-time source of funds. In the agenda packet, under Exhibit A, he stated he listed some items that could be considered one-time only, but even there it was done to give Council some feeling as to how this money would be spent. Those items are in the budget. Those are line items that were there originally. The \$869,000 was lowered to \$477,100. Only the grabber and the chipper truck would be directly tied to FEMA funds. Those were originally in the budget and had depreciation attached to them. We could put those back in the regular budget using depreciation funds. Or, he stated, they could be paid for with FEMA funds that the City would receive that one time. He stated he is proposing that there be a hiring freeze for all existing and proposed positions. He mentioned this to the Department Heads, so they are aware of it, and they are aware that they can come back in July, August, or September to Council to unfreeze a current position or a proposed position, but before that happens, there has to be justification as to why that position is needed. He said he has not had the opportunity to sit down and analyze if we really need to have two people working utilities to find all the valves and exercise them once a year. He has not sat down with Mr. Grinton, but that was one of the justifications. An

[appropriate amount was taken out for FICA and some of the other areas. Councilman Dewar had mentioned, in an email to him, that it looks like he was lowering but yet increasing with Public Safety. He said in balancing between frozen positions, especially the City Manager and two Department Head positions in the General Fund, and an amount we may give for Public Safety, it is hard to know whether we will go higher or lower. It is a number and adjustments will have to be made. It includes about a half million dollars in the General Fund and Utilities Fund on reduction of capital expenditures. There were a number of vehicles that he felt had enough life in them that should not be put in the budget. There were some building improvements and computer items that were taken out.

Councilman Dewar asked if there was a list of items that had been removed.

Mr. LeDuc stated there was not a list of items taken out, but he gave Council a list of items that are still in the budget. He stated he could sit down and figure that out for Council, but all the items that are in the budget are items that have depreciation attached to them or funds that are there to justify the need for them. In saying that, he said he still suggests that before any capital item actually gets spent, that he would want himself or the Assistant City Manager, who is in charge of purchasing, to give that final approval. Typically that does not happen once the budget is approved. Normally if a vehicle is in the budget, once it is approved, it is bought. He needs to still review those that are in the budget and see if they are really justified.

Councilman Ebner asked, suppose a patrolman resigns, with the hiring freeze then that position would not be filled. You would not automatically hire someone; the department would have to get permission.

[Mr. LeDuc stated that was correct. The department would first go to the City Manager. He said he probably would not have it automatically come back to Council. There would be discussion with the City Manager, and then it would go to City Council. For example, there is a Community Resource Officer. The school is going to pay for a person at Pinecrest. That person will be promoted from within. When that person is promoted from within, there will be a vacancy as a PSO I. That position as a PSO I is frozen until it is brought back to Council.

Councilman Ebner asked if that could be filled from someone in the department or if that would be possible.

Mr. LeDuc stated the Community Resource Officer would be from a person from within, but once that position got promoted, and there is a vacancy at a lower level, that position is frozen.

Councilwoman Diggs asked if Pinecrest would be responsible for that salary.

Mr. LeDuc stated that is his understanding. The School District is going to pay for the salary of the School Resource Officer. The Public Safety position will be frozen once that move is made. That does not mean that Chief Barranco cannot come back in August and say we really have a shortage of officers and we need to go ahead and hire that person.

[Councilman Dewar asked if Mr. LeDuc could verify with the school district that they are paying for that position. Prior to that, it has been an additional job shared by the County and the City.

Mr. LeDuc stated there was an increase in revenue from the school district in the budget and when he asked about it, the answer was that the school district was planning on paying us for that position. He will verify it. There is a revenue source for that position.

Councilwoman Diggs asked what the salary for the position was.

Mr. LeDuc stated since they are hiring someone with experience, they will probably make somewhere in the mid to upper 40s. We do not have a job classification saying school resource officers make between this and this. It will be a Public Safety Officer that will be promoted and put in the school district.

Councilman Homoki asked if the school district will cover the benefits and FICA. He also asked what will happen in summer when school is closed. Will they revert to patrol.

Mr. LeDuc stated they revert to Patrol or Community Resource Officer. He stated the amount from the school district is a flat amount and does not cover FICA and any other benefits; they just pay the City a flat amount.

Councilman Homoki stated that they basically reimburse the City, but the City still pays the employee.

Mr. LeDuc stated that was correct. The person is the City's employee. He asked if all of Council understood the freeze and the information on it.

Councilman Ebner stated he does not see the reason for losing a patrol officer. Mr. LeDuc stated they could come from any position, not necessarily a patrolman.

Mayor Cavanaugh asked who would decide. Councilwoman Price asked if anyone had visited Pinecrest.

Mr. LeDuc stated that Pinecrest is where troubled youth in the district go to school. It is a tough job. Councilman Merry stated some of the students are in and out fairly quickly. They are sent there for a disciplinary period of time, and then sent back to regular school. Councilwoman Price stated sometimes they get 10 days suspension or less.

Mayor Cavanaugh asked who decides what person goes to Pinecrest, whether it be a patrolman or someone else.

Mr. LeDuc stated the position will be posted in the department, and then a committee will interview those individuals, probably the existing Community Resource Officers.

Mayor Cavanaugh stated he would hate to lose an officer that is on the road doing a good job.

Mr. LeDuc stated the ones doing a good job are probably the ones you would want to get the job. You would want the best of the best.

Mayor Cavanaugh stated we need all the good ones on the road doing their jobs, but there really is not a choice.

Mr. LeDuc stated it depends on who applies. They may see this as a promotion since they are working basically 8:00 a.m. – 5:00 p.m. Monday through Friday instead of working shift work.

Mr. LeDuc discussed Item 6 of the budget memo. He stated all capital items listed in Exhibit B are backed up with depreciation funds. There are no capital items that do not have depreciation funds. He stated Item 7 is the same. He stated he gave Council an exhibit showing any holding funds that would be used and where that money would come from. He moved on to Item 8. He stated he has reduced the budget by over \$1 million in expenditures. Unfortunately, he reduced the revenue by more than that. There is no tax increase, so that dropped \$175,000. He stated he lowered the FEMA money, and took over half a million dollars out of depreciation and holding funds. For the last couple of years the holding fund money has been used to pay for some things that were in the budget. That is why the budget did not exactly balance. He believes that last year over \$1 million of holding funds were used in the budget. This year the holding funds are down to \$189,700. That is all shown and the changes are listed. Once Council approves

this budget, we have all the changes, and we know what the end of the year expenses and revenues are for the current 2013-2014 budget, we will send Council a new budget book that has the correct numbers in it. At the end of the fiscal year once the books are balanced, we will have basically the final number for the current year we are in. You will have some good data once it is all said and done.

Councilman Ebner asked if it would be the actual number, and it will add up to the right number.

Mr. LeDuc stated it will be the actual number. He discussed Item 9. He said he did not put any carry forward funds in the budget. He thought he would have to put carry forward funds in the budget, but it came out better than anticipated. He said he could have used some carry forward funds. Exhibit E shows that over the last 10 years the revenue over expenditures was at around \$505,000. If we are \$505,000 in the black again this year, Council may want to consider, and he urges them to consider, having some kind of a bonus at the end of the year. It depends on what kind of revenues are coming in, how the business licenses are going, how the taxes are going, and a number of factors. He said he wanted Council to know that \$505,000 has been the average over the last 10 years. We have always been able to have a positive, even in the worst years.

Councilman Dewar stated that means that the City did not spend money they thought they would spend.

Mr. LeDuc stated it could also mean the City received more revenue than we thought. He stated he is not using that number in the budget, but wanted Council to have an idea of what it had been over a 10 year period.

Councilman Ebner asked if the FEMA fund expenditures included the City paying off the other cities that helped us during the storm.

Mr. LeDuc stated no cities had been paid yet. He asked Mr. Bedenbaugh if checks had been sent to anyone. Assistant City Manager Stuart Bedenbaugh stated no checks had been sent yet.

Councilman Ebner asked if that would be a 100% check. Mr. Bedenbaugh stated the amount would be for what was filed and reimbursed from FEMA for their work.

Mr. LeDuc stated if we received 85% reimbursement for what they provided, we will give them what we received.

Councilman Ebner stated they are funding part of our clean up, and he asked if that was okay relationship wise.

Mr. LeDuc stated there have been many times where the City of Aiken helped other communities, and we never received anything. It has been an unwritten rule amongst communities that when disasters hit, we will help. He stated when Katrina hit, it was not even in our state, the City sent Public Safety Officers down there for several weeks and Public Works crews to help in that situation. They may have received FEMA money, but we never saw anything.

Councilman Ebner asked if out of the \$477,000 that is left over, has money been taken out to pay these cities their 85%.

Mr. LeDuc stated when all is said and done, the numbers that he saw, when we pay for the leaners and hangers, for the chipping and hauling, all the cities, and pay our overtime, we should still have about a half million dollars left over.

Councilman Ebner asked if we reimbursed ourselves for the \$88,000 that was spent for overtime for the clean-up. We did not have \$88,000 in the budget for overtime.

Mr. Bedenbaugh stated the City has already received a check for approximately \$562,000. In terms of money that the city has spent or "wrote out of our checkbook" was approximately \$185,900 above and beyond salaries. That is where the impact of the city budget is- that positive \$376,000. For example, some of that included equipment usage at an hourly rate that FEMA reimbursed us for, and items like that.

Councilman Ebner stated that has already been accounted for on Page 8 in Exhibit A. Mr. Bedenbaugh stated that was correct. Councilman Ebner stated we have reimbursed ourselves for the overages that were in the budget. In other words, the \$88,000 in premium, we worked a lot of extra hours on straight time plus premiums. He asked if we had refunded our own budget for that amount.

Mr. Bedenbaugh stated the money has come in and been counted as revenue in our FEMA revenue line item. Councilman Ebner asked if it was accounted for in 2013-2014. Mr. Bedenbaugh stated that was correct it is in 2013-2014 because the money came in and it was obligated. Councilman Ebner asked if it was placed in the line item that the checks were written out of. Mr. Bedenbaugh stated no, the money went into the FEMA account.

Finance Director Kim Abney stated it went into a FEMA revenue account.

Councilman Ebner stated then the money went to the FEMA revenue account. He said then what we accounted back for is the money above and beyond what we would normally have budgeted for that account. He stated people were used for a number of months that did not do other work, and that was in the budget. But they worked a lot of extra hours and all those hours were overtime. He said that money has gone back in as money above the budget.

Mr. Bedenbaugh stated it was part of the approximately \$562,000 received from FEMA. It went back into the revenue account, not the budget line item for salaries.

Councilman Ebner stated we spent money out of the budget and spent money above the budget. He pointed out we reimbursed the FEMA revenue account for that amount of money. He asked if that money covered the other cities that helped as well. He also asked when the City will write their checks.

Mr. Bedenbaugh stated it covered 85%. He stated the City has not received invoices from the other cities yet, and it was something being handled by the previous City Manager.

Councilman Ebner asked who will call the other city managers. He stated he called the one in Greenville, and he has submitted his invoice. He asked who will call the other city managers of the other cities that helped us so we can get their bill and write them a check. Mr. LeDuc stated he did not know what cities worked here.

Councilwoman Diggs asked the average amount we have paid to cities that helped out.

Mr. LeDuc stated it depends on how many weeks they worked here and how many people they had here. He stated Mr. Bedenbaugh will find out what amount is owed each city. Mr. LeDuc stated he will personally call them at that point and thank them.

Councilman Ebner stated he has talked to one city and heard rumors from the others. He felt that would be good public relations from our City to them.

Mr. LeDuc stated he will have Mr. Bedenbaugh determine what has to be done, how much it will be, and do all the leg work. Then on behalf of the City of Aiken and our Council he will thank them verbally and then in writing.

Councilman Ebner stated there is no use in the cities waiting another six or nine months for their money. He said he wanted the right numbers.

Mr. LeDuc stated he is not going to start resurrecting numbers and working on numbers when Mr. Bedenbaugh has been doing it. When all expenses are added up, which includes overtime but not regular time and equipment time, the disposal of moving the chips, the chipping, paying the other cities, and other direct expenses related to the storm, over and above what was in the budget, he feels there will be about \$500,000 plus or minus, depending on the leaners and hangers we have. It is an unknown. He stated they went to Woodside, and probably 80% of the locations where they said there were leaners and hangers were well off of the right-of-way. There are probably less than 10 that will be taken down in Woodside. We will be looking at all of these different areas and determining what that amount is. If it is higher than what we had estimated, then we will have more expense, but if it is less then we will have less expense.

Councilman Dewar asked when we receive the money for reimbursement for depreciation, is that money going to go directly into our account for the asset where the depreciation took place.

Mr. LeDuc stated we did not have any equipment that we had to replace during the emergency.

Councilman Dewar stated he understood that, but for example, we had a truck. We billed FEMA for depreciation on that truck. Mr. LeDuc stated that will not go back into because some of these have already depreciated out. We already had money in this year's budget and the previous year's budget.

Councilman Dewar asked if the equipment had not depreciated out will the money go into that asset depreciation account.

Mr. LeDuc stated the money that we are getting from FEMA is not going into that depreciation account.

Councilman Ebner stated Mr. Coakley will be planting a bunch of trees and cleaning up the yards, will he be reimbursed for that? He asked if it would come out of FEMA.

Mr. LeDuc stated Tom Rapp has in the budget about \$45,000 for trees, shrubs, and plants. Most of the planting will be done in the fall. He stated right now the City was not planning on taking those funds out of FEMA, unless he puts some of it in FEMA.

Councilman Ebner stated he guesses you don't call it an ethics issue, but his concern was we have this money to pay for this stuff, and it seems like it should come out of FEMA and pay for those items and if we need to buy these other items, we should buy them out of our budget. \$45,000 to \$100,000 out of \$2 million is not a lot of money, but it still seems we should reimburse ourselves for actual cost of some of these things.

Councilman Homoki asked what our confidence is to know exactly what the other cities are going to send us as far as invoices.

Mr. Bedenbaugh stated we have documentation from those cities that helped us and our FEMA representative has worked with us to calculate that dollar amount. He said he believes the agreement that was signed between the City Manager and the other cities agrees to accept that FEMA rate.

Councilman Homoki stated the question earlier was why don't we cut a check to the other entities. It was pointed out we have to wait for an invoice. He asked what if the invoice is not what we expected?

Councilwoman Price said you do not pay anyone before you get an invoice.
Councilwoman Diggs stated we do not know what they are going to ask for.

Councilman Homoki stated someone said we know exactly what we are supposed to be reimbursing them for.

Mr. Bedenbaugh stated that is correct. We filed for our FEMA reimbursement rate, the 85%, and most of the mutual aid cities that helped us, other than the City of Greenville, were here for a short period of time—a matter of days or several weeks. A lot of that work was in the first 30 days. We received the money two weeks ago, and we have not received invoices from those cities so we can process the payment. He stated we can go ahead and get that information and try to get the invoices from those cities. He said Greenville worked into the 31-90 days of the debris pick up, so some of that has not been submitted to FEMA yet.

Councilman Homoki stated FEMA is overseeing the whole thing and calculating our expenses.

Mr. Bedenbaugh stated that was correct. Our FEMA caseworker comes and sits with us, and we go through all the information and documentation we have. The reason we do that is so we can have a clean process and get back the amount of money we are entitled to and not any more.

Councilman Dewar asked how much was not approved for Woodside. He asked if the City submitted money for Woodside work. He asked if that is where Greenville worked.

Mr. Bedenbaugh stated he did not know. He did not have any involvement with the property owners association. He stated Greenville was involved in picking up the curbside debris in Woodside, but in terms of work the property owners association contracted, he did not know.

Councilman Dewar said he was led to believe that FEMA disapproved our work in Woodside.

Mr. Bedenbaugh said they approved it. It is based on yard waste collection. Our agreement was to pick up solid waste and yard waste in Woodside, and we provided that documentation. It was an eligible expense. It was all covered. Councilman Dewar stated then the homeowners associations will have to deal with FEMA themselves.

Councilman Ebner stated it is a messy situation, and they have received five different answers, everything from filing through the city to they are not getting a dime.

Mr. LeDuc stated he would like to discuss two options. Option 1 is that in the earlier budget Council received there is a 2% salary increase for all employees to be given in October. That is kept in there under that option, and if you went with that 2% increase for all employees, and do nothing for Public Safety, we would have to use one-time money of approximately \$224,000. In talking with various Councilmembers, it was felt that some adjustment needed to be made in Public Safety. Option 2, would take the minimum Public Safety Officer salary, which is approximately \$35,000 and raise that towards what North Augusta is currently doing, but if we go all the way to what North Augusta is paying, we are talking about raising our starting salary over \$6,000 or close to \$400,000. We felt that would be very difficult to fund so we are suggesting Council consider going halfway this year, and then the other half, hopefully, next year to bring them up where they need to be. Under Option 2, we have a \$500 pay increase for all full time employees. This will help narrow the high to low pay for all employees. We also have an adjustment to the entry level salaries for PSO's and all the other salaries of the other individuals within Public Safety. The base salary for a PSO would go up by \$3,146. Their base salary would now be \$38,589. That would require about \$200,000 in additional funds. As stated earlier, a possible merit bonus would be given. He stated a merit bonus would be the amount of money that Council would approve, assuming we receive the FEMA money and that our revenues are coming in. The bonus would be tied to the evaluation and the performance of the individuals. Not every individual will get \$100. Some may get \$150, some \$50, and some zero if they are not performing. If they are not performing and get a zero then they probably do not need to be working here. It

would be based on performance. Nothing has been decided. That is something that will have to be a recommendation at a later date based on expenditures and revenues. He stated he believes that in looking at everything he has read from Archer to looking at North Augusta and talking to each Councilmember, we need to raise the Public Safety salaries from where they are now to halfway which would make the base salary \$38,589. We would like to do that sooner rather than later. The earliest that can be done is mid-July at the beginning of a pay period. We would go ahead and have a \$500 increase for all employees in October. He has been asked by some Councilmembers if that includes Public Safety. He stated that under the proposal we have now, it does include them. He stated that does not have to be done, but it helps us to get to where North Augusta is.

Councilman Dewar stated he sent an email to Mr. LeDuc over the weekend, and Mr. LeDuc did not consider it in the comments he just made. He was led to believe that this was going to be one of the things discussed in one of the mini committees. He stated he asked a lot of questions about the take home policy, shift differential, and overtime. He said he is still waiting on an answer from Ms. Abney regarding the overtime policy. He stated the City's overtime policy is very inconsistent within the city. Law enforcement people get the equivalent of double-time for 12-hour shifts. The apparatus people get the equivalent of time and a half. He just found out last week that we have a sergeant, for some reason, that we put over the fire department people. If we have Public Safety he does not know why we would do that, and that sergeant is being paid as if he's a police officer. He is not a police officer; he is in charge of fire people and is working a 24-hour shift. There are a lot of issues that go into the salary adjustments for Public Safety that he hopes are tackled in one project and get them straight. If we go with Option 2, those other matters will go by the wayside at a time when it's best to deal with them. Somebody will be less upset about losing shift differential if he gets a \$3,000 increase, and if all of a sudden you give him the \$3,000 or whatever it is, and then later on something else.

Councilman Merry asked Councilman Dewar if he disagreed with the two step process.

Councilman Dewar stated the two steps he is talking about are going halfway towards North Augusta, and then next year going all the way to North Augusta. He said if he were a Public Safety guy, and he read the packet and Maayan Schechter's article, he is in line for a major increase, with half this year and half next year.

Councilman Merry asked Councilman Dewar if he feels Public Safety will perceive this as a step and then if we do the other stuff, like changing the shift differential and the take home car program, closer to the fall, they will see it as negative. He pointed out this is what the committee meetings are about.

Councilman Dewar stated on the take home policy they will see that as a plus. That is less money that they have to take out. Shift differential will be probably a minus. The overtime depends on who you are. He said he did not know what is wrong with time and one-half for overtime.

Councilwoman Price stated this is a personnel issue in terms of having a policy, ensuring that it is consistent, and going with that policy. She is sure there is something on file as a policy, but it simply needs to be reworked. That is separate in her opinion from the increases for the officers. That can be addressed in several special meetings.

Mayor Cavanaugh stated we are to the point if we like the recommendation, why can't we go ahead and approve this and work on the other issues. He said he could see that the other issues could take some time, and in the meantime the City would not have a budget.

Councilman Dewar stated we can do whatever Council wants, but Mr. LeDuc is recommending Option 2. Mr. Dewar stated he had been talking about take home policy, and he thought they all had an agreement on that. He had been talking about the overtime issue. He stated these are not new issues. We can put them aside and agree to deal with them sometime in the future, if that is what Council wants to do. He stated he did not agree that time is of the essence.

Mayor Cavanaugh stated it will take a lot of time to handle each of these issues. They are good issues.

Councilman Ebner stated the questions that are being talked about now are two years old. We have 20% of the people getting a considerable raise of anywhere from \$900 to \$2,000 that are over 10 years. There is something wrong with our salary rate and our positions that we have 20% of our sworn officers having to get an increase after 10 years. It just seems that something is out of kilter. He stated he did not know if the City even had a definitive salary rate and position.

Mr. LeDuc stated the City does. Councilman Ebner asked then why they are out of kilter that far if we have the ratios that we are supposed to be doing. He said the question is why they are so far out. In 18 years, somebody should be in the right salary range.

Councilman Dewar stated he has not seen it.

Mr. LeDuc stated unfortunately he cannot give the answer as to why some of these are low. We have some full-time officers that have been through the academies and been on the job as a full-time officer for several months or maybe a year, making less than someone that just got the same position. How that happened, he does not know. He said why some of the officers did not get raises along the way or get promotions along the way, part of this is to correct some of that and to, hopefully, get this more in balance.

Councilman Ebner pointed out some of the salary ranges on the chart. He said some of those ranges have \$25,000 salary range and they have clerks and others in the range. He said we pay a clerk working somewhere \$52,000 a year.

Councilwoman Price stated it depends on the years of service. If you have a clerk that has worked 30 plus years, they could have earned that based on experience.

Councilman Ebner stated they start at \$10 an hour and make \$20,000 - \$21,000 a year, in 30 years they will not get to \$52,000.

Mr. LeDuc stated the Accounting Clerk goes from \$24,800 - \$42,000. Councilman Dewar asked how many we have over \$42,000.

Ms. Abney stated a lot of the Accounting Clerks are part-time, and they are not going to make that. Accounting Clerks are the girls up front taking the money.

Mr. LeDuc stated he doubts that any of them are even in the 40s because the longest tenured one has only been there a few years. He said there tends to be a lot of turnover in that position.

Councilman Ebner stated he is a proponent of getting our salary structure there. He asked if this fits the structure that we have.

Mr. LeDuc stated the Public Safety Officers are currently at \$35,443 and can go up to \$58,760. Councilman Ebner said that is a \$23,000 spread. Mr. LeDuc stated that Archer said in their report, that the spread is too wide. There should not be that large of a spread.

Councilman Dewar stated that report came out about a year ago and the essence of what it said was the City is not paying the Chief enough.

Councilwoman Price stated what it may take with a lot of the jobs based on what is being discussed is a job evaluation. That can take quite a bit of time to evaluate every person's job, what is required, and putting a salary scale to it.

Councilman Ebner stated he does not disagree. He asked if it did not sound odd that someone with 18 years' service is getting almost a \$2,000 raise after 18 years on the job.

Maybe there is a promotion involved or something in there, but there are 20% of them out of kilter. He said there is probably \$800 to \$1,000 raise for somebody in that years of service that sounds out of kilter. He said they use Mr. LeDuc's judgment that he has gone through and if we use these numbers and raise them whenever we go through and revise the issues, they will be in the right place.

Mr. LeDuc stated there is nothing magical about this. He tried to go ahead and look at the person that is just underneath there. In other words, if it was PSOs, Master Career PSOs, Sergeants, and Lieutenants, there was some gap between the different areas. Why one got \$1,000 or \$2,000, he does not know. He was not looking at the number of years, but the fact that if they don't get an increase at all then they will be making less than a starting PSO.

Councilman Dewar stated we cannot have that. He feels that Council, as a group, fully supports bringing the Public Safety salary program up because we are suffering from the losses when we do not have it. He knows the Sheriff is increasing his staff. He does not have the details of that increase, but he wishes we had not gone public with this. He said the list came out, and he feels Council's hands will be tied in terms of Option 2 for this year and Option 2 for next year.

Councilman Ebner stated Option 2 does not have to be done next year.

Councilwoman Price agreed and stated that as a Council body they can do what they want.

Councilman Dewar said to read Sunday's paper and tell him that.

Councilman Ebner asked how Aiken fits in with the other cities and counties within a three county spread in all directions.

Mr. LeDuc stated that, other than North Augusta, Aiken is the highest paid. Councilman Ebner stated that North Augusta is our only competitor. Mr. LeDuc stated that in reality that is correct.

Councilman Dewar stated that includes State Police and SLED. Mr. LeDuc stated he is comparing other counties and cities, not SLED. Councilman Merry asked how we compare with Wackenhut. Councilwoman Price stated employees have left and gone to Wackenhut but have come back. Mr. LeDuc stated the pay is better at Wackenhut, but the environment is not as good.

Councilman Dewar asked if the game plan was to approve Option 2, which is the Public Safety salary halfway. He asked what is the formal process? What subcommittee would then look at Public Safety and the rest of staff to get this information on all of staff and focus on what our structure is?

Mr. LeDuc stated he has Councilmember Homoki and Dewar, and Mayor Cavanaugh under the staffing structure. That would be looking at what you see now, and we could include under that the other various entities of differential pay, take home cars, overtime, and any of the other issues.

Councilman Dewar stated he thought they had agreed to change the take home policy July 1.

Councilwoman Diggs stated Council talked about it, but was not sure there was an agreement.

Council did not remember an agreement.

Mr. LeDuc stated part of the millage increase was to take care of a change in the take home car policy. Mr. LeDuc asked that Council let him know what they want done, and

if Council does not want a take home car policy, then let him know. In speaking to Councilman Dewar, currently a take home car policy is for those inside the City limits. If you are a PSO I and you live a block outside the city limits or if you live in a donut hole, you do not get to take home a car.

Councilman Dewar stated they park the take home car at the fire station and then they take their own car home. We are one of the few municipalities that does that. He would be fine if we allowed them to take the car home within the fire district.

Councilman Merry stated the difference is paying for it and having them pay for the gas. Councilman Dewar stated no other department charges.

Councilwoman Price stated we have used the take home car in the past for safe communities as a deterrent. Councilwoman Diggs asked how many officers we have taking cars home.

Councilman Dewar stated Ms. Abney came up with a cost that she gave at the last meeting.

Councilman Merry stated it was \$25,000. Ms. Abney stated the cost was \$25,000 for police and a total of \$33,000 including other cars that are not police take home vehicles.

Mr. LeDuc asked if we are talking about all staff or just police as far as mileage for take home vehicles. Councilman Dewar stated Council has only talked about police. He was not aware that other staff members get to take their cars home. Councilwoman Diggs asked if some staff members get to take cars home. Mr. LeDuc stated there are some staff members that take cars home too.

Councilman Ebner stated we talk about all these things, but the regulations are not written down. He asked Ms. Abney if these are rules that are written down somewhere or do they develop and evolve over time.

Councilman Homoki asked if Human Resources actually controls the staffing structure of Public Safety or does HR only do personnel for non-uniformed employees.

Mr. LeDuc stated HR is involved with everything. There are policies on people that take their cars home. There is a gas differential. They are written down somewhere.

Ms. Abney stated Public Safety's will be more stringent than other departments. Each department has their own policy, but how we take the money is done by IRS rules. There are certain choices to make to follow the IRS guidelines.

Councilman Dewar asked Ms. Abney to explain why the other communities in the state do not do it. Ms. Abney stated that is their decision. That decision was made long before she worked for the City.

Councilman Ebner asked if the HR department had a book with all of these rules and regulations of all the departments so he could look at it.

Mr. LeDuc stated there is not a book, but we could tell him what each person is charged for gas depending on how many miles they drive. He stated when he started working here 30 years ago, the Public Works Director was allowed to take his vehicle home. There was not a written rule of who could take home a vehicle. He stated certain positions were allowed to take their vehicles home. He said maybe Council approved the policy many years ago.

Councilman Dewar asked if the City can charge the Public Services Director for taking his car home.

Ms. Abney stated that everyone pays the same rate. People who are not sworn officers also, at the end of the year, have a benefit added to their W-2. The exemption of IRS says if it is an outfitted police car, there are exemptions for that. Public Works and Recreation people who take their cars home also have that benefit added to their W-2.

Councilman Homoki asked when it is said that they pay for their car, what does that mean? Do they pay for the gas?

Ms. Abney stated it is the commuting miles gas. The cost depends on how far they live away from their office and what type of vehicle it is, how many miles per gallon that vehicle gets, and what the price of the gas is during that previous quarter.

Councilman Homoki asked if they reimburse the City and if there is depreciation on the vehicle.

Ms. Abney stated it is a payroll deduction. Mr. LeDuc stated it is a fuel adjustment. We basically said we already bought the vehicle and the vehicle is being used so we will go ahead and charge them for the fuel.

Councilman Homoki stated he does not have a problem having police cars all over the City. He felt that was a safety issue.

Councilman Dewar asked if there is enough money in the budget or could Mr. LeDuc find enough money in the budget based on what Ms. Abney has stated so the charge for police take home vehicles could be eliminated effective for budget year 2014-15. Mr. LeDuc stated he could. Councilman Ebner asked how much money it was a year. Mr. LeDuc stated \$25,000.

Councilman Ebner and Councilman Dewar stated this needs to be in writing so there will not have to be a 30 minute discussion every time this is brought up. Councilman Homoki stated before we start writing a policy, we should find out if some of the communities in the state already have some policies and we could piggyback on that. He felt it was ridiculous to start from zero. It was pointed out that other cities have a policy for take home cars; they don't charge the employees for the car.

Mr. LeDuc stated there is a 10-page Standard Operating Procedure in Public Safety for take home vehicles.

Councilman Dewar stated that policy is something that needs to be given to the committee studying this matter so they can take a look at it.

Mr. LeDuc stated starting with the next payroll the city will stop taking that gas charge from the employees. He asked if it was for all positions or just Public Safety officers.

Councilman Dewar stated he would just want Public Safety, but he would like to know about the rest of them. He said maybe what they are doing for Public Safety perhaps they should be doing for the rest of staff. There is a benefit for Public Safety taking home their vehicles. There is a psychological benefit of having a police vehicle parked in the neighborhood. He does not know if there is that benefit from having a white pick-up truck with the city logo on it in the neighborhood.

Mr. LeDuc stated department heads were given the option, probably 20 years ago, to either get a car allowance or have a take home vehicle. Most of them have opted for the car allowance.

Ms. Abney stated the allowance is \$6,900 per year.

Mr. LeDuc stated the budget is ready for Council. Currently, the way the budget is written, it is proposed that Public Safety would get an adjustment in the middle of July. He stated he had not sat down with Public Safety to talk about it. There may have to be

some other little minor adjustments. These are the suggestions that he had. The proposal is also for all employees to receive a \$500 annual raise in October. The budget that we had previously had a 2% increase for all employees plus a Public Safety raise. We can make the \$500 increase for the other employees in October and not have the \$500 for the officers. The other Public Safety personnel would get the \$500.

Councilman Ebner asked the purpose of giving the \$500 a year raise in October instead of July.

Mr. LeDuc stated it is a 25% savings in this year's budget. Councilman Ebner stated he thought it was an annual increase.

Mr. LeDuc stated it is. It means that by delaying the increase the employees will not get the \$500 increase, but will get 75% of \$500 for the year. The proposal is raising their salary equivalent to \$500 a year. It is an actual salary increase, not a one time check.

Councilwoman Price stated the concern was that Council wanted to increase the wages of the lower paid employees. That is not done with a one-time check.

Mr. LeDuc stated the \$500 is a salary increase. If the employee's salary is \$20,000, come October their salary will be \$20,500 a year. Councilman Dewar stated this \$500 increase would affect the numbers in Public Safety that is proposed for a certain increment. He said that is a key. When you give an increase, the base wages throughout the city increase by \$500. He said that makes the Public Safety salaries \$500 closer to North Augusta if Council decides to do that. Mr. LeDuc pointed out that a \$500 increase for a person making \$50,000 is a 1% increase. If a person is making \$20,000 a \$500 increase is a 2 1/2% increase. This gives a larger increase to the lower end employees.

Mr. LeDuc stated there was also a question as to whether we have any employees in the poverty level. It does not appear that we do.

Councilman Ebner stated it is amazing that just two years ago we had 32 employees in the poverty level and now we have none. He said that was on the front page of the paper. The County justified theirs, and we never justified ours and it just went away.

Mr. LeDuc stated the only employees that would be in the poverty level at our lowest pay is if they had three dependents. If they had a family household of three, then everybody makes more than the poverty level. If they have a household of four, there might be a few employees that would fit that.

Councilman Merry said with the raise of \$3,146 to the entry level for Public Safety Officers that would put them at \$38,589, he asked how that compares them to the guys that have been around for a year or two. Mr. LeDuc stated their salaries got adjusted upwards. It has been prorated. He said that is why some of the employees that have been here 18 years got a jump. They probably should have gotten some other jumps along the way, but it is what it is.

Councilman Homoki asked if the raise is given to Public Safety in July, the next increment would be next July. He asked if the second increment would be reduced because they are getting the salary increase in October?

Mr. LeDuc stated unfortunately North Augusta will probably get a cost of living increase. Their base pay will go up even more. They are on a calendar year, while we are on a fiscal year. North Augusta will probably get a percent increase come January, 2015. It was pointed out that would put North Augusta ahead of Aiken again.

Councilman Ebner stated the number of employees they hire and lose in a year is about two a year on the average. He feels for Aiken to get totally there, he did not feel was worthwhile. It does not bring any value to us. He said at some point, we have to look at

the value. He feels it should be raised and he supports what we have, but to get up to North Augusta's salary just to say we are equal to them is not right.

Mr. LeDuc stated that it needs to be looked at every year. In the past, the HR Director would look at a third of the classifications each year and do a salary survey and compares us throughout the area, and we would make the budget adjustments to raise those minimums. We would typically take certain classifications where large losses were seen. For example, 10 or 15 years ago when CDL drivers were very important and it was hard to keep them, we made several budget adjustments year after year until the City was competitive. That needs to be done with all of the employees. Next year we may not look at all of them, but we need to look at Public Safety again. He said whether we go up the full amount or part of the amount, we need to see if we are losing lots of people still or maintaining what we have. He said if we are doing okay, then that will tell us a lot about our structure and our pay. He stated there are other issues in Public Safety besides salary that need to be addressed.

Councilman Ebner stated that Option 2 almost says that the other half will hopefully be in next year's budget. That is a lead-in that he does not know how it should be worded. That is a lead -in that people will take as a promise.

Mr. LeDuc stated that was probably poor words on his part. Councilman Merry stated that did not have to be in the motion. Councilwoman Price stated Council can revise it. Councilman Ebner stated sometimes we don't, and we get trapped into that. Then the employees say you said next year, we will get the other half. Mr. LeDuc stated the reason he put that in there was because several people said they wanted to get up to North Augusta's salary. He said he felt there was no way that could be done this year.

Councilman Ebner stated the last sentence could be a problem—"We are recommending half the increase in this budget year with the other half hopefully in next year's budget." He said he did not know how to word this in the budget. Councilman Homoki stated just the way it is written. Councilman Ebner stated we are not going there. We have to work on some of these words because it leads you to say that we are going to do it this year and next year.

Councilman Dewar stated they are approving the budget for this year, not next year. Councilman Merry pointed out the statement was just in a memorandum, not what Council was approving. Councilman Dewar stated he hoped we can do what we say we want to do. Between now and next year Council has to look at what happens in North Augusta and also look at what happens in our own community. He said he wished it had not been said, but we have to deal with it. We need to make clear that what Council is doing is for this year.

Councilman Ebner pointed out that Option 2 is in the proposed budget. Mr. LeDuc stated in the Council meeting he would go over the budget step by step and be very careful what he says.

Councilman Ebner stated he had a proposed motion for the second reading on the budget. He handed out a sheet with his concerns for the second reading of the budget. He stated on the first item, Mr. LeDuc stated he would do that. On Item 2, he stated it is an update of what was talked about. Item 3 concerns the charts in the front of the book. They are off by multi-million dollars in most cases. His concern is how much value does anyone put in this piece of paper other than Council. He thinks the graphs from page iv – page xv should be corrected. Either they are wrong or the numbers he has been given in the past are wrong. Most of them are off by \$1 million to \$2 million or more. He asked Mr. LeDuc if the graphs should be more reflective of what the City has done.

Mr. LeDuc stated the past year is reflective of what has been done. He pointed out the numbers were budgetary numbers, not final numbers. He stated he can correct the graphs if that is what Council wants. He said he did not know how important they are.

Councilman Ebner pointed out that in 11-12 we were supposed to spend \$21 million in the Water and Sewer Fund, and we only spent only \$15 million. He said if you look at this over the years, maybe they self-correct. He said he is a numbers guy and when he does charts, etc. they should be relatively correct and they are not.

Mr. LeDuc stated at this time we do not know the final number for 2013-2014. He said the number on the graphs for 2013-14 was the budgetary number from last year. Councilman Ebner stated it is \$4 or \$5 million high. He said we did not have that much money to spend. He said if he was the only one that wanted it corrected, it was not worthy the energy.

Councilwoman Price stated if you are going back to June 2010, we have already passed those budgets. She asked if Councilman Ebner wanted to go back and correct that. Councilman Ebner stated the charts that we keep showing in the front of the budget keep reflecting numbers that are \$1 million or \$2 million off. Councilwoman Price pointed out that the auditors have reviewed this. Councilman Dewar pointed out that the charts go up to March or April instead of June. He said all Council gets is the numbers up to March and April, then you have to extrapolate what is at "year end" which in some cases is easy and in some cases it is not. He said we then use those numbers in next year's budget. He said Council will not get a budget for 2013-14 with the final numbers in it. He said if you want the final numbers, you need to look at the Audit Report and the CAFR.

Councilwoman Price stated Councilman Ebner is looking for the actual budget figures for revenues and expenditures. Councilman Ebner stated when you look at the charts in the budget, on page 15 Water and Sewer, it shows that in 2013-14, we are going to spend \$21 million. He said there is no way that will happen. He said it shows that we spent almost \$17 million in last year's budget, and there is no way. He said if he was the only one grumbling, it is not worth the value. He said he likes for numbers to match.

Councilman Dewar stated there will never be a budget with the final numbers in it. If you want the final numbers then look at the audit or the CAFR.

Mayor Cavanaugh stated the numbers should match.

Councilman Ebner stated they could be corrected in arrears. He said he agrees that the year that the budget is done, you don't know that number, but the years in the past you know what those numbers are. He said you can see the trends. Right now you would think we spent a lot of money in the Water and Sewer Fund, but we did not. He said if nobody else has the energy, he would not force Mr. LeDuc to do something he does not need to do. He felt the correct numbers would help the future manager when he comes in to look at the numbers.

Mr. LeDuc pointed out the current budget which Council is given. He pointed out the budget gives the account numbers and name, a year to date column, budget figures for the year, the department request, the manager's recommendation, and adopted by Council. He said the last column is not used. He would suggest that another column be added that is the actual number from the previous year. He pointed out the budget work sheets have a column that is extremely valuable, which is the actual numbers from the year before. How much money was actually spent in each line item the year before or how much revenue was received the year before. He said that is not in the final budget primarily because there is not enough room for the column. What he would suggest is that another column be added that is the actual number from the previous year. When staff makes out the budget it will have the actual number from the year before. He stated he will give Council a copy and see how they like it.

Councilman Ebner stated without the trend it took a long time to go back and figure out the cost.

Mr. LeDuc stated he tries to look at the trend for the last five years on most of the items so he can chart what we are doing.

Councilman Dewar stated Councilman Ebner's point is that the charts are not accurate.

Mr. LeDuc stated to correct the charts would be work, but he would be willing to do it.

Councilwoman Price stated Council needs to determine priorities for Mr. LeDuc. If that is a priority versus some of the other things that have been talked about, it will take some time. She asked if this needs to be contracted to someone to have it done. Councilman Ebner stated he did not feel it was Mr. LeDuc's job.

Councilman Merry stated the Finance Department should be able to do it. Councilwoman Diggs asked Councilman Ebner who he suggests to make the changes.

Mayor Cavanaugh asked how much time it would take.

Councilman Ebner stated it would be hours or days. It is not an easy task to do it the first time. It will be easier to do it the second time.

Mr. LeDuc stated it should be very simple to do. He stated it would get done.

Councilman Ebner stated Item 4 refers to Section 3 of the ordinance. He stated his concern is we know that these funds have to be funded from the General Fund. What he has traced over the last couple of years is that we will spend \$300,000 or \$400,000 that was not in the revenue side of that particular fund and it has to come out of the General Fund. If we know we will spend money at the airport or for the theater, it should be shown in the budget as a transfer from the General Fund. He said we are going to do it so why not show it. It would be just like the rest of the budget.

City Attorney Gary Smith stated he thought about it after he and Councilman Ebner talked. He said Ms. Abney may correct him, but one of the things he knows about Ventures Park and Verenes Park is that they are part of the airport property. One of the things you should know about the airport property is there are rules that say whatever funds are generated by the airport property have to stay at the airport. That may be why those two items were discussed in that particular section.

Councilman Ebner stated it is used as a line item that is part of the revenue when you get into the budget. It has to be supplemented to do the 25% of the grants.

Ms. Abney asked that Section 3 not be changed. She asked Council if they remembered two years ago when she stood up with the auditor and said they have changed the way we account for our fund balance and what we call it. These had to be committed at the highest level of government. That is why it was added. The auditors have to have that commitment from Council. There is different terminology that has to be used on the fund balance in the audit and that is what Section 3 is saying.

Councilman Ebner stated his problem is when he started researching some of the expenditures and what he was told was done, he went to look for a \$200,000 or \$300,000 item in the airport budget, and it was not there. The money was spent, and it came out of the General Fund.

Ms. Abney stated she will have to check on that. She stated what Section 3 is saying is that all the funds in those named funds, Ventures, URS, Airport, etc., are committed for those named purposes. Money will not be taken from Ventures and spend it in the General Fund. That does not prohibit something from the General Fund to be transferred into those funds. She said she would have to check on what Councilman Ebner said as she does not recall transferring money from the General Fund to the Airport Fund. Mr. Smith stated Ms. Abney is not saying that the funds are self sustaining.

Councilman Ebner stated we do put money from the General Fund to these funds to make them balance, as they do not self support. Ms. Abney responded that if funds are used for these funds, it would be in the budget as a transfer from the General Fund. Councilman

Ebner said it is supposed to be in there, and that was his whole thing. Ms. Abney pointed out Fund 004, the Playhouse, has not been funded with transfers from the General Fund. That is transferred from Accommodations or Sunday Alcohol Sales.

Mr. LeDuc stated that typically in the airport, when there is an FAA project we have to upfront the money, and we get paid back after the fact. There may be some transferring of money from some holding account or from the General Fund for six months to a year, maybe even longer, until the project is completed and the FAA pays us back. He said that might be what happened. Councilman Ebner stated that is what happened. He said we got the money back. He said it is kind of like he was grumbling about the FEMA not refunding ourselves back. He said that is what has happened at the airport. He said if he is the only one picking it up, he guesses that is okay. He said, however, there was a couple of hundred thousand dollars, and he was wondering where the money came from. He said it was left over from a grant. He said when he started looking at the real numbers, it was not left over from the grant. It came out of the General Fund. He asked that Number 4 on his handout be deleted.

Councilman Ebner stated on Item 5 he did not understand what that one does, but he felt he does now. He said his number 5 which is Section 4 (a) is okay as it is written. He understands it now.

Councilman Dewar stated he has a problem with Section 4 (a) or one of the others. He is quite concerned that the City Manager can take money from the reserve funds and use it to balance the budget, and City Council does not know about it. He stated they get something in the audit that he dealt with last year. They get audit variances by line item, and he took the time to make a report, which he thinks was 3 or 4 pages and he only listed the variances above \$50,000 plus or minus. Somehow Council has to know when the City Manager is using reserve funds to balance a budget. Council has no way of knowing that now. He said every year he learns more about the audit.

Mr. LeDuc stated what Council received tonight could be something that Council may ask the City Manager for in the future. He said if there are depreciation funds that Council could have a backup couple of sheets showing that. We have that in the budget on the pink sheets for the General Fund and Utilities Fund that should show everything that is taken out of depreciation.

Councilman Dewar stated Council has the budget and everything is on paper, but the fact of the matter is the last City Manager spent over \$1 million, or more, out of reserve funds. Council did not know about that.

Mr. LeDuc stated several things were probably tied to something, but Council just did not know what they were tied to.

Councilman Dewar stated Council cannot manage the budget, if that is part of Council's job, if they do not have a mechanism for knowing when things do not happen that they approved. This is a document that Council approves. Council says this is how much money we think we will take in and this is what we are going to do with that money. He said once Council does that, if the City Manager has the authority to do willy nilly and use money in different ways or take money out of the reserve fund to balance a budget without Council's approval, it is not right.

Mr. LeDuc stated on page 14 of the budget, there are four line items, one is called Holding Fund Transfer and another is Depreciation Fund Transfer. Depreciation Fund Transfer is the items listed on the pink sheets. On the Holding Fund Transfer Council has never seen where the money is taken from and what it will be used for. Last year's budget had \$1,006,316 from Holding Funds. What could be done in the future is have another sheet showing what that money will be used for.

Councilman Ebner stated that money reduces that fund to balance the budget. To him that means the City was \$1 million short last year, and the year before we were about \$1

million short. Mr. LeDuc stated unless it was tied to something or certain projects. Councilman Ebner asked when the money is reimbursed.

Mr. LeDuc stated that is part of the approval process. Councilman Ebner stated if we keep doing this, after a while that money is gone. He asked if that was not the money that the auditors say we need three to six months of Holding money, but if we keep drawing \$1 million a year, it will not take long to deplete that money. Mr. LeDuc stated the budget approval process should be based on projects that Council wants to see happen that next fiscal year. If the Holding Fund transfer item was \$1 million allotted, there are sheets that should be backing up what that money will be used for. Council would then see the sheets and be able to say you do not like it and do not want to fund it, and that would be part of the budget process.

Councilman Dewar stated Council needs to be spoon fed that information, and they are not. For example, what is the \$500,000 going for? That is \$500,000 out of the reserve that is being used for something. He said that is in the proposed budget. He asked if it would stay in the proposed budget.

Mr. LeDuc stated it is to balance the budget, and it is now down to \$189,100. Councilman Dewar asked what the \$189,100 would be used for. Mr. LeDuc stated he had given Council an exhibit showing that.

Councilman Dewar stated that is what he was looking for. He pointed out the ordinance the way Mr. Smith says has to be written gives the City Manager a lot of authority. He pointed out the city spent over \$100,000 with Toole Engineering for a traffic study that none of Council knew about. He said he was not interested in going to past history, but he felt that when Council passes a budget that there should be enough flexibility to deviate from that budget without Council at least being informed.

Mr. LeDuc asked if it would be sufficient to say that all holding fund and depreciation transfers will be backed up within the budget.

Councilman Dewar stated he was not worried about Depreciation, as that is pretty clear cut. That is taking money that has been saved as an asset and when it loses value a new one is bought. He said he was worried about transfer out of the Holding Funds. He asked if Council could receive a monthly report of the Holding Fund transfers showing was taken out of the Holding Transfer account and why.

Mr. LeDuc stated if Council gets the monthly report, it is after the fact. The money has already been spent. He asked if Council would be better off receiving that report during the budget process so Council can determine in the budget process, before they approve the budget, if they want to spend it on the projects. If it is not on the list, then it has to be brought to Council for approval.

Councilman Dewar stated Council can approve it, but the ordinance still allows the City Manager to spend \$500,000 out of the Holding Funds transfer and then tell Council at the end of the year. Mr. LeDuc responded no, it could not be done unless it is tied to the projects.

Councilman Dewar stated it is tied to projects that the City Manager can create. He pointed out Mr. Pearce created the Toole Engineering Study. He said he did not know where he paid for it, and it may not have come out of Holding Funds. He said what he is saying that Council will pass a budget, and somehow we can go into our Reserve which should be very important and sacrosanct to us. We can use money out of the Reserve legitimately. He said he was not saying it is not legitimate.

Mr. LeDuc stated what he was saying was that the line item which is called Holding Fund Transfer this year has \$181,100 in it would be tied to the various projects listed that Council would approve or not approve. Just like the capital pink sheets have. He said if the item is not listed on the sheet and money is spent, then Council would have to know about it.

Councilman Dewar stated what Mr. LeDuc was saying is that once Council passes the budget there would be no Holding Fund transfers for the rest of the year. Mr. LeDuc stated that was correct unless Council makes a budget adjustment. Councilman Dewar stated he did not remember it happening in the seven years he has been on Council.

Mr. LeDuc stated Council had never gotten the list for Holding Fund transfers from him. He said it is something he knew was an internal document that he would work out with Finance. He said it would be what he was suggesting be used from Holding Fund Transfer and ask Finance if there was money there and if it would be okay. He said as far as he knew Council had never received that list. He said there was no reason Council should not have gotten the list.

Councilman Ebner asked if money is constantly taken out of the Holding Fund, is the Holding Fund needed. He said do we take the fund to zero, and then we have to balance the budget.

Mr. LeDuc stated the other way of doing it is to have carry forward funds. A certain amount is put in for certain projects. We created the \$505,000 that we have averaged over the last 10 years. Generally, in August, Council receives a sheet saying to reconcile last year's revenue we suggest you put money in these accounts. That is the Holding Fund money. He said that is where the money was going in Holding Funds.

Councilman Ebner stated the money was spent, but we took \$1 million out to put into the budget. Then at the end of the year we took the \$505,000 out. He said we still spent the money. Mr. LeDuc stated we don't know if we will spend \$1 million this year or not. He said that \$1 million was put in the budget. He said he does not believe that nearly that amount will be spent in this year's budget.

Councilman Ebner asked why we would put that kind of money in there if it is supposed to be in special holding. He said we are putting it in there to balance the budget. Mr. LeDuc stated he agreed that we should not be doing that.

Councilman Dewar stated he thought Council was being told this is money for the budget that we did not spend. It either was because we did not spend it or more revenue came in. There was more revenue or less expenditures. Mr. LeDuc stated there was money left over, what do we allocate it to.

Councilwoman Price asked if it would be simpler to use the term Carry Over funds versus Holding funds. She said it appears that the Holding Fund is confusing.

Mr. LeDuc stated he prefers the Holding Fund transfer because in the Holding Funds, there is actually designated funding for projects and the money will be used. Council should know we will use X amount of this money for these specific projects to keep it transparent.

Councilman Dewar stated when that term is used, you are essentially saying we are taking money out of our Reserve Funds to do this. Mr. LeDuc stated that was correct. Councilman Ebner stated the money is never put back. Councilman Dewar stated at the end of the year we are spending it instead of putting it back.

Councilman Homoki stated the question is if money is taken from the Holding Fund, is it with the understanding that we are going to pay ourselves back.

Mr. LeDuc stated we may or may not. If we had a good year, and we had \$500,000 or \$600,000 left over, we would balance it back in. If you have negative years, year after year, you are not refunding that money.

Councilman Dewar asked if any money in this budget year is going back into the Holding Fund.

Mr. LeDuc stated we do not know until we balance it at the end of the year.

Councilman Ebner asked if Item 5 on his list should be in or out.

Mr. LeDuc stated if Item 5 is put in, he does not understand what is trying to be said. He said it reads "(5) section 4 (a) of the budget ordinance to be changed from "end of the fiscal year" to monthly." He said we do not make any budget adjustments typically during the year, so there would not be anything monthly.

Councilman Ebner stated to go to Section 4 (c) of the budget ordinance. Mr. Smith stated that section needs to stay in the ordinance. He said that section is telling the City Manager that he has to let Council know of all of the modifications that were made to the budget during the year. He does that when the audit is done.

Councilman Dewar stated that is not prior approval though. Mr. Smith stated he agrees with that.

Mr. LeDuc made a suggestion on Councilman Ebner's list Item 5. He stated Section 4 (a) of the budget ordinance to be changed from end of the fiscal year to monthly for any items that go 20% above budget. He said 10% would be a lot of things. He said we could try that for a year and see what happens. Councilman Ebner stated he was okay with that.

Councilman Ebner stated if the charts were corrected then Item 7 on the list can be deleted. He said if the City Manager continues to use the funds to balance the budget, then there is no use for him to ask for it. He stated Item 8 can also be deleted. Item 9 on the list is redundant. He stated the only items on his list to be done are Items 1, 2, and 3. He asked if all agreed with that.

Mr. LeDuc stated that Item 5 on the list will also be done by making that 20%. Any line item that changes more than 20% will be presented to Council to let them know we are going over for a certain reason. A monthly report will be provided to Council as it occurs.

Councilman Dewar stated a lot of money was spent out of the Reserve fund that Council did not know about last year.

Ms. Abney stated some line items may be \$500. If that goes over by 20%, that will be a rather small dollar amount.

Mr. LeDuc stated that typically those line items do not go over by \$100. It is just informing Council that these line items have changed. It can be done in Issues or a separate memo.

Councilman Ebner stated that Mr. LeDuc or Mr. Smith will read the changes to the budget ordinance in the regular Council meeting. He said items 1, 2, 3, and 5 are changes to be made to the budget ordinance.

Councilman Dewar asked Mayor Cavanaugh if Council could get an email list of the committees that were being formed to discuss certain issues.

Mr. LeDuc stated there were a couple of committees that have four names on them. He will give Council the list, and they will talk about who will drop off.

Councilman Dewar stated he did not add his name to any committee that already had three Councilmembers listed. He said he did not like the name of one of the committees. He stated the Structure Committee is pretty broad.

ADJOURNMENT

There being no further business, the meeting adjourned at 6:58 P.M.

Aiken City Council MinutesREGULAR MEETING

June 23, 2014

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

Others Present: Roger LeDuc, Stuart Bedenbaugh, Gary Smith, George Grinton, Kim Abney, Ed Evans, Charles Barranco, Kim Coleman, Jeff Metz, Tim Coakley, Alicia Davis, Sara Ridout, Captains Phil Kestin, Ron Shelley, Marty Sawyer, David Turno, Brian Brazier, and Mary Ann Burgess, Maayan Schechter, Channel 26 TV, and about 20 citizens.

CALL TO ORDER

Mayor Cavanaugh called the meeting to order at 7:05 P.M. Councilman Merry led in prayer, which was followed by the pledge of allegiance to the flag.

AGENDAAmendment

Mayor Cavanaugh asked Gary Smith, City Attorney, to explain a recent change for Council agendas.

Mr. Smith stated previously Council had a policy where the agenda could be amended to or deleted from at the Council meeting in the event something came up that was after the agenda had been prepared but needed Council's attention on short notice. He said this was something Council had used sparingly in the past, but it was something that Council needed to do from time to time. He said the South Carolina Court of Appeals heard a case involving the Saluda County Council that said it was inappropriate for a City Council to amend its agenda once the agenda had been set and published. He said last week the South Carolina Supreme Court reviewed the Court of Appeals decision and decided the Court of Appeals decision was not correct. The Supreme Court held that it was appropriate for a City Council, once a public regular meeting had been properly noticed, for the City Council to be able to amend its agenda if it believed it was okay to do so. Mr. Smith said there was an article in the paper and there appeared to be some concern that Council may use that Supreme Court decision to decide to publish their meeting without publishing an agenda. He pointed out the Aiken City Code actually requires the Aiken City Council to have an agenda. He said he thought it would continue to be Council's policy to publish that agenda. With the Supreme Court ruling Council knows that it is okay for them to modify the agenda once they have properly noticed a regularly scheduled meeting.

Councilman Ebner pointed out that Mr. Smith's memo says the agenda could be amended unless two members of Council object to the amendment. Mr. Smith responded that is what the Aiken City Code says. Councilman Ebner pointed out that the City Code says that, but not the Supreme Court. Mr. Smith responded that was correct.

Mayor Cavanaugh asked if there were any additions or deletions from this agenda. There were no requests for additions or deletions from the agenda.

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 Special Called Meeting of June 6, 2014, the Work Session and Regular Meeting of June 9, 2014, and the Special Called Meeting of June 16, 2014, were considered for approval. Councilman Ebner moved, seconded by Councilwoman Diggs that the minutes of the June 6, June 9, and June 16, 2014, meetings of Council be approved. The motion was unanimously approved.

PRESENTATIONS

South Carolina Community Development Association

Safe Communities Initiative

Award of Excellence

Municipal Association of South Carolina

Mayor Cavanaugh stated Mr. Bill Taylor, of the Municipal Association, was present to make a presentation to City Council from the South Carolina Community Development Association recognizing our Safe Communities Initiative for winning the South Carolina Development Association's Award of Excellence.

Last month, the South Carolina Community Development Association recognized our Safe Communities Initiative with its Award of Excellence. The review panel was impressed with our commitment to the initiative as well as the tangible evidence showing a drop in Aiken's violent crime rate since notification hearings began in January, 2013.

Mr. Taylor said he was a Field Manager with the Municipal Association of South Carolina and serves 26 counties, 150 cities in basically the eastern half of the state. He said his job was to provide technical assistance to the city. He said he was present to make a special presentation on behalf of the South Carolina Community Development Association. The Community Development Association is an affiliate of the Municipal Association. It provides a forum for learning about the community development process in South Carolina. The members include, not only city officials, but also county, regional, state community development professionals, and employees of private companies with an interest in community development, elected officials, and volunteers.

Each year the Community Development Association presents an Award of Excellence to a community development project that has significantly improved the community and has served as a catalyst for further improvements in the area's quality of life. He thanked Emory Langston for nominating the Aiken Safe Communities approach and for their delegation that drove all the way to Myrtle Beach to present the project. Members of the Community Development Association vote on the projects that were nominated for this award. They did that on May 14, 2014, at Myrtle Beach.

He said the Aiken Safe Communities approach is inspiring because it was started in response to a series of violent crimes involving Aiken Public Safety officers. It serves as a great example of a community coming together to improve the quality of life for its residents. The project has proved that developing long term community partnerships and relationships help to reduce violent crime in a community. The Aiken Safe Communities project also serves as a model for other communities of how state-wide and local law enforcement agencies can work together, along with volunteer citizens, to identify offenders in the community and get those offenders the necessary services, hopefully, to stop repeat offenses and reduce crime.

Mr. Taylor said on behalf of the Municipal Association of South Carolina and the South Carolina Community Development Association he was pleased to present the 2014 Award of Excellence to the City of Aiken for the Aiken Safe Communities approach. He read the inscription on the plaque. "South Carolina Community Development Association 2014 Award of Excellence for a Community Development Project which has significantly improved the community and serves as a catalyst for further improvements to the area's quality of life. Presented to the City of Aiken for the Aiken Safe Communities Approach."

Mr. Taylor said he would like to present the plaque to Mayor Cavanaugh and the other delegation members. The press took pictures of the delegation.

Chief Barranco stated he would like to introduce the delegation that went to Myrtle Beach: Cynthia Mitchell, Community Services Coordinator, Emory Langston, Special Projects Coordinator, Sharon Rodgers, of United Way, and Christopher Garris, Aiken Safe Communities Action Team Member.

Mayor Cavanaugh stated on behalf of Council he would like to say they are so proud of the team, the Public Safety Department, and Chief Barranco for what they are doing. He said who would have thought that it would come to where it is now with so much progress. He pointed out Public Safety staff is going to other cities and helping them. He thanked Chief Barranco and staff and others as well for what they are doing to help make our community safe.

RECOGNITION

Mayor Cavanaugh stated Council is pleased to have Roger LeDuc, former City Manager, helping Council and staff at this time after the resignation of Richard Pearce.

BOARDS AND COMMISSIONS

Appointments

Beverly Clyburn

Frances Farley

James Gallman

Housing Authority

Andrew Bouknight

Building Code of Appeals Board

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

Interim City Manager Roger LeDuc stated Council has 10 pending appointments to fill vacancies on different City boards, commissions, and committees. Three appointments are presented for Council's consideration and vote at the meeting tonight.

Councilmember Dewar has recommended the appointment of Beverly Clyburn to the Housing Authority to replace Frances Farley. If appointed Ms. Clyburn's term would expire May 28, 2019. The terms on the Housing Authority are for five years.

Councilmember Price has recommended the reappointment of Andrew Bouknight to the Building Code Appeals Board. If reappointed Mr. Bouknight's term would expire May 12, 2016. Councilmember Price has also recommended the reappointment of James Gallman to the Housing Authority. If reappointed his term would expire May 28, 2019.

For Council consideration is the appointment of Beverly Clyburn and reappointment of James Gallman to the Housing Authority with the terms to expire May 28, 2019, and the reappointment of Andrew Bouknight to the Building Code Appeals Board with the term to expire May 12, 2016.

Councilman Dewar moved, seconded by Councilwoman Price, that Council appoint Beverly Clyburn to the Housing Authority with the term to expire May 28, 2019, reappoint Andrew Bouknight to the Building Code of Appeals Board with the term to expire May 12, 2016, and reappoint James Gallman to the Housing Authority with the term to expire May 28, 2019. The motion was unanimously approved.

Mayor Cavanaugh asked if there were any nominations for the next meeting.

Councilwoman Diggs recommended that John Brecht be appointed to the Building Code Appeals Board to replace Timothy Redd.

Councilman Merry recommended that Susan Victor be reappointed to the Accommodations Tax Committee.

Councilman Ebner recommended that Judy Sennett be reappointed to the Community Development Committee.

Mayor Cavanaugh stated the recommendations would be on the next agenda for Council consideration.

ANNEXATION – ORDINANCE 06232014

Virgil and Fannie Kanagy
419 Pine Avenue
TPN 122-05-15-007

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to annex property at 419 Pine Avenue and zone it RS-6, Residential Single-Family.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE TO ANNEX TO THE CORPORATE LIMITS OF THE CITY OF AIKEN CERTAIN PROPERTY CONSISTING OF 0.152 ACRES OF LAND, MORE OR LESS AND TO ZONE THE SAME RESIDENTIAL SINGLE-FAMILY (RS-6).

Mr. LeDuc stated Virgil and Fannie Kanagy own property at 419 Pine Avenue. Since this property is contiguous to the city limits, they have requested to be annexed into the City of Aiken. By doing so, they are seeking city services that will be available to them, including in-city water rates, garbage pickup, recycling, sewer service, and no longer having to pay fire fees.

The Planning Commission met May 13, 2014, and considered the Kanagy's request. By a 5-0 vote, the Planning Commission has recommended that City Council annex this property into the city limits.

Council approved this ordinance on first reading at the June 9, 2014, meeting. For Council consideration is second reading and public hearing of an ordinance to annex 0.152 acre of land belonging to Virgil and Fannie Kanagy at 419 Pine Avenue into the Aiken City limits.

The public hearing was held and no one spoke.

Councilman Dewar moved, seconded by Councilwoman Diggs, that Council pass on second reading and public hearing an ordinance to annex property at 419 Pine Avenue and zone it RS-6, Residential Single-Family. The motion was unanimously approved.

BUDGET – ORDINANCE 06232014A

Amendment
Chipping Storm Debris
Winter Storm PAX
FY 2013-14

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to amend the budget regarding chipping of Winter Storm PAX debris.

Mr. Leduc read the title of the ordinance.

AN ORDINANCE AMENDING ORDINANCE NUMBER 04282014.

Mr. LeDuc stated Council approved Ordinance 04282014 to allow our Winter Storm PAX debris to be chipped. This work is well on its way to being finished. The Public Services Department finished curbside storm debris pickup on Friday, June 6. We have a total of 160,253 cubic yards to chip. Our contract with American Environmental and Disaster requires us to pay them \$1.84 per cubic yard. With the total number of cubic yards determined, chipping costs will be \$294,865.52.

The Council-approved ordinance specified an expenditure of \$195,416.55 for those chipping costs. This ordinance needs to be amended to reflect the final chipping costs. This amount will be part of our FEMA reimbursement claim, and we will make every effort to recoup this cost.

Council approved this ordinance on first reading at the special called meeting of June 16, 2014. For City Council approval on second reading and public hearing is an ordinance to amend Ordinance 04282014.

The public hearing was held and no one spoke.

Councilman Ebner moved, seconded by Councilman Dewar, that Council pass on second reading and public hearing an ordinance to amend the budget regarding chipping of Winter Storm PAX debris. The motion was unanimously approved.

BUDGET – ORDINANCE 06232014B

Hauling Debris

Winter Storm PAX

Amendment

FY 2013-14

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to amend the budget regarding hauling of Winter Storm PAX debris.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AMENDING ORDINANCE NUMBER 05122014A.

Mr. LeDuc stated Council approved Ordinance 05122014A to pay for the loading and hauling of Winter Storm PAX debris. This work began two weeks ago and will be completed by early-August. A portion of chipped storm debris will be hauled to the Municipal Airport to spread along the interior of the fence line for vegetation control. SCDHEC has approved our request to use the chipped storm debris in this manner. The Airport Fixed Base Operator also has no objections. Chipped debris has also been sent to several area mills for use as bio-fuel and will be used to mulch a horse trail we are constructing.

The Council-approved ordinance specified an expenditure of \$24,879.25 for these loading and hauling costs. We estimate the total for debris loading and hauling will not exceed \$125,000. This ordinance needs to be amended to reflect the final estimated loading and hauling costs. This amount will be part of our FEMA reimbursement claim, and we will endeavor to recoup the maximum allowable cost.

Council approved this ordinance on first reading at the special called meeting of June 16, 2014. For City Council approval on second reading and public hearing is an ordinance to amend Ordinance Number 05122014A.

The public hearing was held and no one spoke.

Councilwoman Price moved, seconded by Councilman Merry, that Council pass on second reading and public hearing an ordinance to amend the budget regarding hauling of Winter Storm PAX debris. The motion was unanimously approved.

BUDGET – ORDINANCE 06232014C

Hangers
City Parkways
Garland Construction
Amendment
FY 2013-14

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to amend the budget regarding removal of hangers in City parkways.

Mr. LeDuc 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. LeDuc stated on June 12, we conducted a bid opening to remove hangers from trees in our city parkways. The apparent low bidder is Garland Construction, who submitted a bid of \$45 per tree. We estimate 900 trees have hangers, and their contract should not exceed \$45,000. Staff has reviewed the bid and recommends awarding the contract to Garland Construction. We will self-monitor this work as we have done with other aspects of Winter Storm PAX debris removal. We estimate this monitoring cost to be approximately \$30,750. These expenses will be potentially reimbursable by FEMA at 75 percent.

Council approved this ordinance on first reading at the special called meeting on June 16, 2014. For Council approval is second reading and public hearing of an ordinance to amend the FY 2013-14 City budget to remove hangers from parkways caused by Winter Storm PAX.

The public hearing was held and no one spoke.

Councilwoman Diggs moved, seconded by Councilman Merry, that Council pass on second reading an ordinance to amend the budget regarding removal of hangers in City parkways. The motion was unanimously approved.

BUDGET – ORDINANCE 06232014D

Amendment
FY 2013-14
Leaners
Hangers
City Parks
Streets
Right of Way
Winter Storm PAX
Ice Storm

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to amend the 2013-14 budget regarding removal of hangers and leaners in city parks and City street rights-of-way from Winter Storm PAX.

Mr. LeDuc 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. LeDuc stated at our June 9, 2014, meeting, Council expressed their view that leaners and hangers from all our city parkways, parks, and rights-of-way should be removed by the August 8, 2014, 180-day debris removal deadline in FEMA's Accelerated Debris Removal Pilot Program. He said staff had presented two options:

Option 1: We can continue to remove leaners and hangers with our city staff. This option will see all eligible straight-time and overtime hours of our staff and hourly equipment usage reimbursed at a rate of 75% through August 8. Any removal of leaners and hangers completed after August 8 will not be eligible for reimbursement. Public Services Director Tim Coakley believes it will take between 12 months and 18 months to complete this work using this option.

Option 2: We can sign onto the Aiken County agreement with Southern Disaster Recovery [SDR] for removal of leaners and hangers in our city street rights-of-way and our city parks. SDR's approved contractual rates are \$70 per tree for street rights-of-way and \$130 per tree for leaners and hangers in our parks.

After staff review we believe Option 2 is the best path forward for meeting the goal of removal of hangers and leaners by the August 8 deadline. We estimate the cost to be \$210,000 to remove leaners and hangers from our street rights-of-way and \$78,000 to remove leaners and hangers from our city parks.

As we have done throughout the storm debris removal process, we will self-monitor this work. When factoring in equipment, staff, and temporary labor costs, we believe this monitoring cost will not exceed \$225,000.

A spreadsheet was given to Council which listed the estimated costs which total \$513,500. These expenses are potentially reimbursable by FEMA at up to 75 percent.

City Council approved this ordinance using Option 2 on first reading at the special called meeting of June 16, 2014. For City Council approval on second reading and public hearing is an ordinance to amend the Fiscal Year 2013-14 budget to remove leaners and hangers from city parks and street rights-of-way caused by Winter Storm PAX.

The public hearing was held and no one spoke.

Councilman Ebner stated he had one comment. He requested through the City Manager that at the July 14, 2014, meeting that Mr. Coakley, Public Services Director, or Mr. Bedenbaugh, Assistant City Manager, give Council a detailed report on where we stand on all the contracts. He pointed out that August 8 will be coming up soon. He felt by that time staff should have a good idea of how we are progressing with the work, how our budget is, and if there are any other things that need to be revised to cover the costs. He asked that the item be presented to Council as an information item.

Mr. LeDuc also recommended that within the report that we also list any disbursements we may have concerning overtime, payments for other cities' work, etc. so Council will have a complete report. Councilman Ebner responded a complete report would be good, as that would give Council time to react to anything that may need to be done to close out the storm debris pickup.

Councilman Homoki moved, seconded by Councilwoman Price, that Council pass on second reading and public hearing an ordinance to amend the 2013-14 budget regarding removal of hangers and leaners in city parks and City street rights-of-way from Winter Storm PAX as recommended by staff. The motion was unanimously approved.

Councilwoman Price stated that at the first reading of these ordinances for this work that they talked about all the expenditures being estimated to cost about \$1 million. Mr. LeDuc stated staff is estimating that when we look at the expenditures that would be over and above what is in the budget versus the revenues, that we are anticipating there will be

enough money to pay off all of our expenses and still have about \$500,000 left. He pointed out the State of South Carolina at this point in time is not planning to reimburse the city for any of the match money for the 25%.

MILLAGE RATE – ORDINANCE 06232014E

Budget

FY 2014-15

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to set the tax millage rate for Fiscal Year 2014-15.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY CITY PURPOSES AND FOR CAPITAL DEVELOPMENT PURPOSES IN THE CITY OF AIKEN FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, SET THE MILLAGE AT SIXTY-TWO (62) MILLS AND TO PROVIDE FOR THE EXPENDITURES THEREOF.

Mr. LeDuc stated every year Council approves a millage rate, which must be set by a separate ordinance. That millage rate is given to Aiken County to determine the taxes for vehicles and real estate taxes. The recommended millage rate for FY 2014-15 is 62 mills, which is the same rate we have in our FY 2013-14 budget.

City Council approved this ordinance on first reading at the May 12, 2014, meeting. For Council consideration is second reading and public hearing of an ordinance to set the FY 2014-15 millage rate at 62 mills.

The public hearing was held and no one spoke.

Councilman Ebner moved, seconded by Councilwoman Price, that Council pass on second reading and public hearing an ordinance to set the tax millage rate for Fiscal Year 2014-15 at 62 mills. The motion was unanimously approved.

Councilman Dewar stated he felt it wise to point out that Council is holding the line on the millage rate increase, but are doing so by using monies that we would normally not want to use. He felt it is important not to increase the millage rate until Council has done all they can to make sure we are effectively using the city's money.

BUDGET – ORDINANCE 06232014F

FY 2014-15

Mayor Cavanaugh stated this was the time advertised for second reading and public hearing of an ordinance to adopt a budget for Fiscal year 2014-2015.

Mr. LeDuc read the title of the ordinance.

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

Mr. LeDuc stated we have made several modifications to the proposed budget which was discussed in the work session at 5 p.m. with the idea of passing a budget, but going back at a later date, hopefully, late summer or early fall, and analyzing what expenditures versus revenues we have and may want to make a budget adjustment. He said he was recommending that we use some one time reserves to balance the budget. He said that is okay, but we cannot continue to use reserves to balance a budget, as eventually you either need to decrease the expenditures or raise the revenues or both.

Mr. LeDuc said in the proposed budget the recommendation is that there be no millage or fee increases at this time. Council can always go back at a later date and make those adjustments to the revenue. It is proposed to use some of the FEMA funds that we anticipate receiving. In the budget there is a revenue line item for FEMA of \$477,100. Tied to that are several line items within the budget for which that money would be used. It is also proposed that Council have a hiring freeze for all positions that are currently proposed in the budget and for all positions that are currently open. He said in stating there will be a hiring freeze, it does not mean that we could not come back to Council at a later date and ask that the hiring freeze be removed for a position in any department. He said at this point there would be a freeze on the filling of all positions and the requested positions would be frozen also. He said those salaries were taken out of the proposed budget. He said it would be the same thing for capital items. The budget for both the General Fund and Utilities Fund were reduced by about \$500,000 on capital items, whether it was for vehicles, equipment, or buildings and the Depreciation Funds that accompany that were also eliminated. Within the budget we are also stating to all the departments that any capital item that is currently in the proposed budget, such as a vehicle, equipment, or work on any building needs prior approval from the City Manager or the Assistant City Manager prior to the equipment being purchased or work started on a building. They could not just automatically go out and purchase the capital item, which is typically what you have once a budget has been approved.

Mr. LeDuc stated typically in a budget year there are some left over funds. If we see that the left over funds are sufficient and if the revenues anticipated coming in from business licenses and taxes are received, we hope to be able to make a recommendation to Council that some kind of adjustment be made in salaries. He pointed out that in a previous year Council gave a bonus in December, and it is hoped that some kind of adjustment similar to that could be made.

Mr. LeDuc stated the recommendation to Council is that in Public Safety that all PSO I salaries at a base level would go from the current entry level to \$38,589. The entry level would be raised by \$3,146. That means that several other positions that are not entry level would also have a raise to adjust salaries accordingly. That would be effective July 12, 2014, which would give time to meet with the Public Safety Director and staff to make the necessary adjustments to the affected officers. Also, in the budget it is proposed that Council consider a \$500 salary increase to all individuals in October, 2014. If a person was making \$20,000 currently, in October their salary would be raised to \$20,500. One of the reasons for recommending a \$500 increase versus a percentage is currently the salary structure per classification is very broad. We are trying to narrow that and get some of the lower level employees at a higher level. That would make them get a higher percentage increase than those at the upper level.

Councilman Dewar stated he did not understand how the structure is narrowed if everybody gets the same increase. Mr. LeDuc stated if a person was making \$50,000 and got a \$500 increase in salary that would be a 1% increase percentage whereas for a lower paid employee with a \$500 increase the percentage may be a 2% increase.

Mr. LeDuc stated with the proposal for Public Safety, the salary adjustments, and balancing the budget we would be using funds from the Unrestricted Holding Account of \$432,807. He said that is why later this year, in the next few months, Council needs to start looking at what expenditures can be lowered. If we can't come up with those expenditures, then we will have to look at what revenues we will have to increase. He pointed out an increase is not in the proposed budget for taxes right now, but that may have to be raised later on. He said we can't continue to use that \$432,807 to balance the budget. He said that is what we are trying to do tonight so we can move things forward.

Mr. LeDuc said for Council consideration is a proposed budget. He said Council would also like to make a few modifications to the budget ordinance. He said any line item changes that Council approves for the proposed budget will be made to the budget which Council received in May. The corrected budget which Council will probably receive in August will have another column that will list the actual expenditures for the current

fiscal year 2013-14 budget year. Also, several pages in the budget message, iv to xv, will be adjusted to reflect the new numbers, and the graphs will be adjusted to reflect what was spent. In the budget ordinance Section 4 (a) needs to be modified to state that instead of coming back to Council just at the end of the fiscal year with any line item changes, that any time a line item reaches 20% above what was budgeted staff will bring that information back to Council for their review.

Mr. LeDuc stated for Council consideration is second reading and public hearing on the fiscal year budget for 2014-15 as outlined in the memo to Council and his discussion of the proposed budget.

The public hearing was held and no one spoke.

Councilman Ebner stated he felt this year it was important that the miscellaneous things that Mr. LeDuc reviewed such as salary increases be included. He felt the numbers he read as far as what the increases are and how we are going to do it should be part of the ordinance or an addendum so it helps to get a milestone as of June 30, 2014, and we start anew after that. He said the salary information was mainly what he was referring to so there is no mistake when that comes up.

Councilman Dewar stated he wanted to make two comments, both about Public Safety. He said the budget is this year's budget, and there is no guarantee of what Council will do, if anything, next year. He said the original goal was to look at North Augusta as a standard for what we wanted to pay our people. One goal was to reduce the turnover caused by the low wages. He said whether we are able to do what was put in the newspaper is another matter. He said that will have to rest until next year when we see what our revenues are. Secondly, he said he noticed on page 9 of the work session memo that patrol vehicles in one case cost \$21,500 and in another case they cost \$26,000. He also pointed out we have some SUV's. He asked if we are buying regular basic patrol cars.

Chief Barranco stated in preparing the budget the vehicles which were \$26,000 were the patrol vehicles on the street. He said we are able to use the Impalas for the Investigators vehicles. He said that is the difference in cost for the vehicles. He said the Impalas are pursuit rated vehicles, but we have found they may not be as durable, so we did not want to use those for the patrol vehicles on the streets. He said the \$21,500 cost is for the Impalas. The \$26,000 cost is for the purchase of Chargers. Councilman Dewar stated there are four vehicles listed in Patrol for \$21,500 each. Chief Barranco stated he understood that all the vehicles, except for Investigators vehicles, were \$26,000. Councilman Dewar asked if the Community Services vehicles were the same as patrol vehicles and Chief Barranco responded they were.

Mr. LeDuc pointed out that we piggyback off the State contract. He pointed out the State generally has a bid in the fall for all pursuit vehicles that SLED, counties, and cities all use. This year the bid was for Dodge Chargers. Next year the bid could be something else. He said we estimate what we think that price may be. He said we have the Impalas, the Chargers, and then SUVs in some cases. Chief Barranco stated the most recent SUV purchased was a Tahoe for the tactical vehicle, which has two people in it to carry all their bunker equipment that the smaller Dodge Charger was not able to carry. He pointed out that typically the shift Lieutenants have an SUV that carries additional equipment for patrol. Mr. LeDuc stated these are some things we will be looking at more closely once the budget is approved, and we sit down with the various department heads to see if that is the right equipment for that position.

Councilman Dewar asked what a Sergeant that is assigned a shift in the Fire Department drives. Chief Barranco stated it varies. One drives a pickup truck. One drives an Impala. Typically they are assigned to a truck when they are working.

Councilman Ebner moved, seconded by Councilwoman Diggs, that Council pass on second reading and public hearing an ordinance to adopt a budget for Fiscal Year 2014-15 with the following changes: 1) 2014/15 work budget be updated with actual cost as of

June 30, 2014; 2) 2014-15 work budget be updated from the June 23, 2014, work session memo and other information from staff and Council; 3) 2014-15 work budget pages iv to xv be updated with actual cost and graph data; 4) Section 4(a) of the budget ordinance be changed from "end of fiscal year" to "and all such variances for any budget line item that exceeds 20% over budget shall be reported to City Council monthly." The motion was unanimously approved.

CAPITAL PROJECTS SALES TAX PROJECTS – ORDINANCE

Operations Manager

Mayor Cavanaugh stated an ordinance had been prepared for first reading to hire an Operations Manager to oversee Capital Projects Sales Tax Projects.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE TO CREATE THE POSITION OF PARKS, RECREATION AND TOURISM CAPITAL PROJECTS SALES TAX MANAGER.

Mr. LeDuc stated the city has a number of projects that have been funded in the 2004 or Capital Projects Sales Tax II that have not been completed. In fact some have not been started. He said there are numerous projects in Capital Projects Sales Tax III that will be coming up soon. He said there are projects such as the Eustis Park Senior/Youth Center, recreational facility on the northside, what to do with the landfill, the connector road from Dougherty Road to the Mall area, and green space inside or outside the city limits.

Mr. LeDuc stated to facilitate moving those projects forward Council has expressed an interest in creating a Projects Manager position to oversee many of our pending Round 2 and Round 3 Capital Projects Sales Tax Projects. Some of the Capital Projects Sales Tax money can be used to hire an individual that can do the necessary planning, acquisition, and follow through to completion for the projects. He said it is being recommended that the individual be hired.

In order to fill this position in a timely manner, a draft job description has been prepared for Council's review. It gives some information as to what characteristics we think would be necessary for that individual. However, between first and second reading we can make changes Council recommends. He pointed out that before the next Council meeting, it is planned to have a Council committee sit down with staff to refine the job description to have a better understanding of what that individual will be accomplishing. Our expectation is that we can hire someone later this summer to begin moving these projects forward.

For Council's consideration is approval on first reading of an ordinance to establish the position of Operations Manager to be paid solely out of Capital Projects Sales Tax funds.

Councilwoman Diggs asked how soon the position could be posted after the second reading of the ordinance. Mr. LeDuc stated it probably could be as soon as the next day after approval by City Council. He said we are already getting some interest from some individuals who have heard about the proposed job. He said the position will be advertised to remain open until filled. That way if we interview two or three people almost immediately we could get someone in. He said we need to get the position filled soon.

Councilwoman Price pointed out the salary range is from \$50,000 to \$62,000, depending on the experience of the person.

Councilman Homoki stated he agrees that we need an Operations Manager to oversee the Capital Projects, but he felt we may be limiting ourselves by titling the position as Parks, Recreation and Tourism Capital projects Sales Tax Manager. He felt the person should be able to monitor some of the other CPST functions going on. He felt someone should be watching the balance of the money as far as the Capital Projects Sales Tax money.

Mr. LeDuc stated that is probably one of the changes that may be made between now and the next meeting. Councilman Ebner stated we will need to discuss that. He pointed out, as Councilwoman Price said, we have been looking for this manager for almost three years. He said we hire one and he goes and does the other major projects, which is okay. He said he thinks we have \$11 million in the bank, and we need to concentrate and at least get that work done first. Then we can look at other projects. He pointed out that some of the projects have languished for almost five years, and we have not done anything on them. He said other projects could be a secondary thing to use the person for. The primary focus would be the PRT work to get that done.

Councilwoman Price pointed out that Councilman Homoki was talking about the title of the position in terms of limitation of the scope.

Councilman Homoki stated he was talking basically about the title of the position and restricting ourselves by specifying PRT on the job description, as opposed to how the item was listed on the agenda as an Operations Manager to oversee Capital Projects Sales Tax projects. He pointed out the memo and job description start specifying PRT.

Mayor Cavanaugh stated he agreed with Councilman Homoki and asked why limit the position. Councilman Ebner stated he could give three years of reasons why to limit it. He said we have hired some people in the past, and they still are not here. He said he would propose that once we get the \$11 million done that we change the ordinance or cancel the ordinance, and then the individual goes on to the other work.

Councilwoman Price stated she felt Council could change the title of the position and specify in the scope of work the priority items. She felt changing the title of the position would not impact the scope of work assigned to the person. Mayor Cavanaugh felt the more flexibility there is, the better we would be. He felt we could still assign them to what we want them to be assigned to. Councilwoman Diggs stated there are some projects we want to focus on. Mayor Cavanaugh stated the projects could be prioritized. Councilwoman Diggs stated we want to make sure the person will take care of the projects we want to focus on first. Mayor Cavanaugh stated he still did not understand why we would limit the position to certain projects.

Councilman Homoki stated the order to do the projects is supposed to be the way the legislation was passed by the voters. He said you can't just pick certain projects. Councilwoman Diggs stated there are some projects that have been on the table for a long time, and we need to take care of them. Councilman Homoki stated he agreed. Councilman Ebner stated some of the projects are pushing ten years old, and we have not done them. He felt the priorities need to be there.

Councilman Merry stated he was okay with making the position more flexible. He stated the person can still be directed to do whatever items Council wants to do first. He said the position could be listed any way, and the person could be directed to do whatever Council wants to do. He felt flexibility is worthwhile. Councilman Ebner stated we could try that, but he would say we have not been very successful in the last three years. He said perhaps this Council will push forward. Councilman Homoki asked if he felt a title would make a difference. Councilman Ebner responded to the City it does.

Councilwoman Price stated she felt if we left the title as the Capital Projects Sales Tax Manager, that is all inclusive and we can determine the priorities of the projects from that. Councilman Merry agreed. Councilman Dewar pointed out the priority of the projects are listed in the ordinance. He pointed out two projects have been languishing for ten years, and those should be done first.

Mayor Cavanaugh asked what that has to do with what Council is talking about now, the title of the position. Councilman Homoki asked why not just call the position the Operations Manager to oversee Capital Projects Sales Tax projects. Councilman Dewar stated he did not care what the person is called. He said there is a list of projects that the person has to do, we need to get on with the work. He said he did not care what the person is called.

Councilwoman Price asked if the title could be modified. Mr. LeDuc stated there is a committee of Councilmembers Price, Homoki, and Ebner who will be meeting during the next week to discuss this matter so this could be brought back to Council with a recommendation. Councilman Ebner stated he would remind Council that we currently have three members of our current staff that have held this job before, and we have these projects that have not been worked on. He said whatever we do, we need to be sure and get everything in order. Councilman Merry stated this is creating a new position. He asked if three positions had been created and now we are creating a fourth position. Councilman Ebner said you can call it whatever you want. Councilman Merry stated he was trying to get it clear, as he was not one of those who was here. Councilman Ebner stated the first position started back in the middle of 2011.

Mayor Cavanaugh stated we can go way back and talk about all these things that have happened in the past, but asked what that has to do with what we are to vote on now. He said we are at the point where we are about to vote to have this person which is a first. He said we can have the flexibility to put this person wherever we may want at different times. He wondered why there was a problem.

Councilwoman Price pointed out there is a hiring freeze, but this person will be paid from the Capital Projects Sales tax funds. If the person is used in other positions, then the person does not have a position to move to because of the designated salary for this position. Councilman Ebner stated he would remind Council that we have nearly \$60 million of Capital Projects Sales Tax projects that the person can still work on. He said as long as we can get the priorities in order he would go along with it. Councilman Homoki stated the point is that if the person is a general Operations Manager, then he can be moved around. He said there is plenty of money in the Capital Projects Sales Tax coming in. He asked if something comes up, and we need that person to work with a sewer line project where we have some CPST monies dedicated, he wondered if that person would be allowed to look at the project. Councilman Ebner stated he felt not until the \$11 million is finished.

Councilwoman Price stated this is first reading of the ordinance, and she wanted to call for the question. She pointed out she could amend the title of the job description at this meeting or the next meeting. She said she would wait until the next meeting to amend the title of the job description.

Councilwoman Price stated we have waited for some time to fill the much needed position to manage the Capital Projects Sales Tax projects. Councilwoman Price moved, seconded by Councilwoman Diggs, that Council pass on first reading an ordinance to establish the position of Parks, Recreation and Tourism Capital Projects Sales Tax manager to oversee Capital Projects Sales Tax Projects. The motion was unanimously approved.

ACCOMMODATIONS TAX COMMITTEE RECOMMENDATIONS

Additional Funds

Mayor Cavanaugh stated Council needed to consider the recommendations of the Accommodations Tax Committee for funding projects.

Mr. LeDuc stated at the March 10, 2014, meeting Council approved 14 funding recommendations from the Accommodations Tax Committee. At that time, the Committee only had \$130,000 to distribute. Since then, the South Carolina Department of Revenue notified us that an additional \$60,000 was available to be awarded. We have received that money. Recently, our Accommodations Tax Committee met and recommended this additional money be allocated as indicated in the memorandum from Chair Peggy Penland.

PROJECT NAME	Council Approved Amount (March 2014)	Additional Funding Recommended by ATAX Committee (June 2014)	TOTAL PROJECT AWARD (Pending Council Approval)
Fall Steeplechase	\$12,000.00	\$10,000.00	\$22,000.00
Aiken's Makin'	\$6,000.00	\$4,000.00	\$10,000.00
Aiken Center for the Arts – General Marketing	\$4,500.00	\$3,000.00	\$7,500.00
Antiques in the Heart of Aiken	\$18,000.00	\$2,000.00	\$20,000.00
Aiken Trials	\$23,500.00	\$8,000.00	\$31,500.00
Citizens Park Bid Fees	\$10,000.00	\$4,000.00	\$14,000.00
Juneteenth	\$4,000.00	\$2,000.00	\$6,000.00
Aiken Performing Arts Group – General Marketing	\$3,000.00	\$3,000.00	\$6,000.00
Juilliard in Aiken	\$8,000.00	\$6,000.00	\$14,000.00
Battle of Aiken	\$5,000.00	\$5,000.00	\$10,000.00
Aiken Polo Club Promotions	\$12,000.00	\$5,000.00	\$17,000.00
Aiken Downtown Development Association – General Marketing	\$5,000.00	\$8,000.00	\$13,000.00

For Council consideration is approval of the recommended Accommodations Tax funds distribution as set forth in the memorandum from the Accommodations Tax Committee.

Councilman Dewar moved, seconded by Councilwoman Price, that Council approve the appropriation of the additional \$60,000 of Accommodations Tax funds as recommended by the Accommodations Tax Committee. The motion was unanimously approved.

AIKEN AVIATION ENTERPRISES, LLC – ORDINANCE

Wayne Works Aviation, LLC
Aiken Municipal Airport

Mayor Cavanaugh stated an ordinance had been prepared for first reading authorizing Wayne Works Aviation, LLC to transfer all of its rights to and interest in real estate located at Aiken Municipal Airport to Aiken Aviation Enterprises, LLC.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AUTHORIZING WAYNE WORKS AVIATION, LLC TO TRANSFER ALL OF ITS RIGHT, TITLE AND INTEREST IN REAL ESTATE LOCATED AT THE AIKEN MUNICIPAL AIRPORT TO AIKEN AVIATION ENTERPRISES, LLC.

Mr. LeDuc stated Aiken Aviation Enterprises LLC has entered into an agreement for the right, title, and interest in real estate at the Aiken Municipal Airport currently held by Wayne Works Aviation, LLC.

At their May 6, 2014, meeting the General Aviation Commission met and discussed this matter. They felt this was appropriate and unanimously recommend to City Council approval of this agreement between Aiken Aviation and Wayne Works Aviation.

For City Council consideration is first reading of an ordinance to transfer right, title, and interest in real estate located at the Aiken Municipal Airport.

Councilman Ebner moved, seconded by Councilman Merry, that Council pass on first reading an ordinance authorizing Wayne Works Aviation, LLC to transfer all of its rights to and interest in real estate located at Aiken Municipal Airport to Aiken Aviation Enterprises, LLC. The motion was unanimously approved.

VILLAGE AT WOODSIDE – ORDINANCE

Concept Plan
Silver Bluff Development, LLC
Village Green Boulevard

Mayor Cavanaugh stated an ordinance had been prepared for first reading to revise the Village at Woodside Concept Plan.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AMENDING THE CONCEPT PLAN FOR PROPERTY LOCATED IN THE VILLAGE AT WOODSIDE.

Mr. LeDuc stated Silver Bluff Development, LLC is requesting a revision to the Concept Plan for The Village at Woodside Plantation to allow office space instead of 63 multi-family residential units on 2.75 acres on the northeast side of Village Green Boulevard. The residential units planned for this location will be allocated to another section of The Village at Woodside's Planned Residential plan.

This application was reviewed by the Planning Commission at their June 10, 2014, meeting, and they unanimously recommended amending the concept plan on the condition that the office buildings not exceed two stories in height.

For Council consideration on first reading is an ordinance to revise The Village at Woodside's concept plan.

Councilwoman Price moved, seconded by Councilman Dewar, that Council pass on first reading an ordinance to revise the Village at Woodside concept plan to allow office space instead of 63 multi-family residential units on 2.75 acres on the northeast side of Village Green Boulevard. The motion was unanimously approved.

REZONING – ORDINANCE

John Haddon
1215 South Boundary Avenue
1219 South Boundary Avenue

Mayor Cavanaugh stated an ordinance had been prepared for first reading to rezone property at 1215 and 1219 South Boundary Avenue from RS-15 to RS-10.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE TO REZONE CERTAIN PROPERTY LOCATED AT 1215 AND 1219 SOUTH BOUNDARY AVENUE FROM RESIDENTIAL SINGLE-FAMILY (RS-15) TO RESIDENTIAL SINGLE-FAMILY (RS-10).

Mr. LeDuc stated Dr. John Haddon is the owner of two lots located at 1215 and 1219 South Boundary Avenue. For many years he operated a veterinary clinic there that was grandfathered in when the area was zoned for residential use. Now that the veterinary clinic has moved, he would like to convert these two properties for residential use. The existing common lot line divides an established single-family residence. Dr. Haddon would like to re-plat the lots to create parcels as shown on the plat included in the agenda packet. Because only one of the two proposed lots would meet the minimum lot size of

15,000 square feet under the current RS-15 zoning, an application was filed to change the zoning to RS-10.

At their June 10, 2014, meeting, the Planning Commission unanimously recommended this request be approved.

For Council consideration on first reading is an ordinance to rezone property at 1215 and 1219 South Boundary Avenue from RS-15 to RS-10.

Councilman Ebner moved, seconded by Councilwoman Price, that Council pass on first reading an ordinance to rezone property at 1215 and 1219 South Boundary Avenue from RS-15 to RS-10. The motion was unanimously approved.

ZONING ORDINANCE – ORDINANCE

Visibility

Trees

Mayor Cavanaugh stated an ordinance had been prepared for first reading to amend the Zoning Ordinance regarding sign visibility and trees.

Mr. LeDuc read the title of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE REGARDING SIGN VISIBILITY AND TREES.

Mr. LeDuc stated City Council passed an amendment to the Zoning Ordinance in November, 2010, which allowed a gap in the planting strip along street frontage around a business's free standing sign. This amendment only affected proposed developments, not existing developments. He pointed out the way the Sign Ordinance is written in relationship to the landscaping requirements we have, many times the signs, once the trees are developed fully, which would be partially or almost completely blocked from view. The proposed ordinance allows flexibility for those businesses with free standing signs so passersby could see the signs.

The Planning Commission was asked by Council whether other amendments are needed regarding sign visibility. The Planning Commission's consensus is that the tree separation provisions adopted in 2010 should also apply to existing developments. At their June 10, 2014, meeting the Commission unanimously recommended an amendment to the Zoning Ordinance to allow a gap in the planting strip for a free standing sign in existing developments.

For Council consideration on first reading is an ordinance to amend the Zoning Ordinance regarding sign visibility and trees.

Councilman Merry moved, seconded by Councilwoman Diggs, that Council pass on first reading an ordinance to amend the Zoning Ordinance regarding sign visibility and trees. The motion was unanimously approved.

ZONING ORDINANCE

Residential Assisted Living Facility

Definition

Mayor Cavanaugh stated the Planning Commission had made a recommendation to Council regarding the definition of Residential Assisted Living Facility.

Mr. LeDuc stated at their May 13, 2014, work session and June 10, 2014, meeting the Planning Commission examined the definition of "Residential Assisted Living Facility."

After a discussion and public hearing, the Planning Commission voted unanimously to recommend to Council that the definition of "Residential Assisted Living Facility" in the Zoning Ordinance not be amended at this time.

Mr. LeDuc stated Council did not need to make a motion on this matter, unless Council would like to make a change in the Zoning Ordinance regarding the definition of Residential Assisted Living Facility.

The consensus of City Council was that they accept the recommendation of the Planning Commission and not make a change in the Zoning Ordinance regarding the definition of Residential Assisted Living Facility.

MEETING DATES

Summer Schedule

City Council

July, 2014

August, 2014

Mayor Cavanaugh stated Council needed to discuss the summer meeting schedule for July and August, 2014.

Mr. LeDuc stated as we begin another summer, Council has not typically scheduled second meetings in July or August to allow everyone to schedule their summer vacations. We are suggesting that we not hold the second Monday City Council meetings on July 28 and August 25, 2014. If some important issues come up, we could always schedule a second meeting during either month, if needed.

Mr. LeDuc stated, however, there are a number of major issues that he feels Council needs to move forward on and some decisions need to be made. He pointed out Council had discussed in the work session creating some Council sub-committees to deal with a number of the subjects. By doing this, hopefully, Council would not have to have special called meetings on a regular basis, especially during July and August when everyone wants to take some time off. He said the way the process would work is that two to three Councilmembers would meet with staff to discuss the various items and then come back in July, August, or September with recommendations as to what needs to be done on these areas.

Mr. LeDuc read the committee members for the various items.

On the State Infrastructure Bank (SIB) status which involves three roadway projects, including Hitchcock Parkway, Dougherty and Whiskey, and University Parkway. He said Councilmembers Price, Ebner and Mayor Cavanaugh have volunteered to be on that committee.

On the Gem Lakes Extension Committee regarding the problems with the roadways, Councilmembers Homoki, Ebner and Merry are on the committee.

On the Ice Storm, FEMA Committee regarding events early on and how employees are reimbursed during the storm, are Councilmembers Homoki, Dewar, and Mayor Cavanaugh.

On the Capital Projects Sales Tax Manager Committee are Councilmembers Price, Homoki, and Ebner.

On the Staffing, Salaries/Benefits Committee to look at staff, salaries, and if we are paying them wages due them based on a number of factors, and looking at other policies, is Councilmembers Homoki, Dewar and Mayor Cavanaugh.

On the Administrative and Finance Building Committee regarding improvements, changes, and recommendations are Councilmembers Merry, Ebner, and Diggs.

On the Municipal Building on Park Avenue Committee regarding use of the building are Councilmembers Diggs, Merry, and Ebner.

On the Staffing, Department Directors Recreation/Planning, and City Manager Committee are Councilmembers Merry, Dewar and Price.

On the Crosland-Edgewood Plan Committee are Councilmembers Diggs, Homoki, and Price.

On the Long Term Use of Accommodations Tax Funds Committee are Councilmembers Dewar, Ebner, and Merry. Mr. LeDuc stated this would be use of City Accommodations Tax funds which have been used to fund things at Rye Patch, Hopelands Gardens, the Railroad Depot, and African-American Culture Center. He said there had been some interest from the Polo Club for funds for their pavilion.

Mr. LeDuc stated those are the committees formed. He said with the change in schedule for the Council meetings for July and August, this will allow some time for the committees to meet for about an hour. Staff may have to gather some information for the Committees. It is hoped that in two to three meetings the committees can have a recommendation to Council. It is hoped to have recommendations back to Council on these items as soon as possible. He said each meeting will be scheduled based on the schedule of the persons involved, depending on when the individuals are available.

Councilman Dewar asked that the list of committees be disseminated to staff so they will understand if Council calls them about questions regarding matters of the committee. He asked that Mr. LeDuc reiterate to everyone his expectations of how these committees would function so everyone understands.

Mr. LeDuc stated that in many local governments, especially in the Administrative form of government, many times Councilmembers will be on standing committees, such as Finance Committee, Personnel Committee, Administrative Committee, Public Safety Committee, Fire Committee, Police Committee, Solid Waste Committee, or Public Works Committee. Under the City Manager form of government, we currently don't have that structure, but we would like to form committees to move some of the projects forward, especially given the fact that the City Manager has been away for three years. He said a lot of decisions have been made, a lot of considerations have been made that he is unaware of. He said having committees would help him and staff to get up to speed as to what Council wants. Staff will be involved. He said he would probably be at most of the meetings, if not all of them, with the idea that we could get Council the right information, so Council could make some decisions and go back to Council with information. He said in most every case it would be three Councilmembers saying what they would like to do. Then Council would have an opportunity and in most cases it would be an approval by resolution as to the direction Council wants to go. Some of the Committees might just be an update, such as the State Infrastructure Bank, which includes three projects. He said after the Committee meeting and all are on the same page, it would just be bringing a report to Council giving the status, what we want to do, and where we are going. He said we may add to the Committee list, but probably will not take away a Committee until a resolution has been made. He said we may end up with another several committees on things that we will be looking at. He said it is just a way to try to move things forward and speed up the process. Otherwise, Council will have a work session on each item, and he felt that might not be productive for Council's time or others.

Councilwoman Price pointed out that it had been suggested that three members of Council be on each of the committees to avoid a quorum of Council, but if someone cannot make it to a meeting, she would make herself available to be a third Councilmember at the meeting.

Mayor Cavanaugh stated Council needed to vote on the summer meeting schedule for Council.

Councilwoman Diggs moved, seconded by Councilman Ebner that Council cancel the second Monday Council meetings in July and August, 2014. The motion was unanimously approved.

INFORMATION

Mr. LeDuc stated he would like to personally thank Council. He said over the last two weeks he had met with each of the Councilmembers, some on multiple occasions, to get the budget completed and to move some things forward. He said it had been a lot of work on the part of Council, and he wanted to thank Council for the time they spent with him.

Northside Study

Councilman Dewar stated in his agenda packet he had an item dated June 23, 2014, for a proposed request for proposals for the Northside Study. He said that item was in the agenda packet, but apparently was not on the agenda. It was pointed out the item was provided to Council as information.

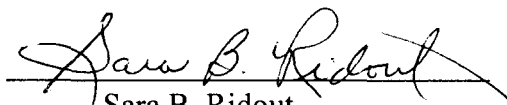
Councilman Ebner stated on the Crosland Park-Edgewood Committee are Councilmembers Price, Diggs, and Homoki. He said one of them would have to become the historian of all the prices and dollars and cents. He said there are about 300 to 400 pages collected over the years. He said if Councilmember Homoki wants to take on that job, he would donate his paperwork which has all the prices and history behind it. Councilwoman Price pointed out the Crosland-Edgewood Committee consists of Councilmembers Ebner, Diggs, and Homoki. Councilman Ebner stated the committee needs the history, as a lot of this ties into Toole Hill, Asheton Oaks, etc. He said he was somewhat familiar with the dollars and cents, but not the history. He said he had been on Council since Crosland Park. He said the item Councilmember Dewar had just mentioned was a request for a proposal for a plan so the committee needs to look at that. He said it is about \$80,000 to \$100,000 to do a study, as well as a 20 year economic return plan on it. He said that needs to be a very good discussion item as this will lead into other areas of the city where we will be doing similar stuff.

Councilman Merry stated he wanted to compliment a young man named Mitch from the Public Works Department. He said last night a good friend called and had a sewer line backing up from the road into their house about 9:30 to 10 p.m. He said he made some phone calls and she made some phone calls. He said he thought George Grinton was alerted to the matter. He said a young man named Mitch and someone else named Dennis came out and stayed working on her house until about 2 a.m. in the morning to get the sewer line cleaned out and pumped out so sewage would quit backing up. He said he wanted to tell the story of great work done by some of our city staff.

Councilwoman Price recognized two neighborhood association presidents present at this meeting, including John West and Betty Meyers of Toole Hill.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:15 P.M.


Sara B. Ridout
City Clerk