



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
WEDNESDAY, JUNE 24, 2009
9:00 A.M.
CITY COUNCIL CHAMBERS
1737 MAIN STREET

The Columbia City Council conducted a Regular Meeting on Wednesday, June 24, 2009 in the City Hall Council Chambers located at 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 9:08 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann and The Honorable Kirkman Finlay III. The Honorable Belinda G. Gergel arrived at 9:11 a.m. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

ORDINANCES – SECOND READING

1. Ordinance No.: 2009-030 – To Raise Revenue and Adopt the Budget for The City of Columbia, South Carolina, for the Fiscal Year ending June 30, 2010 – *First reading approval was given on June 17, 2009. – Approved on second reading.*

Upon motion by Mr. Finlay, seconded by Mr. Rickenmann, Council voted five (5) to one (1) to give second reading approval to Ordinance No.: 2009-030 - To Raise Revenue and Adopt the Budget for the City of Columbia, South Carolina, for the Fiscal Year ending June 30, 2010. Voting aye were Mr. Davis, Ms. Devine, Mr. Rickenmann, Mr. Finlay and Mayor Coble. Mr. Cromartie voted no.

2. Ordinance No.: 2009-046 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 19, Solid Waste Management, Article II, Collection and Disposal, Sec. 19-31 Definitions, Bulk container; Sec. 19-40 Frequency of collection; limitations on quantity of waste; Sec. 19-41 Restrictions on collection, (g) Bulk containers for multiple dwelling units and (h) Bulk containers for commercial and industrial users; and Sec. 19-43 Service fees to delete (3) Property exempt from ad valorem tax, and (5) Taxable nonresidential properties (b) Dumpster service, disposal fees/twice per week service – *First reading approval was given on May 27, 2009. – Approved on second reading with an effective date of September 1, 2009 and subject to staff determining how to include residential condominiums versus commercial condominiums.*

Councilor Rickenmann asked how staff addressed the owner occupied condominiums.

Mr. Ken E. Gaines, City Attorney explained that they defined multiple residential units and they added that those units have to be taxed at an assessment equal to 6% of the fair market value. Anything taxed at 4% would be serviced.

Councilor Finlay said imagine there's a 100 unit condo project; 30% are owner occupied; 70% are rental. How will we determine the difference?

Mr. Robert Anderson, Superintendent of Solid Waste said that they would qualify.

Mr. Ken E. Gaines, City Attorney said that they would look at that and make any necessary changes to the ordinance prior to September.

- **Dr. Gergel arrived at 9:11 a.m.**

Councilor Devine said that we should be able to work this out, but we need to move forward with second reading approval so that people can be making plans for service. She asked if there is a mechanism in place to regulate the private sector rates. I would hate for companies to start price gouging, because we are out of the business.

Mr. Robert Anderson, Superintendent of Solid Waste said that he has seen some rates this week and they are a lot better than what we could ever offer. The competition is there.

Councilor Finlay said that Waste Management and other companies will be cutting rates.

Mr. Robert Anderson, Superintendent of Solid Waste said that it's important for us to send a letter out as soon as possible, because there are some companies that may be trying to strong arm people that have container rentals. We will ensure that the letter is detailed enough that they won't be just taking the first service they can get.

Councilor Cromartie suggested that the list of service providers be distributed to customers.

Upon motion by Ms. Devine, seconded by Mr. Finlay, Council voted unanimously to give second reading approval to Ordinance No.: 2009-046 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 19, Solid Waste Management, Article II, Collection and Disposal, Sec. 19-31 Definitions, Bulk container; Sec. 19-40 Frequency of collection; limitations on quantity of waste; Sec. 19-41 Restrictions on collection, (g) Bulk containers for multiple dwelling units and (h) Bulk containers for commercial and industrial users; and Sec. 19-43 Service fees to delete (3) Property exempt from ad valorem tax, and (5) Taxable nonresidential properties (b) Dumpster service, disposal fees/twice per week service with an effective date of September 1, 2009 and subject to staff determining how to include residential condominiums versus commercial condominiums.

3. Ordinance No.: 2009-055 – Annexing 121 Shop Road Extension, Richland County TMS #16200-04-18 (*Mr. Marc Mylott, Director of Planning and Development Services: Recommends approval.*) **Note:** This property falls within the City's proposed secondary service area. – *First reading approval was given on June 17, 2009. – Approved on second reading.*

Upon motion by Mr. Finlay, seconded by Ms. Devine, Council voted unanimously to give second reading approval to Ordinance No.: 2009-055 – Annexing 121 Shop Road Extension, Richland County TMS #16200-04-18.

4. Ordinance No.: 2009-059 – Authorizing use of the first \$4,000,000.00 from sale of real property for the purpose of funding the City of Columbia's obligation to the Central Midlands Regional Transit Authority in the amount of \$2,000,000.00 for FY 09/10 and \$2,000,000.00 for FY 10/11 by transferring such amount to the Hydro Fund when received – *First reading approval was given on June 17, 2009. – Approved on second reading.*

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to give second reading approval to Ordinance No.: 2009-059 – Authorizing use of the first \$4,000,000.00 from sale of real property for the purpose of funding the City of Columbia's obligation to the Central Midlands Regional Transit Authority in the amount of \$2,000,000.00 for FY 09/10 and \$2,000,000.00 for FY 10/11 by transferring such amount to the Hydro Fund when received.

5. **Sidewalk Vendor - End of Lincoln Street North Side of Taylor Street**

Ordinance No.: 2009-061 (A) – Granting a Franchise to Jay Dahlgren, Jr. d/b/a Palmetto Enterprises for operation of a stationary sidewalk vending cart on the north corner of Lincoln Street and Taylor Street adjacent to Finlay Park – *First reading approval was given on June 17, 2009. – Approved on second reading.*

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to give second reading approval to Ordinance No.: 2009-061 (A) – Granting a Franchise to Jay Dahlgren, Jr. d/b/a Palmetto Enterprises for operation of a stationary sidewalk vending cart on the north corner of Lincoln Street and Taylor Street adjacent to Finlay Park.

6. Ordinance No.: 2009-062 – An Ordinance authorizing the delivery of a Waterworks and Sewer System Revenue Bond (Junior Lien – Sewer and Water Administration, Maintenance and Storage Facility Project), series 2009, of the City of Columbia, South Carolina, for the purpose of acquiring certain Real Property; providing for the payment of the principal of the bond from the Net Revenues derived from the operation of the City's Waterworks and Sewer System; Delegating the authority to the Mayor and Interim City Manager to determine certain matters with respect to the bonds; authorizing the execution and delivery of various documents, including the contract of sale; and other matters relating thereto – *First reading approval was given on June 17, 2009. Approved on second reading.*

Upon motion by Mr. Cromartie, seconded by Mr. Finlay, Council voted unanimously to give second reading approval to Ordinance No.: 2009-062 – An Ordinance authorizing the delivery of a Waterworks and Sewer System Revenue Bond (Junior Lien – Sewer and Water Administration, Maintenance and Storage Facility Project), series 2009, of the City of Columbia, South Carolina, for the purpose of acquiring certain Real Property; providing for the payment of the principal of the bond from the Net Revenues derived from the operation of the City's Waterworks and Sewer System; Delegating the authority to the Mayor and Interim City Manager to determine certain matters with respect to the bonds; authorizing the execution and delivery of various documents, including the contract of sale; and other matters relating thereto.

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

7. Council is asked to approve the Columbia Canal Front Terrace Building Project, as requested by the Utilities and Engineering Department. Award to the following local contractors for a total amount of \$5,004,720.11 to include hard cost, soft cost and contingency funds with the understanding that we will manage and adjust the budget as required, but not to exceed \$5,004,720.11. *Funding Source: CP002311 - Approved*

Mr. Steven A. Gantt, Interim City Manager explained that this project has been on the table since 2001, but the design was done prior to 2001 by the River Alliance. We have spent a good bit of money on this project; testing is going to be important due to the proximity of the Hydro Plant and EdVenture. There is a very hefty contingency in this project, but we hope we don't need it. We have done some boring and five feet under the surface is like toothpaste. This is phase one of the project; the building contractor will be given six (6) months to get ahead of everything; and then we will come back to you with bids on the site work in Phase 2. I included the revenue streams in your packet. This is the jewel and crown of our greenway and we really need to get this going.

Councilor Devine asked if part of this was in the TIF. If so, how are we handling that since the TIF is dissolved?

Mr. Steven A. Gantt, Interim City Manager said yes; some of it is TIF funds, hospitality tax bond proceeds and water and sewer relocation money. We are confident that the dollars are in place for phases one and two, which will connect the greenway under the Gervais Street Bridge to the south side of Gervais Street leading to Granby Park.

Councilor Devine asked that an update go to the other governing bodies explaining what is happening with the TIF money and these projects that are underway to avoid confusion as to what happened to the money and the progress being made on the projects.

Councilor Finlay asked if that would exhaust the TIF funds.

Mr. Steven A. Gantt, Interim City Manager said that there will be a little bit left; there is still money for the project on the north side of the Zoo and to start constructing the greenway towards Granby Park.

Councilor Rickenmann asked if this is the project from the original TIF district. There are no general funds involved. Would this project and what's left over complete our obligation under the TIF.

Mr. Steven A. Gantt, Interim City Manager said that's correct.

Councilor Finlay asked why the River Alliance was paid \$132,000.

Mr. Steven A. Gantt, Interim City Manager said that when he came to the City in 2001, the design had already been done for a retail component and we did a retail study to see if that was what we needed to be doing down there. The study showed that no one was in favor of retail; we did away with that plan; and started over.

Councilor Finlay asked what that has to do with the \$132,000 that was paid to the River Alliance.

Mr. Steven A. Gantt, Interim City Manager stated that the money was used for the initial design done by the River Alliance.

Councilor Davis said that you held the project to bring the cost down. In terms of the final close out with the other governmental agencies, do they understand where we are with this project. They know about it and there is no question about us moving forward.

Mr. Steven A. Gantt, Interim City Manager said yes; this project was on the initial list that the other parties agreed to being done with the last TIF monies.

Upon motion by Mr. Cromartie, seconded by Mr. Finlay, Council voted unanimously to approve the Columbia Canal Front Terrace Building Project, as requested by the Utilities and Engineering Department. Award to the following local contractors for a total amount of \$5,004,720.11 to include hard cost, soft cost and contingency funds with the understanding that we will manage and adjust the budget as required, but not to exceed \$5,004,720.11.

CITY COUNCIL DISCUSSION / ACTION

8. Equipment at the Charles R. Drew Wellness Center – The Honorable E.W. Cromartie and The Honorable Tameika Isaac Devine

Councilor Devine said that we've talked about having the Wellness Center and running it like a business. The single biggest issue that arises is because of the constant use of the equipment there; it breaks down and we don't have a sufficient budget to maintain and replace equipment. Based on the membership and revenues that come in from the Wellness Center, she suggested

that we set aside ten percent (10%) of membership fees for the maintenance and replacement of equipment.

Councilor Finlay said that would put an extra burden on the Parks and Recreation Department's budget. What would the difference be in what we are spending on repairs versus replacement.

Councilor Cromartie explained that we had an important piece of equipment to break down; we didn't have the funding in the budget to pay for it; so we used the scholarship fund to replace the equipment. More importantly, we were getting letters from members saying that they were going to cancel their memberships because the equipment was always down. We have revenues coming in that exceeded what we anticipated. We want to maintain the equipment in immaculate condition so that the membership will increase.

Councilor Devine added that some members did cancel their memberships.

Mr. S. Allison Baker, Assistant City Manger for Public Services explained that last year we spent \$12,000 during the course of the year on repairing existing equipment. Due to the help from the Scholarship Committee, we were able to buy new equipment a couple of months ago and repair used equipment, which has been placed on stand-by for emergency use.

Councilor Finlay asked how many members there are.

Mr. S. Allison Baker, Assistant City Manger for Public Services said about 3,200; it's a moving target. We have family memberships and each person is counted as a member. We have daily users that are a large portion of the regular revenue streams.

Councilor Finlay asked when was the last time we had a fee increase.

Mr. S. Allison Baker, Assistant City Manger for Public Services said not since opening on December 6, 2005.

Councilor Finlay suggested that we agree to fix and replace equipment and to increase the fee by \$1 per month to be used specifically for maintenance and the replacement of equipment. It will give you a revenue source to continually buy and upgrade the equipment. If we invest in the facility and we show members what their money is going towards, they are going to be more willing to come.

Mr. S. Allison Baker, Assistant City Manger for Public Services said if that is the will of Council. We have a business plan in place and it includes increasing our fee. One challenge was having the first facility that citizens would have to pay to use; that was a hurdle that we had to get over. Obviously, it's the best deal in town given the cost and the services offered in the facility. We have to begin to increase our fees at some point. He said that asset renewal isn't just for the cardio equipment; it's for chairs, tables and all of the things in the building, except for mechanical equipment.

Councilor Cromartie said that he doesn't have a problem with the dollar per month. In terms of looking at the fee structure, we have a committee in place that was appointed by this Council and as the liaison, we want them to consider this recommendation. We have tried to make it affordable and we want to make sure it's an intergenerational and high quality facility.

Councilor Gergel asked how we are currently handling maintenance on the equipment.

Mr. S. Allison Baker, Assistant City Manger for Public Services said that we have a contract for maintenance with a vendor that specializes in fitness equipment. We call them in when equipment goes down.

Councilor Gergel asked if we have money set aside for maintenance.

Mr. S. Allison Baker, Assistant City Manger for Public Services said that maintenance funds are built into our budget at the Wellness Center.

Councilor Gergel said that she is supportive of this, because she has also heard from members regarding the equipment. I am also supportive of asking the committee to take a look at whether or not they think an increase in fees would be appropriate at this time.

Councilor Rickenmann said that he would be inclined to support a fee increase, but he won't support taking revenue, because it's upside down. I respectfully ask that we look at the rate increase as the source for that.

Councilor Davis said that he would support that. My concern is making sure the maintenance contract on the equipment is one we can rely on; we don't want injuries as a result of failed equipment.

Mr. S. Allison Baker, Assistant City Manger for Public Services stated that the fitness area is approaching being too small for the number of members we have, which means that the equipment is used from 5:30 a.m. until 10:00 p.m. Even though it is top grade commercial equipment things happen to it and we have to fix it. It may appear that little attention is given to broken equipment, but the staff is on it and we do have the means to get it done, it just takes time. Sometimes it takes the contractor a day or two to show up and then he may have to order a part.

Upon motion by Ms. Devine, seconded by Mr. Cromartie, Council voted unanimously to endorse an increased membership fee of \$1 per month, which will be designated for the maintenance and replacement of the equipment. This proposal should be drafted by staff; considered by Councilman Cromartie, Mr. S. Allison Baker and the Charles R. Drew Wellness Center Advisory Committee; and recommendations should be presented to Council along with other recommendations from the Business Plan for the Wellness Center.

9. City Manager Search Process

Mayor Coble suggested that Council adopt a general timeline for the City Manager search process. We were given a schedule by the Mercer Group and it goes through a process of making sure that we cast the net as widely as possible and then have the candidates that are of interest to City Council by August 26, 2009. It would seem like that's a good time. In terms of the public process, we need to have a greater public input process than what's listed. We should consider appointing an advisory group.

Ms. Libby Gober, City Council Liaison reported that Mr. Mercer would like to meet with each Council member individually on Tuesday, June 30, 2009.

Councilor Gergel said that we want to have several different ways for people to communicate with us.

Councilor Devine added that there will also be a joint discussion with Mr. Mercer and we need to make sure that we have a dialog on the qualifications.

There was a consensus of Council to discuss the various mechanisms for public input processes during the City Manager search process on Wednesday, July 8, 2009.

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

No one appeared at this time.

EXECUTIVE SESSION

Upon motion by Mr. Cromartie, seconded by Mr. Finlay, Council voted unanimously to go into Executive Session at 9:56 a.m. for the discussion of **Items 10.** through **12.** as amended.

10. Receipt of legal advice which relates to a matter covered by the attorney client privilege
 - Canal Hydroelectric Plant
This item was not discussed in Executive Session. No action was taken.
 - **Declaration of Covenants
This item was discussed in Executive Session. No action was taken.
 11. **Discussion of negotiations incident to proposed contractual arrangements
Items were discussed in Executive Session. No action was taken.
 12. **Discussion of employment of an employee
This item was discussed in Executive Session. No action was taken.
- **Council recessed at 11:49 a.m.**
 - **Council reconvened the Executive Session at 11:59 a.m. for the discussion of negotiations incident to proposed contractual arrangements.**
 - **Council adjourned the Executive Session at 12:17 p.m.**

AUDIT COMMITTEE MEETING

13. **Fiscal Year 2007/2008 Audit Update – Mr. Bud Addison, Audit Senior Manager / Webster Rogers, LLP

Mr. Bud Addison, Audit Senior Manager / Webster Rogers, LLP reported that the Fiscal Year 2007/2008 Audit will be completed no later than July 30, 2009.

14. Council is asked to approve a Letter of Agreement for Auditing Services, as requested by Administration. Award to Webster Rogers, LLP in an amount not to exceed \$108,250.00. This firm is located in Columbia, SC. *Funding Source: 1011401 - Approved*

Upon motion by Mr. Finlay, seconded by Mr. Rickenmann, Council voted unanimously to approve a Letter of Agreement for Auditing Services, as requested by Administration. Award to Webster Rogers, LLP in an amount not to exceed \$108,250.00. This firm is located in Columbia, SC.

15. Community Development Block Grant and Empowerment Zone Funding – Mr. Bud Addison, Audit Senior Manager / Webster Rogers, LLP - *This item was not discussed. No action was taken.*
16. **Marketing of Famously Hot – The Honorable Daniel J. Rickenmann

Upon motion by Mr. Rickenmann, seconded by Dr. Gergel, Council voted unanimously to require all recipients of Hospitality and Accommodations Tax Funds to use the “Famously Hot” logo on all marketing materials going forward. Mr. Finlay was not present for the vote. (*Please see below.*)



- **Council reconvened the Executive Session at 12:23 p.m. for the receipt of legal advice as it relates to a matter covered by attorney-client privilege.**
- **Council adjourned the meeting at 1:00 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk