

**COMMITTEE ON WAYS AND MEANS**

February 23, 2016

A meeting of the Committee on Ways and Means was held this date at 4:36 p.m.

**PRESENT (13)**

The Honorable John J. Tecklenburg, Mayor

Councilmember White	District 1	Councilmember Waring	District 7
Councilmember Williams	District 2	Councilmember Seekings	District 8
Councilmember Lewis	District 3	Councilmember Shahid	District 9
Councilmember Mitchell	District 4	Councilmember Riegel	District 10
Councilmember Wagner	District 5	Councilmember Moody	District 11
Councilmember Gregorie	District 6	Councilmember Wilson	District 12

**1. INVOCATION:**

The meeting was opened with an invocation provided by Councilmember Wilson.

**2. EXECUTIVE SESSION**

- a. Firefighter Litigation Settlement
- b. Update on Gaillard Center Litigation
- c. Action, if any, on Executive Session Matters

Chairman Moody reported that the first item on the agenda was to go into Executive Session to hear an update on the firefighter litigation settlement and receive an update on the Gaillard Center litigation.

On a motion of Councilmember Seekings, seconded by Councilmember Gregorie, the Committee on Ways and Means voted unanimously to go into Executive Session at 4:37 p.m.

On a motion of Councilmember Waring, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to come out of Executive Session at 5:30 p.m.

Chairman Moody reported that the Committee on Ways and Means went into Executive Session to receive a briefing on the firefighter litigation settlement and also on the Gaillard Center litigation. No action was taken by the Committee.

### **3. APPROVAL OF MINUTES:**

On a motion of Councilmember Mitchell, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve the minutes of the February 9, 2016 Committee on Ways and Means meeting.

### **4. BIDS AND PURCHASES:**

On a motion of Councilmember Riegel, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve the Bids and Purchases as follows:

#### **FLEET MANAGEMENT: ACCOUNT: 062016-58010 APPROPRIATION: \$46,662**

Approval to purchase two (2) 2016 Ford Transit cargo vans SWB XL Model Trucks from Vic Bailey Ford, PO Box 3568, Spartanburg, SC 29304; SC State Contract #4400009481. 2016 Lease Purchase Funds will be used.

#### **FLEET MANAGEMENT: ACCOUNT: 062016-58010 APPROPRIATION: \$44,376**

Approval to purchase two (2) Ford Transit Connect Van 7/8 passenger Trucks from Vic Bailey Ford, PO Box 3568, Spartanburg, SC 29304; SC State Contract #4400011609. 2016 Lease Purchase Funds will be used.

#### **FLEET MANAGEMENT: ACCOUNT: 062016-58010 APPROPRIATION: \$382,742.63**

Approval to purchase one (1) 2016 Kenworth Cab/Chassis with New Vector Sewer Truck from Public Works Equipment & Supply, 4519 Old Charlotte Hwy., Monroe, NC 28110; NJPA Contract #022014-FSC. 2016 Lease Purchase funds will be used.

#### **FLEET MANAGEMENT: ACCOUNT: 062016-58010 APPROPRIATION: \$50,994**

Approval to purchase two (2) 2016 Ford Explorer Trucks from Vic Bailey Ford, PO Box 3568, Spartanburg, SC 29304; SC State Contract #4400009462. 2016 Lease Purchase funds will be used.

#### **FLEET MANAGEMENT: ACCOUNT: 062016-58010 APPROPRIATION: \$662,144**

Approval to purchase eight (8) 2016 International Cab/Chassis with Scow Body from Carolina International Trucks, Inc., 1619 Bluff Rd., Columbia, SC 29201; SC State Contract #4400009449 2016 Lease Purchase funds will be used.

### **5. POLICE DEPARTMENT: ACCEPTANCE OF THE 2015 SC DEPARTMENT OF PUBLIC SAFETY VICTIMS OF CRIME ACT GRANT IN THE AMOUNT OF \$2,780 FOR OUTFITTING THE FAMILY VIOLENCE RECEPTION CENTER. A CITY MATCH OF \$695 IS REQUIRED.**

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to accept the 2015 SC Department of Public Safety Victims of Crime Act Grant in the amount of \$2,780 for outfitting the Family

Violence Reception Center.

**6. PARKS-CAPITAL PROJECTS: ACCEPTANCE OF FEDERAL FUNDING IN THE AMOUNT OF \$298,688 FOR FOUR ELECTRIC BACKUP POWER SYSTEMS AT FOUR FIRE STATIONS. THIS WOULD BE MATCHED WITH \$99,562 IN CITY FUNDING, AND IS FOR THE PURPOSE OF REMOVING THE EXISTING UNDERSIZED GENERATORS AND PROVIDING NEW PERMANENT GENERATOR SETS CAPABLE OF PROVIDING FULL POWER. THE APPROVAL OF THE GRANT AWARD WILL INSTITUTE A \$398,250 PROJECT BUDGET. THE FUNDING SOURCES FOR THE PROJECT ARE: FEMA HAZARD MITIGATION GRANT FUNDS (\$298,688) AND 2013 GENERAL FUND RESERVES (\$99,562).**

Councilmember Moody asked if there would be any money left over in the 2013 General Fund Reserves. Amy Wharton, Deputy Chief Financial Officer, said there would not be any money left over in this fund.

On a motion of Councilmember Mitchell, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve to accept Federal funding in the amount of \$298,688 for four electric backup power systems at four fire stations.

**7. PARKS-CAPITAL PROJECTS: APPROVAL OF GAILLARD CENTER FEE AMENDMENT #4 WITH EARL SWENSSON ASSOCIATES, INC. IN THE AMOUNT OF \$590,817.48. THE FEES INCLUDED IN THIS AMENDMENT ARE INCLUSIVE OF ADDITIONAL TIME AND TRAVEL AS A DIRECT RESULT OF CONSTRUCTION DELAYS AND INCLUDES CONSTRUCTION ADMINISTRATION (CA) SERVICES FROM AUGUST 1, 2015 THROUGH THE PROJECTED TIME OF FEBRUARY 29, 2016. PROJECT SERVICES IN FEBRUARY 2016 WILL BE BILLED ON A NOT-TO-EXCEED HOURLY RATE. THE CITY AGREES TO THIS AMENDMENT SUBJECT TO A FULL RESERVATION OF RIGHTS. THE CITY RESERVES ALL RIGHTS TO ASSERT AND ALL DEFENSES TO ESA INVOICES FOR ADDITIONAL FEES INCLUDING, BUT NOT LIMITED TO ESA ACTS OR OMISSIONS CREATING, IN WHOLE OR IN PART, THE NEED FOR THE ADDITIONAL SERVICES. THE CONTRACT AMOUNT WILL INCREASE BY \$590,817.48. THE TOTAL PROJECT BUDGET WILL ALSO INCREASE BY \$590,817.48. THE APPROVAL OF FEE AMENDMENT #4 WILL INCREASE THE EARL SWENSSON ASSOCIATES, INC. CONTRACT BY \$590,817.48. FUNDING SOURCES: GATEWAY TIF, ACCOMMODATIONS/HOSPITALITY FUNDS, CAPITAL CONTRIBUTIONS, GO BOND, NEA GRANT AND GF RESERVES.**

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to approve Gaillard Center Fee Amendment #4 with Earl Swensson Associates, Inc. in the amount of \$590,817.48.

**8. PUBLIC SERVICE: APPROVAL OF AMENDMENT #11 FOR AN EXTENSION OF THE ENGINEERING SERVICES CONTRACT WITH DAVIS & FLOYD. PAYMENT TO DAVIS & FLOYD PURSUANT TO THIS AMENDMENT #11 WILL NOT EXCEED \$66,905. THIS EXTENSION INCLUDES ADDITIONAL UTILITY LOCATION, SURVEYING FOR ALTERNATE**

**LOCATIONS OF SCE&G EQUIPMENT, AND PRODUCTION OF EASEMENT PLATS FOR SAID EQUIPMENT FOR THE MARKET STREET DRAINAGE IMPROVEMENT PROJECT. THE FUNDING SOURCE IS THE DRAINAGE FUND.**

On a motion of Councilmember Seekings, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve Amendment #11 for an extension of the Engineering Services contract with Davis & Floyd.

**9. AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM REFUNDING REVENUE BONDS OF THE CITY OF CHARLESTON IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$135,000,000 AND OTHER MATTERS RELATING THERETO.**

Councilmember Waring asked that the bond attorneys be recognized since this would be saving the City money and asked for a brief overview.

Charlton deSaussure explained that Items '9' and '10' were refunding opportunities for the City, first with the water and sewer system revenue bonds, and the second being the City's General Obligation bonds. Mr. deSaussure noted that Councilmember Waring was a Commissioner of Public Works, and stated that Kin Hill, CEO, Wesley Ropp, CFO, Mark Cline, Charleston Water System's Capital Projects Officer, and Edward Boyles, the underwriter who handled Charleston Water System's revenue bonds, were also in attendance at the meeting. It was expected that \$7.4 million may be saved in future interest payments by virtue of refinancing at lower rates the \$135,000,000 that was issued some years ago. These savings would help in terms of any rate pressures that might exist and would also help Charleston Water System with future Capital Projects.

Mr. deSaussure also explained the General Obligation refunding opportunity. The principle was the same, outstanding bonds used for capital improvements of the City of Charleston secured by the taxing power. Charleston Water System's was secured by the water system's revenues. He explained that there was also an equal opportunity to achieve savings on the next agenda item, as well.

Councilmember Riegel said he wanted to commend Mr. deSaussure, Mr. Hill, Mr. Ropps, and Mr. Cline. He said he served on Charleston Water System for many years and was proud to do so and hand over the reins to Councilmember Waring. Councilmember Riegel said he wanted to highlight that over the last few years, there were only ten companies in the entire country that had achieved a AAA rating, and Charleston Water System was one of them. He said that this was outstanding, and it was an honor to have served with them.

Councilmember Waring said the Committee had a tendency to run through these sorts of efficiencies, but they should be highlighted. Charleston did not have the problems like they were having in Flint, Michigan. Charleston had a first-class operation, and sometimes they needed to recognize it for what it was and that the best practices were being applied right here

in Charleston, SC. He also said he thought everyone would be hearing more information about the quality of Charleston's water going forward.

On a motion of Councilmember Lewis, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance providing for the issuance and sale of Waterworks and Sewer System Refunding Revenue Bonds of the City of Charleston in one or more series in the aggregate principal amount of not exceeding \$135,000,000 and other matters relating thereto.*

**10. AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF APPROXIMATELY \$12,775,000 GENERAL OBLIGATION REFUNDING BONDS OF 2016 OF THE CITY OF CHARLESTON, SOUTH CAROLINA, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS OF THE SEVERAL SERIES OF BONDS SHALL BE EXPENDED, TO PROVIDE FOR THE PAYMENT THEREOF, AND OTHER MATTERS RELATING THERETO.**

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance to provide for the issuance and sale of approximately \$12,775,000 General Obligation Refunding Bonds of 2016 of the City of Charleston, South Carolina, to prescribe the purposes for which the proceeds of the several series of bonds shall be expended, to provide for the payment thereof, and other matters relating thereto.*

**11. AN ORDINANCE AUTHORIZING THE EXECUTION OF DOCUMENTS RELATING TO THE LEASE-PURCHASE FINANCING OF THE ACQUISITION OF 50 BROAD STREET, CHARLESTON, SOUTH CAROLINA, FOR THE CITY OF CHARLESTON, SOUTH CAROLINA IN AN AMOUNT NOT EXCEEDING \$600,000; AUTHORIZING THE EXECUTION OF A BASE LEASE AGREEMENT AND A PROJECT LEASE AGREEMENT IN CONNECTION THEREWITH, AND OTHER MATTERS RELATING THERETO.**

On a motion of Councilmember Mitchell, seconded by Councilmember White, the Committee on Ways and Means voted unanimously to recommend giving first reading to the following bill:

*An ordinance authorizing the execution of documents relating to the Lease-Purchase financing of the acquisition of 50 Broad Street, Charleston, South Carolina, for the City of Charleston, South Carolina in an amount not exceeding \$600,000; authorizing the execution of a Base Lease Agreement and a Project Lease Agreement in connection therewith, and other matters relating thereto.*

**12. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD FEBRUARY 23<sup>rd</sup> AT 4:15 P.M., CITY HALL, FIRST FLOOR CONFERENCE ROOM, 80 BROAD STREET)**

a.) Consider the following annexation:

1827 Mepkin Road (TMS# 353-14-00-183) 0.18 acre, West Ashley (District 2)

Councilmember White reported that the Committee on Real Estate had met that afternoon, and they had one annexation, which was 1827 Mepkin Road in West Ashley. This item was approved unanimously.

On a motion of Councilmember White, seconded by Councilmember Mitchell, the Committee on Ways and Means voted to adopt the Committee on Real Estate Report as presented and recommended giving first reading to the following bill:

*An ordinance to provide for the annexation of property known as 1827 Mepkin Road (0.18 acre) (TMS# 353-14-00-183), West Ashley, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 2.*

There being no further business presented, the Committee on Ways and Means adjourned at 5:37 p.m.

Jennifer Cook  
Assistant Clerk of Council