

COMMITTEE ON WAYS AND MEANS

September 27, 2016

A meeting of the Committee on Ways and Means was held this date at 4:42 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 Riegel.

2. APPROVAL OF MINUTES:

On a motion of Councilmember Mitchell, seconded by Councilmember Riegel, the Committee on Ways and Means voted unanimously to approve the September 13, 2016 Committee on Ways and Means minutes.

3. BIDS AND PURCHASES:

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

FIRE DEPARTMENT: **ACCOUNT: 210000-52008** **APPROPRIATION: \$57,700.30**

Approval to purchase two hundred eighty ballistic plates for protection of responding fire personnel from Hardwire, LLC, 1947 Clarke Avenue, Rocomoke, MD 21851; Sole Source. The remaining funds needed will come from other savings in accounts in the Fire Department's budget and will be included in a future budget amendment.

Councilmember Seekings was excused from the Chamber at 4:43 p.m.

4. POLICE DEPARTMENT: APPROVAL TO ACCEPT THE 2016 EDWARD BYRNE MEMORIAL GRANT FROM THE U.S. DEPARTMENT OF JUSTICE OFFICE OF JUSTICE PROGRAM'S-BUREAU OF JUSTICE ASSISTANCE (FY16 ALLOCATION: \$21,387) FOR AUTOMATED LICENSE PLATE READERS. THE AUTOMATED LICENSE PLATE READERS COST \$25,598. A MATCH IN THE AMOUNT OF \$4,511 WILL BE BUDGETED FOR IN 2017.

On a motion of Councilmember Mitchell, seconded by Councilmember Riegel, the Committee on Ways and Means voted unanimously to accept the 2016 Edward Byrne Memorial grant from the U.S. Department of Justice Office of Justice Program's-Bureau of Justice Assistance (FY16 Allocation: \$21,387) for Automated License Plate Readers.

Councilmember Seekings was not present for the vote. Councilmember Seekings returned to the Chamber at 4:44 p.m.

5. FIRE DEPARTMENT: APPROVAL TO ACCEPT A SLED GRANT IN THE AMOUNT OF \$70,000 FOR THE LOW COUNTRY REGIONAL COLLAPSE SEARCH & RESCUE TEAM-CHARLESTON. FUNDS WILL BE USED FOR REPLACEMENT OF EQUIPMENT AND REQUIRED TRAINING. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to accept a SLED grant in the amount of \$70,000 for the Low Country Regional Collapse Search & Rescue Team-Charleston.

6. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO ACCEPT A GRANT FROM CHARLESTON COUNTY ACCOMMODATIONS TAX COMMITTEE IN THE AMOUNT OF \$10,714 FOR THE 2017 PICCOLO SPOLETO FESTIVAL. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to accept a grant from Charleston County Accommodations Tax Committee in the amount of \$10,714 for the 2017 Piccolo Spoleto Festival.

7. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO ACCEPT A GRANT FROM CHARLESTON COUNTY ACCOMMODATIONS TAX COMMITTEE IN THE AMOUNT OF \$5,275 FOR THE 2016 HOLIDAY MAGIC IN HISTORIC CHARLESTON. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to accept a grant from Charleston County Accommodations Tax Committee in the amount of \$5,275 for the 2016 Holiday Magic in Historic Charleston.

8. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO ACCEPT A GRANT FROM

CHARLESTON COUNTY ACCOMMODATIONS TAX COMMITTEE IN THE AMOUNT OF \$6,107 FOR THE 2016 MOJA ARTS FESTIVAL. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to accept a grant from Charleston County Accommodations Tax Committee in the amount of \$6,107 for the 2016 MOJA Arts Festival.

9. MAYOR'S OFFICE FOR CHILDREN YOUTH AND FAMILIES: APPROVAL TO ACCEPT AN OFFICE ON VIOLENCE AGAINST WOMEN GRANT IN THE AMOUNT OF \$353,697 TO ENHANCED TRAINING AND SERVICES TO END ABUSE IN LATER LIFE PROGRAM. NO CITY MATCH IS REQUIRED.

Mayor Tecklenburg stated that this grant was achieved through the efforts of the City's Police Department and the Mayor's Office for Children Youth and Families. It would allow the City to have a dedicated counselor to help the elderly after they experience domestic abuse, or they need other help. He said the City would be one of the only cities in the State that had both domestic abuse counselors and elder abuse counselors, and this would be a great addition to the City.

On a motion of Councilmember Mitchell, seconded by Councilmember Waring, the Committee on Ways and Means voted unanimously to accept an Office on Violence Against Women grant in the amount of \$353,697 to Enhanced Training and Services to End Abuse in Later Life Program.

10. PARKS-CAPITAL PROJECTS: APPROVAL OF A CPD FORENSIC LAB PROFESSIONAL SERVICES CONTRACT WITH STUBBS MULDROW HERIN ARCHITECTS IN THE AMOUNT OF \$450,250 FOR BASIC SERVICES INCLUDING STRUCTURAL, CIVIL, MEP, FIRE PROTECTION, AND BACK-UP FUEL SYSTEM ENGINEERING CONSULTANTS IN ADDITION TO ARCHITECTURAL DESIGN, AND COVERS ALL DESIGN, BIDDING AND CONSTRUCTION ADMINISTRATION PHASES. A SPECIALTY FORENSIC LAB CONSULTING FEE IS ALSO INCLUDED. THE PROFESSIONAL SERVICES CONTRACT WILL OBLIGATE \$450,250 OF THE \$6,591,000 PROJECT BUDGET. THE FUNDING SOURCE FOR THIS PROJECT IS THE 2015 INSTALLMENT PURCHASE REVENUE BOND (\$6,591,000).

On a motion of Councilmember Waring, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve a CPD Forensic Lab Professional Services Contract with Stubbs Muldrow Herin Architects in the amount of \$450,250 for basic services including structural, civil, MEP, fire protection, and back-up fuel system engineering consultants in addition to architectural design, and covers all design, bidding and construction administration phases.

11. PARKS-CAPITAL PROJECTS: APPROVAL OF A PURCHASE REQUEST WITH SOLE SOURCE JUSTIFICATION FOR A CIAC/OWIP AGREEMENT WITH SCE&G IN THE

AMOUNT OF \$52,622.86 FOR A HIGH PRESSURE GASLINE RELOCATION FOR THE SAVANNAH HIGHWAY FIRE STATION (FS#11). CURRENTLY, A 10" SCE&G GASLINE BISECTS THE SITE AND ITS RELOCATION WOULD ACCOMMODATE THE MOST OPTIMAL PLACEMENT OF THE STATION AND SHOULD BE EXECUTED BEFORE THE START OF CONSTRUCTION ON THE BUILDING IN 2017. THE CIAC/OWIP WILL OBLIGATE \$52,622.86 OF THE \$8,505,131 PROJECT BUDGET. THE FUNDING SOURCE FOR THIS PROJECT IS: 2015 INSTALLMENT PURCHASE REVENUE BOND (\$8,505,131).

On a motion of Councilmember Mitchell, seconded by Councilmember Riegel, the Committee on Ways and Means voted unanimously to approve to approve a Purchase Request with Sole Source Justification for a CIAC/OWIP Agreement with SCE&G in the amount of \$52,622.86 for a high pressure gasline relocation for the Savannah Highway Fire Station (FS#11).

12. PUBLIC SERVICE: APPROVAL OF THE FOREST ACRES DRAINAGE IMPROVEMENT PROJECT – PHASE 1 CONSTRUCTION CONTRACT WITH GULF STREAM CONSTRUCTION CO., INC. IN THE AMOUNT OF \$11,416,960.21 FOR THE CONSTRUCTION OF PHASE 1 DRAINAGE IMPROVEMENTS IN THE WEST OAK FOREST NEIGHBORHOOD AND ALONG HEATHWOOD DRIVE. WITH THE APPROVAL OF THE BUDGET, STAFF IS AUTHORIZED TO AWARD AND/OR AMEND CONTRACTS LESS THAN \$40,000 TO THE EXTENT CONTINGENCY FUNDS EXIST IN THE COUNCIL APPROVED BUDGET.

Chairman Moody remarked that this item had been a long time coming.

Mayor Tecklenburg agreed and said that Council had been working on this item for a long time. He said that the Forest Acres Drainage Improvement Project was one that was sorely needed and would finally get underway. He said that since the last meeting, he had been thinking about the question 'what are you going to do for me tomorrow?' At the last meeting, he said that Council approved about \$9.5 million for West Ashley projects. At this meeting, the Committee would be approving over \$11 million.

Councilmember Waring asked when they would begin the project, and Laura Cabiness, Director of Public Service, said they were still working on the exact start date, but it would be around November.

On a motion of Councilmember Lewis, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve the Forest Acres Drainage Improvement Project – Phase 1 Construction Contract with Gulf Stream Construction Co., Inc. in the amount of \$11,416,960.21 for the construction of Phase 1 drainage improvements in the West Oak Forest neighborhood and along Heathwood Drive.

13. THE COMMITTEE ON HUMAN RESOURCES: (MEETING WAS HELD ON THURSDAY, SEPTEMBER 15, 2016 AT 4:00 P.M.)

-- Approval of the Blue Cross/Blue Shield Administrative Contract, 2017 Healthcare Budget, and Approval of Cigna Life and Disability Renewal

Councilmember Riegel, Chairman of the Committee on Human Resources said this was the one time of the year when the Human Resources Committee report was given, and he commended the Human Resources team for their marvelous performance. He said he wanted to comment on a matter on which he had been approached regarding his employment. He said he was employed by the leading occupational medicine provider in the Lowcountry, which currently provided occupational medicine services to most of the major Lowcountry employers and government entities, to include Boeing Aircraft, Gildan Fabrics, South Carolina Electric and Gas, Durham Bus Services, PepsiCo, Frito-Lay, Al Cannon Detention Center, Charleston County, Dorchester County, City of North Charleston, North Charleston Service District, and many more. The budget he would be asking the Committee to approve was for health benefits and wellness. He said his company did not participate in general medicine, which the budget would be addressing. After rigorous interviews and a very competitive process, he said he did not participate in any way in presentations to the City, did not vote in the Committee on Ways and Means, and executed a Conflict of Interest form on file in the Clerk of Council's office. He said he also recused himself from voting in full Council. Given appearances, he said he felt obligated to make these comments and if anyone had any questions, they could see him after the meeting.

He said the City's Committee on Human Resources met on Thursday, September 15th to review the proposed healthcare budget and plan design changes for 2017. The proposed plan would change so that employees would have the option of choosing an additional health savings account plan, known as an HSA. The HSA plan was a lower cost, higher deductible plan, which was portable from one employer to the next. He stated this would be a huge offering. The current HRA plan would also be available, and for the second consecutive year, there would be no increase in premiums for the plan. He stated this was remarkable and commended the Human Resources team for their work. They were also proposing adding skin cancer screenings to the City's current well-check program. The well-check program provided incentives for employees to get appropriate, preventative care screenings. These included dental exams, mammograms, colonoscopies, and physicals. He stated that, as an example, \$25 a year for skin cancer screenings would be deposited into the employee's HRA. The annual dental cap would be increased from \$1,500 to \$2,000, which would allow for more flexibility. He said there would be an increased lifetime benefit from \$500 to \$1500 for employees to participate in a medically supervised weight-loss program. He said these were programs that were designed for more dramatic weight-loss than a classic MUSC program, which he said he had participated in and lost over 20 pounds, in addition to lowering his blood pressure. This program would be more significant. He said there would also be options for current retirees to elect the HRA plan, which would provide lower monthly premiums. They would be in a position where they would be doing something for the retirees who had given so much to the City. Retirees would be allowed to participate in the City's well-check program, as well.

The City would also be adding a new benefit called 'telemedicine.' Councilmember Riegel said this was state of the art, leading technology, which his company used in his practice and which would provide a virtual doctor visit. Employees and patients would be able to access

medicine via a mobile device. The cost was \$59 per encounter, and this could be paid by HRA, HSA, and FSA funds, or even with one's personal debit or credit card. This feature would be available 24/7, which was remarkable since most practices weren't available 24/7. He said this would be a great time-saving option for plan participants. He said the City had also retained a renewal which provided a five percent discount in the premium for City-paid basic life and long term disability with CIGNA, the City's current provider. He said they also agreed to offer employees guaranteed use, open enrollment for short term disability, and additional life. The budgeted costs for the new budget year 2017 would increase by only 5.2 percent. The total amount was \$18,967,286 which included significant savings made by the City's Human Resources Department. He said the Blue Cross Blue Shield business in the current market was exceeding ten percent, and the City was well below this average. This was due in part to the City's commitment to wellness and employee participation in these programs.

Councilmember Riegel said as he reviewed the 2017 budget in preparation for tonight's meeting, he was extremely impressed by the hard work and effort put forth by the members of the City's Human Resources team. For the third year in a row, the City had performed significantly under the expense budget for healthcare, and there weren't many employers in the market who could say that. By his calculations, the City had achieved approximately a \$3 million savings under healthcare budgeted expenses over the past three years, and this was extraordinary. He said he couldn't say enough good things about the performance of the HR team, the combination of wellness programs, and preventative initiatives that had paved the way for these savings. Because they thought outside of the box and created incentive programs for the City, the City's employees had been motivated to take responsibility and be accountable for their own healthcare. He said this was a trend that the City should facilitate, and as Chairman of Human Resources Committee, he intended to nurture this in the upcoming years.

Councilmember Riegel said while the City still had to approve the 2017 budget, the City should plan for a fitness center on a site similar to what the City of North Charleston had. He said the consolidation of so many employees in close proximity to Calhoun and George Street presented a terrific opportunity to utilize the HR team's abilities he had spoken of earlier. He said the third floor of the Calhoun Street office had a sizeable room that was being wasted and underutilized simply as storage. He said his strong recommendation to CFO, Amy Wharton, and Mayor Tecklenburg, would be to evaluate this space as a wellness center in the immediate, near future for fundamental equipment such as rowing machines, resistance training equipment, and resistance string bands. He believed that under the guidance of Jan Park, the City's Wellness Coordinator, having a center so close to so many employees would be a great attraction to keeping employees and facilitating the ongoing trend of reducing healthcare costs. He said he felt confident that the healthcare savings of the past few years would continue, and they would hopefully have positive reports in the future.

He said health enrollment specialists would be working with each employee during open enrollment. Councilmember Riegel then asked Kay Cross, Director of Human Resources, Heather Pope, Deputy Director, Joleen Deames, Assistant Chief Financial Officer, Eric Hansen, Benefits Specialist, and Kevin Bryant, Executive Vice President of AON Risk Solution, the City's insurance broker, to be stand and be recognized by the Committee.

Councilmember Gregorie said he thought the report was very good and asked about the appearance of conflict test. Councilmember Riegel said that the report related to general medical benefits in which his company did not participate. They did participate in influenza vaccines, but they were not the lowest bidder this year. Councilmember Gregorie said he thought it was very important that they were clear while there may not be a conflict, if there was an appearance of a conflict, it was problematic. He said he just wanted to make sure that Councilmember Riegel was protected and that the City's Legal Department had in fact cleared the appearance of conflict test. Councilmember Riegel confirmed and said the reason he took the position as Chairman was he thought his expertise and over 30 years in the business was something he could offer to the City. He said with Mayor Tecklenburg's approval and input, he took the position, but he needed to make it clear that there were no conflicts of interest.

On a motion of Councilmember Lewis, seconded by Councilmember Mitchell, the Committee on Ways and Means voted to adopt the report of the Committee on Human Resources.

Councilmember Riegel abstained from voting on this item. A completed Conflict of Interest Form is on file in the Office of the Clerk of Council.

14. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD SEPTEMBER 26, 2016 AT 4:30 P.M., CITY HALL, 80 BROAD STREET)

- a. Request approval for the Mayor to execute the attached Lease Agreement whereby the City leases to MUSC 80 parking spaces located at Charleston RiverDogs VIP Lot. The property is owned by the City of Charleston.
- b. Request approval for the Mayor to execute the attached Agreement to Buy and Sell Real Estate whereby the City agrees to purchase a 1,699 square foot parcel located on Nassau Street for \$75,000. [TMS#459-05-03-005; Nassau Street (south of Lee Street and west of Nassau Street)] The property is owned by Edward K. Pritchard III.
- c. Request approval for the Mayor to execute the attached Memorandum of Agreement whereby the City agrees to abandon a portion of its easement interest on Meeting and Huger Place, LLC's property. (TMS# 459-01-01-017) This property is owned by Meeting and Huger Place, LLC.
- d. Consider the following annexations:
 - i.) 14 Shadowmoss Parkway (TMS# 358-07-00-007) 0.36 acre, West Ashley (District 10). The property is owned by Paula and Chris Iannuccilli.
 - ii.) 7 Arcadian Park (TMS# 418-15-00-069) 0.25 acre, West Ashley (District 3). The property is owned by Kathleen and Josh Bell.
 - iii.) 472 Woodland Shores (TMS# 343-16-00-040) 0.30 acre, James Island (District 11). The property is owned by Rolina Homes, LLC.

iv.) 336 Folly Road (TMS# 424-05-00-029) 0.42 acre, James Island (District 11).
The property is owned by George Smythe and David Smythe

Councilmember White, Chair of the Committee on Real Estate, stated that all items at the Committee on Real Estate meeting were approved unanimously.

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to adopt the Committee on Real Estate Report.

The Committee on Ways and Means recommended giving first reading to the following bills:

An ordinance to provide for the annexation of property known as 14 Shadowmoss Parkway (0.36 acre) (TMS# 358-07-00-007), 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 10.

An ordinance to provide for the annexation of property known as 7 Arcadian Park (0.25 acre) (TMS# 418-15-00-069), 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 3.

An ordinance to provide for the annexation of property known as 472 Woodland Shores Road (0.30 acre) (TMS# 343-16-00-040), James Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 11.

An ordinance to provide for the annexation of property known as 336 Folly Road (0.42 acre) (TMS# 424-05-00-029), James Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 11.

There being no further business presented, the Committee on Ways and Means adjourned at 5:03 p.m.

Jennifer Cook
Assistant Clerk of Council