

COMMITTEE ON WAYS AND MEANS

October 9, 2018

A meeting of the Committee on Ways and Means was held this date beginning at 5:04 p.m.

PRESENT (11)

The Honorable John J. Tecklenburg, Mayor

Councilmember White	District 1	Councilmember Waring - <i>absent</i>	District 7
Councilmember Shealy	District 2	Councilmember Seekings	District 8
Councilmember Lewis	District 3	Councilmember Shahid	District 9
Councilmember Mitchell	District 4	Councilmember Griffin	District 10
Councilmember Wagner	District 5	Councilmember Moody	District 11
Councilmember Gregorie - <i>absent</i>	District 6	Councilmember Jackson	District 12

1. INVOCATION:

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

2. APPROVAL OF MINUTES:

On a motion of Councilmember Moody, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve the minutes of the September 18, 2018 Ways and Means meeting.

The minutes of the September 25, 2018 meeting were deferred.

3. POLICE AND FIRE DEPARTMENTS: APPROVAL TO ACCEPT THE 2018 PORT SECURITY GRANT IN THE AMOUNT OF \$199,528 FOR TRAVEL, EQUIPMENT AND SUPPLIES. A CASH MATCH IN THE AMOUNT OF \$66,508 WILL BE BUDGETED FOR IN 2019.

On a motion of Councilmember Griffin, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve to accept the 2018 Port Security Grant in the amount of \$199,528 for travel, equipment and supplies.

4. FIRE DEPARTMENT: APPROVAL TO ACCEPT THE 2018 STATE HOMELAND SECURITY

GRANT IN THE AMOUNT OF \$80,759 FOR CHARLESTON FD COLLAPSE SEARCH AND RESCUE TEAM. THERE IS NO FINANCIAL IMPACT WITH THIS GRANT IN THE FY18 OR 19 BUDGET. THERE IS NO MATCH FOR THIS GRANT.

On a motion of Councilmember Lewis, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve to accept the 2018 State Homeland Security grant in the amount of \$80,759 for Charleston FD Collapse Search and Rescue Team.

5. PUBLIC SERVICE: APPROVAL OF CALHOUN WEST DESIGN CONTRACT FEE AMENDMENT #2 WITH DAVIS & FLOYD IN THE AMOUNT OF \$394,837.40 FOR EXPANSION OF THE STUDY AREA TO INCLUDE THE HOSPITAL DISTRICT AND THE LIMEHOUSE, COLONIAL LAKE, AND RUTLEDGE DRAINAGE BASINS. THIS AMENDMENT INCREASES THE STUDY AREA OF THE PROJECT FROM 325 ACRES TO 812 ACRES. APPROVAL OF FEE AMENDMENT #2 WILL INCREASE THE DESIGN CONTRACT BY \$394,837.40 (FROM \$1,501,546.15 TO \$1,896,383.55). THE FUNDING SOURCES FOR THIS PROJECT ARE: 2012 STORMWATER REVENUE BOND (\$6,400,000) AND GATEWAY TIF (\$1,500,000).

Councilmember Moody said this item had been discussed at their previous meeting. He was concerned about voting for it, but was trying to figure out how to keep the Calhoun West project moving. They needed to move forward with the planning, and they would be dealing with a \$3,000,000 project later that the Corps of Engineers was going to undertake. He thought they should see where that went before they committed using the \$6,400,000 from the Stormwater Revenue Bond. He was not sure how to take it off as he understood the bond money had been set aside for this item, and they may need action to change that priority. He was willing to get the plan going, but was not willing to commit the \$6,000,000.

Chairman White recognized Laura Cabiness, Director of Public Service.

Ms. Cabiness said all they were asking for tonight was \$400,000. They had \$6 million that had been set aside in the bond. This project was linked to the other lower basins in the project, and they had to expand the limits of the project. This would keep them going in the right direction. When the Corps conducted their study, they did not look at internal drainage. They would look at what was occurring with sea level rise and the perimeter of the City. So, whatever the Corps study recommended would be taken into account, but her recommendation was that they keep moving the project forward. This was how they got the Spring/Fishburne Drainage Project moving forward, and this was how they would start projects in West Ashley. They had to keep the money flowing to get the design to a point where they could ask for Federal assistance and ask for State SIB money.

Councilmember Moody said this kept coming back on their Ways and Means agendas, and it seemed like it ought to go through the Public Works and Utilities Committee to vet some of the questions, so they did not have to deal with them at Ways and Means. He thought an amendment would be appropriate and that in the future, those items could come through Public Works and Utilities.

Councilwoman Jackson said she agreed with the clarification by Ms. Cabiness in terms of not knowing what they did not know. She thought that was the theme throughout Charleston, including all of their sea island lands. There was a demand for study to make sure they had the correct scope of the water basins and water sheds to make sure they had the right game plan. She would always support spending funds to get it right in the beginning as opposed to starting on something that was more hard cost and then have to course correct along the way. She thought planning and making sure they had the right scope and implementation saved them money in the long run, and she supported the item, as well as bringing it to Public Works and Utilities.

Councilmember Griffin asked how much money out of the Gateway TIF was already allocated for the project. Could they allocate all of the money out of the TIF and save the \$6.4 million? He said there was still money sitting out there from 2012 that they had not used. The City's priorities had changed a lot since 2012. They went from building a lot to realizing they had some serious issues. If they could revisit the money, at this stage, they would spend it differently than Council would have in 2012. He thought they should consider money sitting out there that they could appropriate to flooding, as thousands of people were affected. He wanted them to be diligent in how they spent their money, but they needed to look at where they were today because they were correcting some of the mistakes that had been made previously.

Councilmember Seekings said that this item expanded the scope of the study area for the Calhoun West project to include, but not be limited to, the Hospital District, which wasn't necessarily in it before. That had been realized the last few years of studying this was they could put a couple of basins together and basically capture the entire west side of the Peninsula, including the Hospital District. What the money would be spent for would be for David and Floyd to get the engineering in a preliminary way, so they could take their project to market. This was going to be a massive project, and they would not be able to finance it on their own. However, they could not go to market without a good design. They had the money sitting there to make sure the design was done right, and that would be the same for every project they had on both sides of the river. They had to make sure if they knew they had a problem, they had a design team in place that put the project there, so they could understand how it would work, so they could go to the public and private debt markets to help them build these projects. Without this, there was no drainage underneath the hospital and no helping Calhoun/West. It would be the same when they went into West Ashley and Church Creek. In order to get the moneys to do what they needed, they had to have it drawn-up. He said it was a good expenditure of money and should go through Public Works. 15,000 people worked in the Hospital District, and if it was shut down five to seven times a year, they would be out of business.

Councilmember Moody asked Ms. Wharton what was included in the \$1.5 million from the TIF. He asked if this was just the money that was available currently, or would be getting \$200,000 to \$400,000 a year. He did not know where the Gateway TIF was and how much more would be generated. If the City was going to get more money, could it loan the \$300,000 to get the project under way and then use the future TIF to pay for it? Ms. Wharton said she would have to look to see if they could do that this year. They planned to allocate some money, but the TIF money was also committed to the Spring/Fishburne Drainage project. At the end of the TIF, there would probably be money left over that

they could apply to more drainage projects within the district, but currently, they watched it every year. The \$1.5 million was to purchase the two properties that the City needed for the shaft. Councilmember Moody said the TIF money had to be spent in the TIF and was not available for other places. The City used that money to complete these kinds of projects first, not last. They shouldn't have any money left over at the end of the TIF. They should pay for studies and infrastructure. He was not objecting to spending it because he agreed with Councilmember Seekings that they needed to move forward, but if the money was available, it shouldn't be spent on a sidewalk because it was left over. Ms. Wharton said it was not their intent to use the money on sidewalks, but every year, they were looking at what was committed and were looking to see where the balance would be. When some of those things came up, they looked to see if they could use the TIF for it.

Mayor Tecklenburg said that Ms. Wharton had shared some information with him earlier in the day that they had spent \$1,451,000 on the Calhoun West Drainage Improvement Project to date. The City would spend dollars from the 2012 Bond, which the Mayor and Council had approved on water drainage projects that were identified from the City's Master Stormwater Plan. It did not include doing the project, but it did include doing the design for the project. It specified in the Bond that the Forest Acres Drainage Improvement Project West Ashley be included, the Market Street Drainage Improvement Project, the planning and design work for the Calhoun West Drainage Improvement Project, and the Wagener Terrace storm drain replacement project located on the Peninsula. It was specified in the bond what they were approving.

Councilmember Lewis asked if the Gateway started on Calhoun Street from the Aquarium, and if some of that money was supposed to be used for the Spring/Cannon Streetscape. He said he remembered voting on it. Ms. Wharton said she did not remember that being part of the TIF, but would check. Mayor Tecklenburg said the money had been used for help with the Gaillard, the Aquarium, and the streetscape for Upper King Street.

On a motion of Councilmember Mitchell, seconded by Councilwoman Jackson, the Committee on Ways and Means voted unanimously to approve Calhoun West Design Contract Fee Amendment #2 with Davis & Floyd in the amount of \$394,837.40 for expansion of the study area to include the Hospital District and the Limehouse, Colonial Lake, and Rutledge drainage basins.

6. PUBLIC SERVICE: APPROVAL OF CHURCH CREEK DRAINAGE BASIN ANALYSIS ADDENDUM #20 WITH WOOLPERT INC., IN THE AMOUNT OF \$100,000 TO PERFORM CONTINUED STORM WATER MANAGEMENT IN THE CHURCH CREEK SPECIAL STORMWATER MANAGEMENT AREA TO INCLUDE ICPR MODELING, REVIEW OF DESIGN/MODEL CALCULATIONS, DESIGN SERVICES AND ATTENDANCE AT CLIENT/PUBLIC MEETINGS. APPROVAL OF FEE ADDENDUM #20 WILL INCREASE THE WOOLPERT, INC. CONTRACT BY \$100,000 (FROM \$1,049,286.25 TO \$1,149,286.25). FUNDING FOR THIS PROJECT IS THE DRAINAGE FUND.

On a motion of Councilmember Griffin, seconded by Councilwoman Shahid, the Committee on Ways and Means voted unanimously to approve of Church Creek Drainage Basin Analysis Addendum #20 with

Woolpert Inc., in the amount of \$100,000 to perform continued storm water management in the Church Creek Special Stormwater Management Area to include ICPR modeling, review of design/model calculations, design services and attendance at client/public meetings.

7. PARKS-CAPITAL PROJECTS: APPROVAL OF A CONSTRUCTION CONTRACT WITH CHARLES BLANCHARD CONSTRUCTION CORP. IN THE AMOUNT OF \$139,122 TO COMPLETE RENOVATIONS OF RESTROOMS AT THE AQUARIUM GARAGE, MARION SQUARE GARAGE AND MAJESTIC SQUARE GARAGE. WITH APPROVAL OF THE PROJECT 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. APPROVAL OF THIS ACTION WILL INSTITUTE A \$200,000 PROJECT BUDGET OF WHICH THE \$139,122 CONSTRUCTION CONTRACT WILL BE FUNDED. THE FUNDING SOURCE FOR THIS PROJECT IS THE 2018 PARKING FACILITIES, STRUCTURAL REPAIRS LINE ITEM IN THE PARKING FUND.

On a motion of Councilwoman Jackson, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve a Construction Contract with Charles Blanchard Construction Corp. in the amount of \$139,122 to complete renovations of restrooms at the Aquarium Garage, Marion Square Garage and Majestic Square Garage.

8. BUDGET FINANCE AND REVENUE COLLECTIONS: APPROVAL OF THE BLUE CROSS/BLUE SHIELD STOP LOSS RENEWAL IN THE AMOUNT OF \$1,097,144. IN AUGUST, THE 2019 HEALTHCARE BUDGET WAS APPROVED. THE STOP LOSS WAS BUDGETED AT \$1.1 MILLION.

On a motion of Councilmember Moody, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve the Blue Cross/Blue Shield Stop Loss Renewal in the amount of \$1,097,144.

9. BUDGET FINANCE AND REVENUE COLLECTIONS: AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF \$15,000,000 GENERAL OBLIGATION BONDS OF 2018 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.

Chairman White asked Ms. Wharton to run through the list of items to be funded by the bond. Ms. Wharton said it would be used for the Daniel Island Recreation Center in the amount of \$8.5 million to \$9 million, as well as Moultrie Playground, the Municipal Golf Course, planning for the Parks and Recreation Master Plan, and then there would be some funds left over that could possibly be used for Stoney Field. Councilmember Moody asked how much would be spent on the golf course. Ms. Wharton said they were hoping to have contributions for half of it, so it would be \$1.5 to \$2 million for golf course renovations. Councilmember Moody said he had a list of items, and Ms. Wharton said she had received the information, as well. Councilmember Moody said it also included statistics on where the money could come from.

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

An ordinance to provide for the issuance and sale of \$15,000,000 General Obligation Bonds of 2018 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.

Chairman White thanked the Committee for their support. He had been working on the project for ten years, and getting to the point where they could break ground was tremendous.

Councilwoman Jackson congratulated Chairman White and said she had a number of friends who were starting their families on Daniel Island, and it would be benefiting them. Chairman White said that part of the bond funding would be creating a master plan for recreation across the City and was a wonderful idea. One of the things they did as part of the Recreation Center on Daniel Island was they conducted a study and developed a master plan for recreation across Daniel Island and Cainhoy to understand what their needs were. Recreation was a huge component of what made the quality of life great for their City and going through that exercise would be very valuable.

10. EXECUTIVE DEPARTMENT: APPROVAL OF AN AGREEMENT WITH THE DEPARTMENT OF THE ARMY (CORPS OF ENGINEERS) TO PERFORM A CHARLESTON PENINSULA STUDY THAT WILL EVALUATE POSSIBLE ACTIONS INTENDED TO PROVIDE LONG-TERM RISK REDUCTION FROM FLOODING ON THE CITY'S PENINSULA. THE AGREEMENT PROVIDES THAT THE CORPS WILL ALLOCATE \$3,000,000 TOWARD THE STUDY. THERE IS NO FISCAL IMPACT TO THE CITY.

Mayor Tecklenburg said this was a remarkable opportunity for the City with the help of the Corps of Engineers and the Federal government. They had spoken in the budget workshop about the need for additional money for drainage projects. This was a pathway to enable them to get Federal funding for some of the projects that they needed. The Corps would conduct a study, and they would identify the projects they recommended. These projects would then be considered for Federal funding. He thanked the Federal representatives and said he and the City's Resiliency Officer visited all of their delegations' offices when he went to Washington, D.C. for the Mayor's conference. They met with Congressman Sanford, Senator Graham, Senator Scott, and Congressman Clyburn. They recognized the City's need and figured out a way that they could help Charleston. They prescribed that this was a way to get the City in line for future Federal funding for projects. The Corps would signing the document with the City tomorrow. He thought this was terrific and urged everyone to support it.

Chairman White said the best part of the item was there was no fiscal impact to the City.

On a motion of Councilmember Moody, seconded by Councilmember Seekings, the Committee on Ways and Means voted unanimously to approve an agreement with the Department of the Army (Corps of Engineers) to perform a Charleston Peninsula study that will evaluate possible actions intended to

provide long-term risk reduction from flooding on the City's peninsula.

11. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD ON OCTOBER 9, 2018 AT 3:00 P.M., CITY HALL, 80 BROAD STREET, FIRST FLOOR CONFERENCE ROOM)

- a. Request approval of a Temporary Access and Sand Disposal Agreement and Permanent Jetty Access Agreement with the South Carolina State Ports Authority. (TMS: 450-00-00-013; a portion of Morris Island). The property is owned by the City of Charleston.
- b. Request authorization for the Mayor, without further action by City Council, to execute all documents necessary to consent to release The City Marina Company (TMC) from all obligations and liabilities under the City Marina Lease and the related Parking Management Agreement (as previously amended and assigned), arising out of events occurring subsequent to the assignment of these agreements to Safe Harbor Marinas, LLC ("SHM"), provided that SHM expressly agrees to assume all obligations and liabilities of TMC under the agreements without regard to when the events giving rise to same occur.
- c. Consider the following annexation:

1621 Donnie Lane (TMS# 427-00-00-029) 0.54 acre, James Island (District 6)
The property is owned by Gregory Payton & Donna W. Payton

Councilmember Moody, Chair of the Real Estate Committee, reported that Item 'a' was approved. He explained that when they dealt with the dredging of the harbor, in the extra depth, there was a lot of good sand because it had not been polluted. The City was requested to allow them to cross Morris Island, and that sand would be pumped onto the ocean side of Morris Island to stabilize and build-up the area. He said it was a win-win.

Item 'b' was the Transfer of the Agreement to manage the City Marina and the parking facility from the City Marina Company to Safe Harbor Marinas ("Safe Harbor Marinas"). He said that was a big company, and the Committee authorized the Mayor to clean-up some paperwork that they needed to do, so they did not have to bring all of that back. They also had one annexation that was approved.

Councilmember Seekings said if SHM was going to be doing any capital improvements, they would put together project manuals for Council, and they would be able to see it in advance of breaking ground. He wanted to make sure SHM knew they were interested because there was a lot of work that needed to be done. Councilmember Moody said that one of the major purposes behind the City Marina selling to them was the capital needs. Neither the City or the City Marina Company had the money to do this, and this company did. It would be a huge improvement to the City's asset.

On a motion of Councilmember Moody, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve the Real Estate Committee Report as presented and recommended giving first reading to the following resolution and bill:

Resolution to consent to the assignment of the Lease Agreement and Parking Management Agreement from The City Marina Company to SHM Charleston City Marina, LLC

An ordinance to provide for the annexation of property known as 1621 Donnie Lane (0.54 acre) (TMS# 427-00-00-029), 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 6. The property is owned by Gregory Payton & Donna W. Payton.

There being no further business presented, the Committee on Ways and Means adjourned at 5:32 p.m.

Jennifer Cook
Assistant Clerk of Council