SPECIAL MEETING/WORKSHOP OF CITY COUNCIL
MAY 26, 2016 – 4:00 PM
COUNCIL CHAMBERS
GEORGETOWN, SOUTH CAROLINA

1. CALL TO ORDER

Notice of this meeting has been made in accordance with the 1976 Code of Laws of South Carolina Freedom of Information Act.

MEMBERS PRESENT
Mayor Jack M. Scoville, Jr.
Mayor Pro Tempore Brendon M. Barber, Sr.
Council Member Sheldon A. Butts
Council Member Carol R. Jayroe
Council Member Al Joseph
Council Member Edward S. Kimbrough, Jr.
Council Member Clarence C. Smalls

ALSO PRESENT
Mr. Chris Carter, City Administrator
Mrs. Elise Crosby, City Attorney
Ms. Ann U. Mercer, City Clerk
Miss Suzanne Abed-El-Latif, HR Manager
Mr. Orlando Arteaga, Engineer
Mrs. Debra Bivens, Director of Finance
Mr. Will Cook, Water Utilities Director
Chief Charlie Cribb, Georgetown Fire Department
Mr. Glen Dixon, Fleet Superintendent
Chief Paul Gardner, Georgetown Police Department
Mr. Sammy Green, Interim Streets and Sanitation Manager
Mr. Alan Loveless, Director of Electric Utilities
Mr. Rick Martin, Building Official/Zoning Administrator
Mr. Tee Miller, Assistant to the City Administrator for Economic Development

MEDIA
Georgetown Times - Mr. Max Hrenda

2. ANNOUNCEMENT CONCERNING ELECTRONIC DEVICES

Mayor Jack M. Scoville, Jr. called the Special Meeting/Workshop of City Council to order at 4:00 PM and requested all cell phones or electronic devices be turned off or placed on mute so as to not interrupt the meeting.

3. DISCUSS PROPOSED BUDGET

Mr. Chris Carter reported on July 1, 2016 the employee and employer will experience a .5% increase in their contribution to the State Retirement System. Currently the employee pays 8.16% of earned compensation, this will increase to 8.66%. Police Officers will increase from 8.74% to 9.24%. Employer contributions will increase from 10.91% to 11.56%. Staff is proposing the City's increase ($35,431) be covered by reducing travel and training budgets by Fund. The performance of investments of the State Retirement System and PORS are not meeting their goal; they anticipated 7%; however, are only receiving 5%.

Savings from the reduction of the Medical Insurance Reimbursement (MIR) Plan is approximately $48,661. Employees will gradually assume more of the medical insurance cost. A 2.5% is added to the gross payroll ($160,000). Staff is proposing a pay plan with this new money and the MIR savings. It is broken down into two approaches: a longevity portion which encompasses approximately 48% of the funding and a merit pay portion which encompasses 52% of the funding. Mr. Carter emphasized the amount of money being discussed is static. Staff is looking at ways to administer adjustments to reward as many things as possible that are beneficial to our organization: performance, benefit of longevity and institutional knowledge and experience. This keeps longevity in place in accordance with last year's salary plan and prevents compaction of salaries. It follows last year's suggestion that merit pay be given consideration and supports the performance evaluation system that was developed. Council Member Butts asked if there is policy that dictates the performance appraisal. Mr. Carter stated last year it was the opinion of Council this should occur annually. Historically, the Police Department is the only department that has performed evaluations every year. Supervisors were trained last year by an outside consultant on how to perform objective appraisals. Several Council Members expressed concern about performance and merit pay, i.e. supervisors evaluating friends. Mrs. Bivens stated employees received only longevity pay last year. As a result, the consensus was merit was the missing piece to the compensation plan. Longevity pay rewards employees according to their years of continued service. It is a tool to attract and keep employees throughout the City's workforce, to recognize loyal employees and inspire potential employees knowing that the longer you stay, the longevity pay will increase. By continuing this program, it will keep the gap between employees so a new employee will not be making the same as an employee who has worked for many years. Employees who have worked 5 years or less will receive 1% of their salary, 5-10 years 1.25%, 10-15 years 1.5%, 15-20 years 1.75% and over 20 years 2%. This will equate to 48% of the total compensation being proposed. The wage compression was instituted last year which was intended to bring employees up to a point where they should be in their range. Miss Suzanne Abed-El-Latif addressed Council Member Butt's question concerning policy. Policy states after an employee completes their probationary period of six months, they should be evaluated. There will always be a human factor because a system does not evaluate our employees. She said there are checks in place to try and eliminate any unfairness. When a six month evaluation is prepared, it is sent to her for review before meeting with the employee. She reviewed all performance appraisals completed in 2015. Council Member Smalls said he will not support a performance appraisal because it doesn't work. Mr. Butts stated for the record he is in favor of the evaluations; however, there needs to be a defined process. Mayor Scoville said there seems to be less problems than in the past. Department heads and supervisors are trained to perform appraisals in an efficient and careful manner. Council Member Kimbrough said managers should be trusted to do their job on a daily basis; if they are not, it is a management issue. He agreed with the Mayor that we need to reward our employees who are doing an outstanding job. Miss Abed-El-Latif stated the performance evaluation form has a rating scale of 1-10. Based on that scale staff correlated a merit increase scale from 0-3.5%. It is proposed to assign merit increases by department through a standard deviation bell curve. This eliminates all employees being compared to all employees. Department heads are included in their own group. The November 2014 employee survey indicated 80% of the employees trust their supervisors to fairly assess their performance. The merit pay portion encompasses 52% of the total compensation being proposed. When an exit interview is conducted, Miss Abed-El-Latif said the specific issue is the City has no compensation plan. When a new employee is hired they ask about the compensation plan and when they will be evaluated. Council Member Butts said we need a policy in place that will hold managers and individuals accountable for their actions or lack thereof. The consensus was to move forward.

Mr. Carter provided Council a summary of public protection classification review completed by ISO for Georgetown. ISO ratings are on 10 point scales. Of the 105.5 credits available Georgetown has 82.47. Mayor Scoville noted we are most deficient in company personnel. Mr. Carter stated the purchase of a new fire truck would not change the City's ISO Class 2 rating. Chief Charlie Cribb said $114,000 has been spent on repairs to Ladder 27. He stated this truck is 30 years old and will never be in front line service; it will always be in reserve status. He is concerned if Tower 17 goes down for service or sustains a catastrophic failure the City will be without a ladder truck. When Georgetown needs the service of a ladder truck the support comes from Midway Fire Department in Pawleys Island. The County does not have a ladder truck. Chief Cribb said the cost to repair the cracked beam on Ladder 27 will be $49,000. This does not include any issues that may be discovered once repairs begin. The quote to replace the ladder is $152,000. Buying a used truck is a possible solution; however, Chief Cribb is concerned similar problems could occur in the future. At the May 10 Special Meeting/Workshop Mr. Carter told Council they have the option to reduce expenditures in the General Fund to provide for the debt service for 5 or 10 years, or have a debt service levy for the term of the loan. This would be set out separately on the tax bill. First reading of the 2016/2017 budget was approved with financing $800,000 for a new fire truck for 10 years. Property taxes on a $150,000 home would increase $17.16 annually. Council Members Smalls and Kimbrough agree the costs associated with the purchase of a new fire truck ($800,000) and construction of Fire Station 2 in Maryville ($1.5 million) are too great. Council Member Joseph expressed his concern with used equipment and costly repairs. Council Member Butts questioned having a new fire station without the tools to effectively operate the Department. Mayor Scoville stated we need to give our Fire Department the best equipment we can afford. Discussions involving the financing options continued. When asked, Chris Carter suggested paying off 25 % ($200,000) of the cost of the fire truck with funds from the Capital Projects and establish a 3.8 debt millage levy for five years to finance the debt service payments. The tax increase on a $150,000 home for a five-year period would be $24 annually. This will require a public hearing prior to second reading of the budget. Mayor Scoville, Council Members Butts, Jayroe and Joseph agreed with the

Administrator's recommendation. Council Members Kimbrough and Smalls were against the recommendation.

Mr. Carter referred Council to the six vehicles requested in the proposed budget. Fire Department (1) van, Police Department (3) cars and (1) light weight truck, and Waste Management (1) heavy duty pickup truck. After discussions, the consensus was to delete the Fire Department's request for a van from the budget.

4. BEN COOPER PARK PROJECT

Mr. Orlando Arteaga presented an update on Ben Cooper Park. After researching files and speaking with other department heads, he concluded only one conceptual plan exists for the Park. Referring to the Plan developed by Jonathan Heald, it suggested development of a drop-off lane along Prince Street, a new parking lot and driveway, and basketball court. The proposed drive is outside the property lines and the City does not own the property for the proposed basketball court. Last year Stantec was hired to develop plans for the drop-off lane which included new paving, landscaping, water utilities, and storm water utility work. This proved to be a very expensive proposition and Council decided to eliminate the Plan and make use of the resources we had with the engineering consultant we had hired. The decision was made to develop a parking lot on the north end of the Park and the consultant has completed the design work. We have received approval from DHEC and SCDOT. Construction plans are ready to go out for bid. He presented the layout for a 17 space parking lot. Chris Carter said additional funding ($250,000) is included in the 2016/2017 HTAX budget for Phase 3 of Ben Cooper Park. He suggested one option could be landscaping. Council Member Butts said landscaping is not the best we can do for a park. He stated the purpose of Ben Cooper Park is to provide an outlet for individuals to utilize and he questioned whether or not the utilization has been defined. Residents should have input in what they desire that will benefit their community. Council Member Barber said there was a focus group from that community. The splash park is a result of the group, seniors and residents living in the community. They wanted to create something for the smaller children, pre-school to elementary school, where parents could accompany them. There was no interest in basketball courts that would attract an older crowd. Due to liability issues, there was no interest in a swimming pool. Before the splash park, there were some illegal activities happening in that area. Mayor Scoville stated we need to move forward with Phase 2.

5. DISCUSS BAILEY BILL OR SPECIAL TAX ASSESSMENT FOR REHABILITATION OF HISTORIC PROPERTIES

At the February 25, 2016 meeting a question was asked about instituting a Bailey Bill. Chris Carter explained the Bailey Bill was South Carolina state legislation enacted in 1992 and amended in 2004 as a local real estate tax incentive for rehabilitation of historic property. It freezes the taxable assessed value of a property for up to 20 years following a minimum investment threshold; review, approval and successful completion of the project must be within two years. In 1992 the General Assembly gave municipalities the authority to grant special property tax assessments to rehabilitated historic properties and low and moderate income rental properties. Benefits for the community include the ability to gain more landmarks and districts, recapture historic facades, catalyze an entire Main Street revival, educate people about their buildings and encourage local investment. Benefits for the owners include the potential for significant savings on real estate tax, the financial catalyst to begin a project, removes some of the 'sting' of historic designation and the abatement can transfer to new owner. If the City were to enact an ordinance that would incorporate the Bailey Bill, owners would have to maintain the property and any changes that are under review, the municipality would have to maintain designation for the building in the district, if property drops in value due to economic recession, the county would maintain the Bailey Bill freeze at the same level. Key elements to shape a Georgetown Bailey Bill would include which historic structures qualify for the assessment, how much money needs to be invested to quality, what is a qualified rehabilitation expenditure, who certifies compliance of the rehabilitation project and how long the special assessment will be offered. These must be decided by City Council. Mr. Jerry Miller, Chairman of the City's Architectural Review Board, has begun work on this and is here to address Council and receive direction if they are in agreement to proceed. He reported his findings on several cities that have a tax abatement program. The City has the ability to designate any property that is at least 50 years old as historic by reason of who lived there; it is not just the ARB criteria. Most of the Bills he has seen are not clear what happens if the improvement is commenced and not completed within a deadline. The draft document he is proposing is the initial two year term. If the work is not completed the owner can apply for another two year term. After that time, the defaulting owner has to pay the taxes that have been abated. The initial State Bailey Bill addresses historic properties and low and moderate income rental properties. Mayor Scoville said Council should definitely review this further. The consensus was to move forward.

6. EXECUTIVE SESSION

Motion to enter Executive Session pursuant to Section 30-4-70(a)(1) to discuss employment and compensation of an employee and Section 30-4-70(a)(2) to discuss and receive legal advice on matters covered by attorney-client privilege concerning a contract for employment.

Mayor Pro Tempore Barber moved, seconded by Mayor Scoville.

Mayor Scoville called for the question.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Brendon M. Barber Sr., Mayor Pro Tempore
SECONDER:	Jack M. Scoville Jr., Mayor
AYES:	Scoville Jr., Barber Sr., Butts, Jayroe, Joseph, Kimbrough, Smalls

The Special Meeting/Workshop was adjourned at 5:37 PM.

Motion to adjourn Executive Session and reconvene the Special Meeting/Workshop of City Council.

Mayor Scoville moved, seconded by Council Member Jayroe.

Mayor Scoville called for the question.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jack M. Scoville Jr., Mayor
SECONDER:	Carol R. Jayroe, Council Member
AYES:	Scoville Jr., Barber Sr., Butts, Jayroe, Joseph, Kimbrough, Smalls

Executive Session was adjourned and the Special Meeting/Workshop was reconvened at 5:53 PM.

Mayor Scoville announced no formal action was taken in Executive Session.

Council may take action on matters discussed in Executive Session.

7. ADJOURNMENT

Motion to adjourn Special Meeting/Workshop of City Council.

Council Member Joseph moved, seconded by Council Member Jayroe.

Mayor Scoville called for the question.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Al Joseph, Council Member
SECONDER:	Carol R. Jayroe, Council Member
AYES:	Scoville Jr., Barber Sr., Butts, Jayroe, Joseph, Kimbrough, Smalls

The Special Meeting/Workshop of City Council was adjourned at 5:53 PM.

Ann U. Mercer
City Clerk

Date Approved: 06/16/16