



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
WEDNESDAY, JUNE 3, 2009
9:00 A.M.
CITY COUNCIL CHAMBERS
1737 MAIN STREET

The Columbia City Council conducted a Regular Meeting on Wednesday, June 3, 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 9:10 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, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergel. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

APPROVAL OF MINUTES

1. Minutes of October 29, 2008 - *Approved*

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to approve the Minutes of October 29, 2008 as presented.

PRESENTATIONS

2. Introduction of the June 2009 Employee of the Month ([Officer Michael W. Walsh](#)) – Mr. Tandy Carter, Chief of the Columbia Police Department

Captain Estelle Young, Columbia Police Department introduced Officer Michael Walsh as the June 2009 Employee of the Month. He has been employed with the Columbia Police Department for three (3) years. He's a compassionate person, a leader and he received several awards while going through the Academy.

Mayor Coble presented Officer Walsh with a plaque and Mr. Steven A. Gantt, Interim City Manager presented Officer Walsh with a token of appreciation.

- **Mayor Coble left the meeting at 9:16 a.m. and Mayor Pro-Tem Rickenmann is now presiding.**
3. Recognition of the 2009 Alumni Career Achievement Award Recipient ([Ms. Deidre Crow, Deputy Director of Economic Development](#)) – The Honorable Belinda F. Gergel

Councilor Gergel recognized Ms. Deidre Crow for being selected by Columbia College as the 2009 Alumni Career Achievement Award recipient.

- 3a. National Tourism Week Proclamation – Mr. Ric Luber, President/CEO of the Midlands Authority for Conventions, Sports & Tourism

Mr. Ric Luber, President/CEO of the Midlands Authority for Conventions, Sports & Tourism reported that they celebrated National Tourism Week in May and it was an exciting time. We invited all of the cab drivers in our community to come by the Visitors Center; we gave them lunch; we provided information on the community; and we thanked them for being great ambassadors for visitors coming into our area.

Mayor Coble and the members of Council presented a Proclamation to Mr. Ric Luber recognizing that May 9 – 17, 2009 was National Tourism Week in the City of Columbia.

4. Citywide Wellness Challenge – Ms. Regina Brown, Public Relations Coordinator / Palmetto Health

Councilwoman Tameika Isaac Devine, Ms. Regina Brown of Palmetto Health and other partners announced the 2nd Annual Citywide Wellness Challenge, which will kick off on Saturday, June 6, 2009 at 8:30 a.m. at the Charles R. Drew Wellness Center. The twelve-week program will end with a closing award ceremony on September 12, 2009. The Challenge is valued at over \$600, but will only cost \$99 for City residents, City employees, and Palmetto Health employees. Non-City residents can enroll for \$119.

5. Project Hope – Mr. Earl McLeod, Home Builders Association of Greater Columbia

Mr. Earl McLeod, Executive Director / Home Builders Association of Greater Columbia announced that they have been awarded a five-year grant by the US Department of Education. Under this grant we will promote the employment of people with disabilities in the homebuilding industry.

Mr. Marco Williams, Project Coordinator explained that Project HOPE serves people with significant barriers to employment who are disabled and members of targeted subgroups, including homeless individuals, juvenile and adult offenders, veterans and transitional youth. Our core value is building a better community. We provide construction based training and job placement services.

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

6. Council is asked to approve Project #SD831503; U.S. Department of the Interior, Geological Survey Joint Funding Agreement for the operation of three (3) monitoring stations that are used to assist with flood warning in the Rocky Branch Drainage Basin, as requested by Engineering Operations. Award to the U.S. Department of the Interior in the amount of \$13,170.00. *Funding Source: Stormwater Utility Fund 5549999-SD831503-656200 - Approved*

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to approve Project #SD831503; U.S. Department of the Interior, Geological Survey Joint Funding Agreement for the operation of three (3) monitoring stations that are used to assist with flood warning in the Rocky Branch Drainage Basin, as requested by Engineering Operations. Award to the U.S. Department of the Interior in the amount of \$13,170.00.

- **Mayor Coble returned at 10:00 a.m. and is now presiding.**

7. Council is asked to approve an Agreement for Miscellaneous Civil Engineering Services, as requested by Engineering Operations. Award Brown and Caldwell in the amount of \$50,000.00. This vendor is located in Columbia, SC. *Funding Source: Water Improvement Fund - Approved*

Upon motion by Mr. Rickenmann, seconded by Ms. Devine, Council voted unanimously to approve an Agreement for Miscellaneous Civil Engineering Services, as requested by Engineering Operations. Award Brown and Caldwell in the amount of \$50,000.00. This vendor is located in Columbia, SC.

8. Council is asked to approve the Purchase of a Mimosa Nearpoint Archiving Solution, as requested by the Information Technology Department. Award to Syscom Technologies in the amount of \$77,689.57. This vendor is located in Marietta, GA. *Funding Source: 1011120-638200 – **Note:** The Mimosa Nearpoint Archiving solution is a email backup solution which provides the necessary policy controls, backup, lookup, filtering and archiving of electronic communications for the city. - Approved*

Councilor Rickenmann inquired about what we are currently doing? Is our system not working?

Mr. Vincent Simonowicz, Director of Information Technology explained that our system is working, but it is a single point of failure and this is the back up utility for that.

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to approve the Purchase of a Mimosa Nearpoint Archiving Solution, as requested by the Information Technology Department. Award to Syscom Technologies in the amount of \$77,689.57. This vendor is located in Marietta, GA.

9. Council is asked to approve Change Order #2 for Rosewood S. Edisto Park, as requested by Parks and Recreation in the amount of \$189,529.00. *Funding Source: GL4039999/JLPK006601 – Approved*

Councilor Finlay said that it appears that we cut funding for some items out of the budget and now we are adding them back in.

Mr. Steven A. Gantt, Interim City Manager said that Council approved the total amount to include this number; we did some value engineering; took some things out; and towards the end of the project they realized that we needed to put some of that back into the project.

Councilor Rickenmann said that money was shifted around to come up with this. I looked at this line item and I am concerned, because part of that was based on the money that we would be able to shift for the Parks and Recreation Administration Building and that's going to be short. I am not sure how we are coming up with the difference in the money. I question some of the items; do they need to be purchased at this time? Is a flat screen with a Wii™ necessary? We haven't reached out to members of that community who are still interested in being involved. We need to look at the upgrades to the equipment, the alarm system and the landscaping.

Mr. S. Allison Baker, Assistant City Manger for Public Services explained that \$635,000 was approved by City Council. We knew at that time that we had \$452,000 left in the account and I directed staff to start with the construction of the building. Several months ago we agreed to use Community Development Block Grant money from prior year allocations for the Administration Building and to move \$250,000 from that project to complete the South Edisto Park. We have never opened a new facility without the equipment in the building. We have televisions in all parks locations and we must do the landscaping. Our staff has been good at raising money and accepting donations.

Councilor Gergel stated that this is a formality associated with the unanimous vote this Council took 6-weeks ago. Have you identified the funding source for this?

Councilor Rickenmann said that vote was based on the fact that we had money allocated for the original Administration Building. I am worried about the long-term budget, because not only do you build it; you have to maintain it.

Mr. S. Allison Baker, Assistant City Manger for Public Services stated that he is comfortable and very confident that the money is there.

Councilor Finlay said that he is struggling with the fact that we have \$19 million in Capital Improvement Projects that have existed for a long time and we don't have funding for them. I struggle with spending another \$1.5 million on new buildings and pulling money from fund balance when we have repairs and maintenance on existing facilities that we've only allocated \$150,000 in next year's budget to address.

Councilor Devine said that this is already built and it's opening in three (3) weeks.

Upon motion by Dr. Gergel, seconded by Mr. Cromartie, Council voted five (5) to two (2) to approve Change Order #2 for Rosewood S. Edisto Park, as requested by Parks and Recreation in the amount of \$189,529.00. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine, Dr. Gergel and Mayor Coble. Voting nay were Mr. Rickenmann and Mr. Finlay.

10. Council is asked to approve the Purchase of Annual Janitorial Services, as requested by Support Services. Award to Riley & Associates in the amount of \$111,312.00; B&B Enterprises in the amount of \$17,709.36; Johnson Janitorial in the amount of \$14,880.00; A-1 Cleaning in the amount of \$23,940.00; and B&C Associates in the amount of \$9,600.00; for a total amount of \$177,441.36. These vendors are located in West Columbia and Columbia, SC. *Funding Source: (1011201-638200 - \$95,673.36); (1012405-638200 - \$17,100.00); (5511219-638200 - \$36,900.00); (5516206-638200 - \$10,068.00); (5313112 - 638200 - \$6,600.00); (1012303-638200 - \$7,200.00); (1012701-638200 - \$1,950.00); (2082702-638200 - \$1,950.00) - Approved*

Councilor Rickenmann said that we own the building that houses the Capital Senior Center and he would like for staff to look into adding that building to the list.

Councilor Finlay asked if there is any efficiency to be gained from using one vendor instead of five.

Mr. Steve Gantt, Interim City Manager said that we have a lot of small businesses in town and we like to spread it around.

Upon motion by Mr. Rickenmann, seconded by Dr. Gergel, Council voted unanimously to approve the Purchase of Annual Janitorial Services, as requested by Support Services. Award to Riley & Associates in the amount of \$111,312.00; B&B Enterprises in the amount of \$17,709.36; Johnson Janitorial in the amount of \$14,880.00; A-1 Cleaning in the amount of \$23,940.00; and B&C Associates in the amount of \$9,600.00; for a total amount of \$177,441.36. These vendors are located in West Columbia and Columbia, SC. The Capital Senior Center is to be added to the list of sites for Janitorial Services.

ORDINANCES – SECOND READING

Upon motion by Mr. Cromartie, seconded by Mr. Rickenmann, Council voted unanimously to give second reading approval to **Items 11.** through **27.** as presented.

11. NW Corner Main and Washington Streets

Ordinance No.: 2009-049 – Granting a Franchise to Chris Hinely d/b/a The Peanut Man for operation of a stationary sidewalk vending cart on the northwest corner of Main Street and Washington Street - *First reading approval given on May 20, 2009. – Approved on second reading.*

12. Ordinance No.: 2009-035 - Granting an encroachment to Tara Dawn Shurling for installation and maintenance of a driveway and landscaping within the right of way areas of the 3400 block of Trenholm Road and 1500 block of Wyndham Road adjacent to 1537 Wyndham Road ([Mr. Chip Land, Long Range Planner: Recommends approval](#)) – *First reading approval given on May 20, 2009. – Approved on second reading.*

13. Ordinance No.: 2009-041 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 8, Environmental Health and Sanitation, Article IV, Pollution Control, Division 5, Regulations and Requirements Relating to Smoking of Tobacco Products, Sec. 8-221 Jurisdiction, enforcement and penalties – *First reading approval given on May 20, 2009. – Approved on second reading.*

14. Ordinance No.: 2009-045 - Granting an encroachment to Assembly Station Columbia, LLC for installation and maintenance of an irrigation system, landscaping, driveway, pavers, sidewalk, underground utilities, loading/unloading area, guttering and street lighting within the right of way area of Whaley Street and Assembly Street adjacent to 1000 Whaley Street (*Mr. Chip Land, Long Range Planner: Recommends approval*) (*Mr. Chip Land, Long Range Planner: Recommends approval*) – *First reading approval given on May 20, 2009. – Approved on second reading.*
15. Ordinance No.: 2009-056 - Authorizing the Interim City Manager to execute a Lease Agreement between the City of Columbia and TN Development Corporation for lease of a portion of the second floor of the building located at 1225 Lady Street – *First reading approval given on May 20, 2009. – Approved on second reading.*

TEXT AND MAP AMENDMENTS – SECOND READING

16. **Amend §17-681(b)** to add Cottontown as an Architectural Conservation District.

Ordinance No.: 2009-025 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 4, Landmarks, Sec. 17-681, District identified, (b) Architectural conservation district to add (6) – *Approved on second reading.*
17. **Cottontown**, TMS# 09016-03-02 thru 09, 09016-04-01 thru 14, 09016-05-01 thru 09, 09016-06-01 thru 09, 09016-06-11, 09016-06-16 thru 24, 09016-08-01 thru 17, 09016-08-28 & 29, 09016-09-02 thru 18, 09016-12-07, 09016-12-09 thru 11, 09109-07-01 thru 03, 09109-08-02 thru 05, 09109-09-02 & 04, 09113-01-01 & 02, 09113-05-01 thru 10, 09113-06-01 thru 10, 09113-06-12 thru 22, 09113-07-01 thru 14, 09113-08-01 thru 13, 09113-10-01 thru 07, 09113-11-01 & 02, 09113-12-01 thru 19, 09113-12-21 thru 29, 09113-13-03 thru 14, 09113-04-01 thru 12, 09113-02-01 thru 06, 09114-06-01 thru 03, 09113-03-01 thru 04, 09114-05-01 thru 06, 09110-11-02 thru 11, 09114-07-01, 09113-09-01 thru 12, 090114-01-16 & 17, 090110-10-06 (portion zoned C1), 09110-10-08 & 09, 09110-10-12, 09114-01-01 thru 14, 09114-02-01, 09114-02-03 thru 22, 09114-02-24 & 25; rezone to remove –CC (Community Character) overlay and to add –DP (Design Preservation) overlay. – *Approved on second reading.*
18. **MX-2 District:** Create new and/or amend pertinent sections of Zoning Ordinance relating to the creation of the MX-2 (Urban Mixed-Use) zoning district. – *Approved on second reading.*
19. **ID Overlay District:** Create new and/or amend pertinent sections of Zoning Ordinance relating to the creation of the ID (Innovista Design) zoning overlay district.

Ordinance No.: 2009-036 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina Chapter 17, Planning, Land Development and Zoning, Article III, Zoning, Division 1, Generally, Sec. 17-54 Rules of construction; interpretation of types of districts; Division 8, District Descriptions; Use and Dimensional Regulations, Sec. 17-231. Districts enumerated; Sec. 17-258 Table of permitted uses; Sec. 17-260. Warehousing (SIC 4227 and 424); Sec. 17-263. Retail trade (SIC 52-59); Sec. 17-265. Day care services (SIC 835); Sec. 17-275. Lot size, setback and height requirements; Sec. 17-282 Antennas; Sec. 17-283 Wireless communication facilities; 17-286 Motor vehicle, boat and recreation vehicle dealers; Sec. 17-287 Used merchandise stores; Sec. 17-288 Offices and clinics of other health practitioners including therapeutic massage; Sec. 17-290. Microbrewery; and to add Sec. 17-291 ID Innovista design, Sec. 17-292 MX-2 mixed-use urban district; Sec. 17-293. Manufacturing (SIC 20-39); Division 9, Supplementary District Regulation to add Sec.

17-323. -ID Innovista design district; Division 10, Off-Street Parking and Loading Facilities, Sec. 17-342 Number of parking spaces; Division 12, Signs, Sec. 17-406. Permitted signs, Article V, Historic Preservation and Architectural Review, Sec. 17-653 Design and development review commission; and Sec. 17-655 Administration – *Approved on second reading.*

20. **INNOVISTA – MX-2 TMS#** 08909-01-04, 05; 08910-01 all; 08910-02 all; 08910-03 all; 08911-all; 08912-10- 9,10,11,12,16,17,18; 08912-11-01,03; 08912-12-all; 08913-01-all; 08913-02-01 (all north of RR right-of-way) 02, 03; 08913-03-04; 08914-01 all; 08914-02 all; 08914-03 all; 08914-05 all; 08914-06 all; 08914-07 all; 08914-09 all; 08914-10 all; 08914-11 all; 08914-12 all; 08914-13 all; 08914-14 all; 08914-15 all; 08914-16 all; 08915-02 all; 08915-04 all; 08915-08 all; 08915-09 all; 08915-10 all; 08915-12 all; 08915-13 all; 08915-14 all; 08916-11-04a; 11302-01- all; 11302-12-02; 11302-13- all; Rezone parcels to MX-2 (Urban Mixed Use). **ID TMS#** 8909-01-all; 08910-all; 08911-all; 08912-12-all; 08912-11-all; 08912-10-4 (partial) 9, 10,11,12,16, 17; 08912-08-01, 02 (partial), 03 (partial); 08912-09-01; 08913-01-all; 08913-02-all north of RR right-of-way; 08913-03-04; 08914-01 all; 08914-02 all; 08914-03 all; 08914-04 all; 08914-05 all; 08914-06 all; 08914-07 all; 08914-09 all; 08914-10 all; 08914-11 all; 08914-12 all; 08914-13 all; 08914-14 all; 08914-15 all; 08914-16 all; 08915-all (except block 7); 08916-11- (all of block not included in West Gervais Street Historic District); 11302-01-all; 11302-12-02; 11302-13- all; rezone to add –ID (Innovista Design) overlay to all parcels. – *Approved on second reading.*
21. **1703 Taylor Street (Township Auditorium)**, TMS# 11403-08-01; rezone from C-1 (Office & Institutional), DP (Design Preservation) & M-1 (Light Industrial), DP (Design Preservation) to PUD-C (Commercial Planned Unit Development), DP (Design Preservation). – *Approved on second reading, provided that unless specified within the Descriptive Statement changes to the PUD shall be in accordance with Section 17-305.*
22. **823 Gervais Street (Columbia Supply)**, TMS# 8916-01-04; major amendment to a PUD-C (Commercial Planned Unit Development), DP (Design Preservation). – *Approved on second reading, provided compliance with Descriptive Statement dated March 4, 2009 (REVISED APRIL 1, 2009).*
23. **2791 The Boulevard**, TMS# 13512-02-03; rezone from M-1 (Light Industrial) to M-2 (Heavy Industrial). – *Approved on second reading.*
24. **Gregg Park** – TMS# 16604-02-01 thru 05, 16607-01-22 thru 23, 16607-01-28 thru 34, 16608-01-21 thru 22, 16608-01-26 thru 36, 16608-01-40, 16608-01-42, 16608-01-44 thru 48, 16608-02-01 thru 02, 16608-02-04 thru 13, 16608-02-15 thru 22, 16608-02-24, 16608-02-26 thru 27, 16608-02-29 thru 30, 16608-03-01 thru 08, 16608-03-10 thru 24, 16608-04-01 thru 06, 16608-04-08 thru 13, 16608-05-01 thru 05, 16608-05-07, 16705-01-01 thru 24, 16705-01-26 thru 44, 16705-01-46, 16705-02-01 thru 07, 16705-02-10 thru 18, 16705-03-01 thru 04, 16705-03-06 thru 27, 16705-03-29, 16705-03-31 thru 32, 16705-03-34 thru 56, 16705-04-06 thru 09, 16705-05-01, and 16705-06-01 thru 02; rezone from RS-1 (Single Family Residential) to PUD-R (Residential Planned Unit Development). – *Approved on second reading.*

TEXT AMENDMENTS – SECOND READING

25. **Amend §17-403** of the zoning ordinance regarding sign maintenance on signs on Landmarks or in historic districts.

Ordinance No.: 2009-010 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina Chapter 17, Planning, Development and Zoning, Article III, Zoning, Division 12, Signs, Sec. 17-403 Maintenance – *Approved on second reading.*

26. **Amend §17-84** of the zoning ordinance regarding notification for non-conforming uses and/or structures.

Ordinance No.: 2008-112 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article III, Zoning, Division 2, Administration, Enforcement and Penalties, Sec. 17-84, Certificate of zoning compliance (b) Nonconforming uses – *Approved on second reading.*

27. **Amend §17-401, §17-404, §17-405, and §17-407** of the zoning ordinance to provide for temporary signs, signs in right of way, and prohibit festoons.

Ordinance No.: 2009-038 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article III, Zoning, Division 12, Signs, Sec. 17-401 Definitions, Sec. 17-404 Prohibited signs, Sec. 17-405 Temporary signs permitted in any district, Sec. 17-407 Signs on public property – *Approved on second reading, provided that seasonal decorations are specifically exempt from the definition of signs; inflatable signs are prohibited within residential districts; and sandwich boards may be placed on all surfaces.*

MAP AMENDMENTS – FIRST READING

28. **Percival Road NE of Antler Way**, TMS# 22713-01-01; rezone 1.3-acre portion from C-3-A (General Commercial) to RG-2 (General Residential) and rezone 1.16-acre portion from RG-1 (General Residential) to RG-2 (General Residential); TMS# 22713-01-20, -21: rezone from RG-1 (General Residential) to RG-2 (General Residential).- *Consideration of this item was deferred until June 17, 2009 as requested by the applicant.*

Mr. Marc Mylott, Director of Planning and Development Services stated that the applicant has requested a deferral until the next meeting to continue working with the adjacent property owner.

Councilor Rickenmann asked Mr. Mylott to ensure that Council is informed on how this process has worked. I spoke with the adjacent property owner and she felt as though the portrayal of the green space is not exactly green space.

ORDINANCES – FIRST READING

29. Ordinance No.: 2009-047 – Granting an encroachment to the Columbia Development Corporation for installation and maintenance of five pieces of public art in the flower beds within the right of way area of the 1200 block of Lincoln Street adjacent to The Blue Marlin (*Mr. Chip Land, Long Range Planner: Recommends approval*) – *Approved on first reading.*

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to give first reading approval to Ordinance No.: 2009-047 – Granting an encroachment to the Columbia Development Corporation for installation and maintenance of five pieces of public art in the flower beds within the right of way area of the 1200 block of Lincoln Street adjacent to The Blue Marlin. Mr. Finlay was not present for the vote.

30. Ordinance No.: 2009-048 –(Revised) – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 12, Motor Vehicles and Traffic, Article I, General, Sec. 12-13 through trucks prohibited on certain streets – *This ordinance is sponsored by Mr. E.W Cromartie II; This item was deferred on May 6, 2009 and May 20, 2009. – Approved on first reading. This item will be discussed in Executive Session.*

Councilor Rickenmann asked if we sent letters out to everybody. Have we created a network to get in touch with the companies? People will be driving through areas that were not prohibited before and then they will be ticketed.

Councilor Cromartie said that he doesn't mind giving it second reading today and implementing it in 30-days to allow that to occur.

Mr. Steven A. Gantt, Interim City Manager said that we could have a grace period wherein warnings are given.

Councilor Rickenmann said that we need to be aware of industrial areas that are only accessible through residential streets.

Councilor Davis suggested that the appropriate signage be installed in terms of fair warning beyond the grace period. People need to know what isn't allowed. We should ask for SCDOT assistance in sharing the expense of posting signage on state-owned roads.

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance No.: 2009-048 – (Revised) – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 12, Motor Vehicles and Traffic, Article I, General, Sec. 12-13 through trucks prohibited on certain streets. Mr. Rickenmann and Mr. Finlay were not present for the vote.

Councilor Cromartie asked that the ordinance be circulated to all neighborhood associations once it is given second reading approval.

31. Ordinance No.: 2009-053 – Annexing 101 Pontiac Business Center Drive, Richland County TMS #25715-02-04 (*Mr. Marc Mylott, Director of Planning and Development Services: Recommends approval*) - **Note:** *This property falls within the City's primary service area. – Approved on first reading.*

Councilor Davis stated that this is a pretty good distance from the core of the City of Columbia. I am still adamant about us taking care of these donut holes in the inner-city before we continue to do this. It is more practical to deal with the donut holes in the inner-city before we take the tentacles way out there, which puts a strain on the Fire and Police Departments.

Mr. Marc Mylott, Director of Planning and Development Services replied that it is a priority.

Councilor Rickenmann suggested that as we continue to work with Richland County on certain issues that we bring this up; maybe we can work out a service agreement so that we're not focused on annexing areas, but instead trading off services in an effort to work more efficiently for the constituents that are essentially paying taxes to both entities.

Upon motion by Ms. Devine, seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance No.: 2009-053 – Annexing 101 Pontiac Business Center Drive, Richland County TMS #25715-02-04.

- A. Ordinance No.: 2009-054 – Annexing 15.48 acres E/S East Boundary Road, Richland County TMS #19705-01-01, 19706-03-01 and 19706-03-02 (*Mr. Marc Mylott, Director of Planning and Development Services: Recommends Denial*) - **Note:** *This property is outside the primary service area. - Denied*

Mr. Marc Mylott, Director of Planning and Development Services explained that the property owner initiated the application for 72-duplex units. In reviewing this in the Urban Service Area and consulting with our City service providers staff recommends denial.

Councilor Finlay inquired about what happens next. When we extend service outside the City there is a covenant that at some point in the future we can annex if we so choose.

Mr. Marc Mylott, Director of Planning and Development Services explained that once Council denies the application they can't come back and have a second bite at the apple. The covenant says that once they become contiguous in order to request services they must submit a petition and they have fulfilled that obligation.

Councilor Finlay asked if that is something we should change in our covenants or is it State law.

Mr. Steven A. Gantt, Interim City Manager suggested that the City Attorney brief the members of Council on how that's done.

Mr. Marc Mylott, Director of Planning and Development Services stated that staff would be very supportive of that change; that would be a helpful tool for us.

Upon motion by Ms. Devine, seconded by Mr. Rickenmann, Council voted unanimously to deny approval of Ordinance No.: 2009-054 – Annexing 15.48 acres E/S East Boundary Road, Richland County TMS #19705-01-01, 19706-03-01 and 19706-03-02.

- B. Ordinance No.: 2009-057 - Amending Ordinance No. 2007-071 Enacted On September 19, 2007, which authorized the Issuance and Sale of not exceeding \$12,135,000 general obligation bonds, series 2007, of the City of Columbia, South Carolina; deleting certain projects and include additional projects for which the bonds may be issued; and other matters relating thereto – *This item was deferred on May 20, 2009*

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted six (6) to one (1) to give first reading approval to Ordinance No.: 2009-057 - Amending Ordinance No. 2007-071 Enacted On September 19, 2007, which authorized the Issuance and Sale of not exceeding \$12,135,000 general obligation bonds, series 2007, of the City of Columbia, South Carolina; deleting certain projects and include additional projects for which the bonds may be issued; and other matters relating thereto. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine, Mr. Rickenmann, Dr. Gergel and Mayor Coble. Mr. Finlay voted nay.

- C. Ordinance No.: 2009-058 – Authorizing the Interim City Manager to execute a Lease Agreement between the City of Columbia and South Carolina Research Authority for lease of the unopened of Park Street Right-of-Way Located North of the intersection of Park Street and Catawba Street – *Approved on first reading.*

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to give first reading approval to Ordinance No.: 2009-058 – Authorizing the Interim City Manager to execute a Lease Agreement between the City of Columbia and South Carolina Research Authority for lease of the unopened of Park Street Right-of-Way Located North of the intersection of Park Street and Catawba Street.

RESOLUTIONS

- D. Resolution No.: R-2009-034 - Authorizing Condemnation for acquisition for the Busby Street Redevelopment Project, 1742 Busby Street, Richland County TMS #11607-07-05 - *Approved*

Upon motion by Mr. Davis, seconded by Ms. Devine, Council voted unanimously to approve Resolution No.: R-2009-034 - Authorizing Condemnation for acquisition for the Busby Street Redevelopment Project, 1742 Busby Street, Richland County TMS #11607-07-05.

- E. Resolution No.: R-2009-036 – Authorizing Condemnation for acquisition for the Rosewood South Edisto Park Project, 1914 Wiley Street, Richland County TMS #11212-16-03 – *Consideration of this item was deferred subject to staff providing the funding source for the condemnation.*

Councilor Rickenmann inquired about how this would be paid for. We need to know what it's going to cost and where it's coming from.

Mr. Ken E. Gaines, City Attorney said that he had no idea how this would be paid for, but it is necessary that we acquire this piece of property. The appraised value is \$17,500.

There was a consensus of Council to defer **Item E.** until the funding source is identified.

- F. Resolution No.: R-2009-037 – Authorizing the Legal Department to commence legal proceeding to evict Beyond Better, Inc. d/b/a The Factory from the premises located at 1644 Main Street, Columbia, SC for its breach of the lease agreement with the City of Columbia, if voluntary surrender of the premises can not be had and to collect all past due rent, late fees and any other damages, attorney fees or costs owed to the City of Columbia as a result of the breach of lease – *Approved - This item will be discussed in Executive Session.*

Councilor Finlay suggested that at the next meeting the Council establish a policy for people who rent from us. If you get 30-days behind the eviction process will begin and this will not have to come to the Council; it will be automatic. It should be in all of our leases and shouldn't require an action of Council.

Councilor Rickenmann asked if the City of Columbia is in first position. He would like to discuss their assets and suggested that this matter be discussed in Executive Session.

Upon motion by Mr. Cromartie, seconded by Mr. Finlay, Council voted unanimously to approve Resolution No.: R-2009-037 – Authorizing the Legal Department to commence legal proceeding to evict Beyond Better, Inc. d/b/a The Factory from the premises located at 1644 Main Street, Columbia, SC for its breach of the lease agreement with the City of Columbia, if voluntary surrender of the premises can not be had and to collect all past due rent, late fees and any other damages, attorney fees or costs owed to the City of Columbia as a result of the breach of lease and to discuss the matter in Executive Session.

STAFF REPORTS

- G. Neighborhood Street Lighting Requests – Mr. Robert Anderson, Deputy Director of Public Works

| Neighborhoods Listed by Priority | Existing Lights | Requested Lights | Current Lease Cost / Annually | Increased Amount | New Lease Cost / Annually |
|---|-------------------------------|-------------------------|--------------------------------------|-------------------------|----------------------------------|
| Belmont Community | 139 | 6 | \$21,209.88 | \$713.52 | \$21,923.40 |
| Heathwood Neighborhood | 118 | 49 | \$14,032.56 | \$5,827.08 | \$19,859.64 |
| Hyatt Park Community | 426 | 104 | \$50,659.92 | \$13,584.48 | \$64,244.40 |
| Bradley Community | 190 | 48 | \$22,594.80 | \$5,708.16 | \$32,340.04 |
| Eastlake Subdivision | Fixtures upgraded only | | \$0 | \$1,055.00 | \$1,055.00 |
| North Main Street Community | 7 | 12 | \$1,487.64 | \$2,550.24 | \$4,037.88 |
| Rochelle Heights | 0 | 12 | \$0 | \$1,427.04 | \$1,427.04 |
| TOTAL | 880 | 231 | \$109,984.80 | \$30,865.52 | \$144,887.40 |

Mr. Steven A. Gantt, Interim City Manager recalled that a presentation was recently made to Council about all of the requests for lighting assessments and adding additional lists into the neighborhoods within the City of Columbia. As you can see from the requests that we've had, this exceeds the \$10,000 additional expenses that we've incurred during a year for our utility bill. I cannot authorize that and we are bringing them back to you for approval. He added that other requests are forthcoming.

Mr. Robert Anderson, Deputy Director of Public Works clarified that there are 55 lights in the Eastlake Subdivision and 91 in Rochelle Heights with an annual lease cost of \$10,800.

Councilor Davis said that safety is an issue and the numbers represent us doing what is required in terms of a drive-thru with staff at night to look at dark spots given the increased crime in the area and we had to consider where to cut back as well.

Ms. Gail Baker, President of the Hyatt Park / Keenan Terrace Neighborhood Association explained that the lights are not in private areas; they are all on the streets; some trees need to be cut back; and some bulbs need to be replaced with brighter bulbs.

Ms. Ann B. Macaluso, Hillcrest Avenue explained that there is a section on Hillcrest Avenue that is removed and separated by an undeveloped area. We are unsure who owns the land and residents felt like the City didn't know they existed, because it is so dark. They were thrilled to think they might get some lighting in the 100 block of Hillcrest Avenue.

Councilor Davis explained that they went through the required process. He urged his peers to look at the crime reports over the past 6 months; this area is being redeveloped and this is one thing they are depending on.

Councilor Devine said that the increased cost is roughly \$31,000 per year.

Mr. Robert Anderson, Deputy Director of Public Works said that last year they budgeted \$1.1 million and spent \$1.4 million; this year we will spend \$1.7 million.

Councilor Devine asked if the \$30,000 is in the current budget.

Mr. Robert Anderson, Deputy Director of Public Works said no and we have more pending requests for lighting studies.

Mayor Coble said that of all things we could do this seems like a good investment

Councilor Finlay asked if we will have enough money in the 2008/2009 budget to pay for all of the current street lights.

Mr. Robert Anderson, Deputy Director of Public Works said no; I will ask Mr. Ellis to explain why our bill has increased so much.

Councilor Finlay said that just today we added several hundred thousand dollars back into the budget; most of it if is not budgeted; we have to go back and revisit those budgets; and we are going to impact our reserves if we don't figure something out.

Upon motion by Mayor Coble, seconded by Mr. Davis, Council voted unanimously to approve the Neighborhood Street Lighting Requests, subject to Council identifying additional funding for the Public Works budget to cover the increased cost of leasing street lights for neighborhoods. Mr. Finlay was not present for the vote.

H. New Downtown Garage Site Selection – Mr. John David Spade, Parking Services Director

Mr. Steven A. Gantt, Interim City Manager recalled that a couple of months ago, Council had a presentation from LS3P relative to the site selection for the new downtown parking facility. We are asking you to give us permission to move forward with a site in order to begin designing and constructing the downtown garage.

Councilor Rickenmann said that he is not ready to vote on this matter; I am focused on the budget first and foremost.

Mayor Coble said that this is a critical need that we have the monies for. A very good site that we didn't have control of was the one behind the Wachovia Building. I've talked to our attorneys and it doesn't seem that it will be a possibility with the various restraints we have in terms of joint ventures. We need to make sure we save all the money we can.

Mr. Steven A. Gantt, Interim City Manager asked the Council to adopt the site as presented by the consultant. You will get another chance to vote when we bring the contract back.

Councilor Finlay said that we need to understand the rate of this garage if the Palmetto Center is half full. What will it take to make sure this parking garage won't have a negative cash flow?

Mr. Matt Kennell, City Center Partnership said that the study was very well done. The primary recommendation is off of the Baptist Hospital site and it has to be looked at thoughtfully. The second site is at Taylor and Sumter Streets.

Councilor Cromartie asked about retail at the site underneath. We should construct it with the idea of leasing retail space from day one.

Mr. John Spade, Director of Parking Services explained that it is a directive of the Design Development Review Commission (DDRC); there has to be activity in the garage.

Councilor Finlay said that there are vacant spaces in the Assembly Street Garage; we need to be careful, because if we build this space and it sits empty that will have the worst affect. We need to understand the absorption rate and how much demand there is for that type of space.

Upon motion Mayor Coble, seconded by Mr. Cromartie, Council voted six (6) to one (1) to endorse the recommendation from LS3P Associates LTD. to develop a new parking structure at the Washington and Sumter Street site and to direct staff to provide an outline of the process for moving forward with construction and procurement. A rendering should be provided as well. Voting aye were Mr. Cromartie, Ms. Devine, Mr. Rickenmann, Mr. Finlay, Dr. Gergel and Mayor Coble. Mr. Davis voted nay.

APPOINTMENTS

I. City Center Partnership

Upon motion by Ms. Devine, seconded by Mr. Finlay, Council voted unanimously to approve the appointment of Mr. Boyd Jones to the City Center Partnership Board of Directors as a replacement for Ms. Patricia Durkin.

- **Council recessed at 11:19 a.m.**
- **Council reconvened at 11:29 a.m.**

STAFF REPORTS

J. CompStat – Chief Tandy Carter, Columbia Police Department

Chief Tandy Carter presented the year-to-date CompStat report in comparison to crime statistics for the Metro, North, South and West Police Regions in 2008. He reported that residential burglaries have increased by 7%, with 30 more than last year; last year we had a 14 year low in violent crimes with 48 more year-to-date than this time last year; individual armed robberies is a common theme that's increasing since last year; armed robberies are a concern; major crimes are down 10% year-to-date with 322 fewer overall crimes than last year; metro region crime is down 20%, but in March and April it was down 25%; there were 14 more home break-ins; there was an increase in violent crimes and aggravated assaults, which create fear in neighborhoods. The metro region includes the downtown area. The south region has always been our most challenging region, because it's the largest region. As of January 1st there was a 13% rise in crime and now we have moved down to 3%. He reported that the north, south and metro regions have more violent crimes, but have made great progress since the beginning of the year. The west region had 33 fewer crimes and crime is down 19%; crime in the north region is down 14% and a lot of that has to do with the organization of the community watch groups; there are 2 more violent crimes today than this time last year; this has been a model region for change throughout the City; there are 137 fewer crimes today than last year. The challenges across the board are how we deploy our resources and how we connect with citizens. The goal is to reduce crime.

Councilor Devine said that the numbers reflect that crime is down, but people in certain neighborhoods don't feel that they see that. One of the concerns is whether or not crimes are underreported. There are also concerns about whether or not officers are willing to take an incident report when there is very little information. Another concern is how accurate are the COMPSTAT numbers if incidents are not being reported.

Chief Tandy Carter stated that these are major crimes that have been reported. There are probably 18,000 crimes citywide when you include misdemeanors and felonies. We need to take a report to ensure that a crime has taken place.

Councilor Finlay said that there are concerns that Investigators are not returning phone calls to victims. They found their stolen items on Craig's List, but can't get our Investigator to return the phone call. There is a lack of timeliness in response; are violent crimes being moved down the ladder to make them appear less so; and are we taking incident reports.

Chief Tandy Carter stated that in 1950 there were 19 detectives and today we have 24. The detectives average more than 1,200 cases annually and we don't go to court very swiftly. We are trying to figure out how we can better follow up with people.

Councilor Davis asked what would constitute not writing a report when a person makes a call. Why aren't the drug related crimes included in the report, especially when they are coming out of neighborhoods?

Chief Tandy Carter said that the only reason they shouldn't take a report is if a crime isn't committed. The drugs aren't shown, because they are part two crimes and I am only showing part one crimes, which are major crimes that we are required to report to the state.

K. Climate Protection Action Committee (CPAC) / [Green Building Incentive Recommendations](#) – Mr. Robert Harkins, Climate Protection Action Committee Member

Mayor Coble asked staff to work with the Climate Protection Action Committee to have a regional sustainability plan as required under the grant. The Climate Protection Action Committee has a plan and we could all agree to that being the regional plan.

Ms. Anne M. Sinclair, Chair of the Climate Protection Action Committee reported that they have been working hard on the green building incentives. We will have the 3rd Annual Green is Good for Business Conference on September 3, 2009 and this year we are partnering with DHEC. We are also working very closely with congregations across the City in terms of green congregations and we will be sharing ideas on reducing the use of plastic bags to grocery stores, because plastic bags take up a huge amount of space at the landfill. Today's focus is on the green building incentives and one of our many partners is the Chamber of Commerce. Mr. Harkins took a leadership role and pulled together a great group of people. We've made it easier to administer and it is in compliance with the guidelines of the stimulus funding.

▪ **Mr. Finlay left the meeting at 12:15 p.m.**

Mr. Robert Harkins, Climate Protection Action Committee Member explained that they composed a very broad based committee from the community to develop this program. The intent is to provide incentives for green building. We propose the use of grant money to fund the program and to offset costs. We have determined and found ways to minimize the carbon footprint of the City and one way is to build greener. We developed this with goals in mind. We wanted nationally recognized standards and minimal impact on City staff. We wanted this to relate to a level of efficiency; the greener you build, the more incentives you are eligible for; we wanted to encourage existing buildings and new construction to go green; we wanted both commercial and residential projects to be included as well. He outlined the residential, commercial and historic building incentives.

Councilor Rickenmann asked if the City needed to make zoning changes or other changes within the DDRC in order for developers to achieve these goals. There is not a lot of flexibility when it comes to matching energy efficient windows with the profiles. How will we address that?

Mr. Robert Harkins, Climate Protection Action Committee Member said that they did not directly address that. The LEED standards provide different ways of getting through the process.

Mr. Marc Mylott, Director of Planning and Development Services said that he doesn't think there is an inherent conflict between the two. We will make the necessary amendments as issues arise.

Upon motion by Mayor Coble, seconded by Dr. Gergel, Council voted unanimously to endorse the Green Building Incentives as recommended by the Climate Protection Action Committee. Staff is directed to identify other funding mechanisms to provide ongoing funding for the incentives. Mr. Finlay was not present for the vote.

- L. Energy Efficiency and Conservation Block Grant (EECBG) Application – Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations and Ms. Chris Segars, Grants Professional

Ms. Teresa Wilson Florence, Director of Governmental Affairs explained that this is a newly funded program through the Federal Government; funded through the American Recovery and Reinvestment Act stimulus money. It is a flexible formula grant that states, counties and municipalities like ours receive a formula allocation. Our proposed formula allocation is \$1,424,100 and we've broken the allocation into two (2) initiatives: one is the Energy Audit Project and the other is the Green Building Incentive Program.

Councilor Rickenmann asked about the \$142,410 that is being allotted for administrative costs. What is that going to cover?

Ms. Teresa Wilson Florence, Director of Governmental Affairs explained that the Energy Audit was performed by Ameresco and the goals of the audit are to lower the City's utility costs; to reduce the City's energy usage; and to provide a better and more comfortable work

environment. Our intent is to use the majority of EECBG funds to implement projects as recommended and would include all City buildings. The funds would reduce the cost of proposed projects with the balance being funded using performance contracting.

Councilor Gergel asked if we identified new jobs that would be created.

Ms. Teresa Wilson Florence, Director of Governmental Affairs said yes. She continued to report that the savings per project are significant. In the first year alone we will save \$337,319.

Mayor Coble asked if we are going to do projects individually or take the money and use the performance contract with Ameresco for the five (5) projects.

Mr. Steven A. Gantt, Interim City Manager said that we will use as much of the stimulus funding as we can to buy down the cost of those projects; we'll work with Ameresco to cover the cost for the rest of those projects; and then use the savings we generate through the initial work to pay that back.

Mr. Larry Landry, Ameresco said concurred with Mr. Gantt.

Ms. Teresa Wilson Florence, Director of Governmental Affairs reported on the Green Building Incentive Program: \$100,000 total allocation; \$8,000 for incentives for qualifying projects; \$12,000 for staff training on green building; and \$8,000 for community education and marketing.

Councilor Rickenmann agreed that there should be a regional plan and suggested that we attack it on the transportation side, too. We need to drag in Richland County, Lexington County and the CMRTA into the overall plan. That is my charge to the CPAC Chair, Anne Sinclair.

Ms. Chris Segars, Grants Professional announced that we did get some money for a state emissions grant and we are going after competitive grants as well.

Upon motion by Mayor Coble, seconded by Mrs. Devine, Council voted unanimously to approve the Energy Efficiency and Conservation Block Grant (EECBG) Application to include funding for the Green Building Incentive Program in the amount of \$100,000 and the remaining funding for the Energy Audit. Staff is directed to develop a regional sustainability plan.

M. US Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP) / Fiscal Year 2009 Gang Prevention Youth Mentoring Program Grant - Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations and Ms. Chris Segars, Grants Professional

Ms. Teresa Wilson Florence, Director of Governmental Affairs explained that this is not a stimulus funded grant; it is through the Department of Justice and targets at-risk youth. The purpose of the grant goes toward youth mentoring. The Gang Assessment had to occur first and must be referenced in the application. This is an opportunity to address one recommendation in the Gang Assessment. I want to be clear that this is only one piece of the puzzle. We ask that you consider Benedict College's partnership.

Dr. Abigail Rogers of Benedict College said that crime is going to spike with the school year ending and Dr. Swinton and the staff at Benedict are going to do all we can to help the community. We will use mentoring to correct problems. I have pulled a team together at Benedict to work with the Parks and Recreation Department to pull together a mentoring program; we have staff that specializes in recreation programs; and we would like to develop more programs for at-risk youth. It won't cost the city; we will get the funds. The deadline is June 15, 2009; it's \$500,000 over three years; and we will tie 150 youth to 50 mentors.

Councilor Rickenmann asked how we are pulling all the programs together so we are not duplicating resources. I want to make sure there is a coordinated effort. Is there room for administrative costs for coordination?

Mr. S. Allison Baker, Assistant City Manager for Public Services said that they have made several presentations relating to the implementation of recommendations from the Gang Assessment. Dr. Rogers mentioned a component of that overall piece. We know that collaborations are necessary and that mentoring and outreach are a part of it.

Upon motion by Mayor Coble, seconded by Mr. Cromartie, Council voted unanimously to endorse the US Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP) / Fiscal Year 2009 Gang Prevention Youth Mentoring Program Grant Application.

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

Mr. Bill Manley appeared before the members of Council to express concerns about the City changing the projects in the bond issuance to remove the fire station for the Broad River Road area. He said that Parks and Recreation may need an administrative building, but you can't compare that to a fire station or public safety.

Councilor Devine said that it's one thing to build a building, but you have to sustain it. We would have to construct it, equip it and staff it and the money isn't in the budget. The Parks and Recreation staff is working out of a building with things falling down around them.

EXECUTIVE SESSION

Upon motion by Ms. Devine, seconded by Mr. Rickenmann, Council voted unanimously to go into Executive Session at 1:15 p.m. for the discussion of items as listed below. Mr. Davis was not present for the vote.

- N. Discussion of legal advice which relates to a pending, threatened or potential claim
 - Ordinance No.: 2008-099 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 5, Buildings and Building Regulations to add Article VIII, Local Agent Designation Program

This item was discussed in Executive Session. No action was taken.
- O. Discussion of negotiations incident to proposed contractual arrangements
 - Capital City Ballpark

This item was discussed in Executive Session. No action was taken.
- P. Receipt of legal advice which relates to matter covered by the attorney-client privilege
 - Sheehan v. City of Columbia
 - **Ordinance No.: 2009-048 (*Through Trucks Prohibited on Certain Streets*)
 - **Resolution No.: 2009-037 (*The Factory*)
 - **City of Columbia Annexation Policy (*Covenants*)

These items were discussed in Executive Session. No action was taken.
- Q. Discussion of negotiations incident to the settlement of legal claims
 - **Baker & Baker

This item was discussed in Executive Session. No action was taken.
- R. Discussion of employment of employee
 - **Council adjourned the Executive Session at 3:20 p.m.**

- **Council convened the Audit Committee Meeting at 3:26 p.m.**

AUDIT COMMITTEE

The Audit Committee met on Wednesday, June 3, 2009 in the Conference Room located on the second floor of City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 3:26 p.m. The following members of the Audit Committee were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergel. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

- S. ****Community Development Department – Ms. Jackie Breland, C.P.A. / Jackie Breland & Associates and Ms. Holly Scofield, C.P.A. Consultant Associated with Jackie Breland & Associates**

Councilor Finlay explained that over the last month questions have been brought up about the component units and issues that are holding the citywide 2008 audit up. All Council members agree that we need to facilitate moving forward as quickly as possible and in the most cost efficient manner possible. I asked that Ms. Breland and Ms. Scofield provide a synopsis of the existing issues, possible solutions and the associated cost.

Ms. Holly Scofield, C.P.A. explained that as she understands it they are waiting for a determination on whether or not the Columbia Empowerment Zone, Inc. (CEZ, Inc.) was a component unit of the City as of June 30, 2008. I don't know if Mr. Lawton has been asked for the checkbook; I think it will come down to the issue of whether it's material; that's the first question. The external auditor's opinion is the only one that matters. If he thinks it's a component unit and you choose not to include it then you will get a qualified opinion in your financial statement.

Councilor Finlay asked how a qualified opinion would impact us.

Mr. Jeff Palen, Treasurer said that as far as issuing a bond, there would be a lot more scrutiny.

Councilor Devine said that everybody agrees that it's a component unit; we are okay on that. Generally speaking, what if you have a situation wherein the auditor has one opinion and you try to provide information because you disagree and the auditor still doesn't agree; is there anyway around that? I hope you all are resolving that, but there's one where Mr. Ellis thinks we need to correct a previous entry and Mr. Addison disagrees. If they can't agree on that, then where does that leave us?

Ms. Jackie Breland, C.P.A. / Jackie Breland & Associates said that the issue is material and you have to try and resolve it with your auditor.

Councilor Finlay said that the problem is if we can't reach a middle ground with the auditor, they can't finish the audit.

Ms. Holly Scofield, C.P.A. presented a checklist that all auditors use when they make the determination and the first question is are the financial statements of component units material to the financial statements of the partnering government. That's the issue with the Columbia Empowerment Zone; as of June 30, 2008 are the assets and revenues material to the City's financial statements? If the answer is no then you go right to the end and they are not a component unit. I think the auditors are waiting on a copy of the checkbook so they can look at the transactions and determine whether or not it's material.

Mr. Tony Lawton, Director of Community Development explained that the first transaction for the CEZ, Inc. took place on September 24, 2008. That's when we did the closing for the North Main Plaza.

Councilor Devine asked if there were any transactions as of June 30, 2008.

Mr. Tony Lawton, Director of Community Development said there were no transactions.

Mr. Bill Ellis, Deputy Finance Director said that they are approaching it from that vain; that it's not material to the financial statements; that doesn't mean it's not a component unit; it means that it's okay to leave it out for 2008.

Mayor Coble suggested that Ms. Scofield meet with staff to resolve this and bring any other issues back to the Audit Committee.

Ms. Holly Scofield, C.P.A. asked if they wanted her to facilitate getting information from the CEZ, Inc. to the auditor so that he has what he needs to make a determination.

Mr. Bill Ellis, Deputy Finance Director said that he needs to know how the Columbia Empowerment Zone, Inc. is doing its business and what business that is.

Councilor Finlay said that we know what we need to do to get 2008 going, but we need to keep focused on what else we have to do to avoid having problems on the next audit.

Mayor Coble concurred, adding that staff has to be on the same sheet of music.

Councilor Finlay said that down the pipe we will have to focus on the fact that the Columbia Empowerment Zone, Inc bought property from Eau Claire Development Corporation (ECDC) and since they are both adjuncts of the City it didn't take anything from ECDC off the City's books; it just moved it from one to the other. If it were designed to be a separate unit, what has to happen for CEZ, Inc. to be a separate unit or can we have a board that's a non-City appointed board running a component unit.

Mr. Bill Ellis, Deputy Finance Director explained that the fixed assets are not as easy to rectify. We found \$13 million worth of land that we never recorded on statements in years past. That \$13 million is a prior period adjustment and the external auditor is saying that if we overlooked \$13 million worth of land when the fixed assets were reconstructed in 2007 maybe we should look at all fixed assets and see if there is anything else hanging out there.

Councilor Rickenmann said that we bought the land and recorded it, but it wasn't booked as a fixed asset. It could not be purchased without anyone knowing.

Mr. Bill Ellis, Deputy Finance Director said that it wasn't recorded in our system.

Mr. Steven A. Gantt, Interim City Manager said that a lot of that is the value of property for sewer right-of-way easements.

Mr. Bill Ellis, Deputy Finance Director agreed that most of it is water and sewer. A member of his staff reviewed the Richland and Lexington tax rolls to compare and verify that we had everything that we should have.

Councilor Devine asked how this will be resolved.

Mr. Steven A. Gantt, Interim City Manager said that they have gone back through everything; all of the Department Heads have gone through an exhaustive list; and we've given that information back to Accounting.

Mr. Bill Ellis, Deputy Finance Director reported that a bunch of studies in various departments had been done that should've never been capitalized as fixed assets. For example, there was a Lidar study for mapping the City of Columbia. We have gone through all of the fixed assets and my staff is providing the information to the external auditor today to determine where we go next.

Ms. Holly Scofield, C.P.A. stated that there isn't anything in her report that will impact the 2008 audit.

Councilor Rickenmann said that the loan for the Two Notch Development Corporation (TNDC) was not written off; we extended that note. That's an error, because we as a Council voted on that. It was lent out of the land acquisition fund, which has enough assets to cover that.

Mr. Bill Ellis, Deputy Finance Director said that he presented that to Council, because it was an audit adjustment that the auditor proposed and you all accepted the journal entry. Putting it in allowance does not mean that it is written off; that is an accounting valuation of the collect-ability of the asset.

Ms. Holly Scofield, C.P.A. said that she could put that into the report, because it's part of the journal entry that involved the Eau Claire Development Corporation. It's not germane to what I am discussing in this report; it can easily be removed.

Councilor Devine asked if it would be acceptable for the City of Columbia to take the land instead of the TNDC holding the title and when the development gets ready we can sell it to the developer.

Ms. Holly Scofield, C.P.A. said that they were asked to provide a preliminary assessment of the Community Development Department recording of grants and program income. There were concerns by Mr. Lawton related to the way the grant revenues have been recorded in prior years before Mr. Ellis came on board. There is a Fund 251 where all the revenue is recorded, but there are all these loan funds that are making loans with federal money and various sources of funding from the City of Columbia. I have a feeling that when a loan is made from a CDBG it is drawn down from the federal government to cover that loan. For example, a loan is made from the Empowerment Zone Fund 501, but the revenue is never moved over to that side; it remained in Fund 251 and it impacts the program income. Their records reflect that they should have a certain amount of program income. When Mr. Ellis does all the accounting and runs everything through it's showing that Fund 501 has a negative fund balance. We are recommending that a team be assembled to review this matter. There is also a question about Parks and Recreation and whether there was money to commit to Parks and Recreation and a record of what the carry-forward has been, because a lot of the Community Development grants go on forever. That needs to be reconstructed. There is one very time sensitive issue that I have to mention; the Community Development Department is going to have a HUD audit for the Empowerment Zone and with this issue of program income HUD has now said that you have to use your program income before you can drawdown any funds and Community Development has reported to HUD on what they show the program income to be, but the program income isn't there and when HUD comes in I highly recommend that if this analysis is incomplete at least it demonstrates that the City is aware of this problem with reporting of prior revenues. Mr. Ellis fixed it for 2007 going forward, but we still have the prior years to look at.

There was a consensus of Council to direct Mr. Steven Gantt, Interim City Manager to compose a team consisting of staff from the Community Development Department and the Finance Department to be supervised by an independent third party to perform an analysis of the issues presented here today. The members of Council should be notified once the third party is selected and a report should be provided once the analysis is complete.

- **Council adjourned the Audit Committee Meeting at 4:00 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk