

A work session of the Beaufort City Council was held on January 13, 2015 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Mike McFee, George O'Kelley, Phil Cromer and Stephen Murray, and City Manager Scott Dadson.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER

Mayor Keyserling called the work session to order at 5:00 p.m.

NEW FIRE STATION

Scott Dadson said when the previous council set a bond for this building, they also determined the amount of money to be spent on fire station improvements. Costs were estimated for improving and expanding the upfit station and the Mossy Oaks station. Since then, much has changed. When the upfit for the old station bids happened, Mr. Dadson said, council elected to hold off on it to reprioritize the money and where it would be spent. The Civic Master Plan and internal changes in administration led to more reorganization of priorities. There was also the matter of the contract with the Town of Port Royal about sharing fire services; the contract issue was resolved, and then the station came up again, and the Town of Port Royal "elected not to." The site on Ribaut Road was selected, and the project prioritized to be expandable to a headquarters station if that was ever necessary in the future, according to Mr. Dadson.

Kathy Todd said, prior to closing on the property, the geotech study was conducted, and the report was issued. The decision to purchase was contingent on the test results. They revealed there would be considerable additional costs to get it to the point where construction could begin. It would exceed the budget, Ms. Todd said. Mayor Keyserling said it was "still the best dirt." Ms. Todd said there were the same issues in the majority of other sites being evaluated as well.

Mr. Dadson said that as they developed the site, other issues arose: it's small and narrow and had rear access for the public (Bowling Alley Lane). The site needs to access stormwater, access to Ribaut Road, and parking and the like for fire personnel. The Civic Master Plan had contemplated a cut-through road in that general vicinity. They needed a "more universal" solution for the stormwater, parking, etc. The second access point to Ribaut Road, parking and stormwater were all accomplished. Bowling Alley Lane will only be a driveway at this time, Mr. Dadson said. Council had meetings where materials and space requirements were discussed, and the acceptable basic building was determined. Finally, they went out to bid. The process began 9 years ago, Mr. Dadson said. Two sets of funds were available: proceeds from the bond (\$2.5 million) and reserve funds that were unrestricted for future capital needs as council sees fit.

Four bids were received, and the lowest responsible bidder was Fraser Construction for \$243,000 in savings. Mayor Keyserling said he was shocked at first by the number because it

was so much more than before, but in reality, they have “taken on two projects and called them ‘the fire station’.” The stormwater was going to be dumped where there were already problems, and there was an arrangement with the potential development of apartments to open this up. There’s the fire station and then the neighborhood improvements made sense to him to do at the same time, which helps him justify the expense.

David Coleman said they would need so much pavement, so they were going to have to do underground storage. That’s expensive, so they instead spent the same or less by teaming up with the neighbor in exchange for opening up the access from the front. The underground vaults went away, the road went in, and they are sharing facilities. It’s a global solution for the stormwater and will tie into another pond, which will “outfall.” Councilman O’Kelley asked where that pond is, and Mr. Coleman said it would go down First Blvd. and down to Jane Way. Mr. Dadson said some of these project costs are being absorbed by the stormwater fee system.

Mr. Dadson said there was a need in the original design for another connection/driveway permit; they bought the property to get access to it and found and maximized savings this way. Mayor Keyserling said opportunities to cut costs on the fire station and open up for redevelopment at least one subdivision and maybe another, they didn’t add \$500,000 to the fire station, at least from a semantics point of view. Ms. Todd said of the \$500,000, \$254,000 is specific to the fire station and is tied to the geotech report, and the materials for the building; \$300,000 is for the stormwater. Ms. Todd said if the council wants to do over the two contracts, the work that’s been done would be disqualified, and they would have to start over with two separate bids, according to **Bill Harvey**. Mayor Keyserling said they don’t need to do that; they need two cols that show “where what goes.”

Councilman O’Kelley said the fire station couldn’t be built without addressing the geotechnical issue. Ms. Todd said they started with \$2.2 million in bond proceeds. Council decided to use committed fund balance of \$359,104 for land acquisition. The stormwater component is coming from next year’s budget. When undergrounding is concerned, there’s a 50-50 split with SCE&G, and it’s about \$7000, with \$3750 covered by the city. \$554,159 needs to be funded. Ms. Todd discussed the funds that would be available for council to approve to cover this amount. She said council has in their fund balance policy two components that are committed: one for redevelopment and the other for capital projects. She went on to explain how that works in terms of the fund balance policy. She recommended that they start with the fund balance assigned for capital projects before using the committed funds. Mr. Dadson said council had set this money aside for this sort of project. “These are your dollars to go to for these kinds of things,” he said.

Councilman Murray said there’s a connection on the rear end of the property to an asphalt drive, and he asked if it connects to First Blvd., and Mr. Dadson said yes, that’s Bowling Alley Lane. It’s a platted easement and has been perfected to be a real road access out the back.

Councilman Cromer asked, looking at the footprint, if they had to expand, where it would go. Mr. Dadson said it’s designed to expand. **Chief Sammy Negron** said the first and second floor

could expand to the back, including the bays. Mr. Dadson said since they have held the pricing, staff recommends that they have a special meeting to enter into the contract before next week's meeting. It's a standard contract with minor tweaking. Mayor Keyserling asked if there was a deadline on the offer. Ms. Todd said yes, but she couldn't recall "what the end of (the holding of the rates) is." There was a brief discussion about the need for a special meeting.

PARKING BUDGET AMENDMENT FY 2015

Ms. Todd said the numbers in council's packets were projected based on the previous analysis of the estimate. Using that as a basis, they estimated gross revenues from December 'til June, and took actual operating expenses from November to November from Lanier to estimate their remaining expenses, then SP+'s first year proposal. It's about \$76,000 a year. The estimated \$150,000 in parking revenues for next year and then allocated it from there. With the revision, there will be a shortfall of about \$73,620, which is the basis of the budget amendment that will come to council later. In the redevelopment fund, \$52,524 was appropriated to Main Street. \$25,000 is to go into future parking infrastructure needs, which is another commitment. Staff needs direction on the flow of those resources. Councilman Murray asked the balance in the maintenance infrastructure fund. Councilman Murray said that SP+ would complete the change to the meters, so he asked if the maintenance fund could be suspended for a year.

Mr. Dadson said they have a shortfall. If they commit to it first and not to the redevelopment reserve, they will be short still. The issue is more about the flow of funds, and staff feels council should direct it. Ms. Todd explained the amounts out of the reserve for infrastructure thus far. Councilman O'Kelley said council has approved the allocation for Main Street Beaufort for the rest of the fiscal year, so if they are going to make up the difference, he asked, where would they do it? Mr. Dadson said they are suggesting that they short the reserve used for development.

Mayor Keyserling said he feels that they can come up with \$1100 if there's a shortfall, but the larger issue is that they had a partnership, but should they continue to tie revenues to parking? Main Street Beaufort didn't speak for all the merchants, he said. And the calls/complaints were going to come to council, so Main Street Beaufort and Redevelopment Commission were let off the hook for parking. Now they are stuck with finding formulas for parking, Mayor Keyserling said. Should Main Street Beaufort be moved into the General Fund? What is the role of Main Street Beaufort? Of the Redevelopment Commission? What's the overlap? The agreement no longer exists. Council didn't know what the revenues of parking would be, and Main Street Beaufort needed to make long-term commitments. Neither Main Street Beaufort nor the Redevelopment Commission is managing parking. Any excess revenues from parking, Mayor Keyserling believes, should be reinvested in parking, "one way or another." These organizations are not part of the SP+ agreement.

The city has guaranteed to Main Street Beaufort that they will receive city funding whether there are revenues or not. Mr. Dadson said it would be best for council to "at least direct the flows and what the order is": Main Street Beaufort, reserve for capitalization of the institution,

etc., and after that, there needs to be a discussion about the next fiscal year. The distributions that were created at another time, Mayor Keyserling feels, should be done away with.

PARKING – BLUE RIBBON TASK FORCE

Mayor Keyserling said this idea came back as part of the discussion in regard to extending the free parking. Mayor Keyserling said “an economist” would need to determine if the data collected is a fair assessment. The aggregate is the information that is sought, not what a particular business does. The city only wants to determine what, if any difference, the two free hours made. Also, there are other matters around parking that need to be discussed. Mr. Dadson has said for a long time that there are 122 parking spaces, BK said, on the street. One thing to be discovered is what other capacity there is. Another is that when they first discussed developing the marina parking lot, they discussed that the St. Helena’s parking lot (the old Hendricks Furniture Building) and other lots that could be potential parking places as underutilized flat lots that are mostly used for Sunday church parking.

Other suggestions, Mayor Keyserling continued, include:

- Two-hour free parking from 10 am – 12 pm
- Parking stickers for area residents
- SP+ has some thoughts on the use of cards and flexibility from technology.
- **Tony Royal** had suggested graduating fines from \$5 up, Mayor Keyserling said.
- Can more spaces be gotten on the pork chops on Port Republic?
- One-way angled parking on Bay Street
- Anchorage and other spots (303 apartments in the Western Auto lot) – What are their plans?
- Waterfront Park parking lot – The city wants an open green space, but that’s 150 parking spots.
 - Are the kiosks in the flat lot working?

There needs to be something done “about the anecdotal material” – the central issue – in regard to employees and employers parking on Bay Street, Mayor Keyserling said. Main Street Beaufort can determine whether there is a way to handle that with the help of the merchants.

Mayor Keyserling said he’s “most curious about how to stop the leakage” that was noted in the downtown marketing report. **Charlie Williams** said a lot of the \$500 million leakage is going to big box stores. Mayor Keyserling said if they could hold 20% of that, That’s \$100 million; even 10% would be good. Mayor Keyserling suggested who he thought should be on the panel – people who don't shop downtown, heads of churches, etc. The larger the group, the more likely people will skip the meeting, so small groups within the task force would be best: sub-committees to deal with particular aspects of the matter. Another, Mayor Keyserling said, might be a conversation with **Dick Stewart**, who has the lot now that had a \$5 a day rate which some employees took advantage of when Trask owned it. Now that’s not there, and during events, the spaces aren’t guaranteed. Spaces can be oversold and never run out, Mayor

Keyserling said, but when it's time for the festivals, more spaces are sold than are had. A garage is also potentially on this list.

Mayor Keyserling clarified that this task force will spread out in the city, not to do a study but to be a working task force that has a beginning, middle, and end. **Bob Kamper** said a license plate recognition camera might be a good tool to bring in to "ping" parkers' duration of stay; they can determine if a car's downtown every day, if it moves to a different place during the day, etc. The goal is to have 85% of spaces occupied with turnover at any given time, and to have that, you can't have stagnation, Mr. Kamper said. For off-street parking, some lots are busier than others, and "you want to push long-term parkers to the surface lots."

Maxine Lutz said she was under the impression that council was taking a look at the surface lots that are owned by the churches downtown and trying to encourage their reintegration into the life of the city rather than just being parking lots. Mayor Keyserling said they were trying for that. There was a discussion of who should be on the task force and whether they need to have Main Street Beaufort and the Redevelopment Commission on it. Mayor Keyserling said he had 6 people in mind who had had their businesses on Bay Street for a long time.

Mr. Williams said people with an interest in being on the task force should be allowed to participate. Mayor Keyserling said he goes to do a fireside chat at Dataw, Spring Island, and Callawassie. Downtown "matches" those people well. Mr. Williams said they need to truly find out why people aren't coming downtown because it's more than parking. Councilman McFee said the marketing study addresses a lot of those reasons why they aren't coming downtown. He said it always has to be a part of the subset of where they are coming from, but it can get "so deep that no task force could ever come up with an answer." The people who are part of it need to have some knowledge of what's gone on in the past as well as some people who can contribute to resolving the issues. If they're too technical or specific about the questions, they will answer none of them. Councilman McFee said the mayor's idea of breaking into subcommittees could work. Mayor Keyserling said, on the form-based code, they "tried to be too inclusive," and that created problems. Big can be bulky and do nothing, but if you want to be inclusive, you want to be as big as you can, so small groups of 4-5 people could each take one area of this issue, and "no one would be lost."

Mayor Keyserling said the best assignment for next week might be to discuss people for this task force at the work session and ponder the most important issues that need to be approached. Councilman Murray said the task force's goal would be to come up with short- and long-term solutions for bringing vitality to downtown. He suggested as issues short-term parking solutions after June 30, long-term parking solutions or recommendations, a parking garage, downtown retail issues including those beyond besides parking. Mayor Keyserling said he would look at it more finitely: how many parking spaces can be found on the street? What lot owners would be willing to work with the city and under what conditions? and so forth. The overarching issue is the vibrancy of downtown.

Mr. Kamper said it's important to remember that downtown parking is about more than one block. Councilman Murray said they all agree that they should get moving, but how should they get additional names or subcommittees in the next week? Mayor Keyserling asked Councilman Murray to send council a memo "about bringing it forth."

Mr. Kamper said some of what they do will come from the task force and what the goals end up being. They can have some short-term recommendations for things like people feeding the meters when they don't need to. They should all say the same message to get the idea across; they need to collect data and find out what the city needs. SP+ will start February 1, Ms. Todd said. SP+ and Lanier are talking. On January 30, 2015, they will transfer keys and passcodes. They are working on a lease for the same location.

EXECUTIVE SESSION

Pursuant to Title 30, Chapter 4, and Section 70 (a) (2) of the South Carolina Code of Law, **Councilman O'Kelley made a motion, second by Councilman Murray, to enter into Executive Session for the purpose of a discussion regarding personnel and land acquisition. The motion passed unanimously.** The work session was adjourned at 6:33 p.m.

A regular meeting of the Beaufort City Council was held on January 13, 2015 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, council members Mike McFee, and George O'Kelley, and City Manager Scott Dadson.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80(d) as amended, all local media were duly notified of the time, date, place, and agenda of this meeting.

CALL TO ORDER

Mayor Keyserling called the meeting to order at 7:05 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Councilman McFee led the invocation and the Pledge of Allegiance.

Councilman O'Kelley made a motion to recess from Executive Session and reconvene after the regular meeting. Councilman McFee seconded. The motion passed unanimously.

PUBLIC HEARING: COMMUNITY DEVELOPMENT BLOCK GRANT (CDGB) NEEDS ASSESSMENT

Barbara Johnson, LC Council of Governments

Ms. Johnson said to apply for CDBG finds they need a current needs assessment on file and they will do that tonight. This public hearing was advertised in the local paper. She explained what CDBG does and the criteria necessary to apply for grants and the requirements for programs that are applied for for funding. Ms. Johnson shared the deadlines for various grant application requests and grant applications. She went on to share the funding amounts that could be applied for in the various granting categories.

Ms. Johnson asked council to rank their priorities and asked the mayor to open the floor for comments.

Libby Anderson said based on the Civic Master Plan from a planning perspective, the four major needs are streetscape improvements for low- and middle-income developments, particularly on Greenlawn Drive. Other needs are

1. Continuing the Duke Street project (Duke 3)
2. Drainage citywide and in the low- and middle-income areas
3. Park improvements, particularly the need for restrooms at Washington Park
4. Housing repairs for owner-occupied low- and middle- income residents

Councilman O'Kelley said the city doesn't own Washington Street Park. Mayor Keyserling said they have a proposed lease for the trust, but they don't know if they can use federal dollars on leased properties. Ms. Johnson said they could, as long as it's on a 99-year lease.

Councilman McFee asked about matching funds. Ms. Johnson said "special projects" is a new category. You don't apply for a maximum amount and put in 10%. You need more money to put in and leverage in order to get it. The more you put in, the better chance you have of getting funded.

Mayor Keyserling asked about business development and if Commerce Park marketing could count. Ms. Johnson said she would put it on the list and have **Michelle Knight** get back in touch with them. Ms. Johnson said it's more about who's being hired if they could get funding there.

Councilman Cromer asked when the COG votes on the projects. Ms. Johnson said they write the projects and submit them to grants administration at Department of Commerce. Whatever the city asks them to write, they will, but the city has to form a resolution and come up with the 10%.

Councilman Murray asked what areas of the city qualify for some of these programs. Ms. Anderson said they need to look at the most current census data: in the Northwest Quadrant and parts of Higgonsonville, possibly Mossy Oaks and the census track that goes over Ribaut Road into the West End. Ms. Johnson said they have to get income information unless they can qualify a particular census track; to do this, they "go out and door knock." **Mayor Keyserling closed this public hearing.**

MINUTES

Councilman McFee made a motion, second by Councilman Murray, to approve the minutes of council's special meeting and work session December 16, 2014. The motion to accept the minutes as submitted was approved unanimously.

Councilman McFee made a motion, second by Councilman Murray, to approve the minutes of council's work session and regular meeting December 23, 2014. The motion to accept the minutes as submitted was approved unanimously.

ORDINANCE REVISING SECTION 6.5.K OF THE UDO TO REQUIRE THE FINISHED FIRST FLOOR OF NEW RESIDENTIAL CONSTRUCTION TO BE ELEVATED A MINIMUM OF 18" ABOVE GRADE

Ms. Anderson provided the background on this issue. This is now if the finished first floor is below the grade of the property surrounding it, especially when it is lower than the street, but there are other cases where adjoining properties can drain on to it. Ms. Anderson said she feels there will be no additional costs. A grading plan is already required. **Councilman McFee made a motion, second by Councilman O'Kelley, to approve the ordinance on second reading.**

Councilman McFee said his concern about overreaching feels as if it has been met. Councilman Murray said he was lead to favor it because of the addition of the bowl requirement and no additional costs. **The motion passed unanimously.**

MOTION TO CHANGE THE NAME OF HORSE HOLE PARK TO CUTHBERT PARK

Councilman O'Kelley made a motion to rename the park, second by Councilman McFee.

Tommy Logan said the old name is "rather raw," and if there is a plaque put up, he would like council to consider adding "a little blip" that it was known as Horse Hole at one point "to preserve the history of the place." Councilman Murray said he likes that suggestion. **The motion passed unanimously.**

REQUEST FROM HOPE HAVEN FOR CO-SPONSORSHIP REGARDING THE USE OF THE

WATERFRONT PARK FOR THE ANNUAL 'TAKE BACK THE NIGHT' EVENT

Councilman McFee made a motion, second by Councilman O'Kelley for the April 10, 2015 event. Ivette Burgess said this is the fourth year, and it's a good event, open to the public. The event is a couple hours long, and staff supports it. **Jeff Spargo**, director of programs and outreach at Hope Haven, introduced himself and described the event. **The motion passed unanimously.**

REPORTS BY COUNCIL

Councilman McFee said he was in the last policy committee meeting in regard to the questions council had about Highway 17 repairs of the back bridge. Discussions are underway about raising funds to expand the road and working with Georgia to share costs for the back bridge. They have \$53 million identified in funding sources with the LCOG and identified NPO funds, and they are expecting Georgia will pay half of the \$20 million on the old bridge because of the five crossovers on the state boundaries on South Carolina and Georgia.

Mayor Keyserling asked Councilman McFee to join Mayor Keyserling and take **Mike Sutton's** place on the Northern Regional Plan Implementation Committee; Councilman Cromer will serve on the Lowcountry Council of Governments.

Councilman O'Kelley said he took a walk on the marina with **Rick Griffin**, who's turned some of the boards there, but there is a lot of rot underneath and rust on the metal pipes in addition to it. This is a capital project, and he feels the marina is "an accident waiting to happen," so he thinks it should be addressed, and he asked the city manager "to find out from the fella doing the appraisal what needs to be done" and what it will cost.

Councilman Cromer said the Municipal Association has asked for a council resolution "to support advocacy on the 2015 stuff," and Historic Beaufort Foundation has a dinner and lecture from 5:30 – 7:00 on January 26. **Mr. Sutton** will speak about restoring historic buildings.

Councilman O'Kelley made a motion to reconvene the Executive Session, second by Councilman McFee. The motion passed unanimously.

Two actions were taken in the session: A motion passed unanimously for the HR director to take out an ad for the city manager position. And **Bill Prokop** will serve as the interim city manager, effective February 1, 2015.

Councilman O'Kelley made a motion to come out of Executive Session, second by Councilman McFee. The motion passed unanimously.

There being no further business to come before council, **Councilman O'Kelley made a motion to adjourn the meeting. Councilman McFee seconded. The motion passed unanimously**, and the meeting was adjourned at 8:24 p.m.