

A work session of the Beaufort City Council was held on August 26, 2014 at 5:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling, Council members Donnie Ann Beer, Mike McFee, Mike Sutton, 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 work session to order at 5:00 p.m.

DISCUSSION OF SCOPE OF PARKING SERVICES IN PREPARATION FOR SOLICITING PROPOSALS

Council has a 5-year limit on its contracts and this is the end of the contract for parking management services, Mr. Dadson said, so before going into it again, they are reviewing and seeking comments and questions.

Ms. Todd said the Redevelopment Commission executed the contract with Lanier Parking Meter Services on November 9, 2009. Ms. Todd reviewed how the payment system to Lanier works. The current RFP has parking enforced from 10 a.m. – 6 p.m. but not the hours the contractor is to be open, so it's proposed that this would be included in the RFP and contract: that they are to enforce for the same hours and the contractor is required to offer coverage from 10-6 as well, not ending at 5 p.m.

The amount of time for required for termination of the contract will remain the same, Ms. Todd said. In regard to budgeting, Lanier submitted theirs in April, and it's proposed that the budget would be in keeping with the city's fiscal year. The parking company is required to do all accounting, and the city can audit at any time if they choose to; the city is keeping that in the RFP and the current contract. Ms. Todd said there has been no need to audit Lanier, but they could make it an annual requirement.

The parking company hires and terminates all personnel and is responsible for all payroll. The city is recommending that the RFP be incorporated into the contract so it can be more specific and tighten up the standards in regard to things like uniforms being provided and worn. A monthly income statement will continue to be required but also other information such as number of tickets given and delinquent ticket collection (which hasn't been followed through on and wasn't covered in Lanier's contract, so Lanier would have to have built that into their costs to determine the vehicles' ownership by the license plates). Mayor Keyserling said they don't have authority to pursue collections, and that was the problem. Ms. Todd said there are provisions with the SC DMV through a "requester code," and they can obtain necessary information from out of state license numbers for a price per hit. Councilman O'Kelley said some people "flaunt their tickets," and they have been booted. 60% of the delinquent tickets are in-state, Ms. Todd said, and the city could see that the owners have their state tax refund pulled from, if steps are taken that would need to be taken to do that.

Councilman O'Kelley said he was opposed to the \$10 and still is, but he feels like if it's the law, they should enforce it. Mr. Dadson said the council still sets all of this, not Lanier. Councilman McFee said that Lanier would have to change the printed materials, though. Councilman O'Kelley said he'd like to find out whether it's worth going after these delinquent fines through the tax refund. Ms. Todd said that over 5 years, delinquent tickets are worth about \$500,000, so going through a collection effort would be worth making that a provision of the RFP.

Staff would like to establish a provision for the parking company to meet quarterly with the city for review. Lanier is required to deposit daily and "to safeguard cash"; the city would like to enhance this, ensure that there are internal controls to safeguard cash, and have the parking company outline those procedures. Also, the contract doesn't outline the minimum requirements related to the meters, so they want a provision that says at 90% or less full, the meters are to be emptied. They recommend that during emergencies, the company provide parking management services such as remove meters and pay stations and secure them, in the event of a flood, for example.

Ms. Todd said the memorandum of understanding between the Redevelopment Commission and Main Street Beaufort indicates that in regard to parking revenues, Main Street Beaufort gets \$40,000, \$25,000 goes to the capital reserve for the purchase of future meters, and of the rest, 15% goes to Main Street Beaufort, and 85% to the Redevelopment Commission. Staff is seeking council's guidance, as to whether it would like to do this the same way in future, Ms. Todd said.

Ms. Todd showed a chart of historical comparisons of net parking revenues, which have dropped annually since 2011. Gross parking revenues were \$415,000 and now are about \$446,000, but there has been an 18% increase in expenses in that time. Mr. Dadson said they've been normal costs, but "that's why you go out to bid every 5 years." It's insurance, gas, and personnel costs, mostly, Ms. Todd said, and after 5 years that goes up, as did Lanier's rent. Councilman Sutton asked about overtime, and Ms. Todd said that wasn't significant. Councilman Sutton said he saw that there was a Lanier group downtown during festivals and construction, and he wondered if that was a factor.

A discussion ensued about the time last year a group came downtown and used parking spaces to sell cars when it was thought that they were filming a commercial, Councilman O'Kelley said. During Water Festival, something similar happened, Councilman Sutton said, but **Ivette Burgess** said all of those parking spaces in the marina lot "were paid for." Councilman Sutton said he had heard people "were told that they were leased for vendors."

Councilman McFee said during the initial parking services contract discussions, Lanier was told that they needed to report on delinquencies, and Mr. Dadson said it was a discussion that was held later on. Councilman Sutton said that council was told delinquencies would be handled, as they were told the habitual offender issue would be. Ms. Todd said that's why staff would like to enhance the collection efforts, so all the companies that propose

understand that they have to identify and collect on delinquent tickets, “but it’s tough to enforce now.”

Ms. Todd showed the historical distribution of revenues. Councilman McFee said “spending \$300,000 to make \$150,000” makes him think it could be done in-house more effectively. Mr. Dadson said if that’s a concern, they “could go through the process and do some analysis.” Mayor Keyserling said he thinks they need to do that. If the city costs went up 20% in 3 years, “we would get our butts kicked.” If they stay on this scale over time, “it would be a losing proposition.” Mr. Dadson said he would “create a straw man” that council can compare it to. Mayor Keyserling said he thinks that’s important, and then staff can use it, too, in comparing RFPs. Councilman McFee said that the city pays all of Lanier’s expenses. Ms. Todd said they get them from the gross revenues. Mayor Keyserling said there’s no incentive to save money. Councilman McFee said yes, and they also have no audit, at which point they could be asked to find a cheaper place to have their office, for example. Ms. Todd said there might be industry studies that will show standard operating costs. That may be hard to compare because of different revenue structures. Councilman McFee said a company this size should be able to provide debt collection. Ms. Todd said she had told Lanier that they obviously do so elsewhere, and “then they identified that they were able to do this.” Mayor Keyserling said that their presentation at the time their services were initiated was that they would do everything to obtain collections short of police powers.

Ms. Todd said the city owns the meters, but what’s in Lanier’s office, like cash-counting machines, for example, is theirs. Mr. Dadson said when the city first did this, “there were a lot of liabilities,” including coin counting, and when Lanier came on, rates and fines were raised. Ms. Todd said the new meters have transaction reports as well as taking cards, so now there’s better control of accounting for what kinds of payments were; this is meant to help prevent fraud, which was rife in the parking industry.

Mayor Keyserling said everyone should bear in mind that this is a business; it would be an enterprise fund if it were in-house, Ms. Todd said. Mayor Keyserling said the Redevelopment Commission share of the money is mounting and little is being spent. He questions whether a not-for-profit organization like Main Street Beaufort, which is “raising money and doing so successfully...needs as much support from the city.” Mayor Keyserling said he has spoken to the Main Street chair and to **LaNelle Fabian** about this, and the chair said he feels it is “a fair question.” “This is purchasing something,” Mayor Keyserling said, and “isn’t just a government grant,” so he thinks they need to have a separate conversation. Mr. Dadson said he would set up a workshop.

Mayor Keyserling said Lanier was “permitted to do their own thing at first.” They had their own contract about parking at Port Republic Square. There was an issue as to whether they could bring the business into the system and manage it. Port Republic Square is being reorganized; he understands that parking is going to \$1 an hour. Mayor Keyserling said he doesn’t know if Lanier is managing it. Ms. Fabian said she thinks Lanier is *not* managing it. Mayor Keyserling said the contract should say if the parking management company can or

can't have other clients, and the city should know if the funds are being comingled. Mr. Dadson said he and Ms. Todd would research that.

Councilman O'Kelley said Lanier originally managed the downtown core, but now he thinks their enforcement reach is "up to North Street." Mayor Keyserling said they are on Carteret and Charles Street and were authorized to be. Councilman O'Kelley said he had reported someone, and at first, Lanier said they couldn't ticket there, and then later they said they could. Mr. Dadson said they would find out so they will have that in the RFP.

Councilman McFee said he would like to find out how many tickets are appealed or waived. Councilman O'Kelley said those that get thrown out are when the meters are broken. Mr. Dadson said those are the kinds of incidents that staff hears about.

Councilman Sutton said the numbers show an 18% profit margin, and based on what he knows, they have 5 people working there. The city used to have one person doing it part-time with a badge and a gun. Mayor Keyserling said there could be some measurement criteria. Ms. Todd said they get 7.2% of the gross as a management fee less their expenses from gross revenues. Mayor Keyserling said if they overstaff, "that eats into profitability." Councilman McFee said additional expenses don't cut into the 7.2%. Councilman Sutton said they should look at every contract the city has in this same way.

Ms. Fabian asked about gross revenues in 2011; one chart in the packet Ms. Todd made shows \$415,000 and another shows \$401,000. Ms. Todd said it's the \$401,000, and the other figure was a clerical error she forgot to change.

Peter White said he spends a lot of time in the Waterfront Park lot with his carriage company, and he "feels positively" about "Lundy and his crew." When there are emergencies, "they jump on them," he said, and take care of unforeseen parking problems. He offered kudos to the company. If a new company comes in, it will take a couple of years for them to get used to things, Mr. White added. And not all tickets are \$20, he said; one recently was a \$450 fine, which, he said, is "a substantial amount to be collected."

Maxine Lutz said she doesn't agree that there's *no* enforcement after 5 p.m. Ms. Todd said in the contract it said it's to be from 10-6, but they haven't addressed those requirements with the company, so they want to include it in the RFP and contract

Ms. Todd said a cost-analysis is common with an outsourcing contract. Mayor Keyserling asked, since collections are a big issue, if that might be another contract with another agent. Ms. Todd said the current ordinance on debts owed to the city is already covered and "allows a set-off debt collection." Councilman O'Kelley said, "It's not on the ticket" at this time, and "the violator needs to know." Ms. Todd said the ordinance doesn't need to be modified unless they want to charge a collection fee on top of that. Ms. Todd explained that the MASC and the state each charge \$25 apiece in regard to collection fees.

Councilman Sutton said he would like to continue discussion on the habitual offender

policy, and it should come back to council. Mr. Dadson said they would bring council something on that.

EXECUTIVE SESSION

An executive session was held, pursuant to Title 30, Chapter 4, Section 70 (a) (2) of the South Carolina Code of Laws, to discuss personnel. **Councilwoman Beer made a motion, second by Councilman O'Kelley, to move from the work session to Executive Session. The motion passed unanimously.**

The work session was adjourned 6:00 p.m.

A regular meeting of the Beaufort City Council was held on August 26, 2014 at 7:00 p.m. in the Beaufort Municipal Complex, 1901 Boundary Street. In attendance were Mayor Billy Keyserling and council members Donnie Ann Beer, Mike McFee, Mike Sutton, and George O’Kelley.

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.

Councilwoman Beer made a motion, second by Councilman McFee to recess the Executive Session and enter the regular council session. The motion passed unanimously.

CALL TO ORDER

Mayor Keyserling called the meeting to order at 7:02 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Councilwoman Beer led the invocation and the Pledge of Allegiance.

PUBLIC HEARING: UDO AMENDMENT REVISING SECTION 7.2.G.4 TO ADD PROVISIONS FOR ADDITIONAL SIGNAGE FOR GAS STATIONS IN CERTAIN IN CERTAIN ZONING DISTRICTS

Mayor Keyserling opened this public hearing. Ms. Anderson said staff is seeking to amend the UDO. Signs in certain districts are limited depending on the size of the lots, which seems restrictive for gas stations, which want to use signs to display prices as well as the business name and logo. The Boundary Street and Lady’s Island Village Center Design Districts and the Boundary Street Redevelopment District are limited to 5, 10, and 18 feet. The Boundary Street Redevelopment District has four gas stations and the Boundary Street Design District has one. Staff is proposing to amend the ordinance and she showed the amendment. Where the sign is 10 square feet or less, an additional 10’ would be allowed. The Metropolitan Planning Commission recommended approval of this. There was no public comment. **Mayor Keyserling closed this public hearing.**

PUBLIC HEARING: UDO AMENDMENT REVISING SECTIONS 7.3, “LANDSCAPING AND TREE CONSERVATION,” TO CHANGE THE DEFINITION OF GRAND TREE AND TO ADD PROVISIONS FOR MITIGATION FOR REMOVAL OF HEALTHY GRAND TREES

Mayor Keyserling opened this public hearing. Ms. Anderson said PTAC and staff recommend 6 changes:

1. **Revise the definition of a Grand Tree** - Currently, a Grand Tree is any broad-leaved tree with a DBH of 24” or greater, regardless of species; any understory with a DBH of 12” or greater; and existing palmettos with a clear trunk height of at least 2’. The definition of a Grand Tree, PTAC proposes, should be revised with the trees categorized by species:
 - a. Dogwoods, Redbuds, American Hollies, and Magnolias with a DBH of 4” or greater

- b. Live Oaks and Southern Red Cedar with a DBH of 12" or greater
 - c. Sabal Palmettos – clear trunk height of at least 8'
 - d. Black, White, and Southern Red Oak, Black Tupelos, Bald Cypress, Red Maple, Beech, Hickory, Sycamore, and Long Leaf Pine with a DBH of 16" or greater
2. **Require mitigation for Grand Trees that are removed** – Currently there is no requirement to mitigate; it's recommended that mitigation could occur through replanting on site or by paying a reforestation fee, Ms. Anderson said. A developer could pay if they don't want to replant; fees will be restricted and used for tree planting and preservation in the city. Ms. Anderson read the revised ordinance in this regard. The fee amount isn't to be put in the ordinance but will be part of the fee ordinance.
 3. **Eliminate tree coverage requirements** for the overall site – It's "an overly complicated strategy," and eliminating it will simplify the agreement, Ms. Anderson said.
 4. **Reports from certified arborists** – Typically, city design review boards and staff require these as part of a development project. This is especially important when saving Grand Trees because measures can be taken before construction to help ensure the success of the trees and preserve their health. Staff recommends that a certified arborist's report be required for any Grand Trees on the site with a new section added to the code that addresses this specifically.
 5. **Giving the administrator the authority to require mitigation** – Staff recommends this on existing residential and commercial lots if it's the last remaining tree on the lot or a healthy Grand Tree is slated for removal.
 6. **When a tree dies that has been slated to stay** – The ordinance says that trees are required to remain healthy for 2 years, but the required maintenance guarantee is only for 1 year, so staff proposes that the guarantee be for 2 years, and it will be made clear that if the landscaping – including Grand Trees that were to be saved – dies or does not remain healthy, they must be replaced, or the reforestation fee must be paid.

Ms. Anderson said this was presented to the Metropolitan Planning Commission, and they recommended approval at their July 21 meeting. They felt strongly about the reforestation fee and that the revenues from the fee should be placed in a restrictive account for tree planting and pruning.

Bob Albright asked how soon an ordinance is enforced after its passed. Mayor Keyserling said it requires 2 readings, and this could go into effect 2 weeks from today. He also asked about a document shown previously, which Ms. Anderson said showed how mitigation could be calculated using Family Dollar as an example.

Councilman McFee asked where the mitigation money goes, and Ms. Anderson said to the Tree Fund. It currently goes to fund hazardous tree removal, but "replanting is falling short."

Councilman O'Kelley asked Ms. Anderson to clarify 4D, and asked which inches are referred

to; she said it's of the "total caliper inches that are removed." Councilman O'Kelley said that it's impossible to put in another 26" Live Oak, for example, if one's taken out. Councilman O'Kelley asked if they couldn't put in a smaller Live Oak that has the potential to reach 26". Councilman O'Kelley said if the tree is 16" in diameter, it couldn't be replaced with one of the same diameter. **Liza Hill** said an existing Grand Tree on a site is supposed to remain, and after 2 years, if it wasn't protected, and it was a 24" caliper tree, they can't plant back that same tree; they will plant back (6) 4" trees to mitigate the total inches of the tree that died. Ms. Hill said they are trying to say that they need to protect Grand Trees during construction; the idea is, if they have to replace it because they didn't care for it, they will take better care of it. Councilman O'Kelley said he feels "the language is confusing" and "should tell more specifically what has to replace a Grand Tree."

Councilman McFee said he thought the county required a 2 to 1 ratio for mitigation. Ms. Hill said no, "it's caliper inch per caliper inch." **Mayor Keyserling closed this public hearing.**

MINUTES

Councilwoman Beer made a motion, second by Councilman McFee, to approve the minutes of the council's work and regular session August 12, 2014. Councilman McFee corrected names in the minutes: Bob Bowers, not Bill; Alice Wright, not White; Tory Conner, not Hunter. **The motion to accept the minutes as amended was approved unanimously.**

REQUEST FROM THE BAPTIST CHURCH OF BEAUFORT TO ALLOW USE OF THE BOAT RAMP FOR A RIVER BAPTISM

Councilwoman Beer made a motion, second by Councilman Sutton, to approve the request for the event, October 12, 2014 beginning at 10 a.m. Mayor Keyserling said maybe the landing should be closed from 10 a.m. – 12 p.m.; Ms. Burgess said they don't know how many people they will have to baptize until they get closer to the date. Mayor Keyserling asked if the city advertises that this will be taking place on the boat ramp, or if "people just learn." Ms. Burgess said that people just find out, and they have never heard any negative feedback.

Councilman O'Kelley said the request says they will use the pavilion, and he doesn't know if that requires co-sponsorship. Ms. Burgess said they're just having lunch there, and "they are well aware that this is open to the public unless they are paying for it." The motion passed unanimously.

Councilman Sutton made a motion, second by Councilwoman Beer, to go back in to Executive Session. The motion passed unanimously.

Councilman O'Kelley made a motion, second by Councilman McFee to come out of Executive Session, and, as there being no further business to come before council, adjourn the meeting. The motion passed unanimously, and the meeting was adjourned at 7:55 PM.