

A work session of the Beaufort City Council was held on June 29, 2010 at 5:00 p.m. in the City Hall conference room, 302 Carteret Street. In attendance were Council members Donnie Ann Beer, Gary Fordham, Mike Sutton, Mike McFee, and Mayor Billy Keyserling, City Manager Scott Dadson, Mack Cook, Kimberly Foxworth, and Shirley Hughes.

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.

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

BOARDS AND COMMISSIONS - INTERVIEWS

Dr. Anthony Baxter of St. Helena Island and Keith Waldrop were interviewed for positions on the Redevelopment Commission. Bill Chambers was interviewed for a position on the Historic District Review Board.

DISCUSSION OF SCE&G PRUNING AGREEMENT

Bill Harvey, City Attorney, said that a separate draft of the pruning agreement – not the one that was in the packets given to council - was the final one and contained changes from automatic renewal for 3-year terms to automatic renewals for 1-year terms. Mayor Keyserling asked how much was remaining to be done. Isaiah Smalls said there were still several weeks of work to go. Mayor Keyserling said he has never felt this issue would not be resolved quickly and his commitment is to begin planning immediately for the future prunings. One option for mitigation is re-routing some lines, which is most cost-efficient, and some would be paid for with money saved from trimming. He doesn't want this agreement to be the end of this matter; he wants all parties to learn from this.

Mr. Dadson noted that the Tree Board changed the word "aesthetic" to "standard" in item 11 but otherwise passed the proposal.

Terry Murray said she felt as if the cards were stacked against those in support of the trees because of the timing. She said there has been a long history of concern about this, and the last agreement "fell through the cracks." Long-term solutions seem to be burying the lines and crafting an agreement while not under pressure. She asked that Mayor Keyserling and Mr. Dadson keep a "champion" who is accountable and will see that this matter doesn't drop.

Rebecca Compton asked if there can be greater transparency for the public regarding some of the points in the agreement, i.e., maximum qualifications for the arborist. She'd like them to be published and made available to the public. Mayor Keyserling said it's public in terms of the contract. Ms. Murray gave an example of having come to a verbal agreement about pruning a particular group of old live oaks, and then finding out that SCE&G did something else. She noted that this "doesn't engender long-term trust," so knowing more about the work specs would allow those concerned to know more what they're talking about when they have such discussions. Ms. Compton said it "feels very secretive." Mr. Dadson said someone has to post it.

Ms. Compton asked that things like the qualifications and contract be made easily and readily available for the public to see. Mr. Dadson said they can ask how much detail from the contract can be put up online. Mr. Dadson said action has been taken to enter into this agreement. Mayor Keyserling asked if they are locked into this agreement if more is learned in the next year. Mr. Harvey said SCE&G has agreed to 3 years, and the city put in 3 years to lock them into that. They could go back to year-by-year. Mr. Dadson said they're not locked into something they're giving up. A majority of the tree issue is on private property, so action should ideally move neighborhood-by-neighborhood.

DISCUSSION OF CHARTER OF BEAUFORT-PORT ROYAL METROPOLITAN PLANNING COMMISSION

Libby Anderson said that after many months of hard work, they had a final schedule. All jurisdictions have agreed to the concept and are getting everything in order. The Planning Commission has recommended approval. The July 13 meeting will be the public hearing for council. Other municipalities and the county are on different schedules than the city's. She explained when the others would be in the process. The effective date of it taking affect could be contingent on adoption by the other entities. The group could be assembled in August and September. Mayor Keyserling said on July 19, the Northern Regional Planning committee will have people coming to give an update on form-based code.

DISCUSSION OF INSURANCE FOR CITY'S PRE-65 RETIREES

Mr. Dadson said that all that council requested to be circulated has been. Mayor Keyserling said he has spoken to many others and is "somewhat at a loss." He feels the issue started with a FOIA request to which **Frank Emminger** said he never received a response from the city. Mayor Keyserling said the city made a mistake in not acknowledging to Mr. Emminger that it had been sent on to others who could answer his concerns. In reality, he said, outside of changing the insurance system, which the city has no control over, the program is a good one. The downside is that those who have been given a benefit, not an entitlement, are getting burnt. He would like to do what he can to encourage the insurers to go after Federal dollars and they are doing that.

Mayor Keyserling said the decision was made 18 months ago and was approved by all 113 members in the group; it's the only choice for city employees, while it's an option for retirees. It hasn't been found that it's an obligation for the city to subsidize the costs. He feels the program is working because no employees have changed insurance as a result of their premiums being raised because they get a good deal with the benefits

Councilman Fordham agreed with what Mayor Keyserling said, though he acknowledged that "it's difficult to say." Councilwoman Beer said they have no control over the rates being raised, and there are no options. Councilman McFee said he would have liked to have seen things handled differently from the beginning. The SCLGAG is very restrictive as to what can be done.

Mr. Harvey said to the extent that there are legal issues, Shannon Erickson has solicited the opinion of the SC Attorney General, which is where he thinks it's appropriate for the matter to be; if they find something legally improper, they will handle it.

Mr. Emminger thanked council for its generosity in giving him and those he represented time. He said that when he made his presentation to council the week before, time was of the essence and it still is. He felt it was critical to get as much information as possible, which is why he sent the letter to Dr. Foxworth under the FOIA.

Mr. Emminger said council and the mayor set policy. He recounted a story about a former city employee who “retired into poverty.” Council at the time “was so embarrassed they did something about it.” He feels this is a similar situation now. He said he knew health insurance was a benefit, not a right, and that there was no contract. He said he had devoted his life and career to the city. The pre-65 retirees pay their own premiums. He feels it’s morally the correct thing for the city to tell SCLGAG to spread the rate raises throughout the base of insurees in recognition of the retirees’ years of service.

Mr. Emminger explained some of the complications with seeking health insurance from another insurer. If one *loses* one’s health insurance, he noted, that’s a qualifying event, but non-payment of an excess premium is not a qualifying event for those with serious health problems. Mayor Keyserling said the reality is that the city is operating with 20% less revenue and the way some people grew up is not going to be the way it is for many. He said the principle focus has to be the 130 current employees.

Krista Emminger said she and Mr. Emminger had concern for people now and in the future who will have to deal with this sort of issue without a background in retirement issues. She said this is about the whole system, not just about them.

Wendell Wilburn said he had understood what Mr. Emminger had said at the previous week’s council meeting and disagrees with him. He had shopped for insurance and learned there’s no way a different plan for an individual could compete in terms of benefits without paying a lot more money. He went on to disagree that no of the employees disliked the plan as Mayor Keyserling had stated. Mayor Keyserling said he had based that statement on the fact that everyone renewed.

Dr. Foxworth said some employees had told her that they were going to compare and consider going on spouses’ plans, and all came back to her and said they would stay on the city plan, though it was more costly, because the city’s was a better plan than their spouses’ employers.

Mr. Wilburn went on to say that the city has a choice in that they can stay with SCGLAG or change it. Mayor Keyserling said it’s more comprehensive, though more costly, than other plans, and staff recommended it. Mr. Dadson said looking now wouldn’t change anything. Dr. Foxworth went on to explain the particulars of why this plan was chosen and what would happen if they went shopping for other plans. The pre-65 retirees and a large group of active employees are large consumers of this insurance. No one in the city is on their spouse’s plan.

Of the 188 pre-65 employees, Mr. Wilburn wanted to know how many were Beaufort City employees. Dr. Foxworth said she will consider looking at other plans, but, she said, the trend is higher cost with a wellness component to get people to be more pro-active with their health care. Mr. Emminger said he still doesn't know what other options are available; Harvey Mathias had told him there were some, and he would like to know them. Mayor Keyserling said they would get him that information. Mr. Mathias told him in a letter, that if they get out of the plan, they can't come back. He asked if the city changed to another plan, if he could come back to the city's insurer. Mayor Keyserling said that was the insurers' decision.

Dr. Foxworth said SCLGAG met with the actuarial company to make sure the application for federal funds was as efficient and accurate as possible. Ms. Hughes said not to expect that there would be a quick resolution to this because of the size and the numbers. Mr. Dadson said it's about the size of the insurance pool.

DISCUSSION REGARDING TRI CENTENNIAL

Councilman McFee said the events group has met. A copyright attorney is working on product licensing and copyright for the logo. The events committee has made plans, beginning with a First Night celebration on December 31, 2010. On January 17, there will be cake and punch at the new City Hall. September 17, there will be "a chronological parade." Other efforts are fundraising through the Beaufort 300 - \$300 for 3 years given by 300 residents and historical markers to be updated with truer, "more effective" representations of the history of the population. Larry Rolland has agreed to help with that. The Beaufort 300 will be marked in some way as participants in the program.

Councilman McFee said there's been great cooperation with the Chamber, Historic Beaufort Foundation, and Main Street Beaufort, and they will continue to have programs throughout the year. July 6th the logo will be introduced, if it's produced by that date. Ms. Hughes said the city will put up \$25,000 seed money and will get the balance back if the tricentennial group doesn't need it for things like the honorarium for the logo's creator. Any contributions by the Beaufort 300, Councilman McFee said, will be tax-deductible.

Councilman McFee said the information will be on the city's web site.

DISCUSSION OF COMMERCIAL GARBAGE COLLECTION

Mr. Dadson said Mr. Harvey and Mr. Cook have been working on a report about collecting commercial garbage; technically, it is not collected at this time. Mr. Cook has worked out the contract to take on amended commercial garbage, which will allow them to lower the rate for 5 years and move employees to stormwater and parks work.

Mr. Cook stressed that this is not a reduction in the size of staff. Now that they have 11 months with Waste-Pro in residential, he feels comfortable to move into the commercial area. There are 100 commercial bins in the core downtown district. Monthly revenue is \$12,000 a month from commercial. They pay BJWSA a 5% billing fee. They are not collecting enough tonnage to make it feasible to continue to do this. There needs to be a daily trip to Hickory Hill because of

the number of foodstuffs. They are dumping about 5 tons every trip, about 78 tons per month on average. They need to do 110 tons of solid waste a month to break even; they are currently running a deficit.

Mr. Cook reiterated that these employees would be put to work in stormwater and parks. Waste Pro will not change the quality of service, the carts, frequency or time of pick-up. The city has always had an interest in controlling pick-up in the downtown area, which can be done by controlling the place it's picked up. They will guarantee a rate at 90% of what current customers are being charged right now. The city still has to pay the 5% billing fee.

Mr. Cook said 60-80% of the volume is recyclables. Waste Pro has said they do the military bases' recycling, and the city could start thinking about a commercial recycling program downtown. Mr. Cook said they'd like to hold the rate for 5 years at \$27/month. There was general agreement that downtown recycling would be a good thing.

OTHER BUSINESS

Ms. Hughes reminded the council that July 6 is a work session. Mr. Dadson will not be there. Councilman Sutton will be at the regular meeting on July 13. A five-week council recess will follow.

Mayor Keyserling asked if there were more candidates for the open board and commission spots still remaining and general discussion about the matter ensued.

Councilwoman Beer said that the first meeting has taken place about the 9/11 ceremony downtown.

There being no further business, the work session was adjourned at 7:18 pm.

ATTEST: _____
IVETTE BURGESS, CITY CLERK