

Regular Meeting
June 28, 2021

The regular meeting of City Council was held this date in City Hall Council Chambers at 6:00 pm. In attendance were Mayor Terence Roberts, Mayor Pro Tem Laughridge, Council Members Thompson, Chapman, Stewart, John Roberts, Newton and Jeff Roberts. Councilman Harbin was not present. Also, in attendance were City Manager, David McCuen, Assistant City Manager, Andrew Strickland; Finance Director, Margot Martin; City Attorney, Frankie McClain; Public Works Director, Ken Mullinax; and CMOM Manager, Art Garrison. The invocation was given by Mayor Terence Roberts and respect to the flag was given by Councilman Kyle Newton.

APPROVAL OF MINUTES

A motion by Council Member Thompson seconded by Mayor Pro Tem Laughridge carried unanimously (8-0) to approve the minutes of the June 14, 2021 meeting as presented.

REQUEST SECOND READING OF ORDINANCE 21-11 ADOPTING THE BUDGET FOR FISCAL YEAR
2021-2022

City Manager, David McCuen said in accordance with the General Statutes of the State of South Carolina, the City Council is required to adopt an annual balanced budget by ordinance prior to July 1.

The City's budget is a policy and planning document that describes the City's priorities and plans. The purpose of a budget is to control the money, directing funds at projects identified by Council and providing basic municipal services.

As part of the City Council presentation, held May 14th, 2021, Finance staff presented the highlights/overviews of the 2021 - 2022 budget. Council also received the detail budget book at the May 24, 2021 Council meeting.

A public hearing was held on June 14, 2021 at 5:00 pm prior to the Council meeting. No one from the public attended the meeting.

The total budget for all funds is \$83,476,044. The budget ordinance maintains the millage rate of 116 (rolled back from 118 in 2017) and implements year 4 of the previously adopted rate path for utility rate changes of 6% for water and 3.5% for sewer to invest funds to address capital and infrastructure needs. The budget includes debt service funding: (1) Capital lease for \$1,650,000

for sanitation trucks and other public work's equipment; and (2) Special Obligation Bonds not to exceed \$7.0 million for construction of Phase III of Recreation Center Complex. The budget includes implementation of sanitation fund rate change to \$4.50 per garbage cart. The budget includes a 3% cost of living increase for City employees. Also includes an 2.6% increase in health insurance premium only for the employer cost. Two new FTEs will be included for a dedicated Officer at the Recreation Center and one Fire Rescue Coordinator. The budget does not include any tax increases or reduction in services for our citizens.

City Council approved on First Reading on June 14, 2021.

A motion by Councilman Jeff Roberts seconded by Councilman Newton carried unanimously (8-0) to approve Ordinance 21-11 adopting the budget for fiscal year ending June 30, 2022, with the budget for all funds totaling \$83,476,044 on Second Reading.

REQUEST SECOND READING OF ORDINANCE 21-08 AUTHORIZING AND PROVIDING FOR THE
ISSUANCE OF SPECIAL OBLIGATION BONDS (HOSPITALITY FEE PLEDGE) OF THE CITY OF
ANDERSON

City Manager, David McCuen said City Council imposed a hospitality fee by means of Ordinance 01-23. The fee is equal to two percent on the gross proceeds derived from the sale of prepared meals and beverages sold for immediate consumption or take out. As of May 31, 2021, the City had collected \$2,889,536 in hospitality fees. This fee must be used exclusively for tourism-related projects.

South Carolina Code provides that the City can issue bonds and pledge the proceeds of hospitality fees as security. With the approval of this ordinance, the City can also issue Special Obligation Bonds (Hospitality fee pledge) to fund other projects in the future as needed.

The General Bond Ordinance provides the framework for the issuance of Special Obligation Bonds by the City from time to time. This ordinance will allow the City to borrow funds for Phase III of the Recreation Complex, agenda item number A – 3.

City Council approved on First Reading on June 14, 2021.

A motion by Mayor Pro Tem Laughridge seconded by Council Member Thompson carried unanimously (8-0) to approve Ordinance 21-08 authorizing and providing for the issuance of Special Obligation Bonds (Hospitality Fee Pledge) of the City of Anderson on Second Reading.

REQUEST SECOND READING OF ORDINANCE 21-09 PROVIDING THE ISSUANCE AND SALE A CITY OF ANDERSON SPECIAL OBLIGATION BOND (HOSPITALITY FEE PLEDGE), IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$7,000,000 TO DEFRAY COSTS OF CERTAIN TOURISM-RELATED PROJECTS

Finance Director, Margot Martin said the City desires to go ahead with Phase III of the Recreation Complex and proceeds of the bond will be used to finance (i) the design, construction and equipping of a recreation complex which will include bathrooms, concessions, artificial multi-purpose fields, bleachers, parking lots, landscaping and equipping for the maintenance thereof, (ii) park upgrades/amenities and equipment for various City parks and (iii) cost of issuance.

The City can issue Special Obligation Bonds (Hospitality fee pledge) to fund these projects. Hospitality fees and the proceeds of the financing authorized by this ordinance must be used exclusively for tourism-related projects. The City received 3 bids for the purchase of these bonds by June 28, 2021.

The winning bid is Truist Bank and the City will have annual debt service of \$550,243 for 15 years at 1.99% interest rate.

The completion of Recreation Phase III Expansion will provide a complex type setting to host tournaments. The addition of restrooms, concession area, bleacher seating, LED field lighting and a state-of-the-art synthetic turf field provides the City the opportunity to attract youth softball/baseball tournaments and youth or adult soccer tournaments. The size and versatility of the field provides the ability to do non-traditional tournaments, such as ultimate frisbee, kickball, adult tennis baseball, quidditch and corn-hole. The expansion will add to the current two youth fields built in 2012. This project will allow the City to market and attract tourists to attend and participate in such events.

The staff recommends approval of the First Supplemental Ordinance providing for the issuance and sale of Special Obligation Bonds (Hospitality fee pledge) in the principal amount not exceeding \$7,000,000. City Council approved on First Reading on June 14, 2021.

A motion Councilman Stewart seconded by Councilman Chapman carried unanimously (8-0) to approve Ordinance 21-09 providing for the issuance and sale a City of Anderson Special Obligation Bond (Hospitality Fee Pledge), in the principal amount of not exceeding \$7,000,000 to defray the costs of certain tourism-related projects on Second Reading.

REQUEST SECOND READING OF ORDINANCE 21-10 AUTHORIZING THE CITY OF ANDERSON TO EXECUTE AND DELIVER AN EQUIPMENT LEASE PURCHASE IN THE AMOUNT OF NOT EXCEEDING \$1,650,000 BETWEEN THE CITY AND THE LESSOR THEREOF TO DEFRAY THE COST OF ACQUIRING CERTAIN EQUIPMENT

Finance Director, Margot Martin requests consideration of an Ordinance authorizing an Equipment Lease Purchase Agreement not exceeding \$1,650,000 for (4) garbage trucks, (1) bucket truck, (1) flatbed truck, (1) trailer, (1) tractor loader, and other miscellaneous equipment needs in Public Works.

The staff presented capital equipment needs during the budget process. Public works identified the need for updating and purchasing additional garbage trucks as well as other capital equipment needs.

The Public Works division will be able to provide more efficient service to the citizens with the updated equipment.

The staff recommends using an Equipment Lease Purchase Agreement to finance the equipment replacement. The City received 15 bank bids for the capital lease purchase. The winning bid is Bank of America and the City will have annual debt service payment of \$338,000 for five years at .8806% interest rate. The debt service payments are included in the General Fund budget. City Council approved on First Reading on June 14, 2021.

A motion by Council Member Thompson seconded by Councilman Newton carried unanimously (8-0) to approve Ordinance 21-10 authorizing the City of Anderson to execute and deliver an equipment lease purchase in the amount of not exceeding \$1,650,000 between the City and the lessor thereof to defray the cost of acquiring certain equipment for the Public Works Division on Second Reading.

REQUEST CONSIDERATION TO PURCHASE VEHICLES AND EQUIPMENT FOR THE PUBLIC WORKS DIVISION

Public Works Director, Ken Mullinax, said Council approved the 2021 Capital Equipment Lease Proceeds on June 28, 2021. Staff identified department priorities and obtained quotes on requested vehicles and equipment.

2021/2022 Proposed Capital Equipment Purchases:

I. Four (4) Automated Side Loader Sanitation Trucks: \$1,223,724 - Sanitation

- Two (2) Collecstar 9131A 31 CU YD Automated Side Loader Bodies with Mack LR64R-G Chassis equipped with **Diesel** Engines.
- Two (2) Collecstar 9131A 31 CU YD Automated Side Loader Bodies with Mack LR64R-G Chassis equipped with **Cummins Compressed Natural Gas (CNG)** Engines.

A. Objective: The trucks will be added to the Sanitation fleet, and they will be used daily for garbage collection on the primary routes. The existing older model trucks will serve as backup vehicles that will be utilized when the routes are heavy (e.g., after holidays) and when the primary vehicles are being serviced.

Florence Truck Center, Inc. (Diesel), Florence, SC	\$288,989 (2)	\$577,978
Shealy Truck Center (Diesel), Duncan, SC	\$290,741 (2)	
Florence Truck Center, Inc. (CNG), Florence, SC	\$322,873 (2)	\$645,746
Shealy Truck Center (CNG), Duncan, SC	\$347,810 (2)	<hr style="width: 100%;"/>
		\$1,223,724

B. Recommendation: Purchase from Florence Truck Center, Inc.

II. Ford F-650 Truck with Dump Body: \$91,324 – Sanitation

A. Objective: This equipment will be added to the Sanitation fleet, and it will be used daily for trash and debris pick up.

State Contract – Dick Smith Ford, Inc., Columbia, SC	\$91,324
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B. Recommendation: Purchase from Dick Smith Ford, Inc.

III. New Holland W80C Compact Wheel Loader: \$89,992 - Sanitation

A. Objective: This equipment will be added to the Sanitation fleet, and it will be used daily for trash and debris pick up.

State Contract –Hills Machinery, Greenville, SC (CASE 321F HS)	\$103,800	
Local Vendor –Old Stone Tractor, Anderson, SC (New Holland U80C)	\$89,992	\$89,992

B. Recommendation: Purchase from Old Stone Tractor

IV. Ramer Heavy Duty Bulk Trash Trailer: \$36,813 - Sanitation

A. Objective: This equipment will be added to the Sanitation fleet, and it will be used daily for trash and debris pick up.

Carolina Industrial Equipment, Inc., Charlotte, NC (Regional Dealer–Sole Source) **\$36,813**

B. Recommendation: Purchase from Carolina Industrial Equipment, Inc.

V. Ford F-650 Bucket Truck: \$161,242 - Signal & Sign

A. Objective: This equipment will be used in the Signal and Sign Dept. to service traffic signals, streetlights, overhead street markers, downtown banners, Christmas lights, etc. The truck will replace a 1995 GMC (Truck #995) with approximately 10,155 hours. Truck 995 can be used as backup to the new bucket truck, and it can be used by other city departments to trim trees, install video cameras, replace parking lot lights, etc.

Sate Contract – Dick Smith Ford, Inc., Columbia, SC **\$161,242**

B. Recommendation: Purchase from Dick Smith Ford, Inc.

Total: \$1,603,095

The purchase of this equipment will improve and enhance services provided, as well as saving time and money in the performance of various operations within the city.

Funding for the vehicles and equipment will be from the 2021 Capital equipment lease proceeds.

Staff recommends approval of \$1,603,095 to purchase vehicles and equipment for the Public Works Division.

A motion by Councilman Jeff Roberts seconded by Councilman John Roberts carried unanimously (8-0) to approve the purchase of vehicles and equipment for the Public Works Division in the amount of \$1,603,095 using capital lease proceeds.

**REQUEST CONSIDERATION OF A CONSTRUCTION CONTRACT FOR THE NORTH MAIN STREET
STREETSCAPE PROJECT**

Assistant City Manager, Andrew Strickland said work sessions with members of City Council and Staff were held in September 2020 and April 2021 to review design concepts for a proposed redevelopment in the vicinity of North Main Street and East Calhoun Street. Staff proposed during those work sessions that the City undertake the design and construction of new streetscaping along North Main Street and East Calhoun Street, as well as design and construction of a pedestrian plaza that will serve as the center of activity for the proposed redevelopment currently underway.

The new streetscape will include wider sidewalks to better accommodate increased pedestrian traffic in the area, street trees, lighting, and on-street parking. The pedestrian plaza will include an activity lawn, seating, tree canopy, and access to tenant parking areas. Sidewalk, crosswalk, and lighting designs will be consistent with the existing streetscape throughout Downtown Anderson.

Additionally, a new parking lot will be constructed in the common area within the block bounded by Tribble Street, Main Street, Calhoun Street, and Murray Avenue.

One bid was received for the construction phase of the project.

Company Name	Location	Base Bid	Additive 1	Additive 2	Additive 3
AOS Specialty Contractors, Inc.	Lexington SC	\$1,728,027	\$585,899	\$287,417	\$299,913

Base Bid includes streetscape on N. Main (does not include John Glenn property) and Plaza Development

Additive 1 includes streetscape at Calhoun Street. Additive 2 is the portion of N. Main that is owned by John Glenn. Currently Mr. Glenn will not give the right of way. Additive 3 is the new parking lot.

The Bid was in line with the cost estimate provided by the design engineer, Davis & Floyd.

The proposed streetscape improvements will complete the Main Street streetscape project that began over 20 years ago and provide a safe and attractive environment for an important gateway into Downtown Anderson.

Staff recommends awarding the contract to AOS Specialty Contractors, Inc., to include the Base Bid (North Main Street and the Pedestrian Plaza), Bid Additive 1 (East Calhoun Street), and Bid Additive 3 (North Main Street Parking Lot).

The total of the three will be \$2,613,839. This amount is over the original budget of \$2,475,000. The project will be funded using the City's Hospitality Fund.

Councilman Stewart requested to rebid the project due to price coming in over the original budget and only having one bid. Councilman Stewart concerned with the prior work performed by AOS Specialty Contractors. Staff said they will monitor the subs used by the contractor on this project.

Councilman Chapman requested to consider value engineering to look at the details to bring the amount back in line to original budget.

After much discussion, City Manager, David McCuen recommended one of the following three choices on approval for this project.

- Value Engineering
- Negate and rebid
- Table this item for future consideration

A motion by Councilman Stewart seconded by Councilman Chapman carried unanimously (8-0) to amend the motion to work with Davis and Floyd to bring the North Main Street Streetscape project into budget and move forward with AOS Specialty Contractors in the amount of \$2,475,000.

REQUEST CONSIDERATION OF A SEWER LINE AND MANHOLE REHABILITATION CONTRACT TO BE PERFORMED ON NORTH MAIN STREET AT SHARPE STREET AND ENDING AT EAST CALHOUN STREET AND NORTH MCDUFFIE STREET

CMOM Manager, Art Garrison said during a routine sewer line and manhole assessment project performed on February 1, 2021, by Envirowaste Services Group, the area was found to have multiple cracks and fractures and received a very poor Pipeline Assessment Certification Program rating (PACP). After reviewing all assessments on this line, it was deemed to be a good candidate for rehabilitation verses dig and replace.

The following bids were received:

<u>Bidder</u>	<u>Location</u>	<u>Cost</u>
Vortex Companies, LLC	Greenville, SC	\$97,075.00
Aegion Technologies, LLC	Indian Trail, NC	\$126,224.40
Envirowaste Services Group	Palmetto Bay, FL	No Bid
Southeast Pipe	Patterson, GA	No Bid

Moving forward with this project will provide for a more reliable sewer collection system for the area. It will eliminate sewer stop ups and take the necessary steps to protect our environment and provide improved sewer flow for future development.

This project is included in the Capital Improvement Plan supported by the Sewer Fund.

Staff recommends approval of the rehabilitation of existing sanitary sewer system contract with Vortex Companies, LLC in the amount of \$97,075.00.

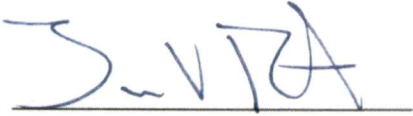
A motion by Councilman John Roberts seconded by Councilman Mayor Pro Tem Laughridge carried unanimously (8-0) to approve a sewer line and manhole rehabilitation contract with Vortex Companies, LLC in the amount of \$97,075 to be performed on North Main Street at Sharpe Street and ending at East Calhoun Street and North McDuffie Street.

ADJOURNMENT


A motion by Councilman Newton seconded by Councilman John Roberts carried unanimously (8-0) to adjourn at 6:55 p.m.

Notice of this meeting was posted on the City of Anderson's website and the Anderson Independent Mail newspaper was notified of the meeting at least 24 hours in advance of the meeting in accordance with the S.C. Freedom of Information Act.

ATTEST:



Terence V. Roberts
Mayor



Margot B. Martin
City Clerk Treasurer