



Richland County Council

ADMINISTRATION AND FINANCE COMMITTEE

April 24, 2018 – 6:00 PM

Council Chambers

2020 Hampton Street, Columbia, SC 29204

COMMITTEE MEMBERS PRESENT: Paul Livingston, Chair; Bill Malinowski, Dalhi Myers, Yvonne McBride, and Norman Jackson

OTHERS PRESENT: Brandon Madden, Michelle Onley, Ismail Ozbek, Brad Farrar, Jennifer Wladischkin, Trenia Bowers, Tim Nielsen, Quinton Epps, Wanda Kelly, Stacey Hamm, Hayden Davis, Sandra Yudice, Randy Pruitt, Nancy Stone-Collum, James Hayes, and Kimberly Williams-Roberts

1. **CALL TO ORDER** – Mr. Livingston called the meeting to order at approximately 6:00 PM.
2. **APPROVAL OF MINUTES**
 - a. March 27, 2018 – Mr. N. Jackson moved, seconded by Ms. Myers, to approve the minutes as distributed.

In Favor: Malinowski, Myers, N. Jackson, Livingston, and McBride

The vote in favor was unanimous.
3. **ADOPTION OF AGENDA** – Mr. Livingston stated that Items # 4(d): “Payment for invoices submitted by Chao & Associates related to their work on Pinewood Lake Park Phase 2” and 4(k): “Little Jackson Creek (LJC) Mitigation Project close out” need to be removed from the agenda. Item 4(d) will be placed on the May 1st Council agenda. Item 4(k) was taken up at the D&S Committee meeting.

Mr. N. Jackson moved, seconded by Mr. Malinowski, to adopt the agenda as amended.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.
4. **ITEMS FOR ACTION**
 - a. Richland Renaissance GO BAN – Mr. Madden stated this item is a GO BAN (Bond Anticipation Note) for Richland Renaissance. The financing for Richland Renaissance consists of 3 sources: cash on hand, the utilization of bond anticipation notes and/or installment purchase revenue bonds and the sale of any surplus property. The recommendation is for First Reading approval of the GO bonds, which is one of the funding sources for Richland Renaissance.

Mr. Malinowski stated, in the ordinance, letter "k" states, "It is in the best interest of the County for the County Council to provide for the issuance and sale of not to exceed \$20,000,000 GO Bonds". He inquired as to who decided this in the best interest of the County.

Mr. Madden stated what staff, in conjunction with the financial advisor, SMA, used to come up with the figure was a schedule of drawdowns of how we would spend the funding. This would be assuming that Council approves the Mashburn and MGA contracts relatively quickly. It would take about \$20 million to fund that portion and that is why you are looking at bond of up to \$20 million.

Mr. Livingston inquired if this \$20 million is going to be a part of the 8 limit bond debt.

Mr. Madden responded in the affirmative.

Mr. Livingston stated the total amount is \$125 million and the current obligation is \$44 million, so the County has a good bit left when we do the \$20 million. The primary focus is going to be on design work.

Mr. Madden stated once Council reviews and makes a policy decision on the contracts, because of the aggressive nature of the schedule, they will get to work immediately. Probably 30 or so days we will be submitting an invoice.

Mr. Malinowski inquired if this is the figure Council saw during all the presentations by Mr. Seals.

Mr. Madden stated these figures came about during the Council Retreat. Staff provided a finance booklet for Richland Renaissance. It included a drawdown schedule, so this is based on that drawdown schedule.

Mr. Pearce stated he believes we had \$17 million in cash on hand. He inquired as to what the balance of the \$17 million is. Some of that money has been used for land purchases. We have the balance of the \$17 million and now \$20 million. He inquired if that will cover the design for both Columbia Mall and the courthouse.

Mr. Madden stated it would cover the planned expenditures for the first year of that drawdown, which will include much of the design work.

Mr. Pearce stated we do not know what the cost will be at this point and time.

Mr. Madden stated we have preliminary budget figures and that was developed to this schedule.

Mr. Pearce inquired, for clarification, if the BAN would be issued in fiscal year 2018-2019.

Mr. Madden stated that is correct providing First Reading is given on May 1st. We are looking at 2 more readings and a public hearing, which brings us closer to the end of the fiscal year.

Mr. Pearce stated the chart they were given showed no debt in FY18, correct?

Mr. Michael Cawley, financial advisor, responded that is correct.

Mr. Livingston stated obviously we may spend some money prior to the selling of the bonds. He inquired if we will be reimbursed if we use any General Fund money.

Mr. Cawley stated the plan had been to use the cash that is currently available and add the proceeds from the bond anticipation note. The thought was to not reimburse the money on hand, but to use it for this particular purpose.

Mr. Livingston stated he asked because there have been times whereby General Fund money had been spent upfront and we used the bond to reimburse that money.

Mr. Cawley stated that is a typical approach. When we issue the bonds that will take out the bond anticipation notes, we can reimburse all of money that has been expended from the General Fund.

Mr. Pearce requested Mr. Madden to provide how much cash is left on hand.

Ms. McBride stated, for clarification, we are only talking about Columbia Mall and the Judicial Center.

Mr. Madden stated this pertains the entire Richland Renaissance Project, but the only 2 items we are currently at point to move forward with is the Columbia Place Mall renovation and the Judicial Center. Those are the 2 contracts that will be coming back to Council for approval, after negotiations are completed by staff.

Ms. McBride inquired if something comes later will we address it differently or will it be a part of this.

Mr. Madden stated we would address any type of contractual matters or additional BANs at that time and be brought to Council.

Mr. N. Jackson stated, for clarification, the design work will take one year.

Mr. Madden stated he does not have the actual schedule in front of him, so he does not know if it will take exactly a year.

Mr. N. Jackson stated it is his understanding that everything will take 2 years. He believes a year is an extremely long time for design work. He stated what is before us now is Columbia Place Mall and the Judicial Center. Anything else has to be approved before we can do any negotiations on it because what was approved was Columbia Place Mall and the Judicial Center.

Mr. Madden stated any contractual matters attendant to Richland Renaissance will be presented to Council for approval.

Mr. N. Jackson stated there is something about clarification of his motion because his motion was to move forward with Columbia Place Mall and Judicial Center, but anything else in the plan we had to have a public hearing first in the community before we make any recommendations to move with those. His motion was specific to what was addressed in Executive Session. Anything else would be a vision.

Mr. Livingston requested what had been spent up to this point in reference to the Richland Renaissance.

Mr. Madden stated staff will provide that prior to the meeting.

Ms. Myers moved, seconded by Ms. McBride, to forward to Council with a recommendation to seek BANs for Renaissance.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- b. Council Motion: Richland County funds thirteen mills, eight mills more than the five mills required by statute. I move that County Council develop a separate Recreation Commission to manage the eight additional mills if the Recreation Commission does not agree to the MOU or if Council still feels that there is taxation without representation. NOTE: This is a partial solution to the constant challenge for taxation and representation [N. JACKSON] – Mr. N. Jackson stated there was a meeting with the Recreation Commission last week and he believes they are going to review the MOU.

Ms. Myers stated we may want to defer this until after the Legislative Session because this may be a moot MOU at the end of the session.

Mr. Malinowski stated, for clarification that if any changes have been made to the County's proposed MOU those changes will be noted, so Council does not have to do a side-by-side comparison of the documents.

Mr. N. Jackson moved, seconded by Ms. Myers, to defer this item until after the Legislative Session.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- c. Lease Proposal for Upper Township Magistrate – Mr. Madden stated this request was originated by Chief Magistrate Tomothy Edmond.

Judge Edmond stated he is requesting a lease to move from the current location of 4919 Rhett Street. The current location is a home that was built in 1940 and the landlord is his predecessor. The County is currently paying \$2,000 per month for this location. There is an infestation of mice and the conditions are deplorable. The City came in a few years ago and cited them for code violations on twice different occasions. When he took over in 2011, they were holding court at this location. They are currently holding court at the Decker Center and filings are handled at the present location. They also pay numerous amounts of money in regards to the alarm system. They have come out on 11 separate occasions at \$375 per visit because of the wiring at the facility. The request is to move 2 miles to 400 Northeast Drive. The square footage is 1,200 sq. ft. The lease per month is \$1,331.37. The small renovations can be done within 2 weeks to make it appropriate for a magistrate's office.

Mr. N. Jackson moved, seconded by Ms. McBride, to forward to Council with a recommendation to approve a short-term lease at (20/21 Business Park) 400 Northeast Drive Columbia, South Carolina 29203.

Mr. Malinowski stated under Operating Expense and Real Estate Taxes it says you are going to pay a pro rata share. He does not understand that.

Judge Edmond stated it does not apply to us, but it was put in the lease agreement in the event the County goes past the 14 months in the original lease.

Mr. Malinowski would like to see that stipulated on the lease when it is drawn up. Secondly, it states the proposal will expire in 7 days and the 7 days have gone by. Has an extension been given or do we not see this as a problem?

Judge Edmond stated he does not see this as a problem. They have dealt with Richland County before and they will be more than happy to submit another proposal.

Mr. Malinowski inquired if the Legal Department is going to review the lease.

Mr. Madden stated the Legal Department will review the lease.

Ms. McBride stated she wanted to go on record as supporting this.

Mr. Pearce inquired if there was any buy out of the old lease.

Judge Edmond stated the lease is a month-to-month lease. No one can locate the lease, so it has been a month-to-month since the '80s.

Mr. Pearce stated he has been out to this house and it is an embarrassment that we are in this place. He stated, for clarification, there is a permanent home being planned, correct.

Judge Edmond stated it is currently in the plan and that is why they are only requesting a short-term lease. The land has been purchased for the permanent magistrate office.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- d. Payment for invoices submitted by Chao & Associates related to their work – This item will appear on the May 1st Council agenda under the Report of the Assistant County Administrator.
- e. Approval to negotiate and enter into a Design/Build Contract for Two Magistrate Offices – Ms. Myers stated there are no mice at the current Hopkins Magistrate, but it is certainly an embarrassment for Richland County. She would urge the committee to move approval for both and move forward quickly.

Mr. N. Jackson stated this is for construction of two new magistrate's offices, right? He inquired if the land had been rezoned for commercial, so the office can be built. He inquired if that is the Conservation land?

Mr. Madden stated he believes so. This matter was discussed in Fall 2017. In the agenda packet, there is a letter from the Conservation Commission regarding the use of this land for the Hopkins Magistrate facility. Additionally, we had a brief discussion a few weeks ago and Ms. Hegler mentioned the zoning would not be an issue for this property to be used for the magistrate facility. However, he can provide confirmation of that by the end of the week.

Mr. N. Jackson stated he had concern that this property was purchased for conservation purpose and we are going to use it for commercial purpose. He discussed this with Ms. Hegler and reminded her this was conservation land. Ms. Hegler stated she would work something, but he is not sure what she worked out. He has not heard from her. The property is not in his district, but the community has been calling him about putting a magistrate's office across from their subdivision on conservation property. He has a concern about placing a courthouse on conservation land. The land was purchased for conservation purposes. Now we are going to tell the citizens we are changing it to commercial property and there is no input from the citizens to do that. He is not sure he can support it unless we have community input. There will also have to be a rezoning of the property. He is not sure about the funding used to purchase the property for conservation purpose. He inquired if that

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would affect the rules that apply to when we purchase conservation property. He thinks when we purchase property for conservation purposes there are some rules that go along with the purchase. What will have to change in the agreement with conservation land to convert it to commercial property?

Ms. Myers thanked Mr. N. Jackson for his concern about the property in District 10. She stated there are 2 separate tracts. One is a conservation easement. The other was purchased by the County from the Hopkins family some time ago. She has had no fewer than 6 – 7 community meetings in her district and the residents that will be impacted are really excited about it. She would suggest if there is additional concern to have those people give her a call. She would be happy to have a community meeting with them. The residents that live around this property, and in whose district it sits, have been very happy. We have been talking about this with them for approximately a year. As a fact, this was one of the issues she discussed at length with them when she was running. She would be happy to have the Conservation Commission attend. The Conservation Commission was in attendance at some of the meetings and heard the people in area begging and pleading to have some form of active life in that area of the community and not have that area shut out completely from even this kind of micro-development that enhances the life of the community.

Ms. McBride stated she supports both projects, but she would not like the Hopkins project to hold up the Upper Township project. She inquired if it would be possible to separate the issues, so that one does not hold up the other one.

Ms. McBride moved, seconded by Mr. Malinowski, to divide the question.

Ms. Myers stated she does not have a problem with them being separate. They are separate projects and ought to be considered separately. She would have a problem with the Hopkins Magistrate office being tabled. If you have seen that office, it is dilapidated and falling down.

Ms. McBride stated, for clarification, she did not want the Hopkins Magistrate project to be tabled. That was not her intent.

Mr. Malinowski stated while we have old buildings here that we currently own, we are talking about a cost of \$1.5 million for one of them. He stated you mean to tell me in these areas we cannot find an already existing building for \$1.5 million or less. The other one is \$1.3 million. It seems like we could find something already quite suitable to our needs, like the Public Defender's Office, and then we do some interior tweaking for our purposes.

Ms. Myers stated she would fervently wish there was something to buy down there.

Mr. Madden inquired as to which property Mr. Malinowski was referring to.

Mr. Malinowski both of them. One is \$1.5 million and the other is \$1.3 million. It is basically renovations.

Mr. Madden stated if he is recalling correctly the Hopkins Magistrate was purchased to be retrofitted for a magistrate's facility. He is not sure of the process that went into identifying and purchasing that property. There may be other properties available, but he does not have knowledge of that.

Mr. Malinowski stated under the notes for the Upper Township Magistrate it indicates replace exterior wall and roof cladding, complete. Does that mean we are completely replacing it or that it has already been completed?

Mr. Pruitt stated the building is larger than needed. There is future plans to place Sheriff's Offices in the building. Operational Services plans to replace the cladding and the exterior in its entirety even though they will only be utilizing half of the structure.

Mr. Pearce stated the first action he took 20 years ago was to deal with the Eastover Magistrate. Ms. Myers is correct. The County looked and looked for property and finally renovated an old drugstore. The County ended up putting more money into that than if we had built a new one. Council has historically has gone on record as saying we are tired of renting rundown pieces of property and committed to a plan to own our own upgraded, and whenever possible, new facilities.

Mr. Malinowski stated, while there may have been community meetings that indicate the people do not have a problem with the facility being built on that property, the fact still remains that it is conservation easement property.

Ms. Myers stated it is not. There are 2 separate tracts. We have an entire recommendation that was commissioned for \$85,000, as to what to do with the property. This is indeed a part of it. She stated she is exhausted with all of the money we are spending everywhere else and we sit here debating \$1.5 million to provide a breath of community services in an area that has been overlooked for 999 years. There is nothing there. This property was bought for this. We sent a year going back and forth with Alsco Robinson, which was commissioned before she came on Council, to talk with the community and figure out what they wanted.

Mr. Malinowski stated he was not saying it is not needed. He just wanted clarification from Planning staff that this either is or is not conservation land. If it is conservation land, we need to know about it and take the necessary steps to change zoning or whatever has to be done.

Ms. Myers stated there is one piece that was bought as a conservation easement. The other piece the County owns outright.

Mr. N. Jackson stated if this is not conservation land then why entertain Ms. Hegler. He stated we purchased property for conservation purposes and if it is on conservation property then the uses would have to be changed. He is not against putting the magistrate's office there if it is not on conservation land.

Ms. Stone-Collum stated there is no conservation easement on this property. The 604 acres were bought from Mr. Hopkins in 2014. The idea was that it might be used for mitigation. The concept was it was conservation property and could be used for recreation. The Alsco Robinson plan that Ms. Myers referred to specifically marked the tract as a place that it might be nice to have a farm-to-table restaurant. There could be some development, but it would need to be sensitively developed because there are wetlands. The Conservation Commission has said that a magistrate's office would fit in there as long as the wetlands are protected.

Mr. N. Jackson inquired as to what the property is currently zoned.

Ms. Stone-Collum stated it is zoned Rural.

Mr. Livingston inquired if the funding is a part of the set aside bond funding.

Mr. Madden responded in the affirmative.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous to divide the question.

Ms. McBride moved, seconded by Ms. Myers, to forward to Council with a recommendation to authorize staff to move forward with negotiations and to enter into a GMP contract with GMK, Inc., the selected design and construction team from solicitation RC-035-Q-2017, to provide full design and construction services to wholly develop and build the Upper Township Magistrate office. The project cost requested for approval is in the amount of \$1,536,975.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

Ms. Myers moved, seconded by Mr. N. Jackson, to forward to Council with a recommendation to authorize staff to move forward with negotiations and to enter into a GMP contract with GMK, Inc., the selected design and construction team from solicitation RC-035-Q-2017, to provide full design and construction services to wholly develop and build the Hopkins Magistrate Office. The project cost requested for approval is in the amount of \$1,357,185.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- f. Do not approve any additional projects from the remainder of the \$50 million Recreation Bond until an explanation is given from the Recreation Commission, why \$1,600,000 was paid for 40 acres of land worth \$255,000. NOTE: The intent was to purchase 40 acres and build a road at the cost of \$1,600,000. The documents might state to purchase and only but if an appraisal was done it would have shown that the land was worth \$255,000 [N. JACKSON] – Mr. N. Jackson stated this item has been clarified.

Mr. N. Jackson moved, seconded by Ms. McBride, to table this item.

Ms. Myers inquired if it was proper to table if it has been resolved.

Mr. N. Jackson withdrew his motion to table, so the committee could have discussion.

Mr. Malinowski stated, the last time this was before the committee, he raised a question about the \$1.6 million paid for the 40 acres of land that Mr. N. Jackson said had a value of \$255,000. The response we received was that was done before our time in service, so we do not have any information. It is his recollection that he requested for someone to go back and find out what a true appraisal price was when the land was purchased.

Mr. Livingston stated he got that information and it was appraised at a little more than they actually paid for it.

Mr. N. Jackson moved, seconded by Mr. Malinowski, to withdraw this motion.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- g. Move that the agreement with Platinum Plus to operate to perpetuity be reconsidered and that they never reopen at that location. NOTE: It's next to a graveyard and a church which violates County

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Ordinance. It was never grandfathered making it noncompliance [N. JACKSON] – Mr. N. Jackson stated, after receiving information from the Zoning and Building Departments regarding Platinum Plus, he was informed that Platinum Plus could not be replaced at its current location.

Mr. N. Jackson moved, seconded by Mr. Malinowski, to withdraw this motion.

Ms. Myers requested a copy of the agreement between the County and Platinum Plus.

In Favor: Malinowski, Myers, N. Jackson, Livingston, and McBride

The vote in favor was unanimous.

- h. Consider two big items to the Renaissance Plan, one in the Southeast and the other in the Northeast. A basketball complex in the Southeast and a baseball complex in the Northeast. (Revenue producing) NOTE: Some of the most popular basketball tournaments in Richland County the Chick-fil-a Classic turn away visitors. Richland School Districts 1 & 2 pays a tremendous amount of money annually for rental of the Coliseum for graduation services. The use of the basketball complex could be used for graduation services, bringing in much needed revenue to the County. It is difficult for Richland County to host sports tournaments because visitors have to drive and navigate to get to different parks not adequately equipped [N. JACKSON] – Mr. Livingston recommended this item be forwarded to the Renaissance Ad Hoc Committee.

Mr. Malinowski moved, seconded by Mr. N. Jackson, to forward this item to the Renaissance Ad Hoc Committee.

Mr. N. Jackson stated the reason he made this motion is because over the years we have had discussions about building something in the Northeast and the Southeast. The County did try the Farmer's Market and the Sports Complex, but neither project came to fruition. That is why when the Renaissance Plan came, he felt it would be a good idea to revisit what Council had tried to do over the years.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

- i. Council Motion: In 2007, Richland County Council approved Ordinance #029-07HR, filed with the Clerk of Court on April 12, 2007, Book 010, Page 386. This motion is to direct the Finance Department to provide an accounting for these funds since July 1, 2007 as described so users know how the system currently stands financially [MALINOWSKI] – Mr. Malinowski stated, while the Finance Department has provided some information, the figures do not address the request. It gives us figures for revenue, interest income, operating expenses, but it does not give what the request was. The request was to go to this ordinance and give us the figures the ordinance required Richland County to do. We need to know how many customers there were each of those years and what the monthly fee was and what was set aside for debit payments. The ordinance states that 25% of the tap increase should be used for rate stabilization, operations, maintenance, debt service, and capital expenditures. Again, we need to know how many taps were added each year, at what cost, and what the 25% totals so we know what should be in that account.

Mr. Malinowski moved, seconded by Ms. Myers, to hold this item in committee for additional information.

In Favor: Malinowski, Myers, N. Jackson, Livingston, and McBride

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The vote in favor was unanimous.

- j. Memorandum of Agreement with Hughes Lake Owners' Association for Storm Drainage Pipe Replacement – Mr. N. Jackson moved, seconded by Mr. Malinowski, to forward to Council with a recommendation to approve the negotiation and execution of a MOU and the subsequent payment of \$15,000 to the Association.

Mr. Malinowski stated, for the record, Legal has reviewed this MOU.

Mr. Farrar stated that is correct. There were a couple comments, which were incorporated in the version in the agenda packet.

In Favor: Malinowski, Myers, N. Jackson, Livingston and McBride

The vote in favor was unanimous.

ITEMS PENDING ANALYSIS: NO ACTION REQUIRED

- a. Council Motion: The Administrator and staff must follow HR policy in nondiscriminatory practices with employees, customers, contractors, businesses and citizens. NOTE: Firing an employee because they do not fit is unacceptable. Employees must be allowed an opportunity to improve or correct themselves through warning, reprimand, necessary training and other means, not to be fired or forced to resign. Contracts shall have similar languages in order not to show preference or discrimination. Administration and senior staff knowingly allow these practices should be dealt with according to HR policies without exception. Richland County practices a nondiscriminatory policy [N. JACKSON] – No action was taken.

Mr. N. Jackson inquired as to when the information will be available regarding this item.

Ms. Myers inquired if Mr. N. Jackson would accept a friendly amendment that Council would also be required to follow that advice.

- b. Council Motion: Move to explore options with a Richland County landlord ordinance to assist with issues between communities and landlords [ROSE and MYERS] – No action was taken.

5. **ADJOURNMENT** – The meeting adjourned at approximately 6:59 PM.