



**City Council Meeting
City Council Chambers
145 West Broad Street
Tuesday, May 29, 2012**

**(These minutes were approved at the
June 11, 2012 City Council meeting.)**

City Council met this date with the following members present: Mayor Junie White, Mayor pro tem Cate Ryba, Councilmembers Linda Dogan, Jan Scalisi, W. Sterling Anderson II, Robert Reeder, and Jerome Rice. City Manager Ed Memmott and City Attorney Cathy McCabe were also in attendance. Notice of the meeting was posted with the Media 24 hours in advance according to the Freedom of Information Act. All City Council meetings are recorded for a complete transcript.

- I. **Moment of Silence – observed.**
- II. **Pledge of Allegiance – recited.**
- III. **Approval of Minutes of the May 14, 2012 City Council Meeting –**
*Councilmember Dogan made a motion to approve the minutes as received.
Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.*
- IV. **Approval of Agenda of the May 29, 2012 City Council Meeting – Councilmember Reeder**
*made a motion to approve the agenda as received. Councilmember Dogan seconded the
motion, which carried unanimously 7 to 0.*
- V. **Public Comment - none**
*Citizen Appearance forms are available at the door and should be submitted to the City Clerk
- VI. **Special Presentation**
 - A. **Drawing for Winner of Kindall for First Time Requests for Recycling Roll Cart**
Presenter: Will Rothschild, Communications and Marketing Manager
Assistant City Manager Story explained the contest for the Kindall stating that any
City resident who had requested a recycling cart since the Recycling Press Conference
was entered into a contest to win the Kindall. Mayor White drew the resident at 411
Gentry Street, Spartanburg, SC as the winner from the basket of entries.
- VII. **Public Hearing**
 - A. **Adopting the Operating Budget for Fiscal Year July 1, 2012 – June 30, 2013 (First
Reading)**
Presenter: James Kennedy, Budget and Accounting Director
Mr. Kennedy presented the item to City Council as follows:

“In accordance with Section 2-119 of the Code of the City Spartanburg 1988 the City is required to adopt an annual balanced budget. The City Council held budget workshops on February 13, 27, March 5, 19, April 2 and the budget was presented on May 14, 2012. During that time, discussions were held concerning the Capital and Facility needs, the General Fund, and Parks & Recreation capital needs. The recommended FY13 budget is reflective of management’s efforts meet long term funding obligations (pension plan, building facilities), maintain the city’s solid financial position, and adequately fund critical programs and services.

The FY13 budget includes the following:

- No tax increases
- No fee increases other than for Swim Center
- Slight (less than 1%) in projected year-over-year revenue growth
- \$400,000 for a 2% employee cost-of-living pay increase
- \$100,000 for employee performance bonus program
- \$275,000 (to \$800,000) increased funding for the pension fund
- \$200,000 for increased medical, retirement, unemployment insurance costs
- \$220,000 for building facilities improvements
- \$400,000 increased funding for Information Technology and Public Safety upgrades
- \$100,000 for T.K. Gregg replacement facility sinking fund

Staff is requesting adoption of an Ordinance to approve the operating budget for fiscal year July 1, 2012 – June 30, 2013 on First Reading.”

Mayor White opened the Public Hearing asking if there was anyone present to speak against the proposed budget. Hearing none, Mayor White asked if there was anyone to speak in favor of the proposed budget.

Hearing none, Councilmember Dogan made a motion to close the Public Hearing.

Mayor pro tem Ryba seconded the motion, which carried unanimously 7 to 0.

Councilmember Dogan made a motion to approve the budget with the \$100,000 designated as employee incentive redirected to an additional one half percent (1/2%) COLA increase for all employees.

The motion died due to lack of second.

Councilmember Rice made a motion to amend the current proposed budget to allocate the \$100,000 incentive program only to eligible employees earning \$50,000 or less.

The motion died due to lack of second.

Mayor pro tem Ryba made a motion to accept the proposed budget as presented.

Councilmember Anderson seconded the motion. The vote was 5 to 2 in favor of accepting the proposed budget. Mayor White, Mayor pro tem Ryba, and Councilmembers Anderson, Scalisi, and Reeder voted in favor of the proposed budget. Councilmembers Dogan and Rice voted against the budget with the expressed understanding that they each approved of all matters of the budget except the \$100,000 employee incentive piece.

VIII. Ordinance

A. Adopting the Millage for Fiscal Year July 1, 2012 – June 30, 2013 (First Reading)

Presenter: James Kennedy, Budget and Accounting Director

Mr. Kennedy presented the item to City Council as follows:

“The purpose of this Ordinance is to establish the property tax millage rate for the City of Spartanburg for FY 2012 – 2013. This millage of 101.0 represents no increase compared to current year. No further adjustment in millage is anticipated.

Staff is requesting adoption of an Ordinance to approve the millage for fiscal year July 1, 2012 – June 30, 2013.

BUDGET AND FINANCE DATA: There will be no change to the certified millage for FY 2012 – 2013.”

Councilmember Dogan made a motion to approve the ordinance as presented.

Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.

IX. Consent Agenda

A. Extended Moratorium on Simulated Gaming/Gambling Devices (Second Reading)

Presenter: Cathy McCabe, City Attorney

Councilmember Reeder made a motion to approve the consent agenda as presented.

Councilmember Scalisi seconded the motion, which carried unanimously 7 to 0.

X. Other Business

A. 2012 Annual Street Resurfacing Award of Contract

Presenter: Tim Carter

Mr. Carter presented the item to City Council as follows:

“Staff received bids for the 2012 Street Resurfacing Project on May 22, 2012. This project consists of approximately 6,194 tons of surface Type C Asphalt, 3556 square yards of full depth patching, and 19,257 square yards milling.

The following bids were submitted:

F & R Asphalt, Inc. (Easley, SC)	\$ 595,047.03
Ashmore Bros. Inc. (Greer, SC)	\$ 645,099.28
Panagakos Asphalt Paving (Greenville, SC)	\$ 588,319.58
Sloan Construction Company (Duncan, SC)	\$ 654,794.37

Staff has reviewed the bids received and the qualifications for each of these contractors and determined that Panagakos Asphalt Paving, Inc. is the responsive low bidder. No bids were submitted from MWBE certified contractors.

Staff is requesting that City Council allow staff to accept the bid from Panagakos Asphalt Paving and authorize the City Manager to enter into a contract with Panagakos Asphalt Paving, Inc for the completion of the project.

BUDGET AND FINANCE DATA: \$ 354,000.00 County Transportation Committee Funds (CTC) and staff would like to request the additional \$ 234,319.58 from the Spartanburg County Road Fee Committee Funds.”

Councilmember Dogan made a motion to approve award of the 2012 street resurfacing contract to Panagakos Asphalt Paving in Greenville, SC in the amount of \$588,319.58. Councilmember Anderson seconded the motion, which carried unanimously 7 to 0.

B. FY 2012-2013 Fraud Risk Assessment Report

Presenter: James Kennedy, Budget and Accounting Director

Mr. Kennedy presented the item to City Council as follows:

“At the upcoming Council meeting, we will present the results of our annual fraud risk self-assessment. As you know, this practice is not made necessary by any particular problem or shortcoming of the City; it is simply one of our many routine efforts to ensure we are taking all reasonable steps to improve our management of City resources. The American Institute of Certified Public Accountants (AICPA) Statements on Auditing Standards (SAS) No. 99 and No. 112 require entities to conduct an annual fraud risk assessment and communicate the results with the governing body. Please be aware that these auditing standards require that the potential area of risk must high to the level of the possibility that our financial statements could be materially misstated.

In preparation of the City’s upcoming FY 2011 - 2012 audit, departments were asked to conduct an assessment of their department for potential risk areas. An assessment request was sent to all departments, including over fifty-nine staff members. The goal is to identify fraud risks that have a more than remote likelihood of occurring, and a more than inconsequential impact on the City’s finances. These risks could be in loss of assets, lack of proper controls, or weaknesses. Generally Accepted Accounting Principles (GAAP) requires the City to maintain a system of internal controls to reduce the risk of fraud (misappropriation of assets). This assessment focuses on areas where there are no existing mitigating internal controls.

Our purpose is to understand where fraud is most likely to occur so that the risk of fraud can be effectively controlled. A fraud risk assessment and internal controls do not guarantee that will not occur.

The report requires no Council action and it presented for information only. However, we will welcome any questions you may have.”

Council received the report as information.

C. Purchase of Hybrid Bus

Presenter: Chris Story, Assistant City Manager

Mr. Story presented the item to City Council as follows:

“As you may recall, we have an FTA grant in hand to replace one more bus in the SPARTA fleet. This replacement will allow us to retire our one substandard bus that remains in use bringing our fleet to a good standard of reliability and passenger comfort. The terms of the grant provide that the FTA will fund 80% of the cost with the City having responsibility for the 20% match.

Our financial plans have included \$75,000 to cover the match for a conventional 35 foot diesel vehicle. Since that time, through further discussions with FTA we believe it is possible to utilize the grant to purchase a hybrid bus very similar to the one recently placed in service. The hybrid bus will cost more to purchase but cost less to operate. Therefore the 20% match on the hybrid would require an additional \$45,000 from the City, bringing the match amount to \$119,693.

A cost benefit analysis indicates operating cost savings would offset the additional match amount within the first half of the expected useful life of the bus which indicates that it would be in SPARTA’s financial interest to upgrade to the hybrid.

We performed a competitive procurement for the hybrid bus SPARTA received and placed in service earlier this Spring. Therefore to expedite the process we can simply piggyback on that prior procurement process and purchase another of the same make and model. There is a long manufacturing and deliver lead time for buses. Acting now would place us in their pipeline to receive this second hybrid in about one year. We are confident that we can identify funding to cover the additional match within the transit fund during that time.

Staff requests Council authorization to purchase a heavy duty 35 foot hybrid bus from Gillig LLC.”

Councilmember Anderson made a motion to approve the purchase of the hybrid bus as requested. Councilmember Reeder seconded the motion, which carried unanimously 7 to 0.

XI. City Council Updates

Councilmember Anderson shared he had attended the very active Woodland Heights Neighborhood Association meeting. He mentioned that he participated in the Pedal with the Politicians event and thanked all involved for its success. He advised that he would be away on required military service from July 8 through September 7 at Maxwell Air Force Base in Alabama and would miss four Council meetings. He stated that he and the City Attorney were looking at possible options for absentee voting during that time. He stressed that he didn't want special circumstances for himself, but would like to explore the possibilities. He mentioned the sudden death of Parks and Recreation Superintendent Brian Wofford and commended the City Manager and City Staff for their actions during that tragedy.

Councilmember Reeder shared he also attended the Dog Park opening and appreciated the efforts of all involved. He also mentioned the passing of Parks and Recreation Superintendent Brian Wofford and how much he would be missed. He added that the Invitational Track Meet for the City of Spartanburg Track Team on June 9 would be named after Brian Wofford.

He mentioned that on June 7 the Forest Park Neighborhood Association would have an event to celebrate the new area and the street renaming honoring Lawrence Johnson, Sr.

Councilmember Scalisi shared she attended the Spartanburg County Municipal Association meeting where Sheriff Chuck Wright spoke. She thanked all involved for the success of the meeting.

She also mentioned that she attended the successful Dog Park opening and that she met hundreds of dogs she had never met before, and even a pot bellied pig.

She shared that she also attended the dedication of the new Engine 4 at the Camelot station and was given a ride on the truck.

Ms. Scalisi commented that the church service for Brian Wofford was inspirational and a celebration of his life full of hope, faith and joy. She mentioned that the lower level of Evangel Cathedral was packed and that she left with a feeling of admiration for the family in their ability to do that in such a short time.

Mayor pro tem Ryba thanked Engineering Administrator Tim Carter for his efforts to make the Dog Park opening happen so quickly. She shared that the City had re-upped its Bicycle Friendly status with the American League of Cyclists as a Bronze Community. She stated that the City would hold that honor for four years and that the City of Spartanburg was the first community in South Carolina to obtain that designation in 2007.

She also shared that she had bicycled to Marion, NC the previous Monday as a part of the Assault on Mt. Mitchell that began at the Spartanburg Memorial Auditorium. She shared her pride of our city that people from all over the world had come to take part in the event. She commended Sgt. Lee Raines of the City's Public Safety for completing the ride to Mt. Mitchell and dedicating his ride to Brian Wofford and Ron Cantrell, a fellow PSO employee who died earlier in the year.

Ms. Ryba invited everyone to the Mary Black Foundation Rail Trail 5K at 7:30 a.m. on June 9 at the Henry Street trail.

Councilmember Dogan expressed her sympathy to Brian Wofford's family and to the community as a whole, stating he would be sorely missed.

She mentioned a Health Fair at Mount Moriah beginning at 7:00 a.m. on Saturday.

Mr. Memmott thanked Mitch Kennedy for being the City staff contact with Brian Wofford's family for all arrangements during the time of his passing. He added that Brian would be missed by the City team.

Mr. Memmott also thanked James Kennedy and his staff for their hard work and patience with him and Mr. Story during the entire budget process. Mr. Memmott stated pending second reading of the proposed budget he would like to move forward in the first quarter with strategic issues in particular with parks and recreation.

Mayor White reminded everyone of the First Responders Unveiling on Thursday, June 1 at Barnet Park at 10:00 a.m. He thanked Staff for the hard work on the budget preparation.

- XII. Adjournment – Councilmember Dogan made a motion to adjourn the meeting. Councilmember Anderson seconded the motion, which carried unanimously 7 to 0 and the meeting adjourned at 6:30 p.m.**



Connie S. McIntyre, City Clerk