



Richland County Council
Transportation Ad Hoc Committee
November 27, 2018 – 1:00 PM
4th Floor Conference Room
2020 Hampton Street, Columbia 29204

COMMITTEE MEMBERS PRESENT: Calvin “Chip” Jackson, Chair; Yvonne McBride, Bill Malinowski, Paul Livingston and Norman Jackson

OTHERS PRESENT: Michelle Onley, John Thompson, Eden Logan, Bryant Davis, Mohammed Al-Tofan, Kimberly Toney, Nathaniel Miller, Stephen Staley, Ashley Powell, Edward Gomeau, Ashiya Myers, Quinton Epps, Brandon Madden, and Erica Wade

1. **Call to Order** – Mr. C. Jackson called the meeting to order at approximately 1:00 PM.
2. **Approval of Minutes** – Ms. McBride moved, seconded by Mr. Livingston, to approve the minutes as distributed. The vote in favor was unanimous.
3. **Adoption of the Agenda** – Mr. Malinowski moved, seconded by Mr. N. Jackson, to remove Items 6: “Approval of Projects that Exceeded the Budgeted Amount in the Referendum of Projected with Modified Scope” and 7: “Approval of Bikeway and Sidewalks Within the Referendum Amount” until we get additional information.

Mr. Livingston inquired as to how this affects things before we remove them.

Dr. Thompson stated, from staff’s perspective, it is fine to hold these items until the proper time.

The vote in favor of the amended agenda was unanimous.

4. **Discussion of Options for the BAN When It Matures in February 2019** – Ms. Heizer stated she and Mr. Cromartie have been working closely with Administration regarding the BAN when it matures in 2019. That means the \$250 million, plus interest, is due. The options that you have are as follows: (1) Repay the BAN with monies on hand, plus interest, and have no debt; (2) Borrow up to the \$250 million, as another Bond Anticipation Note; (3) You could borrow the up to \$250 million with a bond, that would be longer termed than a BAN. It would be a 6 – 7-year debt. In terms, to the extent, that you are going to have some debt continue on, the question becomes what form and how much. Some of the parameters of that, (1) You always want your borrowings to be right sized. If you remember, last year, there was a lot of discussion, and different points of view, on how much was a reasonable amount. We knew we were up on the 5-year anniversary deadline, so it was use it or lose it, so we did the \$250 for one year to give more time for clarity to emerge. If there is still uncertainty, at this time, about exactly what the most reasonable amount is, you could do another 1-year borrowing to effectively have another year to finalize that decision. You might say, we’ll just do the same amount and everything, but from an IRS standpoint, you only want to have outstanding the debt that you reasonably need. Her tax attorney is a little bit concerned about the progress

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and spending the BAN proceeds. As you discuss what the right size is, or what you might borrow again in February, she would encourage you to listen to Administration and get input. You really do not want to borrow more than you reasonably need. One other factor would be, if you reduce the amount below \$250 million, the amount you borrow becomes the maximum. You cannot come back later and get the authorization back.

Ms. McBride inquired, for clarification, if we do the 1-year, we will get the same interest rates.

Ms. Cawley stated it will be a new bond.

Ms. McBride stated, if we do not do the 1-year, we can come back and the interest rates may be much higher.

Ms. Cawley stated the interest rates are higher.

Ms. McBride stated that is the risk we take in not doing it also.

Ms. Cawley stated it is kind of a juggle from a tax standpoint. We are in a situation right now where most of the \$250 million has not been spent.

Ms. Heizer stated, from an interest standpoint, you are actually earning more on the invested money than the interest you are paying, which means there will be extra interest earnings that will have to be sent back to the Federal government, but it also means there is interest earned that goes towards the repayment of the debt, so it will not be all out of pocket.

Mr. Livingston stated the question for him is how much of the \$250 has been spent, what is the projection for it to be paid in the next year or two.

Ms. Heizer stated she thinks some of that information is available.

Ms. Cawley stated, approximately \$17 million of the bond proceeds were spent in this current fiscal year.

Mr. Gomeau stated he has been looking at this for about a month, and he has been working with bond counsel and the financial advisor. He has been taking a look at the history of the roll out of cash. That is sort of how we came to an understanding that it does not make any sense to borrow a high amount of money because we are not expending it. We do not have the ability to contract and complete projects to the amount of money that we have. If we do \$100 million, once we pay off the \$250 for the subsequent year, we can spend the \$100 million on projects. The Penny funding can be invested, so we can have an investment coming from the cash from the Penny funding. Spend the BAN proceeds, so at the end of a year, when the \$100 million comes due, you can make a decision, and say do we want to go out for bonds, where are we at, at this point, in terms of the completion of projects. Have you been able to spend that kind of money. You will have 2 years to look at this and determine whether you think we can adequately spend that kind of money. If we cannot, we are getting \$65 - \$68 million a year from the Penny, and that may be enough. We can size things better after a year of doing this with the right amount of money that you borrowed. He does not think you want to borrow a lot of money just because you can do it, and pay back interest that we really do not need. We have looked at this from a financial point of view. We feel very comfortable financially. Dr. Thompson has got the responsibility of feeling comfortable with the construction. Financially, he thinks it is best for the County to look at this in a year, and see what you want to do at that point. That will be 5 years of construction, which will give you a pretty good average.

Mr. N. Jackson inquired if we can get interest on Penny funding.

Ms. Cawley responded in the affirmative.

Mr. N. Jackson stated he thought at one time they said we could not.

Mr. C. Jackson stated we were told to spend the Penny funds first. He inquired if we are having difficulty spending. We were told we were getting approximately \$50 - \$60 million a year, and we could accelerate projects if we had the bond funds available. Now he is hearing us say, we cannot access and spend all of the money available, and we only spent \$17 million of \$250 million that was available. Obviously, we have spent more of the Penny funds. He inquired as to what the delay or disconnect, because he recalls Mr. N. Jackson being adamant about not doing that and spending the Penny monies as they came in. There was this big discussion about if we did that, and waited until we saved up all the money, it would cost us more later down the road; therefore, let's get the bond money upfront so we can move projects faster and quicker. Now he is hearing, 8 months - a year later, that has not happened. He inquired if bond counsel, the Administrator or the Director of Transportation help him understand why we are in this situation.

Mr. Gomeau stated it has been a startup on these projects. We are looking at what has been able to get accomplished. We have \$161 million that was committed, and of that, \$50 million has not been done since 2014. So, realistically we are saying somewhere between \$65 - \$85 million is about the maximum that we can get done doing the year. If we get design done, we have everything else that goes with it. That is the amount of money that we need. We only get the money in 4 times a year from the Penny fund, so from a cash point of view, we are setting up a cash schedule for Dr. Thompson to look at, so he will know how much money he has, and how much he can commit to going forward. He does not think you want to commit too far into the future. There is the discussion that if you get a low interest rate on the bonds, then you can commit to future contracts. Those future contracts are going to have built in inflation in them. You are not going to win that battle. There are people that do this for living that make a lot more money than we do doing it. We need to look at what we need, where can we get it from, and what is the best way to do that. We have reached an understanding on how we do that. By them getting 5 - 6 years, we will have a pretty good idea of what we can do. We will look at the projects to that date. He is convinced when we look at this thing real close we can make up some of the ground that we lost where some of the projects are not getting done. He is going to work with Dr. Thompson and see if we cannot come back and take a look at those projects that have either been slated to be cut or reduced. He is concerned from a public point of view. He stated you did publish a list in Appendix A, when you passed the ordinance, that listed \$650 million in projects. The public saw that. He would like to think, for the little time he is here, he will make every effort to see how we can get most of those things done.

Mr. C. Jackson stated his question was not about whether we can get all the projects on the list done. His question was why have we not spent the money we have available to us, that we accessed, and borrowed against, and we are not drawing it down. Did we not have enough leeway in spending the money? Has there been a bottleneck within the agency that prevented projects from moving forward? Should we have been spending bond money instead of Penny money?

Mr. Gomeau stated it is a construction, logistical problem. It is not money. There have been funds available. We cannot do that much kind of work. That kind of work involves a lot of pre-planning with engineering and design, and then the actual construction to get it out there. He has done this before. He has done \$500 million worth of road programs, but they did it over 10 years. You cannot do it overnight, no matter how much you want to do this. You have a season during the year when you are not going to get overlay. You do not have a full year to do this. We are trying to determine how much we can actually get done. There are different projects, so some get faster, and some get slower. It is Dr. Thompson's job to determine that. We cannot spend more than \$75 - \$80 million a year.

Mr. Beatty stated the number that they have been planning on...the Penny has been generating \$60 million a year for 5 years, subtract \$15 million that goes to the bus system. We have only been operating under \$45 million per year, which is still a little bit ahead of the original projections. We think that, based on that, the tax could end in 18 instead of 22 years. We have been planning on the Penny generating \$45 million per year. We are showing, in the 2018 calendar year, that we (design, right-of-way, construction, utilities) have been spending \$85 million. We are projecting next year to spend \$115 - \$120 million. Again, that is variable, based on projects. But, as of today, we think next year we will spend well over \$100 million. Whether that is bond or Penny funds, he does not know how that would be spent.

Ms. Heizer stated their advice is that you spend the BAN proceeds before you spend the Penny, and that is going to be the next item on the agenda. The full amount that will be spent this fiscal year will actually come from BAN proceeds. It will not all be spent by February, so whatever the total is for this fiscal year, if you go forward with the budget amendment, will come from the BAN proceeds.

Mr. Gomeau stated that is our spending plan; to use the BAN proceeds.

Mr. C. Jackson inquired as to when we got the approval to be able to access the current BAN.

Ms. Heizer stated she believes it was in April.

Mr. C. Jackson stated we lost a quarter of the year, when we talk about how much we can spend in a year.

Ms. Cawley stated it was about 46 days because we did not close until February. She stated, for clarification, it is our understanding, after talking with Finance, that it was not clear that those BAN proceeds could be used in April. So, everything from the end of February to June 30 was spent from the Penny. We did not want to mislead you that there has only been \$17 million done this fiscal year. The total amount, since BAN, included all of the Pay Go money, plus the \$17 million.

Mr. C. Jackson stated his intent was to make sure it was clear that we do not restrict ourselves going forward, based upon what we did in the past, when we look at the schedule of how much we spent in the past is not a true reflection because it was a combination of BAN and Penny money.

Mr. Malinowski stated Mr. Beatty made the comment that we anticipate spending over \$100 million next year. He requested that Mr. Beatty give them a more definitive number.

Mr. Beatty stated \$110 - \$115 million, as of this quarter's estimate. Next quarter it will change up or down a little, but as of today, \$110 - \$115 is our target for next calendar year.

Ms. Cawley stated we have to start talking in fiscal year because we get off, so we are all on the same page.

Mr. Malinowski stated it seems like we need a little more talking here so people know what is going on, rather than just wasting money.

Mr. N. Jackson stated his initial concern was borrowing money, but not having the projects. Then there is a problem with the availability of contractors and materials to do some of the jobs. At the same time, even with the dirt road program, these things should have been finished a year ago, but we are way behind. We are paying \$7.5 million in interest, and we are utilizing the money properly.

Ms. McBride stated she recalled when we were discussing the BAN and bonds before, we talked about how much we could spend. One of the rationalizations that was used was, in the beginning we were doing a

developmental planning phase and that took a longer time than actually getting some of the construction done. That phase was slow and the expenditure of funds was slow. It was thought that after the planning, and design, more funds would be expended and we could get more projects completed because the first part was so difficult to do, at the time. That is why we, initially, said to go along and do the BAN. We are at this point now, where we can measure, in terms of implementation, what is going on. And based on what Mr. Beaty is saying, and looking at his numbers, we are spending about \$100 million within a year. She is not sure how we are going to measure.

Ms. Cawley thinks that Mr. Beaty is saying that is what his projection is for next year. What Mr. Gomeau was indicating was when you look at the history, we have not spent that. It has been increasing in the last couple of years. We have not hit the \$100 million yet. That is the projection for next year, according to Mr. Beaty.

Ms. McBride stated that was based on design and we had not gotten into the construction part of it, which will speed up the amount of funds being expended.

Mr. Beaty stated that is correct. It does take time to develop projects, buy right-of-way, and go to construction. They are thinking years 6 and 7 will be the peak spending, and in years 8 and 9 it will drop back down.

Mr. C. Jackson inquired as to which year we are in now.

Mr. Beaty stated we are starting year 5.

Mr. Gomeau stated the financing plan will give you a year to look at this, and you will see whether you are able to get to that \$100 million mark. It will be a benchmark, so next year you can go out with bonds in 2020, if you think you are able to spend that kind of money. We have taken in \$320 million from the Penny funds. We have bonded \$250 million. That is \$570 million. You have not spent anywhere near that. He thinks we need to look realistically at what we are capable of doing and not get too far ahead of ourselves. He looks at this as he has a responsibility to tell you what he thinks. You do not have to follow anything he tells you, but from the public point of view, the public is looking at this project. We want to make sure when we finish with it that we are at a point where we can look back and say, "Yeah, we did what we supposed to do." He will work with Dr. Thompson on the cash flow. We get that down to a science, so you will not have to worry about where the money is coming from and what is being spent. You were without an Administrator from April, so there was this void to go anybody and say, "Are we doing the right thing?" We have made up that ground, and he would hate to lose it, at this point and time.

Mr. C. Jackson stated he does not think anyone is questioning whether or not we can spend that amount of money and should we have that amount of cash on hand and be able to spend it. He does not think that is the question at all. The debate today is how much we should borrow the 2nd round, after it matures in 2019.

Ms. Heizer stated knowing the amount that you borrow in February will be a cash infusion that will have to serve for the balance. So, you cannot come back and get more. That is why the cash flows need to reflect what will be the one final infusion of additional resources, together with cash on hand, and cash to be collected.

Mr. C. Jackson inquired as to when the Carolina Crossroads project kickoff.

Mr. Beaty stated they are planned to sign a contract with a design-build contractor early 2020. It was late 2019, but now it is early 2020. The contractor will spend a year designing and getting ready. You will not see shovels in the ground until late 2020/early 2021.

Mr. C. Jackson stated the reason he asked is that gives us about 18 months to access contractors, and other available people, who do not have a lot of work right now, but who will be unavailable about 18 months from now, even if we wanted them on our Penny projects.

Ms. Heizer stated it is her understanding that Council does not meet in January for business, so we really need to have you make a decision by the December 11th Council meeting. Waiting until February is too late. They would like for the committee to authorize putting a resolution on the agenda for a bond anticipation note for \$100 million, or whatever number, but they would like to have a resolution.

Mr. C. Jackson stated he thought the meeting was on December 4th.

Ms. Heizer stated there are 2 meetings; December 4th and 11th.

Mr. C. Jackson stated the committee needs to meet prior to the December 11th Council meeting to take action on this item.

Mr. Malinowski stated he would suggest meeting December 4th.

5. **Approval to Expend BAN Proceeds on Transportation Projects Prior to Expenditure of Sales Tax Revenue** – Ms. Heizer stated, as they mentioned earlier, the general advice is to spend borrowed money first. In your existing budget, you have \$148 million on transportation projects; \$83 million from BANs and \$65 million from the Penny. They would recommend that you amend the budget to have all of the money that is expended, that is appropriate for BAN proceeds. You would spend Capital monies from the bond anticipation note before spending Penny revenue.

Mr. Livingston moved, seconded Ms. McBride, to forward to Council with a recommendation for to amend the budget to have all of the funds expended come from the BAN prior to using Penny funds.

Mr. Malinowski inquired if the language in the ordinance before the committee is entirely new language.

Ms. Heizer stated this is version #1 of the ordinance.

Mr. Malinowski stated the title stated it is an ordinance amending, so where is the original so we know what was amended.

Ms. Heizer stated the original is the original budget ordinance, which is not attached. It is Ordinance 032-18HR. There was one-line item under the Transportation Tax which approved the \$148.9 million.

The vote in favor was unanimous.

6. **Approval of Projects that Exceeded the Budgeted Amount in the Referendum of Projects with Modified Scope** – This item was removed from the agenda during the Adoption of the Agenda.

7. **Approval of Bikeway and Sidewalks Within the Referendum Amount** – This item was removed from the agenda during the Adoption of the Agenda.

8. **Approval of Sunset Sidewalk Recommendation** – Mr. Beaty stated they have presented the Sunset Sidewalk a couple of times in the past. Not a whole lot has changed this time. They have evaluated the whole

sidewalk category. By getting through about 50 sidewalks, you are going to have funds remaining, and there are a total of 56 sidewalks. If it the committee's inclination, and Council's direction, they could move forward with constructing all of the Sunset Sidewalk, even across the culvert, for an additional \$1 million. That would provide connectivity from River Drive to North Main.

Mr. Livingston stated, as you may recall, this was brought up and it was suggested that they go back and look at it from a broader prospective.

Mr. Livingston moved, seconded by Mr. N. Jackson, to forward to Council to authorize the completion of the Sunset Sidewalk project.

Mr. Malinowski stated on pp. 67 – 68 there are 2 different costs, based on the length of the projects. He inquired as to which one we are being asked to approve.

Mr. Beaty stated the total project cost is the higher of the 2, which includes the right-of-way, design, and inspection. The delta that we have been talking about was just construction dollars.

Mr. Malinowski inquired as to what the amount in the referendum was for this project.

Mr. Beaty stated the referendum only had \$364,000. The total project estimate is \$2.5 million.

Mr. Malinowski inquired if that is what the motion is to approve.

Mr. Beaty stated what has been presented is the construction values only, to help understand what we are building or not building. The difference in construction dollars is over a \$1 million. Then, you have additional design, right-of-way and utility expenses. The total project is \$2.5 million. If you did not do the middle section, to provide connectivity, it would be \$1.5 million.

Mr. Malinowski stated, for clarification, the referendum amount was \$364,000. The next question is, what are we being asked to approve, in total for this project.

Mr. Beaty stated \$2.5 million.

Mr. Malinowski stated approximately \$1.2 million more than what the referendum was. And, where is it coming from?

Mr. Beaty stated it is coming from other sidewalk projects that were completed by others (i.e. City) at no cost. Some projects, in the sidewalk category, were already done, so the Penny program has realized savings. For this project, that is going to go over the budget, you could choose to use those savings to finish this project.

Mr. Malinowski inquired if they anticipate any other projects going over budget.

Mr. Beaty stated many in the sidewalk, and bikeway, are over the original referendum amount.

Mr. Malinowski inquired if we are going to take care of those also.

Mr. Beaty stated, of the 56 sidewalks, they can complete take care of 50, and then they are going to be left with about \$9 - \$10 million and over \$20 million in needs, so that will be a decision that needs to be made.

Mr. Malinowski stated his concern is that this project happens to come up first, prior to these others that will be toward the bottom, it is going to get excess funding that we happen have now, and the other projects could be starved and not be done. He thought we were going to wait and hold any projects that were in excess, not just this, but roads, etc. Even though we have excess, it only seems fair that we wait and see what the total excess is at the end of this, and then it should be divided equally, or determined if we want this one or not. Right now we are not given the choice to do that. We would be giving the choice to put all of our eggs in this basket, and not worry about tomorrow on the others. He does not think that is fair to the people that voted for the referendum.

Ms. McBride inquired about what was stated in the referendum, in terms of the sidewalks. Are we expanding or changing the referendum, in terms of the sidewalks?

Mr. Beaty stated, in most cases, they have developed the sidewalks per the referendum. The referendum said an exact dollar amount, and from termini to termini.

Ms. McBride inquired if we are following that now.

Mr. Beaty stated mostly. Some places we are not.

Ms. McBride inquired if we are following the referendum for this project.

Mr. Beaty responded in the affirmative.

Ms. McBride stated we are following this from Point A to Point B, based on what is in the referendum. How much is the cost?

Mr. Beaty stated \$364,000.

Ms. McBride stated we cannot be following that if you are saying it might be \$1.2 million.

Mr. Beaty stated they are following the termini. They are developing the project according to the referendum. What he is reporting is the referendum only had the \$364,000, and the estimate is \$2.5 million. The way they have developed the projects, you could use the excess where projects were not done. They have been going down from highest priority to lowest priority. They could get through 50 of 56, and have about \$10 million left, but there are about \$20 million in needs.

Mr. C. Jackson stated Ms. McBride's question is, if we are following the referendum amount, and the referendum identification of the project, that in order to complete the project, as approved in the referendum, it is going to cost this amount of money. Whether we take it from money that is left over, or find some other source, here is what it is going to cost today to complete this project, that was in the referendum 6 years ago.

Mr. Beaty stated it is the same answer. He stated there are numerous other sidewalks in development now where the cost estimate is greater than the original referendum.

Mr. C. Jackson stated, to Mr. Malinowski's point, if we are going to complete the project according to the way it was designed and approved in the referendum, here is what it is going to cost in 2018.

Ms. Myers inquired if we are adopting that rule all projects, or just some projects. What we are saying is we are going to complete them as done in the referendum, and we are going to find the money. There ought to

be some consistency. If what we are saying is, because that is what was in the referendum, and this is today's cost, we have to find the money to complete it at today's cost. Are we doing that across the board, or are we scaling back across the board? Or, are we cherry picking because this one is easier to do, and this one is harder to do? She has a concern that the way this is getting done is going to ultimately mean that all the citizens across the County are paying the Penny Tax, but some of the citizens are not going to get the benefit of the Penny Tax. They are going to get the benefit where there is the heaviest traffic, and the metropolitan areas. We are going to finish those projects well, but the others are either going to be scaled back or skipped, and that troubles her because we are not refunding those people any money. She would just like to know if we are being consistent about how we are going to make a decision to give extra money to a project, or not.

Mr. C. Jackson stated, as Chair of the committee, that is a very valid question. As it relates to this committee, we have been told multiple times, and given multiple reports that have shown that in many cases there have been projects on this committee that have gone over the amount, and we have funded them. Others have come in under the amount, and we have used that excess fund. He does not think we are being inconsistent with this committee. He thinks when we did the report where you showed the list of projects that have exceeded, and those that were under the referendum amount, you indicated those that were over the amount, you were able to do them based upon the monies within the project. Now you are saying we are down to \$10 million, if we continue to do it this way.

Mr. Beaty stated in the sidewalk category.

Mr. Livingston inquired if the current list of sidewalks prioritized.

Mr. Beaty responded in the affirmative.

Mr. Livingston stated that is going to be an important factor, based on the priority. He would agree with some of the comments, if we do not have enough funds to fund all of them, then we have to have a serious process how we do that, and priority will be one of them. Then, we will have to decide whatever else we are going to use to make it happen. One of the reasons he was supporting this is because of where it is on the priority list.

Mr. Malinowski stated Mr. C. Jackson commented about us having other projects that went over budget and the funds were derived from those that were under budget, but he believes that was being done by the PDT before Council came back and decided we needed to know what was going on. He thinks there is an ordinance before the committee today that will adjust the past misgivings. He does not think it was truly the way it was done. It was not approved by Council for the PDT to take funds from "A" and give them to "B". He thinks they were doing that because they were at the project point and completed it.

Mr. Beaty stated he believes that is correct, but he is not sure.

Dr. Thompson stated he thinks we are talking the same language. That is why we have one item (#6) for this body to look at those projects that went above the referendum amount. He stated, if you look at those projects that went above the referendum amount, there are only a few projects that have actually been completed that exceeded the ordinance amount. The referendum gave the universe of \$656 million for roadway; \$80 million for the bikeways and greenways. That being said, Legal has asked for him to give them a list of projects that have been started, and have exceeded the ordinance amount.

Mr. N. Jackson stated, for clarification, this does not change the project. This is a change in the funding. It is a project that was already approved, and additional funding is needed because of the projection and the shortfall of what it would cost. They are using money from the same category that is left over for that project.

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If it was anything different, we would have to do 3 readings and a public hearing, but this is not the case.

Ms. McBride stated it was always her understanding that we were following the ordinance, in terms of the projects. And, that it was based on priority, so we would make sure we would not take #30 and put it up to #10. That is the assumption she has been working under all along, but the issue comes in when there is a different cost. For the past 6 months – 1 year, when there is a different in the cost we have gone on and funded that. In the past we followed priority, and the cost might be more because of inflation or whatever. So, now we are doing the same thing with this particular project. Are we following the same process?

Mr. Beaty responded in the affirmative.

Mr. Malinowski stated the monies were being moved without Council's knowledge. Nobody came back and asked Council if we wanted to do that or not.

Ms. McBride stated, even within the last 6 months, we have said let's follow the ordinance, make sure we are following priorities, and that we know there is inflation and some of them are under budget, but we were sticking to the priorities.

Mr. C. Jackson stated from the beginning of the referendum these projects have been underfunded, and that is something we have not talked about. Now, we have reached a point where we have to start debating about how we are going to fund projects that the community approved in a referendum, that were underfunded at the time of their initial approval. We are going to have to figure out a strategy to cover those, if we are going to honor our commitment to the public. He does not want anyone to think it is because we have given more money to one project than another project, that is why we are in the predicament that we are in and not able to fund the projects in their totality. We are not able to fund the projects in their totality because from the time they were initially approved on the referendum they were underfunded. There was not enough money from the beginning. We are now reaching that point in the project list where we are now having to face that harsh reality. He does not want anyone to think that this is a result of any overfunding or underfunding of projects. This was really an underestimation of the costs of projects. Everything he has read from the Brinkerhoff study showed him the gross underestimation of the costs of projects, added with inflation has caused us 5 years later to be at a point where we are exceeding the recommended funding levels put in place.

Mr. Malinowski stated he agrees with Mr. C. Jackson. It is just the people that voted because they saw their road or sidewalk....

Mr. C. Jackson stated he was not arguing that. He just wants make sure the rationale for what we are talking about today is not misinterpreted or misrepresented to the public. The funding that we are talking about today is as not a result of a gaffe or flaw on the part of staff or the PDT.

Ms. McBride inquired if we have to define a process now, in terms of how we are going to move forward.

Mr. C. Jackson stated at one point because that is why Item #6 was tabled today. There needs to be a defined process back to what Mr. Malinowski and Ms. Myers were saying.

Ms. McBride inquired about how we are going to move on this if we do not define it.

Mr. C. Jackson stated that is the question. Staff's recommendation is that we use the existing funding, and that is the motion on the floor.

The vote was in favor.

9. **Approval of Letter Draft for Transportation Penny Bikeway Project's Sharrows to be Maintained by the City** – Mr. Malinowski moved, seconded by Mr. Livingston, to forward to Council with a recommendation for approval. The vote in favor was unanimous.
10. **Discussion: Construction of Willow Wind Road** – Dr. Thompson stated this item went before Council and the item was forwarded to this committee. The issue at is that we have a dirt road to pave, as part of the Penny Program. His understanding of this request is that a developer is requesting the County construct a new road. That being said, he believes there is a representative from Public Works, and he would like to defer to them to give further information on this item.

Mr. Staley stated the developer contacted him about a year ago, and his client gave right-of way for this road in exchange for us building a relocated Willow Wind Road. He contacted our Legal Department about when we are planning to do that.

Mr. Malinowski stated the background information says a portion of Willow Wind Road was paved in 1996 by SCDOT, and became a part of the State Road Maintenance System. It is his understanding, SCDOT only paves their own roads. If that is the case, does that meant that all of Willow Wind was a SCDOT road when they pave it?

Mr. Staley stated at one time it was. They could not get the necessary right-of-way to pave all of it.

Mr. Malinowski inquired as to why that all of a sudden makes it a County road because they could not complete the job.

Mr. Staley stated that is a good question.

Mr. Malinowski stated he thinks we need to go back to SCDOT and find out, if in fact it is still listed, even if it dirt and unpaved, is it their road or isn't it?

Mr. Staley stated it is County road from what he understands.

Mr. Malinowski inquired as to how we took it over? How did we automatically take it over because they did not pave it? And on p. 50 of this agenda, this particular title to real estate, and you probably will not have this answer either, based on the date it is going back to, but he does not understand how Public Works comes along and just automatically is able to tell somebody we will take over this real estate. How does that work? You do not have that answer either.

Mr. Staley responded, "No, sir."

Mr. C. Jackson stated that is a good question.

Mr. Malinowski stated, as he said in Council, when you look at this road as it exists, it is on the list to be paved, if it truly is a County road, with Penny funds. It does not make any difference because we pave the State and County roads. The new alignment, you keep speaking about, which somebody apparently got snookered on this deal right here, in Public Works, back when. Sure I would give you the funds for paving a portion of it or doing it. If you look at, the new alignment winds up giving the development an actual road that opens up additional lots. Those additional lots for building puts money in their pockets. If we start doing this type thing, we are getting a real slippery slope here now. You just tell the County what you want, and they will realign a road so it opens up a few more building lots for you. Just go down there and have somebody sign some title of real estate over to them. He is not sure if this was all done properly, and that is

why he cannot support it.

Mr. N. Jackson stated a quick history on Willow Wind Road. It is a County. It was a dirt road. It was supposed to be paved in the '90s and some of the residents decided they had horse, and they did not want it paved, so they only paved half. Later in the years, it was #160 on the list, and it jumped to #1. The argument was it was supposed to be paved, but the people that owned horses did not want it, so they moved it up. He stated his concern, as a former transportation planner or engineer, is that safety issues, if it is built as is, or paved as is, for the intersection, that is a safety issue, based on the dirt road and the terrain. What we did in the past was to straighten some alignments to make sure, for the citizens that use it, it will be safe. As long as it is not jumping where it is ranked, if it is a safety issue, and the Transportation Department, just for the intersection, to at least keep it straight from now. He has a problem if we are going to spend the money and jump ahead of the others that have been waiting on that list. It is his understanding, it is not paving the entire road, but fixing the entrance and alignment.

Dr. Thompson stated it is an alignment issue, from what Public Works has advised. The Penny Transportation Department's stance is to just pave the existing dirt road, and not do any realignment from a safety perspective, which is the issue the County engineers raised with us.

Mr. N. Jackson stated he is going by what the County Engineer said. He can support that.

Mr. Livingston inquired if there were Penny funds for the paving of the road.

Dr. Thompson responded in the affirmative.

Mr. Livingston stated the question is not the paving of the road. It is just simply realigning the section you are talking about.

Dr. Thompson stated it is more than realigning that intersection, from a safety perspective. It is actually building a road that currently does not exist.

Mr. Livingston stated, for clarification, there were no Penny funds for that.

Dr. Thompson responded in the affirmative.

Ms. Myers stated this happens to be in her district. She thanked them for allowing her to attend the meeting, and comment. For every road, like Willow Wind, where someone comes in and makes this kind of request, there are 40 on the dirt road paving list where little old ladies, who are 8 and 90 years old, actually live. She could play her voice message from today where the rain has landlocked them, and they cannot get EMS vehicles, or anything else in there. She would love to see this development have this road, but in the large scheme of things, in terms of priorities in that area, this is new construction. People do not live there. People who are paying the Penny; they live in the areas where the dirt roads are not getting paved. If we are going to leapfrog some roads, please leapfrog them where her constituents live, and get those little old ladies on a paved road. This ought to be a lower priority. You know she is desperate for proper development, that is consistent with the lower part of District 10. But to spend time on this when she had a little old lady who is 96 years old, who said to her, "They have been promising to pave my road since 1961." She just wants it paved before she dies. This is nonsensical.

Ms. McBride inquired as to how this became such a high priority. And, are we legally bound to do this?

Dr. Thompson stated he has not spoken with the attorney from the other side, so maybe Mr. Staley could

advise you.

Mr. Staley stated they met with Mr. Smith last week and he said we did have some obligation, but does not say a date when we have to do the paving, or build the road. We are somewhat obligated, but there is no timeline for when we have to do it.

Ms. McBride stated one of her concerns was whether there were legal issues, in terms of having to complete this, but if there is not a legal issue and this is just a developer coming in saying they would like to see this done, then she has concerns that this is going to be top priority and we have got other issues out there.

Mr. Livingston stated, for the record, he has no problem supporting the staff's recommendation on this, which clearly says, the staff would recommend Council authorize the staff to negotiate an agreement with the developer, in which the County would provide only the Transportation Penny budgeted funds for the road improvements. Anything else, the developer is responsible for. He supports that recommendation, with the understanding that you are only going to spend those approved, budgeted Penny funds.

Mr. Malinowski stated he could support it if it were being done by the Transportation Department or the PDT, but the way it says here, is that we will provide the Transportation Penny funds, budgeted for this road, to the developer to do.

Mr. Livingston stated he was not expecting that to happen without....

Mr. Malinowski stated he is not sure we can start, all of a sudden, giving Penny funds to anybody out there to do these.

Mr. Livingston stated this is something that Council would have to vote on.

Dr. Thompson stated DPW wrote the briefing document.

Mr. Livingston stated, if the developer got the Penny funds, it would still have to be done per the County's approval. It was his understanding; you would not do it without...

Mr. Malinowski stated he does not understand how we can give government funds to a private contractor, especially these are taxpayer funds being collected for all of these projects. We kind of open something else if we do that.

Mr. Livingston stated he thought staff's recommendation made sense.

Mr. Malinowski inquired if anyone ask Legal if this is something we can do. Can we give tax monies collected in Penny funds to somebody private?

Mr. Staley stated that was not brought up in the meeting.

Mr. Malinowski stated he thinks we need to find that out then. He would make a motion to defer this, and have Public Works bring back some of the answers to the questions that were asked.

Mr. N. Jackson stated, you talk about Penny Tax funds, what about the CTC funds and road maintenance funds? That was to do those projects anyhow outside the of the Penny. He inquired if those funds were still available?

Dr. Thompson stated they can approach Mr. James Brown about that.

Mr. N. Jackson stated he was curious because those monies, aside from the Penny, which does not have to go through this process, is there and is a safety piece. If the developer is going to build a road, but just the entrance is fixed properly.

Mr. Livingston stated he withdrew his motion and supported Mr. Malinowski's motion for deferral.

Mr. Malinowski moved, seconded by Mr. N. Jackson, to defer this item. The vote in favor was unanimous.

11. **Discussion: Mitigation Bank Credit Sales** – Mr. Malinowski moved, seconded by Mr. C. Jackson, to forward to Council with a recommendation for approval. The vote in favor was unanimous.

12. **Discussion: Polo Road Shared Use Path Condemnation** – Mr. Beaty stated this should be resolved. It is 2 tracts, at an apartment along Polo Road. They think they are at the 99.9% negotiation with the owner. He asked the committee to allow them to keep it on the list for condemnation and go to Council. He is confident we will pull it off Council's agenda.

Mr. Malinowski stated, in reviewing the maps, it does not look like there is anything there but property.

Mr. Beaty stated they want some shrubs that are being impacted, as well.

Mr. C. Jackson stated the conversation he had with Mr. Smith recently gave him the indication that this will be resolved before it gets to Council.

Ms. McBride moved, seconded by Mr. C. Jackson, to forward to Council with a recommendation for approval for condemnation. The vote in favor was unanimous.

13. **Transportation Program Update** – Mr. Beaty stated they have North Main, Shop Road Extension Phase I and Three Rivers are in construction. They have advertised Clemson Road Widening, which is a big project. Bids will be opened on December 5th. Information on that project should come to Council on December 11th. They are in the process of also advertising Southeast Richland Neighborhood Program and another dirt road package. The Broad River Neighborhood Project should be advertised in the next 2 weeks.

Ms. McBride stated last week there was a neighborhood meeting, which she was not able to attend. She stated she was not consulted about what is going on in her neighborhood, and she really did not appreciate that because she really needed to be at that meeting. She thinks that there is a public education component that is missing, and we really need to do something about it. We have discussed it several times, but she does not know how to address it.

Mr. Malinowski inquired if it was a public education meeting or a public input meeting.

Dr. Thompson stated it was a public input meeting.

Ms. McBride stated she is talking about public education. Educating the public about things that are going on.

Mr. C. Jackson stated Ms. McBride's point is educating the public about the meetings.

Ms. McBride stated you can call it input, but they were being educated on what was going on with the Penny Tax.

Dr. Thompson stated, Ms. McBride and members of this committee, the team is still on how to present the information to you (i.e. outsourcing, communication professionals, etc.).

Mr. Beaty stated they have a public meeting scheduled for December 5th – Shop Road Phase II and the next public meeting is the end of January – Polo Road Widening.

Mr. C. Jackson stated Ms. Onley sent out the laundry list of the upcoming meetings, but he thinks what Ms. McBride is saying is we need to figure out a way, as they come up in our respective districts, some communication prior to those meetings.

Ms. McBride stated to also have some involvement because these are the constituents that they work with. For them to know that we are part of what is going on is very important.

Mr. C. Jackson stated he attended one that Ms. Myers hosted over at Olympia school and she was very involved. She offered him an opportunity to be involved, which he opted out of because it was her area. The point was, the respective Council member in their district having that forum. She then, as a result of that meeting, scheduled another meeting for the Atlas Road Community.

Mr. Livingston stated what was helpful to him, early on in this process, is that he would get a call from the public involvement individuals, and they would say to him, “We are having this public meeting. Who are the key people we need to make sure to invite?” You have an opportunity to make sure those key people, in your community, are involved so it saves time in the future because those key people can help you spread the word throughout the community.

Ms. Myers stated, also, knowing on the front end the proposed dates. Sometimes you will be having a meeting on a date when one of the larger churches has bible study, so you are not going to get the people that you need. Consulting with the Council people on the front end to have the input, so they can help you.

14. **ADJOURN** – The meeting adjourned at approximately 2:12 PM