



Columbia City Council Work Session Minutes Tuesday, April 21, 2026

Call to Order

The Columbia City Council conducted a Budget Workshop on Tuesday, April 21, 2026 at City Hall (Mayor's Conference Room), 1737 Main Street, Columbia, South Carolina 29201. The Honorable Daniel J. Rickenmann, Mayor called the meeting to order at 1:12 p.m. and the following members were present: The Honorable Edward H. McDowell, Jr., The Honorable Will Brennan, The Honorable Tina N. Herbert, Mayor Pro-Tempore, The Honorable Peter M. Brown, The Honorable Tyler D. Bailey, and The Honorable Sam P. Johnson. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore Hammond, City Clerk. This meeting was advertised in accordance with the South Carolina Freedom of Information Act.

Invocation

The Honorable Edward H. McDowell, Jr. offered the invocation.

Adoption of the Agenda

Upon a motion made by Mayor Rickenmann and seconded by Mr. Bailey, Council voted unanimously to adopt the agenda subject to adding the discussion of negotiations incident to proposed contractual arrangements pursuant to S. C. Code §30-4-70(a)(2) – Project WM437401; Canal Headgates Structure as **Item 5**.

City Council Discussion

1. Fiscal Year 2026/2027 Budget Overview — Ms. Missy Caughman, Assistant City Manager for Strategic Initiatives & Innovation

Special Revenues

Ms. Teresa Wilson, City Manager stated that this is the first of several budget workshops and would set the foundation for the budget process. She emphasized that while the City expects significant growth in the coming years, we must continue maintaining current service levels.

Councilor Brown supported framing the budget around the City's growth and emphasized the need for a five-year outlook to plan for future service, staffing, and infrastructure needs. He noted the importance of viewing the budget as a strategic, people-centered tool that prioritizes quality of life, encourages partnerships, and positions the City for long-term success.

Ms. Teresa Wilson, City Manager emphasized the importance of incorporating a forward-looking approach into the budget, ensuring departments are funded based on future needs rather than current conditions. She cited the example of budgeting for Police Chief Skip Holbrook's fully authorized staffing level, rather than existing vacancies. She noted that

anticipated growth, such as new development, requires detailed planning across departments to adequately prepare for increased demand.

Councilor McDowell expressed the need for a forward-looking budget approach. He noted that this has not been done sufficiently in the past. He stressed the importance of setting clear priorities and measurable accomplishments to ensure the budget positions the City for continued progress.

Mayor Rickenmann emphasized the importance of leveraging partnerships and bringing the right stakeholders together to support the City's work. He noted that the City is ultimately in the customer service business, with a responsibility to effectively deliver services to residents and the business community.

Ms. Missy Caughman, Assistant City Manager for Strategic Initiatives and Innovation explained that many City projects are transitioning from construction to operational phases, marking a significant shift in service delivery. Continued growth is increasing service demand and placing added pressure on the workforce, while also requiring careful financial management. She emphasized the importance of efficiently utilizing technology to support operations and improve service delivery. She outlined the budget workshop timeline, noting that the current meeting serves as the first workshop, followed by a second workshop on May 5 focused on general fund updates and key areas. The third workshop on May 19 will cover enterprise funds, including water, sewer, stormwater, and parking, as well as capital projects. This will be the final meeting prior to advertising the budget for a public hearing. She added that a May 26 workshop will include budget recommendations and committee allocations, with presentations from partner organizations. The budget public hearing and first reading is scheduled for June 9, 2026.

She provided an overview of special revenue allocations, noting estimated revenues of \$5.9 million for the tourism development fund and \$17.3 million for the hospitality tax fund, reflecting a \$1.6 million increase over the current year's budget. She explained that hospitality tax funds allocations cover several categories, including the Hospitality Tax Committee, line item agencies, City Council allocations, and transfers. Line item agencies are proposed at \$3.2 million, representing an increase of approximately 2%. The hospitality tax grant program received 70 applications totaling \$7.1 million in requests and the transfer to the general fund remains at \$4.8 million, which is consistent with the current year's budget. She shared that state accommodations tax revenues are projected at \$3.9 million and are allocated in accordance with state law, with \$25,000 directed to the general fund, 30% for tourism advertising and promotion, 65% for tourism-related expenditures, and 5% for general purposes. Approximately \$2.8 million is available for the Accommodation Tax Committee allocation. The Accommodations Tax Committee will meet in May to make funding recommendations to City Council. The tourism development fee is currently projected at \$5.2 million, which includes collection and interest.

Mr. Jeff Palen, Assistant City Manager of Development & Finance / CFO clarified details regarding two bond issuances. He explained that the bonds issued for the ballpark in 2014-2015 are 30-year bonds, with final payments scheduled through 2044 and funded by hospitality tax revenues. He also noted a second bond issued for Finlay Park, structured as a seven-year obligation, with full payoff expected by 2030. He added that while the Finlay Park bond is a general obligation bond, payments are split evenly between the tourism development fund and state accommodations tax revenues.

There was discussion about unmet staffing needs; balancing the budget; start of next fiscal year; tourism development fee estimated collection; softening of percentages; line item

agencies and capital project commitments; remaining obligations for hospitality tax bond; qualifications for capital projects in regard to the arts; Experience Columbia marketing costs; fund balance; qualifying funds for Columbia Music Festival; future funding for Finlay Park programming; upcoming Songbird Festival; and spending of allocations.

There was consensus of the City Council to approve the recommended allocations in the amount of \$4.6 million to the Hospitality Tax Committee and \$2.8 million to the Accommodation Tax Committee.

2. Columbia Water Update — Mr. Clint E. Shealy, P.E., Assistant City Manager / Columbia Water

Mr. Clint Shealy, P.E., Assistant City Manager / Columbia Water outlined priorities including regulatory compliance, customer service, capital projects, and staff development. He noted early-year challenges from winter weather but highlighted progress in reducing a backlog of 7,000 projects with contractor support. The department is ahead of schedule on the wastewater Consent Decree, with 27 of 42 projects complete, seven under construction, and eight in design, with completion expected by 2032. He also shared that Canal Embankment Recovery has received Federal Energy Regulatory Commission approval, and noted recent achievements including a statewide utilities award, capital project bids, and a Building Resilient Infrastructure and Communities (BRIC) grant.

There was discussion about the number of years required to address the backlog; the use of workflow tracking technology; integration of AI tools; dashboard availability; the East Rocky Branch construction; contingencies related to state and federal funding; differences in grant funding criteria language; new electrical component designs for generators; water system costs associated with economic development; sharing the growth model during a Work Session and with the Economic Development and Infrastructure Committee; major gateway lighting issues; and revisions to utility fees.

Executive Session

Upon a motion made by Ms. Herbert and seconded by Mr. Johnson, Council voted unanimously to enter into Executive Session at 2:50 p.m. for the discussion of **Items 3 and 4**, as amended to include **Item 5** (the discussion of negotiations incident to proposed contractual arrangements pursuant to S. C. Code §30-4-70(a)(2) – Project WM437401; Canal Headgates Structure). Mr. Bailey was not present for the vote.

3. Discussion of matters relating to the proposed location, expansion, or provision of services encouraging location or expansion of industries or other businesses in the area served by the public body pursuant to S.C. Code §30-4-70(a)(5)

Project Congaree

4. Receipt of legal advice relating to a pending, threatened or potential claim pursuant to S.C. Code §30-4-70(a)(2)

Nguyen v. City of Columbia

Adjournment

The meeting was adjourned at 3:45 p.m.

Respectfully Submitted:

Erika D. Moore Hammond, MMC, CPM
City Clerk