



COLUMBIA CITY COUNCIL MEETING MINUTES TUESDAY, MAY 14, 2024

The Columbia City Council conducted a Budget Workshop on Tuesday, May 14, 2024 at the Busby Street Community Center, 1735 Busby Street, Columbia, South Carolina. The Honorable Daniel J. Rickenmann, Mayor called the meeting to order at 3:12 p.m. and the following members of Council were present: The Honorable William Brennan, Mayor Pro-Tem, The Honorable Aditi Bussells, The Honorable Tina N. Herbert, The Honorable Peter M. Brown, and The Honorable Tyler D. Bailey. The Honorable Edward H. McDowell, Jr. was absent. 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 Peter M. Brown offered the invocation.

City Council extended birthday wishes to City Manager Teresa Wilson.

CITY COUNCIL DISCUSSION

1. Fiscal Year 2024-2025 Water and Sewer Operating Fund and Capital Improvement Program - Ms. Missy Caughman, Budget, Program Management & Grants Director

Ms. Missy Caughman, Budget, Program Management & Grants Director said today we will be focusing primarily on the enterprise funds, which include the water fund, sewer fund and the stormwater fund. The discussion includes both the operating and capital budgets, general fund revisions, and the budget calendar. The total budget for the water and sewer fund was set at \$202 million, with revenues mainly from water and sewer sales. This represents a 1% increase over the current year, amounting to a \$2.5 million rise. Water sales were projected at \$125 million and sewer sales at \$70 million, reflecting a 5% rate increase as discussed with City Council the previous year. This rate increase is part of a planned five-year adjustment. There was a 1% growth in revenue due to lower-than-expected water consumption.

Mr. Clint Shealy, P.E., Assistant City Manager for Columbia Water explained that a portion of the reduced revenue stems from having a wet spring and overall lower irrigation demands, which were not initially accounted for in the rate model. Some of the large customers had not met their anticipated water usage and this impacted revenue projections. We had a good year with interest earnings. The discrepancies with these major users have led to a conservative adjustment in the rate model. Despite the lower-than-expected usage, the city has seen steady growth in the system. Meter sales indicate about a 1.5% to 2% system growth, which was modeled conservatively at 1%. We have also been conservative with our projections for Scout Motors. We hope to model more accurately going forward. We are still able to fund the \$93 million capital improvement program and debt service without having to adjust our programmatic approach.



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Ms. Missy Caughman, Budget, Program Management & Grants Director continued to review the water and sewer fund expenditures. The departmental budgets makeup \$119 million of the budget. The largest costs in the operating budget are for chemicals and electricity.

There was discussion about upcoming projects that will help to reduce the cost of electricity and how to utilize those savings to fund projects such as heat mapping.

Mr. Clint Shealy, P.E., Assistant City Manager for Columbia Water said as part of the grant for the Solar Farm, we committed 15% of the financial benefit to our customer assistance program.

Ms. Missy Caughman, Budget, Program Management & Grants Director said debt service is \$53.2 million; transfers-out total \$25 million; and the internal service fund is \$956,000.

2. Fiscal Year 2024-2025 Storm Water Operating Fund and Capital Improvement Program -
Ms. Missy Caughman, Budget, Program Management & Grants Director

Ms. Missy Caughman, Budget, Program Management & Grants Director said the storm water service charge is the sole source of revenue for the Stormwater Fund. The budget is \$19.1 million and reflects a 5% increase for the fifth and final year. Expenditures include the departmental operating budgets; a \$700,000 increase for the Public Works Department to fund another street sweeper and a position for the median program; \$2.4 million for debt service; a higher reserve to fund future projects; \$4 million towards this year's capital improvement program; and a transfer to the general fund for indirect costs. The combined water and sewer capital improvement program is budgeted at \$93 million and storm water is budgeted at \$4 million.

There was discussion about the Crane Creek Project and how to better explain system capacity.

Ms. Missy Caughman, Budget, Program Management & Grants Director continued to explain that the storm water utility is only within city limits.

Mr. Clint Shealy, P.E., Assistant City Manager for Columbia Water highlighted the following projects: Rosewood Area Water System Improvements, Cottontown, North Trenholm Road Water Main Upgrade, and filter work at treatment plants. No funding has been included for PFAS treatment at this time. There are a couple of conveyance projects and a storage project to accelerate growth in northeast Columbia. In June, you will see the Crane Creek Project at \$69 million. Other projects include East Rocky Branch, the Solar Farm, and rehabilitation work in Olympia.



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Ms. Dana Higgins, Engineering Director said we had multiple reviews of projects throughout Rocky Branch. We consolidated the projects in two areas: Saluda Bypass with Maxcy Gregg Park Detention and the Whaley and Main Street Upgrades. For the storm water capital improvement program, we also have a project for Belvedere, Smith Branch, and Louisa Street. Ongoing projects include Shandon, Queen Street, Yorkshire, Granby, and Penn Branch.

There was discussion about the timeline for the Rocky Branch Project and working with the consultants to determine if there are alternatives that may help start components of the project sooner than anticipated.

There was consensus to defer approval of the contract for the Rocky Branch project.

Mr. Clint Shealy, P.E., Assistant City Manager for Columbia Water presented the newly formatted Columbia Water Update – May Edition. He reviewed the budget versus City Council's approval of capital improvement projects and the capital improvement program delivery history versus Council approved values. This will be available on the public dashboard.

Ms. Tiffany Latimer, Customer Services Director explained that when fully staffed the department has 23 customer service representatives. There are currently seven vacancies after four employees began working on yesterday.

There was a discussion related to call wait times due to issues with staffing and the billing cycle; improved follow-up and communication with customers; additional self-service options; and hosting the City of Columbia career fair more often.

Dr. Tiniece Javis, Human Resources Director reported that 1,200 people registered for the recent career fair and over 700 individuals met with 20 participating departments.

Ms. Teresa Wilson, City Manager said we are saddened by the loss of Amber Patton. Clint and Tiffany have created a family environment and I appreciate the way they have cared for the team.

3. Fiscal Year 2024/2025 Revised General Fund Budget - Ms. Missy Caughman, Budget, Program Management & Grants Director

Ms. Missy Caughman, Budget, Program Management & Grants Director said we will wrap up with the general fund revised budget. We adjusted property tax estimates based on growth. We increased the general fund budget by \$1.4 million. We applied \$500,000 to our budgeted reserve and \$900,000 towards capital projects that will be considered at a later time. We will publish the



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budget on Monday. The public hearing and first reading are scheduled for June 4, 2024. Next week, we will discuss the parking fund and special revenues. The Songwriter Series and Three Rivers Music Festival are going through the committee process. The Convention Center will present next week.

There was consensus to bring the line-item organizations in next week, as well.

Ms. Missy Caughman, Budget, Program Management & Grants Director said we are providing additional information related additions or increases in the general fund budget. There is a list of items that were deferred or pending. There is also list of requested positions and department overviews highlighting prior year accomplishments as well as budget priorities.

Ms. Teresa Wilson, City Manager said it is important for you all to see the depth of what departments put together. You will see the things that impact operations and how they tie into engagement, our built infrastructure, and keeping the city safe. Many of the deferred or pending items may be one-time allocations. We can use fund balance and reserves for some of that.

There was a request to allocate additional funds for Love My Block subject to neighborhoods being involved with the Columbia Council of Neighborhoods and allocating a grant to the Columbia Council of Neighborhoods to help us disseminate information.

Ms. Teresa Wilson, City Manager said we held steady with positions. Additional positions were requested but I am not ready to move forward. There are others of note that are not listed. We want to work more with Parking Services so they can be the true ambassadors that they should be. Parking Services now reports to Assistant City Manager Simons. We have a new building maintenance engineer and a new executive media relations and communications manager that will be attached to Mayor Rickenmann and City Council. We are maintaining position management.

ADJOURNMENT

The meeting was adjourned at 4:43 p.m.

Respectfully submitted:

Erika D. Moore Hammond, CMC
City Clerk