



Richland County Council

ADMINISTRATION AND FINANCE COMMITTEE

November 15, 2018 – 6:00 PM

Council Chambers

2020 Hampton Street, Columbia, SC 29204

COMMITTEE MEMBERS PRESENT: Paul Livingston, Chair; Bill Malinowski, and Norman Jackson

OTHERS PRESENT: Michelle Onley, Trena Bowers, Sandra Yudice, Kimberly Williams-Roberts, Larry Smith, James Hayes, Chris Eversmann, Michael Byrd, Dwight Hanna, Janet Claggett, Stacey Hamm, Edward Gomeau, Pam Davis, Tracy Hegler, Valeria Jackson, John Hopkins, Brad Farrar, Melissa Watts, Patrick Bresnahan, and Ronaldo Myers

1. **CALL TO ORDER** – Mr. Livingston called the meeting to order at approximately 6:00 PM.
2. **APPROVAL OF MINUTES**
 - a. October 23, 2018 – Mr. Malinowski moved, seconded by Mr. N. Jackson, to approve the minutes as submitted.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.
3. **ADOPTION OF AGENDA** – Mr. Malinowski moved, seconded by Mr. N. Jackson, to adopt the agenda as published.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.
4. **ITEMS FOR ACTION**
 - a. Approval to award Emergency Services Department purchase orders for Self Contained Breathing Apparatus (SCBA's or air packs) purchase to Newton's Fire & Safety Equipment, Inc. – Mr. N. Jackson moved, seconded by Mr. Malinowski, to forward to Council with a recommendation to approve the purchase of SCBA's from Newton's Fire & Safety Equipment, Inc. for \$1,816,862.40.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.
 - b. Electronic recording (e-recording) memorandum of understanding (MOU) between Richland County and Corporation Service Company (CSC) – Mr. Livingston stated it was brought to his attention that on p. 29 of the agenda that it should read Attachment B, instead of Attachment 8.

Mr. Malinowski inquired if Legal reviewed the MOU.

Mr. Smith responded in the affirmative.

Mr. Malinowski moved, seconded by Mr. N. Jackson, to forward to Council with a recommendation to approve the MOU.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.

- c. Shakespeare Crossing Affordable Housing Development Project – Mr. N. Jackson moved, seconded by Mr. Malinowski, to forward to Council with a recommendation to approve the request to award CDBG funding to Community Assistance Provider in the amount not to exceed \$166,448.00 for the completion of infrastructure at Shakespeare Crossing.

Mr. Malinowski stated, p. 36 of the agenda, Item 1.1(3) refers to a timeline provided by the subrecipient in Attachment C. He stated Attachment C is not in his agenda packet, and he would like to see that provided by the time this comes to Council.

In Favor: N. Jackson and Livingston

Opposed: Malinowski

The vote was in favor.

- d. Intergovernmental Agreement between Richland County, Lexington County and Town of Irmo for Engineering Services and Infrastructure Maintenance (Attachment A) – Mr. N. Jackson moved, seconded by Mr. N. Jackson, to forward to Council with a recommendation to approve the updated IGA.

Mr. Livingston inquired if Legal had reviewed the IGA.

Ms. Hegler stated Ms. McLean did review the IGA. As it stood, she was okay with it. She was in agreement with some of the issues that staff noted in the briefing document.

Mr. Malinowski stated there were some yellow-lined items in the agenda. He was not sure if they were yellow-lined because it is the previous IGA, dated July 2007.

Ms. Hegler stated that is the version of the IGA that she had to bring forward. The one the committee is being asked to consider is Attachment A.

Mr. Malinowski stated on p. 75 of the agenda, where it says “Residential Developments”, it says the County which has the majority of the existing and proposed roadways that is the County that will be responsible for doing it. He inquired how close Richland and Lexington County’s road standards.

Ms. Hegler stated she does not know Lexington’s well, but she would assume they are fairly similar, but not identical.

Mr. Malinowski stated we are responsible for Stormwater NPDES within our County, correct?

Ms. Hegler responded in the affirmative.

Mr. Malinowski stated, if they do not have the same standards for that, and something happens in the future, are we going to be able to say, "Oh, it may be in Richland County, but you better go see Lexington County because they handled that."

Ms. Hegler stated they will handle theirs within their jurisdiction, and we handle ours.

Mr. Malinowski stated, if Lexington is building the road portion in Richland County, because the majority of it is theirs, and they have a different NPDES or road standard, then we become responsible even though they are the other county.

Ms. Hegler stated that would be established by the IGA, and would be our defense.

Mr. Malinowski inquired if the County usually provides signs for the State roads.

Staff responded in the affirmative.

Mr. Malinowski stated the way the IGA is worded it says, we "will provide them for all roads within the corporate limits." The way he understands it, we are providing them for the Lexington County portion also.

Ms. Hegler stated that could be written to more specify "within the County".

Mr. Malinowski stated he would like to see it changed to Richland County. He stated, Section Four: Duration says, "to give at least sixty (60) days prior to the anniversary date of this agreement." This is a five (5) year agreement, are there any other options to terminate if there is some type of breach.

Ms. Hegler stated there was language in the current IGA that gives more options, which could be added.

Mr. Malinowski stated maybe you do not need it since it is already at the end. He inquired if the IGA we are going to use is located on p. 80.

Ms. Hegler stated that is the current IGA. What is proposed is Attachment A on pp. 74 – 78, which would supersede the current IGA.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.

- e. Ordinance Amendments –Revising the Business License Ordinance – Mr. Livingston stated we need a workshop on this one to go through it.

Mr. Malinowski moved, seconded by Mr. Livingston, to forward to Council with a recommendation to approve the proposed ordinance amendments for first reading and recommend a work session to review and discuss further.

In Favor: Malinowski and N. Jackson

The vote in favor was unanimous.

- f. Request to provide funding to the Lourie Center – Mr. N. Jackson moved, seconded by Mr. Livingston, to forward to Council with a recommendation to approve the Lourie Center's request of \$12,000. The funding source will be the General Fund.

In Favor: N. Jackson and Livingston

Opposed: Malinowski

The vote was in favor.

- g. Use of Assigned Funds – Salary Adjustments – Dr. Yudice stated, if you recall during the October 16th meeting, Council approved the assignment of funds to start Phase I of the Total Rewards Study. Phase I includes a salary adjustment for employees of up to 6%, beginning in January 2019. The funds are available in the General Fund; however, staff would request a budget amendment for the Special Revenue and the Enterprise Funds in early 2019.

Mr. Hanna stated the County is doing a Total Rewards Study. You will probably hear a lot of employees, and maybe some supervisors, refer to it as Class and Comp, but it is a lot more comprehensive than just a Class and Comp Study. What we are trying to do is to position the County as an employer of choice, so that applicants want to come to work with the County, and employees want to stay with the County. We do not feel like we can just pay employees and make them stay. Obviously, you can pay someone, but if their supervisor is treating them like crap they probably do not want to stay and work with you. We are approaching this much more broadly than just pay alone. That is why we are calling it a Total Rewards Study. It is more about people than just pay. When we say Total Rewards, we are talking about benefits. Every survey you read about health insurance is the #1 benefit for employees. It is the #1 benefit for applicants that are deciding whether or not to take a job. Other than pay, the first thing an applicant wants to know about is health insurance. We are also talking about recognition, other than just pay. It can be a pat on the back, inviting employees to a Council meeting to be recognized; there are a lot of ways employees can be recognized other than just pay. We are talking about talent development and career paths. One of the most important things we are looking at is an academy for employees, supervisors, managers, and leadership where we provide the tools for employees to move up in the organization. Also, performance management is an important part of that too. He is not trying in any way to suggest pay/compensation is not important. It is just there are a lot of other things that are important to employees in addition to pay. We will also be looking at policies that we need to change. If we do not have appropriate policies to attract, motivate, and retain employees, we will consider making policy changes. We will also be considering changes to benefits. A lot of benefits have been in place for a long time (i.e. Retiree Program). He stated a lot of things have changed in the 20 years he has been with the County. The employees are a lot more mobile. They are not coming to work with the idea of staying at an employer for 30 years and retiring. Millennials are a lot more mobile. We have been focusing on civility with our directors, managers, and supervisors. Also, actively listening to employees and building trust, which we feel is important to employees. We have had approximately 100, including individual meetings, with the departments. Some departments we have probably had 5 – 8 meetings with them. The final product is not going to be something that HR or the consultant did. It is going a combination of a lot work, by a lot of departments. He stated all the departments, including elected and appointed officials, have been very cooperative and engaged in meeting and working with us on this. There is some concern about previous studies that were implemented. He knows a couple of the studies were not presented to Council for consideration. He stated they are planning to do this in phases. The 1st phase will be in January, the 2nd phase would be during the 1st quarter of FY19-20, and the final phase the following year in August/September.

Mr. Malinowski stated Mr. Hanna gave a lot of information there as to what the Total Rewards Study is supposed to be covering. To include recognition, talent, career paths, benefits, performance management, etc. Yet, the only thing the committee has in front of them is regarding salaries, monetary and budget. He stated it would be nice to see some of these other

things provided to us. He stated, in the 2nd paragraph of the briefing document, it says, “The salaries were less than market salaries.” He inquired as to what a market salary is.

Mr. Hanna stated before we went out to check what the market salary was we got input from every department, in terms of where they compete for employees and where they lose employee to. They identified those as being part of the market that was surveyed to see what they were paying for the similar. They also had the consultant to purchase national surveys. They looked at the SCAC and other data that matched Richland County jobs. They did a mix of both public and private sector, but mostly public sector. In many cases, the County competes with the private sector for jobs. As it more specifically relates to the question, the market varies for the particular job. For example, if it an Administrative Assistant, the market would be much more Columbia specific. As you go up the hierarchy and you talk about a director, it would be a broader geographical area because it would more likely to recruit from beyond Columbia.

Mr. Malinowski stated, again, Mr. Hanna referred strictly to the salary amount, but did not mention the cost of living in those areas. Certainly some areas that have a higher cost of living may pay higher salaries, that was not mentioned if that was taken into account.

Mr. Hanna stated it was taken into account. He stated there is a lot of information, and a lot of work that was done that he is not mentioning, in an effort to give an overview. He would be happy to give much more detail of what they have done so Council can have a clearer picture of the background information.

Mr. Malinowski stated he would like to see it because benefits were also not put in here. He stated he might get a higher salary by \$5,000, but he might lose \$5,000 in benefits because the salary is more important to me than the benefits. He stated he does not believe we are comparing apples to apples if we do not put it all out there.

Mr. Hanna stated he agrees with Mr. Malinowski’s point, and that is one of the reasons why we are doing a Total Reward Study. A good example is, employees would say they looked at Greenville County and they are paying more. Richland County pays retiree benefits, if you have enough years of service, Greenville County only pays \$75.00 a month for retiree benefits. To Mr. Malinowski’s point, if you just look at salary alone, he is exactly correct. One of the things that we are doing is working with IT to update our Total Rewards Statement so each employee can go print out their statement to show what their salary is, the value of their health insurance benefit, etc. They done that in a manual way in the past, and some employees have decided to stay with the County when they compared the cost of benefits versus what they would have to pay.

Mr. Malinowski stated that is what he would like to see in the overall salary package, not just a flat percent. When you take into account all of these things, where do we stand percentage-wise behind, in front or equal to.

Mr. N. Jackson stated to be competitive we have to amend our benefits program. He remembers talking to Mr. Hanna last year, regarding the 401K Program, and the County did not have it. We got together with the Retirement System, and County employees can now be a part of the program. One of the most important things he has seen, for him, is the leave benefits the State offers. He stated you start off with 15 days a year, annual and sick. After 15 years, the annual leave goes up a day and quarter until you get 30 days a year. A lot of people that come from State agencies go back because of the benefit of leave. He would like to see that included, and he would like some recommendations from staff also about the leave system. That is very important when attracting employees when we are competing with State agencies. He would like that incorporated and give some recommendations.

Mr. Malinowski stated, in the past year, we did a leave adjustment, and the final decision by Council needs to be included, as well.

Mr. N. Jackson stated there was a vote, but he worded the motion different, so it comes up different from what was already done.

Mr. C. Jackson stated he noticed in the document it talked about no base salary increase has been given between 2009 – 2015. He thinks it would be good before it comes before full Council, if you would indicate what level of cost of living increases have occurred during that same window of time. The other thing that would be good to mention is how this impacts the salary adjustments that were done last year for EMT, and are they included in this new salary adjustment, in addition to the one-time adjustments that were made.

Dr. Yudice stated the up to 6% would be inclusive of all employees. The 2% COLA is across the board, and the additional up to 4% will be for those employees who are below the market rate salaries. The one thing that we need to emphasize is that we are having problems retaining talented employees because they go to other organizations because of the salary we are currently paying. We are also having issues recruiting because when we make offers if they have another offer from another employer they choose them.

Mr. C. Jackson stated he thought, when we approved the funding for the one-time adjustments in salaries for the EMT workers a year ago, it would have brought them up to the market level. He stated, for clarification, what he is hearing is that it did not.

Mr. Hanna stated they are much closer to the market. He stated their objective is to move jobs closer to the competitive market. If a job is already competitive with the market, then that job might not be moved any, as it relates to this particular project. If an employee is being paid much lower in the salary range, and has been with the County for many years, that employee would more than likely move more. One of the common concerns of all departments has been compression. Because there have been many years without pay increase, so you get a lot of employees, in the same job, bunched up together. Maybe one employee has been here one year, and another employee has been ten years and they are making the same pay.

Mr. C. Jackson stated the 2nd part of the answer to the 1st question he asked is that they will also be included in this adjustment, as well.

Mr. Hanna stated they would be included in this adjustment for the 2%. As it relates to any other adjustment, it would be dependent on where they are, in comparison to the market. Specifically, if the EMS employees are already at the market, some of them could possibly not get an increase.

Mr. C. Jackson stated he is not trying to knock any opportunity for increase in pay for anyone, but when we made a special exception just for the EMS workers, and no one else got an adjustment in their salaries. Let's be careful, if we right back a year later and make an adjustment for everyone else, and continue to adjust theirs as well. It seems to him; they will still be out of balance. He read, in the document, in Phase II and III that no significant funding request would be made for operations, in order to fund this. He thinks that a pretty strong statement, saying in advance, that in the years to come, in order to fund a 2% raise, we will not provide any increase in funding for critical operations.

Mr. N. Jackson inquired if Mr. Hanna was referring to the private or government market.

Mr. Hanna stated they chose to use a combination; a 75% government/25% private sector mix because we do compete with the private sector for many County jobs. In response to Mr. N.

Jackson's previous question regarding benefits, leave is very important benefit to employees/applicants. In fact, employees are asking about more leave, just like they are asking about salary. One of the things that we will likely recommend the Council consider is providing the County Administrator the ability to negotiate a week or two leave with the new hire, if that makes the difference in getting them. Sometimes they are not asking for more money, they say they have 2 – 3 weeks of leave at their old job, and they do not want to come to the County and not have any leave to take.

Mr. N. Jackson stated he can understand someone coming in, and negotiating leave, but the current employees did not have that privilege. Most people gravitate to good leave, like the State employees do.

Mr. Hanna stated some employees have even been interested in buying leave. Maybe they got paid out from leave from a prior job, and they would be willing to purchase leave.

Mr. N. Jackson stated you can bank up to 45 days with the State, and when you leave they pay you for those 45 days. He stated he does not know if the County does that.

Mr. Hanna stated it is up to 45 days of annual leave, and we pay 25% of sick pay.

Mr. C. Jackson inquired, as far as County Council is concerned, which are required by the State to pay benefits and into the retirement system, how does that adjustment take place, or is there no conversation or adjustment for Council members, as a result of these State imposed increases in contributions.

Mr. Hanna stated the contributions for retirement is set by the State (PEBA), and they determine the percentage the employee/employer will pay.

Mr. C. Jackson stated, as a result of the increases that are occurring with the insurance, this will obviously help employees to offset that. What mechanism is in place for Council members to offset those same increases?

Mr. Hanna stated there is not a specific mechanism for Council members, as it relates to this process. They will provide a comparative report for Council members, but there is a requirement for a separate motion to be passed. Once it is passed, it does not become effective until the next Council members come on board.

Mr. Livingston stated he does not remember all the details, but it is tied to the election cycles.

Mr. Hanna stated, if the Council voted for an increase for employees, Council members could not just be generally included in that increase. It would have to be a separate vote, approved by Council, for Council members to get an increase.

Mr. C. Jackson stated, yet, Council is affected by increases in health benefits, if they choose to participate, and State retirement, if the rates go up.

Mr. Hanna stated that is a significant concern by County employees, as well. He stated an employee used the analogy that you them \$6 in one pocket, and take \$6 from the other pocket with the contributions.

Mr. Livingston stated, clearly what you are asking us, is to move forward with Phase I. He inquired as to what the request before the committee is.

Dr. Yudice stated the request is to send this to full Council, because Council authorized the assignment of the funds, we need to use these funds to fund Phase I of the Total Rewards study.

Mr. Malinowski inquired if that means we are paying for the study.

Dr. Yudice stated Phase I is the implementation of the salary adjustments.

Mr. Malinowski stated there has been a lot of information requested from Mr. Hanna. He inquired if Mr. Hanna will have the information by the time this item gets to Council.

Mr. Hanna responded in the affirmative.

Mr. Malinowski inquired if this should be on consent until we get the answers.

Mr. Livingston stated we can move it forward contingent upon having that information. If we do not have the information we will not take any action.

Mr. Malinowski moved, seconded by Mr. N. Jackson, to forward to Council with a recommendation to provide up to a 6% salary adjustment (i.e., COLA) for all employees pursuant to the results of the TRS in January 2019 using the funding assigned by Council during its October 16, 2018 meeting for this purpose, contingent upon receiving the information requested of Mr. Hanna.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.

- h. Alvin S. Glenn Detention Center Inmate Food Services Contract – Mr. N. Jackson moved, seconded by Mr. Malinowski, to forward to Council with a recommendation to approve the contract to Summit for the approximate amount of \$1,098,285.00 per year.

Mr. Livingston inquired how consistent this is with last year's amount.

Mr. Myers stated it is approximately the same.

Mr. Malinowski inquired if the higher number on the evaluation sheet is a higher cost, or are they ranked higher because of a lower cost.

Mr. Myers stated the higher ranking were the ones that were more responsive to the RFP.

Ms. Watts stated the higher the ranking on the cost, the lower the cost.

In Favor: Malinowski, N. Jackson, and Livingston

The vote in favor was unanimous.

5. **ADJOURNMENT** – The meeting adjourned at approximately 6:44 p.m.