

**THE STATE OF SOUTH CAROLINA
In The Supreme Court**

**APPEAL FROM RICHLAND COUNTY
R. Scott Sprouse, Circuit Court Judge**

Appellate Case No. 2022-001494

**Basilides F. Cruz, Joseph A. Floyd, Arthur
C. Gillam III, Alma C. Hill, Barry N. Martin,
Charles F. Morris, and Joseph A. Smith,**

Petitioners,

v.

City of Columbia,

Respondent.

and

**Larry Strickland, Denious L. Dimery and
Bailey G. McClinton,**

Petitioners,

v.

City of Columbia,

Respondent.

APPENDIX VOLUME III OF III

Nancy Bloodgood, SC Bar No. 6459
Lucy C. Sanders, SC Bar No. 78169
Bloodgood & Sanders, LLC
242 Mathis Ferry Rd., Suite 201
Mt. Pleasant, S.C. 29464
(843) 972-0313

W. Allen Nickles, III, SC Bar No. 4226
Nickles Law Firm
17 Creek Manor Lane
Columbia, S.C. 29206
(803) 466-0372

Christopher Bryant, SC Bar No. 101681
112 Lady Street, Suite 208
Columbia, SC 29201
(843) 972-0150

Jacqueline M. Pavlicek, SC Bar No. 100556
Office of the City Attorney
PO Box 667
Columbia, SC 29202
(803) 737-4242

Susan K. Dunn, SC Bar No. 1798
37 Charlotte Street, Apt. B
Charleston, SC 29403
(843) 830-1571

Attorneys for Respondent

Attorneys for Petitioners

INDEX

Record on Appeal	1
Appellants' Final Brief	966
Respondent's Final Brief	986
Appellant's Final Reply Brief	1010
Court of Appeals Opinion	1021
Appellants' Petition for Rehearing	1032
Respondent's Petition for Rehearing	1046
Order Denying Petitions for Rehearing	1053



City of Columbia
Department of Public Relations
P.O. Box 147
Columbia, SC 29217

"Connecting Our City Through Communication"

*Return
Service
Requested*

PRSRT STD
US POSTAGE
PAID
COLUMBIA SC
PERMIT 89

AUG
2004
SEP

- 14: - Summer Concert Series / Finlay Park / Every Saturday through August 28
 - Jazzy Saturday Mornings with Skipp Pearson / Columbia Music Festival Association
Every Saturday through August 28
 - 19: Vista After 5 Concert Series / Every Thursday through October 21
 - 26: Five After Five Concert Series / Every Thursday through October 14
 - 28: Jubilee Festival of Heritage / Mann Simons Cottage
-
- 4: - USC at Vanderbilt - First Game of the Season
 - Downtown Magnolia Market (every Saturday in September) / Main & Hampton
 - Palmetto Capital City Classic / Williams-Brice Stadium
 - 6: Labor Day / City Offices Closed / Garbage & Recyclables will be collected
 - 10: Jazz in the Box / Columbia Music Festival Association
 - 11: USC vs. Georgia - First Home Game

14

City of Columbia



EMPLOYEE AND RETIREE HEALTH COVERAGE

Revised 9-1-88



CITY OF COLUMBIA
SOUTH CAROLINA

OFFICE OF THE CITY MANAGER / CITY HALL / POST OFFICE BOX 147 / COLUMBIA, S.C. 29217 / (803) 733-8223

TO ALL OUR FULL-TIME AND RETIRED EMPLOYEES

All of us appreciate the need for insurance.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Hospital, Medical and Major Medical Insurance.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct affect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 100% payment for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the insured, play the greatest role in helping to slow down the ever-increasing costs of health insurance. You keep your insurance affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and share it with your family so that each of you will understand the benefits and protection available. Please keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

A handwritten signature in cursive script, reading "Graydon V. Olive, Jr.".

Graydon V. Olive, Jr.
City Manager

15

COLUMBIA

A Capital Place To Be



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

Effective: 07-01-92

COLUMBIA
A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 100% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

16

COLUMBIA

A Capital Place To Be



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

Effective: 09-01-94

COLUMBIA
A Capital Place To Be



TO AEL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

17

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE**

**PREFERRED COMPREHENSIVE
AND
DENTAL**

Effective: 07-01-97

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

18

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE**

**PREFERRED BLUE
AND
DENTAL**

Effective: 08-01-99

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Blue facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

19

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE**

**PREFERRED BLUE
AND
DENTAL**

Effective: 07-01-2002

TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage. As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Blue facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

20

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE
HEALTH COVERAGE**

PREFERRED PROVIDER

July 1, 2004

22



CITY OF COLUMBIA
SOUTH CAROLINA

July 3, 2007

Arthur C. Gilliam III
107 Bishopgate Rd
Columbia SC 29204

Dear Mr. Gilliam:

Congratulations on your retirement. According to our records you will be retiring effective 6/29/07. Please be sure the SC Retirement System has counseled you prior to your retirement date. Also, you may be eligible for the City Retirement Bonus. See your department for details.

You have the option of continuing your health insurance under the City of Columbia's Retiree Health Insurance. If you wish to do so, please complete the highlighted sections of the enclosed change application. To avoid health coverage cancellation, the application must be completed and returned within 31 days of the above date in the return envelope.

Under the current policy, the City pays retirees' portion of the health premium. Therefore, no monthly payments are necessary. You need only to complete and return the enclosed form to continue your health coverage. Currently, retirees are not eligible for the dental plan. Your dental coverage will end 7/1/07. You may enroll for Dental under COBRA. Blue Cross will notify you.

When you become eligible for Medicare you are expected to take out part A and Part B. It will not be necessary for you to participate in Medicare Part D, the drug coverage, since ours has been shown to be as good or better at no extra cost to you.

Please contact me if you have any questions at 545-3007.

Sincerely,

Mona Holliday

Mona Holliday
Benefits Administrator

retsngl.gov

"Everybody counts, Everybody contributes, Everybody benefits"

City of Columbia • Human Resources Department
1737 Main Street • PO Box 147 • Columbia, SC 29217 • (803) 545-3005 • Fax (803) 343-8752

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
)
COUNTY OF RICHLAND) IN THE FIFTH JUDICIAL CIRCUIT

Basilides F. Cruz; Joseph A. Floyd, Sr.;) Case No.: 2009-CP-40-5680
Arthur C. Gillam, III; Alma C. Hill; Barry N.)
Martin; Charles F. Morris, Sr.; and Joseph A.)
Smith,) **STIPULATIONS**

STIPULATIONS OF FACT

Plaintiff,
vs.
City of Columbia ,
Defendant.

Larry Strickland, Denious Dimery, and) Case No.: 2013-CP-40-05097
Bailey McClinton,)

Plaintiffs,
VS. -
City of Columbia,
Defendant.

1. The parties stipulate to the following facts regarding each Plaintiff:
- A. Mr. Arthur "Cam" Gillam, III was born November 19, 1956. He is currently 62 years old. Mr. Gillam was hired by the City as a firefighter June 1, 1981 when he was 24 years old. Mr. Gillam retired as Administrative Chief June 30, 2007 after 26 years with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Gillam for two (2) years.



B. Larry Strickland was born July 3, 1949. He is currently 69 years old. Mr. Strickland was hired by the City as a firefighter in June 1969 when he was 19 years old. Mr. Strickland retired as a Captain in March of 1993 after 24 years with the City. After he retired, the City paid the cost of health insurance for Mr. Strickland for twenty (20) years.

C. Bailey McClinton was born June 29, 1949. He is currently 69 years old. Mr. McClinton was hired by the City as a firefighter in October 1978 when he was 29 years old. Mr. McClinton retired as an Engineer in 2003 after 25 years with the City. After he retired, the City paid the cost of health insurance for Mr. McClinton for ten (10) years.

D. Charles "Charlie" F. Morris, Sr. was born October 28, 1946. He is currently 72 years old. Mr. Morris was hired by the City as a firefighter in January 1977 when he was 31 years old. Mr. Morris retired as a Captain in August 2001 after 24 years and seven (7) months with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Morris for eight (8) years.

E. Alma "Al" C. Hill was born January 9, 1960. He is currently 58 years old. Mr. Hill was hired by the City as a firefighter in June 28, 1982 when he was 22 years old. Mr. Hill retired as a Battalion Chief January 9, 2009 after 26 ½ years with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Hill for six (6) months.

F. Joseph "Joe" A. Floyd, Sr. was born April 27, 1957. He is currently 61 years old. Mr. Floyd was hired by the City as a firefighter in July 1977 when he was 20 years old. Mr. Floyd retired as Assistant Chief in September 2005 after 28 years with the City.

After he retired, the City paid the cost of single coverage health insurance for Mr. Floyd for four (4) years.

G. Joseph "Rusty" A. Smith was born October 4, 1954. He is currently 64 years old. Mr. Smith was hired by the City as a firefighter in April 1973 when he was 18 years old. Mr. Smith retired as an Assistant Chief in June 2006 after 33 years with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Smith for three (3) years.

H. Basilides "Frank" F. Cruz was born September 9, 1956. He is currently 62 years old. Mr. Cruz was hired by the City as a firefighter in May 1982 when he was 25 years old. Mr. Cruz retired as a Captain in May 2007 after 25 years with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Cruz for two (2) years.

I. Barry N. Martin was born June 8, 1954. He is currently 64 years old. Mr. Martin was hired by the City as a firefighter in February 1973 when he was 18 years old. Mr. Martin retired as Fire Battalion Chief in April 2008 after 35 years with the City. After he retired, the City paid the cost of single coverage health insurance for Mr. Martin for eight (8) months.

J. Denious "DL" Dimery was born July 5, 1942. He is currently 76 years old. Mr. Dimery was hired by the City as a firefighter in May 1968 when he was 26 years old. Mr. Dimery retired as Captain in March 1991 after 22 years and nine (9) months with the City. After he retired, the City paid the cost of health insurance for Mr. Dimery for 22 years.

2. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Graydon V. Olive, Jr. worked as City Manager.

3. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Miles Hadley began working as City Manager until he stopped working as City Manager.

4. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Michael A. Bierman began working as City Manager until he stopped working as City Manager.

5. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Leona Plough began working as City Manager until she stopped working as City Manager.

6. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Charles P. Austin, Sr. began working as City Manager until he stopped working as City Manager.

7. City Council provided for payment of the full cost of health insurance for individual employees and retirees when Steve Gantt began working as City Manager.

~~8. The City's policy of paying the full cost of health insurance for retirees began in the 1960s and continued until 2009.~~

~~9. From the 1960s until 2009, the City's Human Resources staff accurately informed employees and retirees that it was City policy to pay for the full cost of health insurance for retirees.~~

10. Plaintiffs first learned in 2009 that City Council was considering not paying the full cost of retiree health insurance for individuals.

11. On May 6, 2009, City Council voted unanimously to require individual employees and retirees who were not eligible for Medicare to pay \$33.18 per month for single coverage.

12. Medicare Part D is only available to persons who are age 65 or older.
13. Jacques Gilliam was an HR Director for the City in 2009.
14. Mona Holliday was Benefits Administrator for the City in 2009.
15. All powers of a municipality are vested in the council, except as otherwise provided by law, and the council shall provide for the exercise thereof and for the performance of all duties and obligations imposed on the municipality by law. S.C. Code Ann. § 5-7-160.
16. The City of Columbia employs a council-manager form of government addressed in S.C. Code Ann. §§ 5-13-10 through 5-13-100.



Nancy Bloodgood, SC Bar No.: 6459
BLOODGOOD & SANDERS, LLC
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com

Christopher Bryant, SC Bar No.: 101681
YARBOROUGH APPLGATE
291 East Bay Street, 2nd Floor
Charleston, SC 29401
Telephone: (843) 972-0150
Email: chris@yarboroughappplegate.com
Attorneys for Plaintiffs



W. Allen Nickles, III, S.C. Bar No.: 4226
NICKLES LAW FIRM, LLC
1122 Lady Street, Suite 610
Columbia, SC 29201
Telephone: (803) 779-8080
Email: alnickles@nickleslaw.com
Attorneys for the Defendant



25

January 23, 2009



Alma Hill
7012 Edmund Hwy
Pelion, SC 29123

CITY OF COLUMBIA
SOUTH CAROLINA

Dear Mr. Hill:

Congratulations on your retirement. According to our records you will be retiring effective 1/08/09. If you have worked 25 consecutive years you are eligible for the retirement bonus. See your department for details.

You have the option of continuing your health coverage under the City of Columbia Retiree Health Insurance. If you wish to do so, please complete the highlighted sections of the enclosed membership application. To avoid health coverage cancellation, the application must be completed and returned, within 31 days of the above date, in the return envelope.

Under the current policy, the City only pays single coverage health premiums. Therefore, you must make a monthly payment to continue your dependent health coverage. The monthly rate for the health insurance you had while an employee is \$73.30. Currently, retirees are not eligible for the dental plan. Your dental coverage will end 2/01/09. You may continue your Dental coverage under COBRA. Blue Cross will notify you of that opportunity.

Blue Cross/Blue Shield collects all retiree payments. You should receive an invoice from Blue Cross indicating the amount due. Your first payment will be due February 1, 2009.

Please remember your dependent coverage is subject to cancellation without notice if premiums are not paid.

When you become eligible for Medicare, you are expected to enroll in part A and Part B. It will not be necessary for you to participate in Medicare Part D, the drug coverage, since the City Health plan has been shown to be as good or better at no extra cost to you. When you become eligible for Medicare the premium amount will be reduced. But you must call our office when you become eligible and send us a copy of your Medicare card so that we may reduce your rate.

Please contact me at 545-3007 if you have any questions.

Sincerely,

Natasha Taylor
Human Resources Benefits Administrator
RETAM.COY

"Everybody counts, Everybody contributes, Everybody benefits"

City of Columbia • Human Resources Department

APP. 0721

27

**City of Columbia**

October 14, 2005

SOUTH CAROLINA

Joseph A. Floyd
[REDACTED]

Dear Mr. Floyd:

Congratulations on your retirement. According to our records you will be retiring effective 9/2/05. Please be sure the SC Retirement System has counseled you prior to your retirement date. Also, you may be eligible for the City Retirement Bonus. See your department for details.

You have the option of continuing your health insurance under the City of Columbia's Retiree Health Insurance. If you wish to do so, please complete the highlighted sections of the enclosed change application. To avoid health coverage cancellation, the application must be completed and returned within 31 days of the above date in the return envelope.

Under the current policy, the City pays retirees' portion of the health premium. Therefore, no monthly payments are necessary. You need only to complete and return the enclosed form to continue your health coverage. Currently, retirees are not eligible for the dental plan. Your dental coverage will end 9/30/05. You may enroll for Dental under COBRA. Blue Cross will notify you.

When you become eligible for Medicare you are expected to take out part A and Part B. Please contact me if you have any questions at 545-3007.

Sincerely,

Mona Holliday

Mona Holliday
Benefits Administrator

retsngl.gov

"Everybody accounts, Everybody contributes, Everybody benefits."

16

29

June 14, 2006

Dear Mr. Smith:

Congratulations on your retirement. According to our records you will be retiring effective 6/30/06. Please be sure the SC Retirement System has counseled you prior to your retirement date. Also, if you have worked 25 consecutive years you are eligible for the retirement bonus. See your department for details.

You have the option of continuing your health coverage under the City of Columbia's Retiree Health Insurance. If you wish to do so, please complete the highlighted sections of the enclosed membership application. To avoid health coverage cancellation, the application must be completed and returned, within 31 days of the above date, in the return envelope.

Under the current policy, the City only pays single coverage health premiums. Therefore, you must make a monthly payment to continue your dependent health coverage. The monthly rate for the health insurance you had while an employee is \$177.30. Currently, retirees are not eligible for the dental plan. Your dental coverage will end 6/30/06. You may continue your Dental coverage under COBRA. Blue Cross will notify you of that opportunity.

Blue Cross/Blue Shield collects all retiree payments. You should receive a monthly invoice from Blue Cross indicating the amount due. Your first payment will be for the month of August 2006.

Please remember your dependent coverage is subject to cancellation without notice if premiums are not paid.

When you become eligible for Medicare, you are expected to take out part A and Part B. It will not be necessary for you to participate in Medicare Part D, the drug coverage, since ours has been shown to be a good or better at no extra cost to you. At that time your premium amount will be reduced. But you must call our office when you become eligible so that we may reduce your rate.

Please contact me at 545-3007 if you have any questions.

Sincerely,

Mona Holliday
Benefits Administrator
RETFAM.COV

30



June 1, 2007

CITY OF COLUMBIA

SOUTH CAROLINA

Basilides F. Cruz Jr



Dear Mr. Cruz:

Congratulations on your retirement. According to our records you will be retiring effective 5/21/07. Please be sure the SC Retirement System has counseled you prior to your retirement date. Also, you may be eligible for the City Retirement Bonus. See your department for details.

You have the option of continuing your health insurance under the City of Columbia's Retiree Health Insurance. If you wish to do so, please complete the highlighted sections of the enclosed change application. To avoid health coverage cancellation, the application must be completed and returned within 31 days of the above date in the return envelope.

Under the current policy, the City pays retirees' portion of the health premium. Therefore, no monthly payments are necessary. You need only to complete and return the enclosed form to continue your health coverage. Currently, retirees are not eligible for the dental plan. Your dental coverage will end 6/1/07. You may enroll for Dental under COBRA. Blue Cross will notify you.

When you become eligible for Medicare you are expected to take out part A and Part B. It will not be necessary for you to participate in Medicare Part D, the drug coverage, since ours has been shown to be as good or better at no extra cost to you.

Please contact me if you have any questions at 545-3007.

Sincerely,

Mona Holliday
Benefits Administrator

retsngl.gov

"Everybody counts, Everybody contributes, Everybody benefits"

City of Columbia • Human Resources Department

15

§ 2-201

COLUMBIA CITY CODE

ARTICLE V. PROCUREMENT*

2

Sec. 2-201. Statutory authority; title; definitions.

The procurement procedures in this article and regulations authorized by this article are adopted pursuant to S.C. Code 1976, § 11-35-50, and may be cited as "The City Procurement Code." Terms used in this procurement code shall be defined in accordance with S.C. Code 1976, § 11-35-310.

(Code 1979, § 1-3040)

Cross reference—Definitions generally, § 1-2.

Sec. 2-202. Purchasing agent.

The city manager shall appoint a purchasing agent, who shall serve at his pleasure and subject to the finance director. The purchasing agent or a designated department head shall be responsible for procurement under the regulations promulgated by the city manager.

(Code 1979, § 1-3041)

Sec. 2-203. Compliance with federal requirements.

Where a procurement involves the expenditure of federal assistance or contract funds, the city shall also comply with such federal law and authorized regulations as are mandatorily applicable. Notwithstanding, where federal assistance or contract funds are used in a procurement, requirements of this Code and regulations that are more restrictive than federal requirements shall be followed.

(Code 1979, § 1-3043)

Sec. 2-204. Competitive sealed bidding required; exceptions.

All city contracts shall be awarded by competitive sealed bidding except the following as determined pursuant to definitions and standards set by regulations:

- (1) Professional services where the person employed is customarily employed on a fee basis rather than by competitive bidding (examples: appraiser, architect-engineer, auditor, legal services, physician).
- (2) Competitive sealed proposals.
- (3) Negotiations after unsuccessful competitive sealed bidding.
- (4) Small purchases.
- (5) Sole source procurements.
- (6) Emergency procurements.

*Cross references—Any ordinance promising or guaranteeing the payment of money for the city, or authorizing the issuance of any bond of the city or any evidence of the city's indebtedness, or any contract or obligations assumed by the city saved from repeal, § 1-11(1); any ordinance making any appropriation saved from repeal, § 1-11(6).

ADMINISTRATION

§ 2-205

- (7) Procurement of information technology.
 - (8) Leasing of real property for governmental use.
 - (9) When purchasing through state contracts.
- (Code 1979, § 1-3044)

Sec. 2-205. Procurement methods.

Regulations promulgated by the city manager shall provide for a fair and equitable procurement system for the city through one or more of the following methods:

- (1) Competitive sealed bidding.
- (2) Competitive sealed proposals.
- (3) Negotiations after unsuccessful competitive sealed bidding.
- (4) Small purchases.

ADMINISTRATION

§ 2-301

2

- (5) Sole source procurement.
 - (6) Emergency procurements.
 - (7) Negotiations for contracts exempted from competitive procurement.
- (Code 1979, § 1-3045)

Sec. 2-206. Correction or withdrawal of bids; tie bids; cancellation of invitation for bids.

(a) *Withdrawal of bids; cancellation of awards.* Correction or withdrawal of inadvertently erroneous bids before bid opening, withdrawal of inadvertently erroneous bids after award, or cancellation of awards of contracts based on such bid mistakes may be permitted in accordance with regulations promulgated by the city manager. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the city or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination of appropriateness and shall be subject to approval by the city council when the amount involved exceeds \$10,000.00.

(b) *Tie bids.* If two or more bidders are tied in price while otherwise meeting all of the required conditions, awards are determined as follows:

- (1) Should there be a city firm tied with an out-of-city firm, the award shall be made automatically to the city firm.
- (2) Tie bids involving only city firms or only out-of-city firms shall be resolved by the flip of a coin in the office of the procurement officer, witnessed by all interested parties.

(c) *Cancellation of invitation for bids or request for proposals.* An invitation for bids, a request for proposals, or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or part as may be specified in the solicitation, when it is in the best interest of the city.

(Code 1979, § 1-3046)

Sec. 2-207. Award of contracts.

The city manager may reject or approve bids and purchase agreements and award contracts in accordance with regulations, provided that contracts involving in excess of \$10,000.00 shall be approved by the city council prior to award.

(Code 1979, § 1-3047)

Secs. 2-208—2-300. Reserved.

ARTICLE VI. LOBBYIST

Sec. 2-301. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

**CITY OF COLUMBIA
WORK SESSION MINUTES
JANUARY 7, 2009 - 11:00 AM
CITY HALL - 1737 MAIN STREET**



The Columbia City Council conducted a Work Session on Wednesday, January 7, 2009 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 11:17 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergel. The Honorable Daniel J. Rickenmann was absent due to a family emergency. Also present were Mr. Charles P. Austin, Sr., City Manager and Ms. Erika D. Salley, City Clerk.

EXECUTIVE SESSION

Upon motion by Mayor Coble, seconded by Mr. Cromartie, Council voted unanimously to go into Executive Session at 11:17 a.m. for the discussion of the employment of an employee, which is the continuation of the City Manager's Annual Evaluation from December 4, 2008, December 10, 2008 and December 19, 2008.

- Council adjourned the Executive Session at 1:49 p.m. to break prior to convening the Work Session.

CITY COUNCIL DISCUSSION / ACTION

- Council convened the Work Session at 2:09 p.m.
- Mayor Coble was not present at this time. The Honorable Tameika Isaac Devine is now presiding.

A. Proposed Health Care Plans – Ms. Jo Stewart, Principal / Towers Perrin

Ms. Jo Stewart, Principal / Towers Perrin stated that this is a follow-up to the meeting on December 17, 2008. Today, she is seeking direction from the City Council regarding how to move forward with the recommendations for health care plan changes for active employees. The recommendations include offering two (2) plan choices for employees; requiring some additional cost sharing through the plan design; increasing the lifetime maximum to provide additional catastrophic coverage; improving the wellness benefit; adding contributions for single employee coverage, because today there is no cost for individual coverage; modifying some of the tier ratios or what we charge per employee plus spouse, child or family to more accurately reflect the risk and cost for those groups; setting contributions so that the city is cost-neutral to the enrollment decision that the employee makes or if an employee opts to buy a higher value plan, that employee will pay the cost difference; and to implement design changes on July 1, 2009, but to ultimately move to a calendar year plan basis, thus starting another plan year on January 1, 2010.

CERTIFIED
A TRUE COPY
Erika D. Salley
CITY CLERK

WSM 01/07/2009 - Page 1

Councilor Cromartie said that they discussed skewing the payments of the plan in accordance to the income levels of the various employees. In other words, those employees who make less money would have less of a contribution and those who are at the higher end of the economic scale would pay more to offset that, because they do in fact make more. He said that the proposed plans do not reflect the cost differential that will be paid. He would like to see a proposal based on income levels in an effort to make it fair for everybody.

Mr. Charles P. Austin, Sr., City Manager said that there are some issues that need to be discussed as it relates to Mr. Cromartie's recommendation. How do you balance it out when there is a single employee making \$35,000 and an employee with five (5) dependents making \$60,000?

Councilor Cromartie said that it would need to be a level playing field. He asked if Ms. Stewart has experience with other cities and towns that have done this.

Ms. Jo Stewart, Principal / Towers Perrin said that she doesn't know of any cities and towns that have taken that approach, but there are some organizations that have taken a salary based approach; it is a more limited group of employers that choose to do this for a variety of reasons. The goal is to reallocate or redistribute the cost sharing, but it will not result in cost savings.

Councilor Cromartie said that it would be based on the number of dependents that an employee has.

▪ **Mayor Coble joined the meeting at 2:15 p.m. and is now presiding.**

Mr. Charles P. Austin, Sr., City Manager said that staff is still focused on making that happen in conjunction with working with the planner so that all of the information is consistent.

Councilor Cromartie said that he expects staff to work with the planner, since she already has the statistical data in her possession. He said that we are moving from a plan where people did not have to pay anything and he is fundamentally concerned about helping those with lower pay. He wants to compare apples to apples and oranges to oranges.

Councilor Devine believes that it would be an administrative nightmare and she's not sure if we should be looking at salary as an indicator. She asked Ms. Stewart to provide the pros and cons of doing this and then let the Council decide, but she doesn't like the idea.

Mr. Charles P. Austin, Sr., City Manager said that ultimately what we bring back to the Council will be in concert with what the consultant recommends.

Councilor Cromartie said that health, age and current conditions should not be factored. It should be based on the number of dependents. We do not exempt pre-existing conditions.

Councilor Davis said that the determinants are marital status and dependents. He would like to see if comparable sized cities have salary based benefits and he wants to know why they do or why they don't.

Mr. Charles P. Austin, Sr., City Manager asked the Council to help staff define where we want to go, because Ms. Stewart needs to know the direction in which we want to go.

CERTIFIED
TRUE COPY
JACK D. HARRIS
CITY CLERK

Ms. Jo Stewart, Principal / Towers Perrin said that she would like to have an agreement on the proposed plan designs and an agreement around contribution percentages, even if we don't agree on the exact contribution amount.

Councilor Devine asked for the comments made by the employee focus groups. She recommended that they discuss those comments.

Ms. Jo Stewart, Principal / Towers Perrin said that a summary was provided, but not the actual comments made by employees.

Councilor Cromartie is also interested in knowing what the employees said.

Mr. Jacques Gilliam, Director of Human Resources said that they would provide a more detailed report on what the employees said during the focus groups, which consisted of thirty (30) wage employees and supervisors.

Ms. Jo Stewart, Principal / Towers Perrin said that the employees' comments were summarized on pages 20 and 21 in the December 17, 2008 document.

Councilor Cromartie said that he read those comments and they were not as conclusive and extensive as he would like to see.

Councilor Finlay said that if we don't make some decisions fairly quickly, we won't be able to implement the changes by July 1, 2009. If we don't implement some dramatic savings, we will have to come up with \$3 to \$6 million in fiscal year 2009/2010.

Mr. Charles P. Austin, Sr., City Manager said that is correct.

Mr. Bill Ellis, Deputy Finance Director said that Mr. Finlay is correct, the city would have to come up with \$3 to \$6 million, which is derived from the projections being provided by the administrative provider of our claims and it is based on how much generated funds we have versus the cost of claims. It is a shortfall.

Councilor Finlay said we need to start making some decisions fairly quickly or we're going to miss the window to implement a new plan on July 1, 2009, which will mean that we cannot implement it until January 1, 2010. The penalty for that would be potentially \$1.5 to \$3 million or the cost.

Mr. Charles P. Austin, Sr., City Manager said that all of this is time sensitive.

Councilor Cromartie asked Ms. Stewart if the Council approves the plan changes by the end of this month, will she have enough time to implement the changes by July 1, 2009.

Ms. Jo Stewart, Principal / Towers Perrin said that would be a very aggressive timeline, obviously the sooner we can get a decision, the sooner we can move forward. She referred to page 3 of today's handout stating that it outlines all of the activities that must occur in advance of the plan changing. There are both external and internal requirements for the change to include coordinating with the city's health plan administrator in terms of making those changes; there are internal systems changes that will need to be made as the city moves toward two (2) plan choices; and there's also communication and I would not in any way minimize the need for you to communicate with your employees about these changes. She said that there's work that needs to be done before the communication can be rolled out. If the Council is comfortable with the plan designs, they can begin to do the contributions and get approval of that too.

CERTIFIED
TRUE COPY
CITY CLERK

Councilor Davis said that he doesn't have a problem with the plans as designed or the schedule, because it makes sense to implement it by July 1, 2009 and then come back with the second date. He asked if they are recommending that we stay with the same carrier.

Ms. Jo Stewart, Principal / Towers Perrin said that they are not making any recommendations regarding that.

Councilor Davis stated that depending on the carrier that we go with, are we getting the best bang for our dollar on this.

Mr. Charles P. Austin, Sr., City Manager said that decision will need to be made once we put this back out for Request for Proposals (RFP). This is highly time sensitive and from my standpoint particularly as the person that will be held accountable for making sure we meet this deadline, I would just urge you to act on this, unless there is some compelling reason not to.

Councilor Cromartie asked about the deductibles for the proposed plans.

Ms. Jo Stewart, Principal / Towers Perrin said that today's deductibles are \$200 for an individual and \$400 for a family and they are recommending that the deductible for Option A increase to \$500 for an individual and \$1,500 for a family and the deductible for Option B (the buy up plan) goes to \$250 and \$750. She said that for Option A they tried to design a plan that is comparable to a peer group of organizations and Option B is a higher value plan that is midway between the new plan and where the city is today, thus allowing people to get close to the plan they have today as a buy up option.

Councilor Cromartie asked how the options compare to the benefits that employees have today. How will Option A relate to the current plan?

Ms. Jo Stewart, Principal / Towers Perrin explained that the relative value of the proposed plan is 15% less than the current plan. The buy up plan or Option B is 8% less in relative value than the current plan.

Councilor Cromartie said that people are concerned about going to get medical treatment. When they walk into a hospital, because they are in need of medical treatment, do they pay the \$200 deductible in order to get treated?

Mr. Jacques Gilliam, Director of Human Resources said no and explained that the \$200 is the deductible. Right now it pays 95% so if you hit that \$200 deductible then it starts to pay that. If you have not met that \$200 deductible, you will get billed for it by the doctor.

Councilor Cromartie said that another concern is what employees pay for an ordinary doctor's visit.

Ms. Jo Stewart, Principal / Towers Perrin explained that today employees pay \$15, but the proposed plan for Option A increases that co-pay to \$20 for primary care and \$30 for specialists recognizing that there is a difference in the cost between a primary care physician and a specialist. For Option B the co-pay stays at \$15 for primary care and its \$25 for a specialist.

Councilor Cromartie said that employees are also concerned about their prescription bills.

TRUE COPY
CITY CLERK
C. D. Wood

Ms. Jo Stewart, Principal / Towers Perrin explained that drug store purchases are subject to the deductible and then the employee pays 20% and the plan pays 80%. If an employee uses mail order, there is a difference between generic and brand. She recommended a slightly different approach to pharmacy purchases so that the city is moving to a three (3) tier pharmacy plan as follows: \$5 for generic; \$25 for preferred brand; and \$40 for a non-preferred brand. The drug plan remains the same for both options. She added that some people may perceive the proposed drug plan as an enhancement and if the cost of the drug is less, then the employee pays less.

Councilor Cromartie said that currently employees pay \$50 for emergency room visits.

Ms. Jo Stewart, Principal / Towers Perrin proposed that the amount be increased to \$150 under both plan options.

Councilor Cromartie inquired about the amount of the employee contribution.

Ms. Jo Stewart, Principal / Towers Perrin said that the proposed employee contribution for Option A is 10% or \$33.18 and for Option B its \$63.17 assuming that Option A is the plan that the city bases its contribution on. There are alternative contributions if the city wanted to set its contribution based on Option B and then have people buy down to Option A. The savings from the alternative are not as significant. If the city goes with the initial recommendation there would be \$1.5 million in savings for the final six (6) months in 2009 and approximately \$3 million for 2010.

Councilor Devine asked which plan saves more money.

Ms. Jo Stewart, Principal / Towers Perrin said that the plan they originally recommended saves the most money.

Councilor Devine asked which alternate plan saves the most money.

Ms. Jo Stewart, Principal / Towers Perrin said that Alternate 2 saves the same amount, but it also makes Option B the current plan and increases the contributions significantly for employees. You are generating the same dollar savings, but employees are paying the difference to keep the current plan design.

Councilor Cromartie asked how much would a retiree and spouse pay for Option B.

Ms. Jo Stewart, Principal / Towers Perrin said that we are talking about active employees today.

Councilor Cromartie asked how much would an active employee and spouse pay.

Ms. Jo Stewart, Principal / Towers Perrin explained that under Alternative 2 an employee and a spouse would pay \$310, noting that Alternative 2 keeps the current plan design as the high plan (Option B). She said that the contributions become pretty high at this point and a lot of people may not participate in this plan.

Councilor Gergel asked Ms. Stewart to summarize the key points of both plans.

TRUE COPY
CITY CLERK

Ms. Jo Stewart, Principal / Towers Perrin explained that the recommendation is for the city to offer two (2) plan choices for employees as outlined on page 13. Option A is about 15% less in value than the current plan and Option B is a choice for employees which is about 8% less in value than the current plan. The recommendations for contributions are outlined on page 16 and the recommendation is for employees to pay 10% of the cost of Option A; dependents pay 30% of the cost of Option A; Option B costs are set as a buy-up to Option A; therefore employees will pay the value difference between the two (2) options to include 10% plus the value difference or the 30% plus the value difference. Those were the initial recommendations that would generate \$1.5 million in savings for the last six months of 2009 and \$3 million in savings for 2010. She said that they provided alternatives in case the Council thought the contributions under the initial scenario were higher than what they would want to pass on to the employees. We provided that as information and those are the alternatives.

Councilor Finlay said that under Option A, an individual family would contribute 25% of the cost. He noted that the percentage rate would not change based on the number of dependents. He asked if the budgeted rates are guaranteed for the 18-month period from July 1, 2009 through December 31, 2010 or are these estimates.

Ms. Jo Stewart, Principal / Towers Perrin stated that the City of Columbia is self funded and pay claims as they come through. They made a projection based on what they thought the costs were going to be during that time period and then set those budget rates to reflect their projections of that cost.

Councilor Finlay asked what Ms. Stewart thought the deviation would be from the estimates. Would it be 5%? Do you ever go back and assess your accuracy?

Ms. Jo Stewart, Principal / Towers Perrin replied we do. She said that the city has stop loss insurance to protect against those very catastrophic claims, we feel comfortable that we're within a range of accuracy for a group of this size.

Councilor Finlay asked if that number was 5% or 10%. He feels that this is an important number for us to get a grasp on. Do you feel like this plan is big enough that numerous providers would be willing to bid on the stop loss, etcetera?

Ms. Jo Stewart, Principal / Towers Perrin said that she absolutely believes that the City of Columbia would be an attractive account for health plan administrators.

Councilor Finlay wants to ensure that the plan isn't designed as such that it only attracts two (2) bidders.

Ms. Jo Stewart, Principal / Towers Perrin said that they set the design based on both competitive data and cost savings. We would ask an administrator to administer this plan for you.

Councilor Finlay reiterated the fact that he doesn't want the city to design a plan that only one (1) group would be willing to administer.

Ms. Jo Stewart, Principal / Towers Perrin said that this is not a non-standard plan design.

Councilor Finlay asked if the plans allow for health savings accounts.

Official Document
A TRUE COPY
CITY CLERK

Ms. Jo Stewart, Principal / Towers Perrin replied no. We talked a little about that on December 17, 2008 based on the feedback received in the focus group meetings and given the level of change that this represents, we did not think that now was the time to move to an account based health plan approach. That can be added later.

Councilor Finlay said that it does seem like some employees prefer Option 2, which is the health savings account high deductible plan, because they would know how much had to be paid instead of computing 5%, 10%, 20%, etcetera. If we have employees that are showing interest in a health savings account on the front end, then we need to move towards that quickly. People are willing to take charge of their own healthcare and we should be rewarding them and not preventing it.

Councilor Cromartie said that the only way we would be in a position to provide less of a payment (for employees) would be for the city to make up the difference and pay more. As it relates to the administration of the plan, is the administrator paid a percentage?

Ms. Jo Stewart, Principal / Towers Perrin said that administrators are typically paid a flat fee per employee.

Councilor Cromartie asked if the type of plan makes a difference to the administrator.

Ms. Jo Stewart, Principal / Towers Perrin said that they want to ensure that the plan design is not so off the wall that it's difficult to administrator and it's not; it's a standard plan.

Councilor Davis said that he is fine with the recommendations; this is the best we can do given where everybody else is now when you look at healthcare costs and availability. Comparably, I think it's a good plan.

Councilor Devine inquired about the buy-up plan that is being recommended.

Ms. Jo Stewart, Principal / Towers Perrin said that they are still recommending the buy-up plan, because they believe it is in line with the city's peer group and it's a very good plan in the market. They offered the alternative to show what the contributions could look like if the city chose to make a higher contribution.

Councilor Devine said that she is unclear why the option on page 4 might be cost prohibitive, because it looks like the single employees are paying a little more, but once a dependent is added, it looks like they would pay less. It seems like that would be more attractive to staff.

Ms. Jo Stewart, Principal / Towers Perrin said that it does, but it would not generate the same dollar savings. The plan designs are the same, but the difference is how much the city contributes to the plan.

Councilor Devine inquired about the savings the city would incur from the alternative plans.

Ms. Jo Stewart, Principal / Towers Perrin explained that the savings through 2009 for Alternative A would be \$1 million, which is \$500,000 less than the initial recommendation. Over a year, there would be a \$1 million difference.

Councilor Gergel asked for clarification on the options and alternatives.

CERTIFIED
TRUE COPY
CITY CLERK

Ms. Jo Stewart, Principal / Towers Perrin explained that Alternative One is the very same plan designs; the same two (2) plan designs in the initial recommendations are the same plan designs in Alternative One. The only difference in Alternative One is how contributions are set and the level of contributions.

Councilor Davis said that we are positioning ourselves so that we don't have to make those drastic cuts and we're still able to provide some level of benefits. We will be realizing some savings for taxpayers as well.

Ms. Jo Stewart, Principal / Towers Perrin reiterated the fact that the plan design was developed on competitive contribution data and we believe that our initial recommendation is competitive in the market.

Councilor Davis said that we can always come back and tweak this, because there are still options here.

Ms. Jo Stewart, Principal / Towers Perrin said that if the Council could finalize the plan designs today, they could finalize the contributions at a later date if they want to look at the alternatives.

Councilor Finlay said that we are struggling with whether to ration quality or quantity or in some way both. He said that we can't do both. The issue is that we need to come up with \$1.5 million during the second half of 2009 or \$3 million for fiscal year 2009/2010. He asked the City Manager if that is a correct assessment.

Mr. Charles P. Austin, Sr., City Manager said that is a correct assessment.

Councilor Finlay said that if we don't, we will need to be prepared to find that \$1 million by cutting other places in the budget or by raising taxes.

Mr. Charles P. Austin, Sr., City Manager said that is correct.

Councilor Finlay suggested that the Council approve the plan design and then focus on how to get those numbers to work going forward. We know what the savings has to be.

Councilor Cromartie said that the problem is who's going to bare the burden; we are balancing the budget on the back of our employees and unfortunately this is what it has come down to. That is the reality. If we went with Alternate One, we would be short of our budget requirements.

Mr. Bill Ellis, Deputy Finance Director said that we are recommending this for your consideration. We are not actually telling you what to do.

Councilor Davis said that if went out into the market now into other forms of government, you wouldn't be able to find anybody getting these kinds of benefits and not paying anything. This is something we all inherited.

Councilor Devine said that we are talking about employees paying for benefits that they never paid for before and we're talking about what benefits they are receiving. She said that Option B is more similar to what employees are currently getting. She tends to agree with Councilman Cromartie and urged her peers to consider all options.

JEFFREY TRUELOVE
 CITY CLERK

Councilor Finlay said that he understands the points being made, but decided to look at this from a historical perspective. He recalled that the city had a millage rate of 79 in 2005/2006 and now we are at 101, which is a 25-28% increase in three (3) years. For the last three (3) years we have balanced a budget on the backs of taxpayers. Going forward the amount of millage increase that will be allowed by the State is three (3) mills or \$900,000. That money has already been promised to the Police Department in essence for retention. We made a commitment last year to grow funding for the Police and Fire Departments by \$900,000 per year. We need to understand that unless revenues are increasing somewhere that we haven't heard about, we cannot direct the Finance Department to come up with a million dollars without recommending the cuts. He asked if he was correct on his math.

Mr. Bill Ellis, Deputy Finance Director said yes sir. He added that they are trying to maintain employee coverage and to cover our health cost. The only way we could figure it out was to keep it cost neutral to the city. We will still contribute the same amount to healthcare as we are in the current budget. We will not diminish that whatsoever. We are trying to keep it cost neutral to the city and maintain benefits with Option B. With Option A, we are trying to give the employees a little bit less coverage and pass less cost onto them. They would get the savings for not having as much coverage and that's what we are proposing.

Councilor Devine said they are still getting that if they are able to buy down.

Councilor Cromartie said that the other problem is the difference in the amount that the plans cost, noting that employees would pay an additional \$1,000 each year for the recommended plan. We are saving them on one hand, but we are in the process of taxing our employees to the tune of \$1,000 per year that they would not have to pay. We also have 350 Police Officers that have to pay an additional \$1,000 per year in order to get the top insurance policy that they should have, which is similar to what we already have. Are we going to bite the bullet? I think that's what we should do.

Councilor Finlay said that 2,000 employees times \$1,000 equals \$2 million and that's the problem.

Mayor Coble doesn't think there are any good options. Everybody's having to pay more and the matter is how much are we willing to put on the backs of our employees and how much are we going to go back and try to fine tune, cut and look at options in our budget. The strength of our city has been the employees and the benefits they get. We need to look at every option knowing full well that the City Manager will have to come back with budget cuts if we don't make it up from the employees. These are the financial times we live in.

Mr. Charles P. Austin, Sr., City Manager said that Ms. Stewart is looking for some direction today then we at least have a starting point from which to work. Where do we go from here?

Ms. Jo Stewart, Principal / Towers Perrin said that they need a decision on plan design. Are you comfortable with the two (2) choices? Are you comfortable that you will offer choices? Are these two (2) plan designs the right plans to offer? If we could get that level of agreement, we can look at the contributions for each alternative and the budget issues then come back with a recommendation that looks at all of these options.

Councilor Davis said that the options allow us to move forward. The longer we take to move forward the more it will cost us.

CERTIFIED
TRUE COPY
CITY CLERK

Ms. Jo Stewart, Principal / Towers Perrin said that the city could lose \$1 to \$1.5 million.

Councilor Davis believes that we are doing the right thing, but he doesn't want to see us penalize the employees even more by not sticking with the schedule.

Councilor Cromartie asked if the Council is in a position to ask staff to put forth both plans and try to make recommendations on contributions so the city can get the benefit of Option B at a better rate.

Ms. Jo Stewart, Principal / Towers Perrin explained that they are recommending certain plan designs that drive the contributions on both page 16 and page 4. If we can agree on those plan designs and that you want your single employees to make some contribution then we can begin moving forward.

Councilor Cromartie said that he is in agreement with being in a position to have options available, but at the same time the differences in the real plan are in Option B, which is most identical to what we currently have. Most of our employees have dependent coverage.

Ms. Jo Stewart, Principal / Towers Perrin said no, most of your employees have single coverage. She reminded the Council that the plan designs are the same, but the contribution levels differ.

Councilor Finlay asked if there was any reason we cannot strive to offer a health savings account by January 2010.

Ms. Jo Stewart, Principal / Towers Perrin said that it is their recommendation that this change becomes effective July 1, 2009 and remain in place for the 18-month period in order to maintain consistency. She would recommend waiting until 2011.

Councilor Finlay said that no one would be forced take the healthcare savings account and that it would affect only a small portion of employees. Are there any federal or state laws that would prohibit it or is it just the ease of implementation?

Ms. Jo Stewart, Principal / Towers Perrin said that it's administration and education.

Councilor Devine and Councilor Cromartie asked if we offer it now.

Ms. Jo Stewart, Principal / Towers Perrin said no.

Mr. Charles P. Austin, Sr., City Manager proposed that the idea of offering healthcare savings accounts be put on the table as an option to be factored in with the other options. There doesn't seem to be anything compelling that would keep us from doing that and it should be factored into the equation.

Ms. Jo Stewart, Principal / Towers Perrin said that she is a member and a fan of health savings accounts. She is speaking from a level of professional and personal experience and when you offer this you want to make sure your employees understand what it is. You want more than 3-4% of employees enrolling in this.

Councilor Devine said that we already have something similar to this. She asked Mr. Gilliam to explain what it is.

CERTIFIED
TRUE COPY
CITY CLERK

Mr. Jacques Gilliam, Director of Human Resources said that we currently offer a flexible spending account wherein you either use the money within a calendar year or lose it. The health savings account is basically owned by the employee.

Councilor Finlay added that it is cumulative account.

Councilor Devine said that we need to make sure we are working within all of the things that we offer. If an employee is unable to do one thing then they need an option for something else that would ultimately get them to that goal.

Ms. Jo Stewart, Principal / Towers Perrin noted that a flexible spending account does provide that alternative. It's not the same vehicle as the health savings account, but it does give you that ability.

Councilor Finlay asked if the discussion should be opened for public comment.

Mayor Coble stated that the matter was not advertised as a public hearing.

Upon motion by Mr. Cromartie, seconded by Mr. Davis, Council voted unanimously to move forward with the proposed health care benefit plan with a two (2) tier structure for active employees with the idea that we will look at Option B, which is comparable to the current plan we have and come up with a contribution level that is acceptable to the members of City Council.

- Council recessed at 3:26 p.m.
- Council reconvened at 3:31 p.m.

B. Audit Update – Mr. Bill Ellis, Deputy Finance Director

Mr. Bill Ellis, Deputy Finance Director provided an overview of the findings of the June 30, 2007 Management Letter. He said that the layman's definition of audit findings is determining or evaluating the health of your accounting system. There are three (3) levels of health: symptoms that indicate that you might have a problem; diseases which indicate that you definitely have a problem and you better fix it in a hurry; and the other is like a headache that you need to have evaluated to see if you have a tumor or not. The findings that we have that are the easiest to fix are procedural items. We had findings that involve the lack of timesheets being signed; a formal year-end closing schedule; receiving reports being initiated; and invoices not being paid. He said those are procedural events, which determine that you have a potential problem. They are not actually deficiencies of accounting data; they just say that you are not looking at this as you should. However, there are other kinds of problems to include grant invoicing; grant reporting; sub recipient monitoring; and bank reconciliations. These are serious audit conditions. These are deficiencies within the financial records that must be addressed and corrected immediately. Procedural events are things that you can take your time with, if you have to, but the serious findings must be addressed. He continued his report with matters that management considers to be serious findings. He said the Mr. Addison as the external auditor can indicate to Council whether he agrees with the assessment or not.

CERTIFIED
TRUE COPY
CITY CLERK

Councilor Finlay said that the Management Letter is generated by the Auditor and asked that the next draft Management Letter be provided to the members of Council before being reviewed by staff, because if he remembers correctly, the Auditor works for Council. He is concerned that there is a perception of a problem when it doesn't go through the proper channel. When it goes to management before going to the client, there is a question of whom the Auditor reports.

Mr. Charles P. Austin, Sr., City Manager said that we will note this for future reference.

Mr. Bill Ellis, Deputy Finance Director explained that **Finding 1. Timely Invoicing of Grant Expenditures** came about because we had Federal grants that were unrecorded in our financial system. The situation that occurred is that federal grants were recorded on a non-regiment schedule if at all. The time period was not determined by accounting staff, but by circumstances meaning that if a grantor agency said that funds were being lapsed or if the funds were underutilized, that would initiate some reaction from the accounting staff. Since last month, we have initiated a formal policy for the way grants will be recorded and this should significantly resolve the problem by fiscal year 2009, but not 2008, because it was not written until December.

Councilor Devine asked if someone is being hired internally to handle this as their primary function.

Mr. Bill Ellis, Deputy Finance Director said that the individual has already been hired. He said that the A-133 for 2006 was recently completed; the 2007 A-133 has two (2) additional areas of concern and then we will be finalized; and we will be able to move into the 2008 A-133, which is basically the reporting of federal grants. That will get us on a timelier schedule. We are initiating procedures that will get us current by the 2009 fiscal year, but a lot of things have to happen on that. He discussed **Finding 8. Sub Recipient Monitoring**, which is a situation where we give out grant funds and are not adequately reviewing whether the sub recipient is complying with the grant requirements or not. The analysis of the sub recipient monitoring are such that the City of Columbia, in his opinion, was doing the sub recipient monitoring, but we were not adequately documenting that we had done so. In the audit world, if you don't document it, you didn't do it. That is a procedural change that we initiated and should satisfy these requirements for the 2009 fiscal year.

Councilor Cromartie asked if this is referring to the Development Corporations.

Mr. Bill Ellis, Deputy Finance Director said that it could be any federal grant that we give to a sub recipient; it could be a loan fund; or it could be something else.

Councilor Finlay asked if a sub recipient was spending the money incorrectly, would we incur a liability or a penalty.

Mr. Bill Ellis, Deputy Finance Director said that we would incur a finding from the feds that would jeopardize the receipt of future grants and we would possibly have to pay the funds back if the sub recipient did not pay the funds back.

Councilor Finlay asked if we have this matter controlled at this point.

Mr. Bill Ellis, Deputy Finance Director responded that the determination he made subject to independent verification in 2008, is that the sub recipient monitoring process was actually taking place and is in fact very good, but it was not documented. It is a legitimate finding for the 2007 audit.

CERTIFIED
 TRUE COPY
 [Signature]
 CITY CLERK

Councilor Finlay asked if this finding will show up again in 2008.

Mr. Bill Ellis, Deputy Finance Director responded that it would have to. It will show that we addressed the problem in 2008, but it still existed in 2008.

Councilor Finlay asked if we have any liabilities.

Mr. Bill Ellis, Deputy Finance Director said that none have been detected and that we had two (2) HUD reviews and they both said that we were in fine shape. He added that the External Auditor even went out to sub recipients; did some subsequent work; and there was nothing found at that point and there's nothing to indicate that we're not actually complying with our federal grant regulations. The documentation is considerably better and should stand an audit test now. He continued with **Finding 10. Regular Reconciliation of Bank Statements**, which has been a problem that Council is aware of. The June 30, 2008 bank reconciliation was finalized in the month of December. He added that July, August and September 2008 are in progress and nearing completion.

Councilor Finlay said that is not what we are talking about under this Management Letter.

Mr. Bill Ellis, Deputy Finance Director said that it is correct, those time periods will be covered in the next Management Letter, but even a June 30, 2008 reconciliation done in December 2008 is 6-months behind and that's still not timely.

Councilor Finlay told the City Manager that Council was given financial statements that were produced at points based off of checking accounts that were not reconciled. We know that previous bank balances were not reconciled until dramatically after the 2005/2006 year ended. He said that one (1) month out of twelve (12) months in 2006/2007 was reconciled.

Mr. Bill Ellis, Deputy Finance Director clarified that the one (1) month was twelve (12) months.

Councilor Devine stated that they were all done at one time.

Councilor Finlay asked if they reconciled it all in June.

Mr. Bill Ellis, Deputy Finance Director said that is correct.

Councilor Finlay asked how some of those numbers were produced without the reconciliations. I don't understand how you produce draft financial statements for distribution without reconciled numbers. At one point we were 16 to 18 months behind.

Mr. Bill Ellis, Deputy Finance Director explained that he has avoided providing the Council with balance sheet financial statements until January. We are anticipating meeting that goal.

Councilor Finlay asked if Mr. Ellis would have been able to produce accurate balance sheet statements for the Council one year ago without the bank reconciliations.

Mr. Bill Ellis, Deputy Finance Director said no sir; no way.

Councilor Finlay asked Mr. Ellis how he would describe the statements that were presented to the Council.

CERTIFIED

TRUE COPY

[Signature]
CITY CLERK

Mr. Bill Ellis, Deputy Finance Director said bad.

Councilor Devine said that she would not put Mr. Ellis on the spot.

Councilor Finlay reiterated his point by saying that statements were handed to this Council that we then based budgets off of and could not verify them if you had to.

Mr. Bill Ellis, Deputy Finance Director urged the Council to deal with moving forward rather than past issues. He said that he could not prepare a financial statement for the Council unless he felt that the balance sheets were fairly represented.

Councilor Finlay commented that he understands Mr. Ellis' point, which is that things are getting better quickly and he is appreciative of that, but to not understand where we were doesn't give us the look into the abyss that we need to understand exactly what we skated up against. We should look forward and commit to ourselves that we will never be here again.

Councilor Devine said that Mr. Finlay is saying that he doesn't expect Mr. Ellis to present balance statements to the Council that he is not willing to stand behind and that Mr. Ellis is saying to the Council that he would not present that, so she believes that we are okay. She asked if the Council will start receiving balance sheet statements this month.

Mr. Bill Ellis, Deputy Finance Director said that the Council will start receiving balance sheet statements that he feels is essentially and materially correct and he will have basis to stand upon that assertion. He added that the External Auditor will verify to the Council whether he is doing so or not. He noted that to date they have only given the Council revenues and expenditures, because those are current data which could be verified. We promised to get you balance sheet information at the end of January and we are still on target for that delivery date. He continued with **Finding 11. Control Over Cash Disbursements**, which is difficult to deny when you've paid your External Auditor twice.

Councilor Devine asked if we have sought to get any of the funds returned and how often has this happened.

Mr. Bill Ellis, Deputy Finance Director said that it has happened more times than you would like to think about. There are many conditions in place to try to alleviate this problem to include the implementation of a tremendous amount of review on the receiving reports that are prepared by IFAS so that you can only pay an invoice on a receiving report once; and the Information Technology Department has been helpful with initiating purchase order stops so no additional payments will be allowed once a purchase order has reached its extent.

Councilor Finlay asked Mr. Ellis to explain how the bill payment process works.

Mr. Bill Ellis, Deputy Finance Director said that an invoice goes to an accounts receivable individual after it has been sorted alphabetically; the individual that handles that part of the alphabet, receives the invoice; the invoice is then matched to a purchase order that is outstanding in the receiving report; if it has not been received on, it then goes to a clearing individual on my staff; that clearing individual takes the invoice, calls the department head and asks why the item has not been received; once it is cleared it goes back to the accounts receivable employee for payment and processing.

Councilor Cromartie asked how long it takes.

CERTIFIED

TRUE COPY

[Signature]
CITY CLERK

Mr. Bill Ellis, Deputy Finance Director said that it's a very fast process now.

Councilor Cromartie asked what does that mean.

Mr. Bill Ellis, Deputy Finance Director said two (2) days.

Councilor Finlay asked Mr. Ellis if he meant that the process was slow and incorrect in the past.

Mr. Bill Ellis, Deputy Finance Director said that he didn't say that.

Councilor Davis asked if the glitches that were identified have been technically fixed.

Mr. Bill Ellis, Deputy Finance Director said that we have implemented procedures and now is the time for evaluating whether those procedures have been successful or not.

Councilor Davis asked if staff will come back to Council to let them know if a procedure is fixed.

Mr. Bill Ellis, Deputy Finance Director said that it is an internal process and he would probably report it to the City Manager and it would get back to the Council. He noted that they have significantly cut down on the number of repeat payments over the last four (4) months, but they are still occurring. We will continue to refine the process until they are virtually eliminated.

Councilor Finlay asked for the value of the invoices that have been paid twice and how much do we think we'll get back.

Councilor Devine asked what the recovery process is.

Mr. Bill Ellis, Deputy Finance Director said that most of the time we deal with the same vendors repetitively and most people are relatively honest and we get credit for it. That's how we've been catching it. There is no recorded amount that is out there and we've only been addressing them as they come up.

Councilor Finlay asked if there were any duplicate payments that we are not aware of. Are you sure that no one caught on to the deficiency and took advantage of us.

Mr. Bill Ellis, Deputy Finance Director said that an analysis was done and all that could be found was corrected. He admitted that a few slipped through the cracks, but it's now minimal. This was an internal process problem that has been corrected. He applauded his staff for working diligently to correct this.

Councilor Gergel asked if this problem was addressed for 2009.

Mr. Bill Ellis, Deputy Finance Director said yes; it was addressed four (4) months ago.

Councilor Devine asked staff to assume that she was a contractor that was paid twice and then decided to send in a third invoice to see if she would get paid.

Mr. Bill Ellis, Deputy Finance Director said that the processes are in place now to catch that and to stop it. We're evaluating whether we are catching them now. Most cases were a result of invoices that were not paid in a timely manner. No instances have occurred in the last thirty (30) days.

CERTIFIED
TRUE COPY
CITY CLERK
[Signature]

Mr. Bill Ellis, Deputy Finance Director said that in his opinion they have just about gotten to the terminal issues and the rest are procedural type items, which most of them have already been addressed. He commended his staff for being cooperative in initiating these changes. He reported that there were no impediments.

Councilor Finlay inquired about the million dollars the city lost because of its investment policy; how does that flow through to our balance sheet. How do we prevent these decisions from being made again?

Mr. Bill Ellis, Deputy Finance Director said that we don't have any investments of that type left; they've been weeded out of the city's financial system. There are none of which I am aware.

Councilor Finlay asked if that sale would have been under the guidance of Council or not.

Mr. Bill Ellis, Deputy Finance Director said that he can't answer that, because it transpired before he got here.

Councilor Finlay asked if the asset existed, would there be a policy in place today to require the approval of Council.

Mr. Bill Ellis, Deputy Finance Director no sir, we do not have that policy.

Councilor Finlay said that it would be a good thing to have an investment policy.

Mr. Charles P. Austin, Sr., City Manager said that it is recommended.

Councilor Cromartie said that Council did in fact pass an investment policy as it relates to securities and our long-term investments some years ago. At that time, no securities could be sold without the consent of the majority of Council. He noted that the City Manager doesn't have authority over \$10,000. You can't sell the securities of a public entity without a vote of Council. If we did otherwise, there is something critically wrong with that.

Mr. Charles P. Austin, Sr., City Manager said that we would be more than happy to continue researching, but to date we have not found it.

Councilor Cromartie asked Mr. Ellis if he said that the City doesn't have any long-term investments.

Mr. Bill Ellis, Deputy Finance Director responded that he did not say that, he said that we don't have any long-term investments of that type.

Councilor Cromartie asked what type.

Mr. Bill Ellis, Deputy Finance Director said the type where you would have to retire them at a loss. We have investments that will have an unrealized loss because of the market fluctuations that have occurred and it will show up in the fiscal year 2007/2008 financial statement. Those long-term investments are to be held long-term and that unrealized loss will show up over a period of seventeen (17) years or so.

Councilor Finlay asked if it is market to market.

CERTIFIED
TRUE COPY
Tula D. Moore
CITY CLERK

Mr. Bill Ellis, Deputy Finance Director said that it is market to market. Those are structured in such a way that we could not retire them now.

Councilor Cromartie asked for the value of those investments.

Mr. Bill Ellis, Deputy Finance Director said that he could provide a copy of the investment portfolio to the members of Council.

Councilor Finlay asked if we redeemed bonds early and then had to pay a penalty.

Mr. Bill Ellis, Deputy Finance Director said yes.

Councilor Finlay said that in essence we didn't have to do that. We redeemed them early, which meant that we paid a penalty to terminate an interest rate.

Mr. Bill Ellis, Deputy Finance Director said that we bought a long-term investment at a premium and when the market went down we sold it at a discount.

Councilor Cromartie asked when did this happen.

Mr. Bill Ellis, Deputy Finance Director said that it happened in 2007. It was a situation that occurred before I got here. It was reported.

Councilor Cromartie stated that unequivocally no decision like that should be made for any public entity without a vote of the body.

Mr. Charles P. Austin, Sr., City Manager suggested that they go back and research the matter to determine what happened and under what circumstances. We are going to cloud the issue and there will be some things printed that were not intended. He will bring the accurate information back to Council by Monday.

Mr. Bill Ellis, Deputy Finance Director said that he would like for the Council to realize that we've had significant problems of which you are aware and management is addressing them as rapidly as possible. He said that Ms. Caughman should be commended for her yeoman's effort of dealing with these problems. I appreciate the assistance we've had from Council, but it's not a quick fix.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers provided clarification on the interest rate swap that was being discussed. The intent was not to say that the city had a problem in this area; this is the type of thing that the Audit Committee should be focusing on and investigating on a regular basis. The risk with an interest rate swap is with the counterparty; if the counterparty files bankruptcy then that side of the leg goes away and the problem becomes the city's problem. The interest rate swaps are either a hedging transaction where you attempt to fix the debt service payments.

Councilor Cromartie asked how long we have been using swaps.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers replied recently and recently to me is 2007. It is a relatively new financing, especially for municipalities. They have a purpose and they can serve a useful purposeful, but they do have risks. The other point of clarification that I would like from this body stems from a comment that Mr. Finlay made earlier in that you are expecting the external audit firms to report to Council first or at least simultaneously with management, any type findings without giving Management the opportunity to do research and come back to you with the intelligent and accurate

CERTIFIED

TRUE COPY

[Signature]
CITY CLERK

response that you deserve. If you hear it from me first, Mr. Austin won't have time to do the research and give you a proper answer. The Management Letter which is now referred to as the Statement on Auditing Standards (SAS) No. 112, is customarily shared with management first, because they make the day-to-day decisions; however, if Council wants the information brought to them first, we'll be happy to comply with them.

Councilor Finlay recalled that the previous Auditor slowly morphed from the role of Auditor to slowly bringing problems to management's attention. Occasionally management would ask the Auditor for advice and trying to be a nice person the Auditor made a response and all of a sudden our Auditor moved to in essence a hired Chief Financial Officer or problem solver. Our previous audit firm left because the city could not close its books without their input. Since we have been down this road before I think those contacts should be equal if that's okay with my colleagues and the City Manager. We understand that staff needs time to respond, otherwise, it gives the appearance that problems are being brought to management's attention perhaps to fix before we are aware of them. To what point does that go from being an occasional thing to a habit.

Mr. Charles P. Austin, Sr., City Manager said that in the spirit of transparency he certainly doesn't have a problem with it.

Councilor Davis said that the Auditor does answer to Council, but if there are some systemic issues that are not allowing you to perform your functions then we want to know about that. Those are the kinds of things we're talking about. I wouldn't expect you to give management a jump on us. We need to know when there are problems with the system.

Councilor Cromartie feels that the Auditor has an obligation to provide the Council with information and to bring it to their attention along with the City Manager. You have an obligation to notify the Mayor and Council when these things come to your attention so that we can be in a position to sit down and talk with you.

Councilor Finlay suggested that Mr. Addison be invited to attend the first or second meeting of each month to provide an audit update, because if you are not moving at the schedule as promised, then the person that signs your check can be provided some spirited encouragement. The second thing I would like to understand is when one year worth of checks were not reconciled, at what point was that entire year turned over to you after being reconciled.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that they started testing the bank reconciliations in February 2008. He asked that he be allowed to go over some other things that will include addressing this matter as well. He pointed out that on page 24 of the CAFR this is the revenue and expenses of the governmental funds to include everything but water, sewer, parking and other business type activities. He said that the negative \$54,000 in the far right hand column tells you that from the governmental side the city would have appeared to have broken about even during the year; however, if you go over to the middle column to the Columbia Parking Facilities Corporation that has a \$4.7 million surplus factored into that \$54,000. The Columbia Parking Facilities Corporation was set up to hold the debt and finance the parking garage for USC. This is a multi-year project and at the end of the day it will break even and the city realizes no cash that is available for current operations from this particular entity. He suggested that the negative \$54,000 is closer to a \$4.7 million deficiency.

CERTIFIED
TRUE COPY
Gilda D. Moore
CITY CLERK

Councilor Finlay said that we're seeing the distortion of an operating budget that has a capital expenditures budget put into it, because as you point out that is a single purpose vehicle that's designed to carry these assets off our balance sheet. An asset is making us look like we're cash flow positive when we're not. Is that a fair assessment?

Mr. Bud Addison, Audit Senior Manager / Webster Rogers replied you may be cash flow positive at the end of this year, but eventually that entity is going to in theory, consume \$4.7 million in cash in 2007 and it will probably show a deficiency.

Councilor Finlay said that if we netted it out it would look like we were \$54,000 negative plus \$4.784 million negative.

Councilor Cromartie asked if the \$54,000 is included in the \$4.784 million.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers responded yes. He said that on either side of the column there is a deficiency, more expenditures than revenues, which the General Fund will be responsible for eventually. The Columbia Parking Facilities Corporation is mainly the debt. He added that Richland County contributed some money.

Councilor Cromartie asked if this is the same debt that we met time and time again with the University about, because we said that we would not take a loss on that and that any losses would be paid for by the University.

Mr. Steve Gantt, Senior Assistant City Manager for Operations replied no sir. There were two garages: Garage A and Garage B. He reported that Garage A was paid for with General Obligation Bonds; one half of which the City of Columbia took responsibility for and the other half Richland County took responsibility for. He further reported that Garage B was a swap that we talked about earlier, where we borrowed that money from BB&T and the University is responsible for the payback of the principal and interest on that debt, but the City of Columbia and Richland County jointly funded Garage A through GO Bonds and I am assuming this is the debt that has been incurred.

Councilor Cromartie asked didn't we have concerns as to whether or not that parking garage would cash flow.

Mr. Steve Gantt, Senior Assistant City Manager for Operations said that we had concerns about both of those garages cash flowing.

Councilor Cromartie asked if the balance was negative because they have not cash flowed.

Mr. Steve Gantt, Senior Assistant City Manager for Operations said no sir.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers asked the Council to ignore that column, because it will break even and it will cash flow; that's not the issue. The issue is in the columns to the left and the right of it. Those negative numbers are city funds and the city is responsible for that. Don't focus entirely on the General Fund, because with that deficit you are looking at potential issues in 2008. Some way or another those deficits will have to be addressed.

Councilor Cromartie asked Mr. Gantt if the deficit has grown out of the deal with the University. We made a conscience decision to be supportive of the InnoVista project.

CERTIFIED
TRUE COPY
CITY CLERK
[Signature]

Mr. Steve Gantt, Senior Assistant City Manager for Operations responded that the revenues from Garages A and B were supposed to be used to offset the cost of Garage B, which is an \$18 million debt. What you are seeing here is the General Obligation responsibility that the city does have for their half of the construction costs of Garage A. It has nothing to do with operations.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers moved to page 28 of the CAFR, noting that the Governmental Internal Service Fund, which funds litigation claims and health insurance, was negative \$20.7 before an approximate \$17 million transfer in from the General Fund. The deficit was then \$3.8 million. If this trend continues for 2008 you would wipe out the fund balance in the Internal Service Fund.

Councilor Devine asked if the \$17 million transfer came from the Risk Management Fund.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said it is primarily from the General Fund.

Mr. Don Mobley, Certified Public Accountant / Scott McElveen, L.L.P. thinks that \$7 million came from the General Fund; \$6 million from the Water and Sewer Fund and the remainder came from other funds.

Councilor Finlay asked Mr. McElveen what the number looks like now that we have finished the 2007/2008 books.

Mr. Don Mobley, Certified Public Accountant / Scott McElveen, L.L.P. said that he is not as involved in this now and that he doesn't think anyone knows the fund balance at this point.

Councilor Finlay asked for the total net assets and the ending net assets of governmental activities in the Internal Service Fund. It started July 1, 2007 with a net balance of \$2.9 million. Since its 6-months after year end, I would imagine that you would be able to tell us what that balance is today or as of June 30, 2008.

Ms. Wanda Charing, C.P.A. said that the fund balance in the Internal Service Fund should merely represent the assets of the Internal Service Fund. All expenditures should flow through to an operating fund. The problem with this is the \$16.9 million transfer in that should be represented as expenditures in the other funds.

Councilor Finlay said that the real issue is that we transferred \$16.9 million, but we really needed to transfer \$27 million. It says that we had an income loss of \$20.7 million. For it to be a net zero we would need to transfer an additional \$3.8 million from other sources into the Internal Services Fund. I think we are trying to address that \$3.8 million deficit that we are currently running.

Ms. Wanda Charing, C.P.A. and Mr. Bud Addison, Audit Senior Manager / Webster Rogers both agreed.

Councilor Cromartie asked how the deficit impacts the General Fund. What is the fund balance of the General Fund?

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that the balance is significant, but eventually these deficits in the other funds (\$3.8 million in the Internal Service Fund; \$3.7 million in the cumulative Other Governmental Funds; and the \$1.6 million in the County Services Fund) will either have to be funded by revenues of that

CERTIFIED
TRUE COPY
Wanda Charing
CITY CLERK

fund or transfers in from the General Fund. Most of this would be the General Fund; the Water and Sewer Fund should not be a funding source for the other governmental funds. Councilor Finlay asked if the city ran an approximate \$6 million operating deficit in 2006/2007 or maybe more.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that is affirmative. The change in net assets was skewed by the \$4.7 million with the Columbia Parking Facilities Corporation. That money made it look a little better, but even if the cash is there the city cannot buy gas or electricity with it.

Councilor Crummett asked if the cumulative other governmental funds would come from the General Fund.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that it has the potential.

Councilor Finlay said that if the trend continues we could expect the reserves to be hit at \$8 million per year.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers agreed with Mr. Finlay and stated that if he was sitting in the Council's seat he would be concerned about that.

Councilor Finlay said that in June 2008 the deficit could be \$16 million.

Mr. Bill Ellis, Deputy Finance Director requested two (2) weeks to prepare a stab CAFR for the Council. He noted that it will be subject to significant audit changes. We haven't done the first blush of a fund-balance yet. I don't know what the fund balance is today.

Councilor Finlay suggested that Mr. Ellis provide the stab CAFR by the first meeting in February. We are looking back now. Is a month significant time to prepare this?

Mr. Charles P. Austin, Sr., City Manager said that the first meeting in February would be fine.

Councilor Davis applauded Mr. Ellis' initiative. We're not on the same wave length and we just talked about moving forward and having the most accurate information.

Councilor Finlay suggested that they invite Mr. Addison as well. Let's have a two (2) hour interrupted budget session at that time.

Mr. Charles P. Austin, Sr., City Manager suggested that the meeting be held on the second Wednesday in February.

Councilor Devine said that the Council wants to make sure that Mr. Addison communicates with them; that the Council is communicating with Mr. Addison; and that Mr. Addison is getting what he needs to complete the audits in a timely manner. Are we in agreement that you will send your communications to staff and to the members of Council as well? We recognize that staff will need to respond, but we would like to see that communication.

Mr. Charles P. Austin, Sr., City Manager said that he would be responsible for making sure that the information is communicated from Mr. Addison to him and then to the Council.

CERTIFIED

A TRUE COPY
CITY CLERK
L. D. Hearn

Councilor Finlay suggested that they make Mr. Addison aware of the need to copy the members of Council on all communication to the City Manager.

Mr. Charles P. Austin, Sr., City Manager said absolutely.

Councilor Gergel asked Mr. Addison if he has begun the 2007/2008 audit.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said no ma'am.

Councilor Gergel asked Mr. Addison when he anticipates doing that.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers reported that it is scheduled to start next week.

Mr. Charles P. Austin, Sr., City Manager said that he has to be brutally frank about this. I am going to expect a different level of participation from Webster Rogers this time around. We became one of several clients and I think that may have in some way affected us, but we have an assurance that we will have more of their staff available to us that we might get this done in a timelier manner. We certainly believe that staff of course has prepared the information and can transfer that in a timely manner so we should have this audit completed. I will get with Mr. Addison, because I want a date specific that we can anticipate having this audit turned over to us.

Councilor Finlay requested a draft timeline with their first communication. It would be beneficial if you gave us one that the Council and the staff can commit to then we can push you and the City Manager harder than anyone else can.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers welcomed the suggestion, because if you go back and look at the original timeline that was set up you will see some gaping issues that hopefully have been resolved.

Councilor Devine said that the Council will make sure communication is key and as the Auditor you need to communicate any issues to us. There are no excuses as to why the audit cannot be completed in a timely manner.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that at this time he knows of no reason why that would not be a legitimate request.

Councilor Davis reiterated the fact that the Council needed to be informed of systemic problems and infrastructure issues. If you know you can't deliver then we need to know that too.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers said that this group and the City Manager received an e-mail in December 2007 that said that statements would be ready by January 2008 and they would in effect turn the records over. After those records were turned over, the Municipal Association came in and made approximately 200 journal entries after the books were assured to be closed. I don't anticipate that to happen this time, but this gives you an idea of where you were as of January 2008.

Councilor Gergel asked if they would be receiving a timeline in the very near future.

Mr. Charles P. Austin, Sr., City Manager said yes ma'am; we meet again on January 28, 2009, but I would anticipate something long before that.

CERTIFIED
TRUE COPY
Aida D. Wood
CITY CLERK

EXECUTIVE SESSION

Upon motion by Mr. Davis, seconded by Mr. Finlay, Council voted unanimously to go into Executive Session at 4:52 p.m. for the discussion of matters as outlined below.

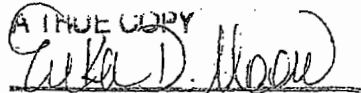
- C. Discussion of negotiations incident to proposed contractual arrangements
 - Capital Project #104901; Restoration of Martha's Glen Road
This item was discussed in Executive Session. No action was taken.
 - Cello d/b/a Verizon Wireless
This item was discussed in Executive Session. No action was taken.
- D. Receipt of legal advice which relates to a matter covered by attorney-client privilege
 - Ordinance No.: 2008-108 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 8, Environmental Health and Sanitation, Article IV, Pollution Control, Division 5, Regulations and Requirements Relating to Smoking of Tobacco Products, Sec. 8-218 to add (8); and to delete Sec. 8-219 and renumber subsequent section
This item was not discussed in Executive Session.
- E. Discussion of employment of an employee
This item was discussed in Executive Session. No action was taken.
- **Council adjourned the Work Session at 5:00 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk

CERTIFIED

A TRUE COPY


CITY CLERK



**CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
WEDNESDAY, MAY 6, 2009
9:00 A.M.
CITY COUNCIL CHAMBERS
1737 MAIN STREET**

The Columbia City Council conducted a Regular Meeting on Wednesday, May 6, 2009 in the City Hall Council Chambers located at 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 9:14 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergei. The Honorable Sam Davis was absent. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

APPROVAL OF MINUTES

1. Minutes of October 15, 2008, January 28, 2009 and February 4, 2009 – *Approved as presented.*

Upon motion by Mr. Cromartie, seconded by Mr. Rickenmann, Council voted unanimously to approve the Minutes of October 15, 2008, January 28, 2009 and February 4, 2009 with a single motion as presented. Ms. Devine was not present for the vote.

FINANCIAL MATTERS

2. Community Promotions Monthly Funding Recommendations for May 2009 –The Honorable Judge Mildred McDuffie, Chair of the Community Promotions Advisory Committee

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to approve the committee's recommendation to award \$2,500 to the Greenview Elementary School for the Odyssey of the Minds World Finals from the Community Promotions Fund. *(Please refer to chart below.)*

Community Promotions Monthly Funding 2008-2009

Organization	Project Name	Request	Amount Funded
April			
Lewis Greenview Elementary	Odyssey of the Mind World Finals	5,000	2,500

Upon motion by Mr. Finlay, seconded by Ms. Devine, Council voted unanimously to carry forward any funds remaining in the Community Promotions Fund at the end of Fiscal Year 2008/2009 to Fiscal Year 2009/2010. The estimated remaining balance is \$10,000.

CERTIFIED
A TRUE COPY
Erika D. Salley
CITY CLERK

3. Employee Benefits (Retiree) – The Honorable Daniel J. Rickenmann

Upon motion by Mr. Rickenmann, seconded by Dr. Gergel, Council voted unanimously to adopt the active employee benefits plan for retirees who are not eligible for Medicare; the retiree will be asked to contribute 10% for themselves and 30% for their dependents; a single retiree would pay \$33.18, \$172.54 for retiree and spouse, \$82.95 for retiree and dependent child and \$252.17 for a family; those retirees that are post-65 and/or Medicare/Medicaid eligible will receive a supplemental policy with a prescription card at no cost to the retiree, but the spouse will be asked to pay 30% or roughly \$67 per month; these rates are guaranteed for 18 months; and to form a committee of seven (7) as follows: two (2) retirees, two (2) active employees, two (2) council members, one (1) representative from the Human Resources Department and an independent consultant to explore how we can continue to manage health care.

PRESENTATIONS

4. Introduction of the May 2009 Employee of the Month (Mr. Kristopher Kinard, Maintenance Tech III) – Mr. John Dooley, Jr., P.E. Director of Utilities and Engineering and Mr. Bud Summers, Superintendent

Mr. Bud Summers, Superintendent introduced Mr. Kristopher Kinard, Maintenance Technician III at the Canal Water Treatment Plant as the May 2009 Employee of the Month.

Mayor Coble presented Mr. Kinard with a Certificate of Excellence and Mr. Steven Gantt, Interim City Manager presented Mr. Kinard with a token of appreciation.

5. Introduction to Engineering Program – Ms. Lisa B. Muzekari, P.E., Senior Project Manager of BP Barber

Mayor Coble and the members of Council presented Certificates to the following students at W.G. Sanders Middle School for their participation in the Introduction to Engineering Program.

Jeremy Austin	Natasha Byers	William Campbell
DuQuan Clarke	Kenneth Hill	Shaireef Johnson
Shannin Johnson	David Lewis	Eldrick McCullough
Turquoise Williams	Michael Rankin	Alexandria Hamilton
Rickey Willis	Barron Hopkins	

6. Bike-to-Work Day Proclamation – Ms. Gerry Lynn Hall, Community Development and Mr. John Hall, *BikeColumbia* Evaluation/Planning Co-Team Leader

Mayor Coble and the members of Council proclaimed Friday, May 15, 2009 as Bike-To-Work Day in the City of Columbia.

7. National Public Garden Day Proclamation – Ms. Robin Waites, Executive Director of the Historic Columbia Foundation

Mayor Coble and the members of Council proclaimed Friday, May 8, 2009 as National Public Gardens Day in the City of Columbia.

PUBLIC HEARINGS

8. 2009 / 2010 Annual Action Plan for the Community Development Department – Mr. Tony Lawton, Director of Community Development and Ms. Dollie Bristow, Community Investment Manager

- Council opened the Public Hearing at 10:29 a.m.

**Amendment to the Agenda

CERTIFIED

A TRUE COPY

[Signature]
CITY CLERK

MN 05/06/2009 Page 2

APP. 0752

Ms. Regina Mills, Chair of the Citizens Advisory Committee appeared before the members of Council to address concerns related to the proposed projects for the Community Development Block Grant entitlement for fiscal year 2009/2010.

There was a consensus of Council to direct Mr. Tony Lawton, Director of Community Development to meet with Ms. Mills in an effort to help her better understand the recommendations and how those recommendations will be funded.

Upon motion by Mr. Rickenmann, seconded by Ms. Devine, Council voted unanimously to adjourn the Public Hearing at 10:46 a.m.

9. Justice Assistance Grant Program – Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations

▪ **Council opened the Public Hearing at 11:33 a.m.**

No one appeared in support of or in opposition to Item 9.

▪ **Council closed the Public Hearing at 11:33 a.m.**

Upon motion by Mr. Rickenmann, seconded by Ms. Devine, Council voted unanimously to approve the Columbia Police Department's application for the Edward Byrne Memorial Justice Assistance Grant Program in the amount of \$597,483 for equipment and supplies.

- 9a. **2009 / 2010 Annual Action Plan for the Community Development Department – Mr. Tony Lawton, Director of Community Development

Upon motion by Mr. Cromartie, seconded by Mr. Rickenmann, Council voted unanimously to reconvene the Public Hearing at 11:33 a.m.

Ms. Regina Mills, Chair of the Citizens Advisory Committee asked the members of Council to approve the 2009/2010 Annual Action Plan for the Community Development Department.

▪ **Council adjourned the Public Hearing at 11:34 a.m.**

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to approve the 2009/2010 Annual Action Plan for the Community Development Department.

▪ **Council recessed at 11:35 a.m.**

▪ **Council reconvened at 11:45 a.m.**

CITY COUNCIL DISCUSSION / ACTION

10. Front End Loader Collection Operation– Mr. Robert Anderson, Superintendent of Solid Waste

There was a consensus of Council to schedule a Public Hearing for citizen input on the proposal for Front End Loader Collection Operations on Wednesday, May 27, 2009 at 9:00 a.m.

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK

11. Annexation Urban Service Area – Mr. Marc Mylott, Director of Planning and Development Services / Zoning Administrator

Upon motion by Mr. Finlay, seconded by Dr. Gergel, Council voted unanimously to endorse the Urban Service Areas plan for annexing donut holes and primary areas and to schedule a strategic Work Session for continued discussions in August 2009.

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

Upon motion by Mr. Finlay, seconded by Ms. Devine, Council voted unanimously to approve Items 12. through 20. and 22. through 24. with a single motion. Item 21. was approved by a separate motion.

12. Council is asked to approve Project #SS7056(24); Price Increase for the Purchase of two (2) Flight Attachment Brackets for the Repair of two (2) DAF Top Flights at the Metro Wastewater Treatment Plant. Award to Siemen Water Technologies, as a Sole Source in the amount of \$10,348.00. This vendor is located in Charlotte, NC. *Funding Source: Sewer Improvement Fund 5529999-SS705624-851200 – Note: On April 15, 2009, Council approved the purchase of material in the amount of \$78,568.00. The amount requested is due to an unexpected price increase. - Approved*
13. Council is asked to approve the Purchase of Vetter Rescue Bags, as requested by the Fire Department. Award to Newton's Fire & Safety, the lowest bidder in the amount of \$11,814.94. This vendor is located in Swepsonville, NC. *Funding Source: 2082306-627100 - Approved*
14. Council is asked to approve the Purchase of one (1) lot of Pharmaceuticals, as requested by the Homeland Security / EOC Department. Award to Cardinal Health Distribution, using the SC State Contract in the amount of \$12,002.84. This vendor is located in Greensboro, NC. *Funding Source: MMRS Department of Homeland Security Sec 2007 EPA Grant 2549999-624900 9601000207-624900 - Approved*
15. Council is asked to approve the Purchase of Annual Safety Inspection Testing and Certification for Trucks / Equipment, as requested by the Fleet Service Division. Award to American Test Center, the lowest bidder in the amount of \$14,701.80. This vendor is located in River Falls, WI. *Funding Source: 6308970-672800 - Approved*
16. Council is asked to approve Project #SS7056(23); Purchase of Wear Shoes and Bottom Sigma Flights in order to repair Primary Clarifier Basins at the Metro Wastewater Treatment Plant, as requested by Utilities and Engineering. Award to Siemens Water Technologies, as a Sole Source in the amount of \$15,813.00. This vendor is located in Charlotte, NC. *Funding Source: Sewer Improvement Fund 5529999-SS705623-851200 Note: The purpose of primary clarifiers is to separate the settled and floating solids from the raw sewage. This reduces the organic loading on the aeration basins and the secondary clarifiers so they can operate more efficiently. Wear shoes keep the drive chain and flights from rubbing along the clarifier bottom. - Approved*
17. Council is asked to approve the Purchase of Updating of the Columbia, South Carolina Metropolitan Medical Response System (MMRS) Plans, as requested by The Emergency Operations Office. Award to University of South Carolina in the amount of \$19,999.00. This vendor is located in Columbia, SC. *Funding Source: 2549999-636700 9601000207-636700 MMRS Department of Homeland Sec 2007 EPA Grant - Approved.*

**Amendment to the Agenda

CERTIFIED

A TRUE COPY

CITY CLERK

MIN 05/06/2009 Page 4

18. Council is asked to approve the Purchase of Airbag Lifting System, as requested by the Fire Department. Award to Newion's Fire & Safety in the amount of \$27,738.68. This vendor is located in Swepsonville, NC. *Funding Source: (1012303-657400 \$22,713.96); (1012303-627100 \$5,024.72) - Note: These are inflatable lifting bags for rescue work to help persons who are trapped in or under vehicles. - Approved*
19. Council is asked to approve the Purchase of Auto Charge Super Kits, as requested by the Fire Department. Award to Slagle Fire Equipment @ Supply in the amount of \$34,309.37. This vendor is located in West Columbia, SC. *Funding Source: (1012303-627100 \$16,782.77); (2082306-627100 \$17,526.60) - Note: These are electrical power supplies to keep the new onboard computers running in the fire trucks while they are parked in the fire stations. The computers can receive dispatch information through the automatic vehicle location system (AVL) and transmit the trucks' locations. - Approved*
20. Council is asked to approve Project # SD8326; Agreement to Render Structural, Engineering Design and Construction Services in Connection with repair of Columbia Canal Water Treatment Plant Drainage Tunnels, as requested by Utilities and Engineering. Award to Chao and Associates, Inc., in the amount of \$75,000.00. This vendor is located in Columbia, SC. *Funding Source: FY 2008 / 2009 Capital Improvement Program Budget. - Approved*
21. Council is asked to approve Purchase of Taser Weapons and Accessories, as requested by the Police Department. Award to Lawmen's, as a Sole Source in the amount of \$116,352.41. This vendor is located in Columbia SC. *Funding Source: 2659999-6271000 9211000101-6271000 Gunshot Triangulation - US Justice Grant - Approved*

Upon motion by Mayor Coble, seconded by Ms. Devine, Council voted unanimously to approve the Purchase of Taser Weapons and Accessories, as requested by the Police Department. Award to Lawmen's, as a Sole Source in the amount of \$116,352.41. This vendor is located in Columbia SC.

22. Council is asked to approve Project #SS7091; Emergency Sanitary Sewer Replacement Along Quail Lane between Lockwood and Wrenwood Lanes, as requested by Utilities and Engineering. Award to Shady Grove Construction Company, the lowest bidder in the amount of \$283,171.00. This vendor is located in Irmo, SC. *Funding Source: Sewer Improvement Fund SS709101 851600 - Approved*
23. Council is asked to approve Project #SD8059; Phase I of Northwood Hills / Delverton Drainage Channel Improvements, as requested by Utilities and Engineering. Award to L-J, Inc., the lowest bidder in the amount of \$594,191.75. This vendor is located in Columbia, SC. *Funding Source: Storm Drain Funding Project #SS80591A-656200 - This is a Mentor Protégé Program Project - Approved*
24. Council is asked to approve Project #701702; Removal of Beavers and Beaver Dam Debris, as requested by Utilities and Engineering. Award to McClam & Associates in the amount of \$992,013.05. This vendor is located in Little Mountain, SC. *Funding Source: Sanitary Sewer Funding Project #SS701702-851600 - This is a Mentor Protégé Program Project - Approved*

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK

ORDINANCES – SECOND READING

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to give second reading approval to **Items 25. and 26.** with a single motion.

25. Ordinance No.: 2009-028 - Granting an encroachment to Zion Baptist Church for installation and maintenance of landscaping and an "L" shaped handicap ramp / walkway with guardrail and landings within the right of way area adjacent to 1324 Gadsden Street (Mr. Chip Land, Long Range Planner. Recommends approval) – First reading approval was given on April 15, 2009. – Approved on second reading.
26. Ordinance No.: 2009-031 – Granting encroachment to The Church of the Lord Jesus Christ of the Apostolic Faith, Inc. for a directional sign on the southwest corner of Miller Avenue and Main Street (Mr. Chip Land, Long Range Planner. Recommends approval) – First reading approval was given on April 15, 2009. – Approved on second reading.

ORDINANCES – FIRST READING

Upon motion by Mr. Cromartie, seconded by Mr. Rickenmann, Council voted unanimously to give first reading approval to **Items 27. through 29.** with a single motion.

27. Ordinance No.: 2009-037 – Granting a 30' Easement Along a Portion of City Property Identified as the Piney Grove Water Tank Site to Lexington County for Steward Drive Paving and Improvements Project; Lexington County TMS #002898-04-006 (Portion); CF #250-270 – Approved on first reading.
28. Ordinance No. 2009-039 – Annexing 745 Hazelwood Road and 7756 Garners Ferry Road Richland County TMS #19102-02-04 and 19102-02-05 (Mr. Marc Mylott, Director of Planning and Development Services. Recommends approval) – Approved on first reading.
29. Ordinance No.: 2009-044 – Repealing Ordinance No.: 2008-065 authorizing a property tax credit to taxpayers within the corporate limits of the City of Columbia for installation of fire sprinkler systems in compliance with S.C. Code Ann. §12-6-3622 – Approved on first reading.
30. Ordinance No.: 2009-046 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 19, Solid Waste Management, Article II, Collection and Disposal, Sec. 19-31 Definitions, Bulk container; Sec. 19-40 Frequency of collection; limitations on quantity of waste; Sec. 19-41 Restrictions on collection, (g) Bulk containers for multiple dwelling units and (h) Bulk containers for commercial and industrial users; and Sec. 19-43 Service fees to delete (3) Property exempt from ad valorem tax, (4) Commercial refuse collection and (5) Taxable nonresidential properties and to renumber (6) Building material collection – First reading consideration was deferred.
- 30a. **Ordinance No.: 2009-048 – Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 12, Motor Vehicles and Traffic, Article I, General, Sec. 12-13 through trucks prohibited on certain streets – First reading consideration was deferred.

CERTIFIED

A TRUE COPY

Luka D. Moore
CITY CLERK

**Amendment to the Agenda

MN 05/06/2009 Page 6

- 30b. ****Ordinance No.: 2009-050 – Authorizing the City of Columbia, South Carolina, to execute and deliver an Equipment Lease Purchase Agreement, 2009, in the amount of not exceeding \$900,000 between the City and the Lessor thereof to defray the cost of acquiring certain equipment; and other matters relating thereto – *Approved on first reading.***

Upon motion by Mayor Coble, seconded by Mr. Cromartie, Council voted unanimously to give first reading approval to Ordinance No.: 2009-050 – Authorizing the City of Columbia, South Carolina, to execute and deliver an Equipment Lease Purchase Agreement, 2009, in the amount of not exceeding \$900,000 between the City and the Lessor thereof to defray the cost of acquiring certain equipment; and other matters relating thereto.

RESOLUTIONS

Upon motion by Mr. Rickenmann, seconded by Dr. Gergel, Council voted unanimously to approve **Items 31.** through **D.** with a single motion.

- 31. Resolution No.: R-2009-022 – Authorizing Acceptance and Dedication of Street Known as Jim Hamilton Boulevard to the City of Columbia; Richland County TMS #13702 (Portion); CF #214-10A - *Approved*
- A. Resolution No.: R-2009-023 – Authorizing Acceptance and Dedication of Street known as Moores Creek Drive, Musgroves Mill Lane and Nestle Court in Moore's Creek Subdivision to the City of Columbia; Richland County TMS #19108-14-01 (Portion); CF #293-12 - *Approved*
- B. Resolution No.: R-2009-024 – Authorizing Eau Claire Community Council's Ribs & Renaissance Arts & and consumption of beer and wine at Hyatt Park, Eau Claire Town Hall and the Eau Claire Print Building - *Approved*
- C. Resolution No.: R-2009-026 - Authorizing Condemnation to acquire A 25' Sanitary Sewer Easement Along Richland County TMS#14900-01-31 for Sanitary Sewer Main from Beasley Creek Trunk Line Along Creek Boundary and Crossing Community Road to Richland County TMS#150000-02-02; CIP Project #SS6846, Phase 2; CF#250-231 - *Approved*
- D. Resolution No.: R-2009-027 – Authorizing the Interim City Manager to execute Agreements with Richland County School District One to provide School Resource Officers from the Columbia Police Department to various schools - *Approved*
- E. Resolution No.: R-2009-028 - Authorizing consumption of beer and wine at the Summer Concert Series in Finlay Park - *Approved*

Upon motion by Mr. Finlay, seconded by Dr. Gergel, Council voted unanimously to approve Resolution No.: R-2009-028 - Authorizing consumption of beer and wine at the Summer Concert Series in Finlay Park.

APPOINTMENTS

- F. Animal Services Advisory Committee – *Consideration of this item was deferred.*
- G. Complete Count Committee / Census 2010 – *Consideration of this item was deferred.*
- H. Greater Columbia Community Relations Council – *Consideration of this item was deferred.*

****Amendment to the Agenda**

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK

MN 05/06/2009 Page 7

APP. 0757

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

Ms. Carolyn Taylor appeared before the Council to inform them of the Attorney General's opinion as it relates to the City of Columbia not having authority to tag vehicles on private property. If a vehicle is parked on private property with the consent of the owner or the person in control of the property the City doesn't have the authority to tag it; it's not abandoned and even if it were junk it could not be taken away from that property. She reminded Mr. Rickenmann that the last time she was here he told her to give her questions to Mr. Gantt and the answers would be supplied in written form, but she hasn't received any answers.

Councilor Devine stated that she spoke with the City Attorney and the Director of Planning and Development Services about this and we are in litigation with Ms. Taylor and because of that they have not answered her questions in writing. She would need to take that up with the Legal Department.

Ms. Carolyn Taylor argued that they are not in litigation about abandoned vehicles. No one informed me of this. She provided supporting documentation to the Council from the SC Code of Laws.

Mr. Keith Seymour, Carolina Panorama appeared before the Council to express his concerns about Council considering the availability of public transportation when annexing property.

BUDGET WORK SESSION

- I. Fiscal Year 2009 / 2010 Budget Review – The Honorable Kirkman Finlay III - *The Budget Work Session was rescheduled to May 13, 2009.*

EXECUTIVE SESSION

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to go into Executive Session at 1:19 p.m. for the discussion of **Items J. through M.** as amended.

- J. **Discussion of compensation of an employee
This item was discussed in Executive Session. No action was taken.
- K. **Receipt of legal advice which relate to matters covered by attorney-client privilege
▪ Prohibition of Trucks
Items were discussed in Executive Session. No action was taken.
- L. **Discussion of negotiations incident to proposed contractual arrangements
▪ Richland County School District One
▪ Fire Services
▪ Benedict College
Items were discussed in Executive Session. No action was taken.
- M. ** Receipt of legal advice which relate to pending, threatened or potential claims
Items were discussed in Executive Session. No action was taken.
- **Council adjourned the meeting at 4:15 p.m.**

Respectfully submitted by:

Erika D. Salley
Erika D. Salley
City Clerk

***Amendment to the Agenda*

CERTIFIED

A TRUE COPY

Erika D. Salley
CITY CLERK

MN 05/06/2009 Page 8



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
WEDNESDAY, FEBRUARY 17, 2010
9:00 A.M.
COUNCIL CHAMBERS – 3RD FLOOR
1737 MAIN STREET

5

The Columbia City Council conducted a Regular Meeting on Wednesday, February 17, 2010 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 9:03 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis, The Honorable Daniel J. Rickenmann, The Honorable Kirkman Finlay III and The Honorable Belinda F. Gergel. The Honorable Tameika Isaac Devine arrived at 9:12 a.m. Also present were Mr. Steven A. Gantt, City Manager and Ms. Erika D. Salley, City Clerk.

INVOCATION

The Honorable Belinda F. Gergel offered a moment of silent prayer and reflection.

APPEARANCE OF PUBLIC HAVING BUSINESS RELATED TO THE AGENDA ITEMS

Mr. Bill Manley, Eau Claire Community Resident appeared before the members of Council to express concerns related to **Items 24., 25.** (Tax Increment Financing) and **29.** (Audit Update). While he was sure that the Council would pass **Items 24. and 25.** today, he asked the Council to take no further actions between now and July 2010, when the new members of Council are sworn in. He asked if the City of Columbia will be liable for \$1 million as it relates to **Item 29.**

MINUTES

1. Minutes of August 12, 2009 – *Approved as presented.*

Upon a motion made by Mr. Cromartie and seconded by Mr. Davis, Council voted unanimously to approve the Minutes of August 12, 2009 as presented.

FUNDING RECOMMENDATIONS

2. January 2010 Community Promotions Funding Recommendations – The Honorable Judge Mildred McDuffie, Chair of the Community Promotions Advisory Committee

The Honorable Judge Mildred McDuffie said that she sent each Councilperson a letter concerning the Community Promotions Fund for 2010/2011 and she has not heard from most of them. She asked if they received the letter.

Upon a motion made by Mr. Cromartie and seconded by Dr. Gergel, Council voted unanimously to approve a request from the OMAN Foundation (Youth Mentor Program) for Community Promotions funding in the amount of \$1,500 as recommended by the Community Promotions Advisory Committee.

- The Honorable Tameika Isaac Devine joined the meeting at 9:12 a.m.

**Amendment to the Agenda

CERTIFIED

TRUE COPY

Erika D. Salley

CITY CLERK

MN 02/17/2010 Page 1.

APP. 0759

3. Request for Funding for the Palmetto Open Source Software Conference - The Honorable Mayor Robert D. Coble

Mr. Todd Lewis, Chairman / Palmetto Open Source Software Conference Planning Committee and Mr. Lonnie Emard, Executive Director / Consortium for Enterprise Systems Management requested \$10,000 from the Hospitality Tax Fund to market the Palmetto Open Source Software Conference scheduled for April 15, 16 and 17, 2010 at the Columbia Metropolitan Convention Center.

4. Request for Funding for the Veterans of the Battle of the Bulge, SC Chapter Military Parade – The Honorable Mayor Robert D. Coble

Ms. Barbara J. Mooneyhan, Secretary / Veterans of the Battle of the Bulge, SC Chapter requested \$12,000 from the Accommodations Tax Fund for the National Veterans of the Battle of the Bulge Conference scheduled for September 1-6, 2010. Funding allocations would pay for the security and traffic control required in order to conduct a parade in the downtown area.

- 4a. **Request for Funding from Allen University – The Honorable E.W. Cromartie, II

Dr. Charles Young, President of Allen University requested \$10,000 from the Hospitality Tax Fund for a conference entitled "The Gathering", which is scheduled for March 3-5, 2010 at various locations throughout the City of Columbia. Funding is being requested to provide transportation for 12,000 attendees to and from conference sites, hotels and dining in the Vista and Five Points.

A motion made by Mr. Cromartie and seconded by Mayor Coble to approve up to \$10,000 from the Hospitality Tax Fund for Allen University as a sponsor of The Gathering Conference was withdrawn.

After an in-depth discussion of **Items 3., 4. and 4a.**, there was a consensus of Council to give further consideration to funding these requests from the Hospitality Tax Fund on February 24, 2010. The remaining balance of the Hospitality Tax Contingency Fund is \$75,000 through June 30, 2010. Staff was directed to provide a report on Hospitality Tax collections and the balance of previously approved allocations currently due to organizations. The Conventions and Visitors Bureau was asked to provide an explanation as to why organizations were denied direct funding assistance for marketing and transportation. The City Attorney was asked to provide legal advice on the funding of religious events.

PRESENTATIONS

5. Business Commemoration for the 2009 Business Spotlight Program Honorees – Mr. Angelo McBride, Business Administrator / Office of Business Opportunities

Mr. Angelo McBride, Business Administrator / Office of Business Opportunities reintroduced the following 2009 Business Spotlight Program Honorees: Granger Owings, JT Thomas Salon, Finklin Pharmacy and Argand Energy Solutions. They presented the members of Council with framed tokens of appreciation.

Mr. J. Thomas Leaptrott, of JT Thomas Salon and Mr. Mike Switzer, Argand Energy thanked the Council for their support of small businesses in the City of Columbia.

6. Improvements to the Columbia Tennis Center – The Honorable Belinda F. Gergel

***Amendment to the Agenda*

CERTIFIED

A TRUE COPY

CITY CLERK

MN 02/17/2010 Page 2

Councilor Gergel recalled that a couple of weeks ago the Council voted to receive monies in the Hospitality Bond to update the Columbia Tennis Center as planned many years ago. We have been meeting with and receiving input from a group that is very active at the tennis.

Mr. S. Allison Baker, Senior Assistant City Manager further recalled that in 2000, City Council allocated \$2.5 million for the redesign and upgrade of the Columbia Tennis Center. At that time, we had 14 courts; the redesign would allow us to have 17 courts; and the tennis community convinced City Council of the need for 30 courts. The Columbia Tennis Center is landlocked and it was not possible to build 30 courts, hence the development of Southeast Park. He said that \$2.1 million of the \$2.5 million allocation was used to purchase the land that is now Southeast Park and the other \$400,000 was used to improve the parking lot at the Columbia Tennis Center. Prior to 2005, Hospitality Bonds were issued for several projects to include the development of Southeast Park, the renovation of the Columbia Tennis Center and upgrades to Finlay Park. The concept was to develop 30 tennis courts at Southeast Park; move the staff from the Columbia Tennis Center to Southeast Park; improve the Columbia Tennis Center, as is; and to no longer consider the Columbia Tennis Center as our tennis center; our tennis center would move to Southeast Park. We planned to build an environmental education center and a pro shop at Southeast Park, but that phase was not completed. Recently, City Council voted to allow us to move ahead with the upgrades at the Columbia Tennis Center and use any remaining funds to continue the improvements at Southeast Park. There has been some misconception that the \$1 million that was set aside out of the Hospitality Bonds for the Columbia Tennis Center was used elsewhere. That is not so; those funds remain in place to be used at the Columbia Tennis Center. Those funds cannot be used for anything other than those projects that the bonds were issued for. He added that Dr. Gergel has had exciting discussions with a group of tennis players, citizens and neighbors. He noted that where they are today is a deviation from the direction that was set by a previous Council. We have discussed upgrading the existing courts at the Columbia Tennis Center and the staff would remain there as opposed to moving to Southeast Park. He suggested that there may not be a need to go beyond the 16 courts at Southeast Park or the 14 to 17 courts at the Columbia Tennis Center.

Mr. Temple Ligon, The Columbia Star provided a historical perspective on the Columbia Tennis Center and tennis centers in other cities.

There was a consensus of Council to endorse the composition of an ad-hoc committee to provide input in the planning process for the upgrades at the Columbia Tennis Center. This group should be diverse to include representatives from Greenview Park. The Council requested a list of the projects included in the bond issuance. Mr. Baker was reminded to address the needs at the Greenview Tennis Courts.

7. Cities Mean Business Month Proclamation – The Honorable Mayor Robert D. Coble

Mayor Robert D. Coble and Councilor Devine presented a proclamation declaring February 2010 as Cities Mean Business Month in support of the Municipal Association of South Carolina.

8. Midlands Housing Alliance Update – Ms. Cathy Novinger, Chair of the Midlands Housing Alliance

Ms. Cathy Novinger, Chair of the Midlands Housing Alliance said that they have made a lot progress on the Midlands Housing Alliance Homeless Transition Center, a 501(c) 3 organization that will be located at the former Salvation Army site at the corner of Elmwood Avenue and Main Street. This is being done in partnership with the Knight Foundation, the faith community, service providers, the business community and many caring individuals. We have raised \$11.3 million for capital expenses for this facility. We will begin with onsite environmental abatement this week; immediately after that we will start demolition; and construction will begin immediately after that. Our goal is to be operational by April 2011.

Mr. Larry Arney, Executive Director of the Midlands Housing Alliance presented a site plan for the 51,000 sq. ft. facility. He reported that the existing chapel will remain and the remainder of the building will be demolished. It's a commercial building with the scale of a school and a campus design. All of the major entrances into the building and the programs housed inside will be accessed from the Calhoun Street entrance. There is a brick garden wall along the back side of the facility that encloses the parking area. There will be two (2) operable gates and a pedestrian gate so that anyone who enters the site will be inside the brick garden area. The old chapel building will serve as our day center, which provides a safe and appropriate daytime alternative to people who have no where else to go. It will provide basic needs such as food, showers, laundry and computers. It is a program of engagement and commitment. We engage homeless people that are living on the street and if they are willing participants and are willing to meet with the case workers and sign on to an individualized recovery program then they will work through a tiered program and ultimately recover from homelessness. The lower level of the new two story building has short-term emergency housing for 52 men and women. This would also serve as nighttime lodging for people who are on the street. Someone could enter our day center and be referred for emergency housing. There will be people with active addictions or mental illnesses, but they have to meet the behavioral and safety standards of the facility; no drugs or alcohol are allowed within the facility. There is a nurse on duty, but individuals with health crisis will be taken to the emergency room. There are 26 beds in the respite center for individuals that are ready to be released from the hospital, but have no place to be discharged to. They can come here for recuperative care if ongoing medical assistance is not needed. Once an individual has developed a recovery plan with a caseworker they will be housed in the second story of the facility, which is the short-term program housing with 72-units. They will be in ongoing communication with a caseworker and they will be required to attend life skill training at the center. If they are successful, then they will be eligible for a series of housing units in another building. These 16 units house 4 persons a piece. We currently plan to house 136 individuals at night within the various programs. There are 214 night time beds. The day center will serve 100 to 125 people per day. We hope that we will be able to reduce homelessness and its adverse affect it has on the individuals and our city.

There was a consensus of Council to ask the Midlands Housing Alliance to engage the Downtown Coalition of Neighborhoods in discussions and to engage Mr. Mike King, Assistant City Manager for Public Safety in discussions related to the center's security plans.

▪ **Council recessed at 11:18 a.m.**

▪ **Council reconvened at 11:29 a.m.**

9. Update on Health Screenings – Ms. Bonnie Greenwood, St. Jude Medical of South Carolina

Ms. Ray Borders Gray announced that they are actively recruiting and scheduling employees for the next round of health screenings, which begin on Monday. She noted that there are many slots available. She encouraged the members of Council and all employees to participate even if they have their own physicians or if they've already had screenings.

Ms. Bonnie Greenwood, St. Jude Medical of South Carolina reported that they initiated the cardiovascular screening project with City employees in January 2010. The screening included the risk factor assessment, blood pressure, 12-Lead EKG, carotid screening, a cardiac echo and a pulmonary function test. In 3 days we screened 430 employees; 69 needed additional follow-up with cardiologists; and the majority did not list a primary care physician.

10. Efficiency Study Results – Mr. S. Allison Baker, Senior Assistant City Manager

**Amendment to the Agenda

CERTIFIED

A TRUE COPY

[Signature]
CITY CLERK

MN 02/17/2010 Page 4

APP. 0762

Mr. S. Allison Baker, Senior Assistant City Manager explained that the efficiency study looked at where we are and how we can do business better; how we can be effective and efficient; and how we can do the right thing well. As the Executive Sponsor of this, I believe that this is a very good first step. He introduced the following Steering Committee Members: Ms. Gladys Brown, Assistant City Manager for Administrative Services; Ms. Missy Caughman, Budget Director; Ms. Missy Gentry, Public Works Director; and Mr. David Knoche, General Services Director. He asked the Council to receive this limited report today and schedule a future meeting date for an executive session discussion solely dedicated to the efficiency study.

Ms. Angela Robinson, Project Manager / Equa Terra outlined the project methodology used to conduct an organization-wide performance assessment in order to identify opportunities for process improvements and efficiency utilizing Activity Based Costing. There were a total of 42 findings identified during the assessment and the City has the potential of saving \$5,320,076.29 in year one of implementation. The next steps are to make the decision to implement; understand the requirements of implementation; understand the resources required for implementation; develop a plan for the implementation of each action; and monitoring those plans.

There was a consensus of Council to schedule a Work Session wherein the details of each finding of the performance assessment will be discussed in executive session.

CONSENT AGENDA

Upon a motion made by Dr. Gergel and seconded by Mr. Cromartie, Council voted unanimously to approve the **Consent Agenda Items 11. through 23.** as presented.

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

11. Council is asked to approve the One (1) Year Renewal of the Unisys Hardware Maintenance Support for the Business License Division and Municipal Court, as requested by the Information Technology Department. Award to Unisys Corporation of Farmington, NY in the amount of \$13,017.45. *Funding Source: 1011120-638200 - Approved*
12. Council is asked to approve the One (1) Year Renewal of Websense, web filtering software, as requested by the Information Technology Department. Award to Dell of Round Rock, TX in the amount of \$18,523.31. *Funding Source: 1011120-638200 - Approved*
13. Council is asked for approval to Procure Labor and Materials for the Fabrication and Installation of Gates at the Laurel Street and Gadsden Street entrances of the Main Parking Lot at Finlay Park, as requested by the Parks and Recreation Department. Award to the Iron Man's Iron Shop of Gaston, SC in an amount not to exceed \$22,000.00. *Funding Source: PK005601-659300 - Approved*
14. Council is asked to approve Project WM4092; the Purchase of Materials to Replace the Water Main in the Lincolnshire Subdivision, as requested by Engineering Administration. Award to HD Supply Waterworks of West Columbia, SC in the amount of \$30,914.94. *Funding Source: 5529999-WM409201-658670 (Water Improvement Fund) - Please note that City Forces will be responsible for constructing the water main. - Approved*
15. Council is asked to approve the Purchase of Six (6) T3 Vehicles and Accessories, as requested by the Police Department. Award to Interceptor Public Safety Products, Inc. in the amount of \$62,517.96. This vendor is located in Forsyth, Georgia. *Funding Source: 2609999-657500 / RA24110100-657500 JAG Recovery Act E. Byrne Grant - Approved*

**Amendment to the Agenda

CERTIFIED

ATTEST COPY

[Signature]

CITY CLERK
APP: 0763

MN 02/17/2010 Page 5

16. Council is asked to approve the Purchase of Cabling Services, as requested by Parking Services and Information Technology. Award to MD Technologies of Columbia, SC in an annual amount not to exceed \$75,000.00. *Funding Source: 1011201-632100 and 5511219-632100 - Approved*
17. Council is asked to approve the Purchase of Vehicles, as requested by the Water Distribution Division. Award to the following vendors in the total amount of \$77,991.00. - *Approved*

<u>Vendor</u>	<u>Location</u>	<u>Type</u>	<u>Department</u>	<u>Amount</u>	<u>Funding Source</u>
Dick Smith Ford	Columbia, SC	Ford F-250 w/ Utility Body	Water Dist. & Maint.	\$22,712.00	5516203-658500
Vic Bailey Ford	Spartanburg, SC	Ford F-350 w/ Utility Body	Water Dist. & Maint.	\$42,011.00	5516203-658500
Vic Bailey Ford	Spartanburg, SC	Ford Ranger	Water Cust. Serv.	\$13,268.00	5516202-658500

18. Council is asked to approve an Agreement for Engineering Services for the Senior Matters Project, as requested by Engineering Operations. Award to Cox and Dinkins of Columbia, SC in the amount of \$94,500.00. *Funding Source: 5529999-WM419502-636600 (Water Improvement Fund) - Please note that approximately 15% of the fee will be subcontracted to Civil Engineering Consulting Services, which is a small female business enterprise located in Columbia, SC. The firm will provide subsurface utility engineering services. - Approved*
19. Council is asked to approve a Mentor Protégé Project #SS7087; 8' Repair along Sunset Drive and Phillips Street, as requested by the Utilities and Engineering Department. Award to Trussell Bothers Construction in the amount of \$384,284.550. This firm is located in Columbia, SC. *Funding Source: SS708701 - Approved*
20. Council is asked to approve the Purchase of Landfill Services, as requested by Solid Waste. Award to Waste Management Pine Hills C & D Landfill of Elgin, SC in the amount of \$850,000.00 from March 5, 2010 to March 5, 2011. *Funding Source: 6208955-631900 - Approved*

ORDINANCES – SECOND READING

21. Ordinance No.: 2009-121 – Granting an encroachment to Mark Lovern for installation and maintenance of landscaping; an irrigation system; decorative metal fence; concrete block and stucco columns; and a knee wall within the right of way of the unopened portion of College Street and adjacent to 830 Laurens Street, Richland County TMS #11405-12-01 – *First reading approval was given on February 3, 2010. - Approved on second reading.*
22. Ordinance No.: 2009-125 – Granting an encroachment to Shelby King for installation and maintenance of a wooden split rail fence within the right of way area adjacent to her property at 3108 Hope Avenue, Richland County TMS #13801-21-21 – *First reading approval was given on February 3, 2010. - Approved on second reading.*
23. Ordinance No.: 2010-026 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article IV, Departments, Sec. 12-151, Departments created; department heads; administrative regulations and procedures, (a) to repeal (20) Homeland Security – *First reading approval was given on February 3, 2010. - Approved on second reading.*

CERTIFIED

A TRUE COPY

Taka D. New
CITY CLERK

**Amendment to the Agenda

MN 02/17/2010 Page 6

ORDINANCES – SECOND READING

24. Ordinance No.: 2010-031 - (Innovista Redevelopment Plan) - An Ordinance Approving the innovista Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto – *First reading approval was given on February 4, 2010. – Approved on second reading.*

A substitute motion made by Dr. Gergel and seconded by Mr. Rickenmann to postpone any further consideration of **Items 24. and 25.** until after July 1, 2010 when the new Mayor and Council members take their seats, was withdrawn.

Upon a motion made by Ms. Devine and seconded by Mr. Cromartie, Council voted four (4) to three (3) to give second reading approval to Ordinance No: 2010-031 - (Innovista Redevelopment Plan) - An Ordinance Approving the Innovista Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine and Mayor Coble. Voting nay were Mr. Ricknemann, Mr. Finlay and Dr. Gergel.

25. Ordinance No.: 2010-032 - (Columbia Renaissance Redevelopment Plan) - An Ordinance Approving the Columbia Renaissance Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto – *First reading approval was given on February 4, 2010. – Approved on second reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted four (4) to three (3) to give second reading approval to Ordinance No: 2010-032 - (Columbia Renaissance Redevelopment Plan) - An Ordinance Approving the Columbia Renaissance Redevelopment Plan of the City of Columbia, South Carolina; Designating Such Area as a Redevelopment Project Area; Making Findings of Blight Within the Redevelopment Project Area and Other Findings Contemplated by the Tax Increment Financing Law; Designating Redevelopment Projects; and Other Matters Relating Thereto. Voting aye were Mr. Cromartie, Mr. Davis, Ms. Devine and Mayor Coble. Voting nay were Mr. Ricknemann, Mr. Finlay and Dr. Gergel.

CITY COUNCIL DISCUSSION / ACTION

26. Council is asked for approval to Enter into Contract Negotiations for Medicare Supplemental Insurance for Eligible Post-65 Retirees and Dependents, as requested by the Employee Insurance Committee. Award to UnitedHealthcare at an estimated cost of \$1,474,200.00. This firm is located in Minnetonka, MN. *Funding Source: Health Insurance Fund 6048933 - Please note that the amount may fluctuate depending upon the number of eligible retirees and dependents.*

Upon a motion made by Mr. Davis and seconded by Mr. Finlay, Council voted unanimously to enter into Contract Negotiations for Medicare Supplemental Insurance for Eligible Post-65 Retirees and Dependents, as requested by the Employee Insurance Committee. Award to UnitedHealthcare at an estimated cost of \$1,474,200.00. This firm is located in Minnetonka, MN.

27. Council is asked to approve the Medical and Pharmacy Benefits Administration Contracts, as requested by the Employee Insurance Committee. Medco of Franklin Lanes, NJ will be managing the employee, pre-65 retiree and dependent pharmacy benefits/plan design that went into effect July 1, 2009 at an estimated cost of \$4,626,000.00. Blue Cross Blue Shield of South Carolina will continue to serve as the Third Party Administrator for our health benefits plan at an estimated annual amount of \$16,291,000.00. *Funding Source: Health Insurance Fund 6048933 - Please note that the amounts may fluctuate depending upon the number of eligible employees, retirees and dependents. - Approved*

Upon a motion made by Mr. Rickenmann and seconded by Mr. Finlay, Council voted unanimously to approve the Medical and Pharmacy Benefits Administration Contracts, as requested by the Employee Insurance Committee. Medco of Franklin Lanes, NJ will be managing the employee, pre-65 retiree and dependent pharmacy benefits/plan design that went into effect July 1, 2009 at an estimated cost of \$4,626,000.00. Blue Cross Blue Shield of South Carolina will continue to serve as the Third Party Administrator for our health benefits plan at an estimated annual amount of \$16,291,000.00.

28. Establishment of a Fact Finding Committee to Address Issues in the City's Hospitality Areas – The Honorable Belinda F. Gergel

Upon a motion made by Dr. Gergel and seconded by Mr. Cromartie, Council voted unanimously to establish a Public Safety Taskforce to review enforcement issues within the City's hospitality areas and relationships with other public safety entities to ensure that our hospitality areas are as safe as they can be. Mr. Mike King, Assistant City Manager for Public Safety was asked to develop recommendations on the committee structure to include representatives from other law enforcement entities, the City's Business License Division, business associations and bars and restaurants within the hospitality corridors.

29. Audit Update – Mr. S. Allison Baker, Senior Assistant City Manager

Mr. S. Allison Baker, Senior Assistant City Manager provided an update on the status of the single audit of the Columbia Empowerment Zone, Inc. In order to finalize the single audit for the Columbia Empowerment Zone, Inc. we are requesting that City Council forgive the Eau Claire Development Corporation of a \$200,000 line of credit and two promissory notes in the amount of \$426,349.02 and \$477,169.46. We are also requesting that the Columbia Empowerment Zone, Inc.'s request to assume the promissory note in the amount of \$477,169.46, effective as of September 25, 2008, be rescinded. As you know the Empowerment Zone (EZ) was a federal initiative that was established in 1999. It provided investment funds to communities who otherwise were not attractive to or for private dollars. The EZ had a ten year lifespan, which ended December 31, 2009 and in order to continue or sustain the programs and activities of the Empowerment Zone, the Columbia Empowerment Zone, Inc. (CEZ, Inc.) was formed in April 2006. The staff, with the recommendation of the HUD Office in DC used the Empowerment Zone, Inc. in Knoxville, Tennessee as a model for the establishment of our CEZ, Inc. In September 2008, the CEZ, Inc. acquired the North Main Plaza in a purchase from the Eau Claire Development Corporation. In June 2009, a Request for Proposals (RFP) was done to secure the services of a book keeping firm for the CEZ, Inc. Derrick, Stubbs & Stith, LLP was selected to provide those services. In November 2009, Webster Rogers, LLP was contracted to do a single audit for CEZ, Inc. On Wednesday, February 3, 2010, I met with Mr. Bud Addison of Webster Rogers, LLP, Chuck Statler, CPA / Partner and Dana Ballew, Senior Small Business Specialist both of Derrick, Stubbs & Stith, LLP, Mr. Bill Ellis, Deputy Finance Director and Mr. Tony Lawton, Director of Community Development and his staff to come away with an agreement that would best resolve the audit issues related to the Columbia Empowerment Zone, Inc., hence the recommendations that I have laid out. There were three issues to be resolved. One was the purchase price of the North Main Plaza; the second was a HUD 108 Loan and grant that went to

**Amendment to the Agenda

CERTIFIED

A TRUE COPY

[Signature]

CITY CLERK

MN 02/17/2010 Page 8

APP. 0766

the Eau Claire Development Corporation; and the third issue was clarity on the sub recipient relationship between the Columbia Empowerment Zone, Inc. and the City of Columbia. He explained that HUD granted the City of Columbia a \$500,000 108 loan that had to be paid back and at the same time a \$400,000 EDI Grant, which did not have to be returned to the federal government. In addition to that in 2000, the City Manager granted to the Eau Claire Development Corporation a \$200,000 loan; \$100,000 from the Water and Sewer Fund in January 2000 and \$100,000 from the General Fund in March 2001 for the acquisition of land that was ultimately used to build the North Main Plaza. That \$200,000 liability is still carried on the books of the Eau Claire Development Corporation. In January 2006, the City through a promissory note loaned the Eau Claire Development Corporation \$426,349.02 for the construction of phase two of the North Main Plaza. That was an EDI Grant from the federal government. The Executive Director of the Eau Claire Development Corporation signed a promissory note, promising to return that money to the City and that is still being carried as a liability on the books of the Eau Claire Development Corporation. The HUD 108 Loan of \$500,000 was scheduled to be paid back to the federal government. In June 2008, the City of Columbia made that payment to the federal government. During the purchase of the North Main Plaza, that remaining \$477,169.46 was not secured by mortgage and was not made part of the purchase of the North Main Plaza by the Columbia Empowerment Zone, Inc. We are asking that the \$200,000, \$426,349.02 and \$477,169.46 be forgiven. He recalled that the \$426,349.02 could have been granted to the Eau Claire Development Corporation, but the decision was made to loan it to the Eau Claire Development Corporation; it was not money that had to be paid back to the federal government. Also, we ask that the assignment of the \$477,169.46 to the Columbia Empowerment Zone, Inc. be rescinded. The liabilities of the Eau Claire Development Corporation that were attached to the sale of the North Main Plaza were taken either through the sale or by assignment to CEZ, Inc.

Rev. Richard Dozier, Chair of the Eau Claire Development Corporation said that the auditors told them that they are in good shape, except for the fact that they need to deal with these problems that are in some cases 6 years old and were never resolved. I would suggest to you that this corporation is the kind of commercial incubator that changes these corridors. This development corporation can move us from where we are to where we need to go in the future.

Upon a motion made by Mayor Coble and seconded by Mr. Davis, Council voted unanimously to adopt the following audit recommendations:

- Forgive the Eau Claire Development Corporation of a \$200,000 line of credit.
- Forgive the Eau Claire Development Corporation of a \$426,349.02 promissory note.
- Forgive the Eau Claire Development Corporation of a \$477,169.46 promissory note.
- Rescind the request of the Columbia Empowerment Zone, Inc. to assume the promissory note in the amount of \$477,169.46, effective September 25, 2008.

A motion by Mr. Finlay and seconded by Mr. Rickenmann to direct staff to prepare a plan to resolve the outstanding issues related to the Eau Claire Development Corporation so that the dissolution will be an orderly transition if funding is not approved in next year's budget was withdrawn, subject to Council scheduling a Work Session prior to March 3, 2010.

There was a consensus of Council to direct staff to prepare recommendations on the future of the Eau Claire Development Corporation. Such recommendations will be presented to Council on March 3, 2010. The members of Council requested the following information for discussion during a Work Session prior to March 3, 2010.

- Mission of the Eau Claire Development Corporation
- Assets and Liabilities of the Eau Claire Development Corporation
- Appraised value of the North Main Plaza
- Cash flow of the North Main Plaza

ORDINANCES – FIRST READING

30. Ordinance No.:2009-106 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 4, Animals, Article II, Livestock - *A Public Hearing was conducted on November 18, 2009. No action was taken.* - Consideration of this matter was deferred to March 3, 2010.

RESOLUTIONS

Upon a motion made by Mr. Rickenmann and seconded by Mr. Finlay, Council voted unanimously to approve **Items 31.** through **34.** with a single motion.

31. Resolution No.: R-2010-007 – Authorizing the Planning and Development Services Department to submit an Application for Designation of the City of Columbia as a Preserve America Community - *Approved*
32. Resolution No.: R-2010-008 - Supporting Joint Strike Fighter (F-35A) Basing at Shaw Air Force Base and McIntyre Joint National Guard Base, South Carolina - *Approved*
33. Resolution No.: R-2010-011 - Authorizing execution of a First Renewal of the Companion Third Party Administration of the City of Columbia's Tort Liability Self-Insurance Program with Companion Third Party Administrators, LLC - *Approved*
34. Resolution No.: R-2010-012 - Authorizing execution of a First Renewal of the Companion Third Party Administrators, LLC Service Agreement for Administration of a Self-Insured Workers' Compensation Program with Companion Third Party Administrators, LLC - *Approved*

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

Ms. Wanda Kemp appeared before the members of Council to express concerns related to the City's Code of Ordinances that prohibit more than three (3) unrelated individuals from living together. The ordinance has been in effect since 1979. I inherited property that was purchased by my father in 1973 and that property has been used as rental, investment property. You are not being very friendly to investors or the students by allowing this ordinance to be on the books. We have been cited for overcrowding, but there were no more young women in the house than there were bedrooms; this is not overcrowding. She cited the introduction of the ordinance, adding that this property doesn't violate the premise of this ordinance. She said that she has approached Zoning three times about grandfathering and was given bad information. The house is currently vacant and I've lost \$8,000 in revenue. She asked the Council to revisit the ordinance and change it to at least four (4) or go by the square footage like other communities.

EXECUTIVE SESSION

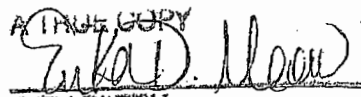
Upon a motion made by Ms. Devine and seconded by Mr. Cromartie, Council voted unanimously to go into Executive Session at 2:27 p.m. for the discussion of **Items 35.** through **37.** as amended.

35. Receipt of legal advice as it relates to matters covered by attorney-client privilege – *This item was discussed in Executive Session. No action was taken.*
36. Discussion of negotiations incident to proposed contractual arrangements– *This item was discussed in Executive Session. No action was taken.*

****Amendment to the Agenda**

CERTIFIED

TRUE COPY


CITY CLERK

MN 02/17/2010 Page 10

37. Discussion of employment of employee— *This item was discussed n Executive Session.
No action was taken.*

- Mr. Cromartie left the meeting at 3:00 p.m.
- Mr. Finlay left the meeting at 3:17 p.m.
- Council adjourned the meeting at 3:35 p.m.

Respectfully submitted by:


Erika D. Salley
City Clerk



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
TUESDAY, DECEMBER 7, 2010
6:00 P.M.
COUNCIL CHAMBERS – 3RD FLOOR
1737 MAIN STREET

PLEDGE OF ALLEGIANCE

INVOCATION

Chaplain Darrell Croft, Columbia Fire Department offered the invocation.

The Columbia City Council conducted a Regular Meeting on Tuesday, December 7, 2010 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Stephen K. Benjamin called the meeting to order at 6:09 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann, The Honorable Belinda F. Gergel and The Honorable Brian DeQuincey Newman. The Honorable Leona K. Plough was absent. Also present were Mr. Steven A. Gantt, City Manager and Ms. Niki Daniels, City Clerk Assistant.

PUBLIC HEARING

RESOLUTION

1. Resolution No.: R-2010-099 – A Resolution in Support of the Issuance by the South Carolina Jobs-Economic Development Authority of its Economic Development Revenue Bonds (The University of South Carolina Development Foundation Project) Series 2010, Pursuant to the Provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as Amended, In the Aggregate Principal Amount of Not Exceeding \$27,000,000.

- Council opened the Public Hearing at 6:15 p.m.

No one appeared in support of or in opposition to Item 1.

- Council closed the Public Hearing at 6:15 p.m.

In the interest of full disclosure, Mayor Benjamin stated that he serves on the University of South Carolina Development Foundation Board; however, this is not a conflict of interest as he has no personal or financial interest in this matter.

Mr. Steven A. Gantt, City Manager explained that anytime a public entity uses a JEDA for the sale of bonds, it has to go through the municipality or jurisdiction for which that public entity lies. There is no financial obligation on behalf of the City of Columbia.

Upon a motion made by Mr. Rickenmann and seconded by Mr. Davis, Council voted unanimously to approve Resolution No.: R-2010-099 – A Resolution in Support of the Issuance by the South Carolina Jobs-Economic Development Authority of its Economic Development Revenue Bonds (The University of South Carolina Development Foundation Project) Series 2010, Pursuant to the Provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as Amended, In the Aggregate Principal Amount of Not Exceeding \$27,000,000, with the caveat that the Resolution be amended to clarify that the City has no financial responsibility in this matter.

CERTIFIED

TRUE COPY

Tika D. Moore

CITY CLERK

APP. 0770

PRESENTATIONS

2. Introduction of the November 2010 Employee of the Month – Mr. Aubrey Jenkins, Chief of Columbia Fire Department

Mr. Aubrey Jenkins, Chief of Columbia Fire Department introduced Mr. Erwin Boykin, Fire Logistics as the November 2010 Employee of the Month. He described Mr. Boykin as a joyous and faithful 18-year employee that visits every fire station and has contact with every firefighter.

Mayor Benjamin and Mr. Steven A. Gantt, City Manager presented Mr. Boykin with a certificate and a token of appreciation for being selected as the November 2010 Employee of the Month.

3. Introduction of the December 2010 Employee of the Month – Mr. Willie B. Abney, Assistant Superintendent of the Wastewater Maintenance Division

Mr. Willie B. Abney, Assistant Superintendent of the Wastewater Maintenance Division introduced Mr. Martin Golston, Foreman I as the December 2010 Employee of the Month. He described Mr. Golston as a 10-year employee that has moved rapidly through the ranks of the Division.

Mayor Benjamin and Mr. Steven A. Gantt, City Manager presented Mr. Golston with a certificate and a token of appreciation for being selected as the November 2010 Employee of the Month.

4. Recognition of the U.S. Professor of the Year National Award – The Honorable Belinda F. Gergel, Dr. Caroline Whitson, President of Columbia College and Ms. Rebecca B. Munnerlyn, Executive Director of Public Relations for Columbia College

Mayor Benjamin and the members of Council proclaimed Tuesday, December 7, 2010 as Dr. Zubizarreta Day in the City of Columbia. Dr. John Zubizarreta, Director of the Honors Program for Columbia College was named the U.S. Professor of the Year by the Carnegie Foundation for the Advancement of Teaching and the Council for Advancement and Support of Education for undergraduate baccalaureate colleges. This is the first time that a South Carolina professor has been selected for this prestigious national honor.

5. Gonzales Garden Revitalization Project – Ms. Julia Prater, Deputy for Affordable Housing and Hope VI Coordinator/ Columbia Housing Authority

Mr. Gilbert Walker, Executive Director of the Columbia Housing Authority reported that the Columbia Housing Authority is involved in three (3) projects: The Villages at River's Edge, Allen Benedict Court and Gonzales Gardens. He reported that the City is involved in the Village at River's Edge; infrastructure construction is underway; and that construction is expected to begin in January 2011 with Phase I being completed by the middle of 2012. There will be 60 public housing town homes and 36 single-family affordable homes on that site. Phase II will be developed at a later date as determined by the developer. He further reported that The Columbia Housing Authority recently submitted a HOPE VI application for \$22 million for the demolition and revitalization of the Allen Benedict Court public housing development. Funding announcements are expected to be made during April 2011. The last project is Gonzales Gardens, which was built in 1940 on Forest Drive. With the assistance of the public and the residents, we developed a master plan and now we are seeking funding for the implementation of the plan. We plan to develop single family homes, multi-family units and elderly units for a total of 170 units. We may seek tax credits to increase the affordability.

CERTIFIED

A TRUE COPY

Julia D. Moore
CITY CLERK

APP. 0771

6. Columbia Parks and Recreation Foundation – Mr. Fred Easley, President / Columbia Parks and Recreation Foundation and Mr. Travis Wheeler, Vice President / Columbia Parks and Recreation Foundation

Mr. Fred Easley, President / Columbia Parks and Recreation Foundation presented the revised bylaws for the Columbia Parks and Recreation Foundation for review and approval by the City Council. We are reducing the number of Council appointees from two (2) to one (1). This would reduce the committee to fifteen (15) members with seven (7) being appointed by City Council and eight (8) being appointed by the Foundation. We also added a succession policy that would allow the vice president to take over in the event that something happened to the president. We are now a 501 (c) 3 organization and can raise money for the Foundation.

Upon a motion made by Dr. Gergel and seconded by Mr. Rickenmann, Council voted unanimously to endorse the revised bylaws of the Columbia Parks and Recreation Foundation. The appointments are to be approved by City Council within the next 30 to 60 days.

7. Columbia Museum of Art Update – Ms. Karen Brosius, Executive Director / Columbia Museum of Art

Ms. Karen Brosius, Executive Director / Columbia Museum of Art reported that the Museum serves over 40,000 students and that their core is education. Our 2008 Economic Impact Study revealed that we generate over \$23 million annually in economic activity and we serve 11,000 people a month. In 2011, we will open the year with "Who Shot Rock and Roll", a photographic history from 1955 to the present focusing on the relationship of the visual image and the development of Rock and Roll over 60 years. The 2011 fall exhibition will be "NATURE AND THE GRAND AMERICAN VISION: Masterpieces of the Hudson River School Painters". Today, we launched our new solar power project, which is the largest commercial installation of solar power in the State of South Carolina.

8. Midlands Authority for Conventions, Sports & Tourism – Mr. Ric Luber, President

Mr. Ric Luber, President / Midlands Authority for Conventions, Sports & Tourism distributed a Competitive Analysis Report and a list of bookings from July 2010 to June 2011. He presented a video that highlighted the importance of supporting the promotion of tourism.

9. Vista Greenway Project – Mr. Cliff Spann, President of the Arsenal Hill Neighborhood Association

Mr. Cliff Spann, President of the Arsenal Hill Neighborhood Association presented the proposed development of a portion of the old Seaboard Airlines Railroad bed that lies between Lady Street and Elmwood Avenue into a pedestrian/bike greenway. It would provide improved and safer pedestrian access to Finlay Park and the Vista for residents of Earlewood Park and Arsenal Hill Neighborhoods. He requested Council's endorsement of the use of this City-owned land for development of a Vista Greenway. He estimated the capital cost at \$300,000 to \$350,000.

Upon a motion made by Mr. Newman and seconded by Dr. Gergel, Council voted unanimously to endorse the project; to provide a letter of support for the Vista Greenway Steering Committee; and to direct the City Manager and staff to work closely with the steering committee to address concerns related to erosion control, to review the capital budget and to develop a maintenance budget.

CERTIFIED

TRUE COPY

Gita D. Hoan
CITY CLERK

MN 12/7/2010 Page 3

CITY COUNCIL DISCUSSION / ACTION

10. Speed Hump Request

Upon a motion made by Mr. Rickenmann and seconded by Mr. Davis, Council voted unanimously to approve the installation of three (3) speed humps on Whittaker Drive.

11. State and Federal Legislative Priorities – Ms. Teresa Wilson, Director of Governmental Affairs, Ms. Barbara McCall and Mr. Ralph Garboushian /CapitalEdge Strategies, LLC

Ms. Teresa Wilson, Director of Governmental Affairs, Ms. Barbara McCall and Mr. Ralph Garboushian /CapitalEdge Strategies, LLC provided a follow-up to the directives, suggestions and recommendations provided by City Council during the September 2010 Retreat. She distributed final working drafts of the State Priorities along with budgetary implications and the Federal Legislative Program.

There was a consensus of Council to amend the Federal Legislative Program to indicate Council's opposition to any adverse affect of Base Realignment and Closure to surrounding military installations and language on the solar power zones, tax credits and incentives, fuel cell, hydrogen and biomass opportunities. The final draft of the State Priorities and Federal Legislative Program will be considered for endorsement by City Council on December 14, 2010.

CONSENT AGENDA

Upon a single motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to approve the **Consent Agenda Items 12. through 17. and 20. through 40. Items 18. and 19. were approved by separate motions.**

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

12. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to Fast Forward Community Technology Center in the amount of \$10,000.00. This vendor is located in Columbia, SC. *Funding Source: FY2010-2011 CDBG-Pi; JL9100300910 - Approved*
13. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to Keep the Midlands Beautiful in the amount of \$12,000.00. This vendor is located in Columbia, SC. *Funding Source: FY2010-2011 CDBG-Pi; JL9100300410 - Approved*
14. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to Eau Claire Promise Zone in the amount of \$50,000.00. This vendor is located in Columbia, SC. *Funding Source: FY1997-2008 CDBG; JL910300710 - Approved*
15. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to College Summit in the amount of \$50,000.00. This vendor is located in Orangeburg, SC. *Funding Source: FY2010-2011 CDBG; JL9100300210 - Approved*

CERTIFIED
A TRUE COPY

CITY CLERK

16. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to Palmetto Health Richland in the amount of \$50,000.00. This vendor is located in Columbia, SC. *Funding Source: FY2010-2011 CDBG; JL9100301110 - Approved*
17. Council is asked to approve the Community Development Block Grant (CDBG) Subrecipient Agreement for Fiscal Year 2010-2011, as requested by the Community Development Department. Award to Epworth Children's Home in the amount of \$60,000.00. This vendor is located in Columbia, SC. *Funding Source: FY2010-2011 CDBG-PI; JL9100300510 - Approved*
18. Council is asked to approve the Purchase for the Employee Holiday Luncheon, as requested by the City Manager's Office and coordinated by the Public Works Department. Award to Hudson's Smokehouse, LLC, the lowest bidder meeting specifications in the amount of \$10,255.95. This vendor is located in Lexington, SC. *Funding Source: To be determined - Approved*

Upon a motion made by Mr. Davis and seconded by Ms. Devine, Council voted unanimously to approve the Purchase for the Employee Holiday Luncheon, as requested by the City Manager's Office and coordinated by the Public Works Department. Award to Hudson's Smokehouse, LLC, the lowest bidder meeting specifications in the amount of \$10,255.95. This vendor is located in Lexington, SC.

19. Council is asked to approve the Retiree Medicare Supplemental Insurance Contract for the plan period of January 1, 2011 through December 31, 2011, as requested by The Employee Insurance Committee. Award to United Healthcare at a per member monthly rate of \$185.50 for medical, which includes a three percent (3%) increase and \$205.32 for pharmacy, which includes a twenty percent (20%) increase. *Funding Source: GL 6048933 - Note: There are no changes to the term of the contract. The increase was determined based on higher claims than originally anticipated, and the City spending more on higher cost drugs than the overall book of business. - Approved*

Upon a motion made by Ms. Devine and seconded by Mr. Rickenmann, Council voted unanimously to approve the Retiree Medicare Supplemental Insurance Contract for the plan period of January 1, 2011 through December 31, 2011, as requested by The Employee Insurance Committee. Award to United Healthcare at a per member monthly rate of \$185.50 for medical, which includes a three percent (3%) increase and \$205.32 for pharmacy, which includes a twenty percent (20%) increase.

20. Council is asked to approve an Agreement for the Operation and Maintenance of the Fountains in Five Points, as requested by the Parks and Recreation Department. Award to the Five Points Association, Inc (FPA) for a total of \$2,960.00 per month, payable in advance of the first day of each month, with a three percent (3%) annual increase per lease over the previous lease year. This vendor is located in Columbia, SC. *Funding Source: 1015102-638200 - Approved*
21. Council is asked to approve the Purchase of a Flygt Pump, as requested by the Metro Wastewater Treatment Plant. Award to ITT Water & Wastewater, as a Sole Source in the amount of \$11,473.61. This vendor is located in Charlotte, NC. *Funding Source: Utilities Metro Wastewater Plant/Equipment Repair/Service Supply 5516208-631800 - Approved*

CERTIFIED

TRUE COPY

Gilda D. Moore
CITY CLERK

22. Council is asked to approve Project #SS7167-01; Reroute Existing Sanitary Sewer Line around the New Parks and Recreation Building in Earlewood Park, as requested by Utilities and Engineering. Award to HD Supply Waterworks, the lowest bidder in the amount of \$16,310.00. This vendor is located in West Columbia, SC. *Funding Source: Sanitary Sewer Capital Improvement Fund 5529999-SS716701-658650 - Approved*
23. Council is asked to approve Project #SS7074-01; Installation of Replacement Air Release Valve for Sanitary Sewer Force Mains System Wide, as requested by Utilities and Engineering. Award to New Independent Waterworks, the lowest bidder in the amount of \$16,775.09. This vendor is located in Lexington, SC. *Funding Source: Sanitary Sewer Capital Improvement Fund 5529999-SS707401-851600 - Approved*
24. Council is asked to approve Project #SS717101; Task Order for Geotechnical Assessment Services for Existing Levees near Metro Wastewater Treatment Plant, as requested by Utilities and Engineering. Award to Terracon Consulting, Inc., in the amount of \$24,600.00. This vendor is located in Columbia, SC. *Funding Source: Sewer Improvements Fund 5529999-SS717101-636600 - Approved*
25. Council is asked to approve the Purchase for Replacing Fire Resistant Coating at 1136 Washington Street, as requested General Services Division. Award to Hawkridge Enterprises, Inc., the lowest bidder in the amount of \$30,987.00. This vendor is located in Augusta, GA. *Funding Source: General Capital Projects/Professional Services for Capital Projects Elevator Renovations Washington Sq/Professional Serv. for Capital Projects 4039999-658600/CP105903-658600 - Approved*
26. Council is asked to approve an Endorsement Extension for Worker's Compensation Excess Loss Insurance Coverage from January 1, 2011 through July 1, 2011. Award to Safety National Casualty Corporation in the amount of \$41,276.00. This vendor is located in St. Louis, Missouri. *Funding Source: Workers' Compensation Administration 6098939/636200 Insurance and Bonding - Approved*
27. Council is asked to approve Project #SS7161; An Agreement for Headworks Analysis and Local Limits Study at the Metro Wastewater Treatment Plant, as requested by Utilities and Engineering. Award to Black & Veatch Corporation in the amount of \$58,500.00. This vendor is located in Little Mountain, SC. *Funding Source: Sewer Improvements Fund 5529999-SS716101-636600 - Approved*
28. Council is asked to approve the Purchase of a Pothole Patcher, as requested by the Fleet Services Division. Award to Public Works Equipment and Supply, Inc., the lowest bidder in the amount of \$147,400.00. This vendor is located in Monroe, NC. *Funding Source: Capital Replacement, Auto Trucks, Heavy Equipment >\$5,000; GL 6308972-658500 - Approved*
29. Council is asked to approve Project #SS7112; West Columbia Outfall Manhole Rehabilitation, as requested by Utilities and Engineering. Award to McClam and Associates, the lowest, responsive and responsible bidder in the amount of \$256,252.50. This vendor is located in Little Mountain, SC. *Funding Source: Sewer Maintenance Fund-Special Contracts 5516212-638300 - This is a Mentor Protégé Program Project and Patriot Construction is the Protégé. - Approved*

CERTIFIED

A TRUE COPY


CITY CLERK

30. Council is asked to approve Project #WM4139; An Agreement for Chapin Booster Pumping Station Improvements, as requested by Utilities and Engineering. Award to Brown & Caldwell, Inc., in the amount of \$354,000.00. This vendor is located in Columbia, SC. *Funding Source: Water Improvements Fund 5529999-WM413901-636600 - Approved*
31. Council is asked to approve Project #SS7154 & SS7155; An Agreement for Repairs and Modifications at the Metro Wastewater Treatment Plant, as requested by Utilities and Engineering. Award to B.P. Barber & Associates, Inc., in the amount of \$400,430.00. This vendor is located in Columbia, SC. *Funding Source: Sewer Improvements Fund 5529999-SS7154-636600 & 5529999-SS715501-636600 - This is a Mentor Protégé Program Project and DESA, Inc is the Protégé. - Approved*
32. Council is asked to approve Project #SS7143; Easement Clearing, as requested by Utilities and Engineering. Award to McClam and Associates, the lowest responsive and responsible bidder in the amount of \$961,069.15. This vendor is located in Little Mountain, SC. *Funding Source: Sewer Maintenance Fund-Special Contracts 5516212-638300 - This is a Mentor Protégé Program Project and Patriot Construction is the Protégé. - Approved*
33. Council is asked to approve Project #SS7088; II Rehabilitation Saluda River Basin 09, as requested by Utilities and Engineering. Award to Trussell Bros. Construction Co., Inc., the lowest bidder in the amount of \$1,455,379.00. This vendor is located in Columbia, SC. *Funding Source: Sanitary Sewer Maintenance Fund-Special Contracts 5516212-638300 - This is a Subcontracting Outreach Program Project. - Approved*

MAP AMENDMENT - SECOND READING

34. **1320 Buckner Road**, TMS# 11704-03-07; request recommendation to rezone D-1 (Development District) to M-1 (Light Industrial). - *First reading approval was given on November 16, 2010. - Approved on second reading.*

CASES WITH MAP AND TEXT AMENDMENTS - SECOND READING

35. **TEXT AMENDMENT- Amend §17-691(c) to add 1614 Main Street as a Group II Landmark**

Ordinance No.: 2010-151 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 4, Landmarks, Sec. 17-691 Buildings and sites list, (c) to add 1614 Main Street, TMS #09014-04-16 - *First reading approval was given on November 16, 2010. - Approved on second reading.*

MAP AMENDMENT- 1614 Main Street-TMS# 09014-04-16; rezone to add -DP (Design Preservation Overlay) to C-5 zoning. *First reading approval was given on November 16, 2010. - Approved on second reading.*

ANNEXATION WITH MAP AMENDMENT - SECOND READING

36. **W/S Club Ridge Road, 209, 213, 217, 219 Club Ridge Road**, TMS# 28900-01-33, 28906-08-02, 28906-08-03, 28906-08-04, and 28906-08-05; annex and zone property PUD-R (Residential Planned Unit Development). The property is zoned PDD (Planned Development District) in Richland County. *First reading approval was given on November 16, 2010. - Approved on second reading.*

CERTIFIED

A TRUE COPY

[Signature]
APR 16 2011

Ordinance No.: 2010-148 – Annexing W/S Club Ridge Road, 209 Club Ridge Road, 213 Club Ridge Road, 217 Club Ridge Road and 219 Club Ridge Road, Richland County TMS #28900-01-33, #28906-08-02, #28906-08-03, #28906-08-04 and 28906-08-05 – *First reading approval was given on November 16, 2010. – Approved on second reading.*

37. **167 Island View Circle**, TMS# 28908-02-10; annex and zone property PUD-R (Residential Planned Unit Development). The property is zoned PDD (Planned Development District) in Richland County. *First reading approval was given on November 16, 2010. – Approved on second reading.*

Ordinance No.: 2010-149 – Annexing 167 Island View Circle, Richland County TMS #28908-02-10 – *First reading approval was given on November 16, 2010. – Approved on second reading.*

38. **1 Old Landing Court**, TMS# 28901-03-06; annex and zone property PUD-R (Residential Planned Unit Development). The property is zoned PDD (Planned Development District) in Richland County. *First reading approval was given on November 16, 2010. – Approved on second reading.*

Ordinance No.: 2010-150 – Annexing 1 Old Landing Court, Richland County TMS #28907-03-06 – *First reading approval was given on November 16, 2010. – Approved on second reading.*

39. **405, 407 and 409 S. Assembly Street**, TMS# 11204-04-01, 11204-04-02, 11204-04-03, and 11204-04-05; annex and zone property M-1 (Light Industrial). The property is zoned M-1 (Light Industrial) in Richland County. *First reading approval was given on November 16, 2010. – Approved on second reading.*

Ordinance No.: 2010-147 – Annexing 405 South Assembly Street, 407 South Assembly Street and 409 South Assembly Street, Richland County TMS #11204-04-01, #11204-04-02, #11204-04-03 and 11204-04-05 – *First reading approval was given on November 16, 2010. – Approved on second reading.*

TEXT AMENDMENT – SECOND READING

40. **§17-258 Table of Permitted Uses, SIC# 7381 Detective agencies and protective services.**

Ordinance No.: 2010 -143 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article III, Zoning, Division 8, District Descriptions; Use and Dimensional Regulations, Sec.17-258 Table of permitted uses, SIC 738 Miscellaneous business services – *First reading approval was given on November 16, 2010. – Approved on second reading.*

CERTIFIED

A TRUE COPY

Wanda D. Moore
CITY CLERK

RESOLUTIONS

41. Resolution No.: R-2010-101 – Authorizing and the City Manager to execute an Amended Agreement of Purchase and Sale between the City of Columbia and 1620 Main, LLC for the purchase of 1620-4 Main Street, Richland County TMS #09014-04-17 and the adjacent alleyway - *Approved*

Upon a motion made by Mr. Davis and seconded by Mr. Rickenmann, Council voted unanimously to approve Resolution No.: R-2010-101 – Authorizing and the City Manager to execute an Amended Agreement of Purchase and Sale between the City of Columbia and 1620 Main, LLC for the purchase of 1620-4 Main Street, Richland County TMS #09014-04-17 and the adjacent alleyway.

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

Mr. Ernest Stroman appeared before the members of Council as the heir and landowner of 1914 Wiley Street where the City of Columbia Edisto Discovery Park is currently located. He feels that he deserves more money for this property than what the City has offered under the condemnation. He said that he was employed by the City of Columbia, but lost his job due to budget cuts; he has an existing mortgage under the City's employee loan program; and he has health problems.

MOMENT OF SILENCE

Councilor Gergel led the group in a moment of silence in memory of Ret. Captain Michael Hendrix. Captain Hendrix passed away on Tuesday, November 30, 2010. He retired in June of 2010 after 25 years of service with the Columbia Police Department.

EXECUTIVE SESSION

Upon a motion made by Mr. Rickenmann and seconded by Dr. Gergel, Council voted unanimously to go into Executive Session at 8:35 p.m. for the discussion of **Items 42. and 43.**

42. Discussion of negotiations incident to proposed contractual arrangements – *This item was discussed in Executive Session. No action was taken.*
43. Discussion of negotiations incident to the proposed sale of property – *This item was discussed in Executive Session. No action was taken.*

- Council adjourned the meeting at 8:50 p.m.

Respectfully submitted by:


Erika D. Salley
City Clerk

CERTIFIED
A TRUE COPY


CITY CLERK



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
TUESDAY, OCTOBER 18, 2011
6:00 P.M.
CITY HALL - COUNCIL CHAMBERS
1737 MAIN STREET

The Columbia City Council conducted a Regular Meeting on Tuesday, October 18, 2011 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Pro-Tempore Leona K. Plough called the meeting to order at 6:01 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann, The Honorable Belinda F. Gergel and The Honorable Brian DeQuincey Newman. The Honorable Mayor Stephen K. Benjamin was absent. Also present were Mr. Steven A. Gantt, City Manager and Ms. Erika D. Salley, City Clerk.

PLEDGE OF ALLEGIANCE

INVOCATION

Chaplain Darrel Croft, Columbia Fire Department offered the Invocation.

ADOPTION OF THE AGENDA

Upon a motion made by Mr. Davis and seconded by Mr. Newman, Council voted unanimously to adopt the agenda with the following revisions:

- Defer consideration of Item 35
- Add consideration of the Intergovernmental Agreement for the Central Midlands Regional Transit Authority as Item 34b

APPEARANCE OF PUBLIC WITH COMMENTS RELATED TO THE AGENDA

Mr. Howard Winslow appeared before the members of Council to express concerns about the safety of all cab drivers.

APPROVAL OF MINUTES

1. Minutes of October 11, 2011 (*Revised*) - *Approved*

Upon a motion made by Dr. Gergel and seconded by Mr. Rickenmann, Council voted unanimously to approve the Minutes of October 11, 2011, as revised.

CERTIFIED

ATTEST

A handwritten signature in dark ink, appearing to read "Erika D. Salley", is written over a horizontal line.

CITY CLERK

CERTIFIED

A TRUE COPY

G. K. D. Moore
CITY CLERK

PRESENTATIONS

2. Introduction of the September 2011 Employee of the Month – Mr. Emmanuel Lawson, Superintendent of Solid Waste

Mr. Emmanuel Lawson, Assistant Superintendent for the Solid Waste Division introduced Mr. Legrand Ingram, Recycling Truck Driver III as the September 2011 Employee of the Month.

Mayor Pro-Tem Plough presented Mr. Ingram with a plaque and Mr. Steven A. Gantt, City Manager presented Mr. Ingram with a token of appreciation.

3. Introduction of the October 2011 Employee of the Month – Mr. Randy Scott, Chief of Columbia Police Department

Mr. Randy Scott, Chief of Columbia Police Department introduced Investigator Robert McCracken as the October 2011 Employee of the Month.

Mayor Pro-Tem Plough presented Mr. McCracken with a plaque and Mr. Steven A. Gantt, City Manager presented Mr. McCracken with a token of appreciation.

4. Check Presentation to the SC Special Olympics – Mr. Randy Scott, Chief of Columbia Police Department

Mr. Gary Coats, President and CEO / SC Special Olympics reported that 21,422 individuals are served statewide by the SC Special Olympics. He said that law enforcement agencies are their biggest partners. The Columbia Police Department contributes over \$25,000 annually to the SC Special Olympics.

Ms. Sue Maner, Vice President of Programs and Public Relations recognized Chief Scott, members of the Columbia Police Department, Krispy Kreme Donuts, Fort Jackson and the University of South Carolina for their support of the recent fund raiser. Ms. Maner noted that all funds will go towards athletics and not to support the organization's expenses.

Police Chief Randy Scott presented a fund raiser check to the SC Special Olympics in the amount of \$17,855.75. The check includes donations from the "Cops on Doughnut Tops" event held at Krispy Kreme Donuts on September 21-23, 2011.

5. Introduction of the Walk Against Domestic Violence Advocates – The Honorable Tameika Isaac Devine

Councilor Devine announced that October is Domestic Violence Month. The City of Columbia hosted the 5th Annual Walk Against Domestic Violence on Saturday, October 8, 2011 at Finlay Park. It was the largest walk to date with over 750 participants. There were over 15 exhibitors to include Sistercare, the State Office of Victim's Assistant, the SC Attorney General's Office, the 5th Circuit Solicitor's Office, the Columbia Police Department and the SC Coalition Against Domestic Violence and Sexual Assault. She offered a special thanks to Houston's Low Country Grill, The "M" Word, RC's Celebrations, Kimestry Salon and Spa and the City's Public Relations Department for their donations and support of this year's walk. There was a renewed sense of partnership with Sistercare and the SC Coalition Against Domestic Violence and Sexual Assault.

CERTIFIED

A TRUE COPY

CITY CLERK

6. Fast Forward Update – Ms. Dee Albritton, Executive Director

Ms. Dee Albritton, Executive Director of Fast Forward announced the 13th Anniversary of Fast Forward, which started with a grant from the SC Department of Education. The City of Columbia has been a partner since the very beginning and still remains as our biggest and most important partner. As Fast Forward extends its reach, our work with veterans has become very important. South Carolina has 400,000 veterans to include 35,000 female veterans.

Mr. Ted Creech, Director of Governmental Relations for AT&T presented an AT&T Foundation Grant to Fast Forward in the amount of \$21,000.

7. Capital City Lake Murray Update – Ms. Miriam Atria, Executive Director

Ms. Miriam Atria, Executive Director of Capital City Lake Murray Country reported that their regional tourism program has been very busy. When you think of our organization, think of outdoor recreation, vacationing families and fishing. This weekend we will have over 500 fishermen arriving for the Lake Murray Berkley/Sebile Big Bass Tournament. We have booked the FLW National Championship Collegiate Tour in April 2012. We are negotiating for another FLW tour event in April 2013.

Mr. Kevin Roberts, Director of Business Development for Capital Software Consultants said that they are delighted to help Lake Murray Country further extend their footprint into the mobile marketplace. Lake Murray Country has a new mobile website and a Quick Response (QR) Code campaign.

Mr. Scott Ellison, Promotions Manager for FLW Outdoors Community Outreach Department said that they are excited about bringing the 3rd Annual Collegiate Championship here. Over 1,000 anglers competed in the 2011 college tournaments and 25 events have led up to this national championship. This event will have a lot of national exposure and will be televised on Versus. He presented video footage from the college tournament.

CITY COUNCIL DISCUSSION / ACTION8. Neighborhood Street Lighting Request – Mr. Dave Brewer, Director of Traffic Engineering - *Approved*

Neighborhoods Listed by Priority	Existing Lights	Requested Lights	Current Lease Cost / Annually	Increased Amount
Forest Hills	42	14	\$5,181.84	\$2,039.28

Upon a motion made by Dr. Gergel and seconded by Ms. Devine, Council voted unanimously to approve the Neighborhood Street Lighting Request for Forest Hills.

Upon a single motion made by Mr. Newman and seconded by Mr. Davis, Council voted unanimously to approve Items 9 and 10.

9. Council is asked to approve an Application for Certificate of Convenience and Necessity, as requested by the Business License Division. This certificate is being awarded to Victor Simon Laben doing business as Royal Cabs, LLC at 69 Lexington Drive #A-5, West Columbia, SC. - *Approved*

CERTIFIED

A TRUE COPY

Tukad. H. H. H.
CLERK

10. Council is asked to approve an Application for Certificate of Convenience and Necessity, as requested by the Business License Division. This certificate is being awarded to Jennifer Porter doing business as New South Limo at 332 Trent Court, Immo, SC. - *Approved*

CONSENT AGENDA

Upon a single motion made by Mr. Newman and seconded by Mr. Rickenmann, Council voted unanimously to approve the **Consent Agenda Items 11 through 30.**

CONSIDERATION OF BIDS, AGREEMENTS and CHANGE ORDERS

11. Council is asked to approve the Renewal of the Retiree Medicare Supplemental Plan, effective January 1, 2012 through December 31, 2012, as requested by the Employee Insurance Committee. Award to United Healthcare at a per member per month rate of \$199.41 for medical which includes a 7.5% increase and \$219.16 for pharmacy which includes a 6.7% increase. This vendor is located in Columbia, SC. *Funding Source: Health Insurance Fund GL 6048933 - Note: The renewal increase is due to the healthcare trend, community rating evaluation and decreased funding from the Centers for Medicare & Medicaid Services (CMS). There are no changes to the terms of the contract. - Approved*
12. Council is asked to approve the Purchase of a Service Plan for the Atomic Absorption/Graphite Furnace, as requested by the Columbia Canal Water Plant Division. Award to Perkin Elmer, as a Sole Source in the amount of \$11,517.48. This vendor is located in Shelton, CT. *Funding Source: Utilities Columbia Canal WP/Maint. & Service Contract: \$5,758.74 and Utilities Lake Murray Pl/Maint & Service Contract; \$5,758.74 - Note: The purpose of this instrument is to measure the level of metals in water. - Approved*
13. Council is asked to approve an Agreement for Safety Consulting Services, as requested by the Utilities and Engineering Department. Award to URS / BP Barber in the amount of \$15,500.00. This vendor is located in San Francisco, CA. *Funding Source: FY2011/2012 Operating Budgets for the Columbia Canal, 5516206-638300 and Lake Murray, 5516207-638300 Note: The agreement is to provide safety consulting and advisement services to the Utilities and Engineering Department and the Columbia Waterworks Division on various safety issues. - Approved*
14. Council is asked to approve a Memorandum of Agreement to provide Strategic Business Consulting and Business Assistance Services to Minority Firms. Award to the Minority Business Development Agency Business Center, as a Sole Source in the amount of \$20,000.00. This vendor is located in Columbia, SC. *Funding Source: 1011126-636600 - Approved*
15. Council is asked to approve Capital Improvement Project #WM4215; Little Jackson Creek Bridge Water Main Crossing, as requested by the Utilities and Engineering Department. Award G.H Smith Construction, Inc., the lowest, responsive and responsible bidder in the amount of \$32,920.00. This vendor is located Little Mountain, SC. *Funding Source: Water Main Special Contracts, 5516210-638300 - This is a Mentor Protégé Program Project and Lake Murray Utility Company, Inc. is the Protégé. - Approved*

CERTIFIED

TRUE COPY

Gilda D. Moore
CITY CLERK

16. Council is asked to approve the Renewal of the HP Storage Area Network Maintenance Support Agreement, as requested by the Information Technology Department. Award to Hewlett Packard Direct in the amount of \$40,454.28. This vendor is located in Omaha, NE. *Funding Source: 1011120-638200 - Approved*
17. Council is asked to approve Capital Improvement Projects WM4243 and SS7203; 2011 General Services Agreement, as requested by Utilities and Engineering. Award to Howard Engineering to provide services on an hourly rate basis not to exceed a total fee of \$50,000.00. This vendor is located in Marietta, SC. *Funding Source: (Water Maintenance Fund; 5516210-WM4243-636600) and (Sewer Maintenance Fund; 5516212-SS7203-636600). Note: The firm will render certain engineering services in relation to the operation of the City's water and wastewater treatment plants and respective distribution and collection systems. - Approved*
18. Council is asked to approve the Purchase of Two (2) Supervisor Engines, as requested by the Information Technology Department. Award to NWN Corporation, the lowest bidder in the amount of \$67,970.68. This vendor is located in Atlanta, GA. *Funding Source: (6218954-658600; \$51,169.54); (6218954-627510; \$12,840.00) and (6218954-627500; 43,961.14) - Note: The supervisor engines manage all of the data traffic that goes through the network. - Approved*
19. Council is asked to approve the Purchase of Resurfacing of Tennis Courts, as requested by Parks and Recreation Department. Award to Howard B. Jones, the lowest bidder in the amount of \$77,896.00. This vendor is located in Lexington, SC. *Funding Source: General Capital Projects-Machinery and Equipment Capital; 4039999-658300. - Approved*

Locations	Number of Courts
Woodland Park	8
Earlewood Park	2
Hampton Park	2
Mays Park	2

20. Council is asked to approve the Purchase of Four (4) Ford F-250s, as requested by the Wastewater Maintenance Division. Award to Benson Ford Mercury, using the SC State Contract in the amount of \$96,624.00. This vendor is located in Easley, SC. *Funding Source: Utilities Wastewater Maintenance-Auto, Trucks Heavy Equipment Capital; 5516205-658500 - Approved*
21. Council is asked to approve the Purchase of Thirty (30) Computers for Police Cars, as requested by the Fleet Services Division. Award to CDW Government, the only bidder in the amount of \$127,244.40. This vendor is located in Vernon Hill, IL. *Funding Source: Capital Replacement/Auto, Trucks, Heavy Equip Capital; 6308972-658500 - Approved*
22. Council is asked to approve the Purchase of a Rear Loader Garbage Truck, as requested by the Fleet Services Division. Award to Columbia Truck Center, the lowest bidder in the amount of \$159,828.00. This vendor is located in Columbia, SC. *Funding Source: Capital Replacement/Auto, Trucks, Heavy Equipment-Capital; 6308972-658500 - Approved*

CERTIFIED

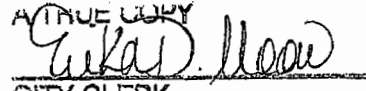
A TRUE COPY

CITY CLERK

- Erika D. Moore*
23. Council is asked to approve the Purchase of Four (4) Trash Trucks, as requested by the Fleet Services Division. Award to Magic City Ford, the lowest bidder in the amount of \$256,672.00. This vendor is located in Roanoke, VA. *Funding Source: Capital Replacement/Auto, Trucks, Heavy Equipment-Capital; 6308972-658500 - Approved*
24. Council is asked to approve Capital Improvement Project #SS691111; Root Removal for Sanitary Sewers, as requested by the Utilities and Engineering. Award to Dukes Root Control, Inc., the lowest, responsive and responsible bidder in the amount of \$757,560.12. This vendor is located in Syracuse, NY. *Funding Source: Sanitary Sewer Special Contracts, 5516212-638300 - Approved*
25. Council is asked to approve Capital Improvement Project #WM3068; Water Main Improvements off Trenholm Road, as requested by Utilities and Engineering. Award to Trussell Bros. Construction Co., Inc., the lowest, responsive and responsible bidder in the amount of \$778,307.50. This vendor is located in Columbia, SC. *Funding Source: Water Maintenance Improvement Fund; WM306801-658650 - This is a Mentor Protégé Program Project and Corley Construction is the Protégé. - Approved*
26. Council is asked to approve Capital Improvement Project #CM2004; Contract Amendment No. 1 for North Harden Street Phase II, as requested by Utilities and Engineering. Award to LPA Group, Inc., in the amount of \$876,265.39. This vendor is located in Columbia, SC. *Funding Source: Harden Streetscaping Fund; 4139999-9801000105-658650 - Note: This project was initiated by the City of Columbia to add Construction Administration Services for the Read Street portion of the renovation being done in conjunction with Harden Street. - Approved*
27. Council is asked to approve Change Order #3, SS7073; Rehabilitation of Existing 48", 54", & 60" Gravity Sewer, as requested by Utilities and Engineering. Award to McClam and Associates, Inc., in the amount \$3,618,247.24. This vendor is located in Little Mountain, South Carolina. *Funding Source: Sewer Improvements Fund - Note: This change order is necessary to compensate the contractor to perform additional work requested by the City of Columbia due to unforeseen circumstances and additional bypass pumping necessary to complete the project. Project Summary - Approved*
28. Council is asked to approve Capital Improvement Project #SS6871: A Subcontractor Outreach Program and Local Business Preference Program Project for the Metro Wastewater Treatment Plant Final Clarifiers, as requested by Utilities and Engineering. Award to M.B. Kahn Construction, the lowest, responsive and responsible bidder in the amount of \$11,298,900.00. This vendor is located in Columbia, SC. *Funding Source: Maintenance Fund/Special Contracts, 5516212-638300 - Note: Currently the Wastewater Treatment Plant has ten (10) clarifiers in two flow trains. This CIP will replace one of these units and repair/refurbish the other units. The new clarifier and refurbished clarifiers will be more efficient and will provide a more reliable operation. The CIP Budgeted Amount for this Project is \$19,461,078.00. - Approved*

CERTIFIED

TRUE COPY



CITY CLERK

ORDINANCES - SECOND READING

29. Ordinance No.: 2011-045 - Amending Ordinance 83-99 to grant additional encroachments to Parkside Center, LLC for installation and maintenance of columns/pilasters, glass and steel cantilevered canopy, underground parking garage, and nine (9) tables and thirty-six (36) chairs for outdoor dining within the 1100 block of Lady Street adjacent to 1301 Main Street - *First reading approval was given on October 11, 2011. - Approved on second reading.*
30. Ordinance No.: 2011-054 (Revised) - Granting encroachment to the University of South Carolina for use of the right of way areas of the 700 block of Assembly Street, 1000 block of Greene Street and 700 block of Park Street adjacent to the Darla Moore School of Business, Richland County TMS #08915-08-01 for installation and maintenance of landscaping, irrigation systems; sidewalks; concrete drop-off drives; service drive; storm drainage junction boxes; catch basin pipe; sanitary sewer service manholes and piping; water services valves; fire hydrant; and piping; and "soil nails" (steel reinforcing bars) - *First reading approval was given on September 20, 2011. - Approved on second reading.*

ORDINANCES - FIRST READING

31. Ordinance No.: 2011-076 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article V, Procurement, Sec. 202-7 Award of contracts - *Approved on first reading.*

Upon a motion made by Mr. Rickenmann and seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance No.: 2011-076 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article V, Procurement, Sec. 202-7 Award of contracts.

32. Ordinance No.: 2011-078 - Granting an easement to South Carolina Electric & Gas Company (SCE&G) for overhead and underground power lines along a portion of City Property Identified as Earlewood Park for the North Main Street Streetscape Project, Phase IA-2; Richland County TMS #09111-08-01 (Portion); CF#250-304 - *Approved on first reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance No.: 2011-078 - Granting an easement to South Carolina Electric & Gas Company (SCE&G) for overhead and underground power lines along a portion of City Property Identified as Earlewood Park for the North Main Street Streetscape Project, Phase IA-2; Richland County TMS #09111-08-01 (Portion); CF#250-304.

ORDINANCES - SECOND READING

33. Ordinance No.: 2011-036 (Revised) - Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 24, Vehicles for Hire, Article II, Taxicabs, Shuttles and Limousines - Note: A Public Hearing was held on June 21, 2011. No Action was taken. - *First reading approval was given on October 11, 2011. - Approved on second reading.*

CERTIFIED

TRUE COPY

G. D. Howe
CITY CLERK

Mr. Dallas Ball, Esq. stated that the changes to the ordinance will improve cab business for the patrons, the companies and the City of Columbia. There hasn't been a rate increase since 2005. After talking with Capitol City Cab, Blue Ribbon and Checker Yellow, we are requesting \$2.30 per mile, because \$2.50 is too much for our patrons. The current drop rate is \$1.80 and we are requesting that it be increased to \$2.00.

Upon a motion made by Mr. Rickenmann and seconded by Mr. Davis, Council voted unanimously to give second reading approval to Ordinance No.: 2011-036 - Amending the 1998 Code of Ordinance of the City of Columbia, South Carolina, Chapter 24, Vehicles for Hire, Article II, Taxicabs, Shuttles and Limousines, subject to the following:

- Sec. 24-141. Rates established, being effective on November 7, 2011.
- The fuel surcharge shall be based upon the American Automobile Association's average regular gasoline per gallon fuel rate for Columbia, South Carolina as of January 1st, April 1st, July 1st and October 1st of each calendar year.

34. Ordinance No.: 2011-058 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 24, Vehicles for Hire, Article IV, Wrecker and Towing Services, Sec. 24-207 Zone service generally; Sec. 24-210 New applications to participate in zone service; Sec. 24-211 Equipment for emergency wreckers; 24-hour service required; Sec. 24-214 Storage lots and Sec. 24-215 Towing and storage charges - *First reading approval was given on September 6, 2011. - Approved on second reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to give second reading approval to Ordinance No.: 2011-058 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 24, Vehicles for Hire, Article IV, Wrecker and Towing Services, Sec. 24-207 Zone service generally; Sec. 24-210 New applications to participate in zone service; Sec. 24-211 Equipment for emergency wreckers; 24-hour service required; Sec. 24-214 Storage lots and Sec. 24-215 Towing and storage charges.

- 34b. ****Intergovernmental Agreement Relating to the Interim Financing for the Central Midlands Regional Transit Authority**

Mr. Kenneth E. Gaines, City Attorney reviewed each revision to the Intergovernmental Agreement. He stated that the CMRTA is in need of its October contribution, but the City Council doesn't meet again until November 1st.

Councilor Plough expressed concerns about there not being sufficient revenues to operate a transit system.

Upon a motion made by Dr. Gergel and seconded by Mr. Rickenmann, Council voted unanimously to approve the Intergovernmental Agreement Relating to the Interim Financing for the Central Midlands Regional Transit Authority, subject to approval by the Central Midlands Regional Transit Authority, Lexington County and Richland County. Mr. Newman was not present for the vote.

CERTIFIED
A TRUE COPY
Erika D. Salley
CITY CLERK

APPOINTMENTS

35. Bicycle and Pedestrian Advisory Committee (BPAC) – *Consideration of this item was deferred.*
36. Citizens Advisory Committee for Community Development

Upon a motion made by Dr. Gergel and seconded by Ms. Devine, Council voted unanimously to approve the appointment of Mr. Marvin Heller to the Citizens Advisory Committee for Community Development, as requested by Dr. Gergel. Mr. Newman was not present for the vote.

CITY COUNCIL COMMITTEE REPORTS

Councilor Gergel reported that the Public Safety Committee, chaired by Mr. Newman met today to discuss the effectiveness of the curfew; to review a comprehensive security plan and recommendations by the Police Department; and to discuss a timeline for the firefighter attrition review. We recommend that staff expedite the completion of the questionnaires for the curfew and that staff also continue to review high crime areas for public/private partnerships for the security cameras.

Upon a motion made by Dr. Gergel and seconded by Mr. Davis, Council voted unanimously to direct staff to expedite the completion of the questionnaires for the curfew; to continue to review high crime areas for public/private partnerships for the security cameras; and expedite the review of the firefighter attrition rates.

Upon a motion made by Mr. Rickenmann and seconded by Ms. Devine, Council voted unanimously to direct the City Manager to notify Richland County in writing that we would like a response to the Fire Contract by January 1, 2012.

APPEARANCE OF PUBLIC HAVING BUSINESS WITH CITY COUNCIL

No one appeared at this time.

Upon a motion made by Mr. Davis and seconded by Ms. Devine, Council voted unanimously to adjourn the meeting at 7:33 p.m.

Respectfully submitted by:

Erika D. Salley
Erika D. Salley
City Clerk

**CITY OF COLUMBIA CITY COUNCIL
WORK SESSION MINUTES
JANUARY 10, 2012 – 2:00 P.M.
CITY HALL - 1737 MAIN STREET**



The Columbia City Council met for a Work Session on Tuesday, January 10, 2012 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 2:08 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann, The Honorable Belinda F. Gergel, The Honorable Leona K. Plaugh and The Honorable Brian DeQuincey Newman. Also present were Mr. Steven A. Gantt, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

CITY COUNCIL DISCUSSION / ACTION

1. Rocky Branch Floodplain – Ms. Ryan Nevius, Executive Director / Sustainable Midlands

Ms. Ryan Nevius, Executive Director Sustainable Midlands announced the formation of the Rocky Branch Watershed Alliance, which conducted its first technical meeting on January 5, 2012.

Mr. Christian Mergner, Independent Consultant said that their goal is to find the most cost effective solution for the flooding problem. He presented a topographic map of Richland County, the Rocky Branch Basin within the Congaree Watershed, and the FEMA 100 Year Flood Map. He presented photographs of flooding within the Rocky Branch Basin that occurred on September 25, 2011. He said that the most extreme instances of flooding occur near the Capital City Stadium property. The developers have decided to engineer a retaining wall around the property and then backfill the area. The effect is that it adds 202,000 cubic yards of material to that area and it displaces over 40,000 gallons of water. There are other choices. Retaining walls are used as a last resort in any planning design to solve a problem. He suggested that they look at the small margin of issues that affect everybody. A lot of resources are available that can share in collecting data.

Dr. Venkat Lakshmi, University of South Carolina Department of Earth and Ocean Sciences Professor of Hydrology for the / Chair of the Rocky Branch Watershed Alliance said that development in low lying areas is a problem. Rocky Branch is a very small creek and there isn't a lot of data. The first step is to conduct a study in order to collect information on the urban watershed and then work together to find a solution.

Mr. Joey Jacob, City Engineer reported that in 2006, the city hired Parsons Brinckerhoff to conduct a study of Rocky Branch and they brought forth many recommendations to address flooding in Five Points and at Whaley and Main Streets. The recommendations were \$40 million in improvements.

Mr. Steven A. Gantt, City Manager added that a study was done prior to that on flooding around Palmetto Baptist to Constan Carwash. It was another \$16 million to retain the water toward Hampton Street.

Ms. Eunice McAllister stated that Rocky Branch doesn't start at Martin Luther King Park. No one has done a study of the contiguous watersheds. There are a great number of things to be considered from an historical point of view, both upstream from the site and at the development site. The current development isn't something that should be dumped on and considered by the City without further study.

****Amendment to the Agenda**

WSM 01/10/2012 - Page 1

VERIFIED
A TRUE COPY
Erika D. Moore
CITY CLERK

Ms. Ryan Nevius, Executive Director / sustainable Midlands stated that this is publicly owned property that serves as a flood basin. Why would we want to sell that? Our recommendation is to allow the technical team to come up with a solution. Don't sell the property until we understand the implications.

Ms. Viola Hedley agreed that a traffic engineering study is needed. This is a grand opportunity. We understand nationally and federally that watersheds are to be preserved and they are the best way to deal with storm water.

2. Renaissance Tax Increment Financing – The Honorable Tameika Isaac Devine

Councilor Devine reported that Chairman Livingston appointed Councilors Rose, Jeter and Jackson from Richland County to work on a committee. The Mayor appointed me and Councilors Davis and Newman, since their districts are involved. There are various opinions on this, but we can't answer questions unless we know that this is going to move forward. Meetings will begin later this month. We've received feedback from Richland County and Richland School District One. They need more information on both plans. The Renaissance Plan doesn't have as much information as the Innovista Plan. I would like to retain Haynsworth, Sinkler and Boyd, P.A. through a Letter of Engagement that is on tonight's agenda for consultant representation for the Renaissance District Plan. A Council briefing will be scheduled in February.

Councilor Rickenmann expressed concerns about expenditures in the letter of engagement not being subject to a cap on funding.

Councilor Plough expressed concerns about establishing a committee before the City Council had an opportunity to discuss the boundaries, projects to be included and TIF funding levels.

Councilor Devine said that the plans have already been approved. We need a full understanding of where their concerns lie. We need input from them so that we will know what changes to make.

Councilor Plough expressed further concerns about the source of funding for the letter of engagement. We should move ahead with our internal audit function. Whether the City Manager wants to hire someone internally or have someone work externally.

A motion made by Ms. Plough and seconded by Dr. Gergel, to direct the City Manager to proceed with the internal audit function by hiring someone internally or externally. The auditing function would be funded by contingency funding already set aside for this purpose, was not voted upon.

Mayor Benjamin urged Ms. Devine to move forward with the committee discussions and to keep the lines of communication open.

Ms. Teresa Wilson, Assistant City Manager noted that the source of funding is contingency funding from the Legislative budget. There is a balance of \$65,000. Other expenses have already come from this line item.

Dr. Gergel sought clarification on the need to approve the Letter of Engagement and expend funds when we are not sure where this is headed. Is this funding set aside for legislative lobbying?

Councilor Rickenmann suggested that the city use the funding for internal auditing services as intended. He suggested that funding for the Letter of Engagement come from the Legal Department's budget. It makes sense to have someone look at the global picture. This could change the boundaries, participants, how we backstop it, and who helps with the liability, etc.

CERTIFIED
 TRUE COPY
Gerald D. Moore
 CITY CLERK

Mr. Ken E. Gaines, City Attorney sought clarification on the funding cap for the agreement. He agreed to contact Mr. Shytle to discuss funding for the Letter of Agreement prior to tonight's meeting.

Upon an amended motion made by Ms. Plough and seconded by Dr. Gergel, Council voted unanimously to direct the City Manager to proceed with a Request for Proposals for an external firm to provide internal auditing services for a six (6) month period. A cost estimate should be provided to City Council. The funding source was identified as the contingency line item within the Legislative budget.

3. Ebenezer Lutheran Church Security, Mr. Steven A. Gantt, City Manager

Mr. Steven A. Gantt, City Manager explained that we had an agreement with the Cooperative Ministry for us to provide funding for security during feedings at Ebenezer Lutheran Church. The contract expired on December 31, 2011. It is our responsibility to provide security at Ebenezer until March 31st. He requested authorization from City Council to expend no more than \$10,000 for security through March 31st to include reimbursing the Salvation Army for January. I have not identified a source of funding.

Councilor Rickenmann asked that the City Attorney review the contract with the Cooperative Ministry to ensure there's no liability.

Councilor Gergel suggested that funds come from the contingency fund within the Legislative budget.

Upon a motion made by Mr. Davis and seconded by Mr. Rickenmann, Council voted unanimously to approve a Short Term Letter of Agreement with G4S Secure Solutions for Security Services at Ebenezer Lutheran Church from January 1, 2012 to March 31, 2012 in an amount not to exceed \$10,000.00. The City Manager will identify the funding source. Ms. Devine was not present for the vote.

4. NAACP 2012 King Day at the Dome

Mr. Steven A. Gantt, City Manager said that the Statewide Leadership Committee has submitted a request for \$12,375 for police services during the Annual King Day at the Dome March and Rally on Monday, January 16, 2012. Funding has been identified in the Hospitality Tax Contingency Fund.

Mayor Benjamin asked that a letter be sent to the organization asking them to comply with the application process for annual funding requests.

Upon a motion made by Mayor Benjamin and seconded by Mr. Newman, Council voted unanimously to authorize the allocation of funding in an amount not to exceed \$12,000 for public safety services during the 2012 King Day at the Dome March and Rally.

5. **South Carolina Justice Assistance Grant Program – Mr. Randy Scott, Chief of Columbia Police Department and Cpl. Robert Allmann, Columbia Police Department

Mr. Randy Scott, Chief of Columbia Police Department said that they are proactively seeking ways to lower crime in Columbia.

Cpl. Robert Allmann, Columbia Police Department proposed the composition of a Proactive Gun Unit in an effort to reduce gun violence by aggressively enforcing firearm laws and removing tools of the

IDENTIFIED
A TRUE COPY
CITY CLERK
L. D. W.

crimes. We will work closely with Federal Task Forces and the Narcotics and Gang Units. We are requesting approximately \$670,000 from the SC Justice Assistance Grant, which requires a 10% match from the City each year based on the allocation. The unit would consist of one (1) supervisor and five (5) officers.

Councilor Devine inquired about the impact this additional unit would have on healthcare costs.

Mr. Randy Scott, Chief of Columbia Police Department said that healthcare expenses for these officers would be covered by the grant for three (3) years.

Councilor Davis stated that it would be helpful for this unit to be cross-trained with other units.

Upon a motion made by Mr. Davis and seconded by Mr. Newman, Council voted unanimously to endorse the South Carolina Justice Assistance Grant Program application.

6. GASB45 Update – Mr. Bill Ellis, Finance Director and Ms. Melisa Caughman, Budget Director

Mr. Bill Ellis, Finance Director said that our GASB45 is open-ended. We have no cap, whatsoever. In 2005, the value of the liability was \$95.6 million and in 2009, it was \$161.8 million. The Governmental Accounting Standards Board requires that governments perform a valuation every two (2) years. Since 2008, the city reduced the retiree liability; however, our actuarial liability is growing at such an exponential rate that the City must do something to cap the cost. The City now funds 7% of salaries towards its GASB 45 liability for an approximate \$6.2 million. For 2012, our liability is going to be over 412 million, but we can cap it. On November 15, 2011, City Council received a presentation from Towers Watson on the recent valuation of the City's liability and on alternatives for consideration. City Council instructed staff to come back with further analysis of three (3) alternatives and the potential impact the alternatives would have at reducing the liability along with any budgetary or cost savings.

Mayor Benjamin endorsed Alternative 3B.

Mr. Steven A. Gantt, City Manager recommended the approval of Alternative 3D.

Ms. Melisa Caughman, Budget Director said that the Human Resources Department will identify a Health Insurance Exchange Program for post-65 retirees.

Mr. Bill Ellis, Finance Director suggested a \$5 million cap and retirees would be required to pay the difference.

It is noted for the record that Ms. Plough is a current City of Columbia retiree and abstained from discussions due to a conflict of interest.

Councilor Davis supports Alternative 3D.

Councilor Rickenmann supports Alternative 3D. It gives us the flexibility for the long run.

A motion made by Mayor Benjamin and seconded by Ms. Devine to endorse Alternative 3B in response to the 2012 GASB 45 Valuation and Cost Scenarios presented by Towers Watson on November 15, 2011, failed by a vote of two (2) to four (4). Voting aye were Ms. Devine and Mayor Benjamin. Voting nay were Mr. Davis, Mr. Rickenmann, Dr. Gergel and Mr. Newman. Ms. Plough abstained from voting due to a conflict of interest.

CERTIFIED
 TRUE COPY
 [Signature]
 CLERK

Mayor Benjamin said that whether we like it or not we made an obligation to past and current employees. Some of you may think you are looking long-term, but you are being short sighted.

Upon a motion made by Mr. Rickenmann and seconded by Dr. Gergel, Council voted to five (5) to one (1) to endorse Alternative 3D in response to the 2012 GASB 45 Valuation and Cost Scenarios presented by Towers Watson on November 15, 2011. The City of Columbia will no longer assume sponsorship of the post-65 plan. Voting aye were Mr. Davis, Ms. Devine, Mr. Rickenmann, Dr. Gergel and Mr. Newman. Mayor Benjamin voted nay. Ms. Plough abstained from voting due to a conflict of interest.

▪ Council recessed at 5:14 p.m.

▪ Council reconvened at 5:35 p.m.

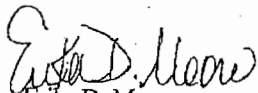
EXECUTIVE SESSION

Upon a motion made by Ms. Devine and seconded by Dr. Gergel, Council voted unanimously to go into Executive Session at 5:35 p.m. for the discussion of **Items 7 through 9.**

7. Discussion of negotiations incident to proposed contractual arrangements – *This item was discussed in Executive Session. No action was taken.*
8. Receipt of legal advice which relates to matter covered by attorney-client privilege – *This item was discussed in Executive Session. No action was taken.*
9. **Discussion of the employment of an employee – *This item was discussed in Executive Session. No action was taken.*

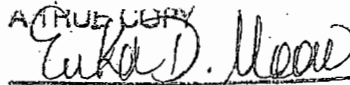
▪ Council adjourned the Work Session at 6:00 p.m.

Respectfully submitted by:


Erika D. Moore
City Clerk

CERTIFIED

A TRUE COPY


CITY CLERK

**CITY OF COLUMBIA CITY COUNCIL
WORK SESSION MINUTES
OCTOBER 2, 2012 – 2:00 P.M.
EAU CLAIRE TOWN HALL
3905 ENSOR AVENUE**



The Columbia City Council met for a Work Session on Tuesday, September 18, 2012 at the Eau Claire Town Hall located at 3905 Ensor Avenue, Columbia, South Carolina. The Honorable Mayor Steven K. Benjamin called the meeting to order at 2:06 p.m. The following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Brian DeQuincey Newman, The Honorable Cameron A. Runyan and The Honorable Moe Baddourah. The Honorable Leona K. Plough was absent. Also present were Mr. Steven A. Gantt, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

CITY COUNCIL DISCUSSION / ACTION

1. River Alliance Update – Mr. Mike Dawson, Executive Director – *This item was not discussed.*
2. 2013 Retiree Premiums – Ms. Pamela Benjamin, Human Resources Director

Ms. Pamela Benjamin, Human Resources Director explained that GASB 45 is an accounting provision that requires governmental employers to measure and report liabilities associated with Other Post-Employment Benefits (OPEB). The city offers health insurance as post-employment benefits to pre-65 retirees who have the same benefits as active employees and to post-65 retirees under a fully insured plan with Medicare Part A and B as the primary coverage with a senior supplemental plan and Pharmacy Part D through United Health Care. Since 2005, the city's GASB 45 liability increased and the city contracted with Towers Watson to provide an actuarial study in 2011. The actuarial showed that the city's liability increased to over \$2 million. Towers Watson presented several alternatives to the city that would cap those costs. In January 2012, Council voted to cap the city's contribution to a defined dollar amount and the retirees were notified in May. She asked City Council to adopt the alternative that would cap the city's contribution to \$800 for pre-65 retirees/\$600 for dependents and \$300 for post-65 retirees/\$225 for dependents. Dependent coverage is 75% of retiree coverage. She reviewed the monthly premiums that would be effective on January 1, 2013 through December 31, 2013. The city splits the premium for both the retiree senior supplemental plan and the retiree Part D pharmacy plan.

Councilor Devine asked if retirees are eligible to go to the new pharmacy.

Ms. Pamela Benjamin, Human Resources Director replied no; pharmacy services are only offered to active employees.

Councilor Runyan inquired about the impact this alternative will have on the GASB liability.

CERTIFIED

Erika D. Moore

CITY CLERK

Ms. Pamela Benjamin, Human Resources Director stated that it is \$1.3 million. Councilor Baddourah asked about the additional expenses the new plan will create for the city.

Mr. Steven A. Gantt, City Manager explained that OPEB wasn't capped previously and there was a cost containment issue.

Upon a motion made by Mr. Newman and seconded by Mr. Runyan, Council voted unanimously to approve the plan alternative that would cap the city's contribution as follows:

- \$800 for pre-65 retirees and 75% of the retiree contribution or \$600 for dependents;
- \$300 for post-65 retirees and 75% of the retiree contribution or \$225 for dependents;
- The city will split the premiums for both the retiree senior supplemental plan and the retiree Part D pharmacy plan; and
- Premiums are effective January 1, 2013 through December 31, 2013.

Mr. Steven A. Gantt, City Manager reported that from July 2012 to September 2012 there has been a \$165,000 savings in healthcare costs.

3. Police Department Operational Plan – Mr. Randy Scott, Police Chief

Mr. Leslie G. Wiser, Jr., Assistant Chief of Police presented the Five Points/Vista Operational Plan, noting that it is fluid and will improve as the weekend approaches. He said that the upcoming game is important and a sell-out crowd is anticipated along with a huge crowd in Five Points late into the night. Also, Benedict College will have their fall open house, high school visitation and a football game at 2 p.m. Special duty officers and a fire arms prevention team will be in the vicinity, which will rotate out to Five Points and the Vista, as needed. He insisted that there will be regular patrols in all five (5) regions through the use of overtime in at an estimated amount of \$12,000. He noted that resources won't be drawn out of other regions. Other entities have offered their resources, as well. The Police Chief is requiring that all laws be enforced. The highest priority is to prevent violent crimes and to protect personal and real property. The enhanced operations will begin Friday evening and continue through Sunday morning, as needed. He outlined the resource utilization plan and the coordination of resources.

Ms. Kathryn Fenner, University Hill Neighborhood resident stated that the University of South Carolina Athletics Department is making a lot of money on this and suggested that the city consider a way to recoup funding from them to cover expenses.

Mayor Benjamin stated that the city's concern is making sure we have an equal and fair application of the law and that the city is covered comprehensively and not just in Five Points. He agreed that Five Points is a unique challenge with 20,000 to 30,000 people having a good time all at once in a very small area. We should remain focused on the public safety aspects and make sure that we preserve all of the sanctity that surrounding residents enjoy while making it clear that no other neighborhoods will suffer from a lack of service. While the home games may create a strain on resources, they also provide a significant economic boom for the city. He has been in constant contact with USC's President, Police Chief and student leadership.

CERTIFIED
 ANNE L. LONY
 City Clerk

Mr. Leslie G. Wiser, Jr., Assistant Chief of Police added that the Richland County Sheriff's Department will be providing resources as well.

4. 2012 City Council Retreat – Ms. Melisa A. Caughman, Budget Director

Ms. Melisa A. Caughman, Budget Director distributed a proposed outline for the 2012 Retreat to include suggested dates, locations, facilitators and topics.

Mr. Steven A. Gantt, City Manager reviewed the suggested topics, noting that the list could change at Council's discretion.

Councilor Devine suggested that Council participate in a team building exercise such as a scavenger hunt.

Mayor Benjamin requested that staff reports be objectively measured against the strategic plan. He suggested that Ms. Devine work with Mr. Gantt to finalize plans for the 2012 City Council Retreat in late October or early November for 1 ½ days.

EXECUTIVE SESSION

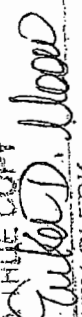
Upon a motion made by Mr. Davis and seconded by Mr. Newman, Council voted unanimously to enter in Executive Session at 2:52 p.m. for the discussion of Items 5 through 7 as amended.

5. Receipt of legal advice which relates to a matter covered by attorney-client privilege – *This item was discussed in Executive Session. No action was taken.*
6. Discussion of negotiations incident to proposed contractual arrangements – *This item was discussed in Executive Session. No action was taken.*
7. **Receipt of legal advice which relates to a pending, threatened or potential claim – *This item was discussed in Executive Session. No action was taken.*

▪ Council adjourned the Work Session at 4:55 p.m.

Respectfully submitted by:


Erika D. Moore
City Clerk

CERTIFIED
TRUE COPY

CITY CLERK



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
TUESDAY, AUGUST 19, 2014 - 6:00 P.M.
CITY HALL - 1737 MAIN STREET
COUNCIL CHAMBERS - 3RD FLOOR

The Columbia City Council conducted a Meeting on Tuesday, August 19, 2014 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 6:27 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Brian DeQuincey Newman, The Honorable Cameron A. Runyan and The Honorable Moe Baddourah. The Honorable Leona K. Plough was absent. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

Councilor Devine announced that Councilwoman Plough is at home recuperating. She asked that we all continue to keep Ms. Plough in our thoughts and prayers.

PLEDGE OF ALLEGIANCE

Mr. Tower Jones led the audience in the Pledge of Allegiance.

INVOCATION

Chaplain Byron Powers, Columbia Police Department offered the invocation.

ADOPTION OF THE AGENDA

Upon a motion made by Mr. Davis and seconded by Mr. Runyan, Council voted unanimously to adopt the agenda as presented.

PUBLIC INPUT RELATED TO AGENDA ITEMS

No one appeared at this time.

APPROVAL OF MINUTES

1. Meeting Minutes of February 18, 2014 Work Session & Council Meeting and February 26, 2014 Special Called Meeting – *Approved as presented.*

Upon a motion made by Mr. Newman and seconded by Mr. Runyan, Council voted unanimously to approve the February 18, 2014 Work Session & Council Meeting and February 26, 2014 Special Called Meeting Minutes.

Erika D. Moore
APP. 0796

PRESENTATIONS

2. Introduction of the August 2014 Employee of the Month (Robert "Bob" Probst, Construction Management Administrator) – Mr. Sam Catoe, Senior Construction Administrator for the Construction Management Division

Mr. Sam Catoe, Senior Construction Administrator for the Construction Management Division introduced Mr. Bob Probst as the August 2014 Employee of the Month. He said that "Bob" is difficult to describe. He credited Mr. Probst with saving the City of Columbia a lot of money by carefully reviewing all construction contracts. He said it is a pleasure to have him as a coworker and as a friend.

Mayor Benjamin and City Manager Teresa Wilson presented Mr. Robert Probst with a plaque and a token of appreciation for being selected as the City of Columbia August 2014 Employee of the Month.

3. City LIGHTs Employee Recognition Program – Ms. Teresa Wilson, City Manager

Chief William "Skip" Holbrook, Columbia Police Department said that Corporal Glenn Sawyer initially recognized Community Safety Officer Tamara Kelly for her work with a youth safe haven at Hammond Village where she provides homework assistance, physical fitness and recreational activities, safety skills, and so much more. In 2011, the program was funded by a grant through the Eisenhower Foundation, but even when funding ran out, CSO Kelly continued the program by paying for various needs out of her own pocket. He announced that CSO Kelly was recently named a Community Builder and received a \$1,000 award from the Mungo Foundation.

Ms. Teresa Wilson, City Manager recognized Community Safety Officer Tamara Kelly as a City LIGHT, an employee who has gone the extra mile. She presented CSO Kelly with a certificate and encouraged her to continue to let her light shine.

Mr. Matt Mungo of Mungo Homes thanked CSO Kelly for all she has done to be a Community Builder. He has spent a lot of time around Housing Authority properties and he told CSO Kelly that he greatly appreciates what she is doing in Hammond Village.

4. Presentation of Proclamation – The Honorable Tameika Isaac Devine

Councilor Devine recognized Ms. Dianne Light for her hard work in our community and for giving tirelessly to this city.

CERTIFIED

A TRUE COPY

Tameika D. Isaac

CITY CLERK

APP. 0797

Mayor Benjamin and the members of City Council proclaimed Sunday, August 10, 2014 as Dianne Light Day in the City of Columbia.

Ms. Dianne Light, Co-Owner of DiPrato's Delicatessen said thank you.

5. Introduction of the University of South Carolina's Student Body Deputy Secretary of State Affairs McBryde Campbell – Ms. Lindsay Richardson, University of South Carolina Student Body President

Miss Lindsay Richardson, University of South Carolina Student Body President said throughout the summer she and her staff have been exploring the City and they realize what a great partnership this is for the University and its students. She introduced Miss Ellen Riegel who will be representing 30,000 student voices at every City Council meeting.

Ms. Ellie Riegel, University of South Carolina Student Body Attorney General thanked City Council for their willingness to work with USC's Student Government. She said they are also working with the City Center Partnership to host the Mammoth on August 23, 2014 from 1 p.m. to 3 p.m.; they are working towards having the most students on campus that are registered to vote; and they will host a Safety Day in Five Points on Saturday, August 30, 2014. She announced that 6,000 new students were welcomed on campus this week; major construction is underway; and the women's quad has been renovated.

CITY COUNCIL DISCUSSION / ACTION

6. Active & Pre-65 Retiree Health Care Strategy Findings & Recommendations – Ms. Pamela Benjamin, Human Resources Director and Ms. Melisa Caughman, Budget and Program Management Director

Mayor Benjamin reported that staff has talked with Council and there is a great deal of consensus. He said many of you have been active in this discussion as we work hard to honor the service of men and women who worked for the city for a number of years and have retired. While at the same time we have to keep our eyes on the bottom line as we deal with our long-term actuarial liabilities. We are dealing with non-pension related benefits. He said staff will make recommendations today that will give us more time to deal with this and without adding to the long-term liability of the city in a significant way. He acknowledged that many retirees have fixed incomes and we have to respect that and allow people to continue to live good lives.

Ms. Melisa Caughman, Budget and Program Management Director said this discussion will cover active employee plan changes and an alternative plan for pre-65 retirees; this discussion will not relate to post-65 retirees. She outlined the current plan enrollment as of April 2014 to include a total of 1,084 active employees, 211 pre-65 retirees and 258 post-65 retirees. She reported that

without GASB, which is our long-term liabilities for Other Post-Employment Benefits, our claims and healthcare costs are projected at \$28,159,000 for fiscal year 2014/2015.

Councilor Runyan inquired about the large increase in costs from 2010/2011 to 2011/2012.

Ms. Melisa Caughman, Budget and Program Management Director said there was not one particular reason.

Ms. Pamela Benjamin, Human Resources Director said new enhancements were introduced to our active employee health care plan in April and in 2015, the Affordable Care Act will require that all costs associated with the purchase of prescription medications be applied towards the out-of-pocket maximums. In order to offset the anticipated increase in costs, she recommended that we increase some deductibles, co-pays and out-of-pocket maximums. She noted that these changes will cause us to forego the grandfathered status as a health insurance provider. She introduced a third plan for active employees. She noted that the plan has low monthly premiums, but the deductibles, out-of-pocket maximums; and other insurance costs are higher. She explained that the wellness incentive will promote healthy behaviors and employees can earn up to \$225. She explained that tobacco users will be assessed an additional \$25/\$50 monthly surcharge and a smoking cessation program will be provided to employees and their covered dependents. She presented a plan design summary for active employees, noting that the premiums for the core and buy-up plans will not increase.

Councilor Devine expressed concerns about many employees moving to the base plan to save money without understanding that they will be paying more if they get sick. She asked what will be done to ensure that the message is clearly communicated.

Ms. Pamela Benjamin, Human Resources Director said there will be mandatory open enrollment for everyone whether they make changes or not. She said letters, emails and other communications will be sent to employees as well.

Ms. Teresa Wilson, City Manager suggested that follow up may be needed with the individual that makes the decisions within the household.

Councilor Baddourah said it is important to note that there are incentives for being healthy. He recalled today's Work Session discussion about what we can do to make our communities healthier twenty years from now.

Ms. Pamela Benjamin, Human Resources Director noted that employees will be able to rollover the wellness incentive into the second year when they don't use it during the first year.

CERTIFIED

A TRUE COPY

Gilda D. Moore

CITY CLERK

APP. 0799

Ms. Melisa Caughman, Budget and Program Management Director recalled that staff previously presented the following three (3) alternatives for pre-65 retirees: public exchanges; setting premiums to the cost of healthcare; and a new plan design with lower premiums than the second alternative. She further recalled that in 2012, Council approved a defined dollar benefit (DDB) at \$800 for the pre-65 and post-65 retiree and \$600 for the dependent. At that time the City's annual liability was \$108 million. She said an increase in the DDB would increase the City's liability costs and its annual costs. She said it was determined in January 2014 that the premiums were significantly insufficient to cover the cost of healthcare; the city was paying more than \$800/\$600 for the DDB. She noted that the city should have been paying \$4.7 million, but we paid \$7 million in costs. She reported that for 2015, pre-65 retirees would be offered the same plan design as active employees, except for the wellness credits. She reported that this could increase the City's long-term liability by \$28.3 million and increase the annual OPEB cost by \$1.9 million. She noted that the employee health center has always been available to pre-65 retirees and dependents.

Councilor Runyan asked what the percentage increase is for the \$1.9 million.

Ms. Melisa Caughman, Budget and Program Management Director said it is increasing from \$7.7 million to \$9.6 million, which is what we put aside for the long-term liability and what we pay in actual claims; it's a 25% increase.

Mr. Mike Jones, Senior Consultant for Towers Watson presented the retirement healthcare valuation results. He recommended that the city maintain the structure of the defined dollar benefit plan. He explained that the Actuarial Accrued Liability increases to approximately \$135 million and there is a \$700,000 increase in normal costs, which increases the Annual Required Contribution by \$1.9 million.

Councilor Runyan asked if this is a trend, because a 25% increase isn't sustainable.

Mr. Mike Jones, Senior Consultant for Towers Watson said the market trend is to increase deductibles and to focus on lowering costs by helping participants become better healthcare consumers by taking advantage of wellness opportunities and catching things earlier.

Councilor Davis asked if the fluctuation is based on the adjustments we made to accommodate active and pre-65 employees.

Mr. Mike Jones, Senior Consultant for Towers Watson said these results are focused on retirees and the pre-65 retiree changes.

Councilor Davis asked what can we project 6-months after enrollment.

Erika D. Mead

Ms. Teresa Wilson, City Manager said this is a complicated discussion and we are going to discuss next steps with the understanding that we can't have a 25% increase every year going forward; we will work towards a solution that is palatable.

Mayor Benjamin said he doesn't support a 25% increase for this year. He said we must inject that spirit of consumerism into each employee and retirees, recognizing that all pre-65 retirees aren't created equal; they have different responsibilities, family situations and other insurance options. We have to look at how we continuously decrease our long-term OPEB liability. He said this has to become a number one priority.

Mr. Jeff Palen, Chief Financial Officer said that option four creates a \$1.9 million increase in the annual OPEB costs. He said we will need \$720,000 for this year and we will be able to handle that through current year surplus funds.

Councilor Baddourah said this is not a perfect solution, but it is the perfect solution for now. He said part of the long-term solution is to make our retirees and employees get into good health habits.

Councilor Newman recalled that there was a lot of backlash when these recommendations were first introduced, but we were reacting to laws that were created outside of our purview. He said this is a good temporary solution, but we need to continue to communicate this information.

Ms. Pamela Benjamin, Human Resources Director said open enrollment is in October and action needs to be taken on this issue. She asked Council to approve the plan design for active employees as discussed tonight; alternative four for retiree benefits as a stop-gap measure that can only be maintained for one year while we continue discussions for longer term solutions; staff will pursue creative approaches to meet the needs of retirees; and staff will return to Council with recommendations on longer term solutions by March 31, 2015.

Upon a motion made by Mr. Baddourah and seconded by Mr. Newman, Council voted unanimously to approve the following recommendations:

- Approve the 2015 Plan Design and Premiums for Active Employees
- Approve Alternative 4 for Retiree Benefits
- Evaluate Longer Term Solutions

Councilor Baddourah asked to keep the committee on healthcare discussions open for the next few months. He offered to continue to serve.

Mayor Benjamin concurred and also offered to continue to serve as long as staff believes that the members of Council are adding value to the process.

CERTIFIED
A TRUE COPY
Willa D. Moore
CITY CLERK

MN 08/19/2014 Page 6 of 25

APP. 0801

STAFF UPDATE / CITY COUNCIL DISCUSSION

7. Exclusive Minor Child Play Zones and the Public Notice Process – Mr. Jeff Caton, Director of the Parks and Recreation Department - *Please note that this is an update. No action will be taken on this matter. Prior to implementing exclusive minor child play zones within any park, the Parks and Recreation Director shall request that the designation be placed on City Council's agenda for public input and for approval by a majority vote of members of City Council present at that meeting.*

Mr. Jeff Caton, Director of the Parks and Recreation Department recalled that Councilwoman Devine asked staff to look at a procedure that would mirror the City's zoning ordinance in order to provide due process to neighborhoods and organizations that would like to pursue a child safety zone designation. He explained that the process would be initiated by the neighborhood association's board that is contiguous to the park property; the request will come to the Parks and Recreation Department for verification and then reviewed by City Administration; if agreed upon, the matter will be placed on a Council agenda with the property being posted fifteen (15) days prior to the public hearing; and City Council will decide whether to approve the designation or not. He presented a list of parks that were funded with Land Water Conservation Funds, which is a federal program that has restrictions in terms of access in perpetuity. He said we can be relieved of these requirements through a conversion process that would require an appraisal and the appraised value will need to be invested in a new park property; not an existing facility. He noted that Roy Lynch Park was developed with Land Water Conservation Funds. He said these factors must be considered during the evaluation of the designation on any park.

Councilor Devine said some parks are contiguous to several neighborhoods. She asked if the request needed to come from one neighborhood or all of them.

Mr. Jeff Caton, Director of the Parks and Recreation Department said they would attempt to gain consensus among the contiguous neighborhood associations and would bring any unresolved issues to the City Manager for consideration.

Councilor Devine said we have a diverse group of neighborhoods that operate differently. She asked if a letter from the board would be sufficient.

Mr. Jeff Caton, Director of the Parks and Recreation Department said it would be wise to make sure as many people are involved in the process as possible while recognizing that not all neighborhoods function the same.

Councilor Davis sought clarification on the intent of the ordinance. He asked if an adult would be excluded from a park that has a safety zone. He said the intent is not to completely shut the park off.

Mayor Benjamin said the restrictions would come into play if in fact Council decides to establish an exclusive minor child play zone that spans the size the entire park. He doesn't anticipate anyone on this Council supporting any child play zone that would encompass the entirety of a park.

Councilor Davis agreed that requests should come from the neighborhood that surrounds that park. He said we are talking about the safety of children; there are areas where very young children do go to parks alone. He disagreed with totally barring people from parks. He said we shouldn't entertain the conversion process, because it's too expensive.

Mr. Jeff Caton, Director of the Parks and Recreation Department explained that it may be logistically impossible not to restrict adult access in parks with smaller land masses. He noted that there are child play elements all over Roy Lynch Park and we would effectively create a safety zone over the entire park because of the way it is laid out.

Ms. Teresa Wilson, City Manager clarified that we don't want to go down the path of conversion and we don't want to create a situation where we are mandated to do so.

Mayor Benjamin said if we decide to go in a certain direction that forces conversion, then that's a decision that we've made; we know there are unintended consequences at times; and we may have to make changes to a park to accommodate the zone. He said this is an issue that has a number of implications and we want to make sure that we respect human rights, civil rights, the freedom of assembly and those things we treasure in America, while at the same time we want to make sure we protect our children.

Councilor Runyan inquired about the acreage of Roy Lynch Park.

Mr. Jeff Caton, Director of the Parks and Recreation Department said .79 acres.

Councilor Runyan said the whole city is 88,000 acres and we are fighting over making .0009% of the City of Columbia a zone that is safe for children. He questioned the step in the process where staff will work to build consensus with the neighborhoods.

Ms. Teresa Wilson, City Manager said she has no comfort with there being a staff decision based off consensus in a neighborhood process; we will have to seek guidance from Council about what that actually means.

Councilor Runyan said children are the most defenseless members of our society and we owe it to them to have a clean and safe environment for them to play. It is a child's park, thus the very small nature of it. It has equipment for children dispersed throughout the park. He asked if we have done this conversion before.

CERTIFIED

A TRUE COPY

Gilda D. Moore
CITY CLERK

APP. 0803

Mr. S. Allison Baker, Senior Assistant City Manager said this was done with the Little Red Schoolhouse at Riverfront Park, but staff wasn't involved with that.

Councilor Runyan said this is not a new concept; it may be cumbersome; it may be difficult; and there may be some costs, but we are a nation of responsibility first and rights second. He said we have a responsibility to protect those areas for our children.

Mayor Benjamin said significant issues do not need to be left to the interpretation of staff; Council has to make those policy decisions. He said it is important to have a process in place that allows us to look at the variables, data and challenges.

Mr. Jeff Caton, Director of the Parks and Recreation Department said we want to do our due diligence to collect the information.

Councilor Devine said Mr. Caton was probably trying to convey that this won't be done at the request of one neighborhood at the exclusion of others. There will be disagreements on multiple issues and that would come to this Council. She asked if Mr. Runyan's intent is to propose a designation for the entire Roy Lynch Park.

Councilor Runyan said it is his intention to have a safe place for children to play and that park is a well-documented problem area. He agreed to allow staff to determine how we effectuate that goal. He recalled that staff originally reported that it would be difficult to carve out a portion of the park for an exclusive child safety zone due to its size. He said the original discussion was to designate the entire park.

Councilor Devine said we need to be honest and clear as to where this is going so that the neighborhood can discuss this first. She recalled that Mr. Baddourah attempted to refer this to committee several times, but we didn't get there. She said we all need to be clear on the ramifications and not get into unintended consequences. She noted that the LWCF wasn't on our radar until someone brought it to our attention. We need to be cautious about what this will ultimately cost our tax payers; investing in a new park will require us to acquire property and invest in other things. This is not as cut and dry as some people are trying to make it.

Mayor Benjamin didn't recall the discussion of Roy Lynch Park being an exclusive minor child safety zone; that's not a part of my consideration. He said people can disagree with this and pursue ways to change it. He said this has been publicly discussed and publicly noticed and now we have to come up with a clear process to effectuate these zones. He reiterated that he doesn't support making Roy Lynch Park or any other park off limits to the citizens of this city. He doesn't think the issue of conversion is a major issue; it is something we have to

deal with properly. He acknowledged that there are major public safety and public health issues in Roy Lynch Park. He said the issues are so grave there that having other tools at our disposal is necessary.

Ms. Teresa Wilson, City Manager said the ordinance is limiting our flexibility to create what's reasonable. She asked if Council would be willing to look at the language.

Mayor Benjamin agreed that we should look at the language and the structure of the park.

Councilor Devine said there may be opportunities for Roy Lynch Park, because the Junior League would like to provide a grant to help with the park. We need to manage the expectations and Council needs to clearly communicate the intent. She said the majority of the things that are happening aren't happening on playground equipment; it's happening on benches and other areas. She said we could move the equipment, but would the desire still be there by those who support this.

Councilor Newman sought to clarify that this ordinance will allow a neighborhood to come forward with an interest to establish a child zone; it will come to Council like a regular zoning matter; and Council will vote as to whether or not that designation will be created.

Mr. Jeff Caton, Director of the Parks and Recreation Department said that's correct.

Councilor Newman asked who would be initiating that designation.

Ms. Teresa Wilson, City Manager said we are seeking that clarification. She said staff will never recommend the designation; it will come from Council or your constituents.

Mayor Benjamin asked staff to recommend a process that's sensible and fair and includes community participation.

Councilor Runyan stated for the record that his goal as a member of this body is to have a zone whether it's the entire park or part of the park; a zone that is safe for the children, because right now, it's not and we can demonstrate that very clearly. He said if staff reports that there is no way to cut the zone to 49% for a safe zone for children where they don't have to worry about people continuing to have sex in the park and do drugs in the park then I will support the designation for the entire park, because my concern is for the children.

CERTIFIED
A TRUE COPY

Gilda D. Moore
CITY CLERK

MN 08/19/2014 Page 10 of 25

APP. 0805

Councilor Davis said he would not designate an entire park; the intent is an area whether it's a large or small park. He said children should be in an area where they don't have to worry about grown up behavior. He said if a neighborhood has concerns and would like to designate an area in a park, that should be the trigger; not the city; then it goes through the process; they have a discussion through email, petitions or signatures; and they present that concern or desire to city staff; staff interacts to determine if there is consensus; if it is, then we figure out how to accommodate that request; if there is no consensus then it is a dead issue. He asked if what he outlined is correct.

Mr. Jeff Caton, Director of the Parks and Recreation Department said yes.

- Council opened the meeting for public input at 8:20 p.m.

Mr. Matthew DeGuire said he lives a half block away from Roy Lynch Park, it is a terrific place to live and many of us care about children. He was under the impression that we were talking about the whole park having a designation and he would not be able to walk his dog or have a picnic in the park. He expressed concerns about the power a neighborhood association would have with making this designation, because there is not consensus on this issue in his neighborhood. He doesn't think that a land percentage is a relevant factor of whether something is right or wrong. He reported that the city did a terrific job with installing security cameras and there is increased police presence; it has made a difference and he hasn't seen any type of unsavory behavior in that park lately.

Mayor Benjamin noted that there isn't any situation where they would designate an entire park as a child safety zone.

Ms. Cheryl Myrick, Elmwood Park resident said her children enjoyed Roy Lynch Park and as a walker she would no longer be allowed to take a rest in Roy Lynch Park and would be subject to having a criminal record. She encouraged Council to think about the resources that will be used to monitor the ordinance. She suggested that those same resources should be used towards prevention. She suggested that parks and recreation employees come out earlier in the day to clean the parks before children come out. She hopes that all available avenues will be explored before taking away her rights.

Mr. Clayton King, Earlewood Community resident thanked Councilwoman Devine for responding to the email. He would like to see the ordinance shut down. He said our parks are public places that are maintained with public tax dollars. He understands and appreciates child safety. He also enjoys reading and swinging in the parks and this ordinance makes it illegal for him to enter public land that he owns. He insisted that the notion that opposition to this ordinance is synonymous with child safety is offensive. He suggested that we spend more resources on fixing the problems.

CERTIFIED

A TRUE COPY

Tika D. Moore
CITY CLERK

APP. 0806

Ms. Ellen Blundy, Elmwood Park resident said this thing about rights is very nice, but when it comes down to it, Roy Lynch Park is for children and it is impossible for law enforcement to address the issues. She said Roy Lynch Park has special problems and it needs this ordinance. She announced a meeting in Roy Lynch Park on September 6, 2014 where the Director of Parks and Recreation will be the guest speaker.

Dr. Lonnie Randolph, President of the SC Chapter of the NAACP said it is this process that makes government work. He asked why we are doing this. He said he hasn't heard an answer that he is comfortable with. He is uncomfortable with the decision that what is good for one group isn't good for another. He said he is disturbed by Mr. Runyan's comments. He said there aren't a large number of police reports in that park. He suggested that we address the things that can make a difference right now.

▪ Council closed the public input portion at 8:39 p.m.

8. Update on the Request for Proposals for a Construction Manager At-Risk for the Multi-Use Entertainment Venue – Mr. Gregory Tucker, Special Projects Administrator

Mr. Gregory Tucker, Special Projects Administrator reported that the Request for Proposals for a Construction Manager At-Risk was issued on August 11, 2014 and responses are due back on September 2, 2014.

Councilor Davis asked about the aspirational goals.

Ms. Teresa Wilson, City Manager noted that the aspirational goals developed by City Council were included the RFP.

Councilor Baddourah asked if this is related to Item 9.

Mr. Gregory Tucker, Special Projects Administrator said no.

Councilor Devine asked who will be reviewing the responses.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations said it would likely be Gregory Tucker, a representative from the Utilities and Engineering Department and the developer and the owner of the Baseball team will be represented.

Mayor Benjamin suggested that the Chairman of the Bull Street Commission serve on the selection committee as well.

CERTIFIED
A TRUE COPY
Wika D. Moore
CITY CLERK

MN 08/19/2014 Page 12 of 25

APP. 0807

Councilor Newman reiterated Mr. Davis' inquiry regarding the aspirational goals. He wants to make sure we are communicating as much as we can, because the purpose of the aspirational goals is to make sure we are investing locally.

Mayor Benjamin said the goals are for subcontracting participation with emphasis on small, local, minority owned and woman owned businesses. He requested an update on how much has been awarded under the Local Business Preference Policy since 2010. He said we've set bold goals for delivering this multi-purpose venue and we want to be kept apprised as to how we are meeting those goals.

Mr. Gregory Tucker, Special Projects Administrator explained that the City has designated an aspirational goal of 40% for Disadvantaged Business Enterprises (DBE) and 35% for Local Business Enterprises (LBE) under the 49% Subcontractor Outreach Program requirement.

Mayor Benjamin added that the goal for Women-owned Business Enterprises (WBE) is 10%.

CONSIDERATION OF BIDS and AGREEMENTS

9. Council is asked to approve an Agreement between Owner and Architect for Design and Engineering Services for the Multi-Use Venue on the Bull Street Development, as requested by the Assistant City Manager for Operations. Award to Populous, Inc. in the amount of \$2,025,000.00. This vendor is located in Kansas City, MO. *Funding Source: Columbia Commons Project Budget - Note: The following local sub-consultants will be utilized for this project at 22.5% of the contract value. - Approved by a vote of four (4) to one (1).*

Sub-consultants	Locations	Services	Contract %
LS3P	Columbia, SC	Architecture	10.9%
ADC Engineering Specialists	Columbia, SC	Structural Engineering	2.8%
Davis & Floyd	Columbia, SC	Civil Engineering	5.9%
Buford Goff & Associates	Columbia, SC	Engineering	2.9%

Councilor Baddourah said we are committing to a contract for an architect to design a baseball stadium and we don't have ownership of the land that we are going to put the stadium on. He asked how can we tell the architect the elevation and do we have ownership records.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations said the Venue Development Agreement says we won't start construction before we own the property and several things must happen before we own the property. Councilor Baddourah insisted that we are committing ourselves to another \$2 million to design a stadium for a property we do not own.

CERTIFIED
A TRUE COPY
Eula D. Moore
CITY CLERK

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations said we have an agreement with the developer to provide the property to us.

Upon a motion made by Mayor Benjamin and seconded by Mr. Runyan, Council voted four (4) to one (1) to approve an Agreement between Owner and Architect for Design and Engineering Services for the Multi-Use Venue on the Bull Street Development, as requested by the Assistant City Manager for Operations. Award to Populous, Inc. in the amount of \$2,025,000.00. Voting aye were Mr. Runyan, Ms. Devine, Mr. Davis and Mayor Benjamin. Mr. Baddourah voted nay. Mr. Newman abstained from voting due to a potential conflict of interest.

OTHER MATTERS

10. Council is asked to approve a Request for a Certificate of Convenience and Necessity, as requested by the Business License Division. Award to James St. Fort doing business as CPC Exclusive, LLC, which is a limousine service located at 7356 Garners Ferry Road, Columbia, SC 29209. *Note: The applicant is planning to place one (1) limousine into service and add additional limousines at a later date. - Approved*

Upon a motion made by Mr. Baddourah and seconded by Mayor Benjamin, Council voted unanimously to approve a Request for a Certificate of Convenience and Necessity, as requested by the Business License Division. Award to James St. Fort doing business as CPC Exclusive, LLC, which is a limousine service located at 7356 Garners Ferry Road, Columbia, SC 29209.

11. Council is asked to approve the Installation of Two (2) Speed Humps within the 2200 block of Hampton Street between Pine Street and Oak Street and the 2300 block of Hampton Street between Oak Street and Heidt Street. *Note: The Columbia Fire and Police Departments support this request. - Consideration of this item was deferred.*

Ms. Catherine Bruce said she lives in the 2200 block of Hampton Street between Pine Street and Oak Street. She said that the neighborhood association did not discuss this and they were told that the humps would be placed on Oak Street. Councilor Newman said there were questions about public safety and the speed bumps during the forum at Martin Luther King Park. He said the Waverly Neighborhood was asked to do an assessment. He said there was a majority of folks that wanted the speed bumps and the request was expedited since the students were back in town.

Ms. Catherine Bruce said the neighborhood president wasn't aware of the request. She noted that there is little speeding within the 2200 block and there are already speed humps in front of the dorms.

CERTIFIED

A TRUE COPY

Lika D. Hean
CITY CLERK

An unidentified male said the Priest of St. Martin de Porres wasn't aware of this being on the agenda and he is not in favor of this proposal.

Councilor Newman said he has received significant feedback about this matter, but he agreed to defer consideration of the matter until the next meeting.

CONSENT AGENDA

Upon a single motion made by Mr. Newman and seconded by Ms. Devine, Council voted unanimously to approve the Consent Agenda Items 12 through 39. Mr. Baddourah was not present for the vote.

CONSIDERATION OF BIDS and AGREEMENTS

12. Council is asked to approve a Professional Services Contract Renewal for Citywide Technology Training, as requested the Information Technology Department. Award to Fast Forward in the amount of \$100,000.00. This vendor is located in Columbia, SC. *Funding Source: 1011120-631200 and 5518415-631200 - Approved*
13. Council is asked to approve a Contract Renewal for Customer Suite and Service Suite Software for Fiscal Year 2014/2015, as requested by the Information Technology Department. Award to Ventyx in the amount of \$111,590.48. This vendor is located in Atlanta, GA. *Funding Source: General Admin Information Tech/Maintenance and Service Contract; 6218950-638200 - Note: The original budgeted amount is \$111,600.00. CIO Comment: I am in agreement with this annual renewal of Banner/Customer Suite software support. - Approved*
14. Council is asked to approve a Contract for the Acquisition, Implementation and Annual Maintenance of Energov® Enterprise Server License for Permitting and Land Management and Energov® Enterprise Software License Extensions, as requested by the Planning and Development Services Department. Award to Tyler Technologies, Inc. in the amount of \$472,620 for the licensing and implementation services and \$66,805.00 per year or a total 5 years \$334,025 for annual support and maintenance and IG Workforce in the total amount of \$806,645.00. This vendor is located in Dallas, TX. *Funding Sources: 6218954-658600 Technology Replacement in the amount of \$472,620 for licensing and implementation services and 1014101-658660 Development Services in the amount of \$334,025 for annual support and maintenance (year 1-5) for EnerGov Support/Maintenance and IG Workforce Subscription. - Note: This software will allow the Planning & Development Services Department to acquire a tool for managing the process of receiving, reviewing, tracking, permitting and inspection on citywide construction projects. The software will also facilitate the*

CERTIFIED
A TRUE COPY

Mike P. [Signature]
APP. 0810

administration of code enforcement activities to include logging, tracking and documenting action on property maintenance and zoning violation cases. CIO Comment: I approve this purchase as described. - Approved

15. Council is asked to approve the Purchase of One (1) Backhoe Loader, as requested by the Metro Wastewater Treatment Plant. Award to Blanchard Machinery Company, using the National Joint Power Alliance Contract in the amount of \$76,132.00. This vendor is located in Columbia, SC. *Funding Source: Utilities Metro Wastewater Plant/Machinery and Equipment-Capital - Note: The original budgeted amount for this purchase is \$86,400.00. - Approved*
16. Council is asked to approve the Purchase of a Crane Truck, as requested by the Metro Wastewater Treatment Plant. Award to H & E Equipment Services, using the National Joint Powers Alliance Contract in the amount of \$196,196.00. This vendor is located in Columbia, SC. *Funding Source: Utilities Wastewater Maintenance/Auto, Truck, Heavy Equipment-Capital - Note: The original budgeted amount for this purchase is \$194,400.00 and the additional \$1,796 will be covered within the overall budget. - Approved*
17. Council is asked to approve the Purchase of Two (2) Tandem Dump Trucks, as requested by the Wastewater Maintenance Division. Award to Shealy's Truck Center, Inc., a Local Business Enterprise firm and the lowest bidder meeting specifications in the amount of \$275,482.00. This vendor is located in Columbia, SC. *Funding Source: Utilities Wastewater Maintenance-Autos, Truck, Heavy Equipment-Capital; 5516205-658500 - Note: The original budgeted amount for this purchase is \$302,400.00. - Approved*
18. Council is asked to approve an Agreement for Project SS721514 for On-Call General Wastewater Engineering Services, as requested by the Utilities and Engineering Department. Award to Hazen & Sawyer in an amount not to exceed \$75,000.00. This vendor is located in Columbia, SC. *Funding Source: Wastewater; 5511706-SS721514-5516205 - Note: These services are for general tasks for various wastewater projects that may arise in the upcoming year. The original budgeted amount of this project is \$75,000.00. - Approved*

CERTIFIED
A TRUE COPY

[Signature]
CITY CLERK

19. Council is asked to approve an Agreement for Project SS723514 for On-Call Wastewater Engineering Services, as requested by the Utilities and Engineering Department. Award to URS Corporation in an amount not to exceed \$75,000.00. This vendor is located in Columbia, SC. *Funding Source: Wastewater; 5511706-SS723514-5516205 - Note: These services are for specific tasks for various wastewater projects that may arise in the upcoming year. The original budgeted amount of this project is \$75,000.00. - Approved*

20. Council is asked to approve an Agreement for Engineering Services for the Sims Park Playground Design, Equipment and Installation, as requested by the Utilities and Engineering Department. Award to Churchich Recreation and Design, Inc., in the amount of \$100,000.00. This vendor is located in Hilton Head, SC. *Funding Source: General Capital Project Budget - Note: The original budgeted amount for this project is \$100,000.00. - Approved*

21. Council is asked to approve an Agreement for Engineering Services for the Evaluation, Design and Construction of the Greenview Park Pool, as requested by the Utilities and Engineering Department. Award to Kimley-Horn and Associates, Inc., in the amount of \$265,000.00. This vendor is located in Irving, TX. *Funding Source: General Capital Projects Budget - Note: The original budgeted amount for this project is \$2,041,483.00. - Approved*

22. Council is asked to approve Project WM3921; Demolition of Four (4) Ground Storage Tanks, as requested by the Utilities and Engineering Department. Award to Complete Demolition, the lowest responsive and responsible bidder in the amount of \$322,000.00. This vendor is located in Carrollton, GA. *Funding Source: Special Contracts Maintenance Fund; 5516210-638300 - Note: The original budgeted amount for this project is \$500,000.00. The project includes the demolition, removal and disposal of the Ballentine, Dubard, North 21 and Sandhills Ground Storage Tanks. - Approved*

23. Council is asked to approve Project WM4291; Construction along Wesley Drive, Keats Street and Ashton Street, as requested by the Utilities and Engineering Department. Award to Patriot Construction (Protégé), the lowest responsive and responsible bidder in the amount of \$385,809.82. This vendor is located in Columbia, SC. *Funding and Supplement Source: Water Capital Improvement Fund; 5529999-658650/WM429101-658650 - Note: This is Protégé Led Program Project and McClam and Associates (Mentor) is implementing 1.2% (\$5,000) of the contract value. This project consists of the abandonment of existing water lines, bore and jack steel casing pipes, dry bore of water main beneath trees, new water services lines, gate valves and water*

CERTIFIED

A TRUE COPY

Erika D. Hearn
CITY CLERK

MN 08/19/2014 Page 17 of 25

APP. 0812

service connections. The original budgeted amount for this project is \$413,655.00. - Approved

24. Council is asked to approve an Agreement for Engineering Services for a Sewer System Evaluation Study of the Olympia Sub Basin Division I and II, as requested by the Utilities and Engineering Department. Award to W.K. Dickson, Inc., in an amount not to exceed \$500,000.00. This vendor is located in Columbia, SC. *Funding Source: Sanitary Sewer Budget; 5529999-SS6857-636600* - *Note: This is a Mentor Protégé Program Project and HPG and Company Consulting Engineers (Protégé), a SBE firm located in West Columbia, SC will provide design and construction management services at 20% of the contract value. The original budgeted amount for this project is \$2,700,000 (\$700,000 is for professional services and \$2,000,000 is for construction).* - Approved
25. Council is asked to approve an Agreement for Engineering Consultation, Design and Construction Phase Services to Implement a New Non-Potable Water Pumping System, as requested by the Utilities and Engineering Department. Award to Black and Veatch Corporation in an amount not to exceed \$501,500.00, which includes \$271,500, is for design, permitting and bidding and \$230,000 is for construction phase services. This vendor is located in Greenville, SC. *Funding Source: Sanitary Sewer Budget; 5529999-SS7275-636600* - *Note: This is a Mentor Protégé Program Project and Howard Engineering (Protégé), a WBE firm located in Marietta, SC, will provide electrical and instrumentation system design, construction phase services and observation at 23.69% of the contract value. The following sub-consultants will be utilized for this project at 9.25% of the contract value. The original budgeted amount for this project is \$3,450,000 (\$250,000 is for design and \$3,200,000 is for construction).* - Approved

Sub-consultants	Locations	Services	Contract %
K&P Engineering, LLP (SBE Firm)	Lexington, SC	Structural Design	2.47%
Studio 2LR (SBE Firm)	Columbia, SC	Architectural Design	4.18%
Felkel & Hastings, Inc. (SBE Firm)	Columbia, SC	Mechanical Building Systems Design	1.0%
Summit Engineering	Spartanburg, SC	Surveying Services	.9%
Tetracon	Columbia, SC	Materials Testing	.7%

CERTIFIED
A TRUE COPY

CITY CLERK

MN 08/19/2014 Page 18 of 25

26. Council is asked to approve the Purchase of Water Meters for Fiscal Year 2014/2015, as requested by the Water Distribution Division. Award to lowest bidder of each lot in the total amount of \$615,589.39. *Funding Source: Utilities Water Distribution & Maintenance/Meter Parts & Supplies* – *Note: The original budgeted amount for this purchase is \$631,800.00. - Approved*

Lots	Size	Vendors / Locations	Amounts
1	½"	HD Supply Waterworks - West Columbia, SC	\$139,008.00
2	2"	HD Supply Waterworks - West Columbia, SC	\$76,536.00
3	4", 6" & 8"	Mainline Supply Company/Fortline - Columbia, SC	\$354,446.18
		SC Sale Tax	\$45,599.21
		Total	\$615,589.39

27. Council is asked to approve a Contract Renewal for Repair Materials Bid for Fiscal Year 2014/2015, as requested by the Water Distribution Division. Award to the lowest bidder of each lot in the amount of \$647,273.74. *Funding Source: Utilities Water Distribution and Maintenance; 5516203-625700* – *Note: The repair material bid includes: plastic tubing; brass goods; straight and steel couplings; gate valves; megalugs; service, patch and repair clamps; meter boxes and concrete; fire hydrants, brass fittings; fittings for ductile iron; dual check valves; tapping sleeves; meter boxes and plastic; and ductile iron pip. The original budgeted amount is \$650,000.00. - Approved*

Lots	Vendors / Locations	Amounts
1,6,12,14,16,18, 21	HD Supply Waterworks (W. Columbia, SC)	\$129,299.00
2,3,7,8,10,11,17,20	Hayes Pipe Supply (Nashville, TN)	\$393,082.36
4,5,9,13,15,19	Independent Waterworks (Lexington, SC)	\$76,946.18
	SC Sale Tax	\$47,946.20
	Total	\$647,273.74

28. Council is asked to approve an Agreement for Engineering Services to provide Technical Engineering Support to the Smith Branch II Sewer System Evaluation Study, as requested by the Utilities and Engineering Department. Award to MWH Americas, Inc., in an amount not to exceed \$999,800.00. This vendor is located in Clemson, SC. *Funding Source: Sanitary Sewer Budget; 5529999-SS7273-636600* – *Note: This is a Mentor Protégé Program Project and Chao and Associates, Inc. (Protégé), a MBE firm located in Columbia, SC will provide manhole surveys, GIS and construction management support at 21.5% of the contract value. Sub-consultant Hydro-structures, P.A. will receive 29.1% of the contract value. The original budgeted amount for this project is \$1,000,000.00. - Approved*

CERTIFIED
A TRUE COPY
Erika D. How
CITY CLERK

MN 08/19/2014 Page 19 of 25

29. Council is asked to approve Project SS7251; Blossom Street Improvements, as requested by the Utilities and Engineering Department. Award to LAD Corporation, the lowest responsive and responsible bidder in the amount of \$1,126,866.00. This vendor is located in Swansea, SC. *Funding Source: Sewer Improvement Fund; 5529999-658650-SS7251 - Note: This is Mentor Protégé; Program Project and Lexington Earthworks (Protégé) is implementing 20% (\$225,373) of the contract value. The original budgeted amount for this project is \$1,800,000.00. - Approved*
30. Council is asked to approve Project WM3791-01; Water Main Construction along Sylvan Drive, Shannon Spring Road and Briarfield Road, as requested by the Utilities and Engineering Department. Award to LAD Corporation of West Columbia, the lowest responsive and responsible bidder in the amount of \$1,409,022.60. This vendor is located in West Columbia, SC. *Funding and Supplemental Source: Water Capital Improvement Fund; 5529999-658650/WM379102-658650 - Note: This is a Mentor Protégé Program Project and Lexington Earthworks (Protégé) is implementing 20% (\$281,804) of the contract value. This project consists of abandoning existing water lines, horizontal directional drilling, new water service line, gate valves, and water service connections, paving/patching and all necessary connections. The original budgeted amount for this project is \$1,420,000.00. - Approved*
31. Council is asked to approve Project WM3956-02; 24" Water Main Construction along Broad River Road and Chapin Road, as requested by the Utilities and Engineering Department. Award to McClam and Associates, Inc., the lowest responsive and responsible bidder in the amount of \$3,196,801.60. This vendor is located in Little Mountain, SC. *Funding and Supplement Source: Water, Capital Improvement Fund; 5529999-658650/WM395602-658650 - Note: This is a Subcontracting Outreach Achievement Provision and McClam and Associates, Inc., is responsible for achieving the outreach project and implementing 20% (\$639,360.32) of the contract value. This project consists of constructing new water mains, connection to existing water mains and fire hydrants. The original budgeted amount for this project is \$3,287,414.00. - Approved*
32. Council is asked to approve Projects WM4113 Killian Road Tank, WM4136 Genstar Tank and WM4137 Ballentine Tank; Construction Improvements for Elevated Storage Tanks, as requested by the Utilities and Engineering Department. Award to Landmark Structures, the lowest responsive and responsible bidder in the amount of \$14,378,000.00. This vendor is located in Fort Worth, TX. *Funding and Supplement Source: CIP Improvement Fund; 5529999-658650 - Note: The original budgeted amount for these projects is \$16,530,000.00. - Approved*

CERTIFIED
A TRUE COPY

CITY CLERK

MN 08/19/2014 Page 20 of 25

APP. 0815

ORDINANCES – SECOND READING

33. Ordinance No.: 2014-068 – To Grant Crown Castle NG East Inc., its Successors and Assigns the Right, Power and Authority to Construct, Install, Maintain and Operate In, Over, Upon and Under the Streets and Public Places of the City of Columbia, its Lines, Poles, Wires, Cables and other Telecommunications Facilities to Render Telecommunications Service to Its Customers in the Limits of the City of Columbia for Such Period as Provider Herein; and to Provide for the Payment of Compensation for the Use of the Streets and Public Places – *First reading approval was given on August 5, 2014. – Approved on second reading.*
34. Ordinance No.: 2014-084 – Authorizing the City Manager to execute a Ground Lease between the City of Columbia and the SC Crime Victim's Council for a Crime Victim's Memorial Garden at the River Walk entrance of Riverfront Park – *First reading approval was given on August 5, 2014. – Approved on second reading.*
35. Ordinance No.: 2014-075 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article V, Procurement Sec. 2-201 Statutory authority; title; definitions and Sec. 2-204 Competitive sealed bidding required; exceptions – *First reading approval was given on August 5, 2014. – Approved on second reading.*
36. Ordinance No.: 2014-085 – (Revised) Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article V, Procurement, Sec. 2-208 Source selection method for procurements related to construction and Sec. 2-209 Design-build project delivery method authorized – *First reading approval was given on August 5, 2014. – Approved on second reading.*

EVENT RESOLUTIONS

37. Resolution No.: R-2014-069 – Authorizing consumption of beer and wine only at the USC Pep Rally at Wild Wing Café in the Vista – *This event is scheduled for Saturday, September 20, 2014 from 3:00 p.m. until 10:00 p.m. – Approved*
38. Resolution No.: R-2014-070 – Authorizing consumption of beer and wine only within Boyd Plaza adjacent to the Columbia Museum of Art for the Contemporaries Oyster Roast – *This event is scheduled for Thursday, September 18, 2014 from 5:00 p.m. until 8:30 p.m. – Approved*

CERTIFIED
A TRUE COPY

CITY CLERK

MN 08/19/2014 Page 21 of 25

39. Resolution No.: R-2014-075 - Authorizing consumption of beer and wine only at the South Carolina Oyster Festival in the 1600 block of Blanding Street - *This event is scheduled for Sunday, November 23, 2014 from 11:00 a.m. until 6:00 p.m. - Approved*

ORDINANCES - FIRST READING

40. Ordinance No.: 2014-081 - Granting an encroachment to First Citizens Café at 1210 Main Street for placement and maintenance of two tables, eight chairs and two umbrellas immediately in front of their business for use by its patrons for outdoor dining during its normal business hours - *Approved on first reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Runyan, Council voted unanimously to give first reading approval to Ordinance No.: 2014-081 - Granting an encroachment to First Citizens Café at 1210 Main Street for placement and maintenance of two tables, eight chairs and two umbrellas immediately in front of their business for use by its patrons for outdoor dining during its normal business hours. Mr. Baddourah was not present for the vote.

41. Ordinance No.: 2014-082 - Granting an encroachment to Atlanta Bread Company at 1307 Main Street for placement and maintenance of four tables, twelve chairs and four umbrellas immediately in front of their business for use by its patrons for outdoor dining during its normal business hours - *Approved on first reading.*

Upon a motion made by Mr. Runyan and seconded by Ms. Devine, Council voted unanimously to give first reading approval to Ordinance No.: 2014-082 - Granting an encroachment to Atlanta Bread Company at 1307 Main Street for placement and maintenance of four tables, twelve chairs and four umbrellas immediately in front of their business for use by its patrons for outdoor dining during its normal business hours. Mr. Baddourah was not present for the vote.

42. Ordinance No.: 2014-083 - Granting an encroachment to CEO Staffing and Executive Search for installation and maintenance of two red bud trees within the right of way areas of the 1300 block of Richland Street adjacent to its building at 1830 Sumter Street, Richland County TMS #09015-09-01 - *Approved on first reading.*

Upon a motion made by Mr. Newman and seconded by Mr. Runyan, Council voted unanimously to give first reading approval to Ordinance No.: 2014-083 - Granting an encroachment to CEO Staffing and Executive Search for installation and maintenance of two red bud trees within the right of way areas of the 1300 block of Richland Street adjacent to its building at 1830 Sumter Street, Richland County TMS #09015-09-01. Mr. Baddourah was not present for the vote.

CERTIFIED
A TRUE COPY

CITY CLERK

MN 08/19/2014 Page 22 of 25

43. Ordinance No.: 2014-089 – Authorizing the City Manager to execute a Contract of Sale and any other documents necessary to consummate the transfer of 5212 Randall Street, Richland County TMS # 11701-06-06 from the City of Columbia to Columbia Housing Authority - *Approved on first reading.*

Upon a motion made by Ms. Devine and seconded by Mayor Benjamin, Council voted unanimously to give first reading approval to Ordinance No.: 2014-089 – Authorizing the City Manager to execute a Contract of Sale and any other documents necessary to consummate the transfer of 5212 Randall Street, Richland County TMS # 11701-06-06 from the City of Columbia to Columbia Housing Authority.

44. Ordinance No.: 2014-090 – Authorizing the City Manager to execute a Contract of Sale and any other documents necessary to consummate the transfer of 14 Guernsey Drive, Richland County TMS #11607-1 7-02 from the City of Columbia to Donvale M. Springs - *Approved on first reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance No.: 2014-090 – Authorizing the City Manager to execute a Contract of Sale and any other documents necessary to consummate the transfer of 14 Guernsey Drive, Richland County TMS #11607-1 7-02 from the City of Columbia to Donvale M. Springs.

TEXT AMENDMENT – SECOND READING

45. Amend Chapter 17 - Article V – Historic Preservation and Architectural Review, for updates and modifications.

Proposal:	Amend §17 - Article V – Historic Preservation and Architectural Review for updates and modifications
Applicant:	Krista M. Hampton, Director of Planning and Development Services
PC Recommendation:	Approve (6-0), 04/07/14
Staff Recommendation:	Approve

Ordinance No.: 2014-076 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 1, Generally, Sec. 17-652 Definitions, Sec. 17-653 Design and development review commission and Sec. 17-655 Administration; and Division 2, Preservation Standards for Landmarks and Design Protection Districts, Sec. 17-674 Review process

CERTIFIED

A TRUE COPY


CITY CLERK

MN 08/19/2014 Page 23 of 25

- First reading approval was given on July 15, 2014. - Approved on second reading.

Upon a motion made by Mr. Davis and seconded by Mr. Newman, Council voted unanimously to give second reading approval to Ordinance No.: 2014-076 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 17, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 1, Generally, Sec. 17-652 Definitions, Sec. 17-653 Design and development review commission and Sec. 17-655 Administration; and Division 2, Preservation Standards for Landmarks and Design Protection Districts, Sec. 17-674 Review process.

RESOLUTIONS

46. Resolution No.: R-2014-058 - Supporting the Little Free Library and Encouraging Midlands Area Residents to Participate - *Approved*

Upon a motion made by Mr. Baddourah and seconded by Mayor Benjamin, Council voted unanimously to approve Resolution No.: R-2014-058 - Supporting the Little Free Library and Encouraging Midlands Area Residents to Participate.

47. Resolution No.: R-2014-073 - Authorizing the City Manager to execute an Agreement with Richland County School District One to provide School Resource Officers from the Columbia Police Department to various schools for school year 2014-2015 - *Approved*

Upon a motion made by Mr. Newman and seconded by Mr. Baddourah, Council voted unanimously to approve Resolution No.: R-2014-073 - Authorizing the City Manager to execute an Agreement with Richland County School District One to provide School Resource Officers from the Columbia Police Department to various schools for school year 2014-2015.

48. Resolution No.: R-2014-076 - A Resolution Relating to the Declaration of Intent by the City of Columbia, South Carolina, to Use Proceeds of Tax-Exempt Bonds or Other Obligations Issued by or on Behalf of the City to Reimburse Certain Expenditures Prior to the Issuance of Such Bonds or Other Obligations - *Approved*

Upon a motion made by Mr. Baddourah and seconded by Mr. Runyan, Council voted unanimously to approve Resolution No.: R-2014-076 - A Resolution Relating to the Declaration of Intent by the City of Columbia, South Carolina, to Use Proceeds of Tax-Exempt Bonds or Other Obligations Issued by or on Behalf of the City to Reimburse Certain Expenditures Prior to the Issuance of Such Bonds or Other Obligations.

CERTIFIED
A TRUE COPY


CITY CLERK

MN 08/19/2014 Page 24 of 25

CITY COUNCIL COMMITTEE REPORTS/REFERRALS

49. Public Safety Committee Report - *This report was received as information.*

APPEARANCE OF THE PUBLIC

Ms. Gwen Jordan, Board Member for the Auntie Karen Foundation said they applied for Hospitality Tax funding; they have been here for ten (10) years; and they educate students about the arts and financing. She believes that there is an inequity in the amount of money that goes to some organizations. She insisted that their funding is constantly decreasing. She asked Council to look at the funding for the Auntie Karen Foundation and the Black Expo in comparison to other organizations.

Councilor Devine told Ms. Jordan that Council approved funding for the Auntie Karen Foundation and the Black Expo earlier today. She noted that the Foundation received \$20,000, which is \$5,000 more than last year.

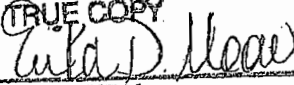
Mr. Rodrick Johnson congratulated the Mayor on his pay raise and he asked to meet with Mr. Newman in private.

Councilor Newman agreed to speak with Mr. Johnson after the meeting. He also agreed to schedule a meeting at his office.

Upon a motion made by Ms. Devine and seconded by Mr. Newman, Council voted unanimously to adjourn the meeting at 8:59 p.m.

Respectfully submitted by:


Erika D. Moore
City Clerk

CERTIFIED
A TRUE COPY

CITY CLERK

MN 08/19/2014 Page 25 of 25



CITY OF COLUMBIA
CITY COUNCIL MEETING MINUTES
TUESDAY, OCTOBER 21, 2014 - 6:00 P.M.
CITY HALL - 1737 MAIN STREET
COUNCIL CHAMBERS - 3RD FLOOR

The Columbia City Council conducted a Meeting on Tuesday, October 21, 2014 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 6:10 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine and The Honorable Cameron A. Runyan. The Honorable Leona K. Plaugh, The Honorable Brian DeQuincey Newman and The Honorable Moe Baddourah were absent. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

PLEDGE OF ALLEGIANCE

Little Miss Jais Green led the audience in the Pledge of Allegiance.

INVOCATION

Chaplain Byron Powers, Columbia Police Department offered the invocation.

ADOPTION OF THE AGENDA

Upon a motion made by Mr. Davis and seconded by Mr. Runyan, Council voted unanimously to approve the adoption of the agenda with the following amendments:

- Item 32 was withdrawn from the agenda.
- Consideration of Items 34 through 36 is being deferred.
- Item 33a will be presented first.

PUBLIC INPUT RELATED TO AGENDA ITEMS

No one appeared at this time.

PRESENTATIONS

- A. Resolution No.: R-2014-103 – Approving the honorary naming of the 100 block of Wayne Street between Whaley Street and Heyward Street to "Larry Gates Way" -
Approved

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to approve Resolution No.: R-2014-103 – Approving the honorary naming of the 100 block of Wayne Street between Whaley Street and Heyward Street to "Larry Gates Way".

CERTIFIED
A TRUE COPY
Erika D. Moore
CITY CLERK

Mayor Benjamin and the members of City Council proclaimed the honorary naming of the 100 block of Wayne Street from Whaley Street to Heyward Street as Larry Gates Way. [Click here to view the proclamation](#)

APPROVAL OF MINUTES

1. Meeting Minutes of October 7, 2014 – *Approved*

Upon a motion made by Mr. Davis and seconded by Ms. Devine, Council voted unanimously to approve the October 7, 2014 Council Meeting Minutes as presented.

PRESENTATIONS

2. Introduction of the October 2014 Employee of the Month (Ms. Pamela G. Gibson, Master Police Officer) – Mr. William “Skip” Holbrook, Columbia Police Chief

Mr. William “Skip” Holbrook, Columbia Police Chief introduced Ms. Pamela G. Gibson, Master Police Officer as the October 2014 Employee of the Month. He described MPO Gibson as a 20 year employee who maintains a positive attitude and demonstrates initiative with an attitude of quality and excellence; she enhances the department’s ability to better serve the citizens of Columbia and she helps to achieve the department’s goal of being a premiere law enforcement agency.

Ms. Teresa Wilson, City Manager and Mayor Benjamin presented Ms. Pamela G. Gibson, Master Police Officer with a token of appreciation and a plaque for being selected as the City of Columbia October 2014 Employee of the Month.

3. Woman to Woman Entrepreneurs Association Day Proclamation – The Honorable Tameika Isaac Devine

Councilor Devine announced that October is National Women’s Small Business Month. She recognized Ms. Tamara Canzater for starting the Woman to Woman Entrepreneurs Association as an opportunity to network with women who own small businesses in the City of Columbia.

Mayor Benjamin and the members of City Council proclaimed October 21, 2014 as Woman to Woman Entrepreneurs Association Day in the City of Columbia.

4. Introduction of Mrs. Frances E. Ashe-Goins – Dr. Germon Miller, Park Leader for the Parks and Recreation Department and RICH Program Founder

Dr. Germon Miller, Park Leader for the Parks and Recreation Department and RICH Program Founder said it is with great enthusiasm that she stands here with the individuals who make the RICH Program happen at many different levels. She introduced Mrs. Frances E. Ashe-Goins. She announced that she has published the research for the RICH Program.

CERTIFIED

A TRUE COPY

Gilda D. Moore
CITY CLERK

MN 10/21/2014 Page 2 of 10.

Mrs. Frances Ashe-Goins said she was born in Columbia, South Carolina and has worked in Washington, DC as the Deputy Director for the Office of Women's Health for more than seventeen (17) years. After retirement, she returned to Columbia to work on issues that are near and dear to her heart. She noted that she created national programs related to violence, HIV/AIDS, Lupus, and minority women's health awareness. She has received numerous awards and hopes to share her expertise and work more closely with Dr. Miller who has done amazing work with her son.

Officer Chris Davis, RICH Program Mentor said you have to go beyond the surface and you'll find that these young men are just like us; they deserve the opportunity, they want the opportunity and most of all, they want to be loved.

Mr. Carl Wilson, RICH Program Mentor said he will be sharing his skills and knowledge in the area of computer literacy and pc repair.

Ret. Colonel Carroll Lucas, RICH Program Mentor said he has been a mentor since 1973 and this is the best program he has seen; it is outstanding. He asked that Council provide funding support for the program, because these young people are our future.

5. Home Works of America Columbia Blitz – Reverend James Powell, Executive Director of Home Works of America

Reverend James Powell, Executive Director of Home Works of America announced that Hank Chardos, Founder and Program Director of Home Works of America is retiring on November 7, 2014. He noted that Home Works of America has completed home repairs across the southeast, but they've been most active in Columbia by working on 800 homes in the last twenty (20) years. He explained that the organization completes home repairs for low income, elderly and disadvantaged homeowners. He announced that nineteen (19) homes will be repaired on Saturday, October 25, 2014 and roof replacements for two (2) homes will be funded by the Community Development Block Grant. He stated that they will continue to be good stewards of the resources that come from the City, corporations, donors and foundations across the country.

6. Update from the Dreher High School Drama Students – Ms. Jeanette Arvay Beck, Director of Theatre Arts and Film for Dreher High School

Ms. Jeanette Arvay Beck, Director of Theatre Arts and Film for Dreher High School told the members of Council that the financial support provided to these students helped to broaden their horizons; Taylor and Zan scored 295 out of 300 points during their performance; Liam Aidan Toumey's short film *The Balloon* placed 6th in the nation; and Zan auditioned for twenty (20) colleges. She announced that the three (3) students will perform at Dreher High School's Anything Goes on November 20, 2014.

Miss Taylor Goodwin, Dreher High School Sophomore and Miss Alexandra "Zan" Dubose, Dreher High School Senior sang *Don't Rain on My Parade* by Funny Girl.

CERTIFIED
A TRUE COPY

Gaila D. Hearn
CITY CLERK

- 6a. University of South Carolina Student Government Update – Ms. Ellie Riegel, Attorney General for the University of South Carolina Student Government

Ms. Ellie Riegel, Attorney General for the University of South Carolina Student Government reported that they recently broke ground on the new law school and they are compiling ridership information on the corridor of transportation. She reported that 1,000 students used the buses and Carolina Cab during one weekend in September when the Gamecocks had an away game. She announced that Student Government is hosting a civic engagement event.

OTHER MATTERS'

7. Neighborhood Street Lighting Requests - Approved

Upon a single motion made by Ms. Devine and seconded by Mr. Davis, Council voted unanimously to approve the following Neighborhood Street Lighting Requests:

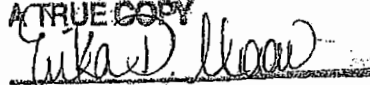
Neighborhoods Listed by Priority	Existing Lights	Requested Lights	Current Lease Cost/Annually	Project Request Total	Total Year to Date
Ashwood Commons on Stuckey Road	2	2	\$237.84	\$237.84	\$832.44
Saluda Avenue between Waccamaw Avenue and Blossom Street	2	2	\$237.84	\$237.84	\$1,070.28

CONSENT AGENDA

Upon a single motion made by Mr. Runyan and seconded by Mr. Davis, Council voted unanimously to approve the Consent Agenda Items 8 through 26.

CONSIDERATION OF BIDS and AGREEMENTS

8. Council is asked to approve the Purchase of One (1) Rollback Wrecker Truck, as requested by the Fleet Services Division. Award to American Wrecker Sales in the amount of \$65,011.00. This vendor is located in Cayce, SC. *Funding Source: Equipment Services-Machinery & Equipment Capital; 6308971-658300 – Note: The original budgeted amount for this purchase is \$70,300.00. - Approved*
9. Council is asked to approve the Purchase of Fifty (50) Morning Pride Bunker Gear for Fiscal Year 2014/2015, as requested by the Fire Department. Award to Newton's Fire and Safety Equipment, Inc. in the amount of \$99,630.00. This vendor is located in Swepsonville, NC. *Funding Source: County Fire Administration-Safety Clothing and Supply; 2082301-625900 (\$49,815) and Fire Suppression-Safety Clothing and Supply 1012303-625900 (\$49,815) – Note: The original budgeted amount for this purchase is \$96,768.00. - Approved*

CERTIFIED
A TRUE COPY

CITY CLERK

MN 10/21/2014 Page 4 of 10

10. Council is asked to approve Contract Amendment #3 to a Clean Water 2020 Program Project SS6722 for Construction of an 150 Million Gallons per Day (MGD) Influent Pump Station and the Associated Preliminary Treatment Facility at the Metro Wastewater Treatment Plant, as requested by the Utilities and Engineering Department. Award to Hazen and Sawyer, P.C. in an amount not to exceed \$155,000.00. This vendor is located in Columbia, SC. *Funding Source: 5529999-SS7288-636600* – *Note: This amendment provides operational assistance at the new head work facilities. The original budget amount was \$1,731,280.0 and the revised contract total is \$2,098,897.00. \$155,000 was transferred from SSMISC annual budget for unforeseen & miscellaneous projects.* - *Approved*
11. Council is asked to approve Project WM4328; Emergency Water Main Construction and Street Repairs on Monticello Road, as requested by the Utilities and Engineering Department. Award to Lane Construction in the amount of \$129,200.00 with a 20% project contingency in the amount of \$25,840.00 for a total amount of \$155,040.00. This vendor is located in West Columbia, SC. *Funding Source: Water Maintenance Operating Budget; 5516203-638305* – *Note: The original budgeted amount for this project is \$287,520.00.* - *Approved*
12. Council is asked to approve the Purchase of Two (2) Backhoe Loaders, as requested by the Street Division. Award to Blanchard Machinery Company, using the National Joint Powers Alliance Contract in the amount of \$166,864.00. This vendor is located in West Columbia, SC. *Funding Source: Street Water/Sewer Repair-Auto, Trucks, Heavy Equipment-Capital; 5513202-658500 (\$80,275) and Street Water/Sewer Repair-Auto, Trucks, Heavy Equipment-Capital; 5534203-658500 (\$86,589)* – *Note: The original budgeted amount for this purchase is \$179,288.00.* - *Approved*
13. Council is asked to approve a One Year Contract Renewal for Uniform Rental Services, as requested by the Support Services Division. Award to Unifirst Corporation in the amount of \$300,780.00. This vendor is located in Lexington, SC. *Funding Source: Uniform Rental Service Contract Renewal; 6208956-6241000* – *Note: The original budgeted amount is \$300,780.00. The original contract was approved on September 6, 2011 for a 3-year term with the option to renew for two additional one year terms.* - *Approved*
14. Council is asked to approve Change Order #4 for Clean Water 2020 Program Project SS696612 for Emergency Repairs, as requested by the Utilities and Engineering Department. Award to Improved Technologies Group, LLC, in the amount of \$403,722.40. This vendor is located in Knoxville, TN. *Funding Source: Sewer Improvement Fund Project SS7286* – *Note: This is a Mentor Protégé Program Project. This change order was requested by the City to provide emergency repairs along Margrave Avenue (\$234,091.40); install new release valves on Regatta Road (\$12,021) and Stoneridge Drive (\$13,600); and rehabilitation of an 18" sewer main along Lincoln Street (\$144,010). The new completion date is June 30, 2015. The original budgeted amount was \$3,674,570.00; the revised amount is \$6,674,570.00.* - *Approved*

CERTIFIED
A TRUE COPY

Wanda Steen
CITY CLERK

15. Council is asked to approve Change Order #1 for Clean Water 2020 Program Project SS7251 Blossom Street Sewer Improvements Phase 2, as requested by the Utilities and Engineering Department. Award to LAD Corporation, Inc., in the amount of \$561,834.00. This vendor is located in West Columbia, SC. *Funding Source: FY 2014/2015 Approved Project Budget \$3,500,000.00 – Note: This is a Minority Business Enterprise. This change order is requested by the City to provide sewer service along Wheat Street and Pulaski Street for new development currently permitted in this area. Design for Phase 3 of this project is currently underway. The original contract amount for this project was \$1,146,941.00; the revised contract amount is \$1,708,775.00. - Approved*
16. Council is asked to approve Change Order #6 for Projects SS6884, WM4179, SD8141, CM2004 and CM1024; North Harden Street Phase II Rehabilitation and Street Scape Project, as requested by the Utilities and Engineering Department. Award to McClam and Associates, Inc., in the amount of \$793,190.89. *Funding Source: Contingency Funds (\$193,281.48); WM4323-5526209-741552 (\$249,802.28); SS7288-5526209-741552 (\$134,799.54); and SD8398-5544204-741554 (\$215,307.49) – Note: This change order is requested by the City to perform additional work for landscaping along Calhoun Street; reconstruction services on Read Street; replacement of sidewalk along Read Street and traffic loop on Oak Street at Read Street. The new completion date is December 18, 2014. The original contract amount for this project was \$13,671,424.36; the revised contract amount is \$14,271,333.77. - Approved*
17. Council is asked to approve a Contract Renewal for the Dental Benefits Plan, effective January 1, 2015 through December 31, 2015, as requested by the Human Resources Department. Award to Delta Dental of Missouri, as a third party administrator in the amount of \$60,000.00. This vendor is located in Columbia, SC. *Funding Source: Dental Insurance Plan GL-6028931 – Note: There are no changes to the contract for plan administration. - Approved*
18. Council is asked to approve a Contract Renewal for the Pharmacy Benefits Plan, effective January 1, 2015 through December 31, 2015, as requested by the Human Resources Department. Award to Medco/Express Scripts, as the third party administrator in the amount of \$138,000.00. This vendor is located in St. Louis, MO. *Funding Source: Health Insurance Fund GL-6048933 – Note: There are no changes to the contract for plan administration. - Approved*
19. Council is asked to approve a Contract Renewal for the Medicare Supplement and Prescription Coverage Plan, effective January 1, 2015 through December 31, 2015, as requested by the Human Resources Department. Award to United Healthcare in the amount of \$1,350,000.00. This vendor is located in Minneapolis, MN. *Funding Source: Health Insurance Fund GL-6048933 – Note: The eligible participants are Post-65 and Medicare eligible retirees and dependents. - Approved*

CERTIFIED
A TRUE COPY

CITY CLERK

MN 10/21/2014 Page 6 of 10

20. Council is asked to approve a Contract Renewal for the Health Benefits Plan, effective January 1, 2015 through December 31, 2015, as requested by the Human Resources Department. Award to Blue Cross Blue Shield, as the third party Administrator in the amount of \$1,880,000.00 for Annual Administration Fees and \$704,850 for Employee Health Clinic Costs. This vendor is located in Columbia, SC. *Funding Source: Health Insurance Fund GL-6048933 – Note: There are no changes to the contract for plan administration. - Approved*

ORDINANCES – SECOND READING

21. Ordinance No.: 2014-087 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 11, Licenses, Permits, Business Regulations, Article II, Business and Professional Licenses, Sec. 11-49 Classification rate schedules to add Provider-Sponsored Organization Contractors -- *Note: This ordinance adds Provider-Sponsored Organization Contractors. – First reading approval was given on October 7, 2014. – Approved on second reading.*
22. Ordinance No.: 2014-091 – Granting an encroachment to Timothy H. Carroll and Adrienne L. Carroll for placement and maintenance of a retaining wall, landscaping and an irrigation system within the right of way of the 1300 block of Palmer Road adjacent to 1317 Palmer Road; Richland County TMS #13905-06-05 – *First reading approval was given on October 7, 2014. – Approved on second reading.*
23. Ordinance No.: 2014-092 – Authorizing consumption of beer and wine beverages only at the 2015 Famously Hot New Year Event – *This event is scheduled for Wednesday, December 31, 2014. – First reading approval was given on October 7, 2014. – Approved on second reading.*
24. Ordinance No.: 2014-098 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 12, Motor Vehicles and Traffic, Article I, In General to repeal Sec. 12-9 E-mailing or text messaging on mobile device while operating a motor vehicle – *First reading approval was given on October 7, 2014. – Approved on second reading.*
25. Ordinance No.: 2014-099 – Granting an Easement to South Carolina Electric & Gas Company Along a portion of City-owned property identified as Richland County TMS#07314-02-05 (Riverfront Park/Canal Walk along the Columbia Canal) for construction of a new overhead electrical transmission line to the SCE&C Lyles 230/115KV Substation; CF#250-354 – *First reading approval was given on October 7, 2014. – Approved on second reading.*
26. Ordinance No.: 2014-101 – Approving certification of site under S.C. Code Ann. §12-65-50 of the South Carolina Textiles Communities Revitalization Act for 612 Devine Street, Richland County TMS #08914-02-01 – *First reading approval was given on October 7, 2014. – Approved on second reading.*

CERTIFIED
A TRUE COPY

Gilda D. Moore
CITY CLERK

MN 10/21/2014 Page 7 of 10

APP. 0827

ORDINANCE – SECOND READING

27. Ordinance No.: 2014-053 – A Second Supplemental Ordinance providing for the Issuance and Sale of City of Columbia, South Carolina, Parking Facilities Refunding Revenue Bonds, In One or More series, In the Principal Amount of not exceeding \$23,500,000; Delegating the authority to the Mayor, City Manager, Chief Financial Officer and Finance Director, or any two of them acting together, to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; and other matters relating thereto – *First reading approval was given on May 6, 2014. – Approved on second reading.*

Upon a motion made by Mayor Benjamin and seconded by Ms. Devine, Council voted unanimously to give second reading approval to Ordinance No.: 2014-053 – A Second Supplemental Ordinance providing for the Issuance and Sale of City of Columbia, South Carolina, Parking Facilities Refunding Revenue Bonds, In One or More series, In the Principal Amount of not exceeding \$23,500,000; Delegating the authority to the Mayor, City Manager, Chief Financial Officer and Finance Director, or any two of them acting together, to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; and other matters relating thereto.

ORDINANCE – FIRST READING

28. Ordinance No.: 2014-097 – Granting an encroachment to Frederick Ronald Dennis for installation and maintenance of a brick and mortar retaining wall and sidewalk/drainage area within the right of way area of the 800 block of Albion Road adjacent to 819 Albion Road, Richland County TMS #13808-01-01- *Approved on first reading.*

Upon a motion made by Mayor Benjamin and seconded by Mr. Runyan, Council voted unanimously to give first reading approval to Ordinance No.: 2014-097 – Granting an encroachment to Frederick Ronald Dennis for installation and maintenance of a brick and mortar retaining wall and sidewalk/drainage area within the right of way area of the 800 block of Albion Road adjacent to 819 Albion Road, Richland County TMS #13808-01-01

RESOLUTIONS

Upon a single motion made by Mayor Benjamin and seconded by Mr. Runyan, Council voted unanimously to approve Item 29 Resolution No.: R-2014-079 – Amending Resolution R-2013-077 Recognizing Cherod Webber as an Honorary Ambassador between the City of Columbia, South Carolina and Ghana and the greater Western and Southern Africa Regions and Item 30 Resolution No.: R-2014-080 – Amending Resolution R-2011-073 Recognizing Bob Chen as an Honorary Ambassador between the City of Columbia, South Carolina and Taiwan and the Pacific Rim.

29. Resolution No.: R-2014-079 – Amending Resolution R-2013-077 Recognizing Cherod Webber as an Honorary Ambassador between the City of Columbia, South Carolina and Ghana and the greater Western and Southern Africa Regions - *Approved*

MN 10/21/2014 Page 8 of 10

CERTIFIED
A TRUE COPY
[Signature]
CITY CLERK

30. Resolution No.: R-2014-080 – Amending Resolution R-2011-073 Recognizing Bob Chen as an Honorary Ambassador between the City of Columbia, South Carolina and Taiwan and the Pacific Rim - *Approved*
31. Resolution No.: R-2014-081 – Recognizing the City of Columbia Poet Laureate - *Approved*

Upon a motion made by Mayor Benjamin and seconded by Ms. Devine, Council voted unanimously to approve Resolution No.: R-2014-081 – Recognizing the City of Columbia Poet Laureate, subject to amending the term for the inaugural appointment from January 2015 through December 2018 and the Poet Laureate will serve four (4) year terms thereafter.

32. Resolution No.: R-2014-093 – Authorizing Condemnation for Easement Acquisition for Sanitary Sewer Force Main from Millcreek Pump Station along Bluff Road to the Metro Wastewater Treatment Plant for CIP Project #SS6764-02 along 4523 Bluff Road, Identified as Richland County TMS# 13416-02-04; CF# 250-324 – *This item was previously approved on October 7, 2014.*
33. Resolution No.: R-2014-097 – Authorizing the City Manager to execute an Equipment Rental Agreement between the City of Columbia and Magic Ice USA, Inc. for the lease of a portable ice skating rink in Boyd Plaza - *Approved*

Upon a motion made by Mayor Benjamin and seconded by Ms. Devine, Council voted unanimously to approve Resolution No.: R-2014-097 – Authorizing the City Manager to execute an Equipment Rental Agreement between the City of Columbia and Magic Ice USA, Inc. for the lease of a portable ice skating rink in Boyd Plaza.

- 33a. Resolution No.: R-2014-103 – Approving the honorary naming of the 100 block of Wayne Street between Whaley Street and Heyward Street to "Larry Gates Way" – *This item was approved. Please refer to Item A.*

APPOINTMENTS

34. Board of Zoning Appeals Form Based Codes – *Consideration of this item was deferred.*
35. Columbia Housing Authority – *Consideration of this item was deferred.*
36. Planning Commission – *Consideration of this item was deferred.*

APPEARANCE OF THE PUBLIC

No one appeared at this time.

CERTIFIED
A TRUE COPY

CITY CLERK

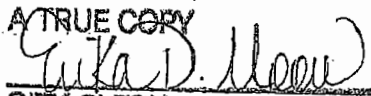
Upon a motion made by Mr. Davis and seconded by Ms. Devine, Council voted unanimously to adjourn the meeting at 6:44 p.m.

Respectfully submitted by:


Erika D. Moore
City Clerk

Meeting Dates	Type of Meeting	Meeting Times
October 28, 2014	Environment and Infrastructure Committee Meeting	9:00 a.m.
	City Hall - 1737 Main Street - 2 nd Floor Conference Room	
	Public Safety Committee Meeting	11:00 a.m.
	City Hall - 1737 Main Street - 2 nd Floor Conference Room	
November 18, 2014	Work Session	2:00 p.m.
	City Hall - 1737 Main Street - 2 nd Floor Conference Room	
	Council Meeting	6:00 p.m.
	City Hall - 1737 Main Street - Council Chambers	
	Zoning Public Hearing	7:00 p.m.
	City Hall - 1737 Main Street - Council Chambers	

In accordance with Ordinance No.: 2004-094 - Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, to add VI, Lobbyist, Sec. 2-302. (a) Any person who acts as a lobbyist must within fifteen days of being employed or retained as a lobbyist, register with the city clerk. (b) The registration must be in a form approved by the city council that includes only the name and business address of the lobbyist, the name and business address of the person or entity that compensates the lobbyist and the issue or matter for which the lobbyist has been retained. A separate form shall be submitted for each issue or matter and each person or entity who compensates the lobbyist. (c) Any lobbyist who is employed by the city or has contracts with the city must seek approval by city council to be a lobbyist for other clients so long as he is employed or under contract. To obtain a Lobbyist Registration Form please contact the Office of the City Clerk at (803) 545.3045 or send your request to cityclerk@columbiasc.net.

CERTIFIED
A TRUE COPY

CITY CLERK



CITY OF COLUMBIA
CITY COUNCIL MEETING / ZONING PUBLIC HEARING MINUTES
TUESDAY, JANUARY 19, 2016 - 6:00 P.M.
CITY HALL - 1737 MAIN STREET
COUNCIL CHAMBERS - 3RD FLOOR

The Columbia City Council conducted a Council Meeting and a Zoning Public Hearing on Tuesday, January 19, 2016 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 6:03 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Leona K. Plaugh, The Honorable Moe Baddourah, The Honorable Howard E. Duvall and The Honorable Edward McDowell, Jr. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. *This meeting was advertised in accordance with the Freedom of Information Act. The minutes are numbered to coincide with the order of the meeting.*

PLEDGE OF ALLEGIANCE

Master Corbin Riffenburg led the audience in the Pledge of Allegiance.

INVOCATION

Chaplain Byron Powers, Columbia Police Department offered the Invocation.

ADOPTION OF THE AGENDA

Upon a motion made by Mr. McDowell and seconded by Mr. Davis, Council voted unanimously to adopt the agenda, subject to the following amendments:

- Defer Item 1 (*Approval of Minutes*)
- Withdraw Item 22 (*315 South Maple Street*)
- Withdraw Item 28 (*Resolution No.: R-2016-005*)
- Defer Item 30 (*Hospitality Tax Funding Requests*)
- Add Item 32 (*Discussion of Chambers*) from the Work Session Agenda

PUBLIC INPUT RELATED TO AGENDA ITEMS

No one appeared at this time.

APPROVAL OF MINUTES

1. December 15, 2015 Council Meeting and January 5, 2016 Council Meeting – *Consideration of the minutes was deferred.*

CERTIFIED
A TRUE COPY

CITY CLERK

CONSENT AGENDA

Upon a single motion made by Mr. Baddourah and seconded by Ms. Plaugh, Council voted unanimously to approve the Consent Agenda Items 2 through 14.

CONSIDERATION OF BIDS and AGREEMENTS

2. Council is asked to approve the Purchase of Assessment, Testing and Promotion Services, as requested by the Columbia Police Department. Award to the College of Charleston in the amount of \$60,000.00. This vendor is located in Charleston, SC. *Funding Source: Police Administration Services-Professional Services, 1012402-63660 - Note: The original budgeted amount is \$60,000.00. - Approved*
3. Council is asked to approve the Purchase of seventy-five (75) Body Armor Packages, as requested by the Columbia Police Department. Award to Lawmen's, using the SC State Contract in the amount of \$62,775.00. This vendor is located in Columbia, SC. *Funding Source: Police Department-Uniforms and Clothing, 1012402-6241 - Note: The original budgeted amount for this purchase is \$62,775.00. - Approved*
4. Council is asked to approve the Purchase of one (1) Dump Truck, as requested by the Street Division. Award to Carolina International Trucks, Inc., a certified Local Business Enterprise, using the SC State Contract in the amount of \$78,174.00. This vendor is located in Columbia, SC. *Funding Source: Streets Water & Sewer Repair-Auto, Trucks, Heavy Equipment Capital, 5513202-658500 - Note: The original budgeted amount for this purchase is \$80,000.00. - Approved*
5. Council is asked to approve a Contract Renewal for City-works Software and License Support effective January 2016 through January 2017, as requested by the Information Technology Department. Award to Azteca Systems, Inc., for the following departments in the amount of \$100,000.00. This vendor is located in Sandy, UT. *Funding Source: Public Works Admin-Computer Equipment/Hardware, 1011124-627500; Public Works Admin-Maintenance and Service Contract, 1011124-638200; Forestry Horticulture-Maintenance and Service Contract, 1011217-638200; Streets & Side Walks-Maintenance and Service Contract, 1013201-638200; Traffic Operations-Maintenance and Service Contract, 1013204-638200; Street Storm Drain-Maintenance and Service Contract, 5534203-638200; Water & Sewer Repairs-Maintenance and Service Contract, 5513202-638200; Finance Customer Service-Maintenance and Service Contract, 5511407-638200; Utilities Water Customer Service-Maintenance and Service Contract, 5516202-638200; Utilities Wastewater-Maintenance and Service Contract, 5516205-638200; and Solid Waste Street Sweeping-Maintenance and Service Contract, 5534408-638200 - Note: The original budgeted amount is \$100,000.00. CIO Comment: The City-works software and licenses are required to support Clean Water 2020. - Approved*

CERTIFIED
A TRUE COPY

Erika D. Hoan
CITY CLERK

Quantity	Department	Amount
1	Public Works - Administration	\$1,990.00
1	Public Works - Administration	\$5,000.00
1	Forestry & Beautification - Horticulture	\$7,500.00
1	Streets Division - Street & Sidewalks	\$2,000.00
1	Traffic Division - Operations	\$3,000.00
1	Streets Division - Storm Drain Maintenance	\$1,500.00
1	Streets Division - Water & Sewer	\$2,000.00
1	Finance - Customer Services	\$3,000.00
1	Utilities and Engineering - Water Customer Services	\$15,000.00
1	Utilities and Engineering - Wastewater Maintenance	\$49,010.00
1	Solid Waste Division - Street Sweeping	\$10,000.00

6. Council is asked to approve Purchase of Planning Services for the Capital Mill District Area, as requested by the Planning and Development Services Department. Award to The Boudreaux Group in an amount not to exceed \$150,000.00. This firm is located in Columbia, SC. *Funding Source: Development Services-Professional Services, 1014101-636600 - Note: This plan is in collaboration with Richland County who has funded \$75,000 of the total amount. The original budgeted amount is \$150,000.00. - Approved*
7. Council is asked to approve the Purchase of one (1) Concrete Mixer Truck for the Wastewater Maintenance, as requested by Fleet Services Division. Award to Carolina International Trucks, Inc. in the amount of \$154,287.00. This vendor is located in Columbia, SC. *Funding Source: Utilities Wastewater Maintenance-Auto, Trucks, Heavy Equipment Capital, 5516205-658500 - Note: The original budgeted amount for this purchase is \$172,800.00. - Approved*
8. Council is asked to approve a Contract for Compost Grinding, as requested by the Solid Waste Division. Award to Martin Edwards & Associates, Inc., the lowest responsive bidder in the amount of \$205,269.51. This firm is located in Erwin, NC. *Funding Source: Solid Waste Compost-Special Projects, 1014406-638500 - Note: This is a six (6) month contract ending June 30, 2016 with an option to extend for two (2) additional years. The original budgeted amount is \$206,000.00. - Approved*
9. Council is asked to approve an Agreement for Water Quality Monitoring Operation and Maintenance Services for Gills Creek, Kinley Creek, Rocky Branch and Smith Branch Phase I, Phase II and Phase III Stations, as requested by the Utilities and Engineering Department. Award to Woolpert in the amount of \$283,514.00. This firm has headquarters in Dayton, OH and a local office in Columbia, SC. *Funding Source: Storm Drain Operating and Maintenance, 5534202-SD8385(3)-638305 - Note: The original budgeted amount for this project is \$283,514.00. The following sub-consultants will receive \$34,562.00 or 12.19% of the contract value: - Approved*

CERTIFIED
A TRUE COPY

Gilda D. Moore
CITY CLERK

Sub-consultant	Location	Services	Contract %	Amount
Rogers & Calcott	Columbia, SC	Stormwater runoff sample analysis and general laboratory services	5.64%	\$16,002.00
YSI, Inc.	Yellow Springs, OH	Monitoring equipment sales and monitoring site installation services	6.55%	\$18,560.00

10. Council is asked to approve the Purchase of Magnesium Hydroxide, as requested by the Metro Wastewater Treatment Plant. Award to Premier Magnesia in the amount of \$867,024.00. This vendor is located in West Conshohocken, PA. *Funding Source: Utilities Metro Wastewater Plant/Chemicals, 5516208-624800* – Note: The original budgeted amount for this purchase is \$867,024.00. - Approved
11. Council is asked to approve a Contract Renewal for the Dental Benefits Plan effective January 2016 through December 2016, as requested by the Human Resources Department. Award to Delta Dental of Missouri, as a third party administrator in the amount of \$60,000.00. This vendor is located in Columbia, SC. *Funding Source: Dental Insurance Fund GL-6028931* – Note: There are no changes to the contract for plan administration. The original budgeted amount was \$60,000.00. - Approved
12. Council is asked to approve a Contract Renewal for the Pharmacy Benefits Plan effective January 2016 through December 2016, as requested by the Human Resources Department. Award to Medco/Express Scripts, as the third party administrator in the amount of \$138,000.00. This vendor is located in St. Louis, MO. *Funding Source: Health Insurance Fund GL-6048933* – Note: There are no changes to the contract for plan administration. The original budgeted amount was \$138,000.00. - Approved
13. Council is asked to approve a Contract Renewal for the Medicare Supplement and Prescription Coverage Plan effective January 2016 through December 2016, as requested by the Human Resources Department. Award to United Healthcare in the amount of \$1,350,000.00. This vendor is located in Minneapolis, MN. *Funding Source: Health Insurance Fund GL-6048933* – Note: The eligible participants are Post-65 and Medicare eligible retirees and dependents. There are no changes to the contract for plan administration. The original budgeted amount was \$1,350,000.00. - Approved

ORDINANCES – SECOND READING

14. Ordinance No.: 2016-001 – Granting an easement to South Carolina Electric & Gas Company (SCE&G) along a portion of City-owned property identified as Richland County TMS#08915-05-07 (The Colonial Life Arena) for utilities to serve the Greene Street, Phase I/Foundation Square Streetscape Project; CF#250-385 – Approved on second reading.

CERTIFIED
A TRUE COPY
Gula D. Moore
CITY CLERK

ZPH MN 01/19/2016 Page 4 of 15

PRESENTATIONS

15. Introduction of the 2015 Employee of the Year (Ms. Danielle Riffenburg, Reforestation Program Coordinator) – Mr. Robert Anderson, Director of Public Works

Mr. Robert Anderson, Director of Public Works introduced Ms. Danielle Riffenburg as the City of Columbia 2015 Employee of the Year. Ms. Riffenburg was the September 2015 employee of the month. He said unless you've worked with her it is hard to describe her; she is set apart by her perfectionism.

Ms. Teresa Wilson, City Manager presented Danielle Riffenburg with a token of appreciation and Mayor Benjamin presented Danielle Riffenburg with a plaque for being selected as the City of Columbia 2015 Employee of the Year.

16. Centennial Park Project at Fort Jackson – Command Sergeant Major (R) Marty Wells, President of the Gateway to the Army Association

Command Sergeant Major (R) Marty Wells, President of the Gateway to the Army Association announced that May 27, 2017 will mark the 100th anniversary of Fort Jackson. He reported that since 1917, over five million Americans have been trained at Fort Jackson. He explained that Centennial Park will memorialize the past and serve as an education venue. It will be located near the post museum and the central feature will be a 20' granite statue of a male and female drill sergeant standing at attention and surrounded by an amphitheater. There will be a wartime theater memorial, the pathway of patriots; and seven covered pavilions for families to gather. He requested City Council support in the amount of \$500,000 over two to three years. The plan is to have the first phase completed in 2017. He announced that several yearlong events will kick-off in June 2016 leading up to the capstone event in June 2017. The total monetary and in-kind donations for this project are estimated at \$2.7 million.

Mayor Benjamin agreed to take this under advisement. He said this is a clear demonstration of our full commitment to seeing Fort Jackson continue to grow. He asked that staff come back with ideas as to how we can meet some of or the entire request.

17. Update on Lester Drive Traffic Counts – Mr. David Brewer, Traffic Engineer

Mr. David Brewer, Traffic Engineer recalled that staff was asked to review traffic volumes for the reopened portion of Lester Drive. He presented traffic counts from November 2015 and January 2016. He reported that 1,150 cars traveled down Lester Drive from Bayberry Mews and 500 of those cars continued down Lester Drive through High Circle. He reported that 500 cars come down Lester Drive from Bailey Street towards High Circle and the houses on High Circle generate another 250 cars coming out onto Beltline Boulevard. He added that approximately 400 cars go up Lester Drive towards Bayberry Mews.

CERTIFIED
A TRUE COPY

CITY CLERK

ZPH MN 01/19/2016 Page 5 of 15

Mr. Robert Anderson, Director of Public Works noted that Lester Drive and Bailey Street are owned by the City of Columbia, but Randolph Street and High Circle are owned by SCDOT. He recalled that there was a proposed roadway on property owned by the Two Notch Development Corporation along the railroad tracks, but the terrain is sloped making it costly to install the road.

Mayor Benjamin explained that this would be a separate route to the east of the property. He said that might not be the highest and best use of prospective funding. He expressed concerns with the traffic on Randolph Street. He asked if there are alternative ways to direct traffic directly onto Interstate 277.

Mr. David Brewer, Traffic Engineer said traffic would come out at 277 and Farrow Road. He agreed to ask SCDOT about accessing that property.

Councilor McDowell also expressed concerns about speeding on Randolph Street.

Ms. Regina E. Williams, Vice President of the Historic Booker Washington Heights Neighborhood Association said before Lester Drive was opened there were fifty cars traveling in that area; there is an increase of 600 to 700 cars based on a study from 1996. She suggested that the City of Columbia close Lester Drive.

Mr. David Brewer, Traffic Engineer agreed that there has been an increase in traffic.

Councilor Duvall asked if the City could close the road using §5-27-150.

Ms. Natalie Armstrong, Assistant City Attorney said City Council can decide to file a petition to close the road based on an articulable reason. She agreed to review the Code.

Ms. Katie Bolden pled with Council to do something with Lester Drive. She said drivers go around the speed humps and come into the yards; crime will increase; and the kids have no place to play. She sought Council's support for youth jobs.

Councilor Plough asked to be briefed at the next Executive Session on the closing, prohibiting thru-traffic and to see what relief they can bring to the residents on Randolph Circle.

Mayor Benjamin asked staff to start conversations with SCDOT and to receive advice from the Fire and Police Departments. He stated for the record that 500 youth were employed in the City of Columbia last summer and we will continue to do that.

CERTIFIED
A TRUE COPY

Eula D. Moore
CITY CLERK

ZPH MN 01/19/2016 Page 6 of 15

PUBLIC HEARING

ORDINANCES – FIRST READING

Council opened the Public Hearing at 7:01 p.m.

18. Ordinance No.: 2016-004 – Annexing 201 Club Ridge Road, Parcel A, (0.41 acres) 5W/5 Club Ridge Road and Parcel 8 (0.28 acres) 5W/5 Club Ridge Road, Richland County TMS # 28900-01-15 (p) – *Approved on first reading.*

No one appeared in support of or in opposition to this matter.

Upon a motion made by Ms. Plough and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-004 – Annexing 201 Club Ridge Road, Parcel A (0.41 acres) 5W/5 Club Ridge Road and Parcel 8 (0.28 acres) 5W/5 Club Ridge Road, Richland County TMS # 28900-01-15 (p).

19. Ordinance No.: 2016-005 – Annexing The Crossing at Woodcreek, Phases One and Two, Richland County TMS# 28910-04-01, 28910-04-02, 28910-04-03, 28910-04-04, 28910-04-05, 28910-04-06, 28910-04-07, 28910-04-08, 28910-04-09, 28910-04-10, 28910-04-11, 28910-04-12, 28910-04-13, 28910-04-14, 28910-04-15, 28910-04-16, 28910-04-17, 28910-05-01, 28910-05-02, 28910-05-03, 28910-05-04, 28910-05-05, 28910-05-06, 28910-05-07, 28910-05-08, 28910-05-09, 28910-05-10, 28910-05-11, 28910-05-12, 28910-05-13, 28910-05-14, 28910-05-15, 28910-05-16, 28910-05-17, 28910-05-18, 28910-05-19, 28910-05-20, 28910-05-21, 28910-05-22, 28910-05-23, 28910-05-24, 28910-05-25, 28910-05-26, 28910-05-27, 28910-05-28, 28911-04-02, 28911-05-01, 28911-05-02, 28911-05-03, 28911-05-04, 28911-05-05, 28911-05-06, 28911-06-01, 28911-06-02, 28911-06-03, 28911-06-04, 28911-06-05, 28911-06-06, 28911-06-07, 28911-06-08, 28911-06-09, 28911-06-10, 28911-07-01, 28911-07-02, 28911-07-03, 28911-07-04, 28911-07-05, 28911-07-06, and 28911-07-07 – *Approved on first reading.*

No one appeared in support of or in opposition to this matter.

CERTIFIED
A TRUE COPY
[Signature]
CITY CLERK

ZPH MN 01/19/2016 Page 7 of 15

Upon a motion made by Ms. Plough and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-005 – Annexing The Crossing at Woodcreek, Phases One and Two, Richland County TMS# 28910-04-01, 28910-04-02, 28910-04-03, 28910-04-04, 28910-04-05, 28910-04-06, 28910-04-07, 28910-04-08, 28910-04-09, 28910-04-10, 28910-04-11, 28910-04-12, 28910-04-13, 28910-04-14, 28910-04-15, 28910-04-16, 28910-04-17, 28910-05-01, 28910-05-02, 28910-05-03, 28910-05-04, 28910-05-05, 28910-05-06, 28910-05-07, 28910-05-08, 28910-05-09, 28910-05-10, 28910-05-11, 28910-05-12, 28910-05-13, 28910-05-14, 28910-05-15, 28910-05-16, 28910-05-17, 28910-05-18, 28910-05-19, 28910-05-20, 28910-05-21, 28910-05-22, 28910-05-23, 28910-05-24, 28910-05-25, 28910-05-26, 28910-05-27, 28910-05-28, 28911-04-02, 28911-05-01, 28911-05-02, 28911-05-03, 28911-05-04, 28911-05-05, 28911-05-06, 28911-06-01, 28911-06-02, 28911-06-03, 28911-06-04, 28911-06-05, 28911-06-06, 28911-06-07, 28911-06-08, 28911-06-09, 28911-06-10, 28911-07-01, 28911-07-02, 28911-07-03, 28911-07-04, 28911-07-05, 28911-07-06, and 28911-07-07.

Council closed the Public Hearing at 7:02 p.m.

ZONING PUBLIC HEARING

Council opened the Zoning Public Hearing at 7:02 p.m.

ANNEXATION, COMPREHENSIVE PLAN MAP AMENDMENT & ZONING MAP AMENDMENT – FIRST READING

20. 1850 Pineview Road, TMS#19000-01-03; request to annex, assign land use classification IND (Industrial), and zone the property M-1 (Light Industrial). The property is currently classified as Economic Development Center/Corridor and zoned GC (Commercial) in Richland County. – *Approved on first reading.*

Council District:	3
Proposal:	Annex, assign land use classification IND and zone the property M-1
Applicant:	Jeremy Wilson, Pineview Associates
PC Recommendation:	Approve (6-0); 12/07/15
Staff Recommendation:	Annex, assign IND Land Use Classification and M-1 Zoning

Ordinance No.: 2015-111 – Annexing and Incorporating 1850 Pineview Road, Richland County TMS #19000-01-03 into the Plan Columbia Land Use Plan Putting the Pieces Together adopted by Ordinance No.: 2015-014 on February 17, 2015 – *Approved on first reading.*

CERTIFIED
A TRUE COPY

Gula D. Moore
CITY CLERK

ZPH MN 01/19/2016 Page 8 of 15

Upon a motion made by Mr. Baddourah and seconded by Ms. Plaugh, Council voted unanimously to give first reading approval to the *Comprehensive Plan Map Amendment & Zoning Map Amendment* for 1850 Pineview Road, TMS#19000-01-03; request to annex, assign land use classification IND (Industrial), and zone the property M-1 (Light Industrial). The property is currently classified as Economic Development Center/Corridor and zoned GC (Commercial) in Richland County and Ordinance No.: 2015-111 – Annexing and Incorporating 1850 Pineview Road, Richland County TMS #19000-01-03 into the Plan Columbia Land Use Plan Putting the Pieces Together adopted by Ordinance No.: 2015-014 on February 17, 2015.

ZONING MAP AMENDMENT – FIRST READING

21. 1000/1010 Lady Street, 1218 Park Street, TMS#09013-09-01, -02, -22; request recommendation to rezone from M-1, -DD (Light Industrial, Design Development Overlay) to C-4, -DD (Central Area Commercial, Design Development Overlay). - *Denied*

Council District:	2
Proposal:	Rezone parcel from M-1, -DD to C-4, -DD
Applicant:	William H. Bailey
PC Recommendation:	Deny (7-2), 04/06/15
Staff Recommendation:	Approve

No one appeared in support of or in opposition to this matter.

Mayor Benjamin said we've endeavored to no avail to have a meeting of the minds between the parties. He asked staff to reach out to the developer and express an interest in seeing that parcel developed at its highest and best use.

Upon a motion made by Mayor Benjamin and seconded by Mr. McDowell, Council voted unanimously to deny approval of the *Zoning Map Amendment* for 1000/1010 Lady Street, 1218 Park Street, TMS#09013-09-01, -02, -22; request recommendation to rezone from M-1, -DD (Light Industrial, Design Development Overlay) to C-4, -DD (Central Area Commercial, Design Development Overlay).

22. 315 South Maple Street, TMS#11313-04-02; request to rezone from RS-3, CC-1 (Single Family Residential District, Community Character) to C-1 (Office and Institutional District). — *Consideration of this item was deferred on December 1, 2015. — This item was withdrawn from the agenda.*

Council District:	3
Proposal:	Rezone parcel from RS-3/CC1 to C-1
Applicant:	Michael Pate
PC Recommendation:	Deny (8-0), 08/03/15
Staff Recommendation:	Deny

CERTIFIED
A TRUE COPY

CITY CLERK

ZPH MN 01/19/2016 Page 9 of 15

ZONING MAP AND TEXT AMENDMENT -- FIRST READING

23. 1325 Park Street, TMS# 09013-12-09; request to rezone from C-4 (Central Area Commercial) to C-4, -DP (Central Area Commercial, Design Preservation). Amend Sec. 17-691 (c) to establish 1325 Park Street as a Group II individual historic landmark in the City of Columbia. -- *Approved on first reading.*

Council District:	2
Proposal:	Rezone parcel from C-4 to C-4, DP and Amend Chapter 17 -- Article V, Division 3 - §17-691 (c) to designate structure as a Group II Landmark
Applicant:	Krista Hampton, Director of Planning and Development Services
D/DRC Recommendation:	Approve (9-0); 11/12/15 Landmark Status
PC Recommendation:	Approve (6-0); 12/07/15
Staff Recommendation:	Approve

Ordinance No.: 2016-002 -- Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 1 7, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 4, Landmarks, Sec. 17-691 Buildings and sites list, (c), to add 1325 Park Street, TMS# 09013-12-09 -- *Approved on first reading.*

No one appeared in support of or in opposition to this matter.

Ms. Krista Hampton, Planning and Development Services Director explained that the property owner wants to pursue this designation, but there are no concrete plans at this time.

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to the *Zoning Map Amendment* for 1325 Park Street, TMS# 09013-12-09; request to rezone from C-4 (Central Area Commercial) to C-4, -DP (Central Area Commercial, Design Preservation). Amend Sec. 17-691 (c) to establish 1325 Park Street as a Group II individual historic landmark in the City of Columbia and Ordinance No.: 2016-002 -- Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 1 7, Planning, Land Development and Zoning, Article V, Historic Preservation and Architectural Review, Division 4, Landmarks, Sec. 17-691 Buildings and sites list, (c), to add 1325 Park Street, TMS# 09013-12-09.

Council closed the Zoning Public Hearing at 7:06 p.m.

CERTIFIED
A TRUE COPY

Gula D. Moore
CITY CLERK

ZPH MN 01/19/2016 Page 10 of 15

ORDINANCES – FIRST READING

24. Ordinance No.: 2016-003 – Granting encroachment to Lisa Hosti for installation and maintenance of an ornamental iron fence within the right of way area of the 2300 block of Blossom Street adjacent to her property located at 2303 Lowndes Street, Richland County TMS #1312-11-06 – *Approved on first reading.*

Upon a motion made by Mayor Benjamin and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-003 – Granting encroachment to Lisa Hosti for installation and maintenance of an ornamental iron fence within the right of way area of the 2300 block of Blossom Street adjacent to her property located at 2303 Lowndes Street, Richland County TMS #1312-11-06.

25. Ordinance No.: 2016-006 – Consenting to the Inclusion of Property in a Multi-County Industrial/Business Park (Dominion Carolina Gas Transmission, 121 Moore Hopkins Lane, Richland County TMS# 07309-02-06) – *Approved on first reading.*

Upon a motion made by Ms. Devine and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-006 – Consenting to the Inclusion of Property in a Multi-County Industrial/Business Park (Dominion Carolina Gas Transmission, 121 Moore Hopkins Lane, Richland County TMS# 07309-02-06).

RESOLUTIONS

26. Resolution No.: R-2016-003 – Authorizing the City Manager to execute a Release of Parking Restrictions between the City of Columbia and Devine Station, LLC for property known as 0.72 acres and 0.56 acres on northwestern corner of Maple Street and Devine Street – *Approved*

Upon a motion made by Mr. Baddourah and seconded by Ms. Devine, Council voted unanimously to approve Resolution No.: R-2016-003 – Authorizing the City Manager to execute a Release of Parking Restrictions between the City of Columbia and Devine Station, LLC for property known as 0.72 acres and 0.56 acres on northwestern corner of Maple Street and Devine Street.

CERTIFIED
A TRUE COPY

G. K. D. Moore
CITY CLERK

27. Resolution No.: R-2016-004 – Certifying Twelve (12) Building Sites as Abandoned Buildings Pursuant to the South Carolina Abandoned Buildings Revitalization Act, Title 12, Chapter 67, Section 12-67-100 et seq., of the Code of Laws of South Carolina (1976), as amended, regarding property located at 2150 Harden Street, Richland County TMS #11501-01-01(p)

Ms. Krista Hampton, Director of Planning and Development Services explained that the Legislature enacted a law providing a state income tax or property tax credit as an incentive for rehabilitating abandoned buildings. The amendment allowed for local government to certify that the structure and site meet the definition of abandoned. She stated that Clachan Properties, the proposed developer has asked City Council to certify the Babcock Building and associated buildings. She noted that the Hughes Development Company's Design Review Board has signed off on the application.

Upon a motion made by Ms. Devine and seconded by Mr. McDowell, Council voted unanimously to approve Resolution No.: R-2016-004 – Certifying Twelve (12) Building Sites as Abandoned Buildings Pursuant to the South Carolina Abandoned Buildings Revitalization Act, Title 12, Chapter 67, Section 12-67-100 et seq., of the Code of Laws of South Carolina (1976), as amended, regarding property located at 2150 Harden Street, Richland County TMS #11501-01-01(p).

28. Resolution No.: R-2016-005 – Repealing Resolution R-207 3-045 Setting a Policy that the City of Columbia will not Exceed Five (5%) of the Cross Revenue of the Water and Sewer System – *This item was withdrawn from the agenda.*

APPEAL HEARING

29. People for the Ethical Treatment of Animals (PETA) Parade Permit Appeal

Ms. Teresa Wilson, City Manager explained that the parade permit has been approved and the appeal is for the placement of a statue in the right of way.

Ms. Rosemary Thompson, Local Animal Advocate appealed to Council to allow PETA to place a mechanical life sized elephant in the right of way outside of the Colonial Life Arena during the circus on January 21-22, 2016 for two hours. She explained that the mechanical elephant would be manned by a PETA representative during that time. She said the sidewalk there is a lot larger than typical city sidewalks. She said there is little foot traffic on the sidewalk along Lincoln Street. The mechanical elephant is six feet tall and nine feet long.

Ms. Teresa Wilson, City Manager noted that there is a lot of construction going on in that area.

Mr. Temple Ligon told Ms. Thompson that Barnum and Bailey dropped the elephants last week and they are being placed in retirement.

Councilor Plough inquired about the objective for having the mechanical elephant.

CERTIFIED
A TRUE COPY
Teresa Wilson
CITY CLERK

ZPH MN 01/19/2016 Page 12 of 15

Ms. Rosemary Thompson, Local Animal Advocate said it provides education by telling a story about the life of a circus elephant.

Ms. Teresa Wilson, City Manager asked how sound is produced.

Ms. Rosemary Thompson, Local Animal Advocate said it will be controlled by a PETA representative through recordings; it doesn't speak continuously.

Mr. William "Skip" Holbrook, Columbia Police Chief said anyone has the right to assemble; the permit is used for planning purposes. The permit was approved with the caveat of not placing the apparatus where it obstructs the roadway or the sidewalk. Their request doesn't present imminent danger, but they want to deviate from the ordinance and Council will need to decide whether to allow that or not.

Mayor Benjamin made a motion to grant the appeal for Ellie the Elephant to be placed at a location at the discretion of the City Manager in consultation with the Police Chief and other staff.

The motion failed for the lack of a second.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations inquired about the amount of time needed for the setup and breakdown of the elephant.

Ms. Rosemary Thompson, Local Animal Advocate said she is unsure about the setup and breakdown of the elephant.

Mayor Benjamin said we have to be thoughtful careful about freedom of speech and the right to assemble.

Upon a motion made by Ms. Devine and seconded by Mr. Davis, Council voted five (5) to two (2) to support staff's denial of the request from PETA to place a mechanical elephant in the right of way. Voting aye were Mr. McDowell, Mr. Duvall, Mr. Baddourah, Ms. Devine and Mr. Davis. Voting nay were Ms. Plough and Mayor Benjamin.

CITY COUNCIL DISCUSSION / ACTION

30. Hospitality Tax Funding Requests – *Consideration of this item was deferred.*

- Columbia Classical Ballet
- Columbia Museum of Art
- Columbia Open Studios 2016
- Devine Street Merchants Association
- North Columbia Business Association
- Yellow Shirts Program

CERTIFIED
A TRUE COPY
Wika D. Heav
CITY CLERK

APPOINTMENTS

31. Bicycle Pedestrian Advisory Committee

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to appoint Ms. Julie Ann Hartwell to the Bicycle Pedestrian Advisory Committee.

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to authorize staff to re-open the application process for the Board of Zoning Appeals for a two-week period.

32. City Council Chambers / Reconfiguration of Desk – Mr. David Knoche, Director of General Services

Ms. Teresa Wilson, City Manager asked Council for direction on the location, date and time for work sessions. She said all of this will impact the proposal, because it will require additional renovations in Chambers.

Mr. David Knoche, Director of General Services presented a schematic of the proposed desk, which moves the center section back two feet. This is the same setup that was used in 1951. He explained that proposal one is to reconfigure the existing desk at a cost of \$12,540 or proposal two is to construct a new desk at a cost of \$14,198. He described options for enhancing the sound for Council members at a cost of \$3,208.

Mayor Benjamin said the genesis of the discussion is considering whether or not we move the work session upstairs.

Mr. David Knoche, General Services Director suggested that two 10'x4' conference tables be built for the work session in Council Chambers in the amount of \$3,235 and that sound be added to a table at a cost of \$5,717.

Mr. Aubrey Jenkins, Columbia Fire Chief said the capacity will be less than 250.

Councilor Duvall moved to adopt the proposal to reconfigure the existing desk with improved sound; authorize staff to build two tables for work sessions; and move work sessions upstairs when the renovations are complete.

Mr. David Knoche, General Services Director said it would cost \$24,790.

Mayor Benjamin suggested that the podium be lowered so that everyone can view the Council from around the room. He agreed with reconfiguring the dais. He suggested that Mr. Duvall, Ms. Devine and Mr. Baddourah meet to come up with recommendations for the reconfiguration of Council Chambers prior to the next Council Meeting.

CERTIFIED

A TRUE COPY

Julia D. Moore
CITY CLERK

ZPH MN 01/19/2016 Page 14 of 15

Ms. Teresa Wilson, City Manager suggested that funding come from the Council Contingency Fund.

Upon a motion made by Mr. Duvall and seconded by Mr. Baddourah, Council voted unanimously to cancel the Work Session scheduled for February 2, 2016.

CITY COUNCIL COMMITTEE REPORTS/REFERRALS

33. Administrative Policy Committee Report

Councilor Plough reported that the Administrative Policy Committee met on January 12, 2016 to review the suggested procedures and several items were held for discussion by Council.

Councilor Davis asked that the Economic and Community Development Committee review the updated Rental Housing Ordinance and then schedule a time to meet with the public.

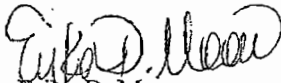
Mayor Benjamin clarified that the reopening of Lester Drive was pursuant to a court order and staff wasn't operating independently. He also encouraged everyone to read *Edwards vs. South Carolina* where a lawsuit was filed by approximately 187 students whose right to petition and right to assemble were violated.

APPEARANCE OF THE PUBLIC

No one appeared at this time.

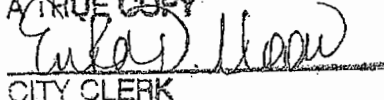
Upon a motion made by Mr. Baddourah and seconded by Mr. McDowell, Council voted unanimously to adjourn the meeting at 8:09 p.m.

Respectfully submitted by,



Erika D. Moore
City Clerk

CERTIFIED
A TRUE COPY


CITY CLERK



We Are Columbia

COLUMBIA CITY COUNCIL WORK SESSION MINUTES**TUESDAY, JUNE 21, 2016****CITY HALL - 1737 MAIN STREET - COUNCIL CHAMBERS - 3RD FLOOR**

The Columbia City Council held a Work Session on Tuesday, June 21, 2016 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 3:49 p.m. and the following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Moe Baddourah, The Honorable Howard E. Duvall and The Honorable Edward H. McDowell, Jr. The Honorable Leona K. Plaugh was absent. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

INVOCATION

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

Councilor Devine introduced summer interns Desjuan Winder, a sophomore at the University of North Carolina Charlotte and Markaisha Brannon, a sophomore at C.A. Johnson High School.

CITY COUNCIL DISCUSSION

1. Fiscal Year 2016/2017 Accommodations Tax and Hospitality Tax Funding Recommendations – Ms. Libby Gober, Assistant to City Council – *Please refer to Item 36.*

Ms. Libby Gober, Assistant to City Council reported that the spreadsheets were amended to reflect that hospitality tax funding for the Army Ball (\$10,000) and the Capital City Shag Club (\$2,500) was added back to the pot and the funding for Five Points was for last year. She noted that the spreadsheets include funding that was allocated to organizations at this time last year; this does not include additional allocations.

Mr. Hal Stevenson, Chair of the Accommodations Tax Advisory Committee said he visited with the Tourism Expenditure Review Committee (TERC) and they are very meticulous with their review of how funds are spent. He said the committee continued with its tradition of allocating funds to the Columbia Metropolitan Conventions and Visitors Bureau in the amount of \$1,706,000 and the Capital City Lake Murray Country Regional Tourism Board in the amount of \$290,000. He asked that the CVB also receive any surplus funds at the end of the fiscal year.

CERTIFIED**A TRUE COPY**
CITY CLERK



We Are Columbia

Councilor Devine agreed that the CVB needed additional funding in order to be competitive. She urged Council to work with the CVB and the County to expand the Convention Center.

Mr. John Whitehead, Chair of the Hospitality Tax Advisory Committee said it was impossible to keep organizations whole with a \$440,000 reduction in committee funding. He reported that eighty applications were reviewed. He asked that surplus funds be given to the committee in hopes of restoring funds to organizations where possible. He also asked that Council consider an annual percentage increase to the committee commensurate to tax base increases. The committee disbursed \$1,797,500, but did not fund runs and conventions.

Councilor Devine reported that the Columbia Museum of Art needs the five year commitment; however, they are amenable to two (2) funding scenarios. The first scenario is to fund \$125,000 for years one and two and \$250,000 for years three, four and five. This scenario would put \$75,000 back into the committee's pot. The second scenario is to fund \$100,000 for years one and two, \$250,000 for years three and four and \$300,000 for year five. This scenario puts \$100,000 back into the committee's pot.

Mr. Jeff Palen, Assistant City Manager for Finance and Economic Services / Chief Financial Officer reported that revenues are \$9.8 million and we are slightly ahead of budget. He projected that we could end the year with a few hundred thousand dollars in surplus hospitality tax funds, but we won't know until August or September.

Councilor Davis asked about organizations ability to automatically rollover unexpended funds.

Ms. Libby Gober, Assistant to City Council explained that organizations must request that funds be carried forward or their allocations will go back into the pot.

Mayor Benjamin recommended that Council adopt the committees' funding recommendations and endorse the second funding scenario for the Columbia Museum of Art, which will free up \$100,000. With the additional \$12,000, Council can send another \$112,000 to the committee. He asked to free up the Columbia City Ballet's \$50,000 allocation to be used for their entire season and not for a specific performance. As a matter of policy, he suggested that Council accept Chairman Whitehead's recommendation to index the committee's allocation along with the growth that we see in the fund. He said we will consistently look at opportunities to shift more of the General Fund dollars into arts funding. He recommended that Council also allocate surplus Hospitality Tax funds to the committee.

Councilor Duvall suggested that Council allocate \$200,000 to the Hospitality Tax Advisory Committee from the anticipated surplus funds for a total of \$312,000.

CERTIFIED

A TRUE COPY

W. D. Hearn
CITY CLERK



We Are Columbia

Mayor Benjamin also recommended that Council allow organizations to submit requests to roll over unexpended funds.

Councilor Devine thanked the committee for doing a great job with a difficult situation. She urged organizations not to rely upon additional allocations, because there may come a time when the City won't have the money. She said Council needs to also look at its process so that they aren't relying on additional funds either.

Councilor Davis expressed concerns about smaller organizations not being funded. He would like for these organizations to be given consideration.

There was a consensus of Council to vote on these matters during the evening Council Meeting.

2. Health Care Strategies Update – Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson – *Please refer to Item 37.*

Ms. Teresa Wilson, City Manager explained that the goal for today is to present findings and recommendations based on the things that we must do to reduce the City's liability in the future. She asked that Council take these scenarios in the vein of being able to sustain this City over time while knowing that we have very robust healthcare options for our employees. In addition to that we have carried our retirees and their dependents. This is not just for the City of Columbia; this is being discussed all across the country.

Councilor Duvall said he provided staff with a list of plan designs from major cities in South Carolina in hopes of sharing this information with Council. We have major decisions to make and it's our responsibility as elected officials to do what is necessary to sustain the City.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson explained that he will be presenting updated results from the GASB valuation, while remembering that the Defined Dollar Benefit (DDB) plan design was adopted in 2011 and confirmed in 2014. This means that the City's costs will be capped at a specified level toward retiree medical coverage. For pre-65 retirees the DDB is \$1,130 per month and \$830 for spouses. For post-65 retirees the DDB is \$300 per month and \$225 for spouses. He reported that as of June 30, 2015, the unfunded actuarial accrued liability (UAAL) was \$138.7 million and as of June 30, 2016 the UAAL was \$136.1 million. The annual Other Post-Employment Benefits (OPEB) cost or the annual expense that goes on the City's financial statements as of June 30, 2015 was \$10.7 million and it would decrease to \$9.7 million assuming that the DDB is maintained in 2016. If the DDB is not maintained, the annual OPEB costs would increase to \$15.4 million. He noted that for every \$10 million contributed to an irrevocable trust, the City's OPEB costs would decrease by \$450,000.

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK



We Are Columbia

He explained that if the DDB is eliminated, the City's AAL would increase by \$53.2 million to \$189.3 million and the annual OPEB cost would increase by \$5.7 million.

Mayor Benjamin noted that the City's actuarial accrued liability is \$100 million lower because of the action taken by Council.

Mr. Jeff Palen, Assistant City Manager for Finance and Economic Services / Chief Financial Officer reported that the City has \$52 million in its GASB account.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson continued to report the rates and contributions for 2017 if the cost share is maintained between the City and employees and retirees. He explained that by using the current experience, projecting to 2017 and maintaining the cost share, contributions would go up by 20.6% for actives and retirees. For active employees, a comparison of the monthly budget rates, employee contributions and the City's contribution per plan helps to determine the increase. He noted that pre-65 retirees contribute the same amount as active employees then the DDB is added on to determine the amount needed to maintain the City's cost share. Assuming there are no plan design changes, the premiums for the employee/pre-65 retiree only base plan increases by \$3.08; the core plan increases by \$7.51; and the buy-up plan increases by \$14.29. He reviewed the City's monthly costs per retiree and the plans and tiers along with the retiree contributions. He reported that shortfalls occur in the retiree and child coverage and retiree family coverage; therefore, the monthly contributions for pre-65 retirees will increase significantly in these areas.

Councilor Baddourah sought clarification on the need to increase the premiums for retirees.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson explained that retirees are currently paying a small percentage of the cost. He noted that the contribution increases will be significant initially, but they will start to decrease over time. He further noted that most retirees are enrolled in the buy-up plan, but they have the option to enroll in the core plan or the base plan to reduce their contribution increases.

Councilor Baddourah asked if it would help if the City increased the DDB.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson explained that from an accounting standpoint, changes to the DDB would appear as if the City has no intent to stand behind the plan design. He said the City's accrued liability would increase to \$189 million and the annual OPEB would increase to \$15.4 million.

GEN. INV. 11
 TRUE COPY
 [Signature]
 CITY CLERK



We Are Columbia

Councilor Baddourah said the premiums are up, because the cost of healthcare has increased. The City is not taking money away from retiree healthcare; even active employees are paying extra.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson said the City could consider modifying the plan design and that would bring down the cost of the plan and you could maintain the DDB. The plan would not be as rich as it is today, but the contribution increase would be lower. On the flip side, the retiree would pay more at the doctor; you either pay at the point of care or through your monthly contribution. He suggested that the retirees would prefer the contribution increases as opposed to the plan design changes. He asked if Council is willing to maintain the DDB and pass along the contribution increases. He presented a summary of contributions for 2017-2019, noting that the contributions increase significantly each year.

Councilor Baddourah inquired about the impact of increasing the DDB for spouses.

Ms. Melisa Caughman, Budget and Program Management Director explained that it would be the fourth time we've adjusted the DDB in five years.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson cautioned Council that by changing the DDB, the City would be subject to the auditor's opinion that you no longer have a DDB and your GASB costs would increase significantly. He said we could mitigate some future cost increases by changing the plan design. He recommended having one plan as opposed to three plans. The plan would have a \$1,500 deductible, \$6,000 out of pocket limit, 80% coinsurance, \$30/\$40 copays and \$10/\$30 prescription drug copays. This would maintain the cost share and retiree cost shares would mirror the active cost shares for the time being.

Councilor Duvall said we must get to significant changes in the plan design for the City of Columbia to be able to afford any of our employees' health coverage. We would have to raise the tax rate in order to maintain this type of benefit for our employees. He said we need to consider whether or not the City of Columbia needs to pay for spouse and family coverage; that is an unusual benefit. We need a Medicare advantage plan for post-65 retirees or we need to turn them loose as Greenville and Charleston has.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson clarified that for the post-65 plan, the City has a group Medigap plan that is fully insured and the City's costs follows the DDB. This plan also covers a spouse and family.

Councilor Duvall suggested that they look at a plan that is more affordable for the City instead of rearranging the current numbers.

ORIGINAL
A TRUE COPY
CITY CLERK
Columbia, SC
11/1/16



We Are Columbia

Councilor Devine said Council needs to decide if they want to look at that. She said this impacts the financial security of families within the City and we have employees who are barely making it now. I am not in favor of changes that will put current employees in a financial hardship.

Councilor Davis said there has been a question about the City's commitment or promise to employees and we've attempted to make that packet attractive and rewarding to those who've already made contributions to the system. If it wasn't for the system that I was in, I could imagine where I would be.

Councilor Duvall said we haven't discussed stretching out the requirements for retirement.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson presented the following alternatives that were previously considered. He explained that alternative one eliminates retiree medical for all employees hired after 2017. Alternative two eliminates retiree dependent coverage for employees hired after 2017. Both alternatives would take a significant amount of time for the City to see any relief in GASB expenses. Alternative three changes the age requirement for coverage for employees hired after 2017: age 55 and 20 years of service for Police and Fire personnel and age 55 and 28 years of service for other personnel. This would result in a gradual decrease in the City's annual OPEB costs, but it will take several years to materialize. Alternative five is to eliminate post-65 coverage for employees retiring in 2017. He noted that employees could go to a Medicare advantage plan or another plan from the individual Medicare market. This alternative would have a more immediate impact by reducing your AAL by \$14 million and the annual OPEB cost by \$1.4 million. He said alternative four removes the option to add dependents after retirement. He said this has no impact, because retirees would add dependents before they retire. He noted that alternative five impacts employees that retire in 2017 and after, but not current retirees. He further noted that retirees have access to Medicare at age 60. He said they were also asked to consider a retiree buy-out using the assets that you have today.

Councilor Duvall said Richland County switched to a Medicare advantage program and had a significant reduction in costs. We should look at something to reduce our costs.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson said you can switch to a Medicare advantage program and the premiums would come down. The retirees would benefit and the City's cost is the DDB.

Ms. Melisa Caughman, Budget and Program Management Director explained that we would maintain our DDB for post-65 retirees and any reduction would be on the retiree's contribution.

CERTIFIED
 A TRUE COPY
 [Signature]
 CITY CLERK



We Are Columbia

Ms. Pamela Benjamin, Human Resources Director acknowledged that the premiums for post-65 retirees have already increased significantly.

Mr. Mike Jones, ASA, MAAA, Senior Consultant for Willis Towers Watson said there is an opportunity to look an alternative way to deliver post-65 benefits and to save money for post-65 retirees. This will not generate money that the City can redeploy.

Councilor Duvall said we need to get the money into an irrevocable trust.

Mayor Benjamin said we need to maintain the DDB and look at how we handle new employees. He expressed concerns about the potential of shifting more costs onto employees and retirees. We haven't seen wages significantly increase for quite some time. We have to find more creative ways to grow our assets. I will not support changing the DDB or eliminating benefits for our employees, their children or their spouses. However, for new employees we need an attractive and sustainable package. We can look at reducing costs for post-65 retirees and a strategic approach to pre-65 buy-outs.

Councilor Davis said it makes sense to determine how we can accommodate new employees in terms of a recruitment package that is tied to the economy.

Ms. Pamela Benjamin, Human Resources Director reiterated Council's consensus to maintain the Defined Dollar Benefit with the reflective premium increases.

EXECUTIVE SESSION - Pursuant to S.C. Code §30-4-70(a)

Upon a motion made by Mr. Davis and seconded by Mr. Duvall, Council voted unanimously to enter into Executive Session at 5:37 p.m. for the discussion of Items 3 and 4, subject to adding the discussion of the employment of an employee in reference to Municipal Court Judges.

3. Receipt of legal advice which relates to matters covered by attorney-client privilege - S.C. Code §30-4-70(a)(2)
 - Smoke-free Medical District
 - Billboard Site
 - Abdullah v. City of Columbia
4. Discussion of negotiations incident to proposed contractual arrangements - S.C. Code §30-4-70(a)(2)
 - Ni-America / Sewer Service Area
 - Affordable Childcare
 - Request for Qualifications for Financing for Parking System/Garages

RECEIVED
 TRUE COPY
 City Clerk



We Are Columbia

Upon a motion made by Mr. Davis and seconded by Mr. Duvall, Council voted unanimously to adjourn the Executive Session at 6:20 p.m.

COLUMBIA CITY COUNCIL MEETING MINUTES

TUESDAY, JUNE 21, 2016

CITY HALL - 1737 MAIN STREET - COUNCIL CHAMBERS - 3RD FLOOR

The Columbia City Council conducted a Council Meeting and two (2) Public Hearings on Tuesday, June 21, 2016 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Stephen K. Benjamin called the meeting to order at 6:20 p.m. The following members of Council were present: The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Moe Baddourah, The Honorable Howard E. Duvall and The Honorable Edward H. McDowell, Jr. The Honorable Leona K. Plaugh was absent. Also present were Ms. Teresa Wilson, City Manager and Ms. Erika D. Moore, City Clerk. This meeting was advertised in accordance with the Freedom of Information Act.

Ms. Paisley Marie performed for the audience in honor of National Make Music Day.

PLEDGE OF ALLEGIANCE

Miss Lavona Austin, rising freshman at Dreher High School led the audience in the Pledge of Allegiance. Lavona is working as a summer intern in the City's Public Relations Department as part of the Columbia Urban League's Summer Work Experience Leadership Program (SWELP).

INVOCATION

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

ADOPTION OF THE AGENDA

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to adopt the agenda, subject to removing **Item 18** (*Ordinance 2016-042*) from the Consent Agenda.

PUBLIC INPUT RELATED TO AGENDA ITEMS

No one appeared at this time.

CERTIFIED
A TRUE COPY
Erika D. Moore
CITY CLERK



We Are Columbia

APPROVAL OF MINUTES

5. May 17, 2016 and June 7, 2016 Council Meeting Minutes - Approved

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to approve the May 17, 2016 and June 7, 2016 Council Meeting Minutes.

CONSENT AGENDA

Upon a single motion made by Mr. Baddourah and seconded by Ms. Devine, Council voted unanimously to approve the **Consent Agenda Items 6 through 17, 19 and 20.**

CONSIDERATION OF BIDS and AGREEMENTS

6. Council is asked to approve the Purchase of Fourteen (14) Edge in Car Systems and Accessories for the Columbia Police Department, as requested by the General Services Department. Award to Coban Technologies, Inc., using the SC State Contract in the amount of \$74,456.63. This vendor is located in Houston, TX. *Funding Source: Capital Replacement/Computer Equipment Hardware, 6308972-627500 - Note: The original budgeted amount is \$74,456.63. - Approved*
7. Council is asked to approve the Renewal of Workers' Compensation Excess Loss Insurance Coverage effective July 1, 2016 through June 30, 2017, as requested by the Risk Management Division. Award to NY Marine & General Insurance Company in the amount of \$62,813.00. This vendor is located in New York, NY. *Funding Source: Workers' Comp Administration, 6098939/636200 Insurance and Bonding - Approved*
8. Council is asked to approve the 2016/2017 National Pollutant Discharge Elimination System (NPDES) Testing and Sludge Cake Testing for the City's Metro Wastewater Treatment Plant, as requested by the Utilities and Engineering Department. Award to Rogers & Callcott in the amount of \$50,088.60. This firm is located in Columbia, SC. *Funding Source: Metro Wastewater Treatment Plant Fiscal Year 2016/2017 Operating Budget 5516208-638305 contingent upon budget approval. The original budgeted amount is \$50,000.00. - Approved*

CERTIFIED
A TRUE COPY

W. K. D. Moore
CITY CLERK



We Are Columbia

9. Council is asked to approve Project SS7378; Flood Repairs at Caughman Road, as requested by the Utilities and Engineering Department. Award to G.H. Smith Construction, the lowest and responsive bidder in the amount of \$100,500.00. This firm is located in Columbia, SC. *Funding Source: Operating Maintenance Fund, 5516205-538400* – *Note: This is a Clean Water 2020 Program Project and a SC Severe Storms and Flooding 2015 Project / FEMA DR4241/DR3373. The original budgeted amount is \$150,000.00. The following sub-consultants will receive \$20,000.00(19.9%) of the contract value. - Approved*

Sub-consultants	Locations	Services	Contract %	Amount
Fortline Waterworks	Columbia, SC	Pipe/casing	9.95%	\$10,000.00
Concrete Supply	Columbia, SC	Flow Fill	9.95%	\$10,000.00

10. Council is asked to approve an Emergency Project for Construction Administration and Inspection Services at Crane Creek, as requested by the Utilities and Engineering Department. Award to Michael Baker International in the amount of \$529,006.54. This firm is located in Columbia, SC. *Funding Source: 5529999-SS695401-638400* – *Note: This is a Clean Water 2020 Program Project and a SC Severe Storms and Flooding 2015 Project / FEMA DR4241/DR3373. The original budgeted amount is \$631,913.00. The following sub-consultants will receive \$128,072.00(24.3%) of the contract value. - Approved*

Sub-consultants	Locations	Services	Contract %	Amount
Hazen & Sawyer	Columbia, SC	Engineering Support; Damage Sewer System Repairs, technical specification, opinion of cost development of front/end bidding, bidding assistance and bid document interpretation	18.2%	\$96,054.00
Case Consulting (MBE)	West Columbia, SC	Construction Administration, Site visits, field observation and monitoring	3.5%	\$18,518.00
Steadman & Associates	Columbia, SC	Surveying	2.6%	\$13,500.00

11. Council is asked to approve an Agreement for Sanitary Sewer Projects, as requested by the Utilities and Engineering Department. Award to the Home Owners Association of Lake Katharine, Inc. in an amount not to exceed \$390,000.00. This firm is located in Columbia, SC. – *Note: This project will be funded by CIP Project SS7261. The original budgeted amount is \$390,000.00. - Approved*

CERTIFIED

A TRUE COPY

G. D. Hoar
CITY CLERK



We Are Columbia

12. Council is asked to approve Project WM4336: Water Main Construction along Rose Drive, Kolob Street, Nephi Street, Edmond Drive, Lotus Street and Hibiscus Street, as requested by the Utilities and Engineering Department. Award to G.H. Smith Construction, the lowest responsive bidder in the amount of \$888,381.00. This firm is located in Columbia, SC. *Funding Source: Water Improvements, 5529999-WM433601-658650* – *Note: This is a Mentor Protégé Program Project. Lake Murray Utility of Chapin, SC is the Protégé and will implement \$161,676.20 (20%) of the contract value. The original budgeted amount is \$898,000.00 in the Fiscal Year 2015/2016 CIP. The following sub-consultants will receive \$305,000.00(37%) of the contract value. - Approved*

Sub-consultants	Locations	Services	Contract %	Amount
Fortiline Waterworks	Columbia, SC	Pipe/casing	19%	\$155,000.00
Concrete Supply	Columbia, SC	Flow Fill	15%	\$125,000.00
Lane Construction	West Columbia, SC	Asphalt paving	3%	\$25,000.00

13. Council is asked to approve Project SS6966(17): Annual Pipe Rehabilitation Contract Extension, as requested by the Utilities and Engineering Department. Award to Inland Pipe Rehabilitation, the lowest responsive bidder in the amount of \$4,500,000.00. This firm is located in Stone Mountain, GA. *Funding Source: Sanitary Sewer Improvement Fund 5529999-658650-contingent upon budget approval* – *Note: This is a Mentor Protégé Program Project. Holzheimer Construction of Gilbert, SC is the Protégé and will implement no less than 20% of the contract value. The original budgeted amount is \$4,500,000.00 in the Fiscal Year 2016/2017 Capital Improvement Program. - Approved*

ORDINANCES – SECOND READING

14. Ordinance No.: 2016-023 – Granting encroachment to St. Luke Lutheran Church for directional signs on the southwest corner of Whaley Street and Wayne Street – *First reading approval was given on June 7, 2016. - Approved on second reading.*
15. Ordinance No.: 2016-028 – Granting an encroachment to the University of South Carolina for the use of the right of way areas of the 600 and 700 blocks of Park Street for installation and maintenance of bollards, parking spaces, accessible ramp with handrails, irrigation, curbing, gutters and sidewalks adjacent to the Carolina Coliseum at 701 Assembly Street, Richland County TMS #08915-08-01 – *First reading approval was given on June 7, 2016. - Approved on second reading.*

CERTIFIED

A TRUE COPY

CITY CLERK



We Are Columbia

16. Ordinance No.: 2016-029 – Granting an encroachment to the Knights of Columbus for installation and maintenance of brick pavers and sod within the right of way area of the 1600 block of Marion Street adjacent to its building at 1623 Marion Street, Richland County TMS #09014-05-05 – *First reading approval was given on June 7, 2016. - Approved on second reading.*
17. Ordinance No.: 2016-030 – Granting an encroachment to Seth Thorp and Mae Young for installation and maintenance of a wrought iron fence within the right of way area of the 1800 block of Combahee Avenue adjacent to 329 Edisto Avenue, Richland County TMS #11311-01-02 – *First reading approval was given on June 7, 2016. - Approved on second reading.*
18. Ordinance No.: 2016-042 (Revised) – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article I, In General, Article II, Mayor and Council, Article III, Officers and Employees and Article 1, Procurement – *First reading approval was given on June 7, 2016 as amended. - Approved on second reading as amended.*

Upon a motion made by Mr. McDowell and seconded by Mr. Baddourah, Council voted unanimously to give second reading approval to Ordinance No.: 2016-042 – Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 2, Administration, Article I, In General, Article II, Mayor and Council, Article III, Officers and Employees and Article 1, Procurement as revised and subject to amending Section 2-7. Mayor Pro Tempore by deleting the words "following a general election for the council" so that the section reads, "At the first council meeting in January the council shall elect one member of their body as mayor pro tempore to serve as such for one year..."

ANNEXATION, COMPREHENSIVE PLAN MAP AMENDMENT & ZONING MAP AMENDMENT – SECOND READING

19. 825 Abernathy Street and 7660- Garners Ferry Road, TMS#16314-01-02 and 16314-01-03; request to annex, assign land use classification Community Activity Corridor (AC-2) and assign zoning of RG-2 (General Residential). The property is currently classified as undeveloped and zoned GC (General Commercial) in Richland County. – *The Public Hearing was held on May 17, 2016. First reading approval was given on June 7, 2016. - Approved on second reading.*

CERTIFIED
A TRUE COPY

Wanda D. Hearn
CITY CLERK



We Are Columbia

Council District: 3
Proposal: Annex, assign land use classification AC-2 and zone property RG-2
Applicant: Shandon Terrace, LLC
PC Recommendation: Approve (6-0); 03/07/16
Staff Recommendation: Annex, assign AC-2 Land Use Classification and RG-2 Zoning

Ordinance No.: 2016-021 – Annexing and Incorporating 825 Abernathy Street and 7660 Garners Ferry Road, Richland County TMS #16314-01-02 and 16314-01-03 into the Plan Columbia Land Use Plan Putting the Pieces Together adopted by Ordinance No.: 2015-014 on February 17, 2015 Abernathy 7660 Garners Ferry – *The Public Hearing was held on May 17, 2016. First reading approval was given on June 7, 2016. - Approved on second reading.*

EVENT RESOLUTIONS

20. Resolution No.: R-2016-041 – Authorizing consumption of beer and wine beverages only at Vista Bike Night Fundraiser for Camp Kemo on July 20, 2016 - *Approved*

PRESENTATIONS

21. Introduction of the June 2016 Employee of the Month – Columbia Police Chief William "Skip" Holbrook

Deputy Police Chief Melron Kelly, Columbia Police Department introduced Sergeant Eric S. Murphy as the June 2016 Employee of the Month. He described Sergeant Murphy as a 19-year veteran who has been around the department since he was in middle school. He said that Sergeant Murphy always presents himself in a pleasant, friendly and self-confident manner.

Mayor Benjamin presented Sergeant Eric S. Murphy with a plaque and City Manager Teresa Wilson presented Sergeant Eric S. Murphy with a token of appreciation for being selected as the City of Columbia June 2016 Employee of the Month.

Mayor Benjamin presented Ms. Chanique Belton, Senior Executive Assistant / Scheduler for the Office of the Mayor with a 5-Year Service Pin.

CERTIFIED
A TRUE COPY
Lula D. Moore
CITY CLERK



We Are Columbia

22. South Carolina Cornbread Festival Update – Ms. Sabrina Odom, Executive Director of the North Columbia Business Association

Ms. Sabrina Odom, Executive Director of the North Columbia Business Association thanked Council for their support of the annual scholarship pageant and the Cornbread Festival that started four years ago in an effort to revitalize the North Main corridor; attract tourists; and support small businesses. She said the festival also brings awareness to serious social issues that negatively impact our community. She said they partnered with the South Carolina Coalition Against Domestic Violence this year. She introduced Miss Thomasena Thomas as the 2016 Miss South Carolina Pearls Queen. She will be participating in the 2017 Miss South Carolina Pageant.

Miss Thomasena Thomas, Miss SC Pearls Cornbread Festival Queen told Council that pageant brought awareness to domestic violence and her platform was entrepreneurship. At the age of 16, she owns Fairy Cakes SC, which is a gourmet cupcake and confectionary company located in Florence, South Carolina. She brought red velvet cupcakes for Council members to sample along with her business proposal. Through a partnership with local schools, the company has twelve employees and twelve interns that will work on commission to learn more about customer service and business. For more information visit www.fairycakesc.com.

23. Columbia Jewish Heritage Initiative – Ms. Robin Waites, Executive Director of the Historic Columbia Foundation

Ms. Robin Waites, Executive Director of the Historic Columbia Foundation presented the Columbia Jewish Heritage brochure. She said they worked with a variety of partners to collect and preserve local Jewish history. It began with a baseline study and conversations with Jewish members of the community. She announced that the first phase of the web based tour was unveiled this week. Ms. Joann Turnquist, Executive Director of the Central Carolina Community Foundation donated \$20,000 through a Connected Communities Grant and the City of Columbia matched that grant. She reported that in year one, they recorded and transcribed fifteen oral histories, collected over 200 photographs, reached over 10,000 people, and reached over 800 students in Richland School District One. In year two we look forward to building on this success.

Mayor Benjamin took a point of personal privilege to recognize Ms. Danielle Gadow, the former Executive Director of the Columbia Downtown Business Association. He said she played a role in introducing him to what it meant to have a strong and vibrant downtown. Ms. Gadow is here with her son, who is working to earn a Boy Scout merit badge.

CERTIFIED

A TRUE COPY

Tula D. Moore
CITY CLERK



We Are Columbia

PUBLIC HEARINGS

RESOLUTION

24. Resolution No.: R-2016-035 – Designating Wheeler Hill Neighborhood as a Residential Parking Permit District - *Approved*

Council opened the Public Hearing at 6:43 p.m.

No one appeared in support of or in opposition to this matter.

Council closed the Public Hearing at 6:43 p.m.

Upon a motion made by Mr. Baddourah and seconded by Mr. McDowell, Council voted unanimously to approve Resolution No.: R-2016-035 – Designating Wheeler Hill Neighborhood as a Residential Parking Permit District.

ORDINANCE – FIRST READING

25. Ordinance No.: 2016-041 – Granting a Franchise to Keyser Concessions, LLC for operation of a stationary sidewalk vending cart on the northwest corner of Main Street and Washington Street- *Approved on first reading.*

Council opened the Public Hearing at 6:44 p.m.

No one appeared in support of or in opposition to this matter.

Council closed the Public Hearing at 6:44 p.m.

Upon a motion made by Mr. Baddourah and seconded by Mr. McDowell, Council voted unanimously to give first reading approval to Ordinance No.: 2016-041 – Granting a Franchise to Keyser Concessions, LLC for operation of a stationary sidewalk vending cart on the northwest corner of Main Street and Washington Street.

CERTIFIED
A TRUE COPY

CITY CLERK



We Are Columbia

OTHER MATTERS

26. Council is asked to approve a Certificate of Convenience and Necessity, as requested by the Business License Division. Award to Mr. Harry T. Chatman, Sr. doing business as Chatman Luxury Cab Company located 7032 Claudia Drive, Columbia, SC 29223 – *Note: The applicant is planning to place one (1) taxi into service and will add additional taxis at a later date. – This item was withdrawn from the agenda.*

BUDGET ORDINANCE – SECOND READING

27. Ordinance No.: 2016-036 – To Raise Revenue and Adopt the Budget for the City of Columbia, South Carolina, for the Fiscal Year ending June 30, 2017 – *First reading approval was given on June 7, 2016. This ordinance includes the following budgets. - Approved on second reading as amended.*

Proposed Operating Budgets

General Fund	Parking Fund
Water & Sewer Fund	Hospitality Tax Fund
Storm Water Fund	Accommodations Tax Fund

Proposed Capital Improvement Programs

Water and Sewer
Storm Water
Parking

Fiscal Year 2016/2017 Budget and Capital Improvement Program Revisions

Mr. Baddourah moved approval of Ordinance No.: 2016-036 – To Raise Revenue and Adopt the Budget for the City of Columbia, South Carolina, for the Fiscal Year ending June 30, 2017. The motion was seconded by Mr. Duvall.

Councilor Devine asked if the water and sewer budget that was passed last week was in balance.

Ms. Melisa Caughman, Budget and Program Management Director said the budget was approved without the rate increase and we've come back with a budget that reflects that.

Mayor Benjamin asked to discuss our plans for water and sewer improvements as a result of not passing the increase.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations asked the Director of Utilities and Engineering to describe the changes that helped to reduce the Capital Improvement Program from \$140 million to \$120 million.

CERTIFIED

A TRUE COPY

CITY CLERK



We Are Columbia

Mr. Joey Jaco, Director of Utilities and Engineering explained that the wastewater capital improvement projects are budgeted at \$80 million and the water capital improvement projects were reduced from \$60 million to \$40 million. He reported that the AMR/AMI project was reduced to \$2 million and the following projects were deferred: the next phase of the Chapin expansion project, expansion project WM3767 in the Rimer Pond Road area, and the Horseshoe Pump Station improvements.

Mayor Benjamin said this will cause our revenues to go down and we should expect to hear from home builders.

Mr. Joey Jaco, Director of Utilities and Engineering acknowledged that the deferral of these projects may impact some developments. He said we kept the Longtown Road expansion project which is in an area that has pending developments. He said he isn't aware of any project that is being held as a result of this. We are in the process of collecting easements for all of these projects and if we get projects ready to bid, we will bid them. He continued to report that they eliminated the unforeseen budget and they will transfer savings to that account.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations stated that we met with developers that are relying on water projects to move forward. She agreed that Council may hear from developers. She noted that developers can choose to expand lines themselves.

Mayor Benjamin asked the City Attorney if the changes made to the hospitality tax allocations need to be a part of this motion.

Ms. Melisa Caughman, Budget and Program Management Director said yes although you are not changing the amount in the budget; you are reallocating within the fund.

Mayor Benjamin clarified that Council authorized the allocation of an additional \$312,000 to the Hospitality Tax Advisory Committee to make appropriations to prospective groups.

Councilor Devine asked that the groups that were subject to the 10% loss be kept whole.

Ms. Melisa Caughman, Budget and Program Management Director clarified that the \$200,000 would be surplus funds in the 2016/2017 budget and the Hospitality Tax budget is now \$11,039,000.

Councilor Devine asked if the Water and Sewer Fund is being amended from the last vote.

Mayor Benjamin said the motion is to adopt Ordinance No.: 2016-036, as amended.

CERTIFIED
A TRUE COPY
CITY CLERK
[Signature]



We Are Columbia

Councilor Devine said she will vote in favor of this since all of the budgets are combined. She said she would not vote in favor of the Water and Sewer budget if it were separate. She said the reduction is short sighted and it prohibits us from doing the things we need to be doing.

Mayor Benjamin said there are real implications to our decisions and we will be limiting our expansion in the two fastest growing areas of the region for this system. It is short sighted and it's misguided. I will vote for the budget, but it's the wrong decision to make.

Councilor Davis said he will be voting for this version of the budget, because it doesn't contain the back to back rate increases.

Mayor Benjamin noted that projections show a double-digit increase next year.

Upon a motion made by Mr. Baddourah and seconded by Mr. Duvall, Council voted unanimously to give second reading approval to Ordinance No.: 2016-036 – To Raise Revenue and Adopt the Budget for the City of Columbia, South Carolina, for the Fiscal Year ending June 30, 2017 to include the \$120,000 Water and Wastewater Capital Improvement Program as amended; with an additional \$312,000 allocation to the Hospitality Tax Advisory Committee and groups that were subject to the 10% loss will be kept whole.

ZONING MAP AMENDMENT – SECOND READING

28. 1829, 1859 and 1863 West Buchanan Drive; TMS#13907-03-28, -29, and -30; request to rezone from RS-1 (Single-Family Residential) to RS-2 (Single-Family Residential). – Public Hearing was held on May 17, 2016. – *Public Hearing was held on May 17, 2016. First reading approval was given on June 7, 2016 by a vote of four (4) to one (1). – Approved on second reading by a vote of four (4) to two (2).*

Council District:	4
Proposal:	Rezoning parcels from RS-1, -FP to RS-2, -FP
Applicant:	John B. Blackmon
PC Recommendation:	Approve (7-0), 03/7/16
Staff Recommendation:	Deny

Councilor Baddourah said that the Director of the Gills Creek Watershed opposed this rezoning and staff's recommendation is also to deny. He said there is going to be an issue with the drainage and I can't support it.

CERTIFIED

A TRUE COPY

Erika D. Hoar
CITY CLERK



We Are Columbia

Upon a motion made by Mr. Duvall and seconded by Mr. Davis, Council voted four (4) to two (2) to give second reading approval to the Zoning Map Amendment for 1829, 1859 and 1863 West Buchanan Drive; TMS#13907-03-28, -29, and -30; request to rezone from RS-1 (Single-Family Residential) to RS-2 (Single-Family Residential). Voting aye were Mr. McDowell, Mr. Duvall, Ms. Devine and Mr. Davis. Mr. Baddourah and Mayor Benjamin voted nay.

ORDINANCES – FIRST READING

29. Ordinance 2016-043 – Granting an Easement to South Carolina Electric & Gas Company (SCE&G) along a portion of City-owned property identified as Richland County TMS# 22906-04-22 (North Springs Water Pump Station Site, 808 North Springs Road) for utilities to serve the North Springs Road (S40-1834) and Risdon Way Intersection Improvements Project; CF#250-399 - *Approved on first reading.*

Upon a motion made by Mr. Baddourah and seconded by Mr. Davis, Council voted unanimously to give first reading approval to Ordinance 2016-043 – Granting an Easement to South Carolina Electric & Gas Company (SCE&G) along a portion of City-owned property identified as Richland County TMS# 22906-04-22 (North Springs Water Pump Station Site, 808 North Springs Road) for utilities to serve the North Springs Road (S40-1834) and Risdon Way Intersection Improvements Project; CF#250-399.

30. Ordinance No.: 2016-044 – Granting an encroachment to Kristine Moore and Richard Moore for installation and maintenance of a concrete and brick driveway and landscaping within the right of way area of the 3400 block of Heyward Street adjacent to property located at 3404 Heyward Street, Richland County TMS #11405-14-17- *Approved on first reading.*

Upon a motion made by Mayor Benjamin and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-044 – Granting an encroachment to Kristine Moore and Richard Moore for installation and maintenance of a concrete and brick driveway and landscaping within the right of way area of the 3400 block of Heyward Street adjacent to property located at 3404 Heyward Street, Richland County TMS #11405-14-17.

31. Ordinance No.: 2016-045 – Annexing The Village, Phase 1A at 9 South Olmsted Lane and 13 South Olmsted Lane Richland County TMS # 28902-14-01 and 28902-14-02- *Approved on first reading.*

CERTIFIED

A TRUE COPY

T. K. D. Moore
CITY CLERK



We Are Columbia

Upon a motion made by Mr. Duvall and seconded by Mr. Baddourah, Council voted unanimously to give first reading approval to Ordinance No.: 2016-045 – Annexing The Village, Phase 1A at 9 South Olmsted Lane and 13 South Olmsted Lane Richland County TMS # 28902-14-01 and 28902-14-02. Mayor Benjamin abstained from voting due to a potential conflict of interest.

32. Ordinance No.: 2016-047 – Annexing 1104 Deepark Drive, Richland County TMS #28900-01-41 - *Approved on first reading.*

Upon a motion made by Mr. Duvall and seconded by Ms. Devine, Council voted unanimously to give first reading approval to Ordinance No.: 2016-047 – Annexing 1104 Deepark Drive, Richland County TMS #28900-01-41. Mayor Benjamin abstained from voting due to a potential conflict of interest.

33. Ordinance No.: 2016-048 – Authorizing the City Manager to execute a Lease between the City of Columbia and the Catholic Charities of the Diocese of Charleston, Inc. for 1219 Laurel Street (Clean of Heart) - *Approved on first reading.*

Upon a motion made by Mr. Baddourah and seconded by Mr. Duvall, Council voted unanimously to give first reading approval to Ordinance No.: 2016-048 – Authorizing the City Manager to execute a Lease between the City of Columbia and the Catholic Charities of the Diocese of Charleston, Inc. for 1219 Laurel Street (Clean of Heart).

RESOLUTION

34. Resolution No.: R-2016-045 – Release and Abandonment of the City's Existing 80' Access Easement along a portion of Richland County TMS #14600-03-64 near the Killian Road Tank Site; CIP Project #WM4113; CF#220-313 - *Approved*

Upon a motion made by Ms. Devine and seconded by Mr. Duvall, Council voted unanimously to approve Resolution No.: R-2016-045 – Release and Abandonment of the City's Existing 80' Access Easement along a portion of Richland County TMS #14600-03-64 near the Killian Road Tank Site; CIP Project #WM4113; CF#220-313.

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK



We Are Columbia

APPOINTMENTS35. Climate Protection Action Committee

Upon a motion made by Mr. Baddourah and seconded by Mr. Davis, Council voted unanimously to give first reading approval to appoint Mr. Hernan A. Villalba to the Climate Protection Action Committee.

Upon a motion made by Mr. McDowell and seconded by Mr. Duvall, Council voted unanimously to affirm that the Chair of the Climate Protection Action Committee will prospectively be a citizen elected from the body of those appointed by City Council.

CONSIDERATION OF MATTERS DISCUSSED DURING THE WORK SESSION36. Fiscal Year 2016 / 2017 Accommodations Tax and Hospitality Tax Funding Recommendations – Please refer to Item 1 and Item 27.

Upon a motion made by Mayor Benjamin and seconded by Ms. Devine, Council voted unanimously to approve the Hospitality Tax and Accommodations Tax funding recommendations from the committees with the following amendments:

- (i) Appropriate an additional \$312,000 for committee allocations;
- (ii) Amend the commitment to the Columbia Museum of Art to fund \$100,000 for years one and two; \$250,000 for years three and four; and \$300,000 for year five for a total amount of \$1 million;
- (iii) Remove the restriction from the \$50,000 allocated to the Columbia City Ballet so that it is not for a specific performance; and to
- (iv) Direct staff to index hospitality tax committee allocations and look at more hospitality tax collections going to arts organizations.

37. Health Care Strategies Update – Please refer to Item 2.

A motion was made by Mr. Baddourah to approve the existing Defined Dollar Benefit. It was seconded by Ms. Devine.

Councilor Duvall said he plans to vote no on this as a protest for the lack of decision that will get the City of Columbia on the right track as a course for handling the cost of our retirees' benefits.

Councilor McDowell made a motion to defer action on the Defined Dollar Benefit.

CERTIFIED

A TRUE COPY

Erika D. Moore
CITY CLERK



We Are Columbia

Ms. Pamela Benjamin, Human Resources Director explained that a vote is needed on the Defined Dollar Benefit (DDB), because it has to be maintained to reduce the GASB liability. This impacts our actuarial, which is based on a fiscal year. She said any plan design changes would need to be made prior to our open enrollment in October for the plan to start in January.

Mayor Benjamin said the admonition from our consultant relating to the Defined Dollar Benefit was crystal clear and it would be a mistake not to understand that. We should continue our other discussions in an active and formal process over the next several months.

Ms. Teresa Wilson, City Manager recalled the consultant's correlation between maintaining the DDB and the premium increases for retirees and dependents. She asked if Council will be voting on those premium changes for retirees and dependents, by maintaining the DDB.

Ms. Pamela Benjamin, Human Resources Director said yes, they could.

Mr. Baddourah said he is not comfortable with that.

Ms. Teresa Wilson, City Manager asked if Council can vote to maintain the DDB and then we can come back with plan design changes to include the premiums.

Ms. Pamela Benjamin, Human Resources Director said as long as we maintain the DDB, there are lots of levels of flexibility to change things. It's clear that the suggestions keep us within sustaining the DDB and if we don't we will incur additional liabilities.

Mr. McDowell withdrew his motion to defer action on the Defined Dollar Benefit.

Upon a motion made by Mr. Baddourah and seconded by Ms. Devine, Council voted five (5) to one (1) to approve maintaining the existing Defined Dollar Benefit. Voting aye were Mr. McDowell, Mr. Baddourah, Ms. Devine, Mr. Davis and Mayor Benjamin. Mr. Duvall voted nay.

OCTOBER 2015 HISTORIC FLOOD RECOVERY UPDATE – Ms. Keely Thibodeaux, AIA, PMP, Principal for Landmark Consulting

Ms. Teresa Wilson, City Manager reported that we are moving along very well with the flood recovery and we want to give an update on our efforts.

CERTIFIED
A TRUE COPY
Gilda D. Moore
CITY CLERK



We Are Columbia

Ms. Keely Thibodeaux, AIA, PMP, Principal for Landmark Consulting outlined the funding sources that are currently being managed. She announced that the City received a 25% match from the State for the Public Assistance portion of work on large projects. She reviewed the grant management status for FEMA, while noting that the bulk of the City's projects are in the final review stage and ready to be obligated. She noted that there is \$67 million worth of requests on the FEMA side. The 25% State match has an estimated value of \$16.26 million and this cost share was originally going to be borne by the City. She noted that these are estimates that will become more finite as we get through design and construction. She reported that the City initially submitted \$100 million worth of requests for FEMA 404 Mitigation. Approval has been received to move forward into the full application phase with eight (8) of the projects. She noted that the requests total \$57.5 million, but the State only has \$36 million available.

Mr. Fred Tombar, Senior Vice President for Government Services for the Plexos Group said he is leading the task to help develop the City's action plan for the use of \$19.9 million in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds. He reported that Department of Housing and Urban Development (HUD) recently released the rules for this grant and it will become effective on June 22, 2016. He reported that HUD is now requiring the City to perform a risk analysis and we are engaged in a data and document collection process to develop that plan.

Councilor Duvall inquired about the types of risks that are being analyzed.

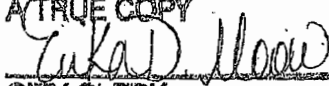
Mr. Fred Tombar, Senior Vice President for Government Services for the Plexos Group said the analysis will focus on operations and procedures. He continued to report that the action plan must be submitted to HUD within 30 days and HUD gives itself at least 45 days for approval. He explained that the CDBG-DR grant activities must comply with one of HUD's national objectives for the CDBG. He further explained that disaster recovery funds are given by Congress and the money must be used to address an unmet need from the specific disaster event. He said the most sacrosanct rule in disaster recovery funding is the prohibition against duplication in benefits. First, this requires that the value of private insurance proceeds be determined; subsequently there is a layering of federal funds starting with FEMA; and afterwards HUD provides gap funding. He said we have to determine where there are unmet needs and only those needs can be addressed with CDBG-DR funds.

Councilor Duvall inquired about mitigation funds that can be used to buy properties from home owners and businesses. He asked if this is eligible for HUD funds.

Mr. Fred Tombar, Senior Vice President for Government Services for the Plexos Group suggested that the City use the 404 Mitigation funds for that if the State makes a portion of that \$36 million available to the City.

CERTIFIED

A TRUE COPY


CITY CLERK



We Are Columbia

Mayor Benjamin said that is a priority for most of us and we will rely heavily on your advice on how to properly allocate funds.

Councilor Devine said 70% of the benefit has to go to low or moderate income, but a lot of the property we are considering may not qualify for that. She asked if we are planning a discussion for staff's recommendations so that Council can come to a consensus.

Ms. Teresa Wilson, City Manager said staff has prepared a priority listing for Council's feedback. She sought feedback on having this discussion during the July 19, 2016 Work Session.

Mr. Fred Tombar, Senior Vice President for Government Services for the Plexos Group reiterated that one of the requirements of the CDBG-DR appropriation is that 70% of the benefit goes to low and moderate income households. He noted that this is different from the normal CDBG requirement of 50%. The City has entered into a data sharing agreement with the Federal government to receive their updated data on who was impacted and what the unmet needs from the disaster are. He added that they are planning to leverage some of the City's existing programs to the extent that they address the unmet needs that exist. Also, both Richland and Lexington Counties are engaged in this process and we are coordinating our outreach efforts and messages.

Ms. Keely Thibodeaux, AIA, PMP, Principal for Landmark Consulting reported that six disaster survey reports have been submitted to the National Resources Conservation Service (NRCS). This funding is used for waterway debris removal. These requests are valued at \$1.2 million and require a 25% match that can be done with in-kind services or City donations. She said this is not included with the State's match. We are coordinating with the Army Corp, although a permit isn't required. A project agreement and update will be presented to Council in July.

Ms. Dana Higgins, City Engineer reported that the six sites are down the Gills Creek Watershed and Smith Branch near Summerlea. She said we are doing two sites and the other four sites will be put out for bid.

Councilor Davis asked if the Randall Stream would qualify.

Ms. Melissa Gentry, P.E., Assistant City Manager for Operations said the money is for areas most impacted by the flood. She agreed to look at the Randall Stream.

Councilor Devine inquired about the restoration of vegetation.

Ms. Dana Higgins, City Engineer said the NRCS funding pays for the removal of sediment, the removal of debris and stream restoration.



We Are Columbia

Ms. Keely Thibodeaux, AIA, PMP, Principal for Landmark Consulting said there may be other sources that can be used for tree planting and landscaping. She announced that the Lost Creek Bridge is 95% complete and the road will reopen tomorrow. She presented a project management update that can also be found online at www.columbiasc.gov/flood. She reported that over 200 property owners were sent letters of interest. The proposed funding sources for property acquisition or elevation are the 404 Hazard Mitigation Grant Program, Flood Mitigation Assistance (FMA) Grant Program, and the Pre-disaster Mitigation (PDM) Grant Program. She noted that CDBG can also be used. She reported that outreach to property owners continues; twenty one (21) elevation applications have been submitted for FMA; thirty four (34) acquisition applications have been submitted for PDM; and a plan will be presented to City Council in July. Property acquisition next steps include continuing the application process; setting criteria by funding source; prioritizing applications; coordinating with the County; assigning a project manager; and determining the future use of properties. She reported that 8-10 projects will be obligated by the end of June; 404 Mitigation applications are due on August 18, 2016; the CDBG-DR risk analysis and implementation plan are due by July 22, 2016; design will start on the Canal; and we will continue to update the website. She noted that once the debris removal project is obligated, it will move into close-out.

Councilor Duvall asked if property owners were notified that their applications were submitted for Pre-Disaster Mitigation Grant funding.

Ms. Melisa Caughman, Budget and Program Management Director explained that all participants were interviewed and they knew that their requests would be submitted.

Councilor Baddourah inquired about the number of permits that have been issued to residents who have decided to rebuild or to elevate their properties.

There was a consensus of Council to schedule a Flood Recovery Update on Tuesday, July 19, 2016 at 2:00 p.m.

CITY COUNCIL COMMITTEE REPORTS/REFERRALS

No reports or referrals were made at this time.

APPEARANCE OF THE PUBLIC

No one appeared at this time.

CERTIFIED
A TRUE COPY
Tika D. Moore
CITY CLERK

Upon a motion made by Mr. Duvall and seconded by Mr. Davis, Council voted unanimously to enter into Executive Session at 8:09 p.m. for the continued discussion of items previously noticed.



We Are Columbia

Without objection, Mayor Benjamin adjourned the meeting at 8:49 p.m.

Respectfully submitted by:

Erika D. Moore
City Clerk

CERTIFIED
A TRUE COPY

CITY CLERK

SCHEDULE OF BENEFITS

Group Contract Number: 03-14580-00, 02 through 05, 11 through 12

Employer: City of Columbia

Plan of Benefits Effective Date: July 1, 2008

This Schedule of Benefits and the Benefits described herein are subject to all terms and conditions of the Plan of Benefits. In the event of a conflict between the Plan of Benefits and this Schedule of Benefits, the Schedule of Benefits shall control. Capitalized terms used in this Schedule of Benefits have the meaning given to such terms in the Plan of Benefits.

GENERAL PROVISIONS	
When a Benefit is listed below and has a dollar or percentage amount associated with it then the Benefit will be provided to Members subject to the terms of the Plan of Benefits. When a Benefit has a "Non-Covered" notation associated with it, the Benefit is not available to the Member. All Benefits are subject to the dollar or percentage amount limitation associated with each Benefit in this Schedule of Benefits.	
Probationary Period:	Coverage for new employees hired following the Effective Date of the Plan of Benefits will commence on the first monthly Effective Date following date of employment.
Pre-Existing Condition Period:	Each Member must serve a twelve-month Pre-Existing Condition Waiting Period, less any Creditable Coverage the Member can provide. Any member who is a Late Enrollee will serve an eighteen month Pre-Existing Condition Waiting Period. See Article II of the Plan of Benefits for information on qualifying for Special Enrollment.
Dependent Child, in addition to meeting the requirements contained in the Plan of Benefits; the maximum age limitation to qualify as a Dependent Child is:	A Child under the age of 19; or a Child who is over this age, but who has not reached the age of 25, and is enrolled in and is attending (with attendance qualifying such Child as a full-time student under the rules of the institution) one of the following: a. High school; or b. An accredited or licensed school commonly recognized as a vocational, technical or trade school; or c. An accredited college or university.
Incapacitated Child, in addition to meeting the requirements contained in the Plan of Benefits; to qualify as an Incapacitated Child the Child must:	a. Must be incapable of financial self-sufficiency by reason of mental or physical disability; and b. Be dependent on the Employee for at least 51% of his or her support or maintenance; and c. Be enrolled no later than 31 days after the Child's incapacitation; and d. Be incapacitated by maximum Dependent Child age.



**Blue Cross BlueShield
of South Carolina**

An Independent Licensee of the
Blue Cross and Blue Shield Association

Benefits Summary

City of Columbia

2010 Preferred Blue Plan

www.southcarolinablues.com

The following Schedule of Benefits is only a brief, non-legal outline of benefits being offered. Please refer to the employee handbook your Human Resources Department. Benefits apply to \$2,000,000 Lifetime Maximum.

Benefits	Core Plan (Option A)		Buy-up (Option B)	
	In Network	Out of Network	In Network	Out of Network
Deductible	\$500 (x3)	\$500 (x3)	\$250 (x3)	\$250 (x3)
Out of Pocket	\$2,000 / \$4,000	\$2,500 / \$5,000	\$1,000 / \$2,000	\$2,500 / \$5,000
Co-Insurance	80%	60%	90%	70%
Physician Services Physician Charges for services in the office. (excluding Obstetrical Delivery, Psychiatric Care, Dialysis Treatment and Second Surgical Opinion).	\$20 Primary Care, then 100% \$30 Specialist, then 100% Primary Care = General, Family Doctor, Pediatrician, Internist, OB/GYN	Deductible, 60%	\$15 Primary Care, then 100% \$25 Specialist, then 100% Primary Care = General, Family Doctor, Pediatrician, Internist, OB/GYN	Deductible, 70%
Other Physician Services Inpatient/Outpatient Hospital / Allergy Injections / Diagnostic Lab / X-Ray / Anesthesia Services / Radiology / Pathology / Obstetrical Delivery / Initial New Born / Pediatric Exam / All other Outpatient - Office Services	Deductible, 80%	Deductible, 60%	Deductible, 90%	Deductible, 70%
Preventive Care (In Network coverage only) Mammograms (Must see a provider in Mammography Network and are age 35 and older) Pap Smear/Prostate Screening Well Child Physicals	100% 100% \$20 Co-pay, then 100% 100%	N/A	100% 100% \$15 Co-pay, then 100% 100%	N/A
Chiropractic Benefits limit to 5 visits including rated x-rays	Deductible, 80%	Deductible, 60%	Deductible, 80%	Deductible, 70%
Hospital / Skilled Nursing Facility Charges	Deductible, 80%	Deductible, 60%	Deductible, 90%	Deductible, 70%
Outpatient Facility Charges	Deductible, 80%	Deductible, 60%	Deductible, 90%	Deductible, 70%
Ambulance	Deductible, 80%	Deductible, 80%	Deductible, 90%	Deductible, 90%
Emergency Room	\$150 copay, 80%	\$150 copay, 60%	\$150 copay, 90%	\$150 copay, 70%
Other Services Home Health Physical Therapy (\$1,000 Maximum) Mental Health* & Substance Abuse**	Deductible, 100% Deductible, 80%	Deductible, 60% Deductible, 60%	Deductible, 100% Deductible, 90%	Deductible, 70% Deductible, 70%
Prescriptions Retail (31 day supply) Mail Order (90 day supply)	\$5 (Generic) / \$25 (Preferred) / \$40 (Non-Preferred) \$12.50 (Generic) / \$62.50 (Preferred) / \$100 (Non-Preferred)		\$5 (Generic) / \$25 (Preferred) / \$40 (Non-Preferred) \$12.50 (Generic) / \$62.50 (Preferred) / \$100 (Non-Preferred)	

Deduction Chart	Plan A	Plan B
Employee Only Per paycheck	\$33.18/mo \$15.31	\$63.17/mo \$29.16
Employee + Spouse Per paycheck	\$172.54/mo \$79.63	\$244.50/mo \$112.85
Employee + Child Per paycheck	\$82.95/mo \$38.28	\$127.03/mo \$59.04
Family Per paycheck	\$252.17/mo \$116.39	\$348.12/mo \$160.67

*Mental Health:

Approved Mandated Diagnosis by the state of South Carolina is covered as any other medical condition when they are presented as a primary diagnosis. Mental Health and Substance Abuse Services must be Pre-Authorized by CBA prior to services being rendered.
1-800-868-1032.

**Mental Health & Substance Abuse:

Non-Approved diagnosis and Substance Abuse limited to 30 days inpatient and 20 days outpatient. Substance Abuse limited to \$50,000 Lifetime Maximum.

Pre-Authorization:

The following outpatient procedures need pre-authorization: Chemotherapy or Radiation Therapy (one time notification), Hysterectomy, Septoplasty, Sclerotherapy, all Cosmetic procedures, Investigational procedures performed in outpatient or office setting and Durable Medical Equipment over \$500.00. All inpatient hospital or skilled nursing facility admissions, home health care, hospice care or inpatient physical rehabilitation, and services and supplies related to human organ and tissue transplants.

Columbia: 736-5990 Outside of Columbia: 1-800-327-3238 Out of State: 800-334-7287.
Customer Service: 1-800-760-9290 (Medical) / 1-888-963-7290 (Prescription Drugs)

City of Columbia
2013 Retiree Premiums
October 2, 2012



We Are Columbia

Record 866

Post-employment Benefits

The City offers health insurance as post-employment benefits to our retirees.

- **Pre-65 Retirees** - Covered under the City's plan and has the same coverage as active employees.
- **Post-65 Retirees** - Fully insured plan with Medicare Part A & B is primary with a Senior Supplemental Plan and Pharmacy Part D offered through United Health Care.

Record 867

10/3/2012

How does GASB 45 affect retiree premiums?

- In January 2012 City Council votes to cap the City's contribution to a defined dollar benefit amount. In May, retirees are notified that the City will cap its annual contribution and the retiree will be responsible for the remaining premium.
- The City's contribution is now capped to a specific amount for the retiree and dependent as follows:

Pre-65	City Contribution	Post-65	City Contribution
Retiree	\$800	Retiree	\$300
Dependent*	\$600	Dependent	\$225

*Dependent coverage is 75% of retiree coverage

2013 Pre-65 Retiree Monthly Premiums

PLAN A - CORE PLAN	ENROLLMENT 276	2012 Retiree Premium	2013 Total Premium	City Monthly Contribution	2013 Retiree * Monthly Premium
Retiree	60	\$33.18	\$836.79	\$800	\$36.79
Retiree/Spouse	57	\$172.54	\$1,589.79	\$1,400	\$189.79
Retiree/Child	38	\$82.95	\$1,491.25	\$1,400	\$191.25
Retiree/Family	27	\$252.17	\$1,589.79	\$2,000	\$277.79
Survivor	3	\$139.36	\$753.30	\$600	\$153.39
Survivor/Child	1	\$218.99	\$1,440.89	\$1,200	\$240.89
PLAN B - BUY UP PLAN	ENROLLMENT 112	2012 Retiree Premium	2013 Total Premium	City Monthly Contribution	2013 Retiree * Monthly Premium
Retiree	154	\$63.17	\$869.50	\$800	\$69.50
Retiree/Spouse	18	\$244.50	\$1,668.95	\$1,400	\$268.95
Retiree/Child	13	\$127.91	\$1,540.72	\$1,400	\$140.72
Retiree/Family	21	\$348.12	\$2,382.93	\$2,000	\$382.93
Survivor	35	\$181.53	\$799.46	\$600	\$199.46
Survivor/Child	3	\$284.95	\$1,513.45	\$1,200	\$313.45

* Premiums are effective January 1, 2013 through December 31, 2013.

Post-65/Medicare Retiree Benefits

Medicare Supplemental Plan Information

- The City provides coverage for both a senior supplemental plan for health insurance and for a Part D Pharmacy plan.
- Senior Supplemental coverage and Pharmacy Part D coverage are treated as separate plans by Medicare and are considered as different products with separate premiums. Since each product or plan is a separate premium, we are splitting the premium between each plan product.

Retiree Sr. Supplement Plan Contribution	\$150 per month
Retiree Pharmacy Part D Contribution	\$150 per month
Retiree Dependent Sr. Supplemental Contribution	\$112.50 per month
Retiree Dependent Pharmacy Part D Contribution	\$112.50 per month

2013 Post-65/Medicare Retiree Monthly Premiums

Supplemental Plan (Health)	2012 Health Premium	2012 Retiree Premium	2013 Health Premium	City Monthly Contribution	2013 Retiree * Monthly Premium
Medicare	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Medicare + Part D	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Pharmacy – Part D Plan	2012 Pharm. Premium	2012 Retiree Premium	2013 Pharm. Premium	City Monthly Contribution	2013 Retiree * Monthly Premium
Retiree	\$218.56	\$0.00	\$214.78	\$150.00	\$64.78
Dependent	\$218.56	\$31.50	\$214.78	\$112.50	\$102.28

Total Health & Pharmacy Monthly Premium	2012 Total Premium	2012 Retiree Premium	2013 Total Premium	City Monthly Contribution	2013 Retiree * Monthly Premium
Medicare	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Medicare + Part D	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

* Premiums are effective January 1, 2013 through December 31, 2013.

City of Columbia



EMPLOYEE AND RETIREE HEALTH COVERAGE

Revised 9-1-88

Record 872



CITY OF COLUMBIA
SOUTH CAROLINA

OFFICE OF THE CITY MANAGER / CITY HALL / POST OFFICE BOX 147 / COLUMBIA, S.C. 29217 / (803) 733-8223

TO ALL OUR FULL-TIME AND RETIRED EMPLOYEES

All of us appreciate the need for insurance.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Hospital, Medical and Major Medical Insurance.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct affect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 100% payment for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the insured, play the greatest role in helping to slow down the ever-increasing costs of health insurance. You keep your insurance affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and share it with your family so that each of you will understand the benefits and protection available. Please keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

Graydon V. Olive, Jr.
City Manager

CITY OF COLUMBIA
Group No. 03-14580-00-9 and subgroups

The effective date of the health insurance coverage explained in this booklet is July 1, 1988 for Active Employee and September 1, 1988, for Retirees.

Approval from Blue Cross

So that the highest possible allowance is paid for medically necessary care, there are times when Blue Cross must give approval for medical care in advance. If you or your dependents don't get approval, benefits may not be paid.

There are three kinds of approval: Pre-Admission Review, Emergency Review and Continued Stay Review. They are explained below.

Pre-Admission Review

You must get Pre-Admission Review approval before you or your dependent is admitted to a hospital. If you don't call for approval, or if the admission is disapproved but you go anyway, here's how benefits will be paid:

No benefits will be paid for any part of room and board charges.

While you're in the hospital, your stay will be reviewed for medical necessity.

Emergency Admission Review

When you have an emergency (a life threatening situation), Blue Cross doesn't expect you to wait for Pre-Admission Review approval before you go to the hospital.

However, you must notify Blue Cross as follows:

- Within 24 hours after the emergency admission, or
- By 5 p.m. of the next working day following a weekend or holiday (Monday following a weekend or the day after a holiday if it's a working day).

If you don't call for approval, here's how benefits will be paid:

- No benefits will be paid for any part of room and board charges.

Continued Stay Review

If you or a dependent needs to be in the hospital longer than the period for which Blue Cross approved benefits, you must call Blue Cross for Continued Stay Review. You and the doctor will be notified by the HCMS nurse as to whether benefits for the continued stay are approved and for how long. If benefits are not approved and the patient stays in the hospital, or if no one calls for approval, here's how benefits will be paid:

- No benefits will be paid for any part of the hospital room and board charges for the continued stay.

Getting In Touch With Blue Cross

To contact Blue Cross for approval, call one of these toll-free numbers:

- 736-5990 from the Columbia area.
- 1-800-327-3238 in South Carolina.
- 1-800-334-7287 from outside South Carolina.

Retiree Participation Requirements

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a full time (30 hrs. per week) employee, member of council, or judge, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a retired employee, the surviving spouse and dependent children may remain covered unless the spouse remarries. The dependent children may remain covered until they reach age 23, become gainfully employed, or marry, whichever occurs first.

Continuation Coverage of Health Insurance

On April 7, 1986, a new Federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation coverage provisions of the new law. (Both you and your spouse should take the time to read this notice carefully).

If you are an employee of the City of Columbia covered by the City of Columbia Blue Cross Plan, you have a right to choose this continuation coverage if you lose your group health coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the spouse of an employee covered by the City of Columbia Blue Cross Plan, you have the right to choose continuation coverage for yourself if you lose group health coverage under the City of Columbia Blue Cross Plan for any of the following four reasons:

- (1) The death of your spouse;
- (2) A termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment;
- (3) Divorce or legal separation from your spouse;
- (4) Your spouse becomes eligible for Medicare.

City of Columbia



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

EFFECTIVE: 07/01/90



CITY OF COLUMBIA
SOUTH CAROLINA

TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 100% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

Waiting Periods

If you were an employee of this group when it first enrolled with the Claims Administrator, there are no waiting periods.

But, if you joined this group after the first enrollment, the following waiting periods apply:

- 12 months for treatment of any condition that was diagnosed or treated during the 12 months before you became covered.
- 12 months for voluntary sterilization such as vasectomy or tubal ligation.
- 6 months for treatment of tonsils, adenoids, stones, fibroid tumors, benign tumors or cysts of the breast, goiter and varicose veins.
- 6 months for treatment of hernias, except strangulated hernias.
- 6 months for treatment of non-acute hemorrhoids.
- 6 months for treatment of obstetrical care.

If you change from single to family, two-person, or dependent coverage, these waiting periods apply to your dependents as of the effective date of your new coverage.

To get family, two-person, or dependent coverage when you marry, notify your Personnel Department immediately, at (803) 733-8264. The Claims Administrator can make your new coverage effective on the date of marriage if notified no later than 30 days after the wedding.

If you are an employee with single coverage, you can change to family, two-person, or dependent coverage no later than 30 days after the birth of a child if you are responsible for at least 51 percent of that child's support. The effective date of your new coverage will be the child's date of birth. Contact your Personnel Department at (803) 733-8264 when this event occurs.

Employee Eligibility

All regular, active employees working at least 30 hours per week, surviving spouses, and retirees are eligible for this group health coverage.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 10 years of City employment)

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular (at least 30 hours per week) employee, member of council, or judge, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a retired employee, the surviving spouse and dependent children may remain covered unless the spouse remarries. The dependent children may remain covered until they reach age 19 (23, if a full-time student in an accredited institution), become gainfully employed, or marry, whichever occurs first.

SERVICES AND SUPPLIES THAT ARE NOT PAID FOR

Some services or supplies you get may not be covered under this health coverage. Expenses for the following will not be paid:

- Services and supplies that are not medically necessary.
- Custodial care. This is care meant simply to help people who cannot take care of themselves.
- Cosmetic or reconstructive procedures, and any related services or supplies, which alter appearance but do not restore or improve impaired physical function, except when performed for:
 - restorative surgery when the beneficiary has been continuously covered with the Claims Administrator since the time of the original surgery or trauma;
 - treatment of a birth defect in a child who has been continuously covered under this Plan since the date of birth.
 - and is pre-approved by the Claims Administrator.

- Treatment or tests as an inpatient that could have been done safely as an outpatient.
- Investigational or experimental services.
- Any treatment or surgery for obesity, weight reduction, weight control or complications therefrom, reversal or reconstructive procedures resulting from such treatment.
- Dental services, except for the removal of impacted teeth or for dental treatment for up to a year after an accident.
- Services or supplies related to dysfunctional conditions of the muscles of mastication, malpositions, or deformities of the jaw bone(s), orthognathic deformities, or temporomandibular joint disorders, (usually called TMJ).
- Services or supplies not needed for diagnosis or treatment of an illness or injury.
- Treatment resulting from acts of war or military service.
- Services you are not charged for in Veterans Administration hospitals or other kinds of hospitals or agencies.
- Eyeglasses, contact lenses (except after cataract surgery), hearing aids and examination for the prescription or fitting thereof and any hospital or physician charges related to refractive care.
- Any service or supply provided by a member of the patient's family or by the patient, including the dispensing of drugs. A member of the patient's family means the spouse, parent, grandparent, brother, sister, child or spouse's parent.
- Any medical social services, occupational, visual, speech, recreational, educational, milieu therapy, or biofeedback.
- Services or supplies you got before you had coverage under this Plan or after you no longer have this coverage.
- Luxury or convenience items and travel expenses.

COLUMBIA
A Capital Place To Be



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

Effective: 07-01-92

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 100% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

- 6 months for treatment of hernias, except strangulated hernias.
- 6 months for treatment of non-acute hemorrhoids.
- 6 months for treatment of obstetrical care.

If you change from single to family, two-person, or dependent coverage, these waiting periods apply to your dependents as of the effective date of your new coverage.

To get family, two-person, or dependent coverage when you marry, notify your Personnel Department immediately, at (803) 733-8264. The Claims Administrator can make your new coverage effective on the date of marriage if notified no later than 30 days after the wedding.

If you are an employee with single coverage, you can change to family, two-person, or dependent coverage no later than 30 days after the birth of a child if you are responsible for at least 51 percent of that child's support. The effective date of your new coverage will be the child's date of birth. Contact your Personnel Department at (803) 733-8264 when this event occurs.

EMPLOYEE ELIGIBILITY

All regular, active, full-time employees (working at least 30 hours per week), judges, elected officials, full-time city attorneys, assistant city attorneys, other council appointed full-time positions, eligible surviving spouses/children and retirees are eligible for this health coverage.

Eligible surviving spouses and children include only those covered dependents whose spouse or parent is deceased while employed with the City of Columbia and those covered dependents in a retiree group whose spouse or parent is deceased. Eligible surviving spouses and children may continue coverage until the earlier of:

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan,
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increases from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 23, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever occurs first.

SERVICES AND SUPPLIES THAT ARE NOT PAID FOR

Some services or supplies you get may not be covered under this health coverage. Expenses for the following will not be paid:

- Services and supplies that are not medically necessary.
- Custodial care. This is care meant simply to help people who cannot take care of themselves.
- Cosmetic or reconstructive procedures, and any related services or supplies, which alter appearance but do not restore or improve impaired physical function, except when performed for:
 - restorative surgery when the beneficiary has been continuously covered with the Claims Administrator since the time of the original surgery or trauma;

- treatment of a birth defect in a child who has been continuously covered under this Plan since the date of birth.
- and is pre-approved by the Claims Administrator.
- Treatment or tests as an inpatient that could have been done safely as an outpatient.
- Investigational or experimental services.
- Any treatment or surgery for obesity, weight reduction, weight control or complications therefrom, reversal or reconstructive procedures resulting from such treatment.
- Dental services, except for dental treatment for up to a year after an accident.
- Services and supplies related to the removal of impacted teeth.
- Services or supplies related to dysfunctional conditions of the muscles of mastication, malpositions, or deformities of the jaw bone(s), orthognathic deformities, or temporomandibular joint disorders, (usually called TMJ).
- Services or supplies not needed for diagnosis or treatment of an illness or injury.
- Treatment resulting from acts of war or military service.
- Services you are not charged for in Veterans Administration hospitals or other kinds of hospitals or agencies.
- Eyeglasses, contact lenses (except after cataract surgery), hearing aids and examination for the prescription or fitting thereof and any hospital or physician charges related to refractive care.
- Any service or supply provided by a member of the patient's family or by the patient, including the dispensing of drugs. A member of the patient's family means the spouse, parent, grandparent, brother, sister, child or spouse's parent.



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

Effective: 09-01-94

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

Eligible surviving spouses and children include only those covered dependents whose spouse or parent is deceased while employed with the City of Columbia and those covered dependents in a retiree group whose spouse or parent is deceased. Eligible surviving spouses and children may continue coverage until the earlier of:

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan,
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increased from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 23, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever occurs first.

COLUMBIA

A Capital Place To Be



EMPLOYEE AND RETIREE HEALTH COVERAGE

PREFERRED COMPREHENSIVE

Effective: 07-01-96

TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

Record 888

If advance approval is not obtained, this Plan will not provide benefits for any part of the charges for Home Health Care, Hospice Care, DME and Human Organ Transplants. You must get preauthorization from MCS.

For more information about services and supplies that require Preauthorization Review, please see the Definitions And Coverage Information section of this booklet.

WAITING PERIODS

If you were an employee of this group when it first enrolled with the Claims Administrator, there are no waiting periods.

But, if you joined this group after the first enrollment, the following waiting periods apply:

- 12 months for treatment of any condition that was diagnosed or treated during the 12 months before you became covered.

- 12 months for voluntary sterilization such as vasectomy or tubal ligation.

- 6 months for treatment of tonsils, adenoids, stones, fibroid tumors, benign tumors or cysts of the breast, goiter and varicose veins.

- 6 months for treatment of hernias, except strangulated hernias.

- 6 months for treatment of non-acute hemorrhoids.

- 6 months for treatment of obstetrical care.

If you change from single to family, two-person, or dependent coverage, these waiting periods apply to your dependents as of the effective date of your new coverage.

To get family, two-person, or dependent coverage when you marry, notify your Personnel Department immediately, at (803) 733-8264. The Claims Administrator can make your new coverage effective on the date of marriage if notified no later than 30 days after the wedding.

If you are an employee with single coverage, you can change to family, two-person, or dependent coverage no later than 30 days after the birth of a child if you are responsible for at least 51 percent of that child's support. The effective date of your new coverage will be the child's date of birth. Contact your Personnel Department at (803) 733-8264 when this event occurs.

EMPLOYEE ELIGIBILITY

All regular, active, full-time employees (working at least 30 hours per week and 48 weeks a year), judges, elected officials, full-time city attorneys, assistant city attorneys, other council appointed full-time positions, eligible surviving spouses/children and retirees are eligible for this health coverage. (See retiree participation requirements on the next page.)

Eligible surviving spouses and children include only those covered dependents whose spouse or parent is deceased while employed with the City of Columbia and those covered dependents in a retiree group whose spouse or parent is deceased. Eligible surviving spouses and children may continue coverage until the earlier of:

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan;
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements
(Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increased from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 23, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever occurs first.

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE**

**PREFERRED COMPREHENSIVE
AND
DENTAL**

Effective: 07-01-97

Record 891

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Personal Care facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

Record 892

If advance approval is not obtained, this Plan will not provide benefits for any part of the charges for Home Health Care, Hospice Care, DME and Human Organ Transplants. You must get preauthorization from MCS.

For more information about services and supplies that require Preauthorization Review, please see the Definitions And Coverage Information section of this booklet.

WAITING PERIODS

See attached supplemental booklet entitled "Your Rights Under HIPAA".

To get family, two-person, or dependent coverage when you marry, notify your Personnel Department immediately, at (803) 733-8264. The Claims Administrator can make your new coverage effective on the date of marriage if notified no later than 30 days after the wedding.

If you are an employee with single coverage, you can change to family, two-person, or dependent coverage no later than 30 days after the birth of a child if you are responsible for at least 51 percent of that child's support. The effective date of your new coverage will be the child's date of birth. Contact your Personnel Department at (803) 733-8264 when this event occurs.

EMPLOYEE ELIGIBILITY

All regular, active, full-time employees (working at least 30 hours per week and 48 weeks a year), judges, elected officials, full-time city attorneys, assistant city attorneys, other council appointed full-time positions, eligible surviving spouses/children and retirees are eligible for this health coverage. (See retiree participation requirements on this page.)

Eligible surviving spouses and children include only those covered dependents whose spouse or parent is deceased while employed with the City of Columbia and those covered dependents in a retiree group whose spouse or parent is deceased. Eligible surviving spouses and children may continue coverage until the earlier of:

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan,
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increased from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement. Retirees are not eligible for dental coverage.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 25, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever occurs first.

HEALTH SERVICES AND SUPPLIES THAT ARE NOT PAID FOR

Some services or supplies you get may not be covered under this health coverage. Expenses for the following will not be paid:

- Room and board charges in a hospital or skilled nursing facility when the required Preadmission Review, Emergency Admission Review and/or Continued Stay Review are not obtained.
- Services and supplies that are not medically necessary.
- Custodial care. This is care meant simply to help people who cannot take care of themselves.
- Cosmetic or reconstructive procedures - see attached supplemental booklet entitled "Your Rights Under HIPAA";
- Treatment or tests as an inpatient that could have been done safely as an outpatient.
- Investigational or experimental services.
- Any treatment or surgery for obesity, weight reduction, weight control or complications therefrom, reversal or reconstructive procedures resulting from such treatment.
- Dental services, except for dental treatment for up to a year after an accident.
- Services and supplies related to the removal of impacted teeth.
- Services or supplies related to dysfunctional conditions of the muscles of mastication, malpositions, or deformities of the jaw bone(s), orthognathic deformities, or temporomandibular joint disorders, (usually called TMJ).
- Services or supplies not needed for diagnosis or treatment of an illness or injury.
- Treatment resulting from acts of war or military service.

COLUMBIA

A Capital Place To Be



**EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE**

**PREFERRED BLUE
AND
DENTAL**

Effective: 08-01-99

Visit the BCBS Web Site

When you visit our Web site, www.SouthCarolinaBlues.com, you will find several very helpful options. For example, you will find a Provider Directory that is updated nightly, Network Pharmacies, the latest in health changes from our News section, Products Information and "My Insurance Manager". "My Insurance Manager" allows members to view the status of personal claims and check how much has been applied towards individual benefit year deductibles and out-of-pocket expenses. "My Insurance Manager" also has many additional advantages. You can check hospital inpatient and outpatient authorization status, access information on other health plans you have with us, check eligibility requirements and even order ID cards. And, if you have questions but cannot find the answers on the Web site, you can use the feature "Ask Customer Service" to get a response from a company representative.

COLUMBIA

A Capital Place To Be



TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage.

As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Blue facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

City of Columbia

Group Number: 03-14580-00-9, 02-7,
03-6, 04-5, 05-4, 06-3, 07-2 and 12-5

Effective Date: July 1, 2000

TABLE OF CONTENTS

<u>SECTION</u>	<u>Page</u>
Important Information	
Quick Reference - Telephone Numbers.....	1
Preferred Blue	2
Summary of Health Benefits.....	3
General Information.....	17
Approval From Blue Cross and Blue Shield of South Carolina.....	20
Waiting Periods.....	24
Employee Eligibility.....	25
Health Services and Supplies that are Not Paid For.....	27
Health Definitions and Coverage Requirements.....	30
Summary of Dental Benefits.....	59
Important Information	
How to Get Help on Dental Claims.....	61
Employee Dental Eligibility.....	62
How Dental Benefits are Paid.....	64
Dental Exclusions and Limitations.....	68
Predetermination of Dental Benefits.....	71
Coordination of Health and Dental Benefits.....	72
Continuation of Health and Dental Coverage.....	74
Conversion.....	78

Record 897

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan,
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increased from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement. Retirees are not eligible for dental coverage.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 25, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever occurs first.

HEALTH SERVICES AND SUPPLIES THAT ARE NOT PAID FOR

Some services or supplies you receive may not be covered under this health coverage. Expenses for the following will not be paid:

- Services and supplies that are not medically necessary;
- Custodial care. This is care meant simply to help people who cannot take care of themselves;
- Cosmetic or reconstructive procedures - see attached supplemental booklet entitled "Your Rights Under HIPAA";
- Treatment or tests as an inpatient that could have been done safely as an outpatient;

ROUTING: D0A7016 SUZONNE PETERS

DEPT/CC 060 EMPID S729

FOLDID: MS031458000

07/14/05 15:28:05 PAGE 002 OF 093

COLUMBIA

A Capital Place To Be



EMPLOYEE AND RETIREE HEALTH
AND DENTAL COVERAGE

PREFERRED BLUE
AND
DENTAL

Effective: 07-01-2002

ROUTING: D0A7016 SUZONNE PETERS

DEPT/CC 060 EMPID S729

FOLDID: MS031458000

07/14/05 15:28:05 PAGE 003 OF 093

VISIT OUR WEB SITE

When you visit our Web site, www.SouthCarolinaBlues.com, you will find several very helpful options. For example, you will find a Provider Directory that is updated nightly, Network Pharmacies, the latest in health changes from our News section, Products Information and "My Insurance Manager". "My Insurance Manager" allows covered persons to view the status of personal claims and check how much has been applied towards individual benefit year deductibles and out-of-pocket expenses. "My Insurance Manager" also has many additional advantages. You can check hospital inpatient and outpatient authorization status, access information on other health plans you have with us, check eligibility requirements and even order ID cards. And, if you have questions but cannot find the answers on the Web site, you can use the feature "Ask Customer Service" to get a response from a company representative.

Group Number: 03-14580-00-9, 02-7,
03-6, 04-5, 05-4, 06-3, 07-2, and 12-5

0840306

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 004 OF 093

TO ALL OUR FULL-TIME EMPLOYEES

All of us appreciate the need for health and dental coverage. As evidence of our interest in your welfare, arrangements have been made with Blue Cross and Blue Shield of South Carolina to provide Comprehensive and Dental Coverage.

Today, an important item in health care and benefit programs is the control of escalating health care costs. In view of this, we have implemented workable, practical cost containment and cost saving procedures that have a direct effect on limiting the level of medical expenses. Items such as outpatient testing before hospital confinement and 95% payment at a Preferred Blue facility for surgery done on an outpatient basis have been added to help control these escalating costs.

By practicing cost containment with your medical expenses you, the beneficiary, play the greatest role in helping to slow down the ever-increasing costs of health coverage. You keep your coverage affordable by always using your benefits wisely, and this decreases the possibility of contribution increases.

These are not just fringe benefits, but because the City pays the vast majority of the cost for you, they represent a significant source of compensation far beyond your paycheck.

Please take the time to read the entire booklet and keep it with your other important papers.

If you have any questions about how these benefits apply to you, please ask our Personnel Department for assistance.

0840306

ROUTING: DOA7016 SUZONNE PETERS
 FOLDID: MS031458000

DEPT/CC 060 EMPID S729
 07/14/05 15:28:05 PAGE 005 OF 093

City of Columbia
 Group Number: 03-14580-00-9, 02-7,
 03-6, 04-5, 05-4, 06-3, 07-2, and 12-5
 Effective Date: July 1, 2002

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
QUICK REFERENCE - TELEPHONE NUMBERS	1
PREFERRED BLUE GROUP HEALTH COVERAGE.....	2
ID CARDS	3
SUMMARY OF HEALTH BENEFITS.....	4
OUT-OF-POCKET EXPENSES	16
GENERAL INFORMATION	17
THE BLUECARD PROGRAM.....	17
PREFERRED BLUE PROVIDERS.....	18
APPROVAL FROM BLUE CROSS.....	20
<i>Where To Call For Approval.....</i>	<i>20</i>
<i>Important Note About MCS Approvals.....</i>	<i>21</i>
<i>Types of Approval.....</i>	<i>22</i>
<i>Preadmission Review.....</i>	<i>22</i>
<i>Emergency Admission Review.....</i>	<i>22</i>
<i>Continued Stay Review.....</i>	<i>23</i>
<i>Preauthorization Review.....</i>	<i>23</i>
OUT-OF-AREA EMERGENCY PROVISION.....	27
HEALTH SERVICES AND SUPPLIES THAT ARE NOT PAID FOR.....	27

0840306

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 006 OF 093

TABLE OF CONTENTS
(continued)

<u>SECTION</u>	<u>PAGE</u>
HEALTH DEFINITIONS AND COVERAGE REQUIREMENTS.....	30
SUMMARY OF DENTAL BENEFITS	61
IMPORTANT INFORMATION.....	63
BENEFIT YEAR.....	63
EMPLOYEE DENTAL ELIGIBILITY	63
DEDUCTIBLE AMOUNTS.....	65
HOW DENTAL BENEFITS ARE PAID.....	65
DENTAL EXCLUSIONS AND LIMITATIONS.....	69
COORDINATION OF HEALTH AND DENTAL BENEFITS.....	73
CONTINUATION OF HEALTH AND DENTAL COVERAGE	74
EXTENSION OF COVERAGE	79
HOW TO FILE HEALTH AND DENTAL CLAIMS.....	80
CLAIMS FILING AND APPEAL PROCEDURE	81
CUSTOMER SERVICE.....	83
DENIAL OF HEALTH AND DENTAL CLAIMS.....	84

0840306

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 007 OF 093

TABLE OF CONTENTS
(continued)

<u>SECTION</u>	<u>PAGE</u>
LEGAL ACTIONS	85
AUTHORIZED REPRESENTATIVES	86
SUMMARY	86

0840306

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 008 OF 093

QUICK REFERENCE - TELEPHONE NUMBERS

City of Columbia Human Resources / Enrollment
• 803-545-3005

Customer Service and Health Claims Inquiries:
• 788-0500 (Columbia Area)
• 1-800-868-2500 (Anywhere out of Columbia)

Approval From Blue Cross On Health Claims
• 736-5990 (Columbia Area)
• 1-800-327-3238 (SC Area)
• 1-800-334-7287 (Out of SC)

Dental Claims
• 788-2571 (Columbia Area)
• 1-800-222-7156 (In or Out of SC)

Preadmission Review
• 736-5990 (Columbia Area)
• 1-800-322-3238 (SC Area)
• 1-800-334-7287 (Out of SC)

Managed Care Services
• 736-5990 (Columbia Area)
• 1-800-327-3238 (SC Area)
• 1-800-334-7287 (Out of SC)

Discounted Services
• Hearing Aids 1-800-235-8663
• All Other Services 1-877-327-2746

Mental Health and Substance Abuse Care
• 699-7308 (Columbia Area)
• 1-800-868-1032 (Anywhere out of Columbia)

0840306

000585

ROUTING: DOA7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 010 OF 093

How To Get Help On Claims

For Customer Service and health claims inquiries:

- From Columbia, dial 788-0500
- From anywhere else in or out of South Carolina, dial 1-800-868-2500

For Preadmission Review for Medical or Surgical admissions, preapproval for DME when the cost is \$200 or more. (Do not call these telephone numbers for claims inquiries)

- 736-5990 from the Columbia area.
- 1-800-327-3238 from all other South Carolina locations.
- 1-800-334-7287 from outside South Carolina.

For all mental health and substance abuse care:

- 699-7308 from the Columbia area.
- 1-800-868-1032 from all other areas.

ID CARDS

Show your ID Card when you or your dependents get medical services. Hospitals and doctors need to see the information on it so they can file claims for you.

ROUTING: DOA7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 011 OF 093

SUMMARY OF HEALTH BENEFITS

The maximum payment per covered person per lifetime is \$1,000,000.

All inpatient admissions require a per-occurrence copayment. Inpatient admissions to Preferred Blue facilities are subject to a \$150 per-occurrence copayment. A \$250 per-occurrence copayment is required for non-Preferred Blue facilities. There is a \$50 per-occurrence copayment for each emergency room services visit. (The \$50 per-occurrence copayment is waived when the emergency room visit results in an inpatient admission. Then the inpatient per-occurrence copayment amount applies.) Your benefit year deductible is \$200 per covered person, limited to two deductibles per family.

All other covered services and supplies are subject to the benefit year deductible, unless otherwise indicated on the Summary of Benefits. Benefit year deductibles and any per-occurrence copayments must be met before any benefits can be paid under this coverage.

All admissions require approval by our Claims Administrator for benefits to be paid. If approval is not received, no benefits will be paid for room and board charges. See the "Approval from Blue Cross and Blue Shield of South Carolina" in this booklet.

There are also other services that require preapproval. Please see the Preauthorization Review section in your booklet for specifics.

In this Summary of Benefits you will find "percent of covered expenses" followed by one, two or three asterisks. The asterisks indicate if a per-occurrence copayment, benefit year deductible or both applies to the covered expenses.

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 032 OF 093

EMPLOYEE ELIGIBILITY

All regular, active, full-time employees (working at least 30 hours per week and 48 weeks a year), judges, elected officials, full-time city attorneys, assistant city attorneys, other council appointed full-time positions, eligible surviving spouses/children and retirees are eligible for this health coverage. (See retiree participation requirements on the next page.)

Eligible surviving spouses and children include only those covered dependents whose spouse or parent is deceased while employed with the City of Columbia and those covered dependents in a retiree group whose spouse or parent is deceased. Eligible surviving spouses and children may continue coverage until the earlier of:

- a. Remarriage,
- b. Eligibility for group health coverage by any other employer's plan,
- c. Eligibility for Medicare or Medicaid, or
- d. Children no longer considered a dependent, as defined in the Plan of Benefits.

Coverage for new employees will commence on the first of the month following date of regular employment.

Retiree Participation Requirements (Must have 20 years of City employment)

Effective July 1, 1992, the eligibility requirements for retirees increased from 15 to 20 years of service. Retirees who are currently covered will remain covered as stated at time of retirement.

ROUTING: D0A7016 SUZONNE PETERS
FOLDID: MS031458000

DEPT/CC 060 EMPID S729
07/14/05 15:28:05 PAGE 033 OF 093

Health coverage is available to retiring employees and dependents if certain eligibility requirements are met. If a retiree wants to participate in this program, the Personnel Department must be notified within 31 days of retirement. Retirees are not eligible for dental coverage.

An eligible participant must qualify for a City of Columbia Retirement Program, Fire Fighters Retirement, or Police Retirement. The participant must have worked for the city as a regular employee (at least 30 hours per week), been a judge, elected official, full-time city attorney, assistant city attorney, other council appointed full-time employee, participated in the City of Columbia Employee Health Coverage Program, and be employed by the City at the time of retirement.

Retiree Health Coverage for this program will be paid under the benefits specified in this booklet until the attainment of age 65. At age 65 the retiree must be enrolled in Medicare PART A and PART B under TITLE XVIII of the Social Security Act. The benefits for this program are paid after Medicare benefits are paid. Contact Personnel when you attain age 65 at (803) 733-8264.

Following the death of a covered retired employee, the surviving spouse and child(ren) may remain covered as long as they meet the "eligible surviving spouse/child(ren)" requirements as stated on the previous page under "Employee Eligibility".

The covered, eligible dependent children may remain covered until they reach age 19 (or 25, if a full-time student in an accredited institution), becomes gainfully employed, or marry, whichever comes first.



EMPLOYEE HANDBOOK

(NOT A CONTRACT)

Revision as of 10-01-2002

CITY OF COLUMBIA, SC

City of Columbia

Employee Handbook

IMPORTANT NOTICE

This employee handbook serves as a guideline containing various rules, policies and procedures relating to your employment. Many of the provisions are summaries of federal, state, and municipal laws. Such laws change from time to time. Furthermore, the City finds it necessary or advisable to alter its rules, policies and procedures from time to time. Therefore, the provisions of this handbook and the City's personnel policies are subject to change by the City at any time.

NOTHING IN THIS HANDBOOK OR IN ANY OF THE CITY'S PERSONNEL POLICIES SHALL BE DEEMED TO CONSTITUTE A CONTRACT OF EMPLOYMENT AND ALL EMPLOYEES OF THE CITY ARE EMPLOYEES-AT-WILL WHO MAY QUIT AT ANY TIME FOR ANY REASON AND WHO MAY BE TERMINATED AT ANY TIME FOR ANY OR NO REASON. NO ORAL OR WRITTEN PROMISES OR REPRESENTATIONS BY A DEPARTMENT DIRECTOR, DIVISION HEAD OR SUPERVISOR WILL CHANGE THE AT-WILL STATUS OF AN EMPLOYEE. ONLY THE CITY MANAGER HAS AUTHORITY TO ENTER INTO CONTRACTS OF EMPLOYMENT AND ANY SUCH CONTRACTS MUST BE IN WRITING AND SIGNED BY THE CITY MANAGER.

No personnel manual can anticipate every circumstance or question about policy. As the City of Columbia's operations continue to grow, the City reserves the right to revise, supplement, or rescind any policies or portion of the employee handbook, from time to time, as it deems appropriate, in its sole and absolute discretion. Employees will be informed as quickly as possible of revisions.

DISCLAIMER: EMPLOYMENT-AT-WILL

Employment with the City of Columbia is entered into voluntarily and the employee is free to terminate his employment, at will at any time, with or without notice or cause. The City may terminate the employment relationship with the employee, at will at any time, with or without notice or cause.

The provisions of this manual have been developed at the discretion of the City and, except for its policy of employment-at-will, will be amended or canceled at any time, at the City's sole discretion.

Rev. 2/10-01-2002

Introduction

NOT A CONTRACT

ENROLLMENT APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

P

INSTRUCTIONS

- 1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by 'ACTION' NEEDED.
- 2.) Blocks shaded gray are to be completed by the Employer.
- 3.) Blocks shaded in blue are to be used by Blue Cross only.

(1) Check "ACTION" Needed:		REQUIRED BLOCKS	
☐ a. New Add		1 Through 22	
☐ b. Change Coverage		2, 3, 6, 9, 12, 15, 21, 22	
☐ c. Transfer Within Your Group (ie., Main Group to Sub-Group)		2, 3, 6, 9, 12, 15, 21, 22	
☐ d. Left Employment - No Conversion: Deceased? ☐ YES ☐ NO		2, 6, 9, 15	
☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.		2, 6, 9, 15	
☐ f. Name Change (From: _____ To: _____)		2, 6, 9, 22	
☐ g. Address Change		2, 4, 6, 9, 22	
☐ h. Department Number Change		2, 6, 9, 10, 21, 22	
☐ i. Beneficiary Change Spouse Exclusion		2, 6, 9, 15, 14 or 20, 22	
☐ j. I. D. Card Request		2, 6, 9	
☐ k. Social Security No. Change From: _____ To: _____			
☐ l. Other		2, 6	

IDENTIFICATION	(2) Check One ☒ Male ☐ Female			Employee - Last Name			First	Initial	(3) If "New Add" enter the date of hire (full time) If "Change in Coverage" enter the date of the event which cause the change in coverage (Check event: ☐ Death ☐ Marriage ☐ Birth ☐ Divorce ☐ Other) Mo. / Da. / Yr.																																
	(4) Mailing Address _____ Street or P. O. Box _____																																								
	(City) _____		(State) _____		(Zip Code) _____																																				
	(6) Social Security No. _____		(7) Your Birthdate Mo. / Yr. _____		(8) Spouse's Birthdate (Check here ☐ If NONE) Mo. / Yr. _____																																				
EMPLOYMENT	(12) Type of Membership ☐ Employee Only ☐ Family ☐ Employee and Spouse ☐ Employee and Children ☐ Life Only ☐ Dental Only -			(13) Additional Health Coverage Desired ☐ Major Medical ☐ Drug ☐ Dental: ☐ Employee Only ☐ Family ☐ Employee & Spouse ☐ Employee & Children ☐ Other			(14) Spouse Exclusion: Enter name of (divorced, separated, etc.) Spouse <u>not</u> to be covered. Name: _____ (15) Effective Date of Action Requested in _____ Mo. / Da. / Yr.			FOR BLUE CROSS AND BLUE SHIELD USE ONLY Dept. Code Emp. Code I.D. Code																															
	(16) MANDATORY SECTION - For Dependents to get Coverage List Spouse for whom coverage is desired: Last Name First Init. Sex ☐ Male ☐ Female List All Dependent Children for whom coverage is desired (for additional space, use back of form.)																																								
	<table border="1"> <thead> <tr> <th>Last Name</th> <th>First</th> <th>Init.</th> <th>Birthdate Mo. Da. Yr.</th> <th>Sex ☐ Male ☐ Female</th> <th>Last Name</th> <th>First</th> <th>Init.</th> <th>Birthdate Mo. Da. Yr.</th> <th>Sex ☐ Male ☐ Female</th> </tr> </thead> <tbody> <tr> <td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr> <td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>												Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female	Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female																			
Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female	Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female																																
<table border="1"> <tbody> <tr> <td colspan="4">(17) Types and amount of Companion Life Insurance Coverage ☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability</td> <td colspan="4">(18) Earnings Check One ☐ Hourly ☐ Weekly ☐ Monthly ☐ Annually Amount: _____</td> <td colspan="4">(19) Life Class</td> </tr> <tr> <td colspan="4"></td> <td colspan="4">(20) Beneficiary - Last Name First Init. Relationship</td> <td colspan="4"></td> </tr> </tbody> </table>												(17) Types and amount of Companion Life Insurance Coverage ☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability				(18) Earnings Check One ☐ Hourly ☐ Weekly ☐ Monthly ☐ Annually Amount: _____				(19) Life Class								(20) Beneficiary - Last Name First Init. Relationship													
(17) Types and amount of Companion Life Insurance Coverage ☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability				(18) Earnings Check One ☐ Hourly ☐ Weekly ☐ Monthly ☐ Annually Amount: _____				(19) Life Class																																	
				(20) Beneficiary - Last Name First Init. Relationship																																					
(21) Job Description (Describe the duties and functions of your job): _____ _____																																									

(22) I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the termination of my coverage.

I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

APP-0920

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☐ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☒ Transfer Within Your Group From 5000
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 6 DAY 1 YEAR 07 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

4. Employee — Last Name Cruz Jr. First Basilides Initial Frank Home Telephone No. _____ 5. Social Security No. _____
6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
7. Name of Employer _____ 8. Blue Cross Group Number 5001 9. Dept. No. Fire 10. Payroll No. 06325

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
B ☐ Death (Name: _____) D ☐ Marriage
E ☐ Other - Explain: Ret 25 yrs
12. Name of spouse to be excluded from coverage if applicable _____ 13. Occurrence Date or Left Employment Date Mo. _____ Day _____ Yr. 5-21-07

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)

a. HEALTH	b. DENTAL	c. REFUSAL OF HEALTH COVERAGE
S - Single ☒	☐	01 ☐ Other insurance with BCBS of SC
F - Family ☐	☐	02 ☐ Insurance with another company
F - Employee/Children ☐	☐	03 ☐ US military coverage
8 - Employee/Spouse ☐	☐	04 ☐ Federally qualified HMO
		07 ☐ My spouse's coverage with this group
		09 ☐ Other third-party administrator

10 ☐ Planned Administrator
11 ☐ Non-federally qualified HMO
12 ☐ Covered by Medicare
13 ☐ Covered by CHAMPUS
05 ☐ Other - Explain: _____

15. If Sponsored Membership, give Sponsor's Social Security No. _____
16. Types and Amounts of Life Insurance Coverage Desired
☐ Life ☐ Supplemental: ☐ Life ☐ AD&D ☐ Dep. Life ☐ STD ☐ LTD
17. Earnings (Check One) \$ _____ (Amount) ☐ Hourly ☐ Weekly ☐ Biweekly ☐ Monthly ☐ Annually
18. Life Class _____
19. Full Name (Last Name, First, Init.): _____ Relationship _____
Primary Beneficiary(ies): _____
Contingent Beneficiary(ies): _____
SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF: <u>BCRUZ</u>	<u>Basilides</u>	<u>Frank</u>	<u>male</u>	<u>9-9-56</u>			Yes No
Spouse							Yes No
Social Security No.							
Child					<u>BC/Retirement Office: ✓</u>		Yes No
Social Security No.					<u>Retiree log in book: ✓</u>		
Child					<u>Keyed to computer: ✓</u>		Yes No
Social Security No.							
Child							Yes No
Social Security No.							

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☐ NO
If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
A. Family Member's Name _____ and Social Security No. _____
B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
C. Family Member's Employer _____
D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

23. Employee Certification - Read back for certification statement. Check box if health statement is attached. ☐
I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.
Signature: Basilides APR 09 2007 19

A

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA **COMPANION LIFE INSURANCE COMPANY**

(1) Check "ACTION" Needed:

REQUIRED BLOCKS

INSTRUCTIONS

☐ a. New Add	1 Through 22
☐ b. Change Coverage	2, 3, 6, 9, 12, 15, 21, 22
☒ c. Transfer Within Your Group (ie., Main Group to Sub-Group)	2, 3, 6, 9, 12, 15, 22
☐ d. Left Employment - No Conversion; Deceased? ☐ YES ☒ NO	2, 6, 9, 15
☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.	2, 6, 9, 15
☐ f. Name Change (From: _____ To: _____)	2, 6, 9, 22
☐ g. Address Change	2, 4, 6, 9, 22
☐ h. Department Number Change	2, 6, 9, 10, 22
☐ i. Beneficiary Change Spouse Exclusion	2, 6, 9, 15, 22
☐ j. I.D. Card Request	2, 6, 9
☐ k. Social Security No. Change From: _____ To: _____	
☐ l. Other	2, 6

1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by "ACTION" NEEDED.

2.) Blocks shaded gray are to be completed by the Employer.

3.) Blocks shaded in blue are to be used by Blue Cross only.

(2) Check One

Employee - Last Name First Initial

☒ Male
☐ Female

Dimery

Dennis

L.

(4) Mailing Address

Street or P. O. Box

(City)

(State)

(Zip Code)

(3) Enter DATE HIRED (full-time) ... If "NEW ADD", or Enter DATE OF EVENT ... causing "CHANGE COVERAGE"

Check event:

☐ Death☐ Marriage☐ Birth☐ Divorce☐ OtherMo. Da. Yr.
01 / 01 / 85

(6) Social Security No.

(7) Your Birthdate
Mo. Yr.
07 / 42(8) Spouse's Birthdate
(Check here ☐ If NONE)
Mo. Yr. 88 / 88

(12) Type of Membership

☐ Employee Only

☐ Family

☐ Employee and Spouse

☐ Employee and Children

☒ Life Only

☐ Dental Only

(13) Additional Health Coverage Desired

☐ Major Medical☐ Drug☐ Dental☐ Employee Only☐ Family☐ Employee & Spouse☐ Employee & Children☐ Other

(14) Spouse Exclusion: Enter name of (divorced, separated, etc.) Spouse not to be covered.

Name: Lula Hope Dimery

(16) MANDATORY SECTION - For Dependents to get Coverage

List Spouse for whom coverage is desired:

Last Name

First

Init.

Sex

☐ Male☐ Female

List All Dependent Children for whom coverage is desired (for additional space; use back of form)

Last Name

First

Init.

Birthdate

Sex

☒ Male☐ Female

Last Name

First

Init.

Birthdate

Sex

☐ Male☐ Female

(17) Types and amount of Companion Life Insurance Coverage

☐ Life☐ Accidental Death and Dismemberment☐ Dependent Life☐ Short-Term Disability☐ Long-Term Disability

(20) Beneficiary - Last Name

First

Init.

Relationship

(21) OTHER HEALTH INSURANCE INFORMATION you can help keep your insurance premiums down by completing the questions that follow:

A) Are you or any member of your family covered by any other Group Health Insurance? ☐ YES ☒ NOB) Does any member of your family have Medicare? ☐ YES ☒ NO

I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorization shall be in effect from the effective date of my coverage until termination of my coverage.

I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

Date

September 7, 1984

Signature

Lula Hope Dimery

APP. 0922

CHANGE APPLICATION BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE

Check "ACTION(S)" Needed:	REQUIRED BLOCKS
a. Primary Care Physician Change — For Companion HealthCare members only	2,3,4,5,7,8,21
b. Change Coverage — Explain:	2,3,4,5,7,8,11,13,14,21
c. Transfer Within Your Group (From: Grp. #) To:	2,3,4,5,7,8,14,21
d. Left Employment — No Conversion: Deceased? ☐ YES ☐ NO	2,3,4,5,7,8,13,21
e. Left Employment — Wants Conversion or Medicare Complementary Info.	2,3,4,5,7,8,13,21
f. Name Change (From:) To:	3,4,5,7,8,21
g. Address Change (From:) To:	3,4,5,7,8,21
h. Department Number Change (From:) To:	3,4,5,7,8,21
i. Beneficiary Change and/or ☐ Spouse Exclusion	2,3,4,5,7,8,12 or 18,21
j. I.D. Card Request	3,4,5,7,8
k. Social Security No. Change (From:) To:	3,4,5,7,8,21
l. Add Dependents	2,3,4,5,7,8,21
m. Other — Explain: <u>Retiring</u>	3,4,5,7,8

INSTRUCTIONS

1. Blocks NOT shaded are to be completed by the applicant, as indicated by ACTION NEEDED.
2. Blocks shaded gray are to be completed by the Employer.
3. Blocks shaded blue are to be used by BC/CHC only.
4. Refer to your Group Administrator's Guide for complete instructions.

C

D

IDENTIFICATION

Employee — Last Name <u>DIMERY</u>	First <u>DENIUS</u>	Initial <u>Li</u>	5. Social Security No. <u> </u>
Mailing Address (Street or P.O. Box) <u> </u> (City) <u> </u> (State) <u> </u> (Zip Code) <u> </u>			

REASON FOR COVERAGE CHANGE

1. Check appropriate reason; give occurrence date in Block 13: A ☐ Birth or Adoption B ☐ Death C ☐ Transfer Within Your Group F ☒ COBRA Extension OR Other — Explain: <u>Retiring</u>	13. Occurrence Date or Left Employment Date Mo. Day Yr. <u>3/3/91</u>
D ☐ Divorce E ☐ Marriage	12. Name of spouse to be excluded from coverage (if applicable) <u>Disability</u> <u>10 + years</u>

TYPE MEMBERSHIP AND COVERAGE INFORMATION

4. Check type membership for each coverage desired (indicate life coverage information, if applicable, in blocks 15 through 19)			
BC/BS HEALTH	CHC HEALTH	OPTIONAL COVERAGE	5. Other Insurance
S-Single ☒		STAND ALONE DENTAL ☐	01 ☐ Other Insurance with BCBS of SC
F-Family ☐		STAND ALONE DRUG ☐	02 ☐ Insurance with another company
F-Employee/Children ☐		Other ☐	03 ☐ U.S. military coverage
8-Employee/Spouse ☐		Optional Coverage ☐	04 ☐ HMO other than Companion HealthCare
		(Specify:)	07 ☐ My spouse's coverage with this group
			09 ☐ Other third party administrator
			10 ☐ Planned Administrators, Inc., third party administrator
			05 ☐ Other — Explain:
R-Refusing Health Coverage: Check Appropriate Box to Explain Reason for Refusal			
15. Types and Amount of Life Insurance Coverage Desired: ☐ Life ☐ AD&D ☐ Dep. Life ☐ STD ☐ LTD			
18. Beneficiary — Last Name First Init. Relationship 1) <u> </u> 2) <u> </u>			

19. Job title or description: <u> </u>									
20. Only List Members Affected By This Change									
Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	For Companion HealthCare Members Only			Was This Your Regular Physician?	
YOURSELF: <u>DIMERY</u>	<u>DENIUS</u>	<u>L</u>	<u>M</u>	<u>7/5/42</u>	Primary Care Physician Name (from Directory)			CHC Use Only	Yes No
Spouse: (If None, Check Here ☐)									Yes No
Children:									Yes No
1)									Yes No
2)									Yes No
3)									Yes No

EMPLOYEE CERTIFICATION

21. I understand that upon acceptance of this application by the insurance company, and so long as I am employed full-time with this employer, I will be provided with coverage as specified by the group contract made between my employer and Blue Cross and Blue Shield of South Carolina and/or Companion. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.

If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally qualified HMO, I must provide satisfactory evidence of insurability.

Check Box If Health Statement is attached ☐

Date <u>3-3-91</u>	Signature <u>D. Denius</u>	BLUE CROSS/BSH/CHC/COMP/COBRA/DEPT/EMP/IND/CLERK/JWEMP/UCREAS

E

ENROLLMENT APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

INSTRUCTIONS

- 1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by 'ACTION' NEEDED.
- 2.) Blocks shaded gray are to be completed by the Employer.
- 3.) Blocks shaded in blue are to be used by Blue Cross only.

A C T I O N	(1) Check "ACTION" Needed:				REQUIRED BLOCKS		
	☐ a. New Add				1 Through 22		
	☐ b. Change Coverage				2, 3, 6, 9, 12, 15, 21, 22		
	☐ c. Transfer Within Your Group (ie., Main Group to Sub-Group)				2, 3, 6, 9, 12, 15, 22		
	☐ d. Left Employment - No Conversion: Deceased? ☐ Yes ☐ No				2, 6, 9, 15		
	☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.				2, 6, 9, 15		
	☐ f. Name Change (From: _____) To: _____				2, 6, 9, 22		
	☐ g. Address Change				2, 4, 6, 9, 22		
	☐ h. Department Number Change				2, 6, 9, 10, 22		
	☐ i. Beneficiary Change ☐ Spouse Exclusion				2, 6, 9, 15, 22		
☐ j. I.D. Card Request				2, 6, 9			
☐ k. Social Security No. Change From _____ To _____							
☐ l. Other							
I D E N T I F I C A T I O N	(2) Check One			(3) Enter DATE HIRED (full-time) ... If "NEW ADD", or			
	☐ Male ☐ Female			Enter DATE OF EVENT causing "CHANGE COVERAGE"			
	(4) Mailing Address _____ Street or P. O. Box _____			Check event: ☐ Death ☐ Marriage ☐ Divorce ☒ Other Mo. _____ Da. _____ Yr. _____			
	(City) _____ (State) _____ (Zip Code) _____			(5) Group Name _____			
H E A L T H	(6) Social Security No. _____		(7) Your Birthdate _____	(8) Spouse's Birthdate (Check here ☐ if NONE) Mo. _____ Yr. _____	(9) Group Number _____	(10) Dept. No. _____	
	(12) Type of Membership		(13) Additional Health Coverage Desired		(14) Spouse Exclusion: Enter name of (divorced, separated, etc.) Spouse not to be covered.		
	☐ Employee Only ☐ Family ☐ Employee and Spouse ☒ Employee and Children ☐ Life Only ☐ Dental Only		☐ Major Medical ☐ Drug ☐ Dental: ☐ Employee Only ☐ Family ☐ Employee & Spouse ☐ Employee & Children ☐ Other		Name: _____ (15) EFFECTIVE DATE: _____		
					FOR BLUE CROSS AND BLUE SHIELD USE ONLY Dept. Code: _____ Emp. Code: _____ I.D. Code: _____		
L I F E	(16) List Only Dependent Children With Different Last Name:						
	Last Name _____ First _____ Init. _____ Birthdate _____			Sex ☐ Male ☐ Female	Last Name _____ First _____ Init. _____ Birthdate _____		
				Sex ☐ Male ☐ Female			
				Sex ☐ Male ☐ Female			
O T H E R	(17) Types and amount of Companion Life Insurance Coverage			(18) Earnings (Check One)			
	☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability			☐ Hourly ☐ Monthly ☐ Weekly ☒ Annually			
				(19) Life Class _____			
				(20) Beneficiary - Last Name _____ First _____ Init. _____ Relationship _____			
(21) OTHER HEALTH INSURANCE INFORMATION you can help keep your insurance premiums down by completing the questions that follow:							
A) Are you or any member of your family covered by any other Group Health Insurance? ☐ YES ☒ NO							
B) Does any member of your family have Medicare? ☐ YES ☐ NO							

5

I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the effective date of my

APP. 0924

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

Please indicate reason for Application: ☐ New Subscriber(s) ☐ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☒ Transfer Within Your Group From 501
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 12 DAY 1 YEAR 05 DATE OF HIRE: MONTH 1 DAY 1 YEAR 05 ELIGIBILITY DATE: MONTH 1 DAY 1 YEAR 05
 3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other

IDENTIFICATION

4. Employee — Last Name Floyd First Joseph Initial A Home Telephone No. 501 5. Social Security No. 9-2-0
 6. Mailing Address (Street or P.O. Box) [REDACTED] (City) [REDACTED] (State) [REDACTED] (Zip Code) [REDACTED] (County Code - see back)
 7. Name of Employer [REDACTED] 8. Blue Cross Group Number 501 9. Dept. No. Fire 10. Payroll No. 4221

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
 B ☐ Death (Name: [REDACTED]) D ☐ Marriage
 E ☐ Other — Explain: 28 years
 12. Name of spouse to be excluded from coverage if applicable
 13. Occurrence Date of Left Employment C Mo. 9 Day 2 Year 0

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)
 a. HEALTH ☒ b. DENTAL ☒
 S — Single ☒ F — Family ☐ F — Employee/Children ☐ B — Employee/Spouse ☐
 c. REFUSAL OF HEALTH COVERAGE
 01 ☐ Other Insurance with BCBS of SC
 02 ☐ Insurance with another company
 03 ☐ US military coverage
 04 ☐ Federally qualified HMO
 07 ☐ My spouse's coverage with this group
 09 ☐ Other third-party administrator
 10 ☐ Planned Administrators Inc.
 11 ☐ Non-federally qualified HMO
 12 ☐ Covered by Medicare
 13 ☐ Covered by CHAMPUS
 05 ☐ Other — Explain:

15. If Sponsored Membership, give Sponsor's Social Security No. _____
 16. Types and Amounts of Life Insurance Coverage Desired
☐ Life ☐ Supplemental:
☐ AD&D ☐ Life ☐ AD&D
☐ Dep. Life ☐ AD&D
☐ STD ☐ Dep. Life
☐ LTD
 17. Earnings (Check One) ☐ Biweekly ☐ Monthly ☐ Annually
 \$ _____ (Amount) ☐ Hourly ☐ Weekly
 18. Life Class _____
 19. Full Name (Last Name, First, Init.): _____ Relationship _____
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
 21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was You Requ Physic
YOURSELF: Floyd	Joseph	A	M				Yes
Spouse							Yes
Social Security No.							
Child							Yes
Social Security No.							
Child							Yes
Social Security No.							
Child							Yes
Social Security No.							

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☐ NO
 If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security No. _____
 B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

Employee Certification — Read back for certification statement. Check box if the statement is attached. ☐
 PART OF THIS EMPLOYMENT APPLICATION

CHANGE APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE

1. Please indicate action(s) needed. See back for types of action and required fields to be completed. Action needed _____

2. EFFECTIVE DATE OF ACTION REQUESTED:

MONTH _____ DAY _____ YEAR _____

3. Type Contract ▶ Check One and Send Form to Location(s) Indicated:

☐ Blue Cross Member (send form to Blue Cross only)
 ☐ Companion HealthCare Member (send original to CHC, send copy to Blue Cross)
 ☐ Other (Send form to Blue Cross only)
IDENTIFICATION

4. Employee - Last Name <u>William</u> First <u>Arthur</u> Initial <u>C</u> Home Telephone # _____	5. Social Security No. _____
6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____	
7. Name of Employer _____	8. Blue Cross Group Number _____
	9. Dept. No. <u>310</u> 10. Payroll No. <u>5958</u>

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:

A ☐ Birth or Adoption D ☐ Divorce G ☐ Attained Reduction Age
 B ☐ Death (Name: _____) E ☐ Marriage
 C ☐ Transfer Within Your Group F ☐ Other-Explain: _____

12. Name of spouse to be excluded from coverage if applicable _____

13. Occurrence Date or Left Employment Date
Mo. Day Yr. _____**TYPE MEMBERSHIP AND COVERAGE INFORMATION**

14. Check type membership for each coverage desired (indicate life coverage desired, if applicable, in blocks 15 through 19)

a. BC/BS	b. CHC	c. REFUSAL OF HEALTH COVERAGE	d. OPTIONAL COVERAGE
S-Single ☒	☐	01 ☐ Other insurance with BCBS of SC	12 ☐ Covered by Medicare
F-Family ☐	☐	02 ☐ Insurance with another company	13 ☐ Covered by CHAMPUS
F-Employee/Children ☐	☐	03 ☐ US military coverage	05 ☐ Other-Explain: _____
B-Employee/Spouse ☐	☐	04 ☐ Federally Qualified HMO	STAND ALONE DRUG ☐ OTHER ☐
		07 ☐ My spouse's coverage with this group	Specify: _____
		09 ☐ Other 3rd party administrator	STAND ALONE DENTAL: (Check One)
		10 ☐ Planned Administrators Inc.	S - ☒ F - ☐ E/C - ☐ E/S - ☐
		11 ☐ Non-Federally Qualified HMO	

15. If Sponsored Membership give Sponsor's Social Security # _____

16. Types and Amount of Life Insurance Coverage Desired

☐ Life _____ Supplemental
☐ AD&D _____ ☐ Life _____
☐ Dep. Life _____ ☐ AD&D _____
☐ STD _____ ☐ Dep. Life _____
☐ LTD _____

17. Earnings (Check One)
\$ _____ ☐ Hourly ☐ Monthly
(Amount) ☐ Weekly ☐ Annually18. Life Class
☐ Bi-weekly ☐ Monthly ☐ Annually19. Full Name Of: (Last Name, First, Init.) _____ Relationship _____
Primary Beneficiary(ies): _____-Contingent Beneficiary(ies): _____
SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____

21. Only List Members Affected By This Change

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	For Companion HealthCare Members Only Primary Care Physician Name (from Directory)	CHC Use Only	Was This Your Regular Physician?
YOURSELF:							Yes No
Spouse: (If None, Check Here ☐):							Yes No
Spouse Social Security # (Required) and Employer if Employed: _____							
Children:							Yes No
1)							Yes No
2)							Yes No
3)							Yes No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare?

☐ NO ☐ YES If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security # _____
 B. Name of Insurance Co. _____ Policy # _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____

EMPLOYEE CERTIFICATION23. Employee Certification - Read back for certification statement. Check box if health statement is attached. ☐

I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

✓ William Arthur C APP 0926

8-2

L

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☐ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☒ Transfer Within Your Group From 5000
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 7 DAY 1 YEAR 07 DATE OF HIRE: MONTH 6 DAY 1 YEAR 81 ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

4. Employee — Last Name Gilliam III First Arthur Initial Cameron Home Telephone No. _____ 5. Social Security No. _____
6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
7. Name of Employer _____ 8. Blue Cross Group Number 5001 9. Dept. No. Fire 10. Payroll No. 05958

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
B ☐ Death (Name: _____) D ☐ Marriage
E ☐ Other — Explain: _____
12. Name of spouse to be excluded from coverage if applicable _____
13. Occurrence Date or Left Employment Date Mo. Day Yr. 6-29-07

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)

a. HEALTH	b. DENTAL	c. REFUSAL OF HEALTH COVERAGE	d. 10. Planned Administrators Inc.
S — Single ☒	☐	01 ☐ Other insurance with BCBS of SC	11 ☐ Non-federally qualified HMO
F — Family ☐	☐	02 ☐ Insurance with another company	12 ☐ Covered by Medicare
F — Employee/Children ☐	☐	03 ☐ US military coverage	13 ☐ Covered by CHAMPUS
8 — Employee/Spouse ☐	☐	04 ☐ Federally qualified HMO	05 ☐ Other — Explain: _____
		07 ☐ My spouse's coverage with this group	
		09 ☐ Other third-party administrator	

15. If Sponsored Membership, give Sponsor's Social Security No. _____
16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ Life ☐ AD&D ☐ AD&D ☐ Dep. Life ☐ Dep. Life ☐ STD ☐ LTD
17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Weekly ☐ Annually
18. Life Class _____
19. Full Name (Last Name, First, Init.): _____ Relationship _____
Primary Beneficiary(ies): _____
Contingent Beneficiary(ies): _____
SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:					<u>eff 6-15-81</u>		Yes No
Spouse							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							

HUMAN RESOURCES

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☐ NO
If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
A. Family Member's Name _____ and Social Security No. _____
B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
C. Family Member's Employer _____
D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

APP. 0927

B

ENROLLMENT APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

(1) Check "ACTION" Needed:	REQUIRED BLOCKS
☐ a. New Add	1 Through 22
☒ b. Change Coverage	2, 3, 6, 9, 12, 15, 21, 22
☐ c. Transfer Within Your Group (ie., Main Group to Sub-Group)	2, 3, 6, 9, 12, 15, 22
☐ d. Left Employment - No Conversion: Deceased? ☐ YES ☐ NO	2, 6, 9, 15
☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.	2, 6, 9, 15
☐ f. Name Change (From: _____ To: _____)	2, 6, 9, 22
☐ g. Address Change	2, 4, 6, 9, 22
☐ h. Department Number Change	2, 6, 9, 10, 22
☐ i. Beneficiary Change Spouse Exclusion	2, 6, 9, 15, 22
☐ j. I. D. Card Request	2, 6, 9
☐ k. Social Security No. Change From _____ To _____	
☐ l. Other	2, 6

INSTRUCTIONS

- 1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by 'ACTION' NEEDED.
- 2.) Blocks shaded gray are to be completed by the Employer.
- 3.) Blocks shaded in blue are to be used by Blue Cross only.

(2) Check One ☒ Male ☐ Female	Employee - Last Name <u>Hill</u> First <u>Alma</u> Initial <u>Carson</u>	(3) Enter DATE HIRED (full-time) ... If "NEW ADD", or Enter DATE OF EVENT causing "CHANGE COVERAGE" Check event: ☐ Death ☒ Birth ☐ Marriage ☐ Divorce ☐ Other
(4) Mailing Address _____ (City) _____ (State) _____ (Zip Code) _____	Street or P. O. Box _____	Mo. _____ Da. _____ Yr. _____
(6) _____	(7) Your Birthdate Mo. _____ Yr. _____	(8) Spouse's Birthdate (Check here ☐ if NONE) Mo. 08 Yr. 62

(12) Type of Membership ☐ Employee Only ☒ Family ☐ Employee and Spouse ☐ Employee and Children ☐ Life Only ☐ Dental Only	(13) Additional Health Coverage Desired ☒ Major Medical ☐ Drug ☐ Dental: ☐ Employee Only ☐ Family ☐ Employee & Spouse ☐ Employee & Children ☐ Other	(14) Spouse Exclusion: Enter name of (divorced separated, etc.) Spouse <u>not</u> to be covered. Name: _____ Effective Date: _____	FOR BLUE CROSS AND BLUE SHIELD USE ONLY Dept. Code _____ Emp. Code _____ I.D. Code _____

(16) MANDATORY SECTION - For Dependents to get Coverage List Spouse for whom coverage is desired: Last Name <u>Hill</u> First <u>Beverly</u> Init. <u>D</u> Sex ☒ Female			
List All Dependent Children for whom coverage is desired (for additional space, use back of form)			
Last Name <u>Hill</u> First <u>Casey</u> Init. <u>Denis</u> Birthdate _____ Sex ☐ Male ☒ Female	Last Name _____ First _____ Init. _____ Birthdate _____ Sex ☐ Male ☐ Female	Last Name _____ First _____ Init. _____ Birthdate _____ Sex ☐ Male ☐ Female	Last Name _____ First _____ Init. _____ Birthdate _____ Sex ☐ Male ☐ Female

(17) Types and amount of Companion Life Insurance Coverage ☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability	(18) Amount (Check One) ☐ Annual ☐ Monthly ☐ Quarterly ☐ Semi-Annual	(19) Beneficiary - Last Name _____ First _____ Init. _____ Relationship _____

(21) OTHER HEALTH INSURANCE INFORMATION you can help keep your insurance premiums down by completing the questions that follow: A) Are you or any member of your family covered by any other Group Health Insurance? ☐ YES ☒ NO B) Does any member of your family have Medicare? ☐ YES ☒ NO

4

(22) I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy, and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the effective date of my coverage until termination of my coverage.

APP 0928

C

CHANGE APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE

1. Please indicate action(s) needed. See back for types of action and required fields to be completed. Action needed _____

2. EFFECTIVE DATE OF ACTION REQUESTED:

MONTH _____ DAY _____ YEAR _____

3. Type Contract ▶ Check One and Send Form to Location(s) Indicated:

☐ Blue Cross Member (send form to Blue Cross only)
 ☐ Companion HealthCare Member (send original to CHC, send copy to Blue Cross)
 ☐ Other (Send form to Blue Cross only)
IDENTIFICATION

4. Employee - Last Name <u>Hill, Alma C.</u> First Initial Home Telephone #	5. Social Security No.
6. Mailing Address (Street or P.O. Box) (City) (State) (Zip Code)	
7. Name of Employer	8. Blue Cross Group Number
	9. Dept. No. <u>314</u> 10. Payroll No. <u>6383</u>

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13: A ☐ Birth or Adoption D ☐ Divorce G ☐ Attained Reduction Age B ☐ Death (Name: _____) E ☐ Marriage C ☐ Transfer Within Your Group F ☐ Other-Explain: _____	12. Name of spouse to be excluded from coverage if applicable _____	13. Occurrence Date or Left Employment Date Mo. Day Yr.

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired (indicate life coverage desired, if applicable, in blocks 15 through 19)			
a. BC/BS	b. CHC	c. REFUSAL OF HEALTH COVERAGE	d. OPTIONAL COVERAGE
S-Single ☐	☐	01 ☐ Other insurance with BCBS of SC	12 ☐ Covered by Medicare
F-Family ☒	☐	02 ☐ Insurance with another company	13 ☐ Covered by CHAMPUS
F-Employee/Children ☐	☐	03 ☐ US military coverage	05 ☐ Other-Explain: _____
8-Employee/Spouse ☐	☐	04 ☐ Federally Qualified HMO	STAND ALONE DRUG ☐ OTHER ☐
		07 ☐ My spouse's coverage with this group	Specify: _____
		09 ☐ Other 3rd party administrator	STAND ALONE DENTAL: (Check One)
		10 ☐ Planned Administrators Inc.	S - ☐ F - ☒ E/C - ☐ E/S - ☐
		11 ☐ Non-Federally Qualified HMO	
15. If Sponsored Membership give Sponsor's Social Security # _____		17. Earnings (Check One) \$ _____ ☐ Hourly ☐ Bi-weekly (Amount) ☐ Weekly ☐ Monthly ☐ Annually	18. Life Class
16. Types and Amount of Life Insurance Coverage Desired ☐ Life Supplemental ☐ AD&D ☐ Life ☐ Dep. Life ☐ AD&D ☐ STD ☐ Dep. Life ☐ LTD		19. Full Name Of: (Last Name, First, Init.) Relationship Primary Beneficiary(ies): Contingent Beneficiary(ies): *SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION*	
20. Job title or description: _____			

21. Only List Members Affected By This Change					For Companion HealthCare Members Only		Was This Your Regular Physician?	
Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name (from Directory)	CHC Use Only	Yes	No
YOURSELF:								
Spouse: (If None, Check Here ☐):								
Spouse Social Security # (Required) and Employer If Employed:								
Children:								
1)							Yes	No
2)							Yes	No
3)							Yes	No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare? ☐ NO ☐ YES If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____			
A. Family Member's Name _____		and Social Security # _____	
B. Name of Insurance Co. _____		Policy # _____ Effective Date _____	
C. Family Member's Employer _____			
D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____			

EMPLOYEE CERTIFICATION23. Employee Certification - Read back for certification statement. Check box if health statement is attached. ☐

I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

Date 6/15/92 Signature Alma Hill APP 0929

BLUE CROSS USE ONLY			
DEPT.	TEMP.	DATE	TIME

Keyed 11-7-96

D

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An Independent Licensee of the Blue Cross and Blue Shield Association
COMPANION LIFE INSURANCE COMPANY · COMPANION HEALTHCARE

2. EFFECTIVE DATE OF ACTION REQUESTED: DATE OF HIRE: ELIGIBILITY DATE:
MONTH 12 DAY 1 YEAR 2016 MONTH DAY YEAR MONTH DAY YEAR

3. Type Contract Check One and Send Form to Appropriate Location ☐ Blue Cross Member OR ☐ Companion HealthCare Member ☐ Other

4. Employee - Last Name Hill			First Alma	Initial C	Home Telephone # 638-3333	5. Social Security No. 01-123456789	
6. Mailing Address (Street or P.O. Box) 123 Main St.			(City) Springfield	(State) IL	(Zip Code) 62761		
7. Name of Employer City of Columbia			8. Blue Cross Group Number 1234-5678-9012			9. Dept. No. Fire	10. Payroll No. 6383

11. Check appropriate reason; give occurrence date in Block 13: A ☐ Birth or Adoption B ☐ Death (Name: _____) C ☒ Divorce D ☐ Marriage E ☐ Other-Explain: <u>Dead Spouse</u> F ☐ Attained Reduction Age	12. Name of spouse to be excluded from coverage if applicable _____	13. Occurrence Date or Left Employment Date Mo. Day Yr. _____

14. Check type membership for each coverage desired (indicate life coverage desired, if applicable, in blocks 15 through 19)								
	a.	b.	c.	d.				
	BC/BS	CHC	DENTAL		REFUSAL OF HEALTH COVERAGE			
S-Single	☐	☐	☐	01	☐ Other insurance with BCBS of SC			
F-Family	☐	☐	☐	02	☐ Insurance with another company			
F-Employee/Children	☒	☐	☒	03	☐ US military coverage			
B-Employee/Spouse	☐	☐	☐	04	☐ Federally Qualified HMO			
				07	☐ My spouse's coverage with this group			
				09	☐ Other 3rd party administrator			
				10	☐ Planned Administrators Inc.			
15. If Sponsored Membership give Sponsor's Social Security # _____								
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%; padding: 5px;"> 16. Types and Amount of Life Insurance Coverage Desired ☐ Life _____ Supplemental _____ ☐ AD&D _____ ☐ Life _____ ☐ Dep. Life _____ ☐ AD&D _____ ☐ STD _____ ☐ Dep. Life _____ ☐ LTD _____ </td> <td style="width: 40%; padding: 5px;"> 17. Earnings (Check One) \$ _____ ☐ Hourly (Amount) _____ ☐ Weekly ☐ Bi-weekly ☐ Monthly ☐ Annually </td> <td style="width: 20%; padding: 5px;"> 18. Life Class Relationship _____ </td> </tr> </table>						16. Types and Amount of Life Insurance Coverage Desired ☐ Life _____ Supplemental _____ ☐ AD&D _____ ☐ Life _____ ☐ Dep. Life _____ ☐ AD&D _____ ☐ STD _____ ☐ Dep. Life _____ ☐ LTD _____	17. Earnings (Check One) \$ _____ ☐ Hourly (Amount) _____ ☐ Weekly ☐ Bi-weekly ☐ Monthly ☐ Annually	18. Life Class Relationship _____
16. Types and Amount of Life Insurance Coverage Desired ☐ Life _____ Supplemental _____ ☐ AD&D _____ ☐ Life _____ ☐ Dep. Life _____ ☐ AD&D _____ ☐ STD _____ ☐ Dep. Life _____ ☐ LTD _____	17. Earnings (Check One) \$ _____ ☐ Hourly (Amount) _____ ☐ Weekly ☐ Bi-weekly ☐ Monthly ☐ Annually	18. Life Class Relationship _____						
19. Full Name Of: (Last Name, First, Init.) _____ Primary Beneficiary(ies): _____ Contingent Beneficiary(ies): _____ *SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION*								
20. Job title or description: _____								

[illegible]

22. Do you or does any member of your family have other group health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☒ NO
If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
A. Family Member's Name Beverly D. Hill and Social Security # _____
B. Name of Insurance Co. Prudential Policy # _____ Effective Date _____
C. Family Member's Employer JK
D. List Names of Covered Persons 1 Beverly D. Hill 2 3 _____ 4 _____
E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

APP. 0930

G

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous

☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From _____

☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change

☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____

☐ ID Card Request ☒ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 12 DAY 01 YEAR 05 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____

3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

4. Employee — Last Name Hill First Alma Initial C Home Telephone No. _____ 5. Social Security No. _____

6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____

7. Name of Employer City of Columbia 8. Blue Cross Group Number 00-000000-00-00 9. Dept. No. Fire 10. Payroll No. 6383

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:

A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age

B ☐ Death (Name: _____) D ☒ Marriage

E ☐ Other — Explain: _____

12. Name of spouse to be excluded from coverage applicable _____

13. Occurrence Date or Left Employment Date Mo. _____ Day _____ Yr. _____

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)

a. HEALTH ☒ b. DENTAL ☒ c. REFUSAL OF HEALTH COVERAGE

S — Single ☐ 01 ☐ Other insurance with BCBS of SC

F — Family ☒ 02 ☐ Insurance with another company

F — Employee/Children ☐ 03 ☐ US military coverage

B — Employee/Spouse ☐ 04 ☐ Federally qualified HMO

07 ☐ My spouse's coverage with this group

09 ☐ Other third-party administrator

10 ☐ Planned Administrators Inc.

11 ☐ Non-federally qualified HMO

12 ☐ Covered by Medicare

13 ☐ Covered by CHAMPUS

05 ☐ Other — Explain: _____

15. If Sponsored Membership, give Sponsor's Social Security No. _____

16. Types and Amounts of Life Insurance Coverage Desired

☐ Life ☐ Supplemental: ☐ Life ☐ AD&D ☐ AD&D

☐ Dep. Life ☐ Dep. Life

☐ STD ☐ Dep. Life

☐ LTD

17. Earnings (Check One) ☐ Biweekly ☐ Monthly ☐ Annually

\$ _____ (Amount) ☐ Hourly ☐ Weekly

18. Life Class _____

19. Full Name (Last Name, First, Init): _____ Relationship _____

Primary Beneficiary(ies): _____

Contingent Beneficiary(ies): _____

SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____

21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:							
Spouse: <u>Sandra Gail Hill</u>			F				Yes No
Social Security No. _____							Yes No
Child: <u>Travis Trent Taffeteller</u>							Yes No
Social Security No. _____							Yes No
Child _____							Yes No
Social Security No. _____							Yes No
Child _____							Yes No
Social Security No. _____							Yes No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☒ NO

If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____

A. Family Member's Name _____ and Social Security No. _____

B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____

C. Family Member's Employer _____

D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____

E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

APP. 0931

H

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From _____
☐ Shift Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other drop spouse

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 6 DAY 1 YEAR 06 DATE OF HIRE: MONTH 6 DAY 28 YEAR 82 ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____

3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

4. Employee -- Last Name Hill First Alma Initial C Home Telephone No. _____ 5. Social Security No. _____

6. Mailing Address (Street or P.O. Box) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____

7. Name of Employer City of Columbia 8. Blue Cross Group Number 0000000000 9. Dept. No. 800 10. Payroll No. 66383

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
B ☐ Death (Name: _____) D ☐ Marriage
E ☒ Other - Explain: Spouse has own coverage

12. Name of spouse to be excluded from coverage if applicable _____

13. Occurrence Date or Left Employment Date: Mo. _____ Day _____ Yr. _____

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)

	a. HEALTH	b. DENTAL	c. REFUSAL OF HEALTH COVERAGE
S - Single	☐	☐	01 ☐ Other insurance with BCBS of SC
F - Family	☐	☐	02 ☐ Insurance with another company
F - Employee/Children	☒	☒	03 ☐ US military coverage
S - Employee/Spouse	☐	☐	04 ☐ Federally qualified HMO
			07 ☐ My spouse's coverage with this group
			09 ☐ Other third-party administrator
			10 ☐ Planned Administrators Inc.
			11 ☐ Non-federally qualified HMO
			12 ☐ Covered by Medicare
			13 ☐ Covered by CHAMPUS
			05 ☐ Other - Explain: _____

15. If Sponsored Membership, give Sponsor's Social Security No. _____

16. Types and Amounts of Life Insurance Coverage Desired
☐ Life ☐ Supplemental: ☐ Life ☐ AD&D ☐ AD&D ☐ STD ☐ Dep. Life ☐ LTD ☐ Dep. Life

17. Earnings (Check One)
\$ _____ (Amount) ☐ Hourly ☐ Biweekly ☐ Monthly ☐ Weekly ☐ Annually

18. Life Class _____

19. Full Name (Last Name, First, Init.): _____ Relationship _____
Primary Beneficiary(ies): HUMAN RESOURCES
Contingent Beneficiary(ies): _____

SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____

21. List All Family Members Covered or Affected By a Change

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:							Yes No
Spouse <u>Sandra Hill</u>							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☒ YES ☐ NO

If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
A. Family Member's Name Sandra Hill and Social Security No. _____
B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
C. Family Member's Employer see attached
D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

APP. 0932

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From _____
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 6 DAY 1 YEAR 06 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
 3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ GHC ☐ Other _____

IDENTIFICATION

4. Employee — Last Name Hill First Alma Initial C Home Telephone No. _____ 5. Social Security No. _____
 6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
 7. Name of Employer City of Columbia 8. Blue Cross Group Number - - - 9. Dept. No. _____ 10. Payroll No. 6383

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☒ Attained Reduction Age
 B ☐ Death (Name: _____) D ☐ Marriage
 E ☐ Other — Explain: dropping one
 12. Name of spouse to be excluded from coverage if applicable _____ 13. Occurrence Date or Left Employment Date Mo. _____ Day _____ Yr. _____

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)

	a. HEALTH	b. DENTAL	c. REFUSAL OF HEALTH COVERAGE	
S — Single	☐	☐	01 ☐ Other insurance with BCBS of SC	10 ☐ Planned Administrators Inc.
F — Family	☒	☒	02 ☐ Insurance with another company	11 ☐ Non-federally qualified HMO
F — Employee/Children	☐	☐	03 ☐ US military coverage	12 ☐ Covered by Medicare
8 — Employee/Spouse	☐	☐	04 ☐ Federally qualified HMO	13 ☐ Covered by CHAMPUS
			07 ☐ My spouse's coverage with this group	05 ☐ Other — Explain: _____
			09 ☐ Other third-party administrator	

15. If Sponsored Membership, give Sponsor's Social Security No. _____
 16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ AD&D ☐ Life ☐ Dep. Life ☐ AO&D ☐ STD ☐ Dep. Life ☐ LTO
 17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Weekly ☐ Annually
 18. Life Class _____
 19. Full Name (Last Name, First, Init): _____ Relationship _____
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
 21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:							Yes No
Spouse					<u>Scotty married</u>		Yes No
Social Security No.					<u>COBRA</u>		Yes No
Child <u>Casey D. Hill</u>							Yes No
Social Security No.							Yes No
Child							Yes No
Social Security No.							Yes No
Child							Yes No
Social Security No.							Yes No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☐ NO
 If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security No. _____
 B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

APP. 0933

MEMBERSHIP APPLICATION

BLUE CROSS* AND BLUE SHIELD* OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association
 BLUECHOICE HEALTHPLAN OF SOUTH CAROLINA, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association
 COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From _____
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☒ Other Add spouse

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 9 DAY 1 YEAR 06 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
 3. Type Contract: ☐ Preferred Blue ☐ Comprehensive ☐ BlueChoice HealthPlan ☐ HSA ☐ HRA

IDENTIFICATION

4. Employee - Last Name Hill First Alma Initial C Home Telephone No. _____ 5. Social Security No. _____
 6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
 7. Name of Employer _____ 8. Blue Cross Group Number _____ 9. Dept. No. _____ 10. Payroll No. 6383

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
 B ☐ Death (Name: _____) D ☐ Marriage
 E ☐ Other - Explain: Add Spouse
 12. Name of spouse to be excluded from coverage if applicable _____ 13. Occurrence Date or Left Employment Date Mo. _____ Day _____ Yr. _____

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)
 a. HEALTH b. DENTAL c. REFUSAL OF HEALTH COVERAGE
 S - Single ☒ ☒ 01 ☐ Other insurance with BCBS of SC 10 ☐ Planned Administrators Inc.
 F - Family ☒ ☒ 02 ☐ Insurance with another company 11 ☐ Non-federally qualified HMO
 F - Employee/Children ☐ ☐ 03 ☐ US military coverage 12 ☐ Covered by Medicare
 B - Employee/Spouse ☐ ☐ 04 ☐ Federally qualified HMO 13 ☐ Covered by CHAMPUS
 07 ☐ My spouse's coverage with this group 05 ☐ Other - Explain: _____
 09 ☐ Other third-party administrator

15. If Sponsored Membership, give Sponsor's Social Security No. _____
 16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ Life ☐ AD&D ☐ Life ☐ AD&D ☐ Dep. Life ☐ AD&D ☐ Dep. Life ☐ STD ☐ Dep. Life ☐ LTD
 17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Annually
 \$ _____ (Amount) ☐ Weekly
 18. Life Class _____
 19. Full Name (Last Name, First, Init.): _____ Relationship _____
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF: Hill	Alma	C.			Dr. J Ford		Yes No
Spouse Hill	Sandra	G			Dr. Label		Yes No
Child Shannon							Yes No
Child Brandy							Yes No
Child Travis							Yes No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☒ NO
 If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security No. _____
 B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

23. Employee Certification - Read back for certification statement. Check box if health statement is attached. ☐
 I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.
8-30-06 Signature: APP. 0934 12

D

ROLLMENT APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

(1) Check "ACTION" Needed:	REQUIRED BLOCKS
☐ a. New Add	1 Through 22
☐ b. Change Coverage	2, 3, 6, 9, 12, 15, 21, 22
☐ c. Transfer Within Your Group (ie., Main Group to Sub-Group)	2, 3, 6, 9, 12, 15, 21, 22
☐ d. Left Employment - No Conversion: Deceased? ☐ YES ☐ NO	2, 6, 9, 15
☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.	2, 6, 9, 15
☐ f. Name Change (From: _____ To: _____)	2, 6, 9, 22
☐ g. Address Change	2, 4, 6, 9, 22
☐ h. Department Number Change	2, 6, 9, 10, 21, 22
☐ i. Beneficiary Change Spouse Exclusion	2, 6, 9, 15, 14 or 20, 22
☐ j. I. D. Card Request	2, 6, 9
☐ k. Social Security No. Change From _____ To _____	
☐ l. Other	2, 6

INSTRUCTIONS

- 1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by 'ACTION' NEEDED.
- 2.) Blocks shaded gray are to be completed by the Employer.
- 3.) Blocks shaded in blue are to be used by Blue Cross only.

(2) Check One ☒ Male ☐ Female	Employee - Last Name <u>Martin</u>	First <u>Berry</u>	Initial <u>N.</u>	(3) If "New Add" enter the date of hire (full time) If "Change in Coverage" enter the date of the event which caused the change in coverage (Check event: ☐ Death ☐ Marriage ☐ Birth ☐ Divorce ☐ Other) Mo. <u>1</u> Da. <u>1</u> Yr. <u>1</u>
(4) Mailing Address _____ Street or P. Q. Box _____ (City) _____ (State) _____ (Zip Code) _____				(5) Group Name _____
(6) Social Security No. _____	(7) Your Birthdate Mo. <u>1</u> Da. <u>1</u> Yr. <u>1</u>	(8) Spouse's Birthdate (Check here ☐ if NONE) Mo. <u>1</u> Da. <u>1</u> Yr. <u>1</u>	(9) Group Number _____	(10) Dept. Code _____ (11) Payroll No. _____

(12) Type of Membership ☐ Employee Only ☐ Family ☐ Employee and Spouse ☐ Employee and Children ☐ Life Only ☐ Dental Only	(13) Additional Health Coverage Desired ☐ Major Medical ☐ Drug ☐ Dental: ☐ Employee Only ☐ Family ☐ Employee & Spouse ☐ Employee & Children ☐ Other	(14) Spouse Exclusion: Enter name of (divorced separated, etc.) Spouse <u>not</u> to be covered. Name: _____ (15) Effective Date of Action Requested in Block 1: Month <u>1</u> Day <u>1</u> Year <u>1</u>	FOR BLUE CROSS AND BLUE SHIELD USE ONLY Dept. Code _____ Emp. Code _____ I.D. Code _____

(16) MANDATORY SECTION - For Dependents to get Coverage List Spouse for whom coverage is desired: Last Name First Init. Sex ☐ Male ☐ Female List All Dependent Children for whom coverage is desired (for additional space, use back of form.)									
Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female	Last Name	First	Init.	Birthdate Mo. Da. Yr.	Sex ☐ Male ☐ Female

(17) Types and amount of Companion Life Insurance Coverage ☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability	(18) Earnings (Check One) ☐ Bi-weekly ☐ Hourly ☐ Monthly ☐ Weekly ☐ Annually \$ _____ (Amount) _____	(19) Life Class _____
(20) Beneficiary - Last Name First Init. Relationship		

(21) Job Description (Describe the duties and functions of your job): _____ _____

(22) I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the effective date of my coverage until

APP: 09355

3/31/08

MEMBERSHIP APPLICATION

BLUE CROSS® AND BLUE SHIELD® OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association
 BLUECHOICE HEALTHPLAN OF SOUTH CAROLINA, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association
 COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☐ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☒ Transfer Within Your Group From 5000
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 4 DAY 1 YEAR 08 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
 3. Type Contract: ☐ Preferred Blue ☐ Comprehensive ☐ BlueChoice HealthPlan ☐ HSA ☐ HRA

IDENTIFICATION

4. Employee — Last Name Martin Barry First N. Initial _____ Home Telephone No. _____ 5. Social Security No. _____
 6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
 7. Name of Employer _____ 8. Blue Cross Group Number 5006 9. Dept. No. Fire 10. Payroll No. 00694

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
 B ☐ Death (Name: _____) D ☐ Marriage E ☐ Other - Explain: Ret. 35 years
 12. Name of spouse to be excluded from coverage if applicable _____ 13. Occurrence Date or Left Employment Date: Mo. _____ Day _____ Yr. 3-29-08

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)
 a. HEALTH ☒ b. DENTAL ☒ c. REFUSAL OF HEALTH COVERAGE
 S - Single ☒ 01 ☐ Other insurance with BCBS of SC
 F - Family ☐ 02 ☐ Insurance with another company
 F - Employee/Children ☐ 03 ☐ US military coverage
 B - Employee/Spouse ☐ 04 ☐ Federally qualified HMO
 07 ☐ My spouse's coverage with this group
 09 ☐ Other third-party administrator
 10 ☐ Planned Administrators Inc.
 11 ☐ Non-federally qualified HMO
 12 ☐ Covered by Medicare
 13 ☐ Covered by CHAMPUS
 05 ☐ Other - Explain: _____

15. If Sponsored Membership, give Sponsor's Social Security No. _____
 16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ Life ☐ AD&D ☐ AD&D ☐ STD ☐ Dep. Life ☐ LTD
 17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Annually
 \$ _____ (Amount) _____
 18. Life Class _____
 19. Full Name (Last Name, First, Init.): _____ Relationship _____
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
 21. List All Family Members Covered or Affected By a Change
 For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF: MARTIN	Barry	N	M	6-8-54	eff. 7-15-73		Yes No
Spouse							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							

BC/Retirement Office: ☒
 Retiree log in book: ☒
 Keyed to computer: ☒

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare?
 If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security No. _____
 B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

23. Employee Certification — Read back for certification statement. Check box if health statement is attached. ☐
 I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.
 Date: MARCH 27, 2008 Signature: Barry N. Martin
 APP-0936

A

CHANGE APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE

1. Check "ACTION" Needed:	REQUIRED BLOCKS
☐ a. Primary Care Physician Change — For Companion HealthCare members only.	2,3,4,5,7,20,21
☐ b. Change Coverage — Explain:	2,3,4,5,7,8,11,13,14,21
☐ c. Transfer Within Your Group (From: Grp. #) To:	2,3,4,5,7,8,14,21
☐ d. Left Employment — No Conversion/Deceased? ☐ YES ☐ NO	2,3,4,5,7,8,13,21
☐ e. Left Employment — Wants Conversion or Medicare Complementary Info:	2,3,4,5,7,8,13,21
☐ f. Name Change (From:) To:	3,4,5,7,8,21
☐ g. Address Change (From:) To:	3,4,5,7,8,21
☐ h. Department/Number Change (From:) To:	3,4,5,7,8,21
☐ i. Beneficiary Change and/or ☐ Spouse Exclusion	2,3,4,5,7,8,12 or 18,21
☐ j. I.D. Card Request	3,4,5,7,8
☐ k. Social Security No. Change (From:) To:	3,4,5,7,8,21
☐ l. Add Dependents:	2,3,4,5,7,8,20,21
☐ m. Other — Explain:	3,4,5

INSTRUCTIONS

1. Blocks NOT shaded are to be completed by the applicant, as indicated by "ACTION" NEEDED.
2. Blocks shaded gray are to be completed by the Employer.
3. Blocks shaded blue are to be used by BC/CHC only.
4. Refer to your Group Administrator's Guide for complete instructions.

2. Complete and attach to this application the following information:

3. Complete and attach to this application the following information:

IDENTIFICATION

4. Employee — Last Name Ms. Chilton First Baker Initial 27 5. Social Security No. _____

6. Mailing Address: (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:

A ☐ Birth or Adoption B ☐ Death C ☐ Transfer Within Your Group F ☐ COBRA Extension OR Other — Explain: _____

D ☐ Divorce E ☐ Marriage

12. Name of spouse to be excluded from coverage (if applicable) _____

13. Occurrence Date or Left Employment Date: Mo. Day Yr. 7 28 1988

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired (Indicate life coverage information, if applicable, in blocks 15 through 19)

	BC/BS HEALTH	CHC HEALTH	OPTIONAL COVERAGE
S-Single	☐	☐	STAND ALONE ☐
F-Family	☐	☐	STAND ALONE DRUG ☐
F-Employee/Children	☐	☐	Other ☐
8-Employee/Spouse	☐	☐	Optional ☐
			Coverage (Specify:) ☐

01 ☐ Other insurance with BCBS of SC

02 ☐ Insurance with another company

03 ☐ U.S. military coverage

04 ☐ HMO other than Companion HealthCare

07 ☐ My spouse's coverage with this group

09 ☐ Other third party administrator

10 ☐ Planned Administrators, Inc., third party administrator

05 ☐ Other — Explain: _____

R-Refusing Health Coverage: Check Appropriate Box to Explain Reason for Refusal: _____

15. Types and Amount of Life Insurance Coverage Desired

☐ Life ☐ AD&D ☐ Dep. Life ☐ LTD ☐ L

18. Beneficiary — Last Name _____ First _____ Initial _____ Relationship _____

1) _____

2) _____

19. Job title or description: _____

20. Only List Members Affected By This Change

Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name (from Directory)	Was This Your Regular Physician?
YOURSELF:						Yes No
Spouse: (If None, Check ☐):						Yes No
Children:						Yes No
1)						Yes No
2)						Yes No
3)						Yes No

EMPLOYEE CERTIFICATION

21. I understand that upon acceptance of this contract, made between me and the Insurance Company, and so long as I am employed full-time with this employer, I will be provided with coverage as specified by the group contract with regard to my eligibility by the Insurance Company and Blue Cross and Blue Shield of South Carolina and/or Companion. I further understand that all information for claims processing purposes is coverage, I authorize release to the company of my past and future medical records and Medicare Part A and B claims.

If refusing coverage, I understand that if I later wish evidence of insurability, the group plan offered by my employer and I am not with a legally qualified HMO, I must provide satisfactory evidence of insurability.

Check Box if Health Statement is Attached: ☐

I HAVE READ AND UNDERSTAND EACH AND EVERY A.

Date 7-28-88 Signature _____

THIS ENROLLMENT APPLICATION.

APP. 0937

Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A WHOLLY OWNED SUBSIDIARY OF THE BLUE CROSS AND BLUE SHIELD ASSOCIATION
South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA ☐ 18 mo. ☐ 29 mo. ☐ 36 mo. (Block 22 must be completed) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From
☐ Left Employment ☐ No Conversion ☐ Waive Conversion of Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 3 DAY 1 YEAR 98 DATE OF HIRE: MONTH 3 DAY 1 YEAR 98 ELIGIBILITY DATE: MONTH 3 DAY 1 YEAR 98
 3. Type/Contract: ☐ PPC ☐ PPC Select ☐ HMO Blue ☒ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other

IDENTIFICATION
 4. Employee - Last Name McClinton First Barley Initial G Home Telephone No. 40 5. Social Security No. 9903
 6. Mailing Address (Street or P.O. Box) 380 (City) 40 (State) 40 (Zip Code) 40 (County Code - see back)
 7. Name of Employer Columbia Fire Dept. 8. Blue Cross Group Number 00-9 9. Dept. No. Fire 10. Payroll No. 9903

REASON FOR COVERAGE CHANGE
 11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☒ Attained Reduction Age
 B ☐ Death (Name: Barley Children) D ☐ Marriage E ☐ Other Explain: Barley Children
 12. Name of spouse to be excluded from coverage if applicable
 13. Occurrence Date or Left Employment Date: Mo. 01 Day 1 Yr. 98

TYPE MEMBERSHIP AND COVERAGE INFORMATION
 14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 16 through 19.)

	a. HEALTH	b. DENTAL	REFUSAL OF HEALTH COVERAGE			
S - Single	☐	☐	01 ☐ Other insurance with BCBS of SC	10 ☐ Planned Administrators, Inc.		
F - Family	☐	☐	02 ☐ Insurance with another company	11 ☐ Non-federally qualified HMO		
F - Employee/Children	☐	☐	03 ☐ Military coverage	12 ☐ Covered by Medicare		
8 - Employee/Spouse	☒	☒	04 ☐ Federally qualified HMO	13 ☐ Covered by CHAMPUS		
			07 ☐ My spouse's coverage with this group	05 ☐ Other - Explain:		
			09 ☐ Other third party administrator			

15. If Sponsored Membership, give Sponsor's Social Security No. 9903
 16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental ☐ Life ☐ AD&D ☐ AD&D ☐ Dep. Life ☐ AD&D ☐ STD ☐ Dep. Life ☐ LTD
 17. Earnings (Check One) ☐ Biweekly ☐ Monthly ☐ Annually
 18. Life Class
 19. Full Name (Last Name, First, Init.) Barley G. McClinton Relationship Primary Beneficiary (ies)
 Contingent Beneficiary (ies):
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description:
 21. List All Family Members Covered or Affected by a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF					Yes No
Spouse					Yes No
Social Security No.					Yes No
Child <u>Barley R. McClinton</u>					Yes No
Social Security No.					Yes No
Child					Yes No
Social Security No.					Yes No
Child					Yes No
Social Security No.					Yes No

OTHER INSURANCE INFORMATION
 Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☒ NO
 If Yes: MEDICARE A - ☐ Effective Date 6-23-98 MEDICARE B - ☐ Effective Date 6-23-98 and Social Security No. 9903
 A. Family Member's Name Barley G. McClinton
 B. Name of Insurance Co. Blue Cross of South Carolina Policy No. 00-9 Effective Date 6-23-98
 C. Family Member's Employer Columbia Fire Dept.
 D. List Names of Covered Persons: 1. Barley G. McClinton 2. Barley R. McClinton 3. Barley G. McClinton 4. Barley G. McClinton
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION
 22. Employee Certification - Read back for certification statement. (Check box if health statement is attached.)
 I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.
 Date 1-16-98 Signature Barley G. McClinton
 APP. 0938

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☒ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☐ Transfer Within Your Group From _____
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 02 DAY 01 YEAR 2000 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
 3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

Employee -- Last Name Morris First Charles Initial F Home Telephone No. _____ Social Security No. _____
 6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
 7. Name of Employer _____ 8. Blue Cross Group Number 03-19584-00-7 9. Dept. No. Fire 10. Payroll No. 3964

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
 A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
 B ☐ Death (Name: _____) D ☐ Marriage
 E ☐ Other -- Explain: Has own Insurance
 12. Name of spouse to be excluded from coverage if applicable _____ 13. Occurrence Date or Left Employment Date Mo. _____ Day _____ Yr. _____

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)
 a. HEALTH ☒ b. DENTAL ☒
 S - Single ☒ F - Family ☐ F - Employee/Children ☐ 8 - Employee/Spouse ☐
 c. REFUSAL OF HEALTH COVERAGE
 01 ☐ Other insurance with BCBS of SC 10 ☐ Planned Administrators Inc.
 02 ☐ Insurance with another company 11 ☐ Non-federally qualified HMO
 03 ☐ US military coverage 12 ☐ Covered by Medicare
 04 ☐ Federally qualified HMO 13 ☐ Covered by CHAMPUS
 07 ☐ My spouse's coverage with this group 05 ☐ Other -- Explain: _____
 09 ☐ Other third-party administrator

15. If Sponsored Membership, give Sponsor's Social Security No. _____

16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ Life ☐ AD&D ☐ AD&D ☐ Dep. Life ☐ Dep. Life ☐ STD ☐ LTD
 17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Weekly ☐ Annually
 18. Life Class _____
 19. Full Name (Last Name, First, Init.): _____ Relationship _____
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____

21. List All Family Members Covered or Affected By a Change For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:							Yes No
Spouse							Yes No
Social Security No.							
Child <u>Charlie Jr</u>			M				Yes No
Social Security No.							
Child							Yes No
Social Security No.							
Child							Yes No
Social Security No.							

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☒ YES ☐ NO
 If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name Charles Morris Jr and Social Security No. _____
 B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
 E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

23. Employee Certification -- Read back for certification statement. Check box if health statement searched. ☐

APP 0939

EMPLOYEE CERTIFICATION STATEMENT

I understand that upon acceptance of this application by the insurance company, and so long as I meet the eligibility requirements of the contract with this employer, I will be provided with coverage as specified by the group contract made between my employer and the Corporation. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.

If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally qualified HMO, I must provide satisfactory evidence of insurability.

If enrolling in the HMO, I also agree to the conditions listed below. I also understand that I am required to select a personal physician from the physicians associated with the Corporation for HMO coverage and that I am required to have my physician provide or arrange, in advance, for all the medical services I need except for life-threatening emergencies. I also authorize my employer/group to deduct from my pay and remit the prevailing employee's portion that may be required for the cost of said coverage. I represent that the information on this form is true, correct and complete.

INSTRUCTIONS FOR MULTIPLE BENEFICIARY DESIGNATIONS

- A. If a married woman is to be named as beneficiary, indicate her full given name (example: Mary R. Doe, not Mrs. John Doe).
- B. If two or more beneficiaries are designated, the proceeds will be distributed equally, unless shares are indicated differently by the insured.
- C. When a minor or mentally incompetent person is designated as beneficiary, it will be necessary for a legal guardian to be court appointed before the proceeds can be distributed.
- D. If no beneficiary is designated, or there is no living beneficiary at the time of the insured's death, the proceeds will become payable to the estate of the insured.
- E. Primary Beneficiary – the person to receive life proceeds, if living, at the time of the insured's death. Contingent Beneficiary – the person to receive life proceeds if no primary beneficiary is living at the time of the insured's death.

For Subscribers That Must Select A Primary Care Physician

THE INFORMATION SUPPLIED ON THE FACE OF THIS FORM AND THE FOLLOWING CONDITIONS FORM PART OF MY CONTRACT WITH THE CORPORATION

- I understand that as a subscriber I am applying for myself and eligible members of my family for healthcare coverage.
- I understand that by enrolling in BLUE PLUS, I am automatically entitled to HMO benefits from Preferred Health Systems, Inc. and medical insurance benefits from Blue Cross and Blue Shield of South Carolina or that by enrolling in CHOICES, I am automatically entitled to HMO benefits from Companion HealthCare and medical insurance benefits from Blue Cross and Blue Shield of South Carolina.
- I may enroll my unmarried children residing in the HMO service area. For purposes of this contract children are defined as my natural or adopted children or children of my spouse by a previous marriage (required by court order) or children residing with me under a legal guardianship. Such children can be covered to age 19 (23, if full-time students) unless my employer has modified this provision or purchased the available extended dependent coverage.
- TO BE ENTITLED TO BENEFITS, MY FAMILY AND I AGREE TO SEEK ALL HEALTHCARE SERVICES THROUGH OUR CHOSEN PRIMARY CARE PHYSICIANS OR FROM OTHER PROVIDERS SPECIFICALLY AUTHORIZED IN ADVANCE BY OUR CHOSEN PRIMARY CARE PHYSICIANS WITH THE EXCEPTION OF GENUINE EMERGENCY SERVICES WHEN IT IS NOT POSSIBLE OR PRACTICAL TO CONTACT OUR CHOSEN PRIMARY CARE PHYSICIANS.
- I authorize the Corporation to obtain from providers of service and hospitals the medical records relating to my family members and me which are necessary to the administration of my contract.
- I agree that the Corporation has the right of financial recovery at its own expense from any person or organization responsible for injuries to myself or my covered dependents for benefits paid or cost incurred for treatment of such injury. This includes, but is not limited to any benefits payable under Workers Compensation laws and uninsured motorists benefits. I further agree to cooperate in all matters to secure this right of subrogation.

NOTE: YOU MUST SELECT A PRIMARY CARE PHYSICIAN AT THE TIME OF ENROLLMENT.

South Carolina County Codes

10

01 Abbeville	08 Berkeley	15 Colleton	22 Georgetown	29 Lancaster	36 Newberry	43 Sumter
02 Aiken	09 Calhoun	16 Darlington	23 Greenville	30 Laurens	37 Oconee	44 Union
03 Allendale	10 Charleston	17 Dillon	24 Greenwood	31 Lee	38 Orangeburg	45 Williamsburg
04 Anderson	11 Cherokee	18 Dorchester	25 Hampton	32 Lexington	39 Pickens	46 York
05 Bamberg	12 Chester	19 Edgefield	26 Jasper	33 Marion	40 Richland	99 Out-of-state
		20 Fairfield	27 Lenoir	34 Marlboro	41 Saluda	

APP 0940

N

MEMBERSHIP APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION HEALTHCARE, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina, An independent licensee of the Blue Cross and Blue Shield Association • COMPANION LIFE INSURANCE COMPANY, A wholly-owned subsidiary of Blue Cross and Blue Shield of South Carolina • PREFERRED HEALTH SYSTEMS, INC., A subsidiary of Blue Cross and Blue Shield of South Carolina. Both are independent licensees of the Blue Cross and Blue Shield Association.

1. Please indicate reason for Application: ☐ New Subscriber(s) ☐ Coverage Change ☐ Cancel ☐ Miscellaneous
☐ COBRA: ☐ 18-mo. ☐ 29-mo. ☐ 36-mo. (Block 22 must be completed.) ☐ Life Coverage ☐ Yes ☐ No ☒ Transfer Within Your Group From 009
☐ Left Employment: ☐ No Conversion ☐ Wants Conversion or Medicare Complementary Info ☐ Deceased ☐ Name Change
☐ Department/Payroll Number Change ☐ Address Change ☐ Beneficiary Change ☐ Social Security Number Change From _____
☐ ID Card Request ☐ Add Dependents ☐ Return From Layoff/Medical Leave ☐ Physician Change ☐ Other _____

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 9 DAY 1 YEAR 01 DATE OF HIRE: MONTH _____ DAY _____ YEAR _____ ELIGIBILITY DATE: MONTH _____ DAY _____ YEAR _____
3. Type Contract: ☐ Preferred Blue ☐ Preferred Blue Select ☐ HMO Blue ☐ BLUE PLUS ☐ CHOICES ☐ Comprehensive ☐ Blue Choice ☐ CHC ☐ Other _____

IDENTIFICATION

4. Employee - Last Name Morris First Charles Initial F Home Telephone No. _____ 5. Social Security No. _____
6. Mailing Address (Street or P.O. Box) _____ (City) _____ (State) _____ (Zip Code) _____ (County Code - see back) _____
7. Name of Employer _____ 8. Blue Cross Group Number 02-07 9. Dept. No. Fire 10. Payroll No. 3964

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:
A ☐ Birth or Adoption C ☐ Divorce F ☐ Attained Reduction Age
B ☐ Death (Name: _____) D ☐ Marriage
E ☐ Other - Explain: Retiring 242 yrs
12. Name of spouse to be excluded from coverage if applicable _____
13. Occurrence Date or Left Employment Date
Mo. 8 Day 30 Yr. 01

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired, if applicable, in blocks 15 through 19.)
a. HEALTH ☒ b. DENTAL ☐ c. REFUSAL OF HEALTH COVERAGE
S - Single ☒ 01 ☐ Other insurance with BCBS of SC 10 ☐ Planned Administrators Inc.
F - Family ☐ 02 ☐ Insurance with another company 11 ☐ Non-federally qualified HMO
F - Employee/Children ☐ 03 ☐ US military coverage 12 ☐ Covered by Medicare
8 - Employee/Spouse ☐ 04 ☐ Federally qualified HMO 13 ☐ Covered by CHAMPUS
05 ☐ Other - Explain: _____
06 ☐ My spouse's coverage with this group
07 ☐ Other third-party administrator

15. If Sponsored Membership, give Sponsor's Social Security No. _____
16. Types and Amounts of Life Insurance Coverage Desired
☐ Life Supplemental: ☐ Life ☐ AD&D ☐ AD&D ☐ STD ☐ Dep. Life ☐ LTD
17. Earnings (Check One) ☐ Biweekly ☐ Hourly ☐ Monthly ☐ Weekly ☐ Annually
18. Life Class _____
19. Full Name (Last Name, First, Init.): _____ Relationship _____
Primary Beneficiary(ies): _____
Contingent Beneficiary(ies): _____
SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description: _____
21. List All Family Members Covered or Affected By a Change
For Contracts That Require Primary Care Physician Selection

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name	Provider Number	Was This Your Regular Physician?
YOURSELF:							Yes No
Spouse							Yes No
Social Security No.					BC/Retirement Office:		
Child					Retiree log in book:		Yes No
Social Security No.					Keyed to computer:		
Child							Yes No
Social Security No.							Yes No
Child							Yes No
Social Security No.							Yes No

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ YES ☐ NO
If Yes: MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
A. Family Member's Name _____ and Social Security No. _____
B. Name of Insurance Co. _____ Policy No. _____ Effective Date _____
C. Family Member's Employer _____
D. List Names of Covered Persons 1. _____ 2. _____ 3. _____ 4. _____
E. Please circle each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

EMPLOYEE CERTIFICATION

23. Employee Certification - Read back for certification statement. Check box if health plan member is changed ☐ APP 0941
I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

EMPLOYEE CERTIFICATION STATEMENT

I understand that upon acceptance of this application by the insurance company, and so long as I meet the eligibility requirements of the contract with this employer, I will be provided with coverage as specified by the group contract made between my employer and the Corporation. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.

If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally qualified HMO, I must provide satisfactory evidence of insurability.

If enrolling in the HMO, I also agree to the conditions listed below. I also understand that I am required to select a personal physician from the physicians associated with the Corporation for HMO coverage and that I am required to have my physician provide or arrange, in advance, for all the medical services I need except for life-threatening emergencies. I also authorize my employer/group to deduct from my pay and remit the prevailing employee's portion that may be required for the cost of said coverage. I represent that the information on this form is true, correct and complete.

INSTRUCTIONS FOR MULTIPLE BENEFICIARY DESIGNATIONS

- A. If a married woman is to be named as beneficiary, indicate her full given name (example: Mary R. Doe, not Mrs. John Doe).
- B. If two or more beneficiaries are designated, the proceeds will be distributed equally, unless shares are indicated differently by the insured.
- C. When a minor or mentally incompetent person is designated as beneficiary, it will be necessary for a legal guardian to be court appointed before the proceeds can be distributed.
- D. If no beneficiary is designated, or there is no living beneficiary at the time of the insured's death, the proceeds will become payable to the estate of the insured.
- E. Primary Beneficiary – the person to receive life proceeds, if living, at the time of the insured's death. Contingent Beneficiary – the person to receive life proceeds if no primary beneficiary is living at the time of the insured's death.

For Subscribers That Must Select A Primary Care Physician

THE INFORMATION SUPPLIED ON THE FACE OF THIS FORM AND THE FOLLOWING CONDITIONS FORM PART OF MY CONTRACT WITH THE CORPORATION

- I understand that as a subscriber I am applying for myself and eligible members of my family for healthcare coverage.
- I understand that by enrolling in BLUE PLUS, I am automatically entitled to HMO benefits from Preferred Health Systems, Inc. and medical insurance benefits from Blue Cross and Blue Shield of South Carolina or that by enrolling in CHOICES, I am automatically entitled to HMO benefits from Companion HealthCare and medical insurance benefits from Blue Cross and Blue Shield of South Carolina.
- I may enroll my unmarried children residing in the HMO service area. For purposes of this contract children are defined as my natural or adopted children or children of my spouse by a previous marriage (required by court order) or children residing with me under a legal guardianship. Such children can be covered to age 19 (23, if full-time students) unless my employer has modified this provision or purchased the available extended dependent coverage.
- TO BE ENTITLED TO BENEFITS, MY FAMILY AND I AGREE TO SEEK ALL HEALTHCARE SERVICES THROUGH OUR CHOSEN PRIMARY CARE PHYSICIANS OR FROM OTHER PROVIDERS SPECIFICALLY AUTHORIZED IN ADVANCE BY OUR CHOSEN PRIMARY CARE PHYSICIANS WITH THE EXCEPTION OF GENUINE EMERGENCY SERVICES WHEN IT IS NOT POSSIBLE OR PRACTICAL TO CONTACT OUR CHOSEN PRIMARY CARE PHYSICIANS.
- I authorize the Corporation to obtain from providers of service and hospitals claims information, medical records, or other information relating to my family members and me which are necessary in the administration of my contract. I authorize and consent that the Corporation may disclose any claims information, medical records or other information to any of the Corporation's contractors or any such other third parties as the Corporation deems appropriate.
- I agree that the Corporation has the right of financial recovery at its own expense from any person or organization responsible for injuries to myself or my covered dependents for benefits paid or cost incurred for treatment of such injury. This includes, but is not limited to any benefits payable under Workers' Compensation laws and uninsured motorists benefits. I further agree to cooperate in all matters to secure this right of subrogation.

NOTE: YOU MUST SELECT A PRIMARY CARE PHYSICIAN AT THE TIME OF ENROLLMENT.

South Carolina County Codes

15

01 Abbeville	08 Berkeley	15 Colleton	22 Georgetown	29 Lancaster	36 Newberry	43 Sumter
02 Aiken	09 Calhoun	16 Darlington	23 Greenville	30 Laurens	37 Oconee	44 Union
03 Allendale	10 Charleston	17 Dillon	24 Greenwood	31 Lee	38 Orangeburg	45 Williamsburg
04 Anderson	11 Cherokee	18 Dorchester	25 Hampton	32 Lexington	39 Pickens	46 York
05 Barnberg	12 Chester	19 Edgefield	26 Horry	33 Marion	40 Richland	99 Out-of-state

APP 0942

C

ENROLLMENT APPLICATION

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

INSTRUCTIONS

- 1.) Blocks NOT shaded are to be completed by the applicant, only as indicated by 'ACTION' NEEDED.
- 2.) Blocks shaded gray are to be completed by the Employer.
- 3.) Blocks shaded in blue are to be used by Blue Cross only.

(1) Check "ACTION" Needed:				REQUIRED BLOCKS	
☐ a. New Add				1 Through 22	
☐ b. Change Coverage				2, 3, 6, 9, 12, 15, 21, 22	
☐ c. Transfer Within Your Group (ie., Main Group to Sub-Group)				2, 3, 6, 9, 12, 15, 22	
☐ d. Left Employment - No Conversion: Deceased? ☐ Yes ☐ No				2, 6, 9, 15	
☐ e. Left Employment - Wants Conversion or Medicare Complementary Info.				2, 6, 9, 15	
☐ f. Name Change (From: _____ To: _____)				2, 6, 9, 22	
☐ g. Address Change				2, 4, 6, 9, 22	
☐ h. Department Number Change				2, 6, 9, 10, 22	
☐ i. Beneficiary Change ☐ Spouse Exclusion				2, 6, 9, 15, 22	
☐ j. I.D. Card Request				2, 6, 9	
☐ k. Social Security No. Change From _____ To _____					
☐ l. Other				2, 6	

(2) Check One Employee - Last Name First Initial			(3) Enter DATE HIRED (full-time).... If "NEW ADD", or Enter DATE OF EVENT.....causing "CHANGE COVERAGE"		
☒ Male ☐ Female			Check event: ☐ Death ☐ Marriage ☐ Divorce ☐ Birth ☐ Other Mo. Da. Yr.		
(4) Mailing Address Street or P. O. Box					
(City) (State) (Zip Code)			(5) Group Name		
(6) Social Security No.			(7) Your Birthdate Mo. Yr.		(8) Spouse's Birthdate (Check here ☐ if NONE) Mo. Yr.
(12) Type of Membership			(13) Additional Health Coverage Desired		(14) Spouse Exclusion: Enter name of (divorced separated, etc.) Spouse not to be covered.
☐ Employee Only ☐ Family ☐ Employee and Spouse ☐ Employee and Children ☐ Life Only ☐ Dental Only			☐ Major Medical ☐ Drug ☐ Dental: ☐ Employee Only ☐ Family ☐ Employee & Spouse ☐ Employee & Children ☐ Other		Name: _____ (15) EFFECTIVE DATE: _____ Mo. Da. Yr.
FOR BLUE CROSS AND BLUE SHIELD USE ONLY					
(16) List Only Dependent Children With Different Last Name				Dept. Code Emp. Code I.D. Code	
Last Name First Init. Birthdate Sex	Last Name First Init. Birthdate Sex				
☐ Male ☐ Female	☐ Male ☐ Female				
☐ Male ☐ Female	☐ Male ☐ Female				
(17) Types and amount of Companion Life Insurance Coverage			(18) Earnings (Check One) ☐ Hourly ☐ Weekly ☐ Monthly ☐ Annually		
☐ Life ☐ Accidental Death and Dismemberment ☐ Dependent Life ☐ Short-Term Disability ☐ Long-Term Disability			(19) Life Class		
(20) Beneficiary - Last Name First Init. Relationship					
(21) OTHER HEALTH INSURANCE INFORMATION you can help keep your insurance premiums down by completing the questions that follow:					
A) Are you or any member of your family covered by any other Group Health Insurance? ☐ YES ☒ NO					
B) Does any member of your family have Medicare? ☐ YES ☒ NO					

22)

3

I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims information to Blue Cross and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the effective date of my

APP 0043

THE CROSS AND BLUE SHIELD OF SOUTH CAROLINA
COMPANION LIFE INSURANCE COMPANY

5

22) I make this certification to induce the insurance company to grant insurance. I understand this group insurance is effective only so long as my full-time employment, as defined by the Group Application, with this employer continues, unless the group contract or statutory law of South Carolina otherwise provides for conversion or continuation of my policy and such has been done. It is further understood that the acceptance of my premium by the insurance company at any time shall not operate as a waiver or estoppel with respect to any provisions of the group contract, including the provisions concerning my eligibility.

I authorize release of Medicare Part A and Part B claims to the Department of Social Security and Blue Shield of South Carolina for the purpose of processing my complementary claims. This authorizes the release of Medicare Part A and Part B claims information from the effective date of my coverage until

G

1/30 **ENROLLMENT APPLICATION****BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE**

1. TYPE CONTRACT	☐ Blue Cross Applicant	08 ☐ Companion HealthCare Applicant	☐ Other	☐ COBRA-Check One
Check One:	Complete All Except 11b. and 11c. Send form to Blue Cross.	Complete All Except 11a. and 11c. Send original to CHC; copy to Blue Cross.	Complete All Except 11a. and 11b. Send form to Blue Cross.	☐ 18 mo. ☐ 36 mo. Life ☐ Yes ☐ No

IDENTIFICATION

2. Employee — Last Name	First	Initial	Home Telephone #	3. Social Security Number
X SMITH	JOSEPH	A	()	
4. Mailing Address (Street or P.O. Box)	(City)	(State)	(Zip Code)	5a. Date of Hire
				MO DA YR
6. Coverage Effective Date	7. Name of Employer	8. Blue Cross Group Number	9. Dept. No.	10. Payroll No.
MO DA YR			310	734

TYPE MEMBERSHIP AND COVERAGE INFORMATION

11. Check type membership for each coverage desired (Indicate life coverage desired, if applicable in Blocks 12 through 16).				
a.	b.	c. REFUSAL OF HEALTH COVERAGE		
BC/BS	CHC	01 ☐ Other insurance with BCBS of SC	12 ☐ Covered by Medicare	6
S-Single ☐	☐	02 ☐ Insurance with another company	13 ☐ Covered by CHAMPUS	
F-Family ☒	☐	03 ☐ U.S. military coverage	05 ☐ Other-Explain:	
F-Employee/Children ☐	☐	04 ☐ Federally Qualified HMO		
8-Employee/Spouse ☐	☐	07 ☐ My spouse's coverage with this group		
12. If Sponsored give Sponsor's Social Security #		09 ☐ Other third party administrator	d. OPTIONAL COVERAGE	
		10 ☐ Planned Administrators, Inc.	Stand Alone Drug ☐ Other ☐	
		11 ☐ Non-Federally Qualified HMO	Specify:	
			STAND ALONE DENTAL: (Check One)	
			S- ☒ F- ☐ E/C- ☐ E/S- ☐	
13. Types and Amount of Life Insurance Coverage Desired		14. Earnings (Check One)	15. Life Class	
☐ Life Supplemental		\$ (Amount) ☐ Hourly ☐ Bi-weekly	☐ Monthly ☐ Annually	
☐ AD&D ☐ Life		☐ Weekly		
☐ Dep. Life ☐ AD&D				
☐ STD ☐ Dep. Life				
☐ LTD				
17. Job title or description:		16. Full Name of: Last Name First Initial Relationship		
		Primary Beneficiary(ies):		
		Contingent Beneficiary(ies):		
* SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION *				
18. List All Members To Be Enrolled				
Last Name First Initial Sex Birthdate Mo. Day Yr.				For Companion HealthCare Members Only
YOURSELF:				Primary Care Physician Name (from Directory)
Spouse (If None, Check Here ☐):				☐ CHC Use Only
Spouse Social Security # (Required) and Employer if Employed:				Was this Your Regular Physician?
Children:				Yes No
1)				Yes No
2)				Yes No
3)				Yes No

OTHER INSURANCE INFORMATION

19. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare? ☐ Yes ☐ No If yes:				
MEDICARE A ☐ Effective Date MEDICARE B ☐ Effective Date				
A. Family Member's Name				
B. Name of Insurance Co. Policy #				
C. Family Member's Employer Effective Date				
D. List Names of Covered Persons 1 2				

EMPLOYEE CERTIFICATION

20. I understand that upon acceptance of this application by the insurance company, and so long as I meet the eligibility requirements of the contract with this employer, I will be provided with coverage as specified by the group contract made between my employer and Blue Cross and Blue Shield of South Carolina and/or Companion. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.

If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally qualified HMO, I must provide satisfactory evidence of insurability.

If enrolling in Companion HealthCare, I also agree to the conditions listed on the back of this form. I also understand that I am required to select a personal physician from the physicians associated with Companion HealthCare and that I am required to have my physician provide or arrange for all the medical services I need except for life-threatening emergencies. I also authorize my employer/group to deduct from my pay and remit the prevailing employee's portion that may be required for the cost of said coverage. I represent that the information on this form is true, correct and complete.

Check box if Health Statement is attached **APP. 0945**

BLUE CROSS USE ONLY

P

1/30 **ENROLLMENT APPLICATION****BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE**

1. TYPE CONTRACT	☐ Blue Cross Applicant Check One: Complete All Except 11b. and 11c. Send form to Blue Cross.	08 ☐ Companion HealthCare Applicant Complete All Except 11a. and 11c. Send original to CHC; copy to Blue Cross.	☐ Other Complete All Except 11a. and 11b. Send form to Blue Cross.	☐ COBRA-Check One 18 mo. ☐ 36 mo. Life ☐ Yes ☐ No

IDENTIFICATION

2. Employee — Last Name	First	Initial	Home Telephone #	Social Security Number
X SMITH	JOSEPH	A	()	()
4. Mailing Address (Street or P.O. Box)	(City)	(State)	(Zip Code)	5a. Date of Hire MO DA YR
				5b. Eligibility Date MO DA YR 32
6. Coverage Effective Date MO DA YR	7. Name of Employer	8. Blue Cross Group Number	9. Dept. No.	10. Payroll No.
			310	734

TYPE MEMBERSHIP AND COVERAGE INFORMATION

11. Check type membership for each coverage desired (indicate life coverage desired, if applicable in Blocks 12 through 16).				
a.	b.	c. REFUSAL OF HEALTH COVERAGE		
BC/BS	CHC	01 ☐ Other insurance with BCBS of SC	12 ☐ Covered by Medicare	6
S-Single ☐	☐	02 ☐ Insurance with another company	13 ☐ Covered by CHAMPUS	
F-Family ☒	☐	03 ☐ U.S. military coverage	05 ☐ Other-Explain: _____	
F-Employee/Children ☐	☐	04 ☐ Federally Qualified HMO		
8-Employee/Spouse ☐	☐	07 ☐ My spouse's coverage with this group		
12. If Sponsored give Sponsor's Social Security # _____		09 ☐ Other third party administrator	d. OPTIONAL COVERAGE	
		10 ☐ Planned Administrators, Inc.	Stand Alone Drug ☐ Other ☐	
		11 ☐ Non-Federally Qualified HMO	Specify: _____	
			STAND ALONE DENTAL: (Check One)	
			S- ☒ F- ☐ E/C- ☐ E/S- ☐	

13. Types and Amount of Life Insurance Coverage Desired	14. Earnings (Check One)	15. Life Class
☐ Life Supplemental	\$ _____ ☐ Hourly	☐ Bi-weekly
☐ AD&D ☐ Life	(Amount) ☐ Weekly	☐ Monthly
☐ Dep. Life ☐ AD&D		☐ Annually
☐ STD ☐ Dep. Life	16. Full Name of: Last Name First Init Relationship	
☐ LTD	Primary Beneficiary(ies): _____	
17. Job title or description: _____	Contingent Beneficiary(ies): _____	
	SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION *	

18. List All Members To Be Enrolled					For Companion HealthCare Members Only		Was this Your Regular Physician?
Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name (from Directory)	CHC Use Only	
YOURSELF:						☒	Yes No
Spouse (If None, Check Here ☐):						☐	Yes No
Spouse Social Security # (Required) and Employer if Employed:							
Children:							
1)						☐	Yes No
2)						☐	Yes No
3)						☐	Yes No

OTHER INSURANCE INFORMATION

19. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare? ☐ Yes ☐ No If yes:	
MEDICARE A ☐ Effective Date _____	MEDICARE B ☐ Effective Date _____
A. Family Member's Name _____	Policy # _____
B. Name of Insurance Co. _____	Effective Date _____
C. Family Member's Employer _____	
D. List Names of Covered Persons 1 _____ 2 _____	

EMPLOYEE CERTIFICATION

20. I understand that upon acceptance of this application by the insurance company, and so long as I meet the eligibility requirements of the contract with this employer, I will be provided with coverage as specified by the group contract made between my employer and Blue Cross and Blue Shield of South Carolina and/or Companion. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.

If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally qualified HMO, I must provide satisfactory evidence of insurability.

If enrolling in Companion HealthCare, I also agree to the conditions listed on the back of this form. I also understand that I am required to select a personal physician from the physicians associated with Companion HealthCare and that I am required to have my physician provide or arrange for all the medical services I need except for life threatening emergencies. I also authorize my employer/group to deduct from my pay and remit the prevailing employee's portion that may be required for the cost of said coverage. I represent that the information on this form is true, correct and complete.

Check box if Health Statement is attached **APP. 0946**

BLUE CROSS USE ONLY

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA - COMPANION LIFE INSURANCE COMPANY

1. Please indicate action(s) needed. See back for types of action and required fields to be completed. Action needed

2. EFFECTIVE DATE OF ACTION REQUESTED:

MONTH DAY YEAR

3. Type Contract: Check One and Send Form to Location(s) Indicated:

☐ Blue Cross Member ☐ Companion HealthCare Member ☐ Other
 (Send form to Blue Cross only) (Send original to GHC, send copy to Blue Cross) (Send form to Blue Cross only)

IDENTIFICATION

4. Employee Last Name First Initial Home Telephone # 5. Social Security No.

6. Mailing Address (Street or P.O. Box) (City) (State) (Zip Code)

7. Name of Employer

8. Blue Cross Group Number

9. Dept. No.

10. Payroll No.

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:

A ☐ Birth or AdoptionD ☐ DivorceG ☐ Attained
Reduction AgeB ☐ Death (Name:)E ☐ MarriageG ☐ Transfer Within Your GroupF ☐ Other-Explain:12. Name of spouse to be
excluded from coverage if
applicable13. Occurrence Date of
Last Employment Date
Mo. Day Yr.

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired. (Indicate life coverage desired; if applicable, in blocks 15 through 19)

	a. BCBS	b. CHC
S-Single	☐	☐
F-Family	☐	☐
F-Employee/Children	☒	☐
S-Employee/Spouse	☐	☐

c. REFUSAL OF HEALTH COVERAGE

01 ☐ Other insurance with BCBS of SC
 02 ☐ Insurance with another company
 03 ☐ US military coverage
 04 ☐ Federally Qualified HMO
 07 ☐ My spouse's coverage with this group
 09 ☐ Other 3rd party administrator
 10 ☐ Planned Administrators Inc.
 11 ☐ Non-Federally Qualified HMO

12 ☐ Covered by Medicare
 13 ☐ Covered by CHAMPUS
 05 ☐ Other-Explain:

d. OPTIONAL COVERAGE

STAND ALONE DRUG ☐ OTHER ☐Specify: STAND ALONE DENTAL (Check One)
S ☐ F ☐ E/C ☐ E/S ☐

15. If Sponsored Membership give Sponsor's Social Security #

16. Types and Amount of Life Insurance Coverage Desired

☐ Life ☐ Supplemental
☐ AD&D ☐ Life
☐ Dep. Life ☐ AD&D
☐ STD ☐ Dep. Life
☐ LTD

17. Earnings (Check One)
\$ (Amount) ☐ Hourly ☐ Weekly
☐ Bi-weekly ☐ Monthly ☐ Annually

18. Life Class

19. Full Name Of (Last Name, First, Init.)

Relationship

Primary Beneficiary(ies):

Contingent Beneficiary(ies):

SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

21. Only List Members Affected By This Change

For Companion HealthCare Members Only

Was This
Your
Regular
Physician?

Last Name First Initial Sex Birthdate Mo. Day Yr. Primary Care Physician Name (from Directory)

YOURSELF:

Spouse: (If None, Check Here ☐):

Spouse Social Security # (Required) and Employer if Employed:

Children:

1)

2)

3)

OTHER INSURANCE INFORMATION

22. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare?

☐ NO ☐ YES If Yes: MEDICARE A ☐ Effective Date MEDICARE B ☐ Effective Date

A. Family Member's Name

B. Name of Insurance Co.

C. Family Member's Employer

D. List Names of Covered Persons 1 2 3 4

EMPLOYEE CERTIFICATION

23. Employee Certification - Read back for certification statement. Check box if health statement is attached. ☐

I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.

Date

Signature

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA - COMPANION LIFE INSURANCE COMPANY

1. Please indicate action(s) needed. See back for types of action and required fields to be completed.

☐ a. (Check One - ☐ 18-mo ☐ 29-mo ☐ 36-mo) Life Coverage ☐ Yes ☐ No; ☐ b. Explain: Terminated

☐ c. From: ☐ d. Deceased ☐ Yes ☐ No; ☐ e. From: ☐ f. From: ☐ g. From: ☐ h. Exclude ☐ Yes ☐ No; ☐ i. From: ☐ j. From: ☐ k. From: ☐ l. From: ☐ m. Explain:

2. EFFECTIVE DATE OF ACTION REQUESTED: MONTH 5 DAY 1 YEAR 93

3. Type Contract: Check One and Send Form to Location(s) Indicated.

☐ Blue Cross Member (send form to Blue Cross only) ☐ Companion HealthCare Member (send original to CHC, send copy to Blue Cross) ☐ Other (Send form to Blue Cross only)

IDENTIFICATION

4. Employee - Last Name Laurie K. Strickland First Laurie Initial K Home Telephone # 5. Social Security No.

6. Mailing Address (Street or P.O. Box) (City) (State) (Zip Code)

7. Name of Employer 8. Blue Cross Group Number 9. Dept. No. 10. Payroll No.

REASON FOR COVERAGE CHANGE

11. Check appropriate reason; give occurrence date in Block 13:

A ☐ Birth or Adoption D ☐ Divorce G ☐ Attained Retirement Age

B ☐ Death (Name:) E ☐ Marriage

C ☐ Transfer Within Your Group F ☐ Other Explain: Retiring

12. Name of spouse to be excluded from coverage if applicable 13. Occurrence Date or Last Employment Date Mo. 4 Day 16 Yr. 93

TYPE MEMBERSHIP AND COVERAGE INFORMATION

14. Check type membership for each coverage desired (Indicate life coverage desired, if applicable, in blocks 15 through 19)

	a. BC/BS	b. CHC	c. DENTAL	d. REFUSAL OF HEALTH COVERAGE	e. OPTIONAL COVERAGE
1. Single	☐	☐	☐	01 ☐ Other insurance with BCBS of SC	12 ☐ Covered by Medicare
2. Family	☐	☐	☐	02 ☐ Insurance with another company	13 ☐ Covered by CHAMPUS
3. Employee/Children	☐	☐	☐	03 ☐ US military coverage	05 ☐ Other-Explain: <u> </u>
4. Employee/Spouse	☐	☐	☐	04 ☐ Federally Qualified HMO	a. STAND ALONE DRUG ☐ OTHER ☐
				07 ☐ My spouse's coverage with this group	Specify: <u> </u>
				09 ☐ Other 3rd party administrator	
				10 ☐ Planned Administrators Inc.	
				11 ☐ Non-Federally Qualified HMO	

15. If Sponsored Membership give Sponsor's Social Security #

16. Types and Amount of Life Insurance Coverage Desired

☐ Life Supplemental ☐ Life ☐ AD&D ☐ AD&D ☐ Dep. Life

17. Earnings (Check One) ☐ Bi-weekly ☐ Hourly ☐ Monthly ☐ Annually

18. Life Class

19. Full Name Of: (Last Name, First, Init.) Relationship

Primary Beneficiary(ies):

Contingent Beneficiary(ies):

SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

20. Job title or description:

21. Only list Members Affected By This Change

Last Name	First	Initial	Sex	Birthdate Mo. Day Yr.	Primary Care Physician Name (from Directory)	Was This Your Regular Physician?
YOURSELF						Yes No
Spouse (If None, Check Here ☐):						Yes No
Spouse Social Security # (Required) and Employer If Employed:						Yes No
Child(ren)						Yes No
						Yes No
						Yes No

OTHER INSURANCE INFORMATION

22. Does any member of your family have other group health, dental or drug coverage, Federal Employees' Program (FEP) or Medicare? ☐ Yes ☐ No If Yes:

Member's Name and Social Security #

Insurance Co. Policy # Effective Date

Members Employed

1. 2. 3. 4.

23. List each type of service covered by this policy: Hospital, Physician/Medical, Prescription Drugs, Dental, Vision

CERTIFICATION

24. I certify that the information provided is true and correct. Check box if health statement is attached. ☐

25. I understand and agree that I am responsible for providing accurate information and each and every part of this enrollment application.

Signature Date

Signature Date

BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA • COMPANION LIFE INSURANCE COMPANY • COMPANION HEALTHCARE

1. TYPE CONTRACT ☐ Blue Cross Applicant ☐ Companion HealthCare Applicant ☐ Other ☐ COBRA-Check One
 Check One: Complete All Except 11b. and 11c. Send form to Blue Cross. Complete All Except 11a. and 11c. Send original to DHC, copy to Blue Cross. Complete All Except 11a. and 11b. Send form to Blue Cross. Life ☐ Yes ☐ No

IDENTIFICATION

Employee - Last Name Strickland First Laurie Initial K. Home Telephone # (803) 555-1234 Social Security Number 123-45-6789
 Mailing Address (Street or P.O. Box) 123 Main St (City) SC (State) SC (Zip Code) 29201 5a. Date of Hire MO DA YR 5b. Eligibility Date MO DA YR
 6. Coverage Effective Date MO DA YR 7. Name of Employer ABC Corp 8. Blue Cross Group Number 027 9. Dept. No. 101 10. Payroll No. 101

TYPE MEMBERSHIP AND COVERAGE INFORMATION

11. Check type membership for each coverage desired (Indicate life coverage desired, if applicable in Blocks 12 through 15).
 a. ☒ S-Single ☐ F-Family ☐ F-Employee/Children ☐ 8-Employee/Spouse
 b. ☐ CHC ☐ ☐ ☐ ☐
 c. REFUSAL OF HEALTH COVERAGE
 01 ☐ Other Insurance with BOBS of SC
 02 ☐ Insurance with another company
 03 ☐ U.S. military coverage
 04 ☐ Federally Qualified HMO
 07 ☐ My spouse's coverage with this group
 09 ☐ Other third party administrator
 10 ☐ Planned Administrators, Inc.
 11 ☐ Non-Federally Qualified HMO
 12 ☐ Covered by Medicare
 13 ☐ Covered by CHAMPUS
 05 ☐ Other-Explain: _____
 d. OPTIONAL COVERAGE
 Stand Alone Drug ☐ Other ☐
 Specify: _____
 STAND ALONE DENTAL (Check One)
 S ☐ F ☐ E/C ☐ E/S ☐

13. Types and Amount of Life Insurance Coverage Desired
☐ Life ☐ Supplemental
☐ AD&D ☐ Life
☐ Dep. Life ☐ AD&D
☐ STD ☐ Dep. Life
☐ LTD
 14. Earnings (Check One) ☐ Bi-weekly ☐ Monthly ☐ Annually
☐ Hourly ☐ Weekly
 \$ _____ (Amount)
 15. Life Class _____
 16. Full Name of: Last Name First Init. Relationship
 Primary Beneficiary(ies): _____
 Contingent Beneficiary(ies): _____
 SEE INSTRUCTIONS ON BACK FOR MULTIPLE BENEFICIARY DESIGNATION

17. Job title or description: _____
 18. For Companion HealthCare Members Only
 Primary Care Physician Name (from Directory) Dr. Strickland Laurie K. Was This Your Regular Physician? Yes No
 Spouse (If None, Check Here ☐) _____ Yes No
 Spouse Social Security # (Required) and Employer if Employed: _____
 Children:
 1) _____ Yes No
 2) _____ Yes No
 3) _____ Yes No

OTHER INSURANCE INFORMATION

19. Do you or does any member of your family have other group health coverage, Federal Employees' Program (FEP) or Medicare? ☐ Yes ☐ No If yes:
 MEDICARE A ☐ Effective Date _____ MEDICARE B ☐ Effective Date _____
 A. Family Member's Name _____ and Social Security # _____
 B. Name of Insurance Co. _____ Policy # _____ Effective Date _____
 C. Family Member's Employer _____
 D. List Names of Covered Persons 1 _____ 2 _____ 3 _____ 4 _____

EMPLOYEE CERTIFICATION

20. I understand that upon acceptance of this application by the insurance company, and so long as I meet the eligibility requirements of the contract with this employer, I will be provided with coverage as specified by the group contract made between my employer and Blue Cross and Blue Shield of South Carolina and/or Companion. I further understand that I am bound by all elements of the contract with regard to my eligibility for this coverage. I authorize release to the company of my past and future medical records and Medicare Part A and B claims information for claims processing purposes.
 If refusing coverage, I understand that if I later wish to enroll in the group plan offered by my employer and I am not with a federally-qualified HMO, I must provide satisfactory evidence of insurability.
 If enrolling in Companion HealthCare, I also agree to the conditions listed on the back of this form. I also understand that I am required to select a personal physician from the physicians associated with Companion HealthCare and that I am required to have my physician provide or arrange for all the medical services I need except for life threatening emergencies. I also authorize my employer/group to deduct from my pay and remit the prevailing employee's portion that may be required for the cost of said coverage. I represent that the information on this form is true, correct and complete.

Check box if Health Statement is attached ☐
 I HAVE READ AND UNDERSTAND EACH AND EVERY PART OF THIS ENROLLMENT APPLICATION.
3-31-93 Laurie K. Strickland
 DEPT. EMP. ID CERT. UW EMP. UW REAS.

JOSEPH A. FLOYD, SR.

31

1 watching out for what was told we were going to
2 get. I don't know if that answers your
3 question.

4 Q: I'm trying to ask you two different questions,
5 and I understand your position as to the
6 charges. Your position is as a retiree, you
7 shouldn't be charged for health insurance; is
8 that correct?

9 A: That's right.

10 Q: Is it your position also that even though the
11 plan of which you are merely a part has
12 changed; that any changes in that plan, even if
13 you're not charged for them, can't be applied
14 to you?

15 A: If it takes away and lessens my coverage, it
16 should ... you know, they shouldn't apply.
17 Like I say, if I'm getting this for health
18 insurance on the day I retired, this is what
19 I'm going to get. If the City comes in and
20 says to everybody, well, we're going to lessen
21 what your coverage is, I'm not for that, okay.
22 I want what they said I was going to get. And
23 if that's different from active personnel,
24 that's different. I want what they said I was
25 going to get. If the City wants to give me

JOSEPH A. FLOYD, SR.

32

1 something extra, that's fine, but I'm not
2 asking for that.

3 Q: So, just so I understand your position, all
4 those retirees who may have benefitted from
5 changes in the health coverage over the period
6 of their retirement, that's fine with you if
7 it's favorable. But if there was a change in
8 the plan that cost a little bit more or
9 provided a little bit less, your position is
10 the City would have to carve out a ... keep a
11 specific individual plan for that individual?
12 Is that your position?

13 A: If it keeps what I'm getting on the day I
14 retired.

15 Q: But Mr. Floyd, we know that not everybody
16 retires on the same day, right?

17 A: Right.

18 Q: And, you know, some people retire at age 42 and
19 live 40 more years as a retiree.

20 A: Right.

21 Q: You know Mr. Dozier who was a former police
22 officer is one of your co-plaintiffs?

23 A: Okay, yeah.

24 Q: He retired at age 43, I believe. Now, your
25 position is, as a plaintiff in this case, is

JOSEPH A. FLOYD, SR.

33

1 that even though you retire and there are
2 circumstances that result in a change in the
3 overall plan that you're a part of, it would be
4 the obligation of the City of Columbia to
5 maintain you in the exact status quo as of the
6 date of your retirement?

7 A: I want to make sure. Again, I can't speak for
8 Mr. Dozier, but if he was getting this
9 retirement when he retired ... I mean this
10 health insurance when he retired, that's what
11 he should continue to carry on. Now how that
12 ... you know, all the details of how it affects
13 everybody else, I don't know how you work out
14 those details.

15 Q: It might be impossible, might it?

16 A: I don't know.

17 Q: You have somebody who retired in 1998, somebody
18 who retired in 2000, somebody retired in 2007,
19 somebody retired in 2008. There may have been
20 different insurance plans in each of those
21 different years.

22 A: Right.

23 Q: Because you know that the insurance plan change
24 from time to time. They sent you copies of the
25 plan booklets, or you talked about them in the

ALMA C. HILL

28

1 A: I don't see in that employee handbook where
2 once you retire you're not a City employee.
3 That's my understanding, the way I feel about
4 the thing, no longer a City of Columbia
5 employee. I'm a retiree. So for them to make
6 changes, significant changes, you know, it
7 effects the retirees a great deal.

8 Q: Well, you're now paying \$63 and some change, I
9 believe you said, per month for your health
10 insurance.

11 A: Yes, sir.

12 Q: Is it your objective in this lawsuit to get
13 that same health insurance for free?

14 A: Yes, sir. And probably what I had before.

15 Q: But you are not suggesting in this lawsuit, are
16 you, that you're entitled to have an individual
17 plan just for you that can't be changed in any
18 way from the day you retire until the day you
19 die?

20 A: Repeat the question again.

21 Q: Sure. You're not suggesting, are you, that you
22 are entitled to have an individual policy that
23 never changes from the date you retired,
24 January 2009 until the day, which I hope is a
25 long time from today, which you leave this

ALMA C. HILL

29

1 earth?

2 A: Yes, I'm suggesting that.

3 Q: So the City couldn't make any changes. If they
4 made changes for everybody else, they have to
5 continue to provide the same coverage that you
6 had on the date you retired?

7 A: Yes, sir.

8 Q: Since you retired in January 2009, has there
9 been any increase in your pension?

10 A: No, sir.

11 Q: Are you eligible for cost of living increases
12 through the Police Officer's Retirement System?

13 A: Yes, sir.

14 Q: When you were participating in the pension
15 plan, did the City contribute to that plan?

16 A: Yes, sir.

17 Q: And those were funds that were paid in addition
18 to your salary, correct?

19 A: As far as I understand, yes, sir.

20 Q: And you also contributed to the plan?

21 A: Yes, sir.

22 Q: Do you know whether or not it is common for
23 employers to offer retirees health insurance?

24 A: No, sir. I don't know that.

25 Q: Do you know whether or not it's common for

BARRY N. MARTIN

26

1 Q: And until July 1, 2009 you did not pay any
2 premiums for single health insurance.

3 A: No, sir.

4 Q: As of July, 2009 you must pay \$63.17 for
5 similar coverage.

6 A: Yes.

7 Q: Now, that is the B plan, is that correct?

8 A: Yes, sir. I pay \$63 and I think 17 cents or
9 something per month and I think my deductible
10 at the doctor is a little more, but I haven't
11 got a bill and it must be similar coverage, I
12 told you I'm not a genius on that.

13 Q: There is another level of coverage available at
14 a lesser rate, is that correct?

15 A: Yes, sir.

16 Q: And of course, you could have looked for other
17 insurance, through other insurance providers if
18 you wanted as well, is that fair?

19 A: It would have, but then I already had the
20 insurance. I worked for 35 years to get the
21 insurance that was already promised to me, so
22 I didn't need to do that.

23 Q: You said in Paragraph 48 of the complaint, or
24 your attorney said for you that you were
25 promised by the City that if you remained

BARRY N. MARTIN

27

1 employed for a certain period of time, you
2 would be provided free health insurance for
3 life, now the City can't speak, it would have
4 to be some person speaking. Who, if anybody,
5 personally made that promise?

6 A: I 'can tell you through the years my
7 supervisors, like the Chiefs back then when I
8 was coming up were saying, like Chief Anderson
9 and Chief Boykin and they would always tell us,
10 they would always say, Chief Stewart, Chief
11 Williams, they'd say you've got a retirement
12 here, you've got insurance. This is a great
13 place it will settle. And they were right and
14 they did it and they went through and I
15 followed in their footsteps all the way and
16 they were right and the City enjoyed a good
17 reputation at that time. They honored what
18 they said.

19 Q: Did you think that any of those former Chiefs
20 were trying to fool you in any way or saying
21 stuff that they didn't personally believe?

22 A: No, sir.

23 Q: And when they told you that the City would
24 provide you an opportunity for a pension and an
25 opportunity for health insurance, that was true

BARRY N. MARTIN

28

1 when they told you that, correct?

2 A: That was true.

3 Q: And the City continues to offer you health
4 insurance, but it's requiring you to pay a
5 portion of that now, is that true?

6 A: That's what they're saying.

7 Q: All right. So they haven't told you, Mr.
8 Martin, thank you for 35 years, but we're not
9 going to let you be in our insurance program
10 anymore. They never said that, did they?

11 A: No, they haven't said I couldn't have
12 insurance, I'd just have to pay for it.

13 Q: All right. Pay a portion of it?

14 A: Yeah. They haven't said anything in writing or
15 anything that I would continue to have it paid
16 and it up and up and up and retired on a fixed
17 income now, and I wasn't counting on that. If
18 they would have told me that, I probably would
19 have stayed a little longer.

20 Q: What does your pension pay you per month now?

21 A: It's around \$3,500.

22 Q: And you said that the health insurance you
23 elected to have costs you \$63.17 a month, is
24 that correct?

25 A: Yes, sir. That gives me somewhat of a similar

ADMINISTRATION

§ 2-5

ARTICLE I. IN GENERAL

Sec. 2-1. Council-manager form of government adopted.

The city shall be governed by the council-manager form of municipal government as prescribed by Act. No. 283 of 1975 with a mayor and two councilmembers elected at large and four councilmembers elected from single-member districts as provided in section 6-2. (Code 1979, § 1-1001)

State law reference—Selection of forms of municipal government by ordinance, S.C. Code 1976, § 5-5-10.

Sec. 2-2. Corporate boundaries.

(a) The boundaries of the city shall be those now and hereafter specified by law with any alterations that are made from time to time in the manner provided by law.

(b) The current city boundaries shall at all times be drawn on a map and set out in a written description. This delineation shall be retained permanently in the office of the city clerk. Alterations in these established boundaries shall be indicated by appropriate entries upon or additions to the map and description made under the direction of the city attorney. Copies of the map or description reproduced by any method of reproduction that gives legible and permanent copies, when certified by the city clerk, shall be admissible in evidence in all courts and shall have the same force and effect as would the original map or description. The city council may provide for the redrawing of any map of the city boundaries. A redrawn map shall supersede for all purposes the earlier maps that it is designated to replace. (Code 1979, § 1-1002)

State law reference—Change in corporate limits, S.C. Code 1976, § 5-3-10 et seq.

Sec. 2-3. Members of council.

The mayor is considered to be a member of council. (Ord. No. 2016-042, 6-21-16)

Sec. 2-4. Duties of council members.

The council members shall attend all regular and special meetings of the city council and hold themselves at all times in readiness to perform any duty entrusted to them by the city council. The councilmembers shall perform the duties thus imposed upon them with dispatch and to the best of their abilities. (Ord. No. 2016-042, 6-21-16)

Sec. 2-5. Legislative powers; matters of policy:

All legislative powers of the city and the determination of all matters of policy are vested in the city council with each member, including the mayor, having one vote. (Ord. No. 2016-042, 6-21-16)

ADMINISTRATION

§ 2-32

"As mayor (or council member) of the City of Columbia, I will equally, fairly and impartially, to the best of my ability and skill, exercise the trust reposed in me, and will use my best endeavor to preserve the peace and carry into effect according to law the purposes for which I have been elected. So help me God."

The oath of office shall be administered and the effective date of service shall be the first council meeting in January.

(Ord. No. 2016-042, 6-21-16)

Secs. 2-10—2-30. Reserved.

ARTICLE II. MAYOR, COUNCIL, AND CITY MANAGER*

DIVISION 1. GENERALLY†

Sec. 2-31. Compensation.

(a) The council shall determine the annual salary of the mayor and council members by ordinance; provided, that an ordinance establishing or increasing such salaries shall not become effective until the commencement date of the terms of two or more members elected at the next general election following the adoption of the ordinance, at which time it will become effective for all members whether or not they were elected in such election. The salary of the mayor shall be \$75,000.00 annually under the council-manager form of government effective July 1, 2014. Effective July 1, 2006, the salaries of the members of city council shall be \$13,350.00 annually.

(b) The council members shall also be reimbursed for their actual expenses incurred in the performance of their official duties upon submission of signed expense reimbursement forms as provided by the city finance department, subject to the availability of funds budgeted for council expense.

(Ord. No. 2016-042, 6-21-16)

Sec. 2-32. City manager.

(a) The city manager shall be the chief executive officer of the city and head of the administrative branch of city government. The city manager shall perform and exercise the duties and responsibilities prescribed by law for this office and such other duties and responsibilities as prescribed by the city council.

***Editor's note**—Ord. No. 2016-042, adopted June 21, 2016, amended former Divs. 1, 2, of Art. II in their entirety and retitled Art. II from "Mayor and Council" to "Mayor, Council and City Manager."

Cross reference—Elections, ch. 6.

†Editor's note—Ord. No. 2016-042, adopted June 21, 2016, amended former Div. 1, §§ 2-31—2-32, in its entirety to read as herein set out. Former Div. 1 pertained to salaries of the mayor and councilmembers and reimbursement of expenses and derived from the Code of 1979, §§ 1-2001, 1-2002; Ord. No. 2001-042, 5-2-01; Ord. No. 2001-063, 7-11-01; Ord. No. 2005-059, 6-15-05; Ord. No. 2013-087, 10-15-13.

§ 2-32

COLUMBIA CITY CODE

(b) The city manager may, within the financial limits imposed by the budget approved by city council, employ one or more assistants to exercise such supervisory responsibilities over departments as may be prescribed by the manager.

(c) The city manager shall attend all meetings of the council unless excused by the council. He shall keep the council advised of the status of matters pending for council consideration, make recommendations and present ordinances and resolutions for council action, participate in discussion of any matter involving the welfare of the city, and present items on the council agenda.

(d) Council shall evaluate the performance of the city manager on an annual basis. The timely completion of the council's goals and work plan objectives shall be a measure used in the manager's evaluation.

(Ord. No. 2016-042, 6-21-16)

Sec. 2-33. Appointment; qualification; residency requirements.

(a) The city manager shall be appointed by a majority vote of the council for an indefinite term. The manager shall be employed solely on the basis of his executive and administrative qualifications.

(b) The manager need not be a resident of the municipality or state at the time of appointment, but may reside outside the municipality while in office only with the approval of the council.

(c) No council member or mayor shall be employed as city manager during the term for which he or she shall have been elected.

(Ord. No. 2016-042, 6-21-16)

Sec. 2-34. City attorney.

(a) Appointment. The city council shall appoint a city attorney, who shall serve at its pleasure.

(b) Duties. The city attorney shall be the chief legal counsel to the city, the mayor and members of the council and the city manager and to the officers and department heads of the city. The city attorney shall prosecute and defend the city in all actions and appear on behalf of the city and its officers in legal proceedings and at all times take appropriate actions to protect the interests of the city. The city attorney shall prepare or supervise the preparation of all legal documents and instruments of the city and shall approve all ordinances, resolutions, contracts and related documents as to form. The city attorney may employ assistant city attorneys and legal assistants as necessary for the performance of his duties, when such positions are provided for in the city budget. The city attorney shall attend meetings of the council, unless excused from attending by council, and serve as the parliamentarian at such meetings, render legal opinions, represent the city at meetings and conferences and perform such other duties as prescribed by law and by the city council.

ADMINISTRATION

§ 2-123

and operation of water treatment and distribution facilities, and wastewater treatment and collection facilities, environmental quality, regulatory compliance, and planning and strategy. He shall perform such additional duties as may be assigned to him by the city manager. (Ord. No. 2016-092, 12-20-16; Ord. No. 2017-065, 8-1-17)

Sec. 2-119. Director of emergency communications.

The director of emergency communications, subject to the city manager, shall have administrative supervision over the 911 emergency communications systems. He shall perform such additional duties as may be assigned to him by the city manager. (Ord. No. 2016-092, 12-20-16)

Sec. 2-120. Director of general services.

The director of general services, subject to the city manager, shall have administrative supervision over the department of general services and shall be responsible for those activities relating to parking, fleet services, facilities/building support services, central stores and such duties as may be assigned by the city manager. (Ord. No. 2016-092, 12-20-16)

Sec. 2-121. Director of community development.

The director of community development, subject to the city manager, shall have administrative supervision over the department of community development. He shall be responsible for those activities relating to community development, and shall perform such additional duties as may be assigned by the city manager. (Ord. No. 2016-092, 12-20-16)

Sec. 2-122. Director of human resources.

The director of human resources, subject to the city manager, shall have administrative supervision over the department of human resources. He shall be responsible for those activities relating to employment, employee relations, employee health center, safety and risk management, employee benefits and training and shall perform such additional duties as may be assigned by the city manager. (Ord. No. 2016-092, 12-20-16)

Sec. 2-123. Director of parks and recreation.

The director of parks and recreation, subject to the city manager, shall have administrative supervision over the department of parks and recreation. He shall be responsible for those activities, recreation programs, parks, tennis centers, wellness centers, swimming pools, special events, park landscaping and maintenance, and shall perform such additional duties as may be assigned by the city manager. (Ord. No. 2016-092, 12-20-16)

ADMINISTRATION

§ 2-151

Sec. 2-129. Director of office of business opportunities.

The director of the office of business opportunities, subject to the city manager, shall have administrative supervision over activities relating to small business loans and grants, small business and disadvantaged business enterprise goals and related programs, capacity building. He shall perform such additional duties as may be assigned by the city manager (Ord. No. 2016-092, 12-20-16)

Sec. 2-130. Director of procurement and contracts.

The director of procurement and contracts, subject to the city manager, shall have administrative supervision over the department of procurement and contracts. He shall be responsible for managing, directing, facilitating and overseeing all aspects of the city's procurement and contracting process, coordinating with department and division end users to assist in identifying the most appropriate procurement delivery and source selection method for the procurement of goods, supplies, professional and non-professional services; assist in procurement negotiations; provide contract administration duties, develop model procurement strategies and best practice to ensure the timely delivery of products and services, assist in developing, implementing and evaluating city procurement policies, projects and programs to efficiently and effectively meet the needs of its customers and achieve strategic objectives necessary to support all operations of the city while maintaining the highest standards of integrity and ethical conduct. (Ord. No. 2016-092, 12-20-16)

Sec. 2-131. Director of emergency management.

The director of the office of emergency management, subject to the city manager, shall have administrative supervision over activities relating to an emergency or disaster and any other projects as directed by the city manager. He shall perform such additional duties as may be assigned by the city manager. (Ord. No. 2016-092, 12-20-16)

Secs. 2-132—2-150. Reserved.

ARTICLE IV. DEPARTMENTS***Sec. 2-151. Departments created; department heads; administrative regulations and procedures.**

- (a) The following departments of the city are created:
- (1) City clerk;
 - (2) Information technology services;

*Cross references—Fire department, § 9-31 et seq.; police department, § 10-31 et seq.; public utilities department, § 23-31 et seq.

§ 2-151

COLUMBIA CITY CODE

- (3) Finance;
- (4) Legal;
- (5) Human resources;
- (6) Municipal court;
- (7) Police;
- (8) Fire;
- (9) Public works;
- (10) Engineering;
- (11) Utility operations;
- (12) Community development;
- (13) Parks and recreation;
- (14) General services;
- (15) Economic development;
- (16) Planning and development services;
- (17) Public and media relations;
- (18) Emergency communications;
- (19) Budget and program management;
- (20) Office of business opportunities.
- (21) Procurement and contracts.
- (22) Emergency management

(b) The head of each department shall be a director and shall have supervision and control of his department, subject to the city manager. The city manager may serve as director of one or more departments or divisions within any department.

(c) Each department head shall be responsible for preparation of departmental and administrative regulations and procedures subject to the review and approval of the city manager.

(Code 1979, § 1-3002; Ord. No. 2002-085, 10-9-02; Ord. No. 2004-080, 8-11-04; Ord. No. 2007-028, 5-2-07; Ord. No. 2010-026, 2-17-10; Ord. No. 2010-097, 6-23-10; Ord. No. 2016-092, 12-20-16)

Secs. 2-152—2-200. Reserved.

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Honorable Circuit Court Judge R. Scott Sprouse

Consolidated Cases 2009-CP-40-05680 and 2013-CP-40-05097

Appellate Case No. 2019-000374

Basilides F. Cruz, Joseph A. Floyd, Sr.,
Arthur C. Gillam III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr.,
and Joseph A. Smith,

Appellants,

v.

City of Columbia,

Respondent.

and

Larry Strickland, Denious L. Dimery and
Bailey G. McClinton,

Appellants,

v.

City of Columbia,

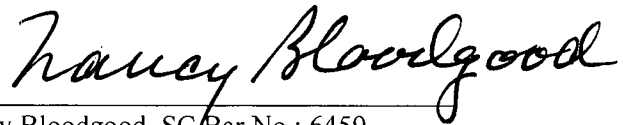
Respondent.

**CERTIFICATION OF COUNSEL AND CERTIFICATION OF COMPLINANCE
WITH ORDER ON REDACTION OF PERSONAL DATA IDENTIFIERS**

I, Nancy Bloodgood, Esquire, hereby certify, pursuant to Rule 210 (g) of the South Carolina Appellate Court Rules, that this Record on Appeal contains all of the material and documentation proposed to be included by any of the parties and does not contain any other

material. In addition, I further certify that this Record on Appeal complies with the South Carolina Supreme Court's Order dated August 13, 2007, addressing the redaction of personal data identifiers and other sensitive information.

BLOODGOOD & SANDERS, LLC



Nancy Bloodgood, SC Bar No.: 6459
Lucy C. Sanders, SC Bar No.: 78169
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com
lsanders@bloodgoodsanders.com

YARBOROUGH APPLGATE, LLC
Christopher Bryant, SC Bar No.: 101681
291 East Bay Street, Floor 2
Charleston, SC 29401
Telephone: (843) 972-0150
Email: chris@yarboroughapplegate.com

AMERICAN CIVIL LIBERTIES UNION
FOUNDATION OF SOUTH CAROLINA
Susan K. Dunn, SC Bar No.: 1798
PO Box 20998
Charleston, SC 29413-0098
Telephone: (843) 282-7953
Email: sdunn@aclusc.org

Attorneys for the Appellants

Charleston, S.C.
Dated: August 9, 2019

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Honorable Circuit Court Judge R. Scott Sprouse

Consolidated Cases 2009-CP-40-05680 and 2013-CP-40-05097

Appellate Case No. 2019-000374

Basilides F. Cruz, Joseph A. Floyd, Sr.,
Arthur C. Gillam III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr.,
and Joseph A. Smith,

Appellants,

v.

City of Columbia,

Respondent.

and

Larry Strickland, Denious L. Dimery and
Bailey G. McClinton,

Appellants,

v.

City of Columbia,

Respondent.

FINAL BRIEF OF APPELLANTS

RECEIVED
AUG 22 2019
SC Court of Appeals

BLOODGOOD & SANDERS, LLC
Nancy Bloodgood, SC Bar No.: 6459
Lucy C. Sanders, SC Bar No.: 78169
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com
lsanders@bloodgoodsanders.com

YARBOROUGH APPLGATE, LLC
Christopher Bryant, SC Bar No.: 101681
291 East Bay Street, Floor 2
Charleston, SC 29401
Telephone: (843) 972-0150
Email: chris@yarboroughapplgate.com

AMERICAN CIVIL LIBERTIES UNION FOUNDATION OF SOUTH CAROLINA

Susan K. Dunn, SC Bar No.: 1798
PO Box 20998
Charleston, SC 29413-0098
Telephone: (843) 282-7953
Email: sdunn@aclusc.org

Attorneys for the Appellants

TABLE OF CONTENTS

TABLE OF AUTHORITIES	ii
STATEMENT THE ISSUE ON APPEAL	1
STATEMENT OF THE CASE	2
STANDARDS OF REVIEW	4
SUMMARY OF THE ARGUMENT	5
ARGUMENT	7
I. THE TRIAL COURT ERRED WHEN IT CONCLUDED THAT PLAINTIFFS FAILED TO DEMONSTRATE THE FOURTH ELEMENT OF PROMISSORY ESTOPPEL— “AN INJURY IN RELIANCE”—BY A PREPONDERANCE OF THE EVIDENCE.	7
A. The Trial Court Applied the Incorrect Standard for the Fourth Element of Promissory Estoppel When it Required Plaintiffs to Demonstrate That They “Would Have Been Better Off” Instead of Determining Whether the Complained-Of Injury Would Have Occurred But For the City of Columbia’s Inconsistent Disposition.	8
B. Plaintiffs Demonstrated the Fourth Element of Promissory Estoppel—Injury in Reliance on the Promise—by a Preponderance of the Evidence	11
II. THE TRIAL COURT ERRED WHEN IT HELD THAT PLAINTIFFS “FAILED TO ESTABLISH COMPENSABLE INJURIES”	12
CONCLUSION	14

TABLE OF AUTHORITIES

Cases

<u>Barnes v. Johnson</u> , 402 S.C. 458, 742 S.E.2d 6 (Ct. App. 2013)	7, 9, 10, 12, 13
<u>Bishop v. City of Columbia</u> , 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013)	2
<u>Craft v. S.C. Comm’n for Blind</u> , 385 S.C. 560, 685 S.E.2d 625 (Ct. App. 2009).....	8, 9, 12
<u>Denman v. City of Columbia</u> , 387 S.C. 131, 691 S.E.2d 465 (2010).....	4
<u>Furman University v. Waller</u> , 124 S.C. 68, 117 S.E. 356 (1922)	10
<u>Higgins Const. Co. v. S. Bell Tel. & Tel. Co.</u> , 276 S.C. 663, 281 S.E.2d 469 (1981)	11
<u>N. Am. Rescue Prod., Inc. v. Richardson</u> , 411 S.C. 371, 769 S.E.2d 237 (2015)	7
<u>Powers Const. Co. v. Salem Carpets, Inc.</u> , 283 S.C. 302, 322 S.E.2d 30 (Ct. App. 1984).....	10
<u>Rissanen v. City of North Charleston</u> , Case No. 2013-CP-10-3210.....	14
<u>S.C. Dep’t of Transp. v. Horry Cty.</u> , 391 S.C. 76, 705 S.E.2d 21 (2011).....	4
<u>Town of Summerville v. City of N. Charleston</u> , 378 S.C. 107, 662 S.E.2d 40 (2008).....	4

Other Authorities

Mary E. Becker, <u>Promissory Estoppel Damages</u> , 16 Hofstra Law Review 131, 135 (1987)	13

STATEMENT THE ISSUE ON APPEAL

In this promissory estoppel bench trial, the Plaintiffs-Appellants—10 retired municipal firefighters—claimed that they suffered an injury when the defendant—the City of Columbia—stopped paying their health insurance premiums in retirement.

The plaintiffs demonstrated, by a preponderance of the evidence, that

- (1) the defendant's agents made an unambiguous promise (no-charge health insurance coverage upon retirement until death);
- (2) the plaintiffs reasonably relied upon the promise (each plaintiff received no-cost health insurance for some period of time in retirement, and each plaintiff had seen others receive the same promise until death);
- (3) the defendant expected the plaintiffs to rely on the promise (health insurance benefits were touted as compensation for low pay and reasons to stay in the job); and
- (4) but for defendant's inconsistent disposition of the promise, the loss of no-cost health insurance coverage would not have happened.

Did the trial court err when it held that Plaintiffs-Appellants' promissory estoppel claims failed because they failed to demonstrate an injury in reliance, which is the fourth element of promissory estoppel? Did the trial court err when it held that Plaintiffs-Appellants' out-of-pocket and future health insurance costs were not "compensable injuries?"

STATEMENT OF THE CASE

The basic facts of these consolidated cases are not seriously in dispute. Indeed, the parties have stipulated to many of the key facts. Plaintiffs-Appellants began working for the City of Columbia as firefighters in the 1960s, 1970s, and 1980s. R. pp. 708-710. They claim that various City of Columbia officials represented to them that they would receive no-cost, single coverage healthcare from the time of their retirement until the time of their death. R. p. 711. And the City of Columbia did, in fact, provide the firefighters with no-cost single coverage healthcare from the dates of their retirement until July 2009 (for individuals under 65) or 2013 (for individuals over 65). R. pp. 708-710. Plaintiff-Appellant Denious “D.L.” Dimery’s experience illustrates this last point—Dimery retired in 1991 and received no-cost, single coverage healthcare for over 20 years before the City of Columbia began requiring him to pay the premium for the same coverage. R. p. 710.

This is the second time that this Court has been asked to address legal issues related to this case. In Bishop v. City of Columbia, this Court affirmed the dismissal of Plaintiffs-Appellants’ contract claims and promissory estoppel claims based on the employee handbook and benefits booklet, but it reversed the dismissal of Plaintiffs-Appellants’ promissory estoppel claims based upon “representations made by their supervisors and the City’s human resource personnel.” 401 S.C. 651, 667–668, 738 S.E.2d 255, 263 (Ct. App. 2013).

This most recent appeal results from a two-day promissory estoppel bench trial in December 2018. During the bench trial, Plaintiffs-Appellants articulated specific instances throughout their careers when Chiefs, City Managers, and Human Resources officials represented to them that they would receive no-cost, single coverage healthcare from the time of their retirement until the time of their death. Plaintiffs-Appellants testified to the out-of-pocket

costs that they have incurred since the City of Columbia stopped providing no-cost, single coverage healthcare; they also testified that they expected to continue to incur out-of-pocket expenses for healthcare for the remainder of their lives.

On January 28, 2019, the trial court rendered judgment for the City of Columbia. In its Order, the trial court held that “[Appellants] relied on the representations made by the City through its agents and the City’s official policy over the years,” but “[Appellants] failed to demonstrate that they incurred damages as a result of their reliance.” R. p. 36. The trial court also held that “[Appellants] failed to establish compensable injuries,” Id. at 33, and that they “offered no measure of loss beyond premiums charged for their insurance.” Id. at 34.

On February 6, 2019, Appellants filed a Motion to Alter or Amend the Order Granting Judgment to Defendant. R. pp. 460-472. On February 19, 2019, the trial court issued an order denying Plaintiffs-Appellants’ Motion to Alter or Amend, holding that it was “unable to discover any material fact or principle of law that either has been overlooked or disregarded and further [found] no error of law or fact not appropriately considered.” R. pp. 39-41.

Plaintiffs-Appellants subsequently appealed the Trial Court’s Order Granting Judgment to Defendant-Respondent.

STANDARDS OF REVIEW

Appellate courts determine questions of law *de novo*. Town of Summerville v. City of N. Charleston, 378 S.C. 107, 109, 662 S.E.2d 40, 41 (2008).

“In equitable actions like promissory estoppel, an appellate court may find facts in accordance with its own view of the preponderance of the evidence.” S.C. Dep’t of Transp. v. Horry Cty., 391 S.C. 76, 81, 705 S.E.2d 21, 24 (2011) (citing Denman v. City of Columbia, 387 S.C. 131, 140, 691 S.E.2d 465, 470 (2010)).

SUMMARY OF THE ARGUMENT

The trial court erred when it granted judgment in favor of Defendant-Respondent because it used the incorrect standard to determine whether Plaintiffs-Appellants had established the fourth element of their promissory estoppel claims.

The elements of promissory estoppel are (1) an unambiguous promise by the promisor; (2) reasonable reliance on the promise by the promisee; (3) reliance by the promisee was expected by and foreseeable to the promisor; and (4) injury caused to the promisee by his reasonable reliance. To establish the fourth element—that is, an injury in reliance—a plaintiff need only establish that but for the promisor's inconsistent disposition of the promise, the complained-of injury would not have occurred.

Here, the trial court required Plaintiffs-Appellants to demonstrate that they “would have been better off” to establish the fourth element of promissory estoppel. This new “would have been better off” standard has no basis in case law or public policy. And because Plaintiffs-Appellants presented stipulated and uncontroverted evidence that their injuries—that is, the loss of no-charge health insurance coverage until death—would not have occurred but-for the City of Columbia's inconsistent disposition of the promise, Plaintiffs-Appellants established the fourth element of their promissory estoppel claims.

In addition, the trial court's insistence that Plaintiffs-Appellants' complained-of injuries—that is, the present and future out-of-pocket expenses related to the unexpected need to purchase health insurance coverage—are non-compensable is without merit. A court sitting in equity has the power to provide relief in the form of expectation damages, and expectation damages are an appropriate form of relief in situations such as this.

This Court should (1) reverse the lower court's Order; (2) hold that Plaintiffs-Appellants have established their promissory estoppel claims by a preponderance of the evidence; (3) award Plaintiffs-Appellants make-whole relief; and (4) remand the case for the sole purpose of calculating damages.

ARGUMENT

In this case, the trial court required the Plaintiffs-Appellants to demonstrate that they “would have been better off” to establish the fourth element of promissory estoppel—injury in reliance. This is the incorrect standard to determine whether a plaintiff has established the fourth element of promissory estoppel. Under the proper “but-for” standard, Plaintiffs-Appellants demonstrated the fourth element of promissory estoppel by a preponderance the evidence. With respect to damages, the trial court erred when it held that Plaintiffs-Appellants failed to demonstrate “compensable injuries.” Plaintiffs-Appellants’ out-of-pocket and future expenses are sufficient and appropriate measures of damages.

I. THE TRIAL COURT ERRED WHEN IT CONCLUDED THAT PLAINTIFFS FAILED TO DEMONSTRATE THE FOURTH ELEMENT OF PROMISSORY ESTOPPEL—“AN INJURY IN RELIANCE”—BY A PREPONDERANCE OF THE EVIDENCE.

“The elements of promissory estoppel are (1) an unambiguous promise by the promisor; (2) reasonable reliance on the promise by the promisee; (3) reliance by the promisee was expected by and foreseeable to the promisor; and (4) injury caused to the promisee by his reasonable reliance.” N. Am. Rescue Prod., Inc. v. Richardson, 411 S.C. 371, 379–80, 769 S.E.2d 237, 241 (2015). To establish the fourth element—that is, an injury in reliance—a promissory estoppel plaintiff “must show, but for the promisor’s inconsistent disposition, the complained-of injury would not have otherwise resulted.” Barnes v. Johnson, 402 S.C. 458, 474, 742 S.E.2d 6, 14 (Ct. App. 2013). Here, the trial court imposed an incorrect, more onerous standard upon Plaintiffs-Appellants than the “but-for” standard discussed in Barnes. This “better off” standard has no support in South Carolina’s promissory estoppel case law. Under the proper, but-for standard, Plaintiffs-Appellants established the fourth element of promissory estoppel and are entitled to damages.

A. **The Trial Court Applied the Incorrect Standard for the Fourth Element of Promissory Estoppel When it Required Plaintiffs to Demonstrate That They “Would Have Been Better Off” Instead of Determining Whether the Complained-Of Injury Would Have Occurred But For the City of Columbia’s Inconsistent Disposition.**

The fourth element of promissory estoppel requires the person to whom the promise is made to have suffered “injury in reliance on the promise.” Craft v. S.C. Comm’n for Blind, 385 S.C. 560, 565, 685 S.E.2d 625, 627 (Ct. App. 2009). In its Order Granting Judgment to Defendant, the trial court made the following statement of law: “To prove the detrimental reliance element necessary to obtain relief on promissory estoppel, a plaintiff must demonstrate that he would have been better off if he had not relied upon a promise.” R. p. 34. This is an inaccurate statement of the law for at least two reasons.

First, there is no “detrimental reliance element” in promissory estoppel. A Westlaw search of the entire South Carolina catalog of cases does not produce a single instance where the terms “detrimental reliance” and “promissory estoppel” are used in the same case. As discussed above, Plaintiffs need only demonstrate an injury in reliance on the promise—that is, an injury that would not have occurred but for the City of Columbia’s reneging on the promise of post-retirement, no-cost single coverage healthcare for life.

Second, there is no support for the statement that “a plaintiff must demonstrate that he would have been better off if he had not relied upon a promise.” Id. As in all of Defendant’s briefing throughout the life of this case where similar assertions were made, there is no citation to supporting case law. This is because this “requirement” is made from whole cloth and inconsistent with the law on promissory estoppel in South Carolina and the principles that underpin promissory estoppel. The assertions that Plaintiffs-Appellants “experienced substantial increases in pay during employment, obtained significant promotions, enjoyed personal gratification and continue to receive valuable pension benefits as a result of their employment with the City,” Id., have no bearing on

whether Plaintiffs-Appellants have demonstrated an injury in reliance, as required by South Carolina promissory estoppel case law.

An analysis of the case law establishes that “injury in reliance” requires only that Plaintiffs-Appellants demonstrate a causal relationship between the broken promise and the complained-of injury: “In order to demonstrate that the injury was sustained in reliance upon an alleged promise, the promisee must show, *but for the promisor’s inconsistent disposition*, the complained-of injury would not have otherwise resulted.” Barnes v. Johnson, 402 S.C. 458, 742 S.E.2d 6, 14 (Ct. App. 2013) (emphasis added). This is underscored by the two leading cases on promissory estoppel, which the trial court cited in its Order Granting Judgment to Defendant: Craft and Barnes. R. pp. 34-36. A faithful application of the legal analyses and holdings of these cases does not support the trial court’s “would have been better off” standard for demonstrating an injury in reliance.

In Craft v. South Carolina Commission for the Blind, the plaintiff quit his job on December 29, 2005 based on a promise that another job would be available. The other job never materialized, and the plaintiff was unable to go back to the old job because the job site was permanently closed on December 31, 2005. Plaintiff failed to present any evidence regarding why the job site was closed, and the Court held that plaintiff failed to demonstrate that he had sustained the claimed injury of loss of current employment by quitting his job in reliance on the defendant’s promise. Even if plaintiff had quit his job on reliance of the promised job, he would have been out of a job in two days because the job site was permanently closed. Barnes v. Johnson, 402 S.C. 458, 475, 742 S.E.2d 6, 14 (Ct. App. 2013) (noting that the merchant in Craft “could no longer work there for reasons beyond the Commission’s control, and, thus, his unemployed status was not due to the Commission’s inconsistent disposition.”).

Similarly, in Barnes v. Johnson, the Court held that the plaintiff could not maintain a cause of action for promissory estoppel because he “failed to demonstrate . . . an injury sustained in reliance [on] a promise.” 402 S.C. at 476, 742 S.E.2d at 15–16. In Barnes, the plaintiff asserted a promissory estoppel cause of action related to alleged agreements related to various improvements to a house. The house at issue ultimately burned down due to “an act of nature,” and the Court of Appeals held that “the fire caused [the plaintiff’s] injury,” not the actions of the promisor. 402 S.C. at 475, 742 S.E.2d at 15–16. The plaintiff suffered an unfortunate set of circumstances, but the injury was not causally related to the broken promise; it was caused by the house burning down.

From a public policy perspective, requiring a plaintiff to show that he or she would have done better elsewhere runs counter to the equitable principles of fairness that underpin the cause of action. Adopting an “I would have done better” standard will allow future promise breakers to take advantage of the loyalty engendered by their promises; if a promisee believes the promise of future benefits and that promise induces the desired result (that is, staying put), the promisee will rarely, if ever, have the ability to say that he or she would have done better.

The fact that the doctrine of promissory estoppel applies in areas outside the arena of promises related to employment also cuts against adopting a new “would have done better” standard, because it would oftentimes make no sense. See, e.g., Powers Const. Co. v. Salem Carpets, Inc., 283 S.C. 302, 306, 322 S.E.2d 30, 33 (Ct. App. 1984) (“Because promissory estoppel is a recognized doctrine in South Carolina, we have no doubt that the doctrine can support an action brought in this state by a contractor who has submitted a prime bid in reliance upon a subcontractor’s bid.” (internal citation omitted)); see also Furman University v. Waller, 124 S.C. 68, 117 S.E. 356 (1922) (applying the concept of promissory estoppel—although not by name—to a

situation where a university relied on a pledged donation to build a dormitory); Higgins Const. Co. v. S. Bell Tel. & Tel. Co., 276 S.C. 663, 665–66, 281 S.E.2d 469, 470 (1981) (recognizing that Waller was a promissory estoppel case and holding that the doctrine is not restricted to cases involving charities).

In sum, the fourth element of promissory estoppel does not require plaintiffs to demonstrate that they “would have been better off.”

B. Plaintiffs Demonstrated the Fourth Element of Promissory Estoppel—Injury in Reliance on the Promise—by a Preponderance of the Evidence

Plaintiffs-Appellants have demonstrated that the complained-of injury—that is, the loss of no-charge health insurance coverage until death—would not have occurred but for the City of Columbia’s inconsistent disposition of maintaining the promise of no-charge health insurance coverage until death. In fact, the stipulated facts show that (1) all 10 Plaintiffs-Appellants received no-charge, single coverage health insurance in their retirements for periods ranging from 21 years to 9 months, and (2) this coverage ended when the City of Columbia ended its longstanding practice of providing such coverage to retirees until death. R. pp. 708-712. Finally, Plaintiffs-Appellants presented unrebutted testimony that they had incurred out-of-pocket expenses when the City of Columbia ended its practice of providing no-charge health insurance coverage until death; this logically leads to continued expenses until death.

- Cam Gillam began paying \$33.00 monthly health insurance premiums in 2009 and had paid \$4,108 out of pocket as of the time of the trial. (R. pp. 478-479.) Mr. Gillam testified that when he turns 65 he will have to pay for a Medicare Supplement policy and his premiums would then go up dramatically. (Id. at 479–480.)
- Larry Strickland testified that from 2013 to the date of the trial he had paid a total of \$19,000 out of pocket for Medicare Supplement policies, and he expected to incur similar costs for the rest of his life. (Id. at 502.)

- Bailey George McClinton testified the out of pocket costs for his health insurance premiums since 2009 totaled \$18,815.90 and that he expected to incur similar costs for the rest of his life. (Id. at 515-516.)
- Charles Morris testified from 2009 to the date of the trial he had paid \$13,000 out of pocket for health insurance premiums. (Id. at 527-528.)
- Alma Carson Hill testified he had paid \$8,124.00 out of pocket for health insurance premiums since 2009. (Id. at 538.)
- Joseph Floyd testified he had paid \$8,400 out of pocket for health insurance premiums from 2009 until the date of the trial. (Id. at 571.)
- Rusty Smith testified he paid \$8,200 out of pocket for health insurance premiums from 2009 until the date of the trial. (Id. at 584-585.)
- Frank Cruz testified he paid between \$7,000 and \$9,000 from 2009 to the date of the trial out of pocket for health insurance and expects to have substantially higher costs for the rest of his life. (Id. at 604-605.)
- Barry Martin testified he paid \$5,400.00 out of pocket from 2009 to the date of trial for health insurance premiums. (Id. at 613.)
- Denious Dimery testified that since 2013 he had paid almost \$20,000 out of pocket for insurance premiums for Medicare Supplement policies. (Id. at 617.)

Here, Unlike the Craft and Barnes plaintiffs, there is a crystal-clear but-for connection between the promise (no-charge health insurance coverage until death), the inconsistent disposition (the termination of the practice of providing no-charge health insurance coverage until death), and the injury (the loss of no-charge health insurance coverage until death). Accordingly, Plaintiffs-Appellants have established the fourth element of their promissory estoppel claim, and the trial court's judgment for Defendant-Respondent should be reversed.

II. THE TRIAL COURT ERRED WHEN IT HELD THAT PLAINTIFFS "FAILED TO ESTABLISH COMPENSABLE INJURIES"

In finding for the City of Columbia, the Court stated that "Plaintiffs failed to establish compensable injuries incurred in reliance upon representations regarding the availability of individual health insurance without charge throughout their retirements." R. p. 33. This appears to

suggest that even though Plaintiffs-Appellants demonstrated injuries in the form of present and future out-of-pocket costs, they are not the type of injuries for which a court sitting in equity can provide a remedy.¹ This cannot be the law.

Promissory estoppel is an equitable remedy; it “is a flexible doctrine that aims to achieve equitable results.” Barnes v. Johnson, 402 S.C. 458, 469, 742 S.E.2d 6, 11 (Ct. App. 2013). A court sitting in equity has the authority to determine the proper measure of damages—expectation, reliance, or restitution—on a case-by-case basis to ensure a fair result.

By working for the City of Columbia for substantial periods of time at reduced pay (as compared to the private sector) but with the expectation of no-charge, single coverage healthcare until death, Plaintiffs-Appellants conferred a bargained-for benefit upon the City of Columbia. Expectation damages are the appropriate measure of damages in situations such as this, where Plaintiffs-Appellants’ restitution interests have been violated. In other words, the equitable, fair thing to do is to provide the value of the promise that was broken.

This is consistent with the simplified Circuit Court jury charge on Promissory Estoppel, which provides, in relevant part “If you find promissory estoppel, the promise must be enforced.” An award of expectation damages is also consistent with the weight of the authority on promissory estoppel damages; “courts routinely award expectation damages unless those damages are too speculative, indefinite, or otherwise unavailable under traditional contract rules.” Mary E. Becker, Promissory Estoppel Damages, 16 Hofstra Law Review 131, 135 (1987).²

¹ For example, the trial court’s Order states that “[e]ach Plaintiff’s specific costs of their post-retirement health insurance once the policy changes went into effect go toward the now dismissed breach of contract cause of action, not promissory estoppel.” R. p. 36. This statement of law is uncited and unsubstantiated.

² For a comprehensive discussion of damages available in promissory estoppel cases, see Mary E. Becker’s informative article, Promissory Estoppel Damages, 16 Hofstra Law Review 131 (1987), R. pp. 409-413.

As noted above, Plaintiffs-Appellants all testified to a dollar amount that they had spent out of pocket to the date of the trial. There is no question that Plaintiffs should receive these amounts as damages for expenses already incurred. And although calculating future damages presents a more complicated task, it is no more speculative than the task of estimating future damages for medical needs, which occurs in courtrooms around the state on a regular basis. Plaintiffs-Appellants presented the trial court with two method of calculating damages—(1) using testimony regarding expected future costs and life expectancy tables to derive compensation for Plaintiffs-Appellants; or (2) take the path of Judge Nicholson in the North Charleston firefighter case and reopen the trial for the sole purpose of hearing from experts from each party on future damages. See Rissanen v. City of North Charleston, Case No. 2013-CP-10-3210.

In sum, the trial court's belief that Plaintiffs-Appellants' damages are non-compensable or otherwise "dependent upon speculation," (R. p. 34) is simply incorrect.

CONCLUSION

In its conclusion, the trial court's Order Granting Judgment to Defendant focuses on Plaintiffs-Appellants' failure to demonstrate that they would have done better elsewhere. As discussed above, this standard is inapplicable to the elements of promissory estoppel. Individuals such as Plaintiffs-Appellants who remain employed will never be able to say, with any degree of certainty that they would have done better elsewhere or what their retirement healthcare costs would have been in another setting because they do not have a crystal ball. But Plaintiffs-Appellants *can* say that they dutifully worked for the City of Columbia and did so until their retirement, and that they expected to receive no-charge health insurance coverage until their deaths.

If an individual's loyalty and reasonable belief that a promise would be maintained were to somehow prevent this Court from fully exercising its equitable powers, the City of Columbia will be the beneficiary of an unfair bargain, and every governmental employee in South Carolina should

express a healthy amount of skepticism regarding any promise of compensation that is not in the form of an immediate paycheck.

Plaintiffs-Appellants have established all four elements of their promissory estoppel claims by a preponderance of the evidence. The For the abovementioned reasons, Plaintiffs-Appellants ask this Court to (1) reverse the lower court's Order; (2) hold that Plaintiffs-Appellants have established their promissory estoppel claims by a preponderance of the evidence; (3) award Plaintiffs-Appellants make-whole relief, including payment for their out-of-pocket health insurance expenses, future health insurance expenses, and attorney's fees pursuant to S.C. Code Ann. § 15-77-300; and (4) remand the case for the sole purpose of calculating damages, either (a) through the use of stipulated evidence, evidence presented in court regarding costs, and stipulated life tables, or (b) evidence presented in court regarding out-of-pocket costs and reports and testimony from experts for Appellants and Respondent on future damages.

[SIGNATURE PAGE TO FOLLOW]

Respectfully submitted,

BLOODGOOD & SANDERS, LLC

Nancy Bloodgood

Nancy Bloodgood, SC Bar No.: 6459

Lucy C. Sanders, SC Bar No.: 78169

242 Mathis Ferry Road, Suite 201

Mt. Pleasant, SC 29464

Telephone: (843) 972-0313

Email: nbloodgood@bloodgoodsanders.com

lsanders@bloodgoodsanders.com

YARBOROUGH APPLGATE, LLC

Christopher Bryant, SC Bar No.: 101681

291 East Bay Street, Floor 2

Charleston, SC 29401

Telephone: (843) 972-0150

Email: chris@yarboroughaplegate.com

AMERICAN CIVIL LIBERTIES UNION
FOUNDATION OF SOUTH CAROLINA

Susan K. Dunn, SC Bar No.: 1798

PO Box 20998

Charleston, SC 29413-0098

Telephone: (843) 282-7953

Email: sdunn@aclusc.org

Attorneys for the Appellants

Charleston, South Carolina

Date: August 21, 2019

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

R. Scott Sprouse, Circuit Court Judge

Appellate Case No.: 2019-000374

RECEIVED

AUG 23 2019

SC Court of Appeals

Basilides F. Cruz, Joseph A. Floyd, Sr., Arthur C. Gillam, III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr., and Joseph A. Smith, ... Appellants.

v.

City of Columbia Respondent.

and

Larry Strickland, Denious L. Dimery and Bailly G. McClinton, ... Appellants

v.

City of Columbia Respondent.

RESPONDENT'S FINAL BRIEF

NICKLES LAW FIRM, LLC

W. Allen Nickles, III, SC Bar #4226
4430 Ivy Hall Drive
Columbia, South Carolina 29206
(803) 466-0372
wanickles@nickleslaw.com

Attorney for Respondent

TABLE OF CONTENTS

TABLE OF AUTHORITIES	ii, iii
STATEMENT OF ISSUE ON APPEAL/ADDITIONAL SUSTAINING GROUNDS	iv
STATEMENT OF THE CASE.....	1
STATEMENT OF THE FACTS	2
SUMMARY OF THE ARGUMENT	5
ARGUMENT.....	6
1. Appellants failed to satisfy all criteria necessary to obtain relief on their promissory estoppel claim	6
ADDITIONAL SUSTAINING GROUNDS	
1. City Council has the sole authority for making policy decisions regarding City funded group health plans	10
2. City Council’s legislative exercise to examine and fund budgetary components, including group health costs, cannot be delegated or compromised.....	12
3. City Council’s decision to require participants in the group health plan to contribute financially was within its delegated authority	13
4. Appellants failed to prove an “unambiguous promise” that group health insurance offered at retirement was guaranteed to continue for their lifetimes without charge	15
5. Legislative immunity, separation of powers and constitutional spending limitations bar the relief sought by Appellants	17
CONCLUSION	18

TABLE OF AUTHORITIES

<u>A&P Enterprises, LLC v. SP Grocery of Lynchburg, LLC</u> , 422 S.C. 579, 587, 812 S.E.2d 759, 763 (Ct. App. 2018)	15
<u>Barnes v. Johnson</u> , 402 S.C. 458, 474-476, 742 S.E.2d 6, 14-15 (Ct. App. 2013).....	<i>passim</i>
<u>Bishop v. City of Columbia</u> , 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013)	1, 6
<u>City of Darlington v. Stanley</u> , 239 S.C. 139, 122 S.E.2d 207 (1961)	14
<u>Craft v. South Carolina Commission for the Blind</u> , 385 S.C. 560, 568, 685 S.E.2d 625, 629 (Ct. App. 2009)	<i>passim</i>
<u>Cunningham v. Anderson County</u> , 402 S.C. 434, 741 S.E.2d 545 (Ct. App. 2013).....	13
<u>Davis v. Greenwood Sch. Dist. 50</u> , 365 S.C. 629, 633-35, 620 S.S. 2d 65, 68 (2005)	16
<u>Denene, Inc. v. City of Charleston</u> , 532 S.C. 208, 574 S.E.2d 196 (2002)	13
<u>Hampton v. Haley</u> , 403 S.C. 395, 403-404, 743 S.E.2d 258, 262 (2013)	11, 14, 16
<u>Health Promotion Specialists, LLC v. S.C. Board of Dentistry</u> , 403 S.C. 623, 635-637, 743 S.E.2d 808, 814-815 (2013).....	17
<u>I’On, L.L.C. v. Town of Mt. Pleasant</u> , 338 S.C. 406, 418, 526 S.E. 2d 716, 722 (2000).....	10
<u>Newman v. McCullough</u> , 212 S.C. 17, 25, 46 S.E.2d 252, 256 (1948).....	13
<u>Powers Constr. Co. v. Salem Carpets, Inc.</u> , 283 S.C. 302, 322 S.E.2d 30 (Ct. App. 1984)	6
<u>Rushing v. McKinney</u> , 370 S.C. 280, 295, 633 S.E.2d 917, 924 (Ct. App. 2006)	15
<u>Sandlands C & D, LLC v. County of Horry</u> , 394 S.C. 451, 460, 716 S.E.2d 280, 284 (2011).....	<i>passim</i>
<u>Segars-Andrews v. Judicial Merit Selection Commission</u> , 387 S.C. 109, 121-122, 691 S.E.2d 453, 460-461 (2010).....	14
<u>Smith v. Tiffany</u> , 419 S.C. 548, 559, 799 S.E.2d 479, 485 (2017).....	14
<u>Tenney v. Brand Hove</u> , 341 U.S. 367, 376-378 (1951)	17
<u>Todd v. Smith</u> , 305 S.C. 227, 231, 407 S.E. 2d 644, 646-647 (1991)	12
<u>Willoughby v. City Council of City of Florence</u> , 51 S.C. 462, 29 S.E. 242 (1898)	12

STATUTES

S.C. Code Ann. § 15-3-30.....	12
S.C. Code Ann. § 15-3-30 (3).....	14

ORDINANCES

<u>City of Columbia Ordinance</u> , Chap. 2, art. 1, Sec. 2-1).....	11
<u>City of Columbia Ordinance</u> , Chap. 2, art. 1, Sec. 2-5).....	11
<u>City of Columbia Ordinance</u> , Chap. 2, art. 1, Sec. 2-32(a)(b)	11
<u>City of Columbia Ordinance</u> , Chap. 2, art. 1, Sec. 2-122).....	11
<u>City of Columbia Ordinance</u> , Chap. 2, art. 1, Sec. 2-151).....	12

CONSTITUTIONS

S.C. Const. art. I, § 8.....	14
S.C. Const. art. VIII, § 17	13
S.C. Const., art. X, § 14	17

OTHER

<u>Oxford Dictionary of the English Language</u>	15

STATEMENT OF ISSUE ON APPEAL

1. Whether or not Appellants established all criteria necessary to obtain relief on their promissory estoppel claim.

ADDITIONAL SUSTAINING GROUNDS

1. City Council has the sole authority for making policy decisions regarding City funded group health plans.

2. City Council's legislative exercise to examine and fund budgetary components, including group health costs, cannot be delegated or compromised.

3. City Council's decision to require participants in the group health plan to contribute financially was within its delegated authority.

4. Appellants failed to prove an "unambiguous promise" that group health insurance offered at retirement was guaranteed to continue for their lifetimes without charge.

5. Legislative immunity, separation of powers and constitutional spending limitations bar the relief sought by Appellants.

STATEMENT OF THE CASE

PROCEDURAL BACKGROUND

Appellants were formerly employed by the Respondent, City of Columbia (“City”). At the time of their various retirements, City policy provided individual health coverage without charge for employees and retirees. A premium was charged for spouse and dependent coverage.

Due to increasing costs and the obligation to prefund benefits, in 2009 City Council announced that it was considering a change in policy that would require all participants in its group health plans to pay a premium. Committees were formed and public meetings were called to address this change. As a result of this process, Council voted to charge a premium for all active and retired members under 65 who chose to continue participating in the City’s group health insurance plan effective July 1, 2009. The cost to individual participants was set at \$33.18/month, with the City contributing \$800.00/month for each member. (R. p. 869)

On August 10, 2009, a group of retirees under 65 years of age filed suit asserting that the premium charge breached contractual rights, violated the Unfair Trade Practices Act, and should be equitably barred on ground of promissory estoppel. At the conclusion of discovery, Judge James R. Barber, III granted summary judgment on all claims. (R. p. 1)

On January 23, 2013, this Court affirmed summary judgment on all claims except promissory estoppel. Bishop v. City of Columbia, 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013) That claim alone was remanded to determine: (a) whether “promises” of future benefits were authorized; and (b) whether Appellants could reasonably rely upon “promises” of future benefits. Judge Barber’s summary judgment order dismissed Appellants’ estoppel claim on the basis of reliance only. Accordingly, this Court made no ruling on whether Appellants could establish damages and had no reason to rule on the City’s affirmative defenses, including

legislative/sovereign immunity, separation of powers, and political question.

In January 2013, the City extended the premium requirement to its Medicare supplemental coverage for post-65 retirees. On August 27, 2013, Appellants Strickland, Dimery and McClinton filed a class action suit on behalf of all post-65 retirees, alleging that the City was estopped from charging this premium. By order dated August 2, 2016 the late Tanya A. Gee denied class certification. (R. p. 22) On April 19, 2017, former Chief Justice Jean H. Toal denied Appellants' motion to reconsider. (R. p. 27)

The two cases were consolidated for nonjury trial on August 18, 2018. The only claim remaining in each case was Appellants' assertion that the City is estopped from imposing any charge for their continuing participation in group health coverage and must provide reimbursement for any insurance premiums paid. Following a two day bench trial, the Honorable R. Scott Sprouse held that Appellants failed to prove reliance damages. Accordingly, judgement was issued in favor of the City. (Sprouse Order) This appeal followed.

STATEMENT OF FACTS

Each of the Appellants participates in the City's group health insurance program. Appellants testified that during their employment fellow employees, including city managers, supervisors and human resources staff, informed them that retirees receive group health coverage without cost. Appellants also introduced newsletters available to employees and retirees. (R. pp. 633-682) None of the newsletters expressed any "promise" that retirement benefits will be permanent or remain free of charge. Instead, the newsletters reported information that was accurate when published. (R. pp. 565-566)

While employed and during retirement, Appellants received written notice through group health booklets regarding "escalating health care costs" and "the possibility of contribution

increases.” (R. pp. 872-899; R. pp. 695, 697, 699, 701, 703, 705, 707; R. pp. 486-487, 505-507, 517-518, 533-535, 541-542, 579, 587-588, 592-593, 618-620) Appellants acknowledged that health care benefits are determined by City Council on an annual basis as part of the City-wide budget. (R. pp. 483-484, 507-508, 520-521, 523-524, 531-532, 591-592, 620) Appellants further conceded that no supervisor, department head or City manager has the authority to spend funds which are not budgeted. (Tr., pp. 483-484, 508, 514, 521-522, 578, 580, 589, 592) Appellants were also on notice by way of state law, ordinance and City handbooks issued during their employment that the City reserves the right “to revise, supplement or rescind any policies . . . in its sole and absolute discretion.” In the same fashion, Appellants were advised that the City reserves the right to “alter its rules, policies and procedures from time to time.” (R. p. 910)

As firefighters, Appellants participate in the State’s retirement system with full pension benefits available upon twenty-five (25) years of service. The pension does not include health insurance. Instead, Appellants voluntarily participate in the City’s group health plan under the same conditions offered to active employees. Exhibits admitted without objection and Appellants’ testimony confirm that they signed applications for group health insurance during employment and as retirees confining their participation to the same terms and benefits as other participants. (R. p. 912 (p-q)); (R. p. 914 (a)(c)); (R. p. 916 (e)(o)); (R. p. 918 (e)(l)); (R. p. 920 (b-d)(g-j)); (R. p. 927 (d)(m)); (R. p. 929 (a-b)); (R. p. 931(i-j)(n-o)); (R. p. 935(c)(e)(g)(p)); (R. p. 939 (a)(c)(e)); (R. pp. 489-490, 522, 535-536, 594-596, 620). Similarly, exhibits and Appellants’ testimony establish that they were informed in writing by the City’s benefits administrator that “current policy” provided retirees health insurance without charge. (R. pp. 707, 713-716); (R. pp. 496, 526, 593) Appellants conceded that the term “current” means “now” or “at the present.” (R. pp. 488-

489, 156) Appellants also knew that the benefits administrator could not personally guarantee future benefits. (R. pp. 494, 497-498, 589-590)

Even in asserting reliance upon various representations regarding future benefits, Appellants expressed disagreement and changed their testimony as to the nature of the representations relied upon. For example, Appellant Joseph A. Floyd, Sr. testified in his deposition that his insurance benefits were frozen at retirement and subject to no reduction regardless of plan changes. (R. pp. 942-944) Appellant Alma C. Hill shared this belief. (R. pp. 945-946) Appellant Barry N. Martin testified that he was entitled to more expensive individual coverage without charge. (R. pp. 947-949) At trial, Floyd conceded that personally designed policy terms are not practical. (R. pp. 581-583) In contrast, Appellant Cam Gillam testified that he is entitled to a "high quality" policy, even though he cannot articulate the policy terms. (R. pp. 492-493) Appellant Frank Cruz stated that his service as a firefighter prohibits the City from ever reducing his coverage regardless of changes in the group health plan. (R. pp. 606-607) Cruz admitted, however, that neither he nor any of his supervisors made personal commitments to fund benefits. (R. pp. 607-608)

The City offered the testimony of former City Manager, Steve Gantt, Human Resources Director, Pamela Benjamin and Budget and Program Management Director, Missy Caughman. These witnesses confirmed that City Council reserves to itself the authority to determine benefits provided to employees and retirees. Mr. Gantt held several administrative position before serving as City Manager. (R. pp. 548-552) He testified without objection that neither he nor his fellow administrators had authority to make policy, bind Council or exceed expenditures approved by Council. (R. pp. 553-564) This testimony is consistent with the City's ordinances and state law. (R. pp. 712, 717) Ms. Benjamin has served as a human resources professional in state and

municipal governments for more than twenty years. (R. pp. 623-624) She testified that in her prior positions and as Director of the City's Human Resources Office, human resources staff routinely administer employee and retiree benefits. (R. p. 625) Ms. Benjamin further testified that the authority to administer does not extend to policymaking or offering any "promise" that benefits will be provided beyond the time frame affected by the City's budget or designated by Council vote. (R. pp. 626-628) Ms. Caughman testified that she had been involved in budgeting for employee and retiree benefits since her first employment with the City in 1998. (R. pp. 629-630) Ms. Caughman further testified that Council alone votes on employee and retiree benefits, including any charges that might be imposed. (R. pp. 631-632) Records of City Council meetings admitted without objection confirm that Council received information from staff and outside consultants before voting on imposing charges for employee and retiree health benefits, including the actions challenged by Appellants. (R. pp. 720-722; 724, 727-728; 730; 744; 757-758; 766; 774; 783; 785-786; 790-793; 818-819; 826; 840-844; 864-871)

SUMMARY OF ARGUMENT

This appeal represents an effort to remove detrimental reliance from the elements necessary to prevail on a promissory estoppel cause of action. Instead, Appellants argue their expectation that a promise will be fulfilled is sufficient to prevail and that the proper remedy is measured by the value of the promise rather than the cost of reliance. As addressed below, this argument has been rejected by three respected jurists in this case and is incompatible with opinions issued by this Court. In addition, controlling precedent establishes that the decision to modify the City's group health benefits was legislative in nature and cannot be reversed unless found to be beyond Council's authority or unconstitutional. Should this Court determine to review criteria for relief beyond detrimental reliance, the record does not contain the necessary proof of an authorized,

unambiguous promise sufficient to support a finding of reasonable reliance. Finally, the remedy Appellants seek is constitutionally barred.

ARGUMENT

1. **Judge Sprouse correctly held that Appellants failed to satisfy all criteria necessary to obtain relief on their promissory estoppel claim.**

A claim of promissory estoppel requires proof of: (1) a promise unambiguous in its terms; (2) reasonable reliance on the promise; (3) reliance is expected and foreseeable by the party who made the promise; and (4) injury in reliance on the promise. See, Powers Constr. Co. v. Salem Carpets, Inc., 283 S.C. 302, 322 S.E.2d 30 (Ct. App. 1984) In ruling that Appellants failed to meet the burden of proof necessary to obtain relief on their promissory estoppel claim, Judge Sprouse focused on the requirement of demonstrating injury in reliance on the alleged promise. This makes sense, because a failure to prove reliance damages renders inquiries regarding ambiguity, reasonableness and foreseeability unnecessary.

The remand order in Bishop specifically affirms dismissal of Appellants' contract claim seeking enforcement of continuing health insurance without charge. The order further states that any relief under promissory estoppel requires proof of "injury **in reliance** on the promise." 401 S.C. at 664, 738 S.E.2d at 261 (Emphasis added). This holding is in keeping with the principal that promissory estoppel is not measured by the expected value of the promise. Instead, relief is available only when the plaintiff can prove a specific loss **other than the promise** such as an opportunity obtainable or an injury sustained but for actions taken in reliance. Barnes v. Johnson, 402 S.C. 458, 474-476, 742 S.E.2d 6, 14-15 (Ct. App. 2013) (reversing a promissory estoppel judgment despite the Appellant's sympathetic situation based upon failure to prove an unambiguous promise and "injury sustained in reliance upon such a promise.")

Following remand, both Judge Gee and Justice Toal rejected Appellants' assertions that each was entitled to the same expectation relief (continued group health coverage without charge and reimbursement for premiums paid). In denying class certification Judge Gee held that to prevail each Appellant must "demonstrate how he was prejudiced or how his position was made worse **in reliance** on a promise by the City." (R. p. 25 (emphasis added)) In the order denying reconsideration of class certification Justice Toal stated "the controlling law of this state [requires] individualized examinations necessary to address the **detrimental reliance** (injury) element of [Appellants'] estoppel claims. . . ." (R. p. 28 (emphasis added)) Judge Sprouse independently reached the same conclusion, finding Appellants' evidence of detrimental reliance lacking in substance, clarity and specificity.

The detrimental reliance element necessary to obtain relief on a promissory estoppel claim requires each Appellant to prove first that he would have been better off (or at least as well off) if he had not relied upon the asserted promise, and second, provide a measure of relief not dependent upon speculation. Judge Sprouse correctly ruled that Appellants failed on both counts. Although some testified that they could have pursued or accepted other employment if informed that they may be charged for health insurance in the future, no Appellant identified an available employment opportunity that offered better or equal pay, benefits or future guarantees. (R. pp. 495-496, 503-504, 510, 518-520, 529, 539, 543-544, 572-575, 596, 610, 614, 621-622) Other Appellants testified that they may have postponed their retirement dates had they known that after July 1, 2009 retirees would be required to pay \$33.18 per month for individual group health coverage, compared to the \$800 per month contributed by the City. Even these Appellants concede that they experienced substantial increases in pay during employment, obtained significant promotions, enjoyed personal gratification and received valuable pension benefits as a result of their

employment with the City. (R. pp. 481-482, 495, 510-511, 519, 536, 546-547, 257-258, 575-576, 586-587, 615) Significantly, no Appellant considered the value of receiving health insurance without cost for decades of employment and following retirement when calculating their “loss” occasioned by a change in plan requirements. (Tr., pp. 492-493, 506, 510-511, 518-159, 529, 540, 277-578)

Having considered all testimony and documents presented, Judge Sprouse held that Appellants did not prove that any lost opportunity would have exceeded **or equaled** the compensation, benefits, retirement pension and continuing access to group health insurance made available through their employment with the City. (R. pp. 34-36) Appellants argue that Judge Sprouse imposed an unfair burden in requiring them to show lost advantageous opportunities or sacrificed benefits by remaining in the City’s employ. Appellants’ focus on the phrase “better off” misinterprets and misrepresents the basis of the challenged decision. Read in its entirety, Judge Sprouse’s opinion adheres to established precedent by requiring proof of detrimental reliance beyond mere expectation that a promise will be fulfilled. It was Appellants’ failure to demonstrate detrimental reliance through evidence of equal or better compensation and benefits than obtained from employment with the City that resulted in denial of their requested relief. Barnes, *supra*; See also, Craft v. South Carolina Commission for the Blind, 385 S.C. 560, 568, 685 S.E.2d 625, 629 (Ct. App. 2009)

As Judge Sprouse properly observed, the burden of proving reliance damages addressed in Craft applies here as it applied in Barnes. In Craft this Court found that the Commission for the Blind, through its agents, made unambiguous promises, Craft reasonably relied upon the promises and the Commission expected Craft to rely upon the promises. Craft’s estoppel claim failed, however, because he could not demonstrate that a recognizable injury resulted from his reliance.

Specifically, Craft could not show that he lost another business opportunity.

Like Craft, Appellants assert that they relied upon representations regarding a future event, here retirement. Like Craft, however, no Appellant offered evidence that he lost a better (or equal) opportunity, with regard to pay, career advancement, personal satisfaction or guaranteed benefits, in reliance upon promises received. As in Craft and Barnes, this failure eliminates promissory estoppel as a basis for relief.

Appellants attempt to distinguish Craft, arguing that the imposition of any premium, regardless of the continuing contributions by the City, is sufficient evidence of “injury.” As in Craft, however, Appellants assert that they relied upon authorized representations and lost a prospective benefit or opportunity. If the value of an authorized representation were sufficient to support promissory estoppel relief, this Court would have been compelled to consider Craft’s expected income stream lost from cancellation of future business at the Commission for the Blind. Instead, the trial judge awarded summary judgment and this Court affirmed.

At trial and on appeal, Appellants argue that a 1987 Hofstra Law Review article entitled “Promissory Estoppel Damages” supports the assertion that they are entitled to expectation damages. Appellants offer this article in hope of influencing the Court to depart from established precedent and to award their cost of maintaining health insurance without demonstrating any reliance loss.¹ As Craft confirms, however, promissory estoppel is not available to compel specific performance or to enforce even an authorized promise. Instead, based upon decisions issued by this Court, Judge Gee and Justice Toal, Judge Sprouse correctly ruled that promissory estoppel relief requires a detrimental change of position (lost employment opportunity for example)

¹ This article was published before the Barnes and Craft decisions, each requiring proof of reliance damages in commercial settings. The article is not cited in any opinion in this State and there are no South Carolina cases identified in the article as adopting the author’s suggestions for awarding expectation relief.

separate from the value of the promise itself. No Appellant identified a specific or comparable employment opportunity or benefit lost due to the expectation of post-employment benefits. Their argument to the contrary, mere expectation of future benefits does not establish a basis for relief regardless of the “reasonableness” of the expectation or the authority of the promise. Therefore, as in Craft and Barnes, Judge Sprouse correctly concluded that Appellants’ promissory estoppel claim fails.

ADDITIONAL SUSTAINING GROUNDS:

The following arguments are presented as additional grounds for sustaining the decision to deny Appellants relief on their promissory estoppel cause of action. See, I’On, L.L.C. v. Town of Mt. Pleasant, 338 S.C. 406, 418, 526 S.E. 2d 716, 722 (2000), applying SCACR Rule 220(c), “[t]he appellate court may affirm any ruling, order, or judgement upon any ground(s) appearing in the Record on Appeal.”

1. City Council has the sole authority for making policy decisions regarding City funded group health plans.

After the Bishop decision was issued, our Supreme Court accepted an action in its original jurisdiction challenging a decision by the State’s Budget and Control Board to alter premiums charged to members of the State’s group health insurance plan. Members of the Board included the Governor, Comptroller General, State Treasurer and other high office holders. Finding that their action violated the separation of powers guaranteed by our constitution, the Supreme Court confirmed that “[i]ncluded within the legislative power is the **sole prerogative to make policy decisions**; to exercise discretion as to what the law will be.” The Court went on to observe that “while non-legislative bodies may make policy determinations when delegated such power by the

legislature, absent such a delegation, **policymaking is an intrusion upon the legislative power.**”

Hampton v. Haley, 403 S.C. 395, 403-404, 743 S.E.2d 258, 262 (2013)(emphasis added)

Applying the above principles to the funding group health insurance for public employees, the Court held: “appropriation of public funds is a legislative function and the . . . power to reduce appropriations according to [administrative] criteria would be an impermissible delegation of legislative powers.” Id. at 409, 265. Accordingly, to determine whether any representations regarding future group health insurance benefits were authorized, this Court must examine the form of government adopted by the City of Columbia, the manner in which legislative/policymaking functions are performed and distinctions between legislative and administrative responsibilities.

As stipulated by the Appellants, the City of Columbia has adopted a council-manager form of government. (R. p. 712; see also, City of Columbia Ordinance, Chap. 2, art. 1, Sec. 2-1 (R. p. 950))² The legislative powers of the City and the determination of all matters of policy are vested in the City Council, with each member, including the Mayor, having one vote. (City of Columbia Ordinance, Chap. 2, art. 1, Sec. 2-5 (R. p. 950); the City Manager is the chief executive officer and head of the administrative branch of the City’s government. The City Manager must operate within financial limits imposed by the budget approved by City Council. (City of Columbia Ordinance, Chap. 2, art. 1, Sec. 2-32(a)(b) (R. p. 952)) The Director of Human Resources works under the City Manager and has administrative supervision over the Department of Human Resources, including employee benefits. (City of Columbia Ordinance, Chap. 2, art. 1, Sec. 2-122 (R. p. 953)) Department heads, including the Fire Department, are subject to the City Manager and are

² The City’s ordinances were reorganized by Ord. No. 2016-042 on June 21, 2016. The substance of the ordinances addressed above are consistent with those in place during the period relevant to this litigation, including the duties of the City Manager (former Ord. § 2-114), responsibilities of department heads (former Ord. § 2-151) and administrative authority of the Director of Human Resources (former Ord. § 2-125) referenced in Bishop, *supra* at fn. 6.

responsible for administering their departments. (City of Columbia Ordinance, Chap. 2, art. 1, Sec. 2-151 (R. pp. 954-955) Under the council-manager form of government, the municipal council has exclusive authority to adopt the budget, provide for the general welfare of the municipality and to carry out any duties not prohibited by law or constitution. S.C. Code Ann. § 5-13-30. For this reason, neither a city manager nor any department head “have the authority to set city policy, nor can their acts be said to represent official policy in view of the legislative authority granted to the municipal council.” Todd v. Smith, 305 S.C. 227, 231, 407 S.E. 2d 644, 646-647 (1991) (addressing the council-manager form of government) In this context, Appellants cannot identify any “authorized promise” of future health benefits. Moreover, the relief requested would undermine Council’s legislative authority to make policy decisions regarding expenditure of public funds.

2. City Council’s legislative exercise to examine and fund budgetary components, including group health costs, cannot be delegated or compromised.

In keeping with the preservation of legislative authority maintained by the City’s Council, neither individual employees nor Council members may bind the City regarding future health insurance; See, Willoughby v. City Council of City of Florence, 51 S.C. 462, 29 S.E. 242 (1898) (verbal assurances insufficient to bind a municipality); State v. Burgess, 408 S.C. 421, 438, 759 S.E.2d 407, 416 (2014) (a governing body is prevented from delegating its “high functions” to any entity or officer and may not “surrender or restrict any portion of [the] power conferred upon it”) A resolution duly adopted by a municipal council “is a legislative enactment and presumed to be constitutional.” Sandlands C & D, LLC v. County of Horry, 394 S.C. 451, 460, 716 S.E.2d 280, 284 (2011), *quoting* Aakjer v. City of Myrtle Beach, 388 S.C. 129, 133, 694 S.E.2d 213, 215 (2010). As these authorities illustrate, Appellants’ requests to be insulated from the consequences

of a legislative decision based on promises of future benefits are unenforceable through the judicial process. Instead, any remedy must be obtained legislatively absent proof of unlawful or unconstitutional conduct on the part of Council.

3. City Council's decision to require all participants in the group health plan to contribute financially was within its delegated authority.

Should this Court decide to evaluate its authority to enjoin City Council from enforcing its resolution as to Appellants or compel Council to modify or ignore the resolution requiring members of its group health plan to make financial contributions, the record must contain proof that the challenged resolution was invalid, keeping in mind that in "[t]his state's constitution . . . the powers of local governments should be liberally construed." Sandlands, *supra.*, *citing* S.C. Const. art. VIII, § 17; *see also*, Denene, Inc. v. City of Charleston, 532 S.C. 208, 574 S.E.2d 196 (2002) (rehearing denied).

Legislative power is inherently subject to exercise by way of enactment, revision and repeal. In recognition of this power, our Supreme Court has long and consistently held that a council "has no authority to make . . . a contract [or other commitment] extending beyond the terms of its office; that the acts of former councils relating to governmental functions of said councils which involve a matter of discretion to be exercised by such councils are without force and effect upon succeeding councils." Newman v. McCullough, 212 S.C. 17, 25, 46 S.E.2d 252, 256 (1948). Thus, "[t]he power conferred upon municipal councils to exercise legislative or governmental functions is done so to be exercised as often as may be found needful or politic..." *Id.*; *see also*, Cunningham v. Anderson County, 402 S.C. 434, 741 S.E.2d 545 (Ct. App. 2013)(discussing Newman), reversed in part on other grounds, 414 S.C. 298, 778 S.E.2d 884 (2015).

A two-step analysis is employed to determine the validity of a local governmental act.

First, the court must determine “whether the [municipality] had the power to enact the ordinance.” Because City Council had the requisite power, this Court would be compelled to ascertain “whether the [challenged action] is inconsistent with the Constitution or the general laws of this state.” If it is determined that the challenged action is not barred by the Constitution or other general law, the Court may not intervene in the valid exercise of the Council’s legislative authority. Sandlands, supra., at 471-472, 290-291. An act within a governmental agency’s authority may not be declared unconstitutional if by any reasonable construction it can be harmonized with state and federal constitutions. City of Darlington v. Stanley, 239 S.C. 139, 122 S.E.2d 207 (1961)

Each Appellant concedes that City Council has the authority to set budgets, establish pay and provide employee benefits. The express law of this State confirms this authority. See, S.C. Code Ann. § 5-13-30(3) As stated above, the absence of a statutory or constitutional prohibition bars any infringement on the decision by City Council to impose premium costs for employee and retiree health benefits. Hampton v. Haley, supra. at 403, 262 (separation of powers doctrine expressed in S.C. Const. art. I, § 8 prohibits judicial interference in legislative functions); Segars-Andrews v. Judicial Merit Selection Commission, 387 S.C. 109, 121-122, 691 S.E.2d 453, 460-461 (2010) (challenge to the “wisdom, policy or expediency of an [legislative] act” raises a “nonjusticiable political question”); Smith v. Tiffany, 419 S.C. 548, 559, 799 S.E.2d 479, 485 (2017) (“a court may not reject the legislature’s policy determinations merely because the court may prefer what it believes is a more equitable result.”)

While department heads and human resources personnel may explain and administer **current policies** regarding compensation and benefits, these individuals cannot prohibit future City Councils from making policy changes affecting compensation and benefits. Appellants testified that they were aware their supervisors and other City administrators could not promise or

deliver pay or benefits beyond terms approved by City Council. Appellants agreed that any representations by their fellow employees or published in newsletters regarding retiree benefits were consistent with City policy at the time. Appellants further conceded that City policies changed during their employment and retirement, including changes in the group health insurance program. Accordingly, the record before this Court establishes Appellants cannot utilize the judicial branch to invalidate constitutionally adopted legislation requiring their contribution to the City's group health plan.

4. Appellants failed to prove an “unambiguous promise” that group health insurance offered at retirement was guaranteed to continue for their lifetimes without charge.

Promissory estoppel requires evidence of a promise unambiguous in its terms. See, A&P Enterprises, LLC v. SP Grocery of Lynchburg, LLC, 422 S.C. 579, 587, 812 S.E.2d 759, 763 (Ct. App. 2018) To satisfy this burden, Appellants were required to prove by “clear and convincing evidence” that an authorized promise was communicated in an unambiguous manner. Barnes, supra, at 471, 12 According to the Oxford Dictionary of the English Language, “unambiguous” means: “not open to more than one interpretation, incontrovertible, incontestable, undeniable, irrefutable, beyond dispute, indubitable, not in doubt, beyond doubt, beyond a shadow of a doubt, unarguable, inarguable, undebatable, and unanswerable.” See, oxforddictionaries.com/definition/unambiguous) The inability to articulate the terms of a promise clearly and convincingly also renders reliance unreasonable. Rushing v. McKinney, 370 S.C. 280, 295, 633 S.E.2d 917, 924 (Ct. App. 2006)

Judge Sprouse ruled that Appellants relied upon representations that health insurance would be provided without cost throughout their retirements even though the City always retained

the right to change its policies. The City has never challenged Appellants' honesty or sincerity. The question remains, however, whether Appellants reliance was based on an "unambiguous promise" having been placed on notice individually, through ordinance and state law, that the City has a council-manager form of government and that the City's Council reserves to itself all legislative authority. While Appellants' observations of earlier retirees receiving insurance without charge, statements of current policy and even predictions as to the future by fire chiefs, personnel staff and others may have created an expectation of some form of health insurance without charge, this expectation does not rise to the level of a clear definite, specific, unambiguous promise required for promissory estoppel relief. Barnes, supra., at 471, 12.

The ambiguity of Appellants' expectations is illustrated by their testimony. As addressed above, Appellant Floyd has changed his position during this litigation as to the benefits promised, while fellow Appellants Hill, Martin, Gillam and Cruz expressed disagreement as to the terms of their expected benefits. Moreover, Appellants should have known that representations exceeding the administrative functions of their supervisors, department heads and City managers could not bar the City's Council from exercising its legislative authority. See, Davis v. Greenwood Sch. Dist. 50, 365 S.C. 629, 633-35, 620 S.E. 2d 65, 68 (2005) (precluding promissory estoppel based on notice that future payments were contingent on school board approval) Like the teachers in Davis, Appellants were on notice that "promises" of future benefits were contingent on Council funding. In addition, Appellants were aware that any guarantees were inconsistent with signed acknowledgments and warnings that escalating health costs could require contributions by participants in the group health plan. (R. pp. 694-705; 872-909) These facts, and the Supreme Court's decision in Hampton v. Haley demonstrate that no verbal or written promise could be reasonably relied upon to bar City Council from exercising its legislative authority to appropriate

funds and allocate premium costs for participation in the City's group health program. Indeed, a ruling that statements made by fellow employees, regardless of position, could prohibit future City Councils from exercising their legislative prerogative, would be inconsistent with controlling law and compromise municipal authority established by state law and constitution.

5. Legislative immunity, separation of powers and constitutional spending limitations bar the relief sought by Appellants.

The City cannot be judicially barred from making changes in its group health insurance program and cannot be compelled to provide an unfunded benefit. See, Health Promotion Specialists, LLC v. S.C. Board of Dentistry, 403 S.C. 623, 635-637, 743 S.E.2d 808, 814-815 (2013) (public entities are immune from liability on the basis of decisions to fund or impose costs for liabilities); Tenney v. Brand Hove, 341 U.S. 367, 376-378 (1951) (exercise of discretion in selecting projects for public funding is not a matter of judicial review); Sandlands, *supra*. at 460, 284 (a duly adopted resolution is a legislative enactment and presumed to be constitutional); S.C. Const., art. X, § 14 (public subdivisions barred from incurring public indebtedness beyond revenue production) These legal principals establish the reach and limits of governmental authority in matters involving expenditure of public funds. Contrary to Appellants' assertions in this proceeding, and their apparent reliance on a separate trial court order also under appeal, the relief requested is not available even had they satisfied all elements of their estoppel claim.³

³ Appellants offer a decision by Judge Nicholson involving estoppel claims against the City of North Charleston as supporting remand for purposes of determining relief. (Appellant's Brief p. 14) This decision is on appeal and cannot be considered as authoritative. In addition, the City of North Charleston has a different form of government (strong mayor) and an ordinance authorized the extension of post-employment benefits. In contrast, Appellants were on notice that benefits are part of the annual budgeting process and that the City's elected Council alone has the authority to offer or modify benefits. Also, unlike Judge Nicholson, Judge Sprouse did not bifurcate this case and, despite years to prepare evidence and retain experts, Appellants did not present any calculation of loss beyond their own speculations.

CONCLUSION

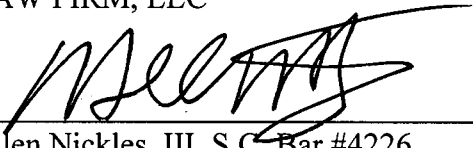
As Judge Barber, this Court, Judge Gee, Justice Toal and Judge Sprouse have correctly ruled, it was incumbent upon Appellants to prove each element of their promissory estoppel cause of action. In this instance, Appellants failed to establish "injury" beyond the expenditure of premiums necessary to maintain group health coverage. This expenditure alone cannot support a monetary judgment in Appellants favor, particularly in view of their failure to identify any lost opportunity or benefit comparable to the promotions experienced, increases in compensation, pension payments and access to group health insurance that the City has continued to offer at a significant discount.

In addition to the evidentiary deficiencies identified by Judge Sprouse, Appellants did not prove a promise unambiguous in its terms. Instead, the notices provided by state law, ordinance and repeated communications from the City regarding the opportunity to revise policy and to increase contributions required for group health insurance participation render unreasonable their reliance upon representation concerning permanent benefits without charge. Finally, independent of any analysis regarding satisfaction estoppel criteria Appellants failed to prove that the City exceeded its legislative authority in requiring all participants in its group health plan to share in the costs associated with the benefits, and the relief requested by Appellants is constitutionally barred.

Respectfully submitted,

NICKLES LAW FIRM, LLC

By: _____


W. Allen Nickles, III, S.C. Bar #4226
4430 Ivy Hall Drive
Columbia, South Carolina 29206
wanickles@nickleslaw.com

(803) 466-0372

Attorney for Respondent

August 23, 2019
Columbia, South Carolina

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Honorable Circuit Court Judge R. Scott Sprouse

Consolidated Cases 2009-CP-40-05680 and 2013-CP-40-05097

Appellate Case No. 2019-000374

Basilides F. Cruz, Joseph A. Floyd, Sr.,
Arthur C. Gillam III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr.,
and Joseph A. Smith,

RECEIVED
AUG 22 2019
SC Court of Appeals

Appellants,

v.

City of Columbia,

Respondent.

and

Larry Strickland, Denious L. Dimery and
Bailey G. McClinton,

Appellants,

v.

City of Columbia,

Respondent.

REPLY BRIEF OF APPELLANTS

BLOODGOOD & SANDERS, LLC
Nancy Bloodgood, SC Bar No.: 6459
Lucy C. Sanders, SC Bar No.: 78169
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com
lsanders@bloodgoodsanders.com

YARBOROUGH APPLGATE, LLC
Christopher Bryant, SC Bar No.: 101681
291 East Bay Street, Floor 2
Charleston, SC 29401
Telephone: (843) 972-0150
Email: chris@yarboroughapplegate.com

AMERICAN CIVIL LIBERTIES UNION FOUNDATION OF SOUTH CAROLINA

Susan K. Dunn, SC Bar No.: 1798
PO Box 20998
Charleston, SC 29413-0098
Telephone: (843) 282-7953
Email: sdunn@aclusc.org

Attorneys for the Appellants

TABLE OF CONTENTS

Table of Authorities.....	ii
Argument	1
1. Respondent cites no legal precedent in support of its contention that detrimental reliance is an element of a promissory estoppel claim.....	1
 Respondent's Additional Sustaining Grounds.....	2
1. The promise of free health insurance was a promise of deferred wages made by the City Manager as the City's chief administrator and funded by Council for decades.....	2
2. There was never any delegation of the City Council's legislative functions as the Council exercised its legislative power by funding Respondent's promise for decades.....	4
3. Appellants do not dispute that City Council could refuse to fully fund the Mayor's promise but when it did so it breached the promise and is responsible for the damages resulting from that breach.	4
4. The promise of free health insurance for life was unambiguous.....	5
5. The concepts of legislative immunity, separation of powers and constitutional spending limits are irrelevant and do not bar the relief sought by Appellants.....	6
Conclusion	6

TABLE OF AUTHORITIES

CASES

<u>Barnes v. Johnson</u> , 402 S.C. 458, 742 S.E.2d 6 (Ct. App. 2013).....	1
<u>Bishop v. City of Columbia</u> , 401 S.C. 651, 738 S.E. 2d 255 (Ct. App. 2013)....	1, 2, 3, 4
<u>Davis v. Greenwood Sch. Dist. 50</u> , 365 S.C. 629, 620 S.E. 2d 65 (2005).....	2, 5
<u>N. Am. Rescue Prod., Inc. v. Richardson</u> , 411 S.C. 371, 769 S.E. 2d 237 (2015).....	2
<u>Powers Constr. Co. v. Salem Carpets, Inc.</u> , 283 S.C. 302, 322 S.E. 2d 30 (Ct. App 1984).....	2
<u>S.C. Dep’t of Transp. v. Horry Cnty.</u> , 391 S.C. 76, 705 S.E. 2d 21 (2011).....	1
<u>Woods v. State</u> , 314 S.C. 501, 431 S.E. 2d 260 (Ct. App. 1993).....	2

STATUTES

S.C. Code Ann. § 41-10-10.....	2, 3
S.C. Code Ann. § 15-77-300.....	6

ARGUMENT

1. Respondent cites no legal precedent in support of its contention that detrimental reliance is an element of a promissory estoppel claim.

The gist of Respondent's argument is that the fourth element of a promissory estoppel claim, "injury in reliance on the promise," requires an injury other than the promise. (Resp. Response, p. 6.) Respondent cites the case of Barnes v. Johnson, 402 S.C. 458, 742 S.E.2d 6 (Ct. App. 2013) in support of this argument, but that case held that a plaintiff "must show, but for the promisor's inconsistent disposition, the complained-of injury would not have otherwise resulted." 402 S.C. at 474, 742 S.E. 2d at 14. The word "detrimental" is not used in Barnes. Respondent cites no case law to support its argument that detrimental reliance is an element of promissory estoppel. In fact, this Court has already acknowledged that although a prejudicial change in position is an element of an equitable estoppel claim, it is not an element of a promissory estoppel claim. See, Bishop v. City of Columbia, 401 S.C. 651, 663, 738 S.E. 2d 255, 261 (Ct. App. 2013) citing S.C. Dep't of Transp. v. Horry Cnty., 391 S.C. 76, 83, 705 S.E.2d 21, 25 (2011).

Respondent asserts that two (2) ancillary Orders in this case relating to an unsuccessful motion to certify a class establish as a matter of law that detrimental reliance is an element of promissory estoppel, but then acknowledges that Judge Gee did not use the term detrimental in her Order Denying Class Certification. R. pp. 22-26. Only Judge Toal ever used this term, but with all due respect, she used it in error when she denied Plaintiffs' Motion for Reconsideration. R. pp. 27-28. There are multiple Supreme Court and Court of Appeals decisions that set forth the elements of promissory estoppel and none of them use the term "detriment." These cases are more binding on this Court than a

Circuit Court Order regarding class certification. See. e.g., N. Am. Rescue Prod., Inc. v. Richardson, 411 S.C. 371, 379–80, 769 S.E.2d 237, 241 (2015); Davis v. Greenwood Sch. Dist. 50, 365 S.C. 629, 634, 620 S.E.2d 65, 67 (2005); Bishop v. City of Columbia, 401 S.C. 651, 664, 738 S.E. 2d 255, 261 (Ct. App. 2013); Woods v. State, 314 S.C. 501, 505, 431 S.E. 2d 260, 263 (Ct. App. 1993); Powers Constr. Co. v. Salem Carpets, Inc., 283 S.C. 302, 306, 322 S.E.2d 30, 33 (Ct. App 1984). Respondent’s attempt to introduce a new element into a promissory estoppel cause of action is contrary to legal precedent and as already set forth in Appellant’s Final Brief, the Record reflects Appellants have sustained injury in reliance on Respondent’s promise.

ADDITIONAL SUSTAINING GROUNDS

1. The promise of free health insurance was not a promise of benefits, but one of wages, made by the City Manager as the City’s chief administrator and approved and funded by City Council for decades.

The South Carolina Payment of Wages Act defines wages as “all amounts at which labor rendered is recompensed, whether the amount is fixed or ascertained on a time, task, piece, or commission basis, or other method of calculating the amount and includes vacation, holiday, and sick leave payments which are due to an employee under any employer policy or employment contract.” S.C. Ann. Code § 41-10-10 (emphasis added). The payment of the future costs of health care premiums represents compensation for work that had already been performed by Respondents, and wages already earned by them. R. pp. 499, 524-525, 529-530, 569, 591, 601-603, 609, 616. Respondents worked for the City for the requisite number of years to obtain insurance that would cost them nothing and, thus, the promise has significant value which is an easily ascertainable monetary amount.

In Bishop, supra, this Court referred to the promise of retiree health insurance as a promise for “free” insurance, indicating its agreement that the promise involved the monetary value of the insurance, not merely a future benefit.

Retirees also testified that several supervisors informed them they would receive free health insurance for life during their individual merit interviews and evaluations, which were incidental to the supervision of their employment. Therefore, the employment review context during which the representations were made provides a scintilla of evidence to suggest the representations and promises were within the supervisors' authority and reasonably relied upon.

Bishop v. City of Columbia, 401 S.C. at 667, 738 S.E.2d at 263. (emphasis added).

This Court has already held that a claim for free retiree health insurance is not precluded based on the same argument that Defendant is making now and the Circuit Court did not err in holding the promise was capable of being fulfilled as deferring wages for work already accomplished is a recognized form of compensation under S.C. Code Ann. § 41-10-10.

This Court has already held, based on a long line of cases, that “[t]he acts of a city official acting within the proper scope of his or her authority may give rise to estoppel against a municipality.” Bishop v. City of Columbia, 401 S.C. at 665, 738 S.E.2d at 262. Respondent’s argument that the City Manager as chief executive officer was precluded from making promises to employees he hired and fired about wages because such a promise was a legislative power fails as this Court has already held that unless the promise contradicts a statute or ordinance or a City Manager act outside his authority, estoppel can be found. 401 S.C. at 666, 738 S.E. 2d at 263. As Respondent’s City

Council funded the promise for decades in its annual budgets, it clearly believed the City Manager was authorized to make a promise of free health insurance for retirees.

2. There was never any delegation of the City Council's legislative functions as the Council exercised its legislative power by funding Respondent's promise for decades.

Respondent asserts in error that there was an illegal delegation of legislative powers by Respondent's City Council to the administrative branch of government, the City Manager. For decades Respondent's City Council funded the City Manager's promise. Appellant Martin testified his father received free retiree health insurance until he died, as did many other former Respondent fire fighters. R. pp. 537, 611-612.

It is undisputed that any employer, including Respondent, can increase the cost of health insurance for its current employees or change the terms of their insurance health coverage during employment. But a retiree is not a current employee. Appellants, as retirees, had fulfilled their part of the bargain; they had worked the requisite years and were owed what had been promised to them. When Respondent's City Council exercised their legislative prerogative to stop funding the promise that the retirees had already fulfilled in its annual budget, which Respondent City Council had every legal right to do, it broke a promise and Appellants are entitled to damages resulting from Respondent's decision to break its promise. Had Respondent entered into a construction contract and then decided to breach that contract, it would necessarily be responsible for the consequential damages caused to its actions; this case is no different.

3. Appellants do not dispute that City Council could refuse to fully fund the Mayor's promise but when it did so it breached the promise and is responsible for the damages resulting from that breach.

Again, whether Respondent decides to stop providing health insurance to its current employees or significantly increases the costs of health insurance to current employees, it must nevertheless continue to pay the cost of single coverage health insurance for its retirees who worked the requisite number of years to receive the promise or pay the damages associated with its failure to do so.

Respondent could have funded the cost of keeping its promise to its retirees in a number of ways; it could have raised taxes, decreased the amount of insurance premiums it paid on behalf of current employees, or delayed construction projects. Instead, Respondent chose to break its promise to Respondents to save money. This is not a case about legislative policy decisions except to the extent that when Respondent's City Council makes a policy decision to break a promise to former employees, it is responsible for the consequences of its actions.

4. The promise of free health insurance for life was unambiguous.

Appellant contends its promise was ambiguous because it did not specify details. The fact that deductibles or prescription amounts could change over the years is not enough to make the admitted promise of free retiree health insurance so ambiguous that it cannot be kept. These are details associated with the promise that could not be easily known in advance but that does not alter the underlying terms of the promise. The Court did not err in finding that a promise that was kept by Respondent for decades was not an ambiguous promise. R. pp. 35-36.

Respondent's citation to the case of Davis v. Greenwood Sch. Dist. 50, 365 S.C. 629, 635, 620 S.E.2d 65, 68 (2005) is not on point as that case concerned a promise made to current teachers regarding receiving incentive pay that they were told was subject to

Board Approval. Retirees are not current employees and they were never told the promise was subject to being changed. R. pp. 500-501, 512-513, 567-568, 569-570, 577, 580, 584, 607, 611-612, 617.

5. The concepts of legislative immunity, separation of powers and constitutional spending limits are irrelevant and do not bar the relief sought by Appellants.

Appellants have never alleged that Respondent City Council cannot make changes in its group health insurance program. Respondent has continually tried to make this case more complicated than it is. This case is about a promise made over a long period of time by various agents of Appellant with authority to make the promise; decades of keeping and funding the promise; and a decision to break the promise. The Circuit Court properly found that all of the elements of a promissory estoppel claim were met. It erred only in deciding that detrimental reliance was an element of a promissory estoppel claim, which it is not.

CONCLUSION

For all of the above reasons, Appellants respectfully request the trial Court's Order as to the issue of damages be reversed, the remainder of the Order be upheld, and this matter be remanded for an award of damages, attorney fees in accordance with S.C. Code Ann. § 15-77-300 and costs.

Respectfully submitted,

BLOODGOOD & SANDERS, LLC

Nancy Bloodgood

Nancy Bloodgood, SC Bar No.: 6459
Lucy C. Sanders, SC Bar No.: 78169
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com
lsanders@bloodgoodsanders.com

YARBOROUGH APPLGATE, LLC
Christopher Bryant, SC Bar No.: 101681
291 East Bay Street, Floor 2
Charleston, SC 29401
Telephone: (843) 972-0150
Email: chris@yarboroughapplegate.com

AMERICAN CIVIL LIBERTIES UNION
FOUNDATION OF SOUTH CAROLINA
Susan K. Dunn, SC Bar No.: 1798
PO Box 20998
Charleston, SC 29413-0098
Telephone: (843) 282-7953
Email: sdunn@aclusc.org

Attorneys for the Appellants

Charleston, South Carolina

Date: August 21, 2019

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

Basilides F. Cruz, Joseph A. Floyd, Sr., Arthur C. Gillam
III, Alma C. Hill, Barry N. Martin, Charles F. Morris,
Sr., and Joseph A. Smith, Appellants,

v.

City of Columbia, Respondent.

And

Larry Strickland, Denious L. Dimery, and Bailey G.
McClinton, Appellants,

v.

City of Columbia, Respondent.

Appellate Case No. 2019-000374

Appeal From Richland County
R. Scott Sprouse, Circuit Court Judge

Opinion No. 5932
Heard February 10, 2022 – Filed August 3, 2022

AFFIRMED

Lucy Clark Sanders and Nancy Bloodgood, both of
Bloodgood & Sanders, LLC, of Mt. Pleasant; Susan K.
Dunn, Legal Director for American Civil Liberties Union
Foundation of South Carolina, of Charleston; and

Christopher James Bryant, of Yarborough Applegate,
LLC, of Columbia, all for Appellants.

W. Allen Nickles, III, of Nickles Law Firm, of Columbia,
for Respondent.

KONDUROS, J.: This case comes back to our court following remand to the circuit court for a determination of whether the plaintiffs could prove their claims for equitable estoppel and promissory estoppel.¹ The circuit court found in favor of the City of Columbia (the City), concluding the plaintiffs could not establish the necessary damages to prevail on their claim. We disagree with the circuit court's reasoning as to damages, but affirm its finding in favor of the City on additional sustaining grounds.

FACTS/PROCEDURAL BACKGROUND

In 2009, Kirby Bishop and several firefighters and policeman, all retired and under the age of 65, sued the City regarding the City's promise to provide them no-cost health insurance for their lifetimes. That year, the City began charging a \$33.18 or \$63.17 monthly premium, depending on the level of coverage, for retirees under 65 to participate in the City's health insurance program. The Bishop plaintiffs alleged causes of action for breach of contract, unfair trade practices, promissory estoppel, equitable estoppel, and declaratory judgment. The circuit court granted summary judgment on all causes of action except promissory estoppel, holding the plaintiffs' reliance on a promise of no-cost health insurance was not reasonable based on their knowledge that the City's health plan was subject to change. Additionally, the circuit court held their reliance was unreasonable because the municipality could not be bound by the acts of individuals who told the plaintiffs about no-cost health insurance because that would illegally usurp the function of city council. The plaintiffs appealed, and this court affirmed the grant of summary judgment as to all claims with the exception of the equitable estoppel and promissory estoppel claims. The *Bishop* opinion² remanded the case to the circuit court to determine if

¹ When this matter was remanded to the circuit court, causes of action for both equitable estoppel and promissory estoppel were at issue. However, the circuit court only ruled on the matter of promissory estoppel and that is the only cause of action still being pursued by Appellants.

² *Bishop v. City of Columbia*, 401 S.C. 651, 667-68, 738 S.E.2d 255, 263 (Ct. App. 2013).

the promises made by City representatives—supervisors and human resource officers—could be sufficient to give rise to an estoppel claim even though the City's representative's statements were not legally sufficient to create a contract between the City and the plaintiffs.

In 2013, the City stopped paying the full cost for health insurance for retirees 65 and older. As a result, Larry Strickland and a group of other retirees, 65 or older, filed suit alleging similar claims to those in the *Bishop* case. The Strickland plaintiffs sought class certification. That request was denied in August 2016. The court found the criteria for class certification were not met because each member would have to demonstrate individually how he was prejudiced or his position was made worse in reliance on a promise by the City. The remanded *Bishop* case and the Strickland case were consolidated.

After a two-day bench trial, the circuit court found for the City. The circuit court concluded the plaintiffs failed to establish proof of damages for the promissory estoppel claim because they "failed to prove they would have been better off." This appeal followed.

STANDARD OF REVIEW

"Promissory estoppel is equitable in nature. In an action at equity, this court can find facts in accordance with its view of the preponderance of the evidence." *Craft v. S.C. Comm'n for Blind*, 385 S.C. 560, 564, 685 S.E.2d 625, 627 (Ct. App. 2009) (citation omitted). "However, this court is not required to disregard the findings of the trial court who saw and heard the witnesses and was in a better position to judge their credibility." *Id.*

LAW/ANALYSIS

I. Damages³

The doctrine of promissory estoppel was first recognized in South Carolina in *Higgins Construction Co. v. Southern Bell Telephone & Telegraph Co.*, 276 S.C. 663, 281 S.E.2d 469 (1981). It states, "[the] doctrine holds 'an estoppel may arise from the making of a promise, even though without consideration, if it was intended that the promise should be relied upon and in fact it was relied upon, and

³ We are combining Appellants' issues on appeal as they all inextricably relate to the proof of damages in the case.

if a refusal to enforce it would be virtually to sanction the perpetration of fraud or would result in other injustice." *Id.* at 665, 281 S.E.2d at 470 (quoting 28 Am. Jur. 2d *Estoppel and Waiver* § 48 (1966)). In order to establish a promissory estoppel claim, a claimant must demonstrate: "(1) the presence of a promise unambiguous in its terms; (2) reasonable reliance upon the promise by the party to whom the promise is made; (3) the reliance is expected and foreseeable by the party who makes the promise; and (4) the party to whom the promise is made must sustain injury in reliance on the promise." *Satcher v. Satcher*, 351 S.C. 477, 483-84, 570 S.E.2d 535, 538 (Ct. App. 2002) (quoting *Woods v. State*, 314 S.C. 501, 505, 431 S.E.2d 260, 263 (Ct. App. 1993)). "The applicability of the doctrine depends on whether the refusal to apply it 'would be virtually to sanction the perpetration of a fraud or would result in other injustice.'" *Id.* at 484, 570 S.E. 2d at 538 (quoting *Citizens Bank v. Gregory's Warehouse, Inc.*, 297 S.C. 151, 154, 375 S.E.2d 316, 318 (Ct. App. 1988)). "Notably, neither meeting of the minds nor consideration is a necessary element." *Barnes v. Johnson*, 402 S.C. 458, 469, 742 S.E.2d 6, 11 (Ct. App. 2013). "Thus, in the interest of equity, the doctrine 'looks at a promise, its subsequent effect on the promisee,' and where appropriate '*bars the promisor* from making an inconsistent disposition of the property.'" *Id.* (quoting *Satcher*, 351 S.C. at 484, 570 S.E.2d at 538) (emphasis in original).

Appellants assert the circuit court used an incorrect standard in evaluating damages because it stated Appellants failed to establish they "would have been better off" had the City not made the promise regarding the life-long provision of free health insurance. The circuit court referenced the order denying class certification when using the "better off" language. That order denying class certification for the Strickland plaintiffs relied on *Craft v. South Carolina Commission for Blind* for the proposition that Craft's promissory estoppel claim failed because he could not show he would have been better off but for the Commission's promise. Craft worked as the canteen vendor at Greenville's County Square, but was promised a canteen position at the Perry Correctional Institute closer to his home. *Id.* at 563, 685 S.E.2d at 626. Craft quit his job in Greenville, and the Commission withdrew its promise for the Perry position. *Id.* The Greenville canteen closed, without explanation, and Craft was without a job. *Id.* at 563-64, 685 S.E.2d at 626-27. The court denied Craft's promissory estoppel claim reasoning the broken promise did not cause Craft's injury because he would have been unemployed with the unexplained closing of the Greenville canteen anyway. *Id.* at 568, 685 S.E.2d at 629. The lack of nexus between Craft's injury and the promise was the fatal flaw. Therefore, extrapolating *Craft* into a requirement that Appellants prove they would have been better off is not quite fitting.

Determining whether the application of the "better off" standard was erroneous can be better considered by comparing the elements of equitable estoppel and promissory estoppel. "To prove [equitable] estoppel against the government, the relying party must prove: (1) the lack of knowledge and of the means of knowledge of the truth of the facts in question; (2) justifiable reliance upon the government's conduct; and (3) a prejudicial change in position." *S.C. Dep't of Transp. v. Horry County.*, 391 S.C. 76, 83, 705 S.E.2d 21, 25 (2011). *See also Town of Kingstree v. Chapman*, 405 S.C. 282, 313, 747 S.E.2d 494, 510 (Ct. App. 2013) ("The elements of equitable estoppel for 'the party claiming the estoppel are: (1) lack of knowledge and of means of knowledge of truth as to facts in question; (2) reliance upon conduct of the party estopped; and (3) prejudicial change in position.'" (quoting *Zabinski v. Bright Acres Assocs.*, 346 S.C. 580, 589, 553 S.E.2d 110, 114 (2001))). A successful equitable estoppel claim clearly requires a plaintiff to show a prejudicial change in position. By contrast, promissory estoppel requires an injury in reliance on an unambiguous promise. Admittedly, determining exactly what that means in a particular case can be difficult, and every promise cannot be enforced based solely on the promisee's hope the promisor will follow through. However, the proof of an injury in reliance in promissory estoppel appears to be something at least slightly different than a prejudicial change in position. The circuit court's order conflates the two concepts indicating Appellants needed to prove with specificity that but for the promise of free health coverage they would have found other, better employment. In this case, the promise arguably induced long-term conduct. For someone relying on an ongoing promise, the ability to establish their reliance in terms of what they specifically forewent may be very difficult.

Many of the cases involving promissory estoppel do not end in a finding for the party asserting it either because the promise at issue was ambiguous or the reliance on it was unreasonable. *See A&P Enters., LLC v. SP Grocery of Lynchburg, LLC*, 422 S.C. 579, 589-90, 812 S.E.2d 759, 764 (Ct. App. 2018) (finding plaintiff did not demonstrate an unambiguous promise for defendant to sell back to plaintiff three parcels of land on which defendant had operated a liquor store, grill, and gas station in the absence of any specific terms about the buyback); *Rushing v. McKinney*, 370 S.C. 280, 295, 633 S.E.2d 917, 925 (Ct. App. 2006) (holding promise too ambiguous to support claim when plaintiff could not "clearly articulate" the terms of an alleged oral contract, including whether money involved would be treated as a loan or capital contribution or how the parties would "settle up"); *Barnes*, 402 S.C. at 471-73, 742 S.E.2d at 12-13 (denying promissory estoppel claim because although plaintiff established a general understanding that he could purchase a home and renovate and split the profits with a partner, "clear

and convincing evidence of several key terms was never clearly articulated"); *Davis v. Greenwood Sch. Dist.* 50, 365 S.C. 629, 634-35, 620 S.E.2d 65, 67-68 (2005) (holding teachers' reliance on pay raises if they attained additional certification was not reasonable when district superintendent indicated raise was subject to school board approval).

A few cases have produced successful promissory estoppel claims. The original promissory estoppel case, *Furman University v. Waller*, 124 S.C. 68, 72, 117 S.E. 356, 357 (1923), involved charitable subscriptions.⁴ Waller pledged \$10,000 to Furman University during a campaign drive. *Id.* In reliance on the pledges received through the campaign, Furman made numerous improvements and additions to its campus. *Id.* at 73, 117 S.E.2d at 358. The court concluded Waller's demurrer could not be granted, and Waller's estate was obligated to fulfill the pledge. *Id.* at 86, 88, 117 S.E.2d at 362. The court, following the trend of other jurisdictions, determined that under the right circumstances, what may appear to be a naked promise, could become an enforceable obligation. *Id.* at 85, 117 S.E.2d at 362-63.

In *Higgins Construction Company*, the complaint alleged Southern Bell failed to move telephone lines by the date Southern Bell promised, knowing Higgins would rely upon their removal by that date. *Higgins*, 276 S.C. at 665, 281 S.E.2d at 469-70. It also alleged Southern Bell's failure to remove the lines by the promised date resulted in delay of the entire project, adding to Higgins' costs and interfering with its normal construction program. *Id.* at 666, 281 S.E.2d at 470. The court granted the promissory estoppel claim, but remanded for a calculation of damages because "[t]he verdict did not take into account certain admitted benefits derived by [Higgins] from wages paid to employees and expenses for equipment during the period in question." *Id.* at 666-67, 281 S.E.2d at 470.

In *Powers Construction Co. v. Salem Carpets, Inc.*, 283 S.C. 302, 305-06, 322 S.E.2d 30, 32-33 (Ct. App. 1984), the court considered the issue of a contractor's bid in reliance on a subcontractor's bid. "A number of jurisdictions will permit a general contractor to enforce a subcontractor's bid under the doctrine of promissory estoppel where a general contractor's reasonable reliance upon a subcontractor's

⁴ Although *Furman University* does not use the term promissory estoppel, it is recognized as one of the first South Carolina cases to employ the doctrine. See *Higgins*, 276 S.C. at 665, 281 S.E.2d at 470 ("While this [c]ourt has never used the term 'promissory estoppel,' it has applied the doctrine.").

bid results in a foreseeable prejudicial change in position."⁵ *Id.* at 305-06, 322 S.E.2d at 33. A jury found for Powers for one-half the difference between what Powers had to pay another subcontractor and the erroneous bid by Salem Carpets. *Id.* at 310, 322 S.E.2d at 35.

Finally, in *Satcher*, the court considered a promise by a grandfather to his grandson.

In reasonable reliance on that promise, [grandson] moved to the house and provided Grandfather with companionship and other services for more than twenty years. In further reliance, [grandson] gave up his opportunity to purchase a house, investing time and effort in Slide Hill and Grandfather's care. All of this was foreseeable and intended by Grandfather who did not wish to live alone on the property. . . . Moreover, we believe it would be an injustice not to apply the doctrine of promissory estoppel here because of the extreme amount of time and energy [grandson] has expended in reliance on Grandfather's promise. Therefore, we find [grandson] has proved his claim to Slide Hill and remand this matter for further proceedings consistent with our decision.

Satcher, 351 S.C. at 486, 570 S.E.2d at 539-40.

Of all the foregoing cases, *Satcher* is most instructive because it is similar in the amount of time invested by the promisee in reliance on the promise. Appellants worked numerous years for the City believing they were earning no-cost health insurance for life. There were other reasons Appellants stayed in their jobs including a high-quality pension and general quality of life. However, the promise of free health insurance was one of several benefits that enticed Appellants to stay. It is not essential that the specific promise of no-cost insurance be the sole inducement for their continuing employment just as Waller's promised donation in

⁵ This is the only South Carolina promissory estoppel case that specifically mentions a prejudicial change in position. However, in a contractor-subcontractor bid situation, a prejudicial change in position would necessarily take place as the subcontractor's bid would be an essential element on which the contractor's bid was calculated.

Furman University did not have to be the sole reason Furman made the improvements it made. *See Furman University*, 124 S.C. at 85, 117 S.E. at 362 ("[I]t is not essential . . . that the promise of the subscriber be the sole inducement to the activities and expenditures of the beneficiary.").

It is noteworthy that the four cases cited above result in two different types of damages. *Furman* and *Satcher* produced expectation damages—something the City says cannot result from a promissory estoppel claim. *Higgins* and *Salem* resulted in reliance damages. Our jurisprudence has recognized that either type of damages may be appropriate depending on the case. *See Thomerson v. DeVito*, 430 S.C. 246, 260, 844 S.E.2d 378, 386 (2020) (stating "[a] trial court retains broad discretion under promissory estoppel to fashion whatever remedies or damages justice requires" (quoting 28 Am. Jur. 2d Estoppel and Waiver § 51 (2011))). In this case, like *Satcher* and *Furman*, the specific performance of the promise would likely be the most logical and equitable method of discerning damages. We recognize this is a complicated issue, but conclude requiring Appellants to prove they would have been "better off" was too high a burden to place on them under the circumstances of this case. Therefore, we reverse the circuit court's ruling as to damages.

II. Additional Sustaining Grounds – Unambiguous Promise and Reasonable Reliance

The circuit court did not address any other elements of the promissory estoppel claim except damages. The City asserts several additional sustaining grounds for affirming the circuit court's grant of summary judgment. One such ground is that the promise in this case was not unambiguous. We agree.

[T]he presence of either an ambiguous promise or an injury not arising out of the inconsistent disposition precludes promissory estoppel's application, though perceived inequities may exist. Thus, promissory estoppel has broad applicability to prevent injustice, but where a promise is unclear or the alleged harms are unconnected to the inconsistent disposition, the doctrine does not risk imposing its own inequity against the party sought to be estopped.

Barnes, 402 S.C. at 470, 742 S.E.2d at 12 (citations omitted).

Because one may properly invoke promissory estoppel absent elements typically required for a contract, such as a meeting of the minds or exchanged consideration, the doctrine still requires, by clear and convincing evidence, a "promise unambiguous in its terms." *See Satcher*, 351 S.C. at 483-87, 570 S.E.2d at 538-40 (holding an unclear agreement that lacked details was not shown by clear and convincing evidence to be unambiguous); *Rushing*, 370 S.C. at 295, 633 S.E.2d at 925 (holding that an agreement was ambiguous and not enforceable under promissory estoppel because the party seeking enforcement of the promise "could not clearly articulate [its] terms"). This necessity for unambiguous terms, in the absence of a contract, reflects balancing the availability of an equitable remedy with ensuring the remedy's appropriate application. *See Satcher*, 351 S.C. at 483-84, 570 S.E.2d at 538-39 (stating promissory estoppel requires "a promise unambiguous in its terms" and "[u]nlike a contract, which requires a meeting of the minds and consideration, promissory estoppel looks at a promise [and] its subsequent effect on the promisee").

Consistent with this balancing of interests and the lack of a contract specifically defining the agreement, an inability "*to clearly articulate the terms* of [an] alleged oral contract," including how an existing "capital contribution" would be treated and specifically how the parties "would settle up," renders an agreement ambiguous. *Rushing*, 370 S.C. at 295, 633 S.E.2d at 925; *see Satcher*, 351 S.C. at 487, 570 S.E.2d at 540 (finding, despite testimony that some agreement existed, an unclear, unspecific promise to be ambiguous); *see also* 28 Am. Jur. 2d *Estoppel and Waiver* § 52 (2011) ("The promise must be clear and unambiguous and sufficiently specific so that the judiciary can understand the obligation assumed and enforce the promise according to its terms.").

Id. at 471-72, 742 S.E.2d at 12.

In the present case, the promise of "no-cost health insurance for life" does not establish clearly articulated and definite terms. The ambiguity inherent in such a general promise is demonstrated by Appellants' expectations regarding exactly what they believe they are entitled to receive. One appellant testified he believed the City promised a high-quality health plan with prescription coverage better than that provided by Medicare. When pressed further on the point, he stated, "The city told me I would have a high quality health insurance plan, I don't care how they do it, that's what I expect." Another appellant testified he was entitled to the benefits that were in place on the date of his retirement, regardless of whether changes were made to the City's plan. Another appellant also testified his benefits were fixed as of the date of retirement regardless of changes in the City's plan that might lessen his coverage.

Additionally, Appellants' reliance on the promise under all the circumstances presented falls short of the reasonable reliance necessary to establish a claim for promissory estoppel. None of the written materials presented as exhibits indicate that the no-cost benefit was guaranteed for life. Appellants acknowledged their retirement letters stated the *current* policy was to allow them, individually, to participate in the City's health program and the City would cover the cost. They all acknowledged the term current would indicate at the present time. The letter does not indicate that offer was guaranteed for life nor could the Appellants have relied on the letter during the period of their employment as they did not receive it until the conclusion of their service to the City. The newsletters presented only informed plan participants when new insurance booklets were being issued and make no mention of the cost to participate much less indicating promises regarding *future* costs or participation. Furthermore, several Appellants testified they understood City Council was responsible for the budget and that City Council held the authority to make changes as needed. Moreover, Appellants testified they understood any individual who proclaimed no-cost health insurance was guaranteed for life was not personally able to fulfill such an obligation. Furthermore, the ambiguity of the promise renders its reliability questionable. *See A&P Enterprises, LLC*, 422 S.C. at 589, 812 S.E.2d at 764 ("[R]eliance on any alleged promise by [the promisor] was unreasonable in light [of] the ambiguities of the alleged promise.").

As our case law recognizes, there must be a balancing in the consideration of promissory estoppel claims. The proponent of the estoppel must demonstrate all requirements by clear and convincing evidence so as to not "risk imposing its own inequity against the party sought to be estopped." *Barnes*, 402 S.C. at 470, 742 S.E.2d at 12. Additionally, promissory estoppel is only invoked when the failure

to find it would essentially result in a fraud. This case does not reveal an intent on the part of the City to defraud Appellants. It has not changed the premiums charged to retirees on a whim. Instead, it is a response to the ever-increasing costs of healthcare. Additionally, the City continues to pay approximately 90-95% of the retiree's coverage depending on the coverage selected. Based on all of the foregoing, we conclude the decision of the circuit court in favor of the City is

AFFIRMED.

WILLIAMS, C.J., and VINSON, J., concur.

RECEIVED
Aug 29 2022
SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Honorable Circuit Court Judge R. Scott Sprouse

Consolidated Cases 2009-CP-40-05680 and 2013-CP-40-05097

Appellate Case No. 2019-000374

Basilides F. Cruz, Joseph A. Floyd, Sr.,
Arthur C. Gillam III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr.,
and Joseph A. Smith,

Appellants,

v.

City of Columbia,

Respondent.

and

Larry Strickland, Denious L. Dimery and
Bailey G. McClinton,

Appellants,

v.

City of Columbia,

Respondent.

APPELLANTS' PETITION FOR REHEARING

BLOODGOOD & SANDERS, LLC
Nancy Bloodgood, SC Bar No.: 6459
242 Mathis Ferry Road, Suite 201
Mt. Pleasant, SC 29464
Telephone: (843) 972-0313
Email: nbloodgood@bloodgoodsanders.com

Christopher Bryant, SC Bar No.: 101681
112 Lady Street, Suite 208
Columbia, SC 29201
Telephone: (843) 972-0150
Email: christopher.j.bryant@gmail.com

Susan K. Dunn, SC Bar No.: 1798
37 Charlotte Street, Apt. B
Charleston, SC 29403
Telephone: (843) 830-1571
Emil: skingdunn@aol.com

Attorneys for the Appellants

TABLE OF CONTENTS

Table of Authorities	ii
Legal Arguments.....	1
1. The Court of Appeals erred when it found the promise of free health insurance for retirees for life was ambiguous.	1
a. Respondent’s past performance related to the promise at issue is evidence that the promise was not ambiguous.	1
b. This Court’s holding that there is “ambiguity inherent in such a general promise” cannot stand in light of its earlier decision in <u>Bishop v. City of Columbia</u> , 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013).....	4
2. The Court of Appeals erred when it held that Appellants’ reliance fell short of what is required to prove a promissory estoppel claim as this factual determination failed to give deference to the Lower Court’s determination and is not supported by a preponderance of evidence.....	5
3. The Court of Appeals overlooked relevant case law when it held “promissory estoppel is only invoked when the failure to find it would essentially result in a fraud.”	8
Conclusion	10

TABLE OF AUTHORITIES

CASES

<u>Barnes v. Johnson</u> , 402 S.C. 458, 742 S.E.2d 6 (Ct. App. 2013)	2
<u>Bishop v. City of Columbia</u> , 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013)	1, 4, 5, 7, 8
<u>Citizens Bank v. Gregory's Warehouse, Inc.</u> , 297 S.C. 151, 375 S.E.2d 316 (Ct. App.1988)	8
<u>Gruber v. Santee Frozen Foods, Inc.</u> , 309 S.C. 13, 419 S.E.2d 795 (Ct. App.1992).....	9
<u>Higgins Construction Co. v. Southern Bell Telephone & Telegraph Co.</u> , 276 S.C. 663, 281 S.E.2d 469 (1981)	8
<u>Lewis v. Lewis</u> , 392 S.C. 381, 709 S.E.2d 650 (2011).....	5
<u>McLaughlin v. Williams</u> , 379 S.C. 451, 665 S.E.2d 667 (Ct. App. 2008)	9
<u>N. Am. Rescue Prod., Inc. v. Richardson</u> , 411 S.C. 371, 769 S.E.2d 237 (2015).....	8
<u>Rushing v. McKinney</u> , 370 S.C. 280, 633 S.E.2d 917 (Ct. App. 2006)	4
<u>Satcher v. Satcher</u> , 351 S.C. 477, 570 S.E.2d 535 (Ct. App. 2002).....	3, 8
<u>Townes Assocs., Ltd. v. City of Greenville</u> , 266 S.C. 81, 221 S.E.2d 773 (1976).....	5
<u>Unlimited Services, Inc. v. Macklen Enterprises, Inc.</u> , 303 S.C. 384, 401 S.E.2d 153 (1991)	9
<u>West v. Gladney</u> , 341 S.C. 127, 533 S.E.2d 334 (Ct. App. 2000).....	6

STATUTES

S.C. Code Ann. § 62-7-1006.....	6

OTHER AUTHORITIES

28 Am. Jur. 2d <u>Estoppel and Waiver</u>	8
Black's Law Dictionary	6

LEGAL ARGUMENTS

1. **The Court of Appeals erred when it found the promise of free health insurance for retirees for life was ambiguous.**
 - a. Respondent's past performance related to the promise at issue is evidence that the promise was not ambiguous.

A general promise is not necessarily an ambiguous promise. Although some promises are accompanied by specific details, some are not. For instance, a promise involving the payment of money requires details regarding the amount, the source of funds, and the form of payment. On the other hand, a payment to take certain action may only require a description of the action to be taken and when it will occur.

This Court stated the promise at issue succinctly in its 2013 decision: “retiree health insurance would continue to be free throughout retirement.” Bishop v. City of Columbia, 401 S.C. 651, 666–67, 738 S.E.2d 255, 263 (Ct. App. 2013). The provision of free health insurance to retirees over time is not the type of promise that could be too specific as insurance details necessarily change over time as insurance coverage changes. What was promised was clear and unambiguous; how Respondent intended to keep its promise is not relevant to the issue of whether the original promise was ambiguous.

Over the course of many years, Appellants received the same health insurance as retirees as they had received as employees and Appellants, nor Respondent, ever complained that the promise was ambiguous or that they did not know or understand the terms of the promise. For decades Respondent kept its promise to its retirees, never expressing concern over what the promise required. Respondent's past performance is evidence that the promise was not ambiguous. There was simply no uncertainty at all surrounding the key terms of the promise as

was this Court's concern in the case of Barnes v. Johnson, 402 S.C. 458, 472, 742 S.E.2d 6, 12-13 (Ct. App. 2013) (promise found ambiguous when selling price of property unknown, purchaser was unsure how much to borrow, and additional funds would be paid "whenever" he could). The only unknown factors here were how Respondent would keep the promise and what it would cost Respondent, but these facts are irrelevant to whether the promise was ambiguous.

A promise does not become ambiguous after it has been relied upon and kept for many years. Respondent did not tell Appellants in advance what type of health insurance it would provide to them throughout their retirement, which company would provide the insurance, or what the co-pays might be year to year. These are facts Respondent did not know and could not possibly have known in advance. However, Respondent did promise that health insurance would be free during retirement.

The Court misapprehended the nature of the promise when it held that there is ambiguity inherent in the promise because different Appellants had different expectations and opinions about what they considered good insurance coverage. Appellants never alleged that the quality of the health insurance they received from Respondent was not what they had been promised as the plaintiff did in Barnes, supra. The promise was that retiree health insurance would be free and all of the Appellants complained as soon as the promise was broken. Appellants' personal opinions do not alter the fact free retiree health insurance was provided to two of the Appellants for more than 20 years, and throughout the term of six different City Managers. (R. 708-711.) Further, Respondent did not break its promise because the promise was ambiguous; Respondent broke its promise because it became expensive to keep it and Respondent preferred to spend money on other matters. As Appellant Gillian succinctly testified, "Once I retired I had done my part of the bargain... It's kind of like you go to the store, bread is on sale, you buy a loaf of bread, you leave

the store, they don't tell you later on give me more money for that loaf of bread, we changed our mind." (R. 489.)

In Satcher v. Satcher, 351 S.C. 477, 570 S.E.2d 535 (Ct. App. 2002), there were two promises made. The first involved a grandfather leaving his house and the property around it to his grandson who had moved into the house and lived with his grandfather for 20 years. This Court found that promise to be clear and understood by the parties and relied on by the grandson for years. Satcher, 351 S.C. at 486, 570 S.E.2d at 540. "Moreover, we believe it would be an injustice not to apply the doctrine of promissory estoppel here because of the extreme amount of time and energy Chip has expended in reliance on Grandfather's promise." Id. When the house would become the grandson's, whether the house was mortgaged or had liens on it, and what the house's value or condition would be when the grandfather died were all details regarding how the promise would be fulfilled but this Court did not find that the absence of these details made the original general promise ambiguous. Similarly, the promise at issue in this case is unambiguous; even if some of the details regarding how Respondent would fulfill the promise were absent.

The Court focused on the second promise in Satcher in support of its finding of ambiguity in this case. The second promise involved the grandfather leaving additional property to the grandson. Regarding this promise, the Court correctly held it was unclear whether the grandfather intended to leave only the farmland to his grandson, or all of the property. "Thus, even [plaintiff] was unclear as to the details of the promise. ...no other witness testified to any specific promises by Grandfather." 351 S.C. at 487, 570 S.E.2d at 540. The second promise was clearly ambiguous because it was vague, not understood by the recipient, and there were no witnesses to the promise. None of those facts are present in this case. Here, Appellants understood the promise (health insurance during retirement would be provided for free) and there were witnesses to the promise.

Satcher supports the legal conclusion that a general promise can be unambiguous and the basis for a promissory estoppel claim.

In Rushing v. McKinney, 370 S.C. 280, 633 S.E.2d 917 (Ct. App. 2006), another case cited by the Court, the appellant could not clearly articulate the terms of the alleged oral contract, “including whether the money would be treated as a loan or capital contribution, how much money would ultimately be paid, or how respondents would ‘settle up.’” 370 S.C. at 295, 633 S.E.2d at 925. Further, the respondent never acted in accordance with the alleged promise. In Rushing, the appellant testified that because the respondents did not reply to his proposal in any way, he believed they had an agreement. 370 S.C. at 286, 633 S.E.2d at 920. To the contrary, in this case, both parties understood the promise and both parties acted in accordance with the promise for decades. The facts in Rushing are very different from those in this case. In Rushing, the appellant assumed that silence was acquiescence; here decades of Respondent acting to keep its promise by providing free health insurance to its retirees is evidence that the promise could not possibly have been ambiguous to either party. Simply because the promise was a general promise does not invalidate decades of action by both parties. The promise was simple (retiree health insurance would be free) and Respondent acted in accordance with it for decades, never complaining that it was ambiguous or too vague to understand or follow.

- b. This Court’s holding that there is “ambiguity inherent in such a general promise” cannot stand in light of its earlier decision in Bishop v. City of Columbia, 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013).

The Court’s holding in this case that reliance is questionable when a promise is ambiguous, fails in light of the Court of Appeals holding in Bishop v. City of Columbia, 401 S.C. 651, 738 S.E.2d 255 (Ct. App. 2013) that there was evidence to support reasonable reliance, as a promise cannot be ambiguous if it was relied upon. If it is unreasonable to rely on an ambiguous promise, then a finding of reasonable reliance by a court confirms the promise relied upon was

unambiguous. In Bishop, the Court of Appeals found there was a scintilla of evidence that the promise at issue had been reasonably relied upon by Appellants.

Retirees also testified that several supervisors informed them they would receive free health insurance for life during their individual merit interviews and evaluations, which were incidental to the supervision of their employment. *Therefore, the employment review context during which the representations were made provides a scintilla of evidence to suggest the representations and promises were within the supervisors' authority and reasonably relied upon.*

Bishop, 401 S.C. at 667, 738 S.E.2d at 263 (Ct. App. 2013) (emphasis added).

As this Court has already found there was a scintilla of evidence that the promise at issue was reasonably relied upon, using the Court's reasoning in this case that reliance on an ambiguous promise is questionable, it follows that the promise at issue was not ambiguous. In fact, in Bishop, the Court of Appeals never addressed the issue of ambiguity and made no finding of ambiguity. Here, the Court's decision regarding ambiguity contradicts its earlier decision, and for that additional reason the Court erred in holding the promise of free health insurance for retirees for life was ambiguous.

2. **The Court of Appeals erred when it held that Appellants' reliance fell short of what is required to prove a promissory estoppel claim as this factual determination failed to give deference to the Lower Court's determination and is not supported by a preponderance of evidence.**

Ordinarily, an appellate court reviews cases in equity by finding facts in accordance with its own view of the preponderance of the evidence. Townes Assocs., Ltd. v. City of Greenville, 266 S.C. 81, 86, 221 S.E.2d 773, 775 (1976). However, an appellate court should still afford deference to the Lower Court as it was in the best position to judge the witnesses' credibility. Lewis v. Lewis, 392 S.C. 381, 391, 709 S.E.2d 650, 655 (2011). "A determination of justifiable reliance involves the evaluation of the totality of the circumstances, including the

positions and relations of the parties.” West v. Gladney, 341 S.C. 127, 134, 533 S.E.2d 334, 337-38 (Ct. App. 2000).

In this matter, there was sufficient evidence for the Lower Court to conclude Appellants’ reliance was reasonable based on the circumstances surrounding the promise (including the fact that the promise was kept for decades), the context in which the promise was made and repeated, and the position of the parties making the promise. The Court erred in finding there was a preponderance of evidence indicating Appellants’ reliance was unjustified.

The reasonableness of the act of reliance is not a quantitative measure that someone can fall short of as the Court of Appeals held. Rather, a reasonable act is “[s]uch as may fairly, justly, and reasonably be required of a party.” Black’s Law Dictionary, p. 1431 (4th ed. 1968) The term “reasonable” is defined as just and proper (Id.) See, e.g., S.C. Code Ann. § 62-7-1006. (“For example, a trustee's reliance on the trust instrument would not be *justified* if the trustee is aware of a prior court decree or binding nonjudicial settlement agreement clarifying or changing the terms of the trust.”) (emphasis added).

Here, Appellants were clearly justified in their reliance on Respondent’s promise. Some Appellants were instructed to recruit firefighters and retain employees by telling them about the promise (R. 568-69, 597-98); the promise was repeatedly made to Appellants over decades of employment (R. 500-01, 512, 521, 525, 546, 577); Appellants knew co-workers and relatives who had received the promised free health insurance (R. 570, 611-12); and all of the Appellants received free retiree health insurance when they retired, some for more than 20 years. (R. 515, 567-68, 611-12, 708-711.) “The Court of Appeals erred by analyzing reasonableness in terms of something Appellants fell short of instead of considering whether Appellants’ reliance was justified based on the representations made to them.

Further, the Court of Appeals' reliance on Appellants' written documents and the lack of individual guarantees neglects the fact that, Appellants based their case in large part on the verbal representations of Respondents' HR staff and Town Managers. (R. 478, 482, 489, 514, 525, 537-38, 545, 582-83, 585, 595, 598-602, 611.) Appellants' reliance on verbal statements was because this Court in Bishop had already held "Retirees cannot claim reasonable reliance on [the employee handbook and benefits booklets], and the estoppel claims cannot survive summary judgment to the extent the claims are based on them." Bishop, 401 S.C. at 665, 738 S.E.2d at 262-262. In Bishop, the Court held it was the promises and representations of the City employees that proved sufficient to create an issue of fact as to whether there was reasonable reliance. (Id.) The verbal promises and representations did not change at trial and the Court erred in reversing the Lower Court's finding of reliance based on the verbal representations and basing its decision on the written representations.

Additionally, in Bishop, this Court already held Respondent's HR employees were authorized to inform retirees about their insurance benefits and that the evidence did not indicate the employees acted outside the scope of their authority when they explained retirees' benefits. Bishop, 401 S.C. at 666-667, 738 S.E.2d at 262-263. Therefore, the issue of individual City employees making guarantees is irrelevant. This case was brought against Respondent, a municipal corporation, not against any individual employees of Respondent. The Court misapprehended Appellants' argument regarding individuals as Appellants never alleged all individuals within the municipality had authority to act on behalf of Respondent or bind Respondent. The significance of the verbal representations and promises made by Appellants' supervisors, HR officials, and Town Managers was that these were individuals authorized by Respondent to speak on Respondent's behalf. As this Court already acknowledged, "The acts of

a city official acting within the proper scope of his or her authority may give rise to estoppel against a municipality.” Bishop, 401 S.C. at 665, 738 S.E.2d at 262. There is certainly a preponderance of evidence to support the Lower Court’s finding that Appellants “relied on the representations made by the City through its agents and the City’s official policy over the years.” (R. 36.) It was error for this Court to disregard the Lower Court’s findings regarding the reasonableness of Appellants’ reliance.

3. The Court of Appeals overlooked relevant case law when it held “promissory estoppel is only invoked when the failure to find it would essentially result in a fraud.”

The Court of Appeals misapprehended the holding in Satcher when it held that promissory estoppel can only be invoked when necessary to avoid fraud. In addition to avoiding fraud, the case law in South Carolina also permits the application of promissory estoppel in order to avoid “other injustice.” See, e.g., Higgins Construction Co. v. Southern Bell Telephone & Telegraph Co., 276 S.C. 663, 665, 281 S.E.2d 469, 470 (1981) (“an estoppel may arise from the making of a promise, even though without consideration, if it was intended that the promise should be relied upon and in fact it was relied upon, and if a refusal to enforce it would be virtually to sanction the perpetration of fraud *or would result in other injustice.*”); N. Am. Rescue Prod., Inc. v. Richardson, 411 S.C. 371, 379, 769 S.E.2d 237, 241 (2015) (“Courts have used the doctrine where the refusal to apply it would be virtually to sanction the perpetration of a fraud *or would result in other injustice.*”) (citing Satcher v. Satcher, 351 S.C. 477, 484, 570 S.E.2d 535, 538 (Ct.App.2002)); Citizens Bank v. Gregory's Warehouse, Inc., 297 S.C. 151, 154, 375 S.E.2d 316, 318 (Ct.App.1988) (“...if it was intended that the promise should be relied upon and in fact it was relied upon, and if a refusal to enforce it would be virtually to sanction the perpetration of fraud *or would result in other injustice.*”) (citing 28 Am.Jur.2d, Estoppel and Waiver, Section 48, pp. 656–657 (1966)). Appellants have never alleged Respondent intended to defraud them. Rather,

Appellants assert that Respondent decision to break a promise it had kept for over 20 years in exchange for Appellants continuing to work for Respondent for a requisite number of years, merely because Respondent wanted to spend money on something else, is an injustice. The Court of Appeals overlooked the fact that promissory estoppel can be also invoked to prohibit an injustice.

For decades, Appellants organized their lives around Respondent's promise. They remained employed by Respondent, they planned their retirement dates, they budgeted for retirement, and they budgeted based on fixed incomes after retirement based on Respondent's promise that it had kept year after year. Some Appellants were required as part of their job to tell recruits they should work for Respondent because even though they would not be paid much, they would get free health insurance when they retired. (R. 568-69, 580, 597-98.) The trial judge was in the best position to determine the reasonableness of Appellants' reliance. "[I]ssues of reliance and its reasonableness going as they do to subjective states of mind and applications of objective standards of reasonableness, are preeminently factual issues for the trier of facts." McLaughlin v. Williams, 379 S.C. 451, 457, 665 S.E.2d 667, 670-71 (Ct. App. 2008) (quoting Unlimited Services, Inc. v. Macklen Enterprises, Inc., 303 S.C. 384, 387, 401 S.E.2d 153, 155 (1991)).

Although "there can be no reasonable reliance on a misstatement if the plaintiff knows the truth of the matter" (Gruber v. Santee Frozen Foods, Inc., 309 S.C. 13, 20, 419 S.E.2d 795, 800 (Ct.App.1992)), here the truth of the matter was Respondent had and still could, if it wished, continue to provide free health insurance to its retirees. The only reason Respondent has broken its promise is that it prefers to spend money elsewhere, and that is an injustice.

CONCLUSION

Appellants respectfully request this Court reconsider its decision as a general promise is not inherently an ambiguous promise; a promise kept for decades cannot possibly be ambiguous; this Court has already found a scintilla of evidence proving reasonable reliance so the promise upon which the reliance was made cannot be ambiguous; the Lower Court was in the best position to determine Appellants' reliance; and promissory estoppel should be invoked to prevent a grave injustice.

Respectfully submitted,

BLOODGOOD & SANDERS, LLC

s/Nancy Bloodgood

Nancy Bloodgood, SC Bar No.: 6459

242 Mathis Ferry Road, Suite 201

Mt. Pleasant, SC 29464

Telephone: (843) 972-0313

Email: nbloodgood@bloodgoodsanders.com

Christopher Bryant, SC Bar No.: 101681

112 Lady Street, Suite 208

Columbia, SC 29201

Telephone: (843) 972-0150

Email: christopher.j.bryant@gmail.com

Susan K. Dunn, SC Bar No.: 1798

37 Charlotte Street, Apt. B

Charleston, SC 29403

Telephone: (843) 830-1571

Email: skingdunn@aol.com

Counsel for Appellants

Charleston, South Carolina

August 29, 2022

RECEIVED
Aug 29 2022
SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

R. Scott Sprouse, Circuit Court Judge

Appellate Case No.: 2019-000374

**Basilides F. Cruz, Joseph A. Floyd, Sr., Arthur C. Gillam, III, Alma C. Hill,
Barry N. Martin, Charles F. Morris, Sr., and Joseph A. Smith, ... Appellants.**

v.

City of Columbia Respondent.

and

Larry Strickland, Denious L. Dimery and Baily G. McClinton, ... Appellants

v.

City of Columbia Respondent.

**RESPONDENT CITY OF COLUMBIA'S
PETITION FOR REHEARING**

Respondent City of Columbia ("City") files this Petition for Rehearing for the purpose of reconsideration and clarification of the Court's August 3, 2022 Opinion, pursuant to Rules 221 and 240 of the South Carolina Appellate Court Rules.

PROCEDURAL POSTURE

In an Opinion filed August 3, 2022, this Court correctly determined that Appellants, former City of Columbia employees, failed to produce at trial any unambiguous representation that could support reasonable reliance on their claims of entitlement to free health insurance for their

lifetimes. *Cruz v. City of Columbia*, Op. No. 5932 (S.C. Ct. App. filed Aug. 3, 2022) (Howard Adv.Sh. No. 27 at 110). This Court also properly observed that the record does not contain evidence that the relief sought by Appellants was necessary to avoid a fraudulent outcome. Accordingly, the Court reached the correct conclusion that Appellants failed to establish by clear and convincing evidence the elements necessary to prevail on promissory estoppel, the sole issue preserved for review.

The City agrees with the findings by the Court in holding relief unavailable to Appellants. However, because the Court also addressed Appellants' damages argument in a manner that could encourage costly and disruptive misunderstandings potentially resulting in unnecessary litigation against public entities in this State, the City respectfully requests rehearing and reconsideration of findings by the Court that trial judge erred in holding Appellants failed to satisfy the "damages" element of their promissory estoppel claim for the following reasons.

FACTUAL BACKGROUND

The Opinion under review accurately sets forth the controlling facts.

LEGAL ARGUMENT

1. The Opinion under review misapplies the law in addressing the evidence necessary to establish the damages element of Appellants' estoppel claim.

Contrary to the Court's finding, mere "expectation" is insufficient to sustain a promissory estoppel cause of action. Instead, the essential elements for obtaining relief on promissory estoppel grounds are: (1) a promise unambiguous in its terms; (2) the party to whom the promise is made reasonably relies on it; (3) the reliance is expected and foreseeable by the party who makes the promise; (4) and the party to whom the promise is made "**must sustain injury in reliance on the promise.**" *Woods v. State*, 314 S.C. 501, 505, 431 S.E.2d 260, 263 (Ct. App. 1993) (*emphasis added*).

The Opinion under review alters the analysis of promissory estoppel claims in a fundamental fashion. Most significantly, the opinion shifts the damages element of promissory estoppel from assessing the **cost** of reliance to projecting the **value** of the alleged promise. This unprecedented conversion of “promissory estoppel” into “promissory enforcement” relieves Appellants (and future claimants) from the responsibility of demonstrating any injury or prejudicial change of position.

As recognized in the Opinion, Appellants identified no element of loss apart from their (unreasonable) expectation that ambiguous representations, inconsistent with published and known reservations of authority by City Council, guaranteed free health benefits for their lifetimes. Unlike the cases cited by the Court, there is no evidence that Appellants performed any additional work (*Higgins Construction Company*), spent any additional funds (*Furman University v. Waller*), abstained from any available opportunity (*Satcher*) or suffered any prejudicial change of position (*Powers Construction Company*) sufficient to establish “expectation damages,” if such a basis for relief were available.

The Court’s suggestion that “specific performance” is an available remedy in promissory estoppel actions dangerously blurs the line separating contract (requiring a meeting of the minds) and equity (available only in the absence of an agreement). Contract and promissory estoppel have been recognized by this Court and our Supreme Court as two separate and distinct legal theories. They “are two different creatures of the law; they are not legally synonymous; the birth of one does not spawn the other.” *Satcher v. Satcher*, 331 S.C. 447, 483, 570 S.E.2d 535, 538 (Ct. App. 2002) (quoting *Duke Power Co. v. S.C. Pub. Serv. Comm’n.*, 284 S.C. 81, 100, 326 S.E.2d 395, 406 (1985)). Whereas contract requires a meeting of the minds and consideration, promissory estoppel looks at a promise and its effect on (rather than expectation of) the promisee. *Id.* The complications and confusion occasioned by merging contract and estoppel concepts long

recognized as incompatible would open a box of mischief that would render Pandora envious. Accordingly, the City respectfully requests reconsideration of the damages analysis in the Opinion under review.

2. The Opinion under review overlooks and misapplies controlling precedent in finding that Appellants can maintain estoppel claims.

The Opinion issued by this Court fails to apply the binding precedent of *Health Promotion Specialists, LLC v. S.C. Board of Dentistry*, 403 S.C. 623, 635-637, 743 S.E.2d 808, 814-815 (2013) (public entities are immune from liability on the basis of decisions to fund or impose costs for liabilities); *see, also Tenney v. Brand Hove*, 341 U.S. 367, 376-378 (1951) (exercise of discretion in selecting projects for public funding is not a matter of judicial review).

A resolution duly adopted by a municipal council “is a legislative enactment and presumed to be constitutional.” *Sandlands C & D, LLC v. County of Horry*, 394 S.C. 451, 460, 716 S.E.2d 280, 284 (2011), *quoting Aakjer v. City of Myrtle Beach*, 388 S.C. 129, 133, 694 S.E.2d 213, 215 (2010). (a duly adopted resolution is a legislative enactment and presumed to be constitutional); S.C. Const., art. X, § 14 (public subdivisions barred from incurring public indebtedness beyond revenue production). These legal principals establish the reach and limits of governmental authority in matters involving expenditure of public funds. Because the relief requested by Appellants was not available, even had they satisfied all elements of their estoppel claim, the Court’s examination of their damages claims erroneous and unnecessary.

3. The Opinion under review overlooks and misapplies controlling precedent in holding that Appellants can maintain estoppel claims.

The Opinion issued by this Court fails to address binding precedent declared in *Ahrens v. State*, 392 S.C. 340, 709 S.E.2d 54 (2011). Unlike the authorities relied upon by the Court, the facts presented in *Ahrens* are strikingly similar to this case. In *Ahrens*, a group of retirees brought suit against the State seeking to bar withholding of contributions to the South Carolina Retirement

Systems (“SCRS”). When the *Ahrens* plaintiffs retired, state law did not require post-retirement contributions by working retirees. The retirees further asserted that SCRS representatives had informed them verbally and in writing that post-retirement employment by a covered employer would not require such contributions.

Following an amendment to the Retirement Act requiring contributions to the System by working retirees, the *Ahrens* plaintiffs brought suit to prohibit the State from withholding contributions, asserting that the previous statute and SCRS forms created enforceable contract rights and that the State was estopped from withholding contributions under the new statute. The trial court found no contract, but ruled in favor of the plaintiffs on equitable grounds.

On appeal, our Supreme Court affirmed that neither the statute nor the language used in retirement forms created a contract between the State and the working retiree plaintiffs. *Id.* at 348-352, 58-60. The Court stated that even if the forms were binding contracts, “we do not believe that the Retirement Systems had the authority to create contracts without the statutory directive of the legislature.” *Id.* at 351, 59. The Court cautioned that “[a]ny other holding would permit an executive agency to usurp the essentially legislative function of amending laws by binding the legislature through contract where it had no intention of being bound.” *Id.* at 351, 60.

In reversing the trial court’s award of relief on estoppel grounds, the Court held that the State could not be estopped by written or verbal representations of SCRS staff. Specifically, the Court stated that “because this Court has ruled that the Working Retiree statute did not create a binding contractual right, estoppel cannot lie against the state . . .” *Id.* at 353, 61. This ruling makes it clear that even unambiguous statements made by government employees made within the scope of their employment, cannot bind the government without a supporting statutory or contractual foundation.

Although absence of authority alone was sufficient to reverse, the Court proceeded “for the

purpose of clarifying the necessary elements to prove estoppel against the government...” to find that the *Ahrens* plaintiffs failed to establish other elements of their estoppel claims. Citing *Grant v. City of Folly Beach*, 346 S.C. 74, 80-81, 551 S.E.2d 229, 232 (2001), the Court stated: “To prove estoppel against the government, the relying party must prove: (1) lack of knowledge and of the means of knowledge of the truth as to the facts in question, (2) justifiable reliance upon the government’s conduct, and (3) **a prejudicial change in position.**” (*emphasis added*). The Court found “it is difficult for [plaintiffs] to claim they did not know, or had no means of knowing that these terms would ever change.” *Ahrens* at 354, 61. The Court went on to find that plaintiffs could not establish either the second or third elements of estoppel because of disclaimers included in the Retirement Systems’ materials and plaintiffs’ knowledge that laws are subject to change. *Id.* Accordingly, the Court should have found the absence of authority to enter contracts or interfere with legislative functions fatal to Appellants’ estoppel claim. This holding would have rendered analysis of the “difficult” damages issue unnecessary.¹

CONCLUSION

In summary, the Court erred in addressing the “complicated issue” of reliance damages available in promissory estoppel claims. In addition, the suggestion that specific performance may be ordered on the basis of disappointed expectation alone was erroneous and unnecessary in view of the City’s established immunity as well as findings by the Court that Appellants did not satisfy the “unambiguous promise” or corresponding “reasonable reliance” grounds required for relief. For these reasons, the City respectfully requests that the Court reconsider that portion of its Opinion addressing damages which might potentially sustain a cause of action for promissory estoppel.

¹ This Court reiterated that caution that must be taken in addressing equitable claims involving governmental entities in *Dewberry 334 Meeting Street v. City of Charleston*, Op. No. 2021-UP-360, 2021 WL 4891824 (S.C. Ct. App. filed Oct. 20, 2021) (unpublished opinion).

Respectfully submitted,

s/Jacqueline M. Pavlicek

W. Allen Nickles, III (SC 4226)

NICKLES LAW FIRM

17 Creek Manor Lane

Columbia, SC 29206

Tel. 803.466.0372

WANickles@NicklesLaw.com

Jacqueline M. Pavlicek (SC 100556)

OFFICE OF THE CITY ATTORNEY

PO Box 667

Columbia, SC 29202

Tel. 803.737.4242 / Fax 803.737.4250

Jacqueline.Pavlicek@ColumbiaSC.gov

**ATTORNEYS FOR DEFENDANT CITY
OF COLUMBIA**

August 29, 2022

Columbia, South Carolina

The South Carolina Court of Appeals

Basilides F. Cruz, Joseph A. Floyd, Sr., Arthur C. Gillam
III, Alma C. Hill, Barry N. Martin, Charles F. Morris, Sr.,
and Joseph A. Smith, Appellants,

v.

City of Columbia, Respondent.

And

Larry Strickland, Denious L. Dimery and Bailey G.
McClinton, Appellants,

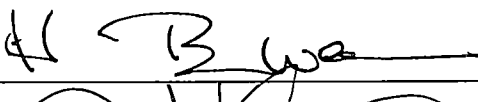
v.

City of Columbia, Respondent.

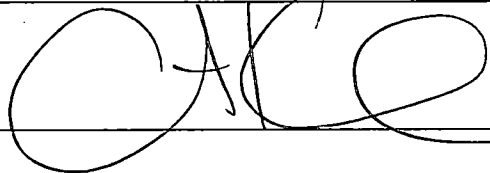
Appellate Case No. 2019-000374

ORDER

After careful consideration of the cross-petitions for rehearing, the Court is unable to discover that any material fact or principle of law has been either overlooked or disregarded, and hence, there is no basis for granting a rehearing. Accordingly, the petitions for rehearing are denied.



C.J.



J.

 J.

Columbia, South Carolina

cc:

Nancy Bloodgood, Esquire

Lucy Clark Sanders, Esquire

Christopher James Bryant, Esquire

W. Allen Nickles, III, Esquire

Susan K Dunn, Esquire

Jacqueline Marie Pavlicek, Esquire

The Honorable R. Scott Sprouse

FILED
Sep 22 2022