

GREENVILLE COUNTY COUNCIL

COMMITTEE ON FINANCE

November 15, 2021

4:00 p.m.

County Square – Conference Room D

Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted online and on the bulletin board at County Square and made available to the newspapers, radio stations, television stations and concerned citizens.

Committee Members Present:

Dan Tripp, *Chairman*
Liz Seman, *Vice-Chairman*
Ennis Fant
Willis Meadows
Stan Tzouvelekas

Committee Members Absent:

None

Others Present:

Joe Kernell, *County Administrator*
Joe Dill, *Council District 17*
Chris Harrison, *Council District 21*
Xanthene Norris, *Council District 23*
Lynn Ballard, *Council District 26*
Butch Kirven, *Council District 27*
John Hansley, *Deputy County Administrator*

Mark Tollison, *County Attorney*
Kim Wunder, *Assistant County Attorney*
Regina McCaskill, *Clerk to Council*
Jessica Stone, *Deputy Clerk to Council*
Keith Brockington, *Transportation Planning Manager, GPATS*
Hesha Gamble, *Engineering*

Call to Order:

Chairman Tripp

Invocation:

Councilor Tzouvelekas

Item (3) Approval of Minutes

Action: Vice-Chairman Seman moved to approve the minutes of the October 25, 2021, Regular Committee on Finance Meeting.

Motion carried unanimously.

Item (4) Woodruff Road Congestion Relief Project

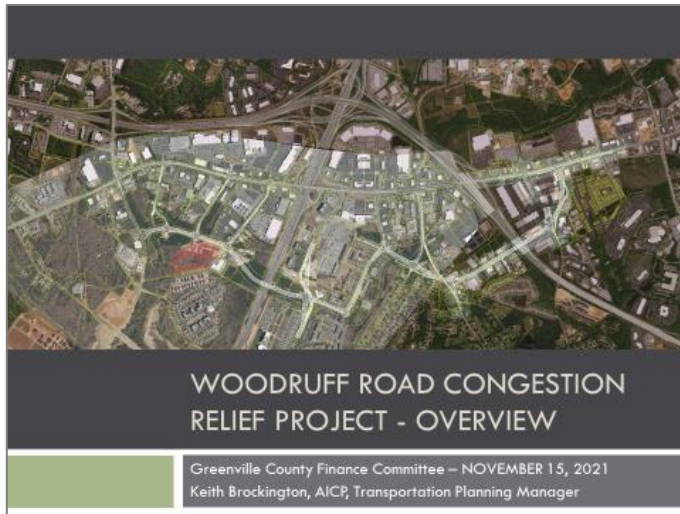
An ordinance authorizing (i) an agreement accepting a grant from the State Infrastructure Bank in the amount of \$49,010,199 and committing to provide a local match of 30,336,733; and (ii) a project management agreement with SCDOT. Local match to be funded by revenue bonds issued by Greenville County.

Presented by: Keith Brockington

Mr. Brockington stated the Woodruff Road Congestion Relief Project was initiated in 2011 and had been moving forward since that time. The four areas to be covered were as follows:

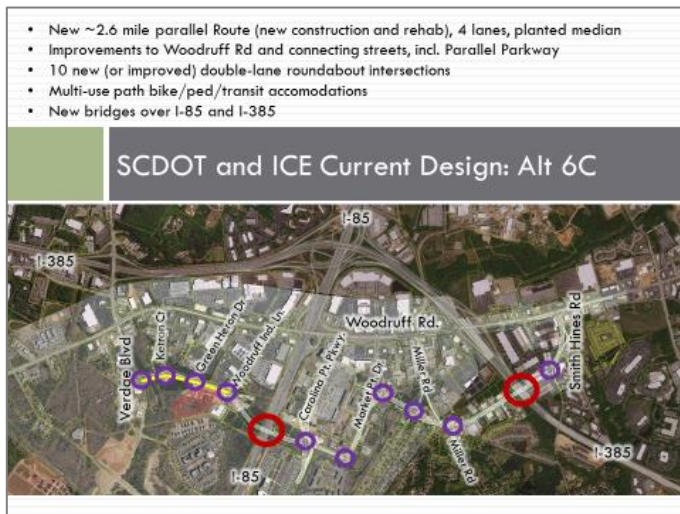
1. Brief description of the project
2. Purpose and need of the project
3. History and timeline
4. Funding

Slide 1



Mr. Brockington stated the scope of the project was very large. Slide 1 contained the most recent design of the project, as provided by SCDOT and the infrastructure consulting engineers contracted by SCDOT to complete the preliminary engineering. The current design was Alternative 6C, which was chosen by the National Environmental Policy Act process, which SCDOT had already completed.

Slide 2



The proposed road, at approximately 2.6 miles, would run parallel to Woodruff Road. The road was new construction and rehabilitation of existing roads to tie-in connecting streets. It would consist of 4 lanes with a planted median down the entirety of its length. As part of the project, improvements would also be made to Woodruff Road, as illustrated by the purple circles on Slide 2. Mr. Brockington stated the yellow line represented the part of the project already completed by the City of Greenville, Greenville County and Piedmont Natural Gas several years ago; however, its current state was not of the scope of the current project. It was a two-lane road with a single roundabout.

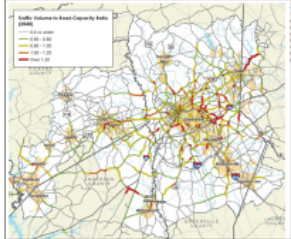
The completed project would contain 10 new or improved double-lane roundabout intersections; the only signalized intersection would be located at Smith Hines Boulevard and Woodruff Road. A multi-use path for cyclers, pedestrians and transit accommodations would run the length of the proposed road. New bridges, not interchanges, would be built over I-85 and I-385.

Purpose and Need

- From GPATS/SCDOT Environmental Assessment
- **Purpose:** To improve **operational efficiency** and **alleviate traffic congestion** on **Woodruff Road** to improve mobility in the busy commercial area between **I-385** and **Roper Mountain Road/Verdae Boulevard**.
- **Need:** Based on the GPATS 2035 traffic model, which accurately forecasts the 2045 design year, **high traffic volumes** on **Woodruff Road** will continue to cause **substantial delays** in the area. Motorists on side streets will **experience long delays** during the peak periods creating **undesirable crossing or turning maneuvers** due to the **lack of safe gaps** in traffic.

| Woodruff Road Average Daily Traffic | |
|-------------------------------------|-----------------------|
| 2015 Base Year | 49,000 |
| 2040 Future Year | 57,000 (incr. of 16%) |
| 2040 (With Project Implementation) | 47,900 (decr. of 3%) |

| Woodruff Road Congestion Relief Project Average Daily Traffic | |
|---|--------|
| 2040 Future Year | 20,800 |



The purpose and need of the project, determined by GPATS and SCDOT during the environmental assessment phase, stated the following:

PURPOSE: To improve operational efficiency and alleviate traffic congestion on Woodruff Road to improve mobility in the busy commercial area between I-385 and Roper Mountain Road / Verdae Boulevard.

NEED: Based on the GPATS 2035 traffic model, which accurately forecasts the 2045 design year. High traffic volumes on Woodruff Road would continue to cause substantial delays in the area. Motorists on side streets (Roper Mountain Rd, Garlington Rd, Miller Rd, I-85 and I-385) would experience long delays during peak periods creating undesirable crossing or turning maneuvers due to the lack of safe gaps in traffic.

Mr. Brockington stated the environmental assessment used 2015 as the base year which indicated average daily traffic on Woodruff Road at 49,000. If the project was not completed, the projection for 2040 was 57,000, an increase of 16%. With project implementation, the average daily traffic would be 47,900, a decrease of 3% of the current rate; the parallel road would see 20,800 for its average daily traffic.

The map in the lower right-hand corner of Slide 3 illustrated the Travel Demand Model showing the 2040 traffic levels or the VC Ratio of the Upstate region. The more red, the more congested. The project would alleviate the core of the red which was centered around Woodruff Road and its connecting streets.

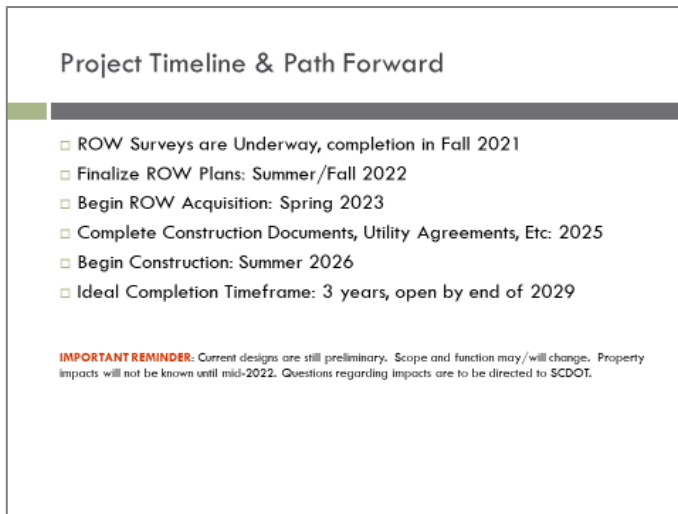
WRCRP History (In Brief)

- Studied from 2007 through 2011
- **Prioritized #1 in GPATS Long-Range Transportation Plan: Nov 2013**
- **Programmed into the GPATS Transportation Improvement Program: March 2014**
- **Preliminary Engineering Began: April 2017**
 - Public Information Meeting: November 9, 2017
 - www.fixwoodruffroad.com
 - Environmental Assessment (EA) comments received from FHWA: Early March 2020
 - Resubmission of EA: March 13th, 2020
- **Environmental Assessment signed: April 7th, 2020**
 - Public Hearing: July 7th – August 7th, 2020
 - FHWA Record of Decision: Nov 5, 2020
- **Preliminary Engineering Phase 2 Contract executed on June 7, 2021**

The Woodruff Road corridor was studied from 2007 until 2011 and made its way through various plans without the development of an actual project. In 2013, it was prioritized as #1 in the GPATS Long-Range Transportation Plan, as the highest ranked project ever evaluated. The project was programmed into the GPATS Transportation Improvement Program in March of 2014, where projects received funding and implementation by SCDOT. Preliminary engineering on the project began in April of 2017, with a Public Information Meeting held November 9, 2017. A website, www.fixwoodruffroad.com, was established and had been the repository for all information related to the project.

The Environmental Assessment comments were received from the FHWA in March of 2020; SCDOT resubmitted the assessment on March 13, 2020. The Environmental Assessment, a 60-page document not including the appendices, was signed on April 7, 2020. A virtual public hearing was held throughout the month of July 2020; it was a fantastic success. The FHWA issued its Record of Decision accepting the Environmental Assessment on November 5, 2020. The Preliminary Engineering Phase 2 contract was executed on June 7, 2021. That contract included Right of Way (ROW) acquisition, utility design and the final construction documents.

Slide 5



Project Timeline & Path Forward

- ROW Surveys are Underway, completion in Fall 2021
- Finalize ROW Plans: Summer/Fall 2022
- Begin ROW Acquisition: Spring 2023
- Complete Construction Documents, Utility Agreements, Etc: 2025
- Begin Construction: Summer 2026
- Ideal Completion Timeframe: 3 years, open by end of 2029

IMPORTANT REMINDER: Current designs are still preliminary. Scope and function may/will change. Property impacts will not be known until mid-2022. Questions regarding impacts are to be directed to SCDOT.

Currently, The Right of Way (ROW) surveys were underway. Infrastructure consulting engineers were expected to complete the surveys in the near future. Final ROW plans were expected to be completed by summer/fall 2022. ROW acquisition was expected to begin in the spring of 2023. Complete construction documents, utility agreements, etc. were expected to be finalized by 2025. Construction was expected to begin in the summer of 2026; Mr. Brockington stated they were hopeful it would begin earlier; however, it was the dependent on actual ROW acquisitions, including litigation. The ideal completion timeframe was three (3) years, with the road opening by the end of 2029.

Mr. Brockington stated the current designs were still preliminary until the ROW plans were complete. Actual property impacts were unknown at this time. SCDOT should be consulted on any questions regarding properties.

Councilor Meadows stated documents provided by the State Infrastructure Bank (SIB) indicated construction was to start on the project in December of 2022 with a completion date of 2026. He asked for clarification of the discrepancy.

Mr. Brockington stated the schedule provided by the State Infrastructure Bank was based on early estimates from SCDOT, which were prepared during development of the Greenville County application. He had conferred with SCDOT earlier in the day and the information on Slide 5 was the official timeframe for the project. Agreements with the SIB would be adjusted to reflect the correct information. The State Infrastructure Bank's timeframe was malleable as to how the project would actually be constructed.

Project Funding

- 2014 – GPATS programmed \$42 million based on initial estimates
- 2017 – Preliminary Engineering identified increased project cost
 - Greenville County elected to submit its application to the South Carolina Transportation Infrastructure Bank (June 2017)
 - Application committed Greenville County to 25% project local match

| Funding Source | Funding Amount | % Total |
|--------------------------|-------------------------------------|-------------|
| GPATS Guideshare | \$42,000,000 | 35% |
| Local Match (Gvl County) | \$30,336,733 | 25% |
| SCTIB Funding Approved | \$49,010,199 | 40% |
| Total Cost | \$121,346,932 (2022 Dollars) | 100% |

- 20% Construction Cost Contingency built into estimate
- Initial inflation rate of 3% for 2022 dollars will be updated by SCDOT/ICE at 4-5% for 2026 dollars.
- Currently \$6.9M obligated (Guideshare)
- July 7, 2020 – SCTIB approved funding
- November 1, 2021 - GPATS signed Resolution affirming Guideshare process
- November 30, 2021 – SCTIB deadline for Inter-Governmental Agreements

In 2014, GPATS programmed \$42 million for the project, based on initial estimates. Preliminary engineering identified increased project costs in 2017. The original scope of the project ended at Miller Road; the new scope extended the project over I-385, connecting it to Smith Hines Road, lessening stress on Miller Road and providing proper benefit of the project. The total cost of the project was increased to \$121,346,932 (2022 dollars). Greenville County elected to submit its application to the South Carolina Transportation Infrastructure Bank in June of 2017. The application committed the County to 25% project local match.

| Current breakdown of funding sources: | | |
|---|----------------------|-------------|
| Funding Source | Funding Amount | % Total |
| GPATS Guideshare | \$42,000,000 | 35% |
| Greenville County (local match) | \$30,336,733 | 25% |
| South Carolina Transportation Infrastructure Bank (SCTIB) | \$47,010,199 | 40% |
| TOTAL COST | \$121,346,932 | 100% |

Mr. Brockington stated a 20% (\$16 million) construction cost contingency was built into the estimate. An initial inflation rate of 3% for 2022 dollars would be updated by SCDOT/ICE at 4-5% for 2026 dollars.

Councilor Meadows asked how much the 4-5% inflation rate would add to the cost of the project.

Mr. Brockington stated the added cost was not known at this time. He would provide those numbers as soon as the estimates were completed by SCDOT.

Councilor Meadows asked if multiplying \$121 million by the anticipated inflation rate of 4-5% would give an accurate estimate.

Mr. Brockington stated he would not feel comfortable estimating the amount without SCDOT guidance. Currently, \$6.9 million of Guideshare monies were obligated to preliminary engineering. On July 7, 2020, the State Infrastructure Bank approved the funding for Greenville County. GPATS signed a resolution affirming the Guideshare process on November 1, 2021. Mr. Brockington stated GPATS had always completed its projected and provided Guideshare funding for cost overruns; he could not recall a project for which GPATS did not cover the cost for overruns. GPATS was not allowed by SCDOT or the SIB to commit future Guideshare monies to the project. GPATS did sign the resolution affirming the GPATS process. The SIB deadline for inter-governmental agreements was extended to December 31, 2021, to allow for the Council meeting process to resolve the situation and sign the inter-governmental agreements properly.

Chairman Tripp asked if the 20% built-in contingency was higher or lower than normal for similar projects. Mr. Brockington stated it was higher, given the size and nature of the project; the average contingency was normally set at 10-15%. It was assumed construction costs for the project could inflate even higher than anticipated.

Chairman Tripp asked if Greenville County would be able to recoup any overages, if the project was completed earlier than expected.

Mr. Brockington stated if there was a cost underrun and the contingency was not needed, the funds would revert back to GPATS Guideshare for other needed projects. He deferred the question of recoupment of monies provided by the SIB and the Greenville County match to Kim Wunder or Joe Kernell.

Councilor Meadows stated the contract indicated that any overages would be sent to the State Infrastructure Bank.

Kim Wunder confirmed Mr. Meadows statement.

Vice-Chairman Seman stated the County could benefit as the funds would be used for future projects.

Councilor Tzouvelekas inquired about the cost of acquisitions needed for the project.

Mr. Brockington stated the Right of Way acquisition costs were unknown at this time; even the engineers developing the estimates did not have access to those processes. The SCDOT ROW Acquisition Office handled the process from start to finish, once the ROW plans were complete.

Councilor Meadows stated the cost of the project was actually unknown and Council was being asked to vote on the item.

Mr. Brockington stated there was always an element of uncertainty when dealing with large road projects and State dollars; planners and engineers lived with that uncertainty on a daily basis. They did their best to keep those costs minimal. The ROW attorneys with SCDOT were very good at trying to adhere to the estimated ROW acquisition costs. Any cost overruns would be brought to GPATS.

Councilor Meadows stated inflation increases for the project were unknown; there was no way to inform Council of the correct numbers. That uncertainty was also true for the project's Right of Way costs. Council would be committing unknown expenditure amounts to future council members as well as the citizens of Greenville County.

Mr. Brockington stated the estimates provided and allocated by GPATS were put into the application to the State infrastructure Bank. Those estimates were as accurate as the engineers who developed the cost estimates could assess at the time. SCDOT provided the estimates; they had completed large-scale projects throughout the State for a number of years. The figures provided were the best estimates available. Of the \$42 million, a little more than \$28 million was allocated for ROW acquisitions.

Councilor Tzouvelekas asked what percentage of the acquisitions were still needed.

Mr. Brockington stated no acquisitions had been acquired, to date. The ROW plans were still being developed in order to determine exactly which properties needed to be acquired. That process should continue through the end of 2021. The completed plan would be submitted next year and the acquisition process would begin.

Councilor Meadows stated it was his understanding the SIB approved the plan in 2020.

Mr. Brockington confirmed Mr. Meadows statement. The application was submitted to the SIB in 2017. There were several rounds of changes, due to internal processes at the SIB. In early 2020, the bank came back with the final process. The application was resubmitted; the final decision was rendered in July 2020.

Councilor Meadows stated the application was sent to the state regulatory agency in August of 2021. He asked why Council had not been notified until the last minute; they now had less than 30 days to make a decision regarding the item. He also asked who negotiated the contract for Greenville County.

Mr. Tollison stated the contract was negotiated by the County Attorney's Office, GPATS and the County Administrator's Office.

Councilor Meadows asked if there was a reason Council had not received any information until recently.

Mr. Tollison stated there had been nothing to share while negotiations were in progress.

Chairman Tripp asked Councilor Kirven to address the Committee.

Councilor Kirven stated the project was widely known throughout the area. He worked as a Right of Way appraiser for SCDOT many years ago. When requesting assistance from the State Infrastructure Bank, there was not much room for negotiating. When applying for money from the SIB, a 25% match was required. Overages were historically covered by the State Infrastructure Bank and SCDOT.

Councilor Meadows stated the contract indicated that Greenville County would be responsible for any overages. He wondered why Greenville County was not protected during the contract negotiations; all the other parties were protected.

Councilor Kirven stated it appeared the contract followed the same procedures as contracts for other projects. There was never any certainty when dealing with projects of such magnitude. SCDOT did the best job possible when estimating costs for projects.

Councilor Meadows stated if inflation increased by 4%, it would add \$4.5 million to the cost of the project.

Councilor Kirven stated inflation could also decrease, which would reduce the cost of the project. Decisions had to be made using the best information available.

Vice-Chairman Seman stated Council's challenge was to rely on the experts involved in the process and operate on a level of trust. The experts had provided the best package for the project using the information available. Both the County's legal team and administrative team were always looking out for the best interests of the County; to think they had negotiated in a way that was unfair to the County appeared to undermine staff's work. From the County's perspective, Council had seats on GPATS and had been aware of the project for a number of years. Council would continue to have representation on GPATS; that created an extra level of oversight. Ms. Seman stated she was worried what would happen if the project was denied by Council; the County could possibly be overlooked for future projects.

Mr. Kernell stated the contract contained two (2) contingency amounts; a 20% construction cost contingency as well as a 3% inflation contingency. If inflation increase 4-5%, it would affect the cost of the project by 1-2%.

Councilor Meadows stated the project, in essence, would actually only cost approximately \$105 million without the contingencies.

Mr. Kernell confirmed Mr. Meadows statement. He added there would more than likely be contingencies, given the anticipated time frame of the project.

Chairman Tripp stated knowing the growth that Greenville County was projected to experience in the next 20 years, he asked if the County would ever have the ability to come back to the table, on its own, and complete a project like the one in question.

Mr. Kernell stated the problem would be Right of Way acquisitions. Once a property was developed, it was cost prohibitive to acquire it. It would not be doable.

Chairman Tripp inquired what Greenville County would look like, from a transportation perspective, if Council voted to deny the project. He also asked if there was anything the County could do to protect itself, beyond the 20% contingency.

Mr. Brockington stated if the County decided not to move forward, the project would still “be alive” at GPATS. If the GPATS Policy Committee was required to assume \$79.3 million of the project cost, it would delay other GPATS projects. There were currently nine (9) intersection /corridor projects throughout the County; those projects would see a delay of 3-4 years. The Woodruff Road Project would still move forward, unless the GPATS Policy Committee decided to pull it.

Chairman Tripp asked if there were any legal repercussions, other than trust and working relationships, to the County if Council voted not to approve.

Mr. Brockington stated if awards were made and commitments were not followed through, there would be no legal ramifications; however, Greenville County was far less likely for to receive future offers.

Chairman Tripp asked if there was anything the County could do to protect itself moving forward.

Ms. Wunder stated one of the last elements of the project management agreement negotiated on was the cost of the project if it came in higher than estimated. The County would have sign off authority on all contracts before they were finalized. The notion of Greenville County writing a “blank check” to SCDOT was not how the contract was negotiated. Ms. Wunder stated the SCDOT agreement indicated the following:

If the available funds were insufficient to complete the Project, the County was responsible for either obtaining and providing additional funding or reducing the scope of the Project.

Councilor Fant stated the County obviously had the bonding capacity for the \$39 million revenue bond. He asked what that would look like annually with regards to expenses as far as tax revenue was concerned. Mr. Fant asked how much would be extracted from incoming revenue to satisfy the bond.

Mr. Kernell stated the amount of the revenue bond would be \$30,336,733. A conservative estimate of 4% would cost approximately \$2.2 million per year for 20 years. As it could be 2023 before the bond was issued, the estimate was 4%; the County recently issued debt for 2.4%. The initial \$10 of the Road Maintenance Fee was put in place for that purpose. Since the fee had been declared invalid by the Supreme Court, the funds would come from the County’s current road program. Approximately \$7 million was put into the road program yearly; paving projects would be reduced in order to repay the bond.

Councilor Fant asked how the shortfall could be “fixed.”

Mr. Kernell stated the County’s current paving program was unable to keep up the growth of the County; however, C-Funds were used to leverage the program. For FY 2022, there was approximately \$10 million available for paving, with \$3 million from C-Funds. However, repayment of the bond would decrease the amount of funds available in the paving program. Due to the Supreme Court’s decision regarding the Road Maintenance Fee, it would require action on the part of County Council to increase taxes.

Vice-Chairman Seman stated construction was a core function of government. If more infrastructure, better transportation, better affordable housing opportunities and more economic development was needed, the County had to figure out how to prioritize and raise revenue in order to do those things.

Councilor Tzouvelekas stated he supported the project, but, had issues with the agreement. It needed to be reviewed more closely with more Council input. Acquisition of the Merovan Center would be very expensive. He felt there were “holes” in the agreement and it needed more “eyes on it.” He wanted to protect the County and the taxpayers. Council had received the project documents on the previous Friday; he was not prepared to vote it. The estimated cost of the project was \$121 million. He questioned why that amount would be spent to decrease the number of cars by only a small amount.

Chairman Tripp stated the project would move forward, with or without approval; however, the County would “lose face” and credibility with its partners, if it was not approved. If there were \$30 million in cost overruns, the County would be theoretically bound to \$60 million. He asked if there were controls in place to give the County the option to pull back the reins, if it appeared things were “going south.”

Mr. Brockington stated there were controls in place. The first step, as resolved by GPATS on November 1, would be to determine whether or not the cost overruns would be absorbed by GPATS. The proposed resolution stated that the GPATS process was still in play. The GPATS Policy Committee would have the ability to absorb the cost overruns.

Ms. Wunder stated either the County or GPATS could come up with the extra money, another funding source could be identified or the scope of the project could be reduced.

Chairman Tripp asked if there were any leading indicators, process-wise, that would determine if the project was on the “right track” cost wise. He inquired if there would be some type of “dashboard” that could be reviewed, as needed.

Mr. Brockington stated SCDOT maintained a project website that was updated regularly with all the information related to active projects. He had almost daily conversations with the Project Manager at SCDOT, Casey Lucas, regarding the status of all GPATS projects. If there were any changes or expected overruns, he would be the first person notified.

Councilor Meadows stated the contract required quarterly reports regarding the project. He did not want his questions misconstrued as indicating he was against the project. The project was needed, but, he was concerned about the cost. He inquired as to why the City of Greenville was not involved. The entire project was located within the city limits. Mr. Meadows stated he was not bothered by the \$30 million; however, he was concerned about cost overruns. The City of Greenville had “no skin in the game.”

Ms. Wunder stated as a condition of receiving a grant from the State Infrastructure Bank, there were certain terms to which the applicant had to agree.

Councilor Meadows inquired if one of those terms was that the City of Greenville did not have to put any monies into the project.

Ms. Wunder stated not in terms of the City of Greenville being held responsible for any overruns.

Councilor Meadows asked if there was a reason the project did not extend past Smith Hines Road.

Mr. Brockington stated Right of Way acquisition was the reason that the project would end at Smith Hines Road. The original project as studied by GPATS in 2011 and approved in 2013, only went as far as Miller Road. It was reviewed during the preliminary engineering phase. Traffic studies revealed that ending at Miller Road would have severe and negative impacts to both Miller Road and Garlington Road. In order to meet the purpose and need of the project to better handle congestion along the corridor and the entire area, it would need to be extended to Smith Hines Road. The initial study completed in 2007 was the first time a parallel road across I-85 had ever been considered. It was not well studied and had no associated traffic impacts. The study simply suggested connecting Woodruff Industrial Lane with Carolina Point Parkway.

Chairman Tripp asked would it be considered a cost overrun if SCDOT determined that the project had to be extended to Highway 14, adding additional costs to the project.

Mr. Brockington stated it would be considered a scope change that both GPATS and Greenville County would have to approve. It was unlikely to happen due to the fact that the environmental assessment was approved by the Federal Highway Administration. Any major changes in scope of the project would require a new environmental assessment as well as Federal approval.

Chairman Tripp asked Mr. Kernell if the County had an internal contingency plan to handle cost overruns.

Mr. Kernell stated the debt service estimate of 4% provided a bit of a cushion. For example, if the estimated repayment amount of the bond came in at \$1.9 million as opposed to the estimated \$2.2 million, there would be a savings of \$300,000 per year or \$6,000,000 over 20 years. Mr. Kernell stated he felt comfortable with the current estimates due to the \$20 million contingency and the 3% built-in for inflation. When dealing with state and federal agencies, there was very little room for negotiations. If Greenville County did not want the money, another entity would.

Councilor Fant stated Greenville County had become a “piñata” for lawsuits. He inquired about liability for accidents that may occur during construction of the project.

Mr. Kernell stated all necessary insurances would be place if the associated contracts were managed properly.

Councilor Tzouvelekas inquired about Council’s timeline regarding the item.

Chairman Tripp stated his preference was to get the item to the Council floor in order for all Council Members to be able to participate in discussion.

Action: Councilor Seman moved to approve an ordinance authorizing (i) an agreement accepting a grant from the State Infrastructure Bank in the amount of \$49,010,199 and committing to provide a local match of 30,336,733; and (ii) a project management agreement with SCDOT. Local match to be funded by revenue bonds issued by Greenville County.

Motion carried unanimously.

Item (5) ARPA Funds for Road and Bridge Infrastructure (For Discussion)

An ordinance directing the expenditure of American Rescue Plan Act Monies toward road infrastructure projects. Monies to be dispersed as follows:

Year 1 (FY 2021-22) \$15,000,000.00

Year 2 (FY 2022-23) \$15,000,000.00

Chairman Tripp stated the item would be discussed informally by the Committee. As Councilor Tzouvelekas had proposed the item and requested it to be included on the agenda, he asked him to initiate the discussion.

Councilor Tzouvelekas inquired about the title of the item.

Mr. Tollison stated the proposed ordinance and its title required additional work and there may be future changes.

Councilor Tzouvelekas questioned Section 3 of the proposed ordinance.

Mr. Tollison stated Section 3 was considered general repealer language. Both Section 2 and 3 were attached as a matter of routine, included on all ordinances.

Mr. Kernell stated the language used in the proposed ordinance would more than likely change. The intended discussion was to focus on expenditure of road funds.

Councilor Tzouvelekas stated the intent of the proposed ordinance was to add \$15 million to the County’s existing road program for the next two (2) years for a total of \$30 million. C-Funds would provide additional monies. He inquired about the “normal amount” the County received in C-Funds on a yearly basis.

Mr. Kernell stated the amount of C-Funds fluctuated yearly. For 2022, the County received \$3 million.

Councilor Tzouvelekas stated he wanted an additional \$30 million added to the road fund over the next 2-3 years. He requested an ordinance, not a resolution, to deal with the issue.

Councilor Meadows stated it was important that the proposed be done at the same time as the Woodruff Road Project, given the fact that monies from the Road Maintenance Fees would be used for that project. A three-year period was more palatable and the County would get better rates as the market would be saturated.

Mr. Kernell stated that currently, the County did not have \$30 million for the proposed. The County suffered a \$31 million revenue loss during the past calendar year, due to the pandemic. The American Recovery Funds allowed the County to recover the lost revenue. Out of those funds, \$22 million was General Funds. It would be helpful to structure it over time, possibly 3-4 years. Mr. Kernell stated the American Recovery Funds were to be used to replace lost revenue, it was not "new money."

Councilor Tzouvelekas stated County Council was very creative; they would be able to develop a plan.

Councilor Fant asked if the proposed would be a new bonding issue.

Mr. Kernell stated it would cash, with no tax increases.

Mr. Tollison stated the proposed ordinance could be sent to all Council Members; it would require additional work by staff prior to doing so.

Councilor Tzouvelekas stated he would suggest holding the item until staff could make the necessary changes.

Mr. Kernell stated the current fiscal year was almost halfway over. It may be more appropriate, for example, to allocate \$5 million for FY 2022 and equally divide the balance among the remaining years, as determined by Council.

Chairman Tripp stated he had two (2) concerns about the proposed. The County had lost \$31 million in revenue. He asked which County divisions or agencies would need to be "shored up" or would they be expected to go into disrepair while roads were being paved.

Mr. Kernell stated there had been a fluctuation in the County's Fund Balance; there would be some money left over to go back into Fund Balance. The County had to decrease expenditures when revenues dropped. Greenville County came out "okay in the end." The Federal Government's formula for determining how much money the County would receive from the American Rescue Plan Act did not take expenditures into consideration.

Chairman Tripp stated his other concern was inflation rates related to paving costs. He was not sure that three (3) years was actually long enough.

Ms. Gamble agreed it would help to spread it out over a longer period of time; 3-4 years would be needed to recover.

Chairman Tripp stated he would not want the County to have to continually play "catch up." A total of 5-6 years may be more prudent.

Councilor Fant asked if any of the monies used for paving came out of the General Fund.

Mr. Kernell stated the monies were from the Road Maintenance Fees. None of the operational costs associated with the Roads and Bridges Department came from the fees, as it was a limited fund source.

Chairman Tripp asked Ms. Gamble how her team would optimize the money.

Ms. Gamble stated they would concentrate on intersection improvements, bridges and road widening. Other projects would have to be put on hold.

Chairman Tripp stated he was not in favor of using one-time money for recurring expenses. He asked what would the County do if more than \$30 million was used.

Vice-Chairman Seman stated Council may have to amend the budget ordinance.

Councilor Ballard stated it may be better to prioritize road projects based on need rather than trying to even them out over the districts.

Councilor Tzouvelekas stated he planned to present an ordinance to Council to raise the County's sales tax by 3¢ which would raise \$225 million per year.

Chairman Tripp suggested a Council Workshop to discuss the item. He would like for Ms. Gamble and her team to be included.

Item (6) Adjournment

Action: Vice-Chairman Seman moved to adjourn the meeting.

Motion carried unanimously the meeting adjourned at 5:17 p.m.

Respectfully submitted:

Jessica M. Stone
Deputy Clerk to Council