

Walterboro City Council  
Regular Meeting  
October 25, 2011

**MINUTES**

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, October 25, 2011, at 6:15 P.M., with Mayor Bill Young presiding.

**PRESENT WERE:** Mayor Bill Young, Council Members: Paul Siegel, Dwayne Buckner, Charles Lucas, Randy Peters, Tom Lohr and Bobby Bonds. City Manager Jeff Lord, City Clerk Betty Hudson, and City Attorney George Cone were also present. There were approximately 19 persons present in the audience.

There being a quorum present, Mayor Young called the meeting to order and called on Council Member Lucas for the invocation and Council Member Peters to lead the pledge of allegiance to our flag.

The Mayor announced that we are fortunate to have a lot of good events that are happening in Walterboro this weekend. The Mayor then announced the following upcoming events in Walterboro:

Friday, October 28, there will be the Salkehatchie Stew Mystery Stroll from 6:00 P.M. to 9:30 P.M. downtown.

Saturday, October 29, the Lowcountry International Society and Colleton County Arts Council will present a Foods and Arts Festival in the City Parking lot from 11:00 A.M. to 5:00 P.M. Everyone is invited to attend.

Saturday, October 29 - Public Safety Day, recognizing Fire Prevention Month, hosted by Walmart.

Saturday, October 29 - Walk Through Walterboro and Oyster Roast by the SC Historical Society. The Oyster Roast will be at the Bedon Lucas House.

Sunday, October 30 - Walk Through Walterboro and Tour by the SC Historical Society.

Thursday, November 3, First Night at the New Museum.

Friday, November 4, the Official Ribbon cutting and Grand Opening of the new Museum.

**PUBLIC INPUT ON AGENDA ITEMS:**

1. The Mayor stated that Under **New Business, Item 1, Ordinance # 2011-13**, which has to do with the sale, distribution and possession of Synthetic Marijuana and Bath Salts, had been removed from the agenda because it is now under federal and state control, as of the end of last week.

No further comments were received.

**APPROVAL OF MINUTES:**

The Minutes of the October 11, 2011 Regular Meeting were approved as submitted on the motion of Council Member Lucas, seconded by Council Member Buckner. In discussing the motion, Council Member Siegel mentioned that there was some controversy on the vote regarding the dissemination of the discount drug cards. He said, I think that the newspaper reported that I voted against that proposal, and I think there was some misunderstanding. I intended to vote for the proposal, but I also thought that we had amended our motion. When I read the minutes, I realized that we were going to have the City Manager comply with some of my requests

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regarding dissemination of information. But I did vote in favor of it and I wanted to clarify that.

The motion passed unanimously.

**OLD BUSINESS:**

There was no Old Business before Council.

**NEW BUSINESS:**

1. **Ordinance # 2011-13, An Ordinance to Establish Regulations and Requirements Related to the Sale, Distribution, Possession, or Use of Synthetic Marijuana and Bath Salts within the City of Walterboro**

This item was deleted from the agenda as announced previously by the Mayor.

2. **Consideration of an Agreement between the City of Walterboro and Sonoco Recycling Inc. of Hartsville, South Carolina Whereby the City Sells and Sonoco Agrees to Buy the Entire Accumulation Single Stream Recycled Material Generated by the City of Walterboro and Deliver to Carolina Recycling in Walterboro, South Carolina**

Council Member Peters MOVED to adopt the agreement as submitted. Council Member Lucas seconded the motion. In discussing the motion, Council Member Bonds asked for further clarification of this agenda item.

City Manager Lord announced that City had been pursuing curbside recycling for several years now. The challenge has always been that we provide residential garbage, we pick up curbside, then we take it to the county landfill. We are not being charged an original residential tipping fee, because county residents pay that on their tax bills to the county. The challenge being is that it always cost money to collect and get rid of recyclables. Typically, you don't make any money doing it. So, we have been trying to work with the county to do that with the idea that we would collect the Single Stream Recyclables, take them to the transfer station and then they would distribute to their recycler. We advertised for recyclers to take our single stream, and we received one response from Sonoco. They do have a local subcontractor and the facility is at the airport. This will allow us to pick up single stream recyclables at the curb. It's in a can that will be green in color and the plan is to have a pilot program of 200 cans to be picked up on Wednesdays. Just to see if the program will work, and then hopefully expand it in the future.

Council Member Bonds then stated, so we are just agreeing to sell our recyclables to them at \$15 a ton? He asked if the city is committed to a recycling program and costs? Mayor Young stated that the City budgeted this program in last year's budget. City Manager Lord said that Council did budget for a recycling program as I have described.

On a suggestion by Mayor Young, City Manager Lord announced that the recycling program is voluntary. Mr. Lord then stated, the one thing that surprised us is we didn't expect to get paid for it. In the past it has been a losing game to do recycling. But when it came in at \$15 a ton, we were surprised at that. One thing I was going to recommend is, we have a \$2.00 fee approved in the comprehensive fee schedule, and I was going to recommend that we hold off on that \$2.00 fee. See how we will do with the \$15 a ton, and then evaluate that later.

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The Mayor stated that the \$2.00 fee was a residential fee. He further stated, our problem in the past has been that we just did not have anybody to take the recyclables. Now, not only do we have somebody to take it, but we have a local business person that's operating it.

Council Member Lucas then raised a concern noted in the agreement which says it will run for a period beginning October 1 through June 2016. Then under Item 6, it says it will run through June 30, 2012. He asked, are we going to renew each year?

City Manager Lord pointed out, it also says, "and renews for additional one-year terms until the remaining . . . " It will remain in effect until either party gives notice. It is basically a contract until the end of this fiscal year, with automatic renewals for 4 years, unless we choose to go out for a bid with somebody else, or they decide not to do business with us anymore.

Council Member Buckner then expressed his concern with the payment of \$15 a ton. He said, this is not a whole lot of money at all. I mean, \$15 per ton of recyclables. Is that the best that we could negotiate? I mean, they are going to take that and sell it for 3 or 4 times that much.

City Manager Lord responded, it's generating \$15 more than we expected. Because right now we are taking the same material to the transfer station and just giving it away. So, we are picking up \$15 a ton we didn't have before. Mayor Young added, and we are paying to put it in the ground.

Council Member Buckner then asked, how did Walterboro Recycling get to be the local company that's going to be providing this service? City Manager Lord responded, that's between them and Sonoco. Mr. Buckner then asked, so what is their connection with Sonoco. Mr. Lord responded, they are a subcontractor for Sonoco. They are currently receiving recyclables from other places, processing them at the airport and providing those recyclables to Sonoco.

Council Member Lucas stated, we collect the recyclables and carry it to them and drop it off. The reason recycling is not booming everywhere because it costs money to recycle, so if we can make \$15 a ton, I think we are doing quite well.

City Manager Lord then explained when we looked at this two years ago, we were going to have to take the recyclables to Jasper County, and we were going to pay \$30 a ton to take it there and drop it off. So, we were going to have to pay to do what we are already doing for free. With this, we are actually getting paid to do it and we are not having to take it to Jasper County. So, this makes much more sense then when we looked at it before.

Mayor Young stated, to give you a little more perspective on this. In 1989, Council flew down to a sorting facility in Georgia, one of my first year's on Council, and toured the sorting facility to see how we could get into the recycling business. It's been that long to try to make this happen. So, I feel like we are fortunate that we have somewhere to take these recyclables, because it just not a moneymaking process.

Council Member Siegel then stated, in my opinion, recycling is a real statement by our community to the world that we are moving forward and that we want to have a more wholesome environment for our citizens and for anyone who wants to settle here. I looked into this, and there was some confusion about the identity of the subcontractor. I first thought it was Carolina Textile Recycling. After investigating and

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talking with the owner of that company, it is not. Apparently, it is another local vendor who is a subcontractor. I think this is a good thing, we can get out of it after a year, and we have already funded this for this coming fiscal year. So, really essentially, it should pay for itself and more. And also, as I understand it, we are not initially going to bill the taxpayers \$2.00 a residence to fund this project, and that hopefully it will be self funding, at least until we see where we stand after the first year.

City Manager Lord then said, that's my recommendation, yes.

Mayor Young then said, we have had over the last couple of years, especially with the young adults and their children, a great deal of interest in recycling in our community. So, I am glad staff has been able to make this happen for us.

The motion to approve the agreement between the City of Walterboro and Sonoco as submitted then passed with all members voting in favor.

**3. Funding Recommendations from the Accommodations Tax Advisory Board**

Finance Director Dennis Averkin reported to Council the following funding recommendations from the A-Tax Advisory Board:

<b>Requests for 65% Tourism Fund</b>	<b>Request</b>	<b>Approved</b>
Walterboro Tourism Commission - Walterboro Rocks	\$21,000	\$17,000
S.C. Artisans Center-Antiques, History & Art Festival	\$ 8,500	\$ 7,000
Lowcountry & Resort Island Tourism Commission	\$13,400	\$12,500
Total 65% Requests	<b>\$42,900</b>	<b>\$36,500</b>

Mr. Averkin informed Council if these requests are approved, then the balance of 65% monies would be somewhat lower than the \$15,780 as indicated in his memorandum.

He stated that the Accommodations Committee reviewed those requests and came back to Council with their recommendations. He then gave a brief breakdown of each funding request submitted by the Walterboro Tourism Commission for the Walterboro Rocks Campaign, the SC Artisans Center for the Antiques, History & Arts Festival and the Lowcountry & Resort Island Tourism Commission's request.

Regarding the request submitted by the Walterboro Tourism Commission, Council Member Buckner stated that he had some concern with this request. He said, I see that this committee is made up of the Mayor, the City Manager and an appointee of the Walterboro City Council. He then asked, is the Walterboro Tourism Commission a government agency or a private agency? Mr. Averkin responded, this is a 501c(6) not for profit.

Mr. Buckner then asked, if there were any members of the Walterboro Tourism Commission who also sat on the Accommodations Tax Committee? Mr. Averkin responded, "no."

Council Member Buckner then said, I just wanted to be clear on that, because it seems like this is an extension of the city government, because it has the City Manager, the Mayor and the Tourism Director on the board. So, with all of those individuals being a part of the Walterboro Tourism Commission who actually work for the City of Walterboro, it just seems very strange that we are getting ready to possibly approve \$17,000 back to the government. I've got some concerns with that. I mean if we are supposed to be giving money to private organizations through the

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accommodations tax, but we have the Walterboro Tourism Commission made up of predominantly city employees.

City Manager Lord responded, the last time this A-tax request came before you, the same issue was discussed. Just to remind you how this Tourism Commission came to be. It used to be that this funding would go to a tourism branch underneath the Chamber of Commerce. The Chamber of Commerce divulged that responsibility. They weren't doing it anymore, they did not ask for it, and they did not submit a request. The City formed this nonprofit to be a tourism entity because by state law you had to have a tourism entity to be able to receive this money. That's mainly the 30% money. This is a request for allocation, in addition to the 30% money, for additional advertising for these events that go on in Walterboro. So, the Tourism Commission was set up by the City to make sure that somebody was there. When the Chamber stopped doing it, somebody had to get it by state law. There was nobody else, so the City took proactive action to be ready for that. The City was ready, set up the commission. The commission has the same, almost identical membership as it did under the Chamber. It's just a different actual corporation, which is separate from the Chamber of Commerce, because the Chamber of Commerce did not want to participate in running it any more.

Council Member Buckner then asked, so did we advertise for the membership of the Walterboro Tourism Commission? City Manager Lord responded that it is the same people who go to these meetings as before. Mayor Young added, with the exception that it says, "the Mayor or his designee," and Council Member Lucas is my designee on that commission. I am not serving on it.

City Manager Lord then added, and the purpose of this is the Walterboro Rocks Campaign. It's cooperative. They are working with all these entities - the Artisans Center, the Museum, the Resort Commission, all these other entities that get money from A-Tax for these events. When they schedule any event, we advertise those events and we advertise in the Southern Living magazine and other places to contact us for more information about Walterboro. When they contact us for more information, we've got our visitor's guide, our dining guide, and the Great Swamp guide. This will provide some materials we can send to them and say these are the events going on and this is why you should come visit Walterboro. This is to help fund the advertising for these events through A-Tax.

On the suggestion of the Mayor to explain the makeup of the Tourism Commission, City Manager Lord stated that Commission has other entities. It's come-one, come-all, and there are no restrictions. The museum people show up, Edisto Chamber of Commerce comes, the local Chamber still comes to the meetings, the Artisans Center, Canoe and Kayak, the downtown merchants, the Recreation Center, and Exit 53 merchants. It's a repository for information of these groups to be able to say this is what we've got going on and this is how we can work together. It has about 19 people.

Council Member Buckner then stated, it just seems very strange that this entity is now getting A-Tax dollars. When I look at the majority of the people getting funded, they are a private organization, and this one is quasi private, but it's got more individuals from the City. It seems like we are just giving the money back to the City of Walterboro.

City Manager Lord responded, these are not budgeted items. We did not take the City of Walterboro's budget and then shift it over to this. These are separate functions. The Walterboro Tourism Commission's purpose is to have the members of the commission, which is 19 members, get together, talk about the events that are

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going on, coordinate those events and advertise those events. And the way it's advertised is through this A-tax funding.

Finance Director Averkin then completed the overview of the remaining A-Tax funding requests.

Council Member Buckner then raised a concern with the Lowcountry & Resort Island Tourism Commission's request. He stated, I see their total project cost is \$487,900 and they are saying that our percentage of that is \$13,400. Who are the other persons who pay this? Mr. Averkin responded that this would literally be all the other municipalities which are considered "Lowcountry." So, I'm assuming that can range all the way from Hilton Head up through Georgetown. What they are trying to do is to say that our share would be 6% of the total budget, and they were basing that on A-tax dollars generated, as a whole, because the state does provide an actual breakdown of A-tax monies by area. So, that's how they came up to what our share (\$13,400) would be.

Council Member Buckner then stated, and for that \$13,400, are we getting advertisements on their website site and do we get an ad also? Mr. Averkin responded, absolutely yes, we actually get many pages and a fair amount of detail on literally shops, motels, restaurants, real-estate agencies, etc. They do hand those out at the visitors' centers and hotels.

At this point, Council Member Lucas asked for an opinion from the City Attorney on whether or not he should vote on this matter, since he is a member of the Executive Committee of the Walterboro Tourism Commission. City Attorney Cone responded, you are a member by virtue of the Mayor's position as an ex-officio member. In other words, the Mayor is a member by virtue of his position and he appoints you. Theoretically, you could vote, but I think it would be best to abstain just to prevent anybody from misunderstanding. Council Member Lucas then abstained from voting on this agenda item.

A motion was then made by Council Member Lohr to approve the recommendations for A-tax funding as submitted by the Accommodations Tax Advisory Board. Mayor Young seconded the motion.

In discussing the motion, Council Member Peters asked how much is the total money in the 65% fund? Mr. Averkin responded, when we came before you in June, we had approved \$112,000. So our total budget would be \$146,000. That's what we had to work with, so we have already approved \$105,000 in June and the remaining balance if we were to approve these 3 requests before you tonight, would leave approximately \$15,780 left to allocate by June 30.

Council Member Peters then asked, are we on target as far as how much we anticipated our accommodations tax would be at this time, because I thought we anticipated a little larger amount? Finance Director Averkin stated, we had anticipated \$105,000 to come in this year. Unfortunately, I can't answer that question because the check has not come in.

Council Member Peters then stated, so we are not getting the increase, and we are flat to what we got last year. Mr. Averkin agreed. He pointed out that part of the problem was seasonal, some had to do with gas prices, but we are not any lower than last year. So basically our forecast was flat.

Council Member Peters then asked if there were any other applications that did not get heard? Finance Director Averkin responded, there was one application from

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the Exit 53 Association that was received after the deadline and the committee chose not to consider it. So, that will be incorporated in the February round.

Council Member Peters then stated, now these folks are going to lose their funding and then they are going to lose their board because their application was not heard and it was less than 24 hours when the application was put in here. Here we are trying to create something that's for the better of Walterboro. These are the merchants who really have their businesses out at exits 53 and 57, and they are less than 24 hours late with their application and we don't even hear it? Mr. Averkin responded, the A-tax Committee voted not to hear it.

Council Member Buckner then said, my question is more procedural. I want to ask the City Attorney this question. I understand that Council Member Lucas recused himself from voting as an appointee of the Mayor. My question would be, is it proper for the Mayor to vote on this, since he is on the Executive Committee.

Attorney Cone stated that it was his opinion that neither the Mayor nor Council Member Lucas would have to recuse from voting. No member of the Airport Commission is required to recuse themselves from voting on the Airport Commission matters as far as the city. Because like this committee, the people hold their positions by virtue of their position on City Council, and they are there to represent the city. The Mayor designated Mr. Lucas. Neither one of them would be required to recuse themselves. The Mayor has had no contact or voting in any of the issues going on with the parties requesting funding and his designee. Although I don't believe he is required technically to recuse himself, but just to prevent anybody from misunderstanding the circumstances, I would also advise the Mayor to recuse from voting.

The Mayor then stated, if I thought that I needed to, I would certainly ask you myself and not need another Council Member to ask you.

Council Member Buckner then said, I am going to be voting against this request for several reasons. One, I have already outlined in my concern with the Walterboro Tourism Commission. The second is the Lowcountry Resort Island Tourism getting \$12,500. I think we should have reduced that down and given the SC Artisans Center Antiques Festival a full funding of their request, and also the concerns that Councilman Peters brought out concerning the exit 53 merchants. I think we could have considered their request in this funding cycle. So, because of those issues I just want to go on record voting against the funding requests as presented based on those reasons.

The motion to approve the requests recommended by the Accommodates Tax Advisory Board passed with a vote of 4/2 with Mayor Young and Council Members Siegel, Lohr and Bonds voting in favor, and Council Members Buckner and Peters voting against the motion. Council Member Lucas recused himself from voting due to his membership on the Executive Committee of the Walterboro Tourism Commission

**4. Request by Colleton Co. Veterans Council to Use Downtown Waterfall Plaza on November 11-12, 2011 for Veterans Day Celebration**

A motion was made by Council Lucas to approve the request as submitted. Council Member Peters seconded the motion that passed unanimously.

**COMMITTEE REPORTS:**

There were no Committee Reports given.

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There being no further business to consider, a motion was made by Council Member Lucas to adjourn. Council Member Buckner seconded the motion that passed with all members voting in favor. The Mayor adjourned the meeting at 7:00 P.M. Notice of this meeting was distributed to all local media and posted on the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson  
City Clerk

**APPROVED: November 8, 2011**