

Walterboro City Council
Regular Meeting
June 5, 2018

MINUTES

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, June 5, 2018 at 6:15 P.M. with Mayor Bill Young presiding.

PRESENT WERE: Mayor Bill Young, Council Members: Carl Brown, Judy Bridge, Paul Siegel, Bobby Bonds, James Broderick and Greg Pryor. City Manager Jeff Molinari, Assistant City Manager Hank Amundson, City Clerk Betty Hudson and City Attorney George Cone were also present. Approximately 31 persons were present in the audience.

There being a quorum present, the Mayor called the meeting to order and invited everyone to join in the invocation. The Mayor then gave the invocation and Council Member Bonds led the pledge of allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

There were no public comments made on agenda items.

PUBLIC HEARING:

The Mayor opened a public hearing, duly advertised, to receive public comments on the following proposed ordinances:

1. **Ordinance # 2018-01, An Ordinance Authorizing and Establishing a Program to Grant Special Property Tax Assessments to Certain Rehabilitated Historic Properties; and Other Matters Related Thereto (The Bailey Bill)**

Assistant City Manager Hank Amundson gave a brief overview of this ordinance. He said, the Bailey Bill, as discussed before, is an actual state law that must be enacted by municipalities that allow us as a municipality, and hopefully in coordination with the County, to freeze property tax values for certain historic properties that are renovated according to standards established by the state through our Historic Preservation Commission. So, this is the final reading to establish those processors. One thing that we did was to establish that the properties must be used primarily for commercial use within the historic district.

There were no comments or questions from the public.

2. **Ordinance # 2018-02, An Ordinance to Amend the FY2017-2018 City of Walterboro, South Carolina Budget Ordinance # 2017-04, So As to Provide for Supplemental Appropriation from the City's General Fund Balance in the Amount of \$75,000**

City Manager Molinari reminded Council that the City began renovations to 300 Hampton Street early last year and we have moved into that new facility. This budget amendment is to reflect the \$75,000 that was spent toward those renovations. The total amount was a little over \$100,000. The City had \$25,000 in the budget for the renovations, but we needed to allocate an additional \$75,000 to complete the renovations, and this is to satisfy the auditors.

No questions or comments were made from the public on this ordinance.

3. **Ordinance # 2018-03, An Ordinance Adopting the City General Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto**

City Manager Molinari said, you have in front of you the budget summary. In the general fund for the upcoming fiscal year, we are proposing a total budget in the

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amount of \$11, 202,720, which includes a General Fund budget of 7,075,820 and an Enterprise Budget in the amount of \$4,126,900.

The general fund budget includes no ad valorem property tax increase. The millage rate will remain 86.4 mills. No business license increases. No water or sewer rate increases. We are having to budget for increases in health insurance premiums of 7½%, which will be effective January 1, 2019, an increase in the SC State Retirement contributions and a 1% proposed cost of living adjustment for all City employees.

No public comments or questions were raised on Ordinance # 2018-03, the General Fund Budget.

4. **Ordinance # 2018-04, An Ordinance Adopting the City Enterprise Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto**

City Manager Molinari explained that the Enterprise Fund Budget includes the City's water and sewer operations, as well as our Sanitation Department. The Enterprise Budget is accounted for like a business, as opposed to a governmental entity, where you have revenues and expenditures. In the Enterprise Fund Budget we are proposing a total budget of \$4,126,900. We are proposing a Sanitation rate increase of \$2 for residential customers per billing cycle and 20% for commercial customers per billing cycle. He also noted that there will be additional increases in this budget as reflected in the next public hearing item on The City's Comprehensive Fee Schedule.

No comments or questions were raised from the public on Ordinance # 2018-04, the City's Enterprise Fund Budget.

5. **Ordinance # 2018-05, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for Utility Support Department, and Sanitation Department**

City Manager Molinari reminded Council that in the agenda packet, page 2 of this ordinance, toward the bottom, we are adding three additional fees and a change to one fee. This includes:

- A. The consumer deposit fee for new water accounts is being increased from \$50 to \$100.

The new charges are:

- B. Tampering fee - \$100
- C. Terminate/restore tap fee - \$400 fee for those individuals who go so far as to reconnect water service that has already been disconnected for non-payment.
- D. Missed appointment fee on 2nd visit - \$25
This fee will be charge for anyone who misses an appointment where we have scheduled to come out and restart their water service. This fee will be implemented if they are not present on our second visit.

No public comments or questions were raised on Ordinance # 2018-05.

6. **Ordinance # 2018-06, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for the Judicial Department**

Mr. Molinari explained that this particular ordinance is per the recommendation from the Municipal Association that we do a separate ordinance.

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As you are aware, the City entered into a contract last year to provide indigent defense services, and in order to be able to charge a \$40 indigent defense application fee, we have to pass a stand-alone ordinance to make this happen and to add it to our fee schedule.

No public comments or questions were raised on Ordinance # 2018-06, the fee schedule for the Judicial Department.

Next, City Manager Molinari stated that the City's bond attorney, Margaret Pope, was present at the meeting tonight to give a brief overview of both Ordinances # 2018-07 and #2018-08. At this point, the Mayor indicated that Ms. Pope's would give her presentation on these ordinances later in the meeting.

7. **Ordinance # 2018-07, An Amended and Restated Ordinance Authorizing and Providing for the Issuance of Hospitality and Accommodations Fee Revenue Bonds of the City of Walterboro, South Carolina, and Other Matters Relating Thereto**

No public comments or questions were received from the public.

8. **Ordinance # 2018-08, An Ordinance Providing for the Issuance and Sale of Not Exceeding Two Million Five Hundred Thousand Dollars (\$2,500,000) Hospitality and Accommodations Fee Revenue Bonds, Series 2018 of the City of Walterboro, South Carolina; Providing for the Issuance of Bond Anticipation Notes; and Other Matters Relating Thereto**

Mr. Molinari explained that this ordinance is to provide the funding for the construction of the Discovery Center.

No questions or comments were received on Ordinance # 2018-08.

9. **Ordinance # 2018-09, An Ordinance to Amend the Zoning Map of the City of Walterboro, South Carolina, to Provide for Changes in the Zoning Districts of the City of Walterboro by Changing the Zoning Classification of One Parcel of Land on Carn Street Designated as TMS # 163-11-00-058 from Medium Density Residential (MDR) District to Neighborhood Commercial District (NCD)**

City Manager Molinari asked if there were any questions for Assistant City Manager Hank Amundson on this proposed rezoning. No questions or comments were received on this ordinance.

APPROVAL OF THE MINUTES:

The Minutes of the April 3, 2018 Regular Meeting and the Minutes of the April 9, 2018 Special Called Meeting were approved as submitted on the motion of Council Member Bridge, seconded by Council Member Pryor and passed unanimously.

OLD BUSINESS:

1. **Ordinance # 2018-01, An Ordinance Authorizing and Establishing a Program to Grant Special Property Tax Assessments to Certain Rehabilitated Historic Properties; and Other Matters Related Thereto, **Second Reading and Adoption****

Mayor Young noted that this is the ordinance that was first considered in the public hearing to do with the Bailey Bill.

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A motion giving Second Reading and Adoption to Ordinance # 2018-01, An Ordinance Authorizing and Establishing a Program to Grant Special Property Tax Assessments to Certain Rehabilitated Historic Properties and Other Matters Relating Thereto, was made by Council Member Brown and seconded by Council Member Pryor. All in favor. None opposed. Motion carried.

2. **Ordinance # 2018-02, An Ordinance to Amend the FY2017-2018 City of Walterboro, South Carolina Budget Ordinance # 2017-04, So As to Provide for Supplemental Appropriation from the City's General Fund Balance in the Amount of \$75,000, Second Reading and Adoption**

A motion was made by Council Member Broderick giving Second Reading and Adoption to Ordinance # 2018-02, An Ordinance to Amend the FY 2017-2018 City of Walterboro, South Carolina Budget Ordinance #2017-04, So As to Provide for Supplemental Appropriation from the City's General Fund Balance in the Amount of \$75,000. Council Member Pryor seconded the motion that passed unanimously.

3. **Ordinance # 2018-03, An Ordinance Adopting the City General Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto, Second Reading and Adoption**

Council Member Siegel moved to give Second Reading and Adoption to Ordinance # 2018-03, An ordinance adopting the City's General Fund Budget for Fiscal Year 2018-2019, and matters relating thereto. Council Member Brown seconded the motion. All in favor. None opposed. Motion carried.

4. **Ordinance # 2018-04, An Ordinance Adopting the City Enterprise Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto, Second Reading and Adoption**

A motion was made by Council Member Pryor giving Second Reading and Adoption to Ordinance # 2018-04, adopting the City's Enterprise Fund Budget for Fiscal Year 2018-2019 and matters relating thereto. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

5. **Ordinance # 2018-05, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for Utility Support Department, and Sanitation Department, Second Reading and Adoption**

Council Member Brown made a motion to give Second Reading and Adoption to Ordinance # 2018-05, being: An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for the Utility Support Department and Sanitation Department. Council Member Siegel seconded the motion that passed with all members voting in favor.

6. **Ordinance # 2018-06, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for the Judicial Department, Second Reading and Adoption**

Council Member Siegel moved to give Second Reading and Adoption to Ordinance # 2018-06, An Ordinance of the City of Walterboro, South Carolina, amending the Comprehensive Fee Schedule for the Judicial Department. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

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7. **Ordinance # 2018-07, An Amended and Restated Ordinance Authorizing and Providing for the Issuance of Hospitality and Accommodations Fee Revenue Bonds of the City of Walterboro, South Carolina, and Other Matters Relating Thereto, Second Reading and Adoption**

Council Member Siegel made a motion to give Second Reading and Adoption to Ordinance # 2018-07, An Amended and Restated Ordinance Authorizing and Providing for the Issuance of Hospitality and Accommodations Fee Revenue Bonds of the City of Walterboro, South Carolina, and Other Matters Relating Thereto. Mayor Young seconded the motion. All in favor. None opposed. Motion carried.

8. **Ordinance # 2018-08, An Ordinance Providing for the Issuance and Sale of Not Exceeding Two Million Five Hundred Thousand Dollars (\$2,500,000) Hospitality and Accommodations Fee Revenue Bonds, Series 2018 of the City of Walterboro, South Carolina; Providing for the Issuance of Bond Anticipation Notes; and Other Matters Relating Thereto, Second Reading and Adoption**

A motion was made by Council Member Broderick giving Second Reading and Adoption to Ordinance # 2018-08, An Ordinance Providing for the Issuance and Sale of Not Exceeding Two Million Five Hundred Thousand Dollars (\$2,500,000) Hospitality and Accommodations Fee Revenue Bonds, Series 2018 of the City of Walterboro, South Carolina; Providing for the Issuance of Bond Anticipation Notes and Other Matters Relating Thereto. Council Member Brown seconded the motion that passed with all members voting in favor.

9. **Ordinance # 2018-09, An Ordinance to Amend the Zoning Map of the City of Walterboro, South Carolina, to Provide for Changes in the Zoning Districts of the City of Walterboro by Changing the Zoning Classification of One Parcel of Land on Carn Street Designated as TMS # 163-11-00-058 from Medium Density Residential (MDR) District to Neighborhood Commercial District (NCD), Second Reading and Adoption**

Council Member Brown moved to give Second Reading to Ordinance # 2018-09, being: An Ordinance to Amend the Zoning Map of the City of Walterboro, South Carolina, to Provide for Changes in the Zoning Districts of the City of Walterboro by Changing the Zoning Classification of One Parcel of Land on Carn Street Designated as TMS # 163-11-00-058 from Medium Density Residential (MDR) District to Neighborhood Commercial District (NCD). Council Member Siegel seconded the motion. All in favor. None opposed. Motion carried.

NEW BUSINESS:

1. **Consideration of Bids Received to Replace the Fence at Forest Hills Tennis Center**

City Manager Molinari noted that a memorandum and supporting documentation from Parks Director Adam Davis were contained in the agenda packet. This is a request to replace the chain link fence at the Forest Hills Tennis Center. The Parks Department solicited three bids and only received one bid from Steedley Fence, LLC (Walterboro, SC) in the amount of \$26,734.32. The fiscal year 2017-2018 Parks Department Budget has sufficient capacity to absorb the \$26,734.32 expenditure. City staff recommends Steedley Fence in the amount of \$26,734.32.

A motion was made by Council Member Pryor to accept the bid received to replace the fence at Forest Hills Tennis Center from Steedley Fence, LLC. Council Member Broderick seconded the motion that passed unanimously.

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2. Request to Use the City Parking Lot and the Walterboro Wildlife Sanctuary for 5th Annual Walk and Wag Fundraiser, September 22, 2018 8:00 A.M. to 2:00 P.M. by Friends of Colleton County Animal Shelter

The Mayor reminded everyone that we have to remember now when we talk about the City parking lot, it used to always be the City Parking Lot by the Methodist Church, but now we have two City Parking Lots. So, we are talking now about the Discovery Center Parking Lot.

A motion was made by Council Member Bridge to approve the request to use the Discovery Center's City Parking Lot for the Annual Walk and Wag Fundraiser on September 22. Council Member Broderick seconded the motion that passed with all members voting in favor. Mayor Young then reminded Public Works Director Mike Crosby that the group will need some roll-out trash cans up there the day before the event.

3. Consideration of Cancelling the July 3, 2018 City Council Meeting

There being no objection from Council, the Mayor stated that the July 3 meeting will be held as scheduled.

COMMITTEE REPORTS:

1. City Appearance Board - Council Member Carl Brown.

Council Member Brown noted that the Chairman, Mr. Dana Cheney, who would present this item was not here at the meeting tonight. City Manager Molinari agreed that it would be best to schedule this presentation at the next meeting.

CITY MANAGER'S REPORT:

1. Recognition of Certificate of Awards Received by the City of Walterboro Finance Department and Finance Director, Amy Risher

City Manager Molinari announced that the City received certificates from the Government Finance Officers Association recognizing both the City's Finance Director Amy Risher and her staff. This is the 6th year in a row that the City has received this designation and wanted to recognize Amy and her staff for all of their hard work.

At this point, the Mayor apologized and said that he had just missed Attorney Margaret Pope's explanation of the bond ordinances. He then invited Attorney Margaret Pope to speak on Ordinances # 2018-07 and # 2018-08.

Attorney Margaret Pope said she would be delighted to review the ordinances or explain them or answer any questions you may have.

Ms. Pope then said, one of the ordinances you had a public hearing on and under Old Business that you gave Second and Final Reading to is the amended and restated ordinance # 2018-07. The way I identify it is that it's the bigger one. It is a general ordinance that sets forth the conditions under which the City may issue bonds of this type, describes the pledges used to secure these types of bonds, how you will sell them and all the details that you want to know about issuing the bonds. This is considered your contract with a bond holder.

What are you interested in? You want to know what's pledged. What's pledged under this are your hospitality fees and your accommodation fees. Under your prior similar ordinance, only your hospitality fees were pledged. We were advised that, of

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course, it makes your pledge much stronger to also pledge your accommodation fees. You may only use accommodations and hospitality fees for certain projects and they are all focused on promoting tourism. What makes sense is to put both of them in the pot, whether you use them or not, so that when you do issue bonds, the ratio of the amount of money you have available to pay as opposed to what the actual debt service is, is higher. The higher it is, generally, the lower your interest rate will be. So, it's a way of helping you keep the interest rate as low as you can. So, we combined them. We did that with the approval of BB&T, who holds your 2011 bond issue, and because we changed it, you have to get that bond holder's approval. We have received their consent so that we could go ahead and give Second Reading to this before the presently proposed bond is issued.

Three things that you really need to know about this ordinance, all of which your City Manager is well aware of, are:

- 1) First of all, you promise that you will always keep your hospitality fees in the percentage it is, and your accommodations fees in the percentage it is until the last bond issued under this ordinance is paid. You promise not to repeal either fee during that time. You can always raise them, but under State law you can't, but if the State law is changed, then you could. You can always raise it - it's just that you will not lower it while your bonds are outstanding.
- 2) The second thing is that you promise that you will always maintain the ratio of total collected revenues (both types) that you collect in any fiscal year such that the collected revenues will not be less than 1.2 times the debt service on your bonds. At present, that is not going to be hard.

So, that is generally what you have promised and I think they are pretty understandable and pretty reasonable. If you were a bank lending money, you would want these promises.

You would promise that fees will stay until the bonds are paid, and you would want to be sure that no additional bonds would be issued unless that ratio was met. That's something that you would do anyway probably, because you always want to have a little hold back in the bank in case you need it. That is basically what the longer ordinance provides.

- 3) The second ordinance (# 2018-08) that you adopted is a much shorter ordinance. This is a supplemental or a series ordinance, and you would adopt one of these each time you want to borrow money. It authorizes the City Manager to move forward to issue not exceeding \$2.5 million. I don't know if the exact amount has been determined, but it will not be above that; it's likely to be around \$2 million, and it is for the purposes of paying off the 2011 Bond, to fund some money toward your Discovery Center and pay for the cost of issuance of the bonds. That's really the only three purposes for which it is issued.

Always remember that hospitality and accommodation fees must be deposited in a distinct, separate fund, not mixed up with any other money. It can only be used on tourism-related services. The law now says that if you are in a county that collects less than \$900,000 of these fees each year, which is what this county does, you may use one-half of the amount of money that you get each year to enhance police and fire and other public safety facilities that you have, because we know that with increased tourism, you have to increase service to those facilities.

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So, those are things, you know you'll keep an eye on, and will at some point need to be thinking about what you are going to do with the other money that builds up in that fund, because it can't just be thrown over into the general fund. It can be appropriated into the general fund for those specific reasons; if you need more police because of tourism, if you need more fire protection because of tourism. If it's a public safety factor, you can do that, and we would be glad to work out any wording that you would need or whatever, if you decide that's what you want to do, but only up to one-half of what you collect each year. But you may have something else that you want to build too.

Ms. Pope concluded stating that she has handled numerous public hearings over the years and it is always nice to come to Walterboro. Ms. Pope also added that this is a ten-year bond and that the debt service payments have been calculated at an assumed rate of 4%. It's going to probably be lower than that, but as you know rates have crept up in the last couple of years.

Mayor Young thanked Ms. Pope for coming down to Walterboro and being here with us. He pointed out that the City has a long working relationship with Ms. Pope as our bond attorney.

The Mayor then continued the meeting with the **City Manager's Report:**

At this point, the Mayor told Finance Director Amy Risher that she has done an outstanding job and it is always great when we can watch somebody move up through our system who has been part of the City and move into a director's job, and then especially to do as good a job as you have done. So, thank you so much for all your work.

2. Recognition of Adam Davis, Parks Director

City Manager Molinari announced that Parks Director Adam Davis will be leaving the City for another opportunity and his last day with us will be Friday, June 29, 2018. He said, Adam has done an outstanding job for the City; he's provided the staff support and leadership for the FROGS Committee, which was instrumental in developing the conceptual plans for the Discovery Center. Adams also provides the staff support for the Tree Protection Committee. The Parks Department also is very visible and does a lot around the City. Just to name a few of the areas that they maintain - all the City parks, the interchanges at Exit 53 and 57, the Walterboro Wildlife Sanctuary (which is 600 acres), not to mention the landscaping we have downtown, at City Hall and other City facilities. So, they are involved in a lot and to Adam's credit, he did all of this while sometimes balancing 18 credit hours while he got his Undergraduate Degree and worked on his Master's Degree. He has really been going full speed in the last four years. I hate to lose him, but it's a great opportunity for him and I couldn't be happier for him. So, Adam, thank you.

Parks Director Adam Davis then said that he appreciates all the support from the Mayor and Council over this past four years. He said, I am very thankful for the opportunity. It has been great coming to Walterboro and serving here. I thank Jeff for giving me the opportunity, a young man to come in here. He not only supported me in that role, but also for my professional development. You can't ask for a better boss than him. That just speaks volumes of who he is, and what he's about. I want to also give recognition to all the department managers. The transition coming here four years ago was very easy, because of working with these managers. It's been a blast being here and it is real hard to leave.

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3. Introduction of Christan Spires, New Tourism Director

The City Manager said, it is my pleasure to introduce the City's new Tourism Director, Christan Spires. She comes to the City from the Post and Courier. She has a Bachelor's of Science in Graphic Communications from Clemson. She has also worked for Groupon, and she is very well versed in social media and very technically capable. We are looking forward to her joining our team this coming Monday, June 11, 2018. Please welcome Christan to the City.

Mayor Young told Ms. Spires, we know you are going to do a great job, and everyone on Council is here to help you in any way they can, along with our staff.

Council Member Bridge added, we should also mention that she graduated from Colleton County High School.

EXECUTIVE SESSION:

The Mayor then entertained a motion to enter into an Executive Session.

A motion was made by Council Member Brown to enter an Executive Session, seconded by Council Member Broderick and passed unanimously. The Mayor then announced that the meeting would enter into an Executive Session for:

1. Contractual Matter - Dispatch Services.
2. Adversary Situation - Code Enforcement.
3. Receipt of Legal Advice - Wastewater Treatment Plant Upgrades.
4. Personnel Matters:
 - a. Appointment of Associate Municipal Judge.
 - b. Appointment of City Prosecutor.

The Mayor announced that Council may take action on matters discussed in Executive Session after coming back into Open Session. The meeting then entered into an Executive Session.

At approximately 7:55 P.M., a motion was made by Council Member Bridge to exit Executive Session and return to Open Session. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

The meeting returned to Open Session and a motion was made by Council Member Bridge to make the following appointments:

- Reappoint Deborah Kane O'Quinn as Associate Municipal Judge for a two (2) year term that will run through June 30, 2020.

- Reappoint Maryann Seals as City Prosecutor for a one (1) year term that will run through June 30, 2019.

Council Member Pryor seconded the motion. The motion passed with a vote of 5/0 with Mayor Young, and Council Members Brown, Bridge, Broderick and Pryor voting in favor. Council Members Bonds and Siegel recused themselves from voting since they will practice law before municipal court from time to time.

There being no further business to consider, a motion to adjourn the meeting was made by Council Member Brown, seconded by Council Member Bridge and passed unanimously. The meeting adjourned at 7:55 P.M. Notice of this meeting was

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distributed to all local media and posted on the City's website and the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

APPROVED: July 3, 2018