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City of Walterboro

242 Hampton Street

Walterboro, South Carolina 29488

Mailing Address:

Post Office Box 709

Walterboro, South Carolina 29488-0008

Walterboro City Council

Regular Meeting

January 8, 2019

City Hall

6:15 P.M.

A G E N D A

I. Call to Order:

1. Invocation.
2. Pledge of Allegiance.

II. Public Input on Agenda Items:

III. Public Hearing:

1. Ordinance # 2019-01, An Ordinance Amending the Code of Ordinances of the City of Walterboro, South Carolina, Chapter 8, Article II, Business and Professional Licenses, So As to Clarify and Strengthen Portions Thereof and to Provide for Annual Classification Update.

IV. Approval of the Minutes:

1. Minutes of the November 20, 2018 Rescheduled Regular Meeting (Minutes attached).
2. Minutes of the November 27, 2018 Special Called City Council Meeting (Minutes attached).
3. Minutes of the December 4, 2018 Regular Meeting (Minutes attached).

V. Old Business:

1. Ordinance # 2019-01, An Ordinance Amending the Code of Ordinances of the City of Walterboro, South Carolina, Chapter 8, Article II, Business and Professional Licenses, So As to Clarify and Strengthen Portions Thereof and to Provide for Annual Classification Update, **Second Reading and Adoption** (Ordinance attached).

VI. New Business:

1. Consideration of Rescheduling the February 5, 2019 Regular City Council Meeting to February 12, 2019.
2. Ratification of the Proclamation to Honor the Life and Legacy of Franklin R. Smalls (Proclamation attached).

VII. Committee Reports:

VIII. City Manager's Report:

1. Introduction of New Fire Chief, Paul Seigler.

IX. Executive Session:

1. Contractual Matter: Legal Services.
2. Personnel Matter: Appointment to City Appearance Board.

X. Open Session:

1. Council May Take Action on Matters Discussed in Executive Session.

XI. ADJOURNMENT.

AFFIDAVIT OF PUBLICATION IN

The Press and Standard

1025 Bells Highway | Walterboro, SC 29488

843-549-2586 | walterborolive.com

PERSONALLY appeared before me, Carol Haun, who being duly sworn, says that he is the publisher of The Press and Standard, published on Thursday of each week in Walterboro, County of Colleton, State of South Carolina; that the notice, of which a printed copy is hereby attached, was published in The Press and Standard for **One (1)** issues, and publication commencing on 12/27, 2019 and ending on 12/27, 2019.

SWORN to before me

this 31 day of Dec, 2018
Barbara McCaw (L.S.)

Notary Public for South Carolina

Commission Expires 6-4-22

Carol Haun
Carol Haun



PUBLIC HEARING NOTICE

Walterboro City Council will hold a public hearing on Tuesday, January 8, 2019 at 6:15 P.M. in City Hall Council Chambers to receive public comments on the following proposed ordinance:

Ordinance # 2019-01. An Ordinance Amending the Code of Ordinances of the City of Walterboro, South Carolina, Chapter 8, Article II, Business and Professional Licenses, So As to Clarify and Strengthen Portions Thereof and to Provide for Annual Classification Update.

A copy of the proposed ordinance is available in the City Manager's Office at City Hall, 242 Hampton Street or on the City's website (www.walterborosc.org). Written comments may be mailed to the City Manager, P.O. Box 709, Walterboro, SC 29488 and must be received prior to the public hearing. Please call the City Manager's Office (843-782-1010) for additional information or for disabled persons needing auxiliary aids. Please give at least 24 hours notice if auxiliary aids are required.

Walterboro City Council
Rescheduled Regular Meeting
November 20, 2018

MINUTES

A Rescheduled Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, November 20, 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, City Attorney George Cone along with Attorney Brown McLeod, were also present. There were approximately 17 persons present in the audience.

There being a quorum present, Mayor Young called the meeting to order. He then welcomed everybody to the meeting. He said, as we go into Thanksgiving we have a great deal to be thankful for. We are missing someone tonight who has been coming to Council meetings for many years, Mr. Horace Simmons who passed away and was buried on Saturday. He was probably the most regular attendee at our Council Meetings of any of our citizens. So, we will miss him.

Then the Mayor invited everyone to join in the invocation and the pledge of allegiance to our flag. The Mayor gave the invocation and Council Member Pryor led the pledge of allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

There were no comments or questions on agenda items.

PUBLIC HEARING:

The Mayor then opened a public hearing, duly advertised, to receive public comments on a proposed USDA Rural Development Project to acquire police vehicles, public utility vehicles, City Hall generator and the Citizen Service Center roof replacement:

City Manager Molinari told Council that the City had been successful in the past in securing USDA Rural Development funds for a variety of projects. In fact, a year ago at this time, we conducted a public hearing on five separate applications and all five of those applications were funded, totaling over \$200,000. Before you this evening is a proposal to seek additional grant funds for two new police vehicles, four new trucks for our water and sewer and public works departments, a generator for City Hall and a roof replacement for the Citizens Service Center at 300 Hampton Street. The total amount, if approved by Council, we will be applying for from USDA would be \$137,125. The City match would amount to \$127,775, and I would be happy to answer any questions that City Council or the public may have.

No public comments or questions were raised. The public hearing was closed.

APPROVAL OF THE MINUTES:

The following Meeting Minutes were approved upon motion by Council Member Bridge, seconded by Council Member Broderick and passed unanimously.

1. Minutes of the September 4, 2018 Regular Meeting.
(Approved as presented).
2. Minutes of the October 2, 2018 Regular Meeting.
(Approved as presented).

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3. Minutes of the October 24, 2018 Special Called Meeting.
(Approved as presented).

OLD BUSINESS:

1. **Ordinance # 2018-15, Second Reading**

City Manager Molinari said, before you is a memorandum from the Planning Commission that should say October 31, 2018 and at the October 30 Planning Commission Meeting, the Planning Commission met to make a recommendation on the zoning which is incorporated into the Ordinance of Interstate Interchange Commercial District. This is the parcel right off of Exit 57, at 1897 Bells Highway across the street from Walmart.

A motion was made by Council Member Pryor giving **Second Reading and Adoption to Ordinance # 2018-15**, An Ordinance Pursuant to Title 5, Chapter 3, Section 5-3-150, Subsection 3, of the Code of Laws of South Carolina, 1976, as Amended, to Annex an Area, Known as TMS # 146-00-00-082 into the City of Walterboro, a South Carolina Municipal Corporation. Council Member Siegel seconded the motion that passed unanimously.

2. **Ordinance # 2018-16, Second Reading**

City Manager Molinari told Council that this ordinance has three separate parcels. This is JH Hiers Construction on Green Pond Highway, who has petitioned to join the City of Walterboro. This is similar to the previous annexation. Mr. Molinari stated that the Planning Commission held a public hearing on a recommended zoning for the parcels and recommends the zoning classification of Highway Commercial District which is consistent with the surrounding zoning and is also incorporated into the annexation ordinance.

A motion was made by Council Member Broderick giving **Second Reading and Adoption to Ordinance # 2018-16**, An Ordinance Pursuant to Title 5, Chapter 3, Section 5-3-150, Subsection 3, of the Code of Laws of South Carolina, 1976, as Amended, to Annex an Area, Known as TMS Numbers: 179-00-00-044, 179-00-00-072 & 179-00-00-094 into the City of Walterboro, a South Carolina Municipal Corporation. Council Member Bonds seconded the motion that passed unanimously.

NEW BUSINESS:

1. **Resolution # 2018-R-16, A Resolution Authorizing the City Manager and City Clerk to execute forms pursuant to USDA Rural Development Community Facilities Grant applications in an amount not to exceed \$137,125.00 for the purchase of police vehicles, public utility vehicles, City Hall generator and Citizen Service Center roof replacement for the City of Walterboro**

The City Manager said, I would just ask for your favorable consideration and I would be happy to answer any questions you may have.

A motion was made by Council Member Bonds to adopt Resolution No. 2018-R-16, Authorize the City Manager and City Clerk to Execute forms pursuant to USDA Rural Development Community Facilities Grant applications in an amount not to exceed \$137,125.00 for the purchase of police vehicles, public utility vehicles, City Hall generator and Citizen Service Center roof replacement for the City of Walterboro. Council Member Broderick seconded the motion that passed with all members voting in favor. A copy of said resolution is attached as part of these minutes.

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2. Consideration of Funding Recommendations from the Accommodations Tax Advisory Committee

Next, City Manager Molinari advised Council that a memorandum and supporting documentation were included in the agenda packets from the Accommodations Tax Advisory Committee, which met on October 18th. The Committee recommends the following funding allocations:

<u>Requests for 65% Tourism Fund</u>	<u>Requested</u>	<u>Approved</u>
Colleton Cty Historical & Pres. Soc- Holiday Tour of Homes	\$ 4,495	\$ 3,000
The Colleton Civic Center - "Smoke in the Boro"	\$10,000	\$ 9,500
SC Lowcntry & Resort Island Tour Commission - marketing	\$17,500	\$10,000
Walterboro Criterium - 2019 USA CRITS Championship	<u>\$22,000</u>	<u>\$21,000</u>
Totals	\$53,995	\$ 43,500

Concluding, Mr. Molinari said, should these requests be approved as submitted, the projected remaining balance for the fiscal year will be approximately \$52,231. These remaining funds will be up for consideration at the next scheduled meeting in February.

A motion was made by Council Member Siegel to approve the funding recommendations set forth by our City Manager for Accommodations Tax. Council Member Bridge seconded the motion. All in favor. None opposed. Motion carried.

3. Consideration of an Agreement Between the City of Walterboro and Bethel United Methodist Church for the Use and Maintenance of the City Parking Lot (Hampton Street)

City Manager Molinari pointed out that the lease agreement between the City and Bethel United Methodist Church had lapsed. Staff has been in communication with the church about entering into a new agreement. This is essentially the same agreement that we have been working from. Previously, the only changes that have been made are the names for the church and the term of the agreement. Staff changed the term from 10 years to 20 years. As you are aware, as part of the agreement, the City maintains responsibility for maintenance and liability insurance for the parking lot. The parking lot is used constantly for downtown parking, as well as a venue for downtown events.

At this point, Council Member Bonds, Pryor and Broderick recused themselves from voting on this agenda item since they are members of Bethel United Methodist Church.

A motion was made by Council Member Bridge, seconded by Council Member Brown to approve the agreement between the City of Walterboro and Bethel United Methodist Church for the Use and Maintenance of the City Parking Lot as presented. The motion passed with a vote of 4/0, with Mayor Young, Council Members Brown, Bridge and Siegel voting in favor. Council Members Bonds, Broderick and Pryor recused themselves from voting on this agenda item.

4. Request for Street Closings for Annual Christmas Parade on December 2, 2018 by Christan Spires, Tourism Director

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Tourism Director Christan Spires was present to request street closings for the Annual Christmas Parade on December 2, 2018. Ms. Spires pointed out the route that the parade will take.

A motion was made by Council Member Broderick to approve the request for the street closings for the Annual Christmas Parade on December 2, 2018. Council Member Pryor seconded the motion that passed unanimously.

5. Request to Close E. Washington Street for First Thursday Event of each month in 2019 and December 5, 2018 by Christan Spires, Tourism Director

Christan Spires addressed Council regarding this agenda. She noted that the first event will be on Wednesday, December 5, 2018 due to a scheduling conflict. This is going to be a monthly event, where we encourage our merchants on E. Washington Street to stay open later from 5:30 to 8:30. We encourage our residents and tourists to go downtown, shop, etc. This is just a way to generate funds downtown.

A motion was made by Council Member Brown to grant the request to close E. Washington Street for the First Thursday Event of each month in 2019 and December 5, 2018. Council Member Bonds seconded the motion. All in favor. None opposed. Motion carried.

6. Request for Street Closing for the Martin Luther King, Jr. Day Parade, January 20, 2019

A motion was made by Council Member Bonds to grant the street closings for the Martin Luther King Day Parade on January 20, 2019. Council Member Broderick seconded the motion. The motion then passed with all members voting in favor.

COMMITTEE REPORTS:

There were no Committee Reports.

CITY MANAGER'S REPORT:

Consideration of Acceptance of \$1,000,000 South Carolina Rural Infrastructure Authority Grant to Build a Well on Mable T. Willis Boulevard

City Manager Molinari reported to Council that the City was recently awarded \$1,000,000 from South Carolina Rural Infrastructure Authority to construct a well on Mable T. Willis Boulevard. In order for the City to begin this project, we need to formally accept the funds. The projected total cost of the project is \$1,167,415. The City's match funds will be \$167,415. That match will, depending on the timing of things, either come from reserves of the Water Department or will simply be budgeted for in the 2019-2020 Enterprise Fund Budget.

A motion was made by Council Member Bridge to accept the \$1,000,000 South Carolina Rural Infrastructure Authority Grant to build a well on Mable T. Willis Boulevard. Council Member Pryor seconded the motion that passed unanimously.

Mayor Young said, that's really a good job getting that grant. That's going to help us out a lot.

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**Palmetto Pride Public Art to Prevent Litter Grant Award - Christan Spires,
Tourism Director**

Ms. Christan Spires announced that through the help of a small committee composed of herself, Hank Amundson, Dana Cheney, and Matt Mardell have been working on the Palmetto Pride Public Art to Prevent Litter Project. We submitted a photo from Colleton's History, which is annual calendar that is produced by the Press & Standard. It's a picture of what Main Street looked like quite a few years ago. This will be painted on the side of Margie Bright's building downtown. We submitted that back in October and we were recently selected as one of five throughout the state to have this mural paid for by Palmetto Pride. They will give the artist \$500 and then would also get the community a CPTED class, which is crime prevention through environmental design.

The Mayor and Council members indicated that the Muriel is going to look good.

Mayor Young asked, if this required any action from Council. The City Manager responded that this is just for your information.

EXECUTIVE SESSION:

The Mayor then entertained a motion to enter an Executive Session. Council Member Broderick so moved and Council Member Pryor seconded the motion that passed unanimously. The Mayor announced that the meeting will convene into an Executive Session for:

1. A discussion of Matters Concerning the Provision of Water and/or Sewer Services by the City of Walterboro:
 - a. Mable T. Willis Boulevard Well.
 - b. Project Global.
 - c. I-95 Exit 57 Interchange.
 - d. Wastewater Treatment Plant Expansion.
2. Receipt of Legal Advice - SCE&G and Coastal Electric Franchise Agreements.

The meeting then convened into an Executive Session.

At approximately 7:42 p.m., a motion was made by Council Member Bridge to exit Executive Session and return to Open Session. Council Member Bonds seconded the motion. All in favor. None opposed. Motion carried.

The meeting returned to Open Session with no action taken as a result of the Executive Session.

There being no further business to consider, a motion to adjourn was made by Council Member Bridge, seconded by Council Member Pryor and passed unanimously. The Mayor adjourned the meeting at 7:42 P.M. Notice of this meeting was distributed to all local media, 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

Walterboro City Council
Special Called Meeting
November 27, 2018

MINUTES

Having been duly advertised as required by law, a Special Called Meeting of Walterboro City Council was held at City Hall on Tuesday, November 27, 2018 at 5:00 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, and City Attorney George Cone were also present. City Clerk Betty Hudson was absent.

There being a quorum present, Mayor Young called the meeting to order and entertained a motion to enter into an Executive Session. Council Member Bridge then moved to enter into an Executive Session. Council Member Brown seconded the motion. All in favor. None Opposed. Motion carried. The Mayor then announced that the meeting will enter into an Executive Session to discuss a contractual matter regarding the SCE&G Franchise Agreement.

The meeting then entered into an Executive Session.

At approximately 6:15 P.M., a motion was made by Council Member Pryor 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 no action was taken as a result of the Executive Session.

There being no further business to consider a motion to adjourn was made by Council Member Brown, seconded by Council Member Bonds and passed unanimously. The Mayor adjourned the meeting at 6:15 P.M. Notice of this meeting was distributed to all local media, posted on the City's website, and posted on the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

MINUTES

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, December 4, 2018 at 6:15 P.M. with Mayor Bill Young presiding.

PRESENT WERE: Mayor Bill Young, Council Members: Carl Brown, Paul Siegel, Judy Bridge, Bobby Bonds, James Broderick and Greg Pryor. City Manager Jeff Molinari, City Clerk Betty Hudson and City Attorney George Cone, along with Attorney Brian McLeod were also present. Approximately 13 persons were present in the audience.

There being a quorum present, the Mayor called the meeting to order and invited everyone to join in for the invocation and the Pledge of Allegiance. The Mayor gave the invocation, and Council Member Siegel led the Pledge of Allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

No questions or comments were raised on agenda items.

PRESENTATION:

1. 2017-2018 Comprehensive Annual Financial Report - The Baird Audit Group, LLC - Ms. Brenda Carroll

Ms. Brenda Carroll reported that the City received an "unqualified opinion" on its audit report, which is the best opinion that you can receive. Basically, it says that your financial statements are presented fairly in all material respects, and that the financial position of the governmental activities, your component units and all your major finances were presented fairly.

Ms. Carroll stated, that does not mean that we checked every entry that was made for the whole year, but we do test and no discrepancies were found.

On page 110, is the independent audit report on compliance for each of the major programs. That is basically your single audit report. Again, that's on the federal grants that you receive. Again, you did not have any finding. So, again, it was a clean opinion. No adjustments were required.

During the year, if you look through the statements just briefly, you will see several sections. You will see our audit report and you will see the management report, which is written by your management. It basically describes how your government operates, and what some of the economic forecasts are, and things that are happening in your plans for the future by your organization. That is your statement.

Mr. Carroll stated, as you will see your total net position. The total for your primary government net position was \$27,337,950. You did have an increase of \$1,146,000 for the year, which is good. The unrestricted portion of your net position is -6,618,000. That's caused by having to report the pension and liabilities that you have. That is required by the new standards, and you are required to report that, even though you may never pay it all out, but that is the projection.

You will also see all of your total balances in the report and your restricted cash balance.

Ms. Carroll stated there is a lot of information in this report. She said, I suggest if you have time to read through the report. It gives you a lot of detail about what's happening in the government.

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Ms. Carroll told Council that last year the City had one finding and that finding has now been corrected. So, there was no problem with anything recurring on that.

Ms. Carroll then said, we would like to thank you for having us as your auditor. We enjoyed working with Amy. Amy was great, a lot of help to us. We will be glad to take any questions.

Mayor Young then thanked Ms. Carroll. He said, I spent some time with them too when they were doing the audit and we appreciate the good work you have done, and we appreciate the work that the people on our staff do. We are really fortunate to have them and they do an excellent job.

OLD BUSINESS:

There was no Old Business before Council.

NEW BUSINESS:

1. **Ordinance # 2019-01**, An Ordinance Amending the Code of Ordinances of the City of Walterboro, South Carolina, Chapter 8, Article II, Business and Professional Licenses, So As to Clarify and Strengthen Portions Thereof and to Provide for Annual Classification Update, First Reading

City Manager Molinari stated that the General Assembly has been working with the Municipal Association in streamlining and trying to simplify the Business License process and the Municipal Association has produced a model Business License Ordinance which they recommended that all municipalities in the state adopt. In your agenda packets is the ordinance. Highlighted in red are the changes and I will just walk through a couple of the major changes.

The first and probably the most important change to this document is the definition of gross income, which means "gross receipts or gross revenues." There was a case that made its way all the way to the Supreme Court, which involved the City of Goose Creek, and the way that they defined gross income. Because they did not do it per the recommended ordinance, the plaintiff in the case successfully argued that only the net income from his business could be used in the calculation of the business license. So, this clarifies the definition of gross income, changing it from total income to "gross receipts or gross revenues."

Then if you look at the next page under Section 4, License tax, this changes the period from May 1 to April 30. Then there are a few deletions within the document, but this is the best practice recommended for the Business License Ordinance. I would be happy to answer any questions that City Council may have.

A motion was made by Council Member Broderick, seconded by Council Member Pryor, giving First Reading Approval to Ordinance # 2019-01, An Ordinance Amending the Code of Ordinances of the City of Walterboro, South Carolina, Chapter 8, Article II, Business and Professional Licenses, So As to Clarify and Strengthen Portions Thereof and to Provide for Annual Classification Update.

In discussing the motion, Mayor Young commended that the Municipal Association has been working on standardizing business licenses, and one of the things that have to be done is the dates have to be standardized and people have to be brought into a standard document like this. So, this will be important going forward as they move into technology that will make it easier for businesses to do business, and that's where this is headed.

The motion then passed with all members voting in favor.

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2. **Consideration of Lease Purchase Proposals for 2019 Freightliner Sanitation Truck**

City Manager Molinari recalled that in July 2018, City Council approved the purchase of a new residential sanitation vehicle in the amount of \$239,045. Our Finance Director solicited proposals from several local financial institutions on October 30, 2018 to finance the truck. The City received two proposals, one from South State Bank and one from BB&T. The proposals received were as follows:

Financial Institution	Term	Rate
South State Bank	5 years	3.12% APR
BB&T	5 years	3.28% APR

City staff recommends South State Bank to finance the purchase of the sanitation truck with an interest rate of 3.12%.

A motion was made by Council Member Siegel to approve the lease proposal from South State Bank to finance the 2019 Freightliner Sanitation Truck. Council Member Bridge seconded the motion.

In discussing the motion, Council Member Brown asked, who is that leased by? Is that a bank or what is it? Mr. Molinari responded this is through South State Bank.

No further discussion was held and the motion passed with a vote of 6/0, with Mayor Young and Council Members Bridge, Siegel, Bonds, Broderick and Pryor voting in favor. Council Member Brown recused himself from voting on this item due to a potential conflict of interest.

3. **Resolution # 2018-R-17, Approving the Financing Terms for 2019 Freightliner Sanitation Truck**

The City Manager then said, we just need to adopt a resolution approving the financing terms.

A motion was made by Council Member Pryor to adopt Resolution # 2018-R-17, approving the Financing Terms for the 2019 Freightliner Sanitation Truck. Council Member Broderick seconded the motion.

The motion passed with a vote of 6/0, with Mayor Young and Council Members Bridge, Siegel, Bonds, Broderick and Pryor voting in favor. Council Member Brown recused himself from voting on this item due to a potential conflict of interest.

4. **Consideration of Quotes Received for Workers' Compensation Insurance for Calendar Year 2019**

City Manager Molinari reported that City staff solicited rate quotes for Workers' Compensation coverage for 2019. There are two providers for governmental entities in the state, which are the SC Municipal Insurance Trust, which is an affiliate of the Municipal Association of SC, and the South Carolina State Accident Fund.

The rate quotes received were as follows:

<u>Provider</u>	<u>Price</u>
SCMIT	\$142,840
SC State Accident Fund	\$163,340

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City staff recommends SCMIT as the Workers' Compensation provider for the City of Walterboro in the amount of \$142,840. Mr. Molinari pointed out that by becoming a member of SCMIT, it also allows the City to be eligible for the multi-policy discount, because we are already covered through SMIRF, which is for our property and liability insurance. This will provide an additional savings of \$4,641. In addition, the City would be eligible for matching grants to provide personal protective equipment for Fire and Public Works personnel and bulletproof vests for the Police Department. If approved, the coverage would go into effect on January 1, 2019.

A motion was made by Council Member Broderick to accept the quote for Workers' Compensation coverage for the calendar year 2019 from the South Carolina Municipal Insurance Trust (SCMIT) in the amount of \$142,840. Council Member Bridge seconded the motion that passed unanimously.

5. Consideration of Bids Received to Purchase a Pickup Truck for the Sewer Support Department

At this point, the City Manager said that he had provided a memo and supporting documentation from Public Works Director Michael Crosby. The 2018-2019 Sewer Support Department budget has \$27,200 allocated for the purchase of a new full size pickup truck. The City received quotes from three different vendors as follows:

Rizer Chevrolet (Walterboro, SC)	2019 Chev 1500 Crew Cab	\$27,764.00
Family Chevrolet (St. George, SC)	2019 Chev 1500 Crew Cab	\$28,025.00
Walterboro Motor Sales (Walterboro, SC)	2019 F-150 Crew Cab	\$28,119.00

Mr. Molinari stated that staff recommends acceptance of the low bid from Rizer Chevrolet, Walterboro, SC in the amount of \$27,764. He noted that the \$564 shortfall would be absorbed by the Sewer Support Department.

A motion was made by Council Member Bridge to accept the low bid from Rizer Chevrolet in the amount of \$27,764 for the purchase of a pickup truck for Sewer Support Department. Council Member Broderick seconded the motion that passed with all members voting in favor.

6. Consideration of Request by the Colleton County Veterans Council to Add a Memorial Recognizing Those Who Have Fallen in the Line of Duty in the Global War on Terrorism to the Colleton County Veterans War Memorial

Mr. Bob Tiegs, Treasurer of the Colleton County Veterans Council, addressed Council. He said that I would like to thank the Mayor and the members of City Council for hearing our request this evening. He then briefly read the printout contained in the agenda packet. He stated the following:

In 1989, the City of Walterboro granted permission to a committee of citizens to design, plan and erect the Colleton County Veterans War Memorial inside the Walterboro Plaza on Washington Street. The Veterans Council would like to continue on with the intent of that original proposition that would continue on adding new names that they came across in the years to come, and also continue to honor and recognize the sacrifices that are made by Colletonians. So, what we are looking to do is to add an additional memorial, just like the ones that are already down there, with one being titled "The Global War on Terrorism," and it would pick up from the end of the Vietnam War up until the present date and on into the future.

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Mr. Tiegs pointed out that the new memorial would not be any different from what's already there. We have talked to contractors and they said it's bricked, it would look exactly like the bricks which are already there. Steedley Monument is going to use the same granite that they have there for the slab, and even the font and the lettering are going to be exactly the same size as what's already down there. The only difference, because of the limitations of the size of the wall and what we are doing, is that instead of having two window frames, it's only going to be one window frame. So, it's going to be one window framed up, same size, same bricks and everything. We are going to be using the same procedures that they did when they started this program. They reached out to the citizens of Colleton County to let us know whom they have in their family who has made sacrifices. We don't know everybody. Even though, Janet Smith, our Veterans Service Officer has contact with all those people, she is not allowed to break that confidence, when they come there to talk to her. She can't tell us who has a loved one who has passed on. The families are going to have to reach out to us.

7. Consideration of Fiscal Year 2019-2020 Budget Calendar

Next, City Manager Molinari told Council that this is the same outline that we used last year. Just to highlight a couple of dates, on April 2, 2019 we are proposing the first meeting for the budget committee, whereby budgets would be distributed and a summary of the budget given by City staff. Then, on April 16, 2019, we would conduct a full budget committee meeting where staff would go through and present the entire City budget, and I would be happy to answer any questions. If not, staff asks for your favorable consideration of this proposed calendar.

A motion was made by Council Member Bonds, seconded by Council Member Bridge to approve the budget calendar for the 2019-2020 budget. The motion passed with all members in favor.

8. Notice of 2019 City Council Retreat, Location and Time

Next, the City Manager announced for public notice that the Walterboro City Council will conduct its 2019 Annual City Council Planning Retreat beginning Friday, January 11, 2019 and running through Saturday, January 12, 2019 to be held at the Wampee Conference Center, 1190 Chicora Drive, Pinopolis, SC. No formal action will be taken on any item at the retreat. Any action items will be brought back to a regular City Council meeting for Council's consideration.

9. Consideration of Rescheduling the Christmas Tree Lighting/Parade for Sunday, December 16, 2018. The tree lighting will be at 5:00 p.m. and the parade at 6:00 p.m.

City Manager Molinari stated that due to the inclement weather on Sunday, December 2, we were not able to hold our annual tree lighting and parade. In talking with Christan Spires and looking at the event calendar and communicating with Chief Wade Marvin and the Mayor, we are looking at an alternate date of Sunday, December 16, 2018 to have the tree lighting and the parade. The tree lighting will be at 5:00 p.m. with the parade to follow at 6:00 p.m.

A motion was made by Council Member Pryor to reschedule the Christmas Tree Lighting and Parade to Sunday, December 16th, with the Tree Lighting at 5:00 p.m. and the parade at 6:00 p.m. Council Member Siegel seconded the motion that passed unanimously.

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10. Consideration of Rescheduling the January 1, 2019 City Council Meeting

City Manager Molinari told Council that due to January 1 being a holiday, the proposed change would be to hold the meeting on Tuesday, January 8, 2019. A motion was made by Council Member Bridge to reschedule the January 1, 2019 City Council Meeting to the next week, January 8, 2019. Council Member Siegel seconded the motion. All in favor. None opposed. Motion carried.

COMMITTEE REPORTS:

There were no Committee Reports given.

CITY MANAGER'S REPORT:

1. Consideration of Proposals for Water, Sewer and Sanitation Collection Rate Study

City Manager Molinari told Council that the 2018-2019 Utility Support Department budget allocated \$50,000 for a rate study of the City's water, sewer and sanitation collection operations. In October the City issued a Request for Qualifications from the professional utility business planning firms to lead and facilitate the development of a comprehensive cost of service and rate study to our water, sewer and sanitation collection operations. The four primary components of the study are to review a capital improvement plan, conduct a cost of service study, do a utility rate plan and then make recommendations.

The City received nine (9) statements of qualifications. Of those nine, City staff selected four (4) firms to interview. These were: Stantec, Willdan Financial Services, Thomas & Hutton and Raftgelis. An internal committee consisting of the City Manager, Assistant City Manager, Finance Director, Utilities Director and Director of Public Works conducted the interviews. After the interviews were completed, the committee selected two (2) finalists in which to request a Request for Proposal (RFP). The proposals are as follows:

Firm	Price
Stantec	\$56,645
Willdan Financial Services	\$49,800

City staff recommends awarding the rate study contract to Willdan Financial Services in the amount of \$49,800.

A motion was made by Council Member Bridge to accept the low bid of Willdan Financial Services in the amount of \$49,800 to conduct the water, sewer and sanitation collection rate study. Council Member Broderick seconded the motion. In discussing the motion, Council Member Bridge asked how soon would the rate study be started. Mr. Molinari responded, if approved by Council, we would like to move forward as soon as possible, because I would like to be able to incorporate the recommendations into our budget process.

Council Member Bonds then stated, to my knowledge since I have been on Council, we have never had one of these. So, to that extent, explain to me why we are spending \$50,000 to do this? Why can't we just call and see what other people are charging for their water and kind of fall into the middle, which is what we have done

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in the past. In the past, we have raised water rates saying those people are up here, and we are still at bottom and cheap, so let's put it up some, and we are still below 50 percent. Give me more information on this.

Mr. Molinari then stated that the last rate study that the City did was back in 2007. So, it's been about eleven (11) years. The primary reasoning for it is to make sure that our rates are valid and are covering the cost of providing the service, but also and most importantly is capital planning for the future. We obviously have and are looking at some potential significant investments in our water and sewer operations and having to find a way to pay for those improvements and to be able to incorporate it into our rate structure. Also, we have never to the best of my knowledge conducted a rate study of our sanitation collection operations. We obviously do both residential and commercial sanitation, but it's really for establishing and creating a rate structure that will be able to pay for our capital needs moving forward.

Council Member Bonds then asked, don't some of our grants require us to be able to show that we can cover, is that part of what we are going to be doing? We have to show that we have the ability to service our system to be able to qualify for certain grants? Mr. Molinari responded, that's correct. We have to be able to, what they refer to is a debt service ratio - that we have to be able to meet. So, that's absolutely correct, and as you are aware, we are pursuing a number of different grant opportunities for our water and our sewer system.

Council Member Broderick then asked, would that help us possibly in the future if we need to do any bond issues or anything like that to show. Mr. Molinari responded, certainly.

Mayor Young then said, to get back to Mr. Bond's question, can we not get enough information ourselves without doing a rate study and spending \$50,000? You know this might be needed, but with rate studies, you never have a rate study without rates going up. I mean, it always happens.

Mr. Molinari responded, I think the real value in it, obviously whatever we do from a rate standpoint is ultimately going to have to be approved by City Council, but what they can show are different scenarios as far as if you adjust your rates here, these are the types of projects, these are the types of things that you can accomplish. If you don't, these are things that are going to remain unfunded. The previous rate study that we had done back in 2007 was done by an engineering firm and what we are proposing for this study is a financial planning firm, which would map out a path for us to be able to pay for these capital expenditures moving forward.

Mayor Young, then said, but this would give us some documentation to show that we could pay for a revenue bond if we issued them for the expansion. Mr. Molinari responded, yes.

The motion then passed with all members voting in favor.

2. Consideration of Request by CTS/CHS Alumni Association to Fund a Historical Marker for the USO/Colleton Training School at the Ray T. Johnson Building Located at 229 Gruber Street

The Mayor welcomed Ms. Pat Grant, Colleton County Clerk of Court and Mr. Herman Bright to the meeting.

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City Manager Molinari informed Council that he had attached a memo and supporting documentation from Mr. Herman Bright, interim President of the Colleton Training School/Colleton High School Alumni Association requesting the City to fund a historical marker recognizing the Colleton Training School in the amount of \$2,010. They had spoken to us earlier as we were administering the grant for phase III of the North Lemacks Street project and had hoped to potentially fund a marker if we had any funds left over. Unfortunately, we did not, but we can use the purchase of the marker as part of our required match for the CDBG grant. We also have a little less than \$1,500 in a housing account, which needs to be closed out and this is associated with a CDBG Grant that the City received back in the late 1980s where it was used for housing rehabilitation. The remaining \$512.28 will come from the Parks Department budget. The alumni association has gone through the time and expense of applying to the South Carolina Department of Archives and History with the text for the marker. They have already been approved, and if the City were to fund the marker, they would be able to order it and it would be located in front of the Ray T. Johnson Building on Gruber Street.

A motion was made by Council Member Siegel to approve the request for funding for this historical marker. Council Member Bonds seconded the motion that passed with all members voting in favor.

The Mayor thanked everyone for being here tonight. He then entertained a motion to enter into Executive Session. Council Member Brown so Moved. Council Member Bridge seconded the motion that passed unanimously. The Mayor announced that the meeting will convene into an Executive Session for a personnel matter regarding the Fire Chief search. He then wished everyone a Merry Christmas.

The meeting convened into an Executive Session.

At approximately 7:11 p.m., a motion was made by Council Member Bonds to exit the executive session and return to Open Session. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

There being no further business, a motion to adjourn was made by Council Member Bridge, seconded by Council Member Bonds. All in favor. None opposed. Motion carried. The Mayor adjourned the meeting at 7:11 P.M. Notice of this meeting was 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

ORDINANCE # 2019-01

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF WALTERBORO, SOUTH CAROLINA, CHAPTER 8, ARTICLE II, BUSINESS AND PROFESSIONAL LICENSES, SO AS TO CLARIFY AND STRENGTHEN PORTIONS THEREOF AND TO PROVIDE FOR ANNUAL CLASSIFICATION UPDATE.

WHEREAS, the Municipal Association of South Carolina (MASC) regularly updates the Model Business License Ordinance to incorporate improvements necessitated by changes in the legal and economic application of business license regulations; and,

WHEREAS, it is the interest of the City and the operators of businesses within the City that the business license ordinance be revised and updated to be consistent with the statewide application of business license regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN COUNCIL ASSEMBLED, that all prior business license ordinances are repealed and the attached business license ordinance is adopted and shall continue in effect from year to year as hereafter amended.

This ordinance shall become effective upon adoption.

ADOPTED, this 8th day of January, 2019.

William T. Young, Jr.
Mayor

ATTEST:

Betty J. Hudson
City Clerk

First Reading: December 4, 2018
Public Hearing: January 8, 2018
Second Reading: _____

CITY OF WALTERBORO

BUSINESS LICENSE ORDINANCE

Section 1. License Required.

Every person engaged or intending to engage in any calling, business, occupation or profession, in whole or in part, within the limits of the City of Walterboro South Carolina, is required to pay an annual license tax for the privilege of doing business and obtain a business license as herein provided.

Section 2. Definitions.

The following words, terms and phrases, when used in this ordinance, shall have the meaning ascribed herein:

“Business” means a calling, occupation, profession, or activity engaged in with the object of gain, benefit or advantage, either directly or indirectly.

“Charitable Organization” means an organization that is determined by the Internal Revenue Service to be exempt from Federal income taxes under 26 U.S.C. section 501 (c) (3), (4), (6), (7), (8), (10) or (19).

“Charitable Purpose” means a benevolent, philanthropic, patriotic, or eleemosynary purpose which does not result in personal gain to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization.

“Classification” means that division of businesses by major groups subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by the Council.

“Gross Income” means the gross receipts or gross revenue of a business, received or accrued, for one calendar or fiscal year collected or to be collected from business done within the Municipality, excepting therefrom income earned outside of the Municipality on which a license tax is paid by the business to some other municipality or a county and fully reported to the Municipality. Gross income for agents means gross commissions received or retained, unless otherwise specified. Gross income for insurance companies means gross premiums written. Gross income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds which are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross receipts or gross revenues for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other government agencies.

“License Official” means a person designated to administer this ordinance.

“Licensee” means the business, the person applying for the license on behalf of the business, an agent or legal representative of the business, a person who receives any part of the net profit of the business, or a person who owns or exercises control of the business.

“Municipality” means the City of Walterboro, South Carolina.

“Person” means any individual, firm, partnership, LLP, LLC, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principal.

Section 3. Purpose and Duration.

The business license levied by this ordinance is for the purpose of providing such regulation as may be required for the business subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. Each license shall be issued for one calendar year ending December 31. The provisions of this ordinance and the rates herein shall remain in effect from year to year as amended by the Council.

Section 4. License Tax.

A. The required license tax shall be paid for each business subject hereto according to the applicable rate classification on or before the 30th day of April in each year, except for those businesses in Rate Class 8 for which a different due date is specified.

B. A separate license shall be required for each place of business and for each classification or business conducted at one place. If gross income cannot be separated for classifications at one location, the license tax shall be computed on the combined gross income for the classification requiring the highest rate. A license tax based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a twelve-month projected income based on the monthly average for a business in operation for less than one year. The tax for a new business shall be computed on the estimated probable gross income stated in the license application for the balance of the license year. The initial tax for an annexed business shall be prorated for the number of months remaining in the license year. No refund shall be made for a business that is discontinued.

Section 5. Registration Required.

A. The owner, agent or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year; *provided*, a new business shall be required to have a business license prior to operation within the Municipality. A license for a bar (NAICS 722410) must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

B. Application shall be on a form provided by the License Official which shall contain the Social Security Number and/or the Federal Employer's Identification Number, the business name as reported on the South Carolina income tax return, and all information about the applicant and

the Licensee and the business deemed appropriate to carry out the purpose of this ordinance by the License Official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross income figures.

C. The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported, or estimated for a new business, without any unauthorized deductions, and that all assessments, personal property taxes on business property and other monies due and payable to the Municipality have been paid.

Section 6. Deductions, Exemptions, and Charitable Organizations.

A. No deductions from gross income shall be made except income earned outside of the Municipality on which a license tax is paid by the business to some other municipality or a county and fully reported to the Municipality, taxes collected for a governmental entity, or income which cannot be included for computation of the tax pursuant to State or Federal law. The applicant shall have the burden to establish the right to exempt income by satisfactory records and proof.

B. No person shall be exempt from the requirements of the ordinance by reason of the lack of an established place of business within the Municipality, unless exempted by State or Federal law. The License Official shall determine the appropriate classification for each business in accordance with the latest issue of the North American Industry Classification System (NAICS) for the United States published by the Office of Management and Budget. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by State law, and no person shall be relieved of liability for payment of any other tax or fee by reason of application of this ordinance.

C. A Charitable Organization shall be exempt from the business license tax on its gross income unless it is deemed a business subject to a business license tax on all or part of its gross income as provided in this section. A Charitable Organization or any for-profit affiliate of a Charitable Organization, that reports income from for-profit activities, or unrelated business income, for Federal income tax purposes to the Internal Revenue Service shall be deemed a business subject to a business license tax on the part of its gross income from such for-profit activities or unrelated business income.

A Charitable Organization shall be deemed a business subject to a business license tax on its total gross income if (1) any net proceeds of operation, after necessary expenses of operation, inure to the benefit of any individual or any entity that is not itself a Charitable Organization as defined in this ordinance, or (2) any net proceeds of operation, after necessary expenses of operation, are used for a purpose other than a Charitable Purpose as defined in this ordinance. Excess benefits or compensation in any form beyond fair market value to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Section 7. False Application Unlawful.

It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license, or to give or file, or direct the giving or filing of, any false information with respect to the license or tax required by this ordinance.

Section 8. Display and Transfer.

A. All persons shall display the license issued to them on the original form provided by the License Official in a conspicuous place in the business establishment at the address shown on the license. A transient or non-resident shall carry the license upon his person or in a vehicle used in the business readily available for inspection by any authorized agent of the Municipality.

B. A change of address must be reported to the License Official within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification by the License Official and compliance with zoning and building codes. Failure to obtain the approval of the License Official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Section 9. Administration of Article.

The License Official shall administer the provisions of this article, collect license taxes, issue licenses, make or initiate investigations and audits to insure compliance, initiate denial or suspension and revocation procedures, report violations to the municipal attorney, assist in prosecution of violators, produce forms, make reasonable regulations relating to the administration of this ordinance, and perform such other duties as may be duly assigned.

Section 10. Inspection and Audits.

A. For the purpose of enforcing the provisions of this ordinance, the License Official or other authorized agent of the Municipality is empowered to enter upon the premises of any person subject to this ordinance to make inspections, examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct license tax and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of license tax shall constitute a separate offense.

B. The License Official shall have the authority to make inspections and conduct audits of all businesses within the Municipality to insure compliance with the ordinance. Financial information obtained by inspections and audits shall not be deemed public records, and the License Official shall not release the amount of license taxes paid or the reported gross income of any person by name without written permission of the licensee, except as authorized by this ordinance, State or Federal law, or proper judicial order. Statistics compiled by classifications are public records.

Section 11. Assessments, Payment under Protest, Appeal.

A. If a person fails to obtain a business license or to furnish the information required by this ordinance or the License Official, the License Official shall examine such records of the business or any other available records as may be appropriate, and conduct such investigations and statistical surveys as the License Official may deem appropriate to assess a license tax and penalties as provided herein.

B. A notice of assessment shall be served by certified mail or personal service. An application for adjustment of the assessment may be made to the License Official within five (5) days after the notice is mailed or personally served or the assessment will become final. The License Official shall establish a uniform procedure for hearing an application for adjustment of assessment and issuing a notice of final assessment.

C. A final assessment may be appealed to the Council only by payment in full of the assessment under protest within five (5) days and the filing of written notice of appeal within ten (10) days after payment pursuant to the provisions of this ordinance relating to appeals to Council.

Section 12. Delinquent License Taxes, Partial Payment.

A. For non-payment of all or any part of the correct license tax, the License Official shall levy and collect a late penalty of five (5%) percent of the unpaid tax for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any license tax remains unpaid for sixty (60) days after its due date, the licensee will be deemed to be operating without a license. After July 1, the License Official shall report all unpaids to the Walterboro Police Department for appropriate legal action.

B. Partial payment may be accepted by the License Official to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

Section 13. Notices.

The License Official may, but shall not be required to, mail written notices that license taxes are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the municipality three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Section 14. Denial of License.

The License Official shall deny a license to an applicant when the License Official determines:

A. The application is incomplete, contains a misrepresentation, false or misleading statement, evasion or suppression of a material fact; or

B. The activity for which a license is sought is unlawful or constitutes a public nuisance per se or per accidens; or

C. The applicant, Licensee or prior Licensee or the person in control of the business has been convicted of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude, or an unlawful sale of merchandise or prohibited goods; or

D. The applicant, Licensee or prior Licensee or the person in control of the business has engaged in an unlawful activity or nuisance related to the business or to a similar business in the Municipality or in another jurisdiction; or

E. The applicant, Licensee or prior Licensee or the person in control of the business is delinquent in the payment to the Municipality of any tax or fee; or

F. The license for the business or for a similar business of the Licensee in the Municipality or another jurisdiction has been denied, suspended or revoked in the previous license year.

A decision of the License Official shall be subject to appeal to Council as herein provided. Denial shall be written with reasons stated.

Section 15. Suspension or Revocation of License.

When the License Official determines:

A. A license has been mistakenly or improperly issued or issued contrary to law; or

B. A Licensee has breached any condition upon which the license was issued or has failed to comply with the provisions of this ordinance; or

C. A Licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, evasion or suppression of a material fact in the license application; or

D. A Licensee has been convicted of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude, or an unlawful sale of merchandise or prohibited goods; or

E. A Licensee has engaged in an unlawful activity or nuisance related to the business; or

F. A Licensee is delinquent in the payment to the Municipality of any tax or fee,

the License Official shall give written notice to the Licensee or the person in control of the business within the Municipality by personal service or certified mail that the license is suspended pending a hearing before Council for the purpose of determining whether the license should be revoked.

The notice shall state the time and place at which the hearing is to be held, which shall be at a regular or special Council meeting within thirty (30) days from the date of service of the notice,

unless continued by agreement. The notice shall contain a brief statement of the reasons for suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Section 16. Appeals to Council.

A. Any person aggrieved by a decision, final assessment, proposed revocation, suspension, or a denial of a business license by the License Official may appeal the decision to the Council by written request stating the reasons therefore, filed with the License Official within ten (10) days after service by certified mail or personal service of the notice of decision, final assessment, proposed revocation, suspension or denial.

B. An appeal or a hearing on proposed revocation shall be held by the Council within thirty (30) days after receipt of a request for appeal or service of notice of suspension at a regular or special meeting of which the applicant or licensee has been given written notice, unless continued by agreement. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by Council shall govern the hearing. Council shall by majority vote of members present render a written decision based on findings of fact and application of the standards herein which shall be served upon all parties or their representatives and shall be the final decision of the Municipality.

Section 17. Consent, franchise or license required for use of streets.

A. It shall be unlawful for any person to construct, install, maintain or operate in, on, above or under any street or public place under control of the municipality any line, pipe, cable, pole, structure or facility for utilities, communications, cablevision or other purposes without a consent agreement or franchise agreement issued by the Council by ordinance that prescribes the term, fees and conditions for use.

B. The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by State law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license fees unless specifically provided by the franchise or consent agreement.

Section 18. Confidentiality.

Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for any official or employee to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns. Any license data may be shared with other public officials or employees in the performance of their duties, whether or not those duties relate to enforcement of the license ordinance.

Section 19. Violations.

Any person violating any provision of this ordinance shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties and costs provided for herein.

Section 20. Severability.

A determination that any portion of this ordinance is invalid or unenforceable shall not affect the remaining portions.

Section 21. Classification and Rates.

A. The classifications of businesses included in each rate class are listed with United States North American Industry Classification System (NAICS) codes, by sector, sub-sector, group or industry. The Business License Class Schedule (Appendix B) is a tool for classification and not a limitation on businesses subject to a license tax. The business classification, pursuant to the most recent version of the Business License Class Schedule adopted by the council, most specifically identifying the subject business, shall be applied to the business. The License Official shall have the authority to make the determination of the business classification most specifically applicable to a subject business.

B. The license tax for each class of businesses subject to this ordinance shall be computed in accordance with the Rate Schedule, designated as Appendix A to this ordinance, which may be amended by the Council from time to time and a current copy filed in the office of the municipal clerk.

APPENDIX A

RATE SCHEDULE

RATE CLASS	INCOME: \$0 - \$2,000	INCOME OVER \$2,000
	<u>MINIMUM TAX</u>	<u>Rate per Thousand or fraction thereof</u>
1	\$40.00	\$1.00
2	\$45.00	\$1.15
3	\$50.00	\$1.30
4	\$55.00	\$1.45
5	\$60.00	\$1.60
6	\$65.00	\$1.75
7	\$70.00	\$1.90
8	See Individual Business in Class 8	

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the municipality.

CLASS 8 RATES

Each NAICS Number designates a separate sub-classification. The businesses in this section are treated as separate and individual subclasses due to provisions of State law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates. Non-resident rates do not apply except where indicated.

NAICS 230000 - Contractors, Construction, All Types

- 8** Having permanent place of business within the municipality
Minimum on first \$2,000.....\$50.00 PLUS
Each additional 1,000.....\$1.10
- 9** Not having permanent place of business within the municipality
Minimum on first \$2,000.....\$100.00 PLUS
Each additional \$1,000.....\$2.20
(non-resident double rates do not apply)

A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

The total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a calendar year.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of sub-contractors furnishing labor or materials for each project.

209 NAICS 5171, 5172 - Telephone Companies:

A. Notwithstanding any other provisions of the Business License Ordinance, the business license tax for "retail telecommunications services", as defined in S. C. Code Section 58-9-2200, shall be at the maximum rate authorized by S. C. Code Section 58-9-2220, as it now provides or as provided by amendment. The business license tax year shall begin on January 1 of each year. Declining rates shall not apply.

B. In conformity with S.C. Code Section 58-9-2220, the business license tax for "retail telecommunications services" shall apply to the gross income derived from the sale of retail telecommunications services for the preceding calendar or fiscal year which either originate or terminate in the municipality and which are charged to a service address within the municipality regardless of where these amounts are billed or paid and on which a business license tax has not been paid to another municipality. The measurement of the amounts derived from the retail sale of mobile telecommunications services shall include only revenues from the fixed monthly recurring charge of customers whose service address is within the boundaries of the municipality. For a business in operation for less than one year, the amount of business license tax shall be computed on a twelve-month projected income.

C. The business license tax for "retail telecommunications services" shall be due on January 1 of each year and payable by January 31 of that year, without penalty.

D. The delinquent penalty shall be five percent (5 %) of the tax due for each month, or portion thereof, after the due date until paid.

E. Exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Properly apportioned gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

F. Nothing in this Ordinance shall be interpreted to interfere with continuing obligations of any franchise agreement or contractual agreement in the event that the franchise or contractual agreement should expire after December 31, 2003.

G. All fees collected under such a franchise or contractual agreement expiring after December 31, 2003, shall be in lieu of fees or taxes which might otherwise be authorized by this Ordinance.

H. As authorized by S. C. Code Section 5-7-300, the Agreement with the Municipal Association of South Carolina for collection of current and delinquent license taxes from telecommunications companies pursuant to S. C. Code Section 58-9-2200 shall continue in effect.

- 10 **NAICS 517110 – Television: Cable or Pay**
Services using public streetsSee Franchise
- 11 **NAICS 22112 - Electric Power/Natural Gas Distribution**..... See Franchise
- 12 **NAICS 423930 - Junk or Scrap Dealers** [Non-resident rates apply – rate code 13]
Minimum on first \$2,000\$70.00 PLUS
Per \$1,000, or fraction, over \$2,000 \$1.60
- 14 **NAICS 4411, 4412 - Automotive, Motor Vehicles, Boats, Farm Machinery or Retail**
(except auto supply stores - see 4413)
Minimum on first \$2,000\$100.00 PLUS
\$2,000 - \$300,000\$0.70
Over \$300,000\$0.38

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership. Gross receipts for this classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

- 16 **NAICS 522298 - Pawn Brokers** - All Types
Minimum on first \$2,000 \$70.00 PLUS
Per \$1,000, or fraction, over \$2,000\$1.60

NAICS 454390 - Peddlers, Solicitors, Canvassers, Door-To-Door Sales

direct retail sales of merchandise. Special applications and restrictions apply. See Chapter 8, Article III of the Code of Ordinances.

- 20 **Peddlers** – Ordinance 2009-02.....\$150.00 per 7 day period
or portion thereof the permit period
- 21 **Transient Merchant** – Ordinance 2009-02
Minimum on first \$2,000\$250 PLUS
Per \$1,000, or fraction, over \$2,000.....\$3.10

Applicant for a license to sell on private property must provide written authorization from the properly owner to use the intended location.

NAICS 5241 - Insurance Companies:

Except as to fire insurance, "gross premiums" means gross premiums written for policies for property or a risk located within the municipality. In addition, "gross premiums" shall include premiums written for policies that are sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by (1) the insurance company's office located in the municipality, (2) the insurance company's employee conducting business within the municipality, or (3) the office of the insurance company's licensed or appointed producer (agent) conducting business within the municipality, regardless of where the property or risk is located, provided no tax has been paid to another municipality in which the property or risk is located based on the same premium.

Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute conducting business within the municipality, regardless of whether or not an office is maintained in the municipality.

As to fire insurance, "gross premiums" means gross premiums (1) collected in the municipality, and/or (2) realized from risks located within the limits of the municipality.

Gross premiums shall include all business conducted in the prior calendar year.

Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums or deposit.

Declining rates shall not apply.

NAICS 52411 - Life, Health and Accident 0.75% of Gross Premiums

NAICS 524126 - Fire and Casualty (Licensed in SC) 2% of Gross Premiums

NAICS 524127 - Title Insurance 2% of Gross Premiums

Notwithstanding any other provisions of this ordinance, license taxes for insurance companies shall be payable on or before May 31 in each year without penalty. The penalty for delinquent payments shall be 5% of the tax due per month, or portion thereof, after the due date until paid.

Any exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

Pursuant to S.C. Code Ann. §§ 38-45-10 and 38-45-60, the Municipal Association of South Carolina, by agreement with the municipality, is designated the municipal agent for purposes of administration of the municipal broker's premium tax. The agreement with the Association for administration and collection of current and delinquent license taxes from insurance companies as authorized by S.C. Code § 5-7-300.

[The South Carolina General Assembly, in order to ensure consistency with the federal Non-admitted and Reinsurance Reform Act of 2010 ("NRRA"), ratified an act (Rat# 283) on June 28, 2012, amending S.C. Code §§ 38-7-16 and 38-45-10 through 38-45-195. The act establishes a blended broker's premium tax rate of 6 percent comprised of a 4 percent state broker's premium tax and a 2 percent municipal broker's premium tax. The act states a municipality may not impose on brokers of non-admitted insurance in South Carolina an additional license fee or tax based upon a percentage of premiums.]

NAICS 713120 - Amusement Machines, coin operated (except gambling) -

Music machines, juke boxes, kiddy rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(1) and (A)(2) – [Type I and Type II]

25	<u>Operator of machine</u>	\$12.50/machine PLUS
		\$12.50 business license
	for operation of all machines (not on gross income).[§12-21-2746]	
208	<u>Distributor selling or leasing machines</u> (not licensed by the State as an operator pursuant to §12-21-2728) - [Nonresident rates apply.] Minimum on first \$2,000	\$50.00
	PLUS	
	Per \$1,000 or fraction over \$2,000	\$1.20

NAICS 713290 - Amusement Machines, coin operated, non-payout

Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) [Type III]

26	<u>NAICS 713290 - Bingo halls, parlors –</u>	
	Minimum on first \$2,000	\$50.00 PLUS
	Per \$1,000, or fraction, over \$2,000	\$1.30
23	<u>NAICS 711190 - Carnivals and Circuses -</u>	
	Minimum on first \$2,000	\$200.00 PLUS
	Per \$1,000, or fraction, over \$2,000	\$1.60
15	<u>NAICS 722410 - Drinking Places, bars, lounges, cabarets (Alcoholic beverages consumed on premises)</u>	
	Minimum on first \$2,000	\$200.00 PLUS
	Per \$1,000, or fraction, over \$2,000	\$1.60

License must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

22 **NAICS 713990 - Billiard or Pool Rooms**, all types\$5.00 stamp/table PLUS
Minimum on first \$2,000\$50.00 PLUS
Per \$1,000, or fraction, over 2000.....\$1.20

17 **NAICS 45421 - Vending Machines and all other coin-operated Automatic**

Merchandising Machines [Non-resident rates apply - #197]

(Not included in Business Gross Income):

First \$2,000.....\$50.00
Over \$2,000.....\$1.20

NAICS 48531 – Taxicabs – Special application and restrictions apply.
See Chapter 36 of the Code of Ordinances.

Public Service Commission certificates A and B are exempt from business license. License required for holders of certificate E and F if the business is located within city limits. Holders of certificate C are required to obtain a license once the application, inspection and insurance is approved by the Walterboro Police Department.

Appendix B

Business License Class Schedule by NAICS Code

This appendix will be updated annually based on the latest available IRS statistics. The updated Business License Class Schedule may be accessed at:

<http://www.masc.sc/sitecollectiondocuments/finance/bl-appxB.pdf>

**A PROCLAMATION
TO HONOR THE LIFE AND LEGACY OF FRANKLIN R. SMALLS
WALTERBORO, SOUTH CAROLINA**

WHEREAS, *Franklin R. Smalls* was born in Colleton County in 1934, and lived his entire adult life in Walterboro; and

WHEREAS, *Mr. Smalls* dedicated his life to a career in education with the Colleton County School District, where he served as Teacher, Principal; Baseball, Basketball, and Football Coach; Athletics Director, Building and Grounds Director, and Recruiter for Adult Education; and

WHEREAS in 1970, *Mr. Smalls* was instrumental in providing leadership for the smooth and orderly desegregation of Colleton County schools; and

WHEREAS, *Franklin R. Smalls*' accomplishments and awards in the community and state included Teacher of the Year, Basketball Coach of the Year, Kappa Alpha Psi Man of the Year, and the 2002 Chamber of Commerce Award for Outstanding Contribution in the Field of Education; and

WHEREAS, *Franklin R. Smalls* service to Walterboro and to South Carolina included Chair of the South Carolina Middle School Association, Member and Chair of the Colleton County Recreation Commission, Chair of the Colleton County Grievance Committee, Chair of the Hiram E. Mann Chapter of Tuskegee Airmen, Inc., Past Polemarch of Kappa Alpha Psi Fraternity, Inc., Advisor to the Kappa League of Young Men, Vice Chair of the Colleton Training School/Colleton High School Alumni Association, Inc., Lay Leader and Administrative Board Chairman at Wesley Grove United Methodist Church; and

WHEREAS, *Mr. Smalls* was a 33^o Mason and Past Master of Sunlight Lodge #221, Past Commander-in-Chief of Martin Luther King Consistory #349, Honorary Past Potentate of the Walterboro Shrine Club of Arabian Temple # 139; and

WHEREAS, *Franklin R. Smalls* was elected and served on Walterboro City Council for 22 years and additionally had responsibilities as Mayor Pro-Tem, as a member of the Walterboro Colleton County Airport Commission, the City Finance and Budget Committee and the North Lemacks Street Revitalization Committee; and

WHEREAS, *Franklin* was devoted to Lula, his wife of 56 years, to his twin sons, David and Gregory, to his daughter Sonte and adored his grandchildren, Imani, Karrington, and Kinsley; and

WHEREAS, *Franklin* provided assistance and aid to a number of extended family members in their time of need; and

WHEREAS, the Mayor and the City Council of the City of Walterboro appreciate the dedication, effort, and service that *Franklin R. Smalls* provided in improving the quality of life for the citizens of Walterboro and Colleton County; and

WHEREAS, the City of Walterboro desires to formally acknowledge its heartfelt appreciation to *Franklin R. Smalls* for his service to this community; and

NOW THEREFORE, be it proclaimed on this 15th day of December that the City of Walterboro publicly recognizes *Franklin R. Smalls* for his lifelong service to this community.

BE IT FURTHER RESOLVED that this tribute be incorporated into and forever be a part of the official record of the City of Walterboro, and that a copy of the same together with an expression of our heartfelt sympathy be presented to the family.

AND, LET US ALL BE REMINDED OF THESE WORDS From the Gospel of Matthew:
Well done, thou good and faithful servant.

Proclaimed this 15th day of December, 2018.

William T. Young, Jr., Mayor

ATTEST:

Betty J. Hudson, City Clerk