

PUBLIC NOTICE

Walterboro City Council

The August 4, 2020 Public Hearing and Regular City Council Meeting will be held at 6:00 P.M. Due to the COVID-19 public health crisis, and to prevent the gathering of more than three (3) persons in which social distancing measures cannot be reliably observed, this meeting will be held via publicly accessible virtual video conferencing. The agenda is attached.

Telephone: 843-549-2545

Fax: 843-549-9795

TTY Relay: 1-800-735-2905

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

AUGUST 4, 2020

6:00 P.M.

Via Telephone/Video Conference

Phone Call-in Number: 1 312 626 6799

Webinar/Meeting ID: 987 7130 3093

Link to View Video:

<https://zoom.us/j/98771303093>

A G E N D A

I. Call to Order:

1. Invocation.
2. Pledge of Allegiance.

II. Public Input on Agenda Items:

Comments on agenda items must be submitted via e-mail to jmolinari@walterborosc.org or by mail to Jeff Molinari, City Manager, City of Walterboro, P.O. Box 709, Walterboro, SC 29488. Comments will be distributed to the Mayor and City Council but will not be read during the meeting.

III. Public Hearing:

1. **Ordinance # 2020-07**, 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 Two Full Parcels and One Partial Parcel of Land Fronting Meadow Street, Between State and Trinity Streets, Designated as TMS#s 163-03-00-05, 163-03-00-014, and 163-03-00-007 From Medium Density Residential (MDR) to Highway Commercial District (HCD).

IV. Approval of the Minutes:

1. Minutes of the June 2, 2020 Regular Meeting Via Telephone/Video Conference Zoom (Minutes attached).
2. Minutes of the June 23, 2020 Special Meeting Via Telephone/Video Conference Zoom (Minutes attached).
3. Minutes of the June 29, 2020 Emergency Joint Meeting with Colleton County Council Via Telephone/Video Conference Zoom (Minutes attached).
4. Minutes of the July 7, 2020 Regular Meeting Via Telephone/Video Conference Zoom (Minutes attached).

2019 Minutes:

5. Minutes of the April 16, 2019 Special Called Meeting (Minutes attached).
6. Minutes of the April 30, 2019 Budget Work Session (Minutes attached).

V. Old Business:

1. **Ordinance # 2020-07**, 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 Two Full Parcels and One Partial Parcel of Land Fronting Meadow Street, Between State and Trinity Streets, Designated as TMS#s 163-03-00-05, 163-03-00-014, and 163-03-00-007 From Medium Density Residential (MDR) to Highway Commercial District (HCD), **Second Reading and Adoption** (Ordinance and map attached).
2. **Resolution No. 2020-05 (Revised)**, Authorizing the City Manager to Submit a Community Development Block Grant (CDBG) Infrastructure Application for the Black Street I/I Project in the Amount of \$1,348,760, Commit \$134,876 (10%) in Local Match Funds and \$18,613 in Additional Funds to meet the Budget Needs of the Project (Resolution attached).
3. Consideration of Request by Carol Black to Waive or Reduce the Variance Application Fee of \$100.00.

VI. New Business:

1. **Ordinance # 2020-08**, An Ordinance To Amend Ordinance # 2020-04, So As to Set the Local Option Sales Tax Credit Factor in the Fiscal Year 2020-2021 Budget, **First Reading** (Ordinance attached).

VII. Committee Reports:

VIII. City Manager's Report:

IX. Executive Session:

1. Contractual Matter - Survey, Design, Engineering, and Construction Observation Services for Expansion of Wastewater Treatment Plant.

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 7/16, 2020 and ending on 7/16, 2020.

SWORN to before me

this 20 day of July, 2020
Karen McCull (L.S.)

Notary Public for South Carolina

Commission Expires 6-4-22

Carol Haun
Carol Haun



PUBLIC HEARING NOTICE

Walterboro City Council will meet on Tuesday, August 4, 2020 at 6:00 P.M. This will be a phone/video conference virtual meeting using Zoom. The meeting ID and link to view the meeting will be displayed on the City's website at www.walterborosc.org.

At this meeting, Council will hold a Virtual Public Hearing to receive public comments on proposed **Ordinance # 2020-07**, 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 Two Full Parcels and One Partial Parcel of Land Fronting Meadow Street, Between State and Trinity Streets, Designated as TMS#s 163-03-00-005, 163-03-00-014, and 163-03-00-007 from Medium Density Residential (MDR) to Highway Commercial District (HCD).

For more information or to receive a copy of the proposed ordinance, please contact the City Manager's Office at 242 Hampton Street (or call 843-782-1010). You can provide your written comments to bhudson@walterborosc.org or by mail to Betty Hudson, City Clerk, City of Walterboro, P.O. Box 709, Walterboro, SC 29488. Your comments will be distributed to Council prior to the start of the meeting. For disabled persons needing assistance, please call 843-782-1010.

MINUTES

A Phone/Video Conference Virtual Meeting using Zoom was held by Walterboro City Council on Tuesday, June 2, 2020 at 6:00 P.M., with Mayor Bill Young presiding.

PRESENT WERE: Mayor Bill Young, presiding from Council Chambers at City Hall. Joined in the meeting were Council Members: Carl Brown, Judy Bridge, Paul Siegel, James Broderick, Greg Pryor, and Ladson Fishburne. City Manager Jeff Molinari, Assistant City Manager Hank Amundson, City Attorney George Cone and Ms. Carol Black (citizen), were also joined in the meeting. Also, viewing the meeting were: City Clerk Betty Hudson, Parks Director Ryan McLeod and Attorney Brown McLeod.

CALL TO ORDER:

With all Council Members present, the Mayor called the meeting to order, and invited everyone to join in as he gave the invocation. Council Member Brown led the pledge of allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

At this point, the Mayor stated that no public input on agenda items had been received. He then proceeded to the next agenda item.

PUBLIC HEARING:

1. **Ordinance # 2020-03, An Ordinance to Amend the Code of Ordinances of the City of Walterboro, Chapter 6, Buildings and Building Regulations, Article I, Section 6-1, Codes Adopted, Enforcing Officials, So as to Update References to the Building Code Editions**

The Mayor opened the public hearing, duly advertised, and recognized City Manager Molinari for remarks.

Mr. Molinari stated that at the March City Council Meeting, City Council gave first reading to an Ordinance to update the building codes. The South Carolina Building Codes Council has approved and adopted new codes, and all cities and counties in the state are required to adopt the most recent versions of the building codes, residential code, fire code, plumbing code, mechanical code, etc.

Mr. Molinari then said, I will be happy to answer any questions Council may have.

The Mayor then asked if there were any public comments on Ordinance # 2020-03. No public comments were given. Mr. Molinari also affirmed that staff had not received any public comments on this ordinance, and the public hearing was closed.

PRESENTATION:

1. **Carol Black - Setback Requirements for Accessory Buildings**

Next, Ms. Carol Black addressed Council. She asked if everyone had received a copy of the one page attachment she sent to Jeff. Council affirmed that they had received the attachment. She then gave the following highlights of the letter she provided for Council's review:

- Ms. Black said, the basic thing, I am just trying to build a small storage building behind the house I brought at 406 Church Street. It's just a 50

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by 150-square foot lot, and the 5-foot setback required for an accessory building will require me to bring the building out a pretty good bit into my yard.

- My property backs-up to both David Harris' garage and to the carriage house that was formally Harry's and George Cone's parents house - the yellow house that faces Wichman Street.
- I don't have a problem with trying to get a variance, but I think that the \$100 fee seems to me to be erroneous for what I am trying to get done. There is no sliding scale for this type of project. The City is trying to get the approval for a setback variance for my small storage shed.
- So, I am asking Council to waive the fee or drastically reduce it. As you can see, I have gone through all the code, and I am not going to bore you with going through that again. But you have the right to set the fee, and so I am just asking you to waive it or drastically reduce it.
- I don't have a problem with going through the process. I think ultimately, down the road, I would like Council to look at minor issues like this which could actually fall under the per view of the Administrator's approval and also exempt it out of Historic Preservation Commission approval. This is minor work rather than major work. I don't think that was probably the intention for new construction to cover such a small project. But, if it does, I would like for that to be considered down the road, to allow someone to opt out of the actual full Historic Preservation Commission approval, and instead just have the Administrator to approve, which I think usually Mr. Amundson has approved.

Mayor Young then said, we will take that under advisement and see what we can legally do and what we can't legally do, and we will let you know.

Ms. Black agreed and asked if anyone had any questions. No questions were received from Council. Attorney Cone then added, I will say to Carol, that Council has asked me to look into it and I am doing so, and we will report back to them so that they can make a final determination on what they want to do.

APPROVAL OF THE MINUTES:

A motion was made by Council Member Pryor to approve as submitted the Minutes of the May 5, 2020 Regular Meeting Via Telephone/Video Conference Zoom. Council Member Bridge seconded the motion that passed with all members voting in favor.

OLD BUSINESS:

1. **Ordinance # 2020-03, An Ordinance to Amend the Code of Ordinances of the City of Walterboro, Chapter 6, Buildings and Building Regulations, Article I, Section 6-1, Codes Adopted, Enforcing Officials, So As to Update References to the Building Code Editions, Second Reading and Adoption**

A motion was made by Council Member Broderick giving Second Reading and Adoption to Ordinance # 2020-03, An Ordinance to Amend the Code of Ordinances of the City of Walterboro, Chapter 6, Buildings and Building Regulations, Article I, Section 6-1, Codes Adopted, Enforcing Officials, So As to Update References to the Building Code Editions. Council Member Pryor seconded the motion. All in favor. None opposed. Motion carried.

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NEW BUSINESS:

1. **Ordinance # 2020-04, An Ordinance to Adopt the City of Walterboro, South Carolina General Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto, First Reading**

City Manager Molinari stated that this has been an especially challenging budget year. The COVID-19 pandemic has resulted in a lot of uncertainty with our revenue streams, especially those that are most impacted by the condition of the economy - business license, local option sales tax, accommodations tax, and hospitality tax. Municipalities in South Carolina are required to adopt a budget every year, so what we have done is essentially carried over a status quo budget from the current 2019-2020 budget that will take us into the new fiscal year. And what I am envisioning is probably in mid-August, the Budget Committee will reconvene, and once we have a bit more history and some more reliable revenue data, we can make more accurate revenue projections. Based on that information, I'll look at amending the budget sometime in the fall, probably in September. But we have to adopt a budget, and this will keep us running, keep us operational into the new fiscal year. It's very bare bone. This only covers our basic operations. There are no capital expenditures in there, but we will go through all of that in detail when we look at amending the budget in a couple of months.

A motion was then made by Council Member Bridge (Budget Chairperson) giving First Reading Approval to Ordinance # 2020-04, An Ordinance to Adopt the City of Walterboro, South Carolina General Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto. Council Member Pryor seconded the motion that passed unanimously.

2. **Ordinance # 2020-05, An Ordinance to Adopt the City of Walterboro, South Carolina Enterprise Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto, First Reading**

The Mayor asked City Manager Molinari if he had any comments regarding this budget.

City Manager Molinari said, again with the COVID-19 pandemic, we could see an impact on the City's collection rate for water, sewer and garbage service. Again, this is a very bare bone status quo budget that will keep us operational past July 1st. There are no capital expenditures, and again, we will go into all of the details in the Enterprise Fund Budget in a couple of months.

A motion was made by Council Member Bridge giving First Reading Approval to Ordinance # 2020-05, An Ordinance to Adopt the City of Walterboro, South Carolina Enterprise Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto. Council Member Brown seconded the motion. All in favor. None opposed. Motion carried.

3. **Resolution No. 2020-05, Authorizing the City Manager to Submit a Community Development Block Grant (CDBG) Infrastructure Application for the Black Street I/I Project in the Amount of \$1,352,803, Commit \$135,280 (10%) in Local Match Funds and \$15,031 in Additional Funds to meet the Budget Needs of the Project**

City Manager Molinari told Council that earlier this year based on the goals and objectives that City Council put forth from its Strategic Planning Retreat, Council identified a list of priorities for CDBG applications, and infrastructure was one of those priorities.

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I am very happy to report that when we apply for infrastructure projects, the cap is typically \$750,000, but for this particular project, the Black Street Sewer Substation 12 Rehab Project, we requested from the State Department of Commerce a waiver to be able to apply for the full amount of the project, which is \$1,352,000, which they granted to the City.

So, in order for the City to apply for the project, City Council has to pass a resolution. Also, we are going to conduct a virtual public hearing next Monday, June 8, with the assistance of the Lowcountry Council of Governments.

This project includes the Black Street area and would benefit approximately 450 people and would include over 15,000 linear feet of cured in-place piping, raising a manhole, point repair of sections of line in over 13 areas, open cut pipe bursting, as well as televising and cleaning of lines.

The proposed resolution before Council tonight represents the City's commitment to the project. I would recommend approval and as you are aware, CDBG does not pay for design and engineering costs and that typically represents the City's match, but if we are funded from CDBG, we will include those expenditures in the Enterprise Fund Budget when we take a look at it in a couple of months. I will be happy to answer any questions.

A motion was made by Council Member Brown to adopt Resolution # 2020-05, Authorizing the City Manager to Submit a Community Development Block Grant (CDBG) Infrastructure Application for the Black Street I/I Project in the Amount of \$1,352,803, Commit \$135,280 (10%) in Local Match Funds and \$15,031 in Additional Funds to meet the Budget Needs of the Project. 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.

4. **Consideration of Extending the City Manager's Contract through June 6, 2023**

The Mayor stated that Council had received information on this agenda item and had a chance to review it. This is a personnel issue here, so at this time, it would be appropriate for us to have a motion to approve.

Council Member Brown made a motion to approve the City Manager's contract as presented to Council. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

The Mayor congratulated the City Manager and said, I hope you will be with us for a lot longer than just three more years.

5. **Board and Commission Reappointments**

At this point, the Mayor asked the City Manager to read out the names of those Board and Commission Members whose terms were up for reappointment and had asked to remain on their respective board or commission. After the names were read by the City Manager, a motion was made by Council Member Siegel to accept the applicants for all the positions that the City Manager just listed. Council Member Pryor seconded the motion that passed with all members voting in favor. The reappointments were as follows:

Building Board

James Beach was reappointed for a 4-year term expiring January 1, 2024.

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Joe Webster was reappointed for a 4-year term expiring January 1, 2024.

Board of Zoning Appeals

Y.S. "Bud" Linder was reappointed for a 3-year term expiring January 1, 2023.

Historic Preservation Commission

Sherry Cawley was reappointed for a 2-year term expiring January 1, 2022.

Lucille Powers was reappointed for a 2-year term expiring January 1, 2022.

Municipal Planning Commission

Earle E. Jackson was reappointed for a 4-year term expiring January 1, 2024.

Municipal Election Commission

Monroe Rhodes, Jr. was reappointed for a 6-year term expiring January 1, 2026.

Tree Protection Committee

Calvin Bailey was reappointed for a 2-year term expiring January 1, 2022.

Mitzi Carter was reappointed for a 2-year term expiring January 1, 2022.

Sue Tilden was reappointed for a 2-year term expiring January 1, 2022.

6. **Reappointment of Associate Municipal Judge and City Prosecutor**

City Manager Molinari informed Council that the term for Associate Municipal Judge Deborah Kane O'Quinn will expire on June 30, 2020, and that Judge Kane O'Quinn would like to continue to serve as Associate Municipal Judge. If appointed, her term would run for two years and would expire on June 30, 2022.

Mr. Molinari also stated that the term for City Prosecutor Mary Ann Blake will also expire on June 30, and that Ms. Blake would also like to continue to serve as City Prosecutor, and if reappointed her term will run for one year and will expire on June 30, 2021. Staff asks for Council's favorable consideration of these reappointments.

At this point, Council Member Siegel recused himself from voting on the Municipal Judge and City Prosecutor positions, since he does practice law in city court.

A motion was made by Council Member Bridge to reappoint the Associate Municipal Judge Deborah Kane O-Quinn and Prosecutor Mary Ann Blake for the terms as described. Council Member Broderick seconded the motion. All in favor, except Council Member Siegel recused himself from voting on this item. None opposed. Motion carried. (As described, Associate Judge O'Quinn's term will be a two-year term expiring on June 30, 2022, and City Prosecutor Blake's term will be a one year term expiring on June 30, 2021).

7. **Request to Use Walterboro Wildlife Center Parking Lot and Building for the 7th Annual Walk & Wag Fundraiser on September 19, 2020, 8:00 A.M. to 2:00 P.M. by the Friends of Colleton County Animal Shelter**

A motion was made by Council Member Fishburne to approve the request to use the Walterboro Wildlife Center Parking Lot and Building for the 7th Annual Walk & Wag Fundraiser on September 19, 2020 from 8:00 A.M. to 2:00 P.M. by the Friends of Colleton County Animal Shelter. Council Member Brown seconded the motion. All in favor. None opposed. Motion carried.

COMMITTEE REPORTS:

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There were no Committee Reports given.

CITY MANAGER'S REPORT:

1. Recognition of Certificate of Achievement for Excellence in Financial Reporting Received by the City of Walterboro

City Manager Molinari stated that he was pleased to report that the City and our Finance Department were awarded the Certificate of Achievement for Excellence in Financial Reporting from GFOA, Government Finance Officers Association, for the eighth consecutive year. This is a testament to the excellent work that Amy Risher and her staff do in the Finance Department, and I would like to recognize her for this distinction.

The Mayor thanked the City Manager and said, how many years in a row is that? Mr. Molinari responded, 8 years, and the Mayor responded, that's quite an accomplishment. The Council Members congratulated Mr. Molinari and Ms. Amy Risher and staff.

2. Award of RIA Emergency Grant in the Amount of \$483,450 to Upgrade the Country Club Lift Station, Birch Street Lift Station and Foxcroft Lift Station

City Manager Molinari stated that he was pleased to report that the City was awarded from the South Carolina Rural Infrastructure Authority an emergency grant in the amount of \$483,450 for three pump station upgrades. I would like to recognize our Utilities Director, Wayne Crosby, and Michelle Knight with the Lowcountry Council of Governments and our engineer, Hybrid Engineering, for putting this application together in such short order. We were made aware at the end of April that there would be some emergency funding available as a result of the April 13 tornado, and those three people did an outstanding job putting everything together in a short time period, and we are very pleased to be the recipient of that grant award. We have been talking internally about these projects for a number of years and we are very happy that there is a funding source available to where we can move forward with those critical upgrades.

Councilman Brown reminded to thank Wayne Crosby for the good job. The Mayor and other Council Members also agreed that this was a great job.

3. Consideration of Hybrid Engineering Task Order #6 (Lift Station Upgrade Project

The City Manager noted that this item was related to the grant award just announced. He said, we need to begin work on this project (upgrade three pump stations) as soon as possible. We have already begun filling out the required paperwork from SCRIA. We need to complete this project in twelve months, so as a result, IRA only covers the construction cost. The design and engineering are the responsibility of the City. We are looking at rehabilitating three sewer liftstations - the Country Club Lift Station, the Birch Street Lift Station and the Foxcroft Lift Station. This project will replace inefficient pumps, pumping and electrical control panels, as well as provide permanent generators for each lift station. I attached a memo and supporting document from our Utilities Director, Wayne Crosby, for Hybrid Engineering to perform the survey, design and engineering for the project in the amount of \$58,616. Mr. Molinari also stated that the design and engineering fee can be absorbed by the net position in the Enterprise Fund, and staff requests Council's favorable consideration of this request.

A motion was made by Council Member Brown to approve \$58,616 to be awarded to Hybrid Engineering for Task Order # 6. Council Member Bridge seconded the motion. All in favor. None opposed. Motion carried.

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4. Request to Paint Pickleball Courts at Forest Hills Tennis Center

City Manager Molinari stated that he and Parks Director Ryan McLeod had been working on this project for the last couple of months. I have been educating myself on the sport of pickleball, and it's one of the fastest growing sport in the country, and can be co-located on tennis courts. What we are proposing is to paint two pickleball courts on court #6 at the Forest Hills Tennis Center. To that end, our Parks Director, Ryan McLeod, solicited bids from three local surface installers and received two bids as follows:

Carolina Sport Surfaces Inc.	\$350.00 each
Howard B. Jones & Son, Inc.	\$550.00 each

The total cost should not exceed \$1,200. Stripping the two courts would cost \$350.00 each and then we would need to purchase two pickleball nets and a container to store the nets, and that should not exceed \$1,200. Mr. Molinari stated that the Parks Department has sufficient capacity in their 2019-2020 budget to absorb this cost. We ask for Council's favorable consideration of this request.

Council Member Pryor then made a motion to approve the request to paint pickleball courts at Forest Hills Tennis Courts Center in the amount of approximately \$1,200. Council Member Fishburne seconded the motion. In discussing the motion, Mayor Young stated that he had talked with Mr. William Snead, of the local tennis association, sometime back, and he said they had no objection to us doing that. Council Member Pryor then said, Mr. Doug Bullock made this request on behalf of all of the folks there who use the Forest Hills Tennis Courts, and he said it's really a great sport for the older folks. He has made his request a couple of times, and it will be great if we could approve it. No further discussion was held and the motion passed with all members voting in favor.

There being no further business to consider, a motion to adjourn the meeting was made by Council Member Brown and seconded by Council Member Broderick. Before adjourning the meeting the Mayor announced that we are sad to hear of the death of Tom McDaniels, who has been a member of our Board of Zoning Appeals for many years. We are sad to lose him and our condolence to his family.

The motion then passed unanimously. The meeting adjourned at 6:34 P.M. The notice of this meeting, call-in phone number, webinar I.D. and link to view the video were distributed with the agenda packets, to all local media, posted on the City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

Walterboro City Council
Virtual Special Meeting (Using Zoom)
June 23, 2020

MINUTES

A Phone/Video Conference Virtual Special Meeting using Zoom was held by Walterboro City Council on Tuesday, June 23, 2020 at 6:00 P.M., with Mayor Bill Young presiding.

PRESENT WERE: Joined in the meeting were: Mayor Bill Young, presiding, Council Members: Carl Brown, Judy Bridge, Paul Siegel, James Broderick, and Ladson Fishburne. Council Member Greg Pryor was absent. City Manager Jeff Molinari, City Attorney George Cone and Utilities Director Wayne Crosby were also joined in the meeting. Viewing the meeting were: City Clerk Betty Hudson, Parks Director Ryan McLeod and Attorney Brown McLeod.

CALL TO ORDER:

There being a quorum, Mayor Young called the meeting to order, and announced that this is a Special Call Meeting for June 23, 2020 by Video Conference, and except for the City Manager, we are all coming to this meeting from other places. It was noted that the City Manager was located at City Hall.

The Mayor then invited everyone to join in for the invocation and the Pledge of Allegiance to our flag. Mayor Young gave the invocation and Council Member Bridge led the pledge of allegiance to the flag.

REMARKS BY THE MAYOR:

The Mayor then made the following remarks for the record:

- 1) I know we don't have a lot of people viewing this meeting, but I want to say this for the record. For those of you who are watching, if you have been watching the news lately, you know that South Carolina has been experiencing a rapid spread of COVID-19, averaging over 1,000 new cases a day over the last week.
- 2) I want to emphasize to the public how important it is to wear a mask when you go out in public. If everyone would wear a mask when they are going to be in contact with others, it would go a long way for slowing the spread of the virus and hastening the day when we can get back to normal. In establishments where employees wear a mask, customers are more comfortable and feel safe to do business there.
- 3) We all have an individual responsibility to keep each other safe, and even if you don't feel the risk is great, you should still wear a mask to protect your parents and grandparents, your children and grandchildren, your friends and neighbors and those you don't even know because protecting them protects you also.
- 4) Wearing a mask is such a small inconvenience for such an important outcome, so I have asked everyone to please do this, so that we can begin to get rid of this virus and get back to normal.

PUBLIC INPUT ON AGENDA ITEMS:

Responding to a question by the Mayor, the City Manager affirmed that no public comments had been received on any agenda items.

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PUBLIC HEARING:

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

1. **ORDINANCE # 2020-04**, An Ordinance to Adopt the City of Walterboro, South Carolina General Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto.

and

2. **ORDINANCE # 2020-05**, An Ordinance to Adopt the City of Walterboro, South Carolina Enterprise Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto.

Briefing Council on these agenda items, City Manager Molinari gave the following comments:

- 1) As you are aware, this has been an interesting and challenging budget cycle and as a result, we thought that the most prudent course of action would be to take our current 2019-2020 budget and continue that into our new fiscal year.
- 2) In South Carolina municipalities are required to pass a budget, so essentially what we have done, is to take our current budget and carry that over to the new fiscal year, and in the coming months, we will revisit the budget and take a harder look at capital expenditures and also hope to have some more accurate revenue projections. We will also plan on having a budget amendment later in the year.
- 3) The proposed total budget for the General Fund will be \$6,990,003, and it will maintain the current millage rate of 86.4 mills (Ordinance # 2020-04).
- 4) Regarding the Enterprise Fund Budget, the same exact principles are at work here. We are going to be looking for a potential impact in our collection rate for water, sewer and sanitation service. The budget for our Enterprise Fund will keep us operational into the new fiscal year. We are projecting revenues of \$3,738,387, and again we will take a hard look and again revisit the Enterprise Fund Budget in a couple of months (Ordinance # 2020-05).

No further comments or questions were received and the public hearing was closed.

OLD BUSINESS:

1. **Ordinance # 2020-04, An Ordinance to Adopt the City of Walterboro, South Carolina General Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto, Second Reading and Adoption**

A motion was made by Council Member Siegel giving Second Reading and Adoption to Ordinance # 2020-04, An Ordinance to Adopt the City of Walterboro, South Carolina General Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto. Council Member Broderick seconded the Motion. The motion passed with all members voting in favor, except Council Member Pryor was absent and did not vote.

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2. **Ordinance # 2020-05, An Ordinance to Adopt the City of Walterboro, South Carolina Enterprise Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto, Second Reading and Adoption**

A motion was made by Council Member Brown giving Second Reading and Adoption to Ordinance # 2020-05, An Ordinance to Adopt the City of Walterboro, South Carolina Enterprise Fund Budget for Fiscal Year 2020-2021, and Matters Related Thereto. Council Member Fishburne seconded the motion. The motion passed with all members voting in favor, except Council Member Pryor was absent and did not vote.

NEW BUSINESS:

There was no New Business before Council.

COMMITTEE REPORTS:

There were no Committee Reports given.

CITY MANAGER'S REPORT:

1. **Consideration of Bids Received to Make Repairs to the City Shop and Related Facilities at 2106 Robertson Boulevard**

City Manager Molinari said, as you are aware, we had a number of damages from the April 13, 2020, tornado at the City Shop. A number of our facilities were damaged. Our Utilities Director, Wayne Crosby, solicited bids to make those repairs, and received responses from five (5) contractors. The bids received were as follows:

<u>Contractor</u>	<u>Base Bid</u>
Brunson Construction (Hampton, SC)	\$339,716.00
Patterson Construction, Inc. (Beaufort, SC)	\$274,646.00
IP Builders (Walterboro, SC)	\$269,191.00
Dach Enterprises (Hanahan, SC)	\$227,500.00
RG Murray, LLC (Summerville, SC)	\$176,983.00

Mr. Molinari stated that RG Murray, LLC (Summerville, SC) is the low bidder. RG Murray is also proposing to do three (3) additional items as alternates - replacement of the bathroom fixtures, addition of 4" roof insulation at the office building, and installation of a personnel door instead of an overhead door for a total cost of \$188,183.00. The entire cost will be covered by our insurance provider, the South Carolina Municipal Insurance Reserve Fund (SCMIRF).

Mr. Molinari pointed out that city staff has communicated with three (3) of the references provided by RG Murray and has received positive responses. RG Murray has provided documentation of insurance and their general contractor's license is in good standing with LLR. Staff recommends awarding the contract to RG Murray in the amount of \$188,183.00, and Utilities Director Wayne Crosby has been overseeing this project, and if you have any technical questions about the project, he will be able to answer those.

Council Member Brown then asked Mr. Crosby, is this a bonded job? Are they required to have a performance and payment bond? Mr. Crosby responded, no, we did not ask for that on this job. Councilman Brown then asked the City Manager, is this a time to make a suggestion or wait until we get into the discussion? Mayor Young believed it would be best to wait until the motion. The Mayor then asked the City Manager, so the bid was \$176,983.00, but we are awarding the amount of \$188,183.00? Utilities Director Wayne Crosby said, there were some suggestions made that were really oversights when we put the scope of work together. For

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example, the bathroom fixtures, I think they were \$6,500.00, in the allowance that was offered by RG Murray. The bathroom fixtures have been there since the building was built and it was not really a consideration when we were deciding to rehab the building after the tornado. But we certainly think it's a good idea going to the expense of putting in a new roof, and several of the plumbing fixtures had to be replaced anyway. It is a good idea. It was an oversight on our behalf. A couple of items did make sense - adding roof insulation whereas it has never been there. We accepted some of the alternate items that they offered and others we rejected, and that's where we came to the total of \$188,183.00.

Mayor Young then asked, have they agreed with the \$188,183.00 amount? Mr. Crosby responded, they have.

Council Member Brown then questioned Utilities Director Wayne Crosby on how he came up with the total figure of \$11,200 for the additional work proposed by RG Murray.

Mr. Crosby noted that this figure includes the addition of the bathroom fixtures, the roof insulation and they offered a stick built a wood frame personnel door, but we specified a block wall and door. Mr. Brown noted that his total would be \$10,300. He asked the City Manager to verify this total.

Mr. Molinari stated it is a little bit confusing, but you would take \$900 + \$2,800 + \$6,500 = \$10,200 and then add that additional \$1,000, it would equal \$11,200.

Next, regarding the performance bond, Council Member Brown said, I have worked with every one of these guys and know all of them personally, except RG Murray - I have never heard of them, not saying they are not a good company. I looked at their proposal and they have given all of the right licenses and LLR numbers, etc., but it would be my suggestion that we get a performance and payment bond from this contractor, which should cost us extra money. That's just my advice.

City Manager Molinari responded, I don't have a problem with that. Mr. Brown added, but I don't know if they can be bonded. Some contractors can be bonded and some can't.

Mr. Young then said, I guess we can have a motion that they are granted the contract contingent upon them being able to be bonded, but if we do that does City Council want to go to the next highest bidder if we do that, or will we come back to Council for another special meeting to award the contract. Jeff, do you have any idea or does anybody know whether they can be bonded or not?

Council Member Brown then asked the City Attorney a question. He asked, if it wasn't in the advertisement for bids that they had to be bonded, can you ask them to be bonded after they have provided a low bid? City Attorney Cone responded, well if we tell them we will accept their bid on condition that they have a performance and payment bond like you suggested, then it would be up to them. Mr. Brown said, well, it wasn't in the bid documents at the beginning of the project, was it Wayne? Mr. Crosby noted that the requirement was not in the bid documents.

Council Member Brown then stated, if that (performance and payment bond) requirement was not in the bid documents, then I don't know if you can legally hold them to it.

Mayor Young then said, if we are going to pay for it, then it doesn't really affect them. Attorney Cone asked if SCMIRF would reimburse the City for the bond and the

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contract. City Manager Molinari responded that staff would have to check with SCMIRF on this tomorrow morning. Council Member Broderick noted that RG Murray's bid was so much lower than the other bids, even if more money is included for the performance bond.

Council Member Broderick then asked the following questions:

- (1) He asked Wayne Crosby whether the City has ever use RG Murray before as a contractor for the City of Walterboro? Mr. Crosby responded, no. As a matter of fact, we have never heard of them. They provided six or seven references and we reach out to all of them on the list. Most were no responsive, but the three that were responsive have had buildings 30,000 sq. foot or larger and all were very positive.
- 2) On the references, Council Member Broderick asked if any of the references were from other municipalities. Mr. Crosby responded that there were no other municipalities that we were aware of. They were all private.

The Mayor then said, well, I would suggest that someone make the motion to accept their bid from RG Murray for \$188,183 contingent upon them acquiring a performance bond. Council Member Brown asked the City Manager if he was okay with that. Mr. Molinari responded affirmatively.

Council Member Siegel then asked, are you suggesting that they pay for the bond and we don't pay for the bond? Council Member Brown responded that the City cannot pay for the bond, they (RG Murray) would pay for the bond and then charge it to the City.

Mayor Young then asked if the motion would need to include increasing the amount of the award so that it would include the cost of the performance bond. City Manager Molinari suggested that the motion should say approval contingent upon a performance bond. Council Member Brown felt that the motion should also say, "contingent upon a performance bond that has been negotiated by the City Manager." Council Member Bridge then asked if Council could vote on this item in two weeks when we meet again and study this a little bit closer. She said, if we accept a bid, then doesn't that end the process with the other bidders?

The Mayor responded, I guess this depends on how urgent the building is over there. I know contractors hate to get put off after they have gone through the bid process, but it happens. Council Member Brown responded, two weeks is not out of the ordinary. He asked Wayne when was the project put out for bid? Mr. Crosby said it has been at least two weeks. Mr. Brown stated that the normal holding time is 30 days, but I would be fine with the City Manager negotiating a bond, given that it's not outrageous.

A motion was then made by Council Member Brown to accept the bid of RG Murray in the amount of \$188,183 plus allowing the City Manager to negotiate a performance and payment bond acceptable to him. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried. Council Member Pryor was absent and did not vote on the motion.

There being no further business to consider, a motion to adjourn the meeting was made by Council Member Broderick, seconded by Council Member Bridge. Council Member Pryor was absent and did not vote. The motion passed with all members voting in favor. The meeting adjourned at 6:42 P.M. The notice of this meeting, call-in phone number, webinar I.D. and link to view the video were distributed with the

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

Respectfully,

Betty J. Hudson
City Clerk

Walterboro City Council
Virtual Joint Meeting with County Council
(Using Zoom)
June 29, 2020

MINUTES

A Phone/Video Conference Emergency Joint Meeting using Zoom was held by Walterboro City Council and Colleton County Council on Monday, June 29, 2020. The purpose of the meeting was to consider an emergency ordinance requiring that face coverings or masks be worn in public in Walterboro and Colleton County during the Covid-19 Public Health Emergency, effective Wednesday, July 1, 2020 at 6:00 A.M.

There being a quorum present, the meeting was called to order at 12:10 P.M. by Mayor Bill Young and County Council Chairman Steve Murdaugh, presiding jointly for the meeting.

Joined in the meeting were:

City Council Members: Mayor Bill Young, City Council Members Judy Bridge, James Broderick, Greg Pryor, and Ladson Fishburne. (Council Members Carl Brown and Paul Siegel were absent).

Colleton County Council Members: Chairman Steven Murdaugh, Dr. Joseph F. Flowers, Gene Whetsell, Art Williams, and Phillip M. Taylor, Sr.

Others joined in meeting were: City Manager Jeff Molinari, Assistant City Manager Hank Amundson, County Administrator Kevin Griffin, City Attorney George Cone, Attorney Brown McLeod, County Attorney Sean Thornton, and Sheriff Charles Ghent.

Viewing the meeting were: City Clerk Betty Hudson, Deborah D. Rodriguez, representatives from two television stations and approximately 25 persons.

The Mayor announced that Council Members Brown and Siegel were unable to attend the meeting.

NEW BUSINESS:

1. **Ordinance # 2020-06, An Emergency Ordinance Requiring That Face Coverings or Masks Be Worn in Public in the City of Walterboro During the COVID-19 Public Health Emergency and Recovery (Action by City Council)**

Mayor Young then made a motion to adopt Ordinance # 2020-06, An Emergency Ordinance Requiring that Face Coverings or Masks Be Worn in Public in the City of Walterboro During the COVID-19 Public Health Emergency and Recovery. Council Member Broderick seconded the motion. During the discussion of the motion, the Mayor gave a brief summary of the proposed ordinance as follows:

1. This ordinance is due to the increasing numbers of Covid cases in our state and county and with all the information available to us, it is necessary and appropriate for us to present this ordinance for adoption.
2. The City takes these steps In order to protect preserve and promote the general health, safety, and welfare and the peace and order of the city of Walterboro. This is an emergency ordinance requiring that face masks or coverings be worn in public in the City of Walterboro during the Covid -19 Public health Emergency. City governments are empowered by state law to enact such ordinances.

I'll attempt to summarize the ordinance for the purpose of this meeting but the ordinance in its entirety will be available on the city web site after adoption.

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3. The ordinance requires that face masks or coverings be worn in all public places and public buildings.
4. The ordinance requires all persons entering a commercial establishment in the city, to wear a face covering while inside the establishment.
5. All restaurants, retail stores, salons, barber shops, and pharmacies in the city must require their employees to wear a face covering at all times while having face to face interaction with the public.
6. A person who fails to comply with the face mask ordinance will be guilty of a civil infraction punishable by a fine of not more than \$25.
7. Persons in positions of authority for commercial enterprises who violate this ordinance will be guilty of a civil infraction punishable by a fine of not more than \$100.00. Each day of continuing violation will be considered a separate and distinct offense.
8. Repeated violations by a person who owns, manages, operates or otherwise controls a business may, subject to this ordinance, and subject to all procedural protections set forth in the city code, result in the suspension of an occupancy permit or business license where the repeated violations occurred.
9. Every effort will, however, be made to bring the business into voluntary compliance prior to the issuance of any citation.

Face Coverings are **not** required in the following circumstances:

1. In personal vehicles, when a person is alone in enclosed spaces.
2. During outdoor physical activity provided the active person maintains a minimum of six feet from other people at all times, when a person is alone or only with other household members.
3. While actively eating, drinking, or smoking.
4. The ordinance will go into effect at 6:00 a.m. On Wednesday, July 1st and will end 61 days after it goes into effect in accordance with state law.

Mayor Young then asked if there was more discussion. No further discussion was held by City Council. The motion to approve Ordinance # 2020-06 then passed with a vote of 5/0 by Walterboro City Council, with Mayor Young, Council Members Broderick, Bridge, Pryor and Fishburne voting in favor. None opposed. Motion carried. Council Members Brown and Siegel were absent and did not vote. (Note: Only First Reading of an Emergency Ordinance is required).

2. **Ordinance # 20-O-05, An Emergency Ordinance Requiring that Face Coverings or Masks be Worn in Public in the City of Walterboro and the Unincorporated Areas of Colleton County During the COVID-19 Public Health Emergency and Recovery (Action by County Council)**

County Council Chairman Steven Murdaugh then said, for the County, we have a similar Emergency Ordinance. He then read the title of Ordinance # 20-O-05: An Emergency Ordinance Requiring that Face Coverings or Masks be Worn in Public in the

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City of Walterboro and the Unincorporated Areas of Colleton County During the COVID-19 Public Health Emergency and Recovery.

Chairman Murdaugh stated that the ordinance is very similar to the one just outlined by the Mayor, with the exception that you would insert the word "County" in the areas where the word "City" is listed. So, I will not go back through this in detail, he said. The ordinances are very identical. Chairman Murdaugh then entertained a motion for adoption of Ordinance # 20-O-05.

A motion was made by County Councilman Taylor to adopt Ordinance # 20-O-05, and seconded by County Council Member Whetsell. With no further discussion, Chairman Murdaugh called for a voice vote. The motion passed unanimously with a vote of 5/0 as follows: Vice Chairman Taylor (Yes); Councilman Flowers (Yes); Councilman Whetsell (Yes); Councilman Williams (Yes); and Chairman Murdaugh (Yes). None opposed. (Note: Only First Reading of an Emergency Ordinance is required).

A copy of the City of Walterboro's Emergency Ordinance # 2020-06 and the Colleton County Emergency Ordinance # 20-O-05 are attached in its entirety as part of these minutes.

There being no further business, a motion to adjourn the meeting was made by City Council Member Bridge and seconded by Council Member Broderick. All in favor, None opposed. Motion carried. Council Members Brown and Siegel were absent and did not vote.

A motion to adjourn was also made by County Councilman Taylor, seconded by County Councilman Whetsell. All in favor. None opposed. Motion carried.

The meeting adjourned at 12:16 P.M. The notice of this meeting, call-in phone number, webinar I.D. and link to view the video were distributed with the agenda packets, to all local media, posted on the City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

Walterboro City Council
Virtual Regular Meeting (Using Zoom)
July 7, 2020

MINUTES

A Virtual Regular Meeting using Zoom was held by Walterboro City Council on Tuesday, July 7, 2020 at 6:00 P.M., with Mayor Bill Young presiding.

PRESENT WERE: Joined in the meeting were: Mayor Bill Young, Council Members: Carl Brown, Judy Bridge, James Broderick, Greg Pryor, and Ladson Fishburne. Councilman Paul Siegel was absent. City Manager Jeff Molinari, Assistant City Manager Hank Amundson, City Clerk Betty Hudson, City Attorney George Cone, Attorney Brown McLeod and Utilities Director Wayne Crosby, were also joined in the meeting. Via phone were: Prenita Mack and Yolanda Rhodes (Betty's daughters).

CALL TO ORDER:

With all Council Members present, the Mayor called the meeting to order, and invited everyone to join in as he gave the invocation. Council Member Fishburne led the pledge of allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

At this point, the Mayor stated that no public input on agenda items had been received. He then proceeded to the next agenda item.

OLD BUSINESS:

1. There was no Old Business before Council.

NEW BUSINESS:

1. **Ordinance # 2020-07, 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 Two Full Parcels and One Partial Parcel of Land Fronting Meadow Street, Between State and Trinity Streets, Designated as TMS#s 163-03-00-05, 163-03-00-014, and 163-03-00-007 From Medium Density Residential (MDR) to Highway Commercial District (HCD), First Reading**

City Manager Molinari then recognized Assistant City Manager Hank Amundson to brief Council on this proposed ordinance.

Assistant City Manager Amundson stated, you have a map in your packets that shows the parcels fronting Meadow Street. That is the street that runs directly behind Enterprise Bank on Jefferies Boulevard. They purchased those lots on the other side of the street where there used to be a home that burned down several years ago. The reason you see the line on the other side and part of their bank is because this parcel is a correction of a zoning map, and the back part of their bank was not proper. So, they want to expand their operation, add executive offices, and in the future even have the loan processing there when they expand their campus.

This item went to the Planning Commission in June after proper notice posting at the properties. We only received two comments - both were positive, once they found out what it was. He further stated that the Planning Commission voted unanimously to approve the rezoning from Medium Density Residential (MDR) to Highway Commercial District (HCD), so that (the bank) can grow their campus and add jobs.

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A motion was made by Council Member Broderick giving First Reading Approval to Ordinance # 2020-07, 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 Two Full Parcels and One Partial Parcel of Land Fronting Meadow Street, Between State and Trinity Streets, Designated as TMS#s 163-03-00-05, 163-03-00-014, and 163-03-00-007 From Medium Density Residential (MDR) to Highway Commercial District (HCD). Council Member Brown seconded the motion that passed with all members voting in favor, except Council Member Siegel was absent and did not vote.

2. **Resolution #2020-R-06, A Resolution to Formally Recognize and Offer Commendation to Betty Hudson, City Clerk, for 26 Years of Distinguished Service to the City of Walterboro, South Carolina**

Mayor Young made the following statements to recognize and offer commendation to City Clerk Betty Hudson for her 26 years of distinguished service:

- 1) Betty, it's a shame that this COVID virus will keep us from being together in Council Chambers to say thank you, but it doesn't alter the sincerity of our appreciation for your service to this community.
- 2) I've had the pleasure of working with Betty her entire 26 years that she's served our city. It's hard to find the words to express our gratitude to Betty for her service.
- 3) Betty is truly one of a kind. It's rare to find someone who is as detail oriented, and as committed to getting things right as Betty is. Anything that's important to the Mayor and City Council is twice as important to Betty.
- 4) Betty has scheduled an untold number of meetings and appointments, placed hundreds of notifications in the local papers, and written thousands of pages of minutes. And in doing so, has recorded the history of our government and our City.
- 5) Betty has made sure that Mayors and Council Members over the last 26 years have had the information that they needed to make sound decisions.
- 6) Betty has always been ready to help all of us with the City, but also saw it as her responsibility to help the citizens who called or came in to City Hall. In many, many cases, Betty was the face and voice of the City to those who had problems or needs that required our attention.
- 7) Betty, you have certainly earned your retirement. We want to congratulate you on a job well done. We wish you some well-deserved rest, as well as some fun. We will all miss you.

The Mayor then entertained a motion to adopt the resolution. A motion was made by Council Member Brown to adopt Resolution # 2020-R-06, A Resolution to Formally Recognize and Offer Commendation to Betty Hudson, City Clerk, for 26 years of Distinguished Service to the City of Walterboro, South Carolina. Council Member Broderick seconded the motion. Before voting on the motion, Mayor Young read the resolution in its entirety into the record. The motion to adopt the resolution then passed with all members voting in favor. Council Member Siegel was absent and did not vote. A copy of said resolution is attached as part of these minutes.

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Ms. Hudson thanked the Mayor and Council for the resolution. Mayor Young said, Betty you have completed hundreds of these resolutions for other people, and we finally got to do one for you.

At this point, the City Clerk requested permission to address City Council which was granted by the Mayor. Ms. Hudson then gave the following remarks:

"I have had a long and rewarding journey as your City Clerk. I am thankful for the journey and I am thankful for the lessons that I have learned. So, you ask me what have you learned. Well, I have learned that it's not about me. It's about HIM, (God), then me and how I treat my fellow man. I have learned to treat all people with love, dignity and respect. I am pleased to have met so many good people, and some I was able to help along the way. So, my thanks to the citizens of Walterboro, the City Manager, Mayor and City Council for the opportunity to serve. It has been my honor. My best to each of you. God Bless."

Many Council Members also verbally thanked retiring City Clerk Betty Hudson for her service. The Mayor reminded that each Council Member will need to sign the resolution.

3. **Resolution # 2020-R-07, A Resolution Authorizing the Mayor and City Clerk to Executive Forms Pursuant to USDA Rural Development Community Facilities Grant in the Amount of \$49,900 for the Purchase of Police Vehicles for the City of Walterboro**

City Manager Molinari briefed Council on this agenda item. He said, as you are aware, we were notified yesterday morning from USDA that we are the recipients of two grants. As you will recall, in November of last year City Council approved a resolution to apply for both of these grants. The first grant is for \$49,900 for the purchase of police vehicles, and the second grant is for \$50,000 for the purchase of a public utility vehicle and equipment. That equipment being an excavator.

We have been very fortunate in the past to successfully obtain grant funding from USDA, and we are very appreciative of their continuing partnership with the City of Walterboro. I ask for Council's favorable consideration of this resolution.

A motion was made by Council Member Brown to adopt Resolution # 2020-R-07, A Resolution Authorizing the Mayor and City Clerk to Execute Forms Pursuant to USDA Rural Development Community Facilities Grant in the Amount of \$49,900 for the Purchase of Police Vehicles for the City of Walterboro. Council Member Pryor seconded the motion. All I favor. None opposed. Motion Carried. Council Member Siegel was absent and did not vote. A copy of said resolution is attached as part of these minutes.

4. **Resolution # 2020-R-08, A Resolution Authorizing the Mayor and City Clerk to Execute Forms Pursuant to USDA Rural Development Community Facilities Grant in the Amount of \$50,000 for the Purchase of a Public Utility and Equipment for the City of Walterboro**

City Manager Molinari told Council that this resolution would accept \$50,000 in grant funding from USDA toward the purchase of a new vehicle for Public Works and an excavator. We ask for Council's favorable consideration of this resolution.

At this point, the Mayor asked whether the City Clerk or the Finance Director would be authorized to sign the papers along with his signature. Mr. Molinari answered that the Mayor and the City Clerk would be authorized to sign the grant papers.

A motion was then made by Council Member Pryor to adopt Resolution # 2020-R-08, A Resolution Authorizing the Mayor and City Clerk to Execute Forms Pursuant to

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USDA Rural Development Community Facilities Grant in the Amount of \$50,000 for the Purchase of a Public Utility and Equipment for the City of Walterboro. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried. Council Member Siegel was absent and did not vote on the motion. A copy of said resolution is attached as part of these minutes.

5. Appeal of Tree Protection Committee Ruling, 211 Stark Drive, Robert and Frances Baggett

The Mayor stated that it was his understanding that the Tree Protection Committee approved that the Baggetts could take down one pine tree in their yard, but the Baggetts are asking to be able to take down two pine trees.

Mr. Molinari responded that this is correct. He added that the Tree Protection Committee met on May 25, 2020 and the property owners, who are Frances and Robert Baggett, are asking for permission to take down both pine trees. The City's Unified Development Ordinance allows for the determinations from the Tree Protection Committee to be appealed to City Council, provided that notice is given to the City Manager within 30 days of that determination. I received a letter on June 3, 2020 from Robert and Frances Baggett requesting an appeal to City Council from the Tree Protection determination that denied their request for removal of both pine trees.

The Mayor then said, so the appeal is before Council, is there a motion on the appeal.

Council Member Broderick made a motion to approve the application to remove two trees from Robert and Frances Baggett property at 211 Stark Drive. Council Member Bridge seconded the motion.

In discussing the motion, Council Member Brown said, in looking through this, it looks like one of those trees is on the neighbor's property. Is that right?

Mayor Young said that he believed that only the trees on the Baggett's property were addressed and not the tree on the neighbor's property. He clarified that the Baggetts originally requested to move one tree from the neighbor's property and two trees on their property, and I think the Tree Committee approved only one on their property. And they are asking Council to take down two trees on their property. Is that right, Mr. Molinari?

City Manager Molinari responded, that's correct. On a question raised by Councilman Brown that there is only two trees shown on the picture, Mr. Molinari explained that there was a total of three trees. The Baggetts had spoken with their neighbor requesting that they ask for permission to take down the pine tree which is in the other yard and they did not. The neighbors did not sign the application, so the Tree Protection Committee only took action on the request to remove the two pine trees that are on the Baggett's lot.

Attorney Cone then asked if the Baggetts were present and if they wanted to speak to the motion? Mr. Molinari stated that he spoke with Ms. Baggett yesterday, and asked her if she would like to attend our meeting. I provided her with the dial-in information, but she has not dialed-in as of yet. But that information was made available to the applicant.

No further discussion was held, and the motion passed unanimously, except Councilman Siegel was absent and did not vote.

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6. **Request to Close Streets for United House of Prayer "Stay Safe" Parade in Recognition of Church Anniversary on July 25, 2020 from 11:00 A.M. to 12:30 P.M.**

City Manager Molinari said, we received a letter a few weeks ago from the United House of Prayer, requesting to hold a "Stay Safe" parade on July 25, 2020. I asked the Police Chief to meet with them to discuss the route. The original route was really ambitious, and was more elaborate than any of the parades that we have had inside the City. So, I asked the Police Chief to get with them and ask them to modify the route, and they have done so. Chief Marvin is good with the proposed route.

What they are looking at doing is - starting the parade on Francis Street, going down Francis Street to Hampton Street to North Miller to Wichman Street, cutting across to Savage Street, and then back to Francis Street. The Police Department will provide a rolling escort. I don't anticipate the streets being blocked-off for a long duration. The Church is going to be celebrating its 100th year anniversary, and they wanted to have a public celebration. We also conveyed to them the importance of social distancing, and letting them know that obviously, we are in the middle of a pandemic. If this is approved, it will have to be done as safely as possible.

A motion was made by Council Member Bridge to approve the request to close streets for the United House of Prayer "Stay Safe" parade in recognition of the church anniversary on July 25, 2020 from 11:00 A.M. to 12:30 P.M. Council Member Broderick seconded the motion that passed with all members voting in favor, except Council Member Siegel was absent and did not vote.

COMMITTEE REPORTS:

There were no Committee Reports given.

CITY MANAGER'S REPORT:

1. **Consideration of Bids for Eastside Waterline Project**

Next, the City Manager reported that on June 30, 2020, the Utilities Department received bids from nine (9) contractors for construction of the Eastside Water Distribution System Upgrade Project. This project includes the construction of approximately 7,000 linear feet of new 6" water mains to replace existing small diameter water mains located along Barracade Street, Live Oak Cemetery, 6th Street and Hickory Street. The project will increase the volume and pressure of the water supplied to the surrounding area and will enhance fire protection capabilities.

The bids received were as follows:

<u>Contractor</u>	<u>Bid</u>
Anson Construction, Inc. (Ravenel, SC)	\$958,434.00
Carolina Tap & Bore, Inc. (West Columbia, SC)	\$830,895.00
North American Pipeline (Freehold, NJ)	\$823,338.00
Potter Construction, LLC (Port Wentworth, GA)	\$592,053.00
Griffin Contracting, Inc. (Savannah, GA)	\$588,779.39
Shady Grove Construction, LLC (Irmo, SC)	\$557,572.00
Malphrus Utilities, LLC (Ridgeland, SC)	\$547,631.42
CBG, Inc. (Gaston, SC)	\$400,281.00
Southern Fiber Construction & Management Co., LLC (Branchville, SC)	\$348,067.84

Mr. Molinari told Council that the City was a subrecipient of a Community

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Development Block Grant in the amount of \$487,500.00. He further stated that the City's engineer, Hybrid Engineering, had evaluated the experience of the bidders and found the low bidder, Southern Fiber Construction & Management Co., LLC (Branchville, SC) to be qualified and capable of performing the project. Hybrid also recommended that the contract be awarded to Southern Fiber Construction & Management Co., LLC for the base bid plus Alternate Bid Item 1 and Alternate Bid Item 2 for a total contract price of \$396,236.37. We have \$487,500.00 available for the project. The alternate bid tem 3, which is \$9,858.48, can be completed as a change order once an environmental survey of the area is completed.

Mr. Molinari stated that staff recommends awarding the contract to Southern Fiber Construction & Management Co., LLC (Branchville, SC) in the amount of \$396,236.37.

Our Utilities Director Crosby has joined the meeting and if you have any technical questions about the project, he is available to answer that.

Council Member Brown then made a motion to accept and award the bid for the Eastside Waterline Project to Southern Fiber Construction & Management Co., LLC (Branchville, SC) in the amount of \$396,236.37. Council Member Bridge seconded the motion that passed with all members voting in favor. Council Member Siegel was absent and did not vote.

2. Consideration of Bids to Install Generators at City Hall, 300 Hampton Street and the Walterboro Wildlife Center

City Manager Molinari briefed Council on this agenda item. He stated that at the February 2020 City Council Meeting, Council approved the purchase of backup generators for the City Hall, 300 Hampton Street and the Walterboro Wildlife Center. As you are aware, we received some USDA funding to assist with that.

Mr. Molinari further stated that the Public Works Director solicited bids for the installation and received responses from two of the three contractors that were contacted. The bids received were as follows:

Beach Electrical Service (Walterboro, SC)	\$47,993.80
H & H Electrical Service (Walterboro, SC)	\$41,880.00
Static Electrical Company (Mt. Pleasant, SC)	No bid

Mr. Molinari further stated that the backup generator installations at City Hall and 300 Hampton Street will be paid from the General Fund in the amount of \$29,106.00 and the generator for the Walterboro Wildlife Center would be paid from the Local Accommodations Tax Fund. City staff recommends awarding the contract to H & H Electrical Service (Walterboro, SC) in the amount of \$41,880.00. This was one of the items that City Council had identified in this year's goals and objectives to complete.

Mr. Molinari pointed out that if this item is approved by City Council, we want to move quickly on this so we can get the generators in place before hurricane season picks up. They are already telling us that it's going to be a busy year.

At this point, Council Member Pryor recused himself from voting on this agenda item due to a potential conflict of interest in that his son works for H & H Electrical.

A motion was made by Council Member Brown to accept and award the bid for the installation of generators at City Hall, 300 Hampton Street and the Walterboro Wildlife Center to H & H Electrical Company for \$41,880.00. Council Member Broderick seconded the motion. In discussing the motion, Mayor Young said, I will say that we

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have needed this for a long time. When we lose power, everything shuts down, so this is an important addition to our capabilities. Councilman Brown stated that he was shocked at how low the prices were on this. He said, I thought it would be way higher than that.

No further discussion was held, and the motion passed with a vote 5/0 with Mayor Young, Council Members Brown, Bridge, Broderick and Fishburne voting in favor. None opposed. Council Member Pryor recused himself from voting due to a potential conflict of interest, and Council Member Siegel was absent and did not vote.

At this point, the Mayor announced now, we will be getting a motion to go into an Executive Session, and when we do that, I am going to put everybody that does not need to be in the Executive Session into a 'waiting room'. And then, we will admit you back into the meeting after the Executive Session is over. He also stated that Council may take action on matters discussed in Executive Session

A motion was made by Council Member Bridge to enter into an Executive Session. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried. Council Member Siegel was absent and did not vote.

The meeting then entered into an Executive Session.

EXECUTIVE SESSION:

- a) Provision of Sewer Services to Colleton County Mega Site.
- b) Potential Sale of City Property.

Both items were discussed.

At approximately 6:54 P.M., Council Member Pryor made a motion to come out of Executive Session and enter into Open Session. Council Member Bridge seconded the motion. All in favor. None opposed. Motion carried. Council Member Siegel was absent and did not vote.

OPEN SESSION:

The meeting returned to Open Session, and no action was taken.

There being no further business to consider a motion to adjourn was made by Council Member Brown, seconded by Council Member Bridge and passed unanimously. The Mayor adjourned the meeting at 6:55 P.M. Notice of this meeting, call-in phone number, webinar I.D. and link to view the video were distributed with the agenda packets, to all local media, posted on City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson
City Clerk

APPROVED:

(Note: This is the final set of minutes written by City Clerk Betty Hudson. After 26 years of service, she retired on August 1, 2020.

Walterboro City Council
Special Called Meeting
April 16, 2019

MINUTES

Having been duly advertised as required by law, a Special Called Meeting of Walterboro City Council was held at City Hall on Tuesday, April 16, 2019 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. There were 5 persons present in the audience. City Clerk Betty Hudson was absent.

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

PUBLIC INPUT ON AGENDA ITEMS:

There were no comments or questions on agenda items.

PRESENTATION:

City Manager Molinari recognized Mr. Darryl Parker and Mr. Michael Cronan of Willdan Financial Services are present tonight. He said we have been working with them the last few months on a rate study for the City. From the staff's perspective, it has been a very beneficial process to look at each operation individually in the Enterprise Fund, which is our water, sewer and sanitation operations and also looking at our capital needs for each department. Darryl and Mike are going to present a lot of information to you, but I would encourage you to ask any questions that you may have. I envision this as more of an informal session with everybody around the table, as we go through the results of the rate study.

Mr. Darryl Parker of Willdan Financial Services, Inc. then addressed Council to discuss the results of the water, wastewater and sanitation rate study performed by his company for the City of Walterboro. He also recognized his colleague, Mr. Mike Cronan was also present. Mr. Parker said, we understand the significance and the need for this project and are happy to help out the City however needed.

He stated that they appreciated working with the City staff - Jeff, Hank, Amy, Wayne, and Mike, who gave them much of the data needed to do the project, and there has been a lot of input from staff. So, I am here tonight to show you the preliminary results of the rate study for water, wastewater and solid waste. Before beginning, Mr. Parker stated that he is not asking for any action from Council tonight. This is just basically an educational and information process and this is an informal setting as well. I do want you to see where we are at this point in the study, and it is pretty much ready to move forward as needed.

Firstly, we will look at the goals of the rate study:

- 1) The primary goals and objective of the rate study include:
 - Full cost recovery of utility expenditures. All that means is we've got to generate enough revenues in each system to meet the operating needs of the systems.
 - Cost-based rate structure.
 - Equity among customer classes.

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- Administrative efficiency. That's just the long way of saying we want your rates to be easy to understand and easy for you to implement.
- 5-year financial plan. We are not looking at just one year. For budget purposes, I assume that it's for this upcoming fiscal year. But we want to develop a plan that meets the next 5 year needs, because you have things that are going to be coming down the road, i.e., capital expenditures that you will need to prepare for.
- Consistency with common industry standards. We are going to talk about some rate structure things tonight. It's not because of anything that you are doing is wrong, it just not necessarily where you need to be from an industry standpoint.

Mr. Parker then showed a general illustration of what a rate study looks like. He said, as you will see, we have looked at every individual system separately, water, wastewater and solid waste, but they are all going to function the same way. These are the items we looked at to conduct the rate study.

1. Customer Accounts.
2. Usage/Flow Volumes.
3. Billing Frequency & Revenue Reconciliation Analysis.
4. Revenues Under Existing Rates.
5. Other Revenues.
6. Rate Design.
7. Total Revenue Requirements.
8. Operation and Maintenance Expenses.
9. Debt Service.
10. Capital & Other Expenditures.

Mr. Parker then said, not to scare anybody here, but if you don't change your rates, based on customer work projections, usage, characteristics, and all that, you are not going to generate enough money. For water, you are probably going to be okay. The wastewater will not do well. Sanitation is not horrible but still probably not where it needs to be, and there are some reasons for that too.

All this is to say, doing nothing is not an option, because you won't be able to meet your financial needs.

Let's move forward on what we do want to do or what we can do:

1. Status Quo Reserve Balance Fund Projections.
You can probably go one year without doing anything for this fiscal year. After that you will spend more than you make, and I don't think you can function that way.
2. The Target number is where we would like to see those reserve fund balances at a minimum, and that target number is just based on six months of O&M. At a minimum you need to have a reserve fund at least about 6 months of your operating expenses. Obviously, we are not there under the Status Quo scenario.

Water & Wastewater

1. Rate Structure - The City has minimum charges (bimonthly). So, every other month, the customers receive a bill.
 - A. It's based on the size of the water meter. Not uncommon. One thing that we usually don't see is that you have different rates. If you've got this meter-based rate, usually it's just one set of rates, and it applies to every customer based on their meter size. You have separate rates and it's higher for outside the city customers. Not uncommon at all,

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especially in South Carolina. We typically see that the outside the city customers pay higher rates than inside the city customers. But you are going to see some variations that we'd like to see implemented.

Currently that minimum charge includes 2,000 gallons of water a month or 4,000 bi-monthly. We may want to make some adjustments to that as well.

For biometric rates, you have a declining block rate structure, which means that certain thresholds of flow, that next unit of flow actually drops. The unit cost is lower and that drops again. Typically, not historically in South Carolina, typically in mill towns, you'd have big, big water users, and they would be using 5,000,000 gallons a month, and they would actually generate some economies of scale for your operation because of their massive operations. And so they would get by the elected officials, some cost benefit. You don't see that much anymore, because the total dynamics of the industry has changed.

So, the outside charge for the biometric is 2 times the inside rate. So, that's where you are.

- B. Different for Residential vs. Commercial.
- C. Higher for Outside City customers.
- D. Includes 2,000 gallons of water per month.

Proposed Rate Structure Revisions

1. Minimum Charges. Every other month the customer receives a water bill. So, that minimum cost should be set to recover some of that fixed cost that you have had by making that service available. So, we'd like to see some mechanism put into place to recover some of the fixed costs for your sewer system.

The existing rates for residential are higher, like for meter sizes. This is common. The rationale behind that is your standard residential meter and for a larger meter 1" or 1 1/2," whatever, you have had to make more capacity available. You have had to build more capacity than the availability for those larger connections, just in case they decide to use it, and they've got the ability to use it, cause they have a larger connection, so you charge them a higher fee for that service availability. I was happy to see that.

The only kind of unusual part that we did see on the water side is the difference between residential and commercial. For whatever reasons, its about \$6.00 roughly at every level. Don't know where that came from, don't know why. It's an unusual situation because the purpose of this structure right here is to say that most of our residential is going to be these guys, a big portion of our commercial is going to be in here you've got a real estate office an insurance office - they are not going to have a big connection size, but a restaurant or a grocery store, you would have a bigger connection, so you would have to pay an incremental higher charge for that. The fact that you do this, you don't need a separate residential, commercial charges. You just need one basic set of rates basically.

We will talk about the outside the City rates. Structurally, the outside the city rates are good. We are just kinda of looking at some differential items to talk about.

We like to talk in terms of factors a lot of times. A little over \$11 a month, if we assume that's the base, with a factor of 1, then we divide every one of these numbers by that number, then it comes up with these factors right here. So, that gives us the basis for us to see how things compare to each other.

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If nothing else we'd like to see consistency and there's not consistency there.

- a. Increment in accordance with AWAA meter factors (same as Residential & Commercial.

What we have here is:

You see here, we've got what we call the AWAA, the American Water Works Association - that's the industry standard for the water and wastewater. Basically, their factors - engineering manuals have determined that the 1 inch meter can generate 2 ½ times the capacity of that standard 5/8 x 3/4 inch meter. The 1 inch meter can generate 5 times the capacity. What that does - those are based on physics. They give us a basis and science. To take numbers like this and say, o.k. well this number shouldn't be 1 ½ times, it should be 2 ½ times. The purpose for that is not to generate additional revenue, it's to have a legal and defensive basis, by chance if you are ever legally challenged. So you would say what is that charge 5 times that charge. You wouldn't have an answer for that. We would have an answer for this, because that the industry standard.

So, this is one of those things that we would suggest that if nothing else that these factors become industry norms, which means everything 1 inch and above are adjusted, and we will talk about that adjustment as we move forward.

Mayor Young asked, when you say industry norms, are you taking about other municipalities or counties who have water utilities? Mr. Parker responded, yes that and here again the American Water Works Association sets those standards for the industry and yes it's whatever utilities do, and what the people who write the manuals say to do.

Mayor Young then said, so when you say industry, are you talking about public service commissions and other people who have water utilities. Mr. Parker responded, it's the Public Service Commission.

Mayor Young then said, not arguing with you but whoever controls the price decides what that will be. Mr. Parker responded, yes and here again, it's not that this is wrong, it's just that we don't know where it came from.

Mr. Young then said, as far as the defensible part - you only need to defend it if somebody challenges it. Mr. Parker responded, right. He added, most likely as a City government, your rates are not regulated. I mean you can set the rates as high as you want. That's not to say that you would lose if you were challenged, it's just that you wouldn't have to answer.

Mayor Young stated, and the only reason I say that is I want to make sure it sounds like where you should be doing. We should be doing it in terms if we want to meet the industry standards, but not in terms of legally we should be doing it. Mr. Parker said, it's got nothing to do with legally. Legally defensible just means where those numbers came from - we can point to where they came from. So, in my mind anyway, you are not in any potential legal trouble for this, but we would just like to see you get to if you were asked, you would know where those numbers came from.

Now, here are the inside the City rates versus the outside the City rates. Now, we have said that they are higher outside. The outside number is divided by the inside number at every meter size. So, this first one is 27 times higher, the next one is 2.45 higher and so for and so on. Here again, we mentioned the word consistency. There

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is no consistency here. The standard for, I would say, typically in South Carolina, we would see the outside rate 2 times the inside rate, and some are maybe a littler higher, maybe a little bit less, but for the majority of the South Carolina utilities, the difference is 2. So, that's another thing that we suggest that we work toward getting rid of is this kind of randomness in this outside surcharge charge and just adopt a policy of whatever this number is and whatever this number is 2 times.

Mayor Young asked, does the rate when you get up to the 8-inch size, does the rate go down? It doesn't have anything to do with the volumetric rate. How does that impact the 2 and 1/2 times factor if you factor in the volume?

Mayor Young said, I am just wondering, I mean, you would think if it would be 2 times as much, it would be 2 times down, if at the lower volumes the rates drop, that kinda of affects the 2.57 factor too.

Mr. Parker stated, we are proposing a five-year plan. We already saw that the rates need to go up and probably will need to adjust everything even though the water is still o.k. by itself, but even if we are adjusting these down, we set up our model so that these don't go down until they reach the 2 times difference. Remember, our ultimate goal is to generate enough revenue. So, we don't necessarily want to lose any revenue by making these numbers. Right now if we just make this number 2 times that, then we are talking \$2,700. So, it goes down a bunch. That would be a big step. You don't have that many of these customers, we are just using this set as an example. I think you might have two or three 8 inch lines. So, we are not talking about a big revenue impact either way. We want to make sure that we are at least staying where we are and not going backwards. So, our analysis model is set up to at least maintain that. I think you'll see more detail once we get there.

Declining block structure

What that means is you've got this first block what we call 0 - 2,000 gallons per month, and you are not getting anything from it. So, basically, you have a whole block of water that you are giving away for free. You can argue that maybe it's in the base charge. But that base charge probably isn't high enough to recover an extra thousand gallons of flow. So, basically, what you are doing is you are not getting any more revenue from it. On that base chunk of water, you are not getting any revenues from it until that goes over that amount. But still from an industry standpoint, it's not out there, but still it's not where we would like to see out there.

Mayor Young asked, what's the average usage? Mr. Parker replied, if I remember correctly your inside the city usage was around 5,000 gallons and the outside the city was closer to 6,000 gallons, I think. I am talking residential. If you factor in commercial usage, those numbers go higher. This is gallons per month for our residential.

So, block 2, this is where we would be see our base block for our analysis purpose. You will see a 1.98, 2.48, it's not exactly 2 times.

Your rate structure is not necessarily consistent with your financial goals.

This structure is what we would like to see:

The outside rate is only, here again, not consistent between water and wastewater, so as you will see as we move forward that the things that we propose are to getting everything consistent.

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Proposed Rate Structure:

Minimum Charges

1. Increment in accordance with AWWA meter factors. Make Residential and Commercial the same. No need to have a separate \$6 a month or whatever.
2. Apply a 5-year phasing approach to mitigate rate shock levels. We don't want to hit anybody really hard - up or down. Especially up, we don't want the billing department to get all kinds of phone calls.
3. Implement a wastewater minimum charge. When we look at that, wastewater is very expensive. The facilities are very expensive to build compared to water. I mean let's say a wastewater treatment plant versus a water treatment plant. I believe you might be able to build a water treatment plant for \$4 per gallon of capacity, whereas wastewater is going to be \$9 to \$10 per gallon of capacity. So, just building those facilities is so much more expensive, and we are getting no guarantee of fixed revenue from that at all. The problem is we are starting zero. We can't get where we ought to be in one step. We probably can get there in the next 5 years, but we can start doing something, and that's what we are going to propose here.

Volumetric Rates

1. Water - Eliminate minimum usage allowance. One thing, we would like to see is to eliminate that minimum usage. On that 2,000 gallons you are not getting any revenue. Here again, we are going to do that over a 5-year phasing in, so we are not shocking anybody.
2. Water - We'd also like to see you move away from the declining block structure. Let's just go to a uniform structure. If you use water, you pay for water at the rate per gallon. What we are looking for is administrative efficiency.
3. Wastewater - Increase for future needs.

So, this is for this upcoming fiscal year, the budget that you guys are working on now - I mentioned we separated everything out between the three Enterprise systems. This is a summary of what we would expect to happen. The budget numbers and based on revenue projections and the existing rates, if you didn't do anything you would probably be fine for Water. Wastewater, we see you are really going to have a hard time. Sanitation, it's not hurting bad, but compared to its revenue, it's not a big revenue source, so we are talking about a potential 18% shortfall. In total for the combined systems, which is what your auditors would look at too, it's not where it needs to be. Here again, you can't do nothing.

We do anticipate some growth - economic and whatever by chance you get some new customers whether it be some business, industrial or subdivision. So, this is where we are basing our assumptions on.

So, what's driving all of this, especially on sewer - it's your capital projects. But you have some big wastewater treatment plant needs out there. You have some upgrades and some expansion projects going on, and you have a little bit of sanitation projects in there, and a little bit of water. Actually the big water chunk is upcoming for this fiscal year. What's happening here is that these projects need to get done. No use arguing that, and it's going to cost a nice chunk of money. They are going to be funded with partial grants, partial debt. So, the grant part we don't have to worry about. That's free money. But the debt part, we do have to worry about. We will have to generate revenue to pay that debt service. So, when we are looking at numbers like these - why is this so negative, well that's why, we have a lot of debt service. So, when people ask you, why is this happening. This is why it's happening, it's capital driven, and that's very common for any utility system. So, that's especially where we see the shortfall as coming from on the sewer side.

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Please see attached proposed rate charts presented by Mr. Parker.

1. Proposed Minimum Charge Phasing (Water):
2. Proposed Volumetric Rate Phasing.
3. Proposed Rate Path - Water Inside City.

What we are doing in such a way is we are mitigating that impact that the rate charge to your customers. So, this is a good picture for water, and then we would phase in the outside rates. The outside rate is just 2 times the inside rate.

Wastewater

We mentioned you are getting nothing there. What we are proposing is a \$6.00 a month base charge, which is a little more than half of what you are currently charge.

As we mentioned, wastewater is a little more costly as a service to provide. So, it really should be quite higher than your water, but we can't get there in one step. So, this is \$6.00 a month, and then we will go up a couple of bucks a month til we get to \$28. It still isn't that much higher a number for water, but at least it's higher, at least it's getting us there to a point where we probably need to be. So, this is a \$14.00 a month charge that we compared to other utilities.

Mr. Young then said, So, does that mean the 2020 Outside the City sewer rate would be \$56.00 per month? Mr. Parker responded, that figure is for 2 months. We got to generate more revenues from the sewer system, so part of that is just to getting you where you need to be structurally. And the other part is for revenue to pay for the operations. Also, what you see going on here is the volumetric rates are going up. Now, remember this is over a 5-year period. So, it's not like we are jumping from here to here in a year. This is so your business can plan for and adjust their budgets accordingly.

Councilman Broderick then asked to go back to the water rate chart. He asked if the volumetric rate is the standard for the industry as far as amount of gallons. Mr. Parker responded, not really. I am glad that it's not because oftentimes we might see this number if they are giving away free water, it might be 4,000 or 5,000 gallons a month - that may be a little bit below the average, and so if you are a customer who uses less than the average, then you are fine for just that base charge.

Mr. Broderick then said, what if we attract industry, are those figures usually broken down more? Mr. Parker said, we would see a much bigger spread, like say your first block was 0 - 20,000, which is what we are proposing to get you out here to stay with the declining block. Kinda of the way you want to look at it is almost like your block structure should capture your residential. Your next block should capture your commercial and then anything over that. If you don't have like some giant industrial, they should fall into that. If you have a really big industrial, you might even do a fourth block. Here again, you might want to do 0 - 20,000, then 20,000 to 100,000. And then all over 100,000, you have a lot of relative size customers who are getting too much of a discount. 100,000 is really not providing you with an operating benefit. So, what we would see if maybe a fourth block where this block is 100,000 to 1,000,000. Mr. Broderick said, that does seem kinda of large to me, that's why I asked. Mr. Parker responded for a residential customer that would be but for some commercial customers, it really isn't.

Mr. Broderick then said, for anything over 100,000 that just seems like a large amount. Mr. Parker agreed and said, yes especially at such a low rate. Yes, you are right, but

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kind of where I was getting is if you were wanting to maintain a declining block structure, that's what's proposed for that block.

Assistant City Manager Hank Amundson then asked, do we have some customers using in the millions?

Mr. Amundson then said, you have to get a bigger volume to get a better discount. That discount is given away too early, basically.

Mr. Parker said, if you have a super large customer, like we do for the City of Sumter. They have a big chicken processing facility or something and they used about 50,000,000 gallons a month. And what they did (the City of Sumter) they put in a special rate for them, because they are so much different from any regular customer. It's okay to do that, if you've gotten an economic development incentive.

Mr. Parker explained that the larger commercial customer rate would be given for a certain amount of time. They maybe have a plan that phases over a 10-year time. You can to that kinda of thing too, if you wanted to avoid any preferential treatment.

There is nothing wrong with implementing a special rate for the larger commercial customer. Actually \$1.48 is really low for water rates, especially in this region. So, the fact that we are able to kinda of maintain that is a positive result, because typically we see the water rates in the \$2 to \$3 per thousandth range.

Mr. Amundson asked if the 2024 numbers are the same. Is that the high rate or the low rate as far as the base charge?

Mr. Parker continued. He said, this is partly revenue need and rate structure needs to meet those capital requirements.

Mr. Parker then displayed charts showing the comparison of charges with the City of Walterboro and other municipalities.

He said, it seems a lot but when you combine water and sewer customers, it's really not going up all that much. The higher user gets a higher bill or a higher increase

If over a 5-year period, this rate becomes 20% of that, and then next year, it's 40%. And we will see those. So, we can phase that block in and then phase, so basically we end up with just a uniform rate which is the industry norm.

Mr. Parker further discussed the results of the rate study. A copy of this report is attached as part of these minutes.

EXECUTIVE SESSION:

The Mayor then entertained a motion to go into an Executive Session. Council Member Pryor so moved and Council Member Broderick 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 the following contractual matters:

- a. Electric Franchise Agreement.
- b. I-95 Business Loop Project, Phase 1B/1E Lighting Agreement.

The meeting then entered into an Executive Session.

At approximately 6:18 P.M., a motion was made by Council Member Brown to exit Executive Session and return to Open Session. Council Member Pryor seconded the motion. All in favor. None opposed. Motion carried.

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The meeting returned to Open Session, and no action was taken as a result of the Executive Session. The Mayor announced that the next agenda item would be New Business.

NEW BUSINESS:

1. Resolution # 2019-R-02, A Resolution to Retract Previously Given Notice of City's Intent to Terminate the City's Franchise Agreement with South Carolina Electric and Gas Company

A motion was made by Council Member Pryor to adopt Resolution # 2019-R-02, A Resolution to Retract Previously Given Notice of City's Intent to Terminate the City's Franchise Agreement with South Carolina Electric and Gas Company. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried. A copy of said resolution is attached as part of these minutes.

2. Consideration of Lighting Agreement Between City of Walterboro and South Carolina Electric & Gas Company for Phase 1B/1E of the I-95 Business Loop Project

A motion was made by Council Member Bridge to approve the Lighting Agreement Between the City of Walterboro and South Carolina Electric & Gas Company for Phase 1B/1E of the I-95 Business Loop Project. Council Member Pryor seconded the motion that passed with all members voting in favor.

ADJOURNMENT:

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 7:06 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

Please note that Bobby Bonds did not vote on the motion to adopt these minutes, as he is no longer a City Councilmember as of the approval date:

Walterboro City Council
Budget Work Session
April 30, 2019

MINUTES

A Budget Work Session of Walterboro City Council was held at City Hall on Tuesday, April 30, 2019 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, and James Broderick and Greg Pryor. City Manager Jeff Molinari, and Assistant City Manager Hank Amundson were also present. City Clerk Betty Hudson was absent.

The Mayor opened the meeting and recognized Council Member Judy Bridge, Budget Committee Chairman. Ms. Bridge pointed out that a lot of work has gone into the budget for this year. When it came to looking at what everybody was asking for, the bottom line didn't look good. So, Jeff, Amy and Hank got busy trimming the numbers. They have done an excellent job doing that, and we thank the department managers for your time dealing with your budgets. She then recognized the City Manager Jeff Molinari.

Mr. Molinari said, this has been a challenging budget year. When I received the budgets back from the department managers, we were about \$1.4 million out and we spent the better part of a month working to get that number down and to be able to produce a document that meets the needs of our citizens.

He then gave the following highlights of the budget:

FY 2019-2020 BUDGET SUMMARY

1. \$11,688,460 is the total City budget.
2. \$7,208,360 is the General Fund budget.
3. \$4,480,100 Enterprise Fund budget, which contains our Water, Sewer and Sanitation operations.
4. No ad valorem property tax increase.
5. No business license increase.
6. No water rate increase.
7. Consideration of Adoption of base charge for sewer (\$6/per 2-month billing cycle, \$36 annually).
Mr. Molinari stated that one item he would like to talk about is that we are considering a base charge for sewer (\$6 per 2-month billing cycle, \$36 annually). We have a base charge for water, but we don't have a base charge for sewer. What we would put into the budget, would show you what a base charge of \$6 per 2 month cycle, at \$36 annually would generate. It's a little over \$106,000.
8. Camering of Sewer Lines.
This is one of the things that we have had to put on hold in the last couple of budget years. As you are aware, we have a lot of aging infrastructure in the ground, and we have an issue with inflow and infiltration with our sewer lines.

Mr. Molinari stated that there are a number of avenues out there as far as grant opportunities - CDBG, USDA, RIA. But the catch with all those

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grant sources is that you have to pay for the camerang. So, that is typically expected of you, but the potential return on investment is significant. CDBG grants are typically in the range of \$.5 million to \$1 million. As we have experienced with the upcoming well on Mable T. Willis Boulevard, we can get up to \$1 million there.

9. **1.0% Increase in SC State Retirement (City).**

Mr. Molinari told Council, as you are aware, the General Assembly has been phasing in increases to the employer side of State Retirement. I believe that this will conclude in 2022. But one of the things that the General Assembly did to help deal with the deficits we currently have in the State Retirement System, is that they have capped the employee portion, but they have continued to increase the employer portion.

When this is all done in 2022, the City is going to be paying a little over 22% for PORS (Police Officers Retirement System), and over 18% for all non-sworn personnel, so that is a significant liability that we have to undertake. One thing, that the General Assembly has done since they initiated this a couple years ago is that they have given us a 1% credit to help offset these increases. But what we are seeing over time is that credit is becoming less and less significant. It certainly helps, but this is something that we are going to be challenged with as we move forward.

State retirement is a great benefit. It's something that we can offer our employees that really distinguish us from the private section. But it has been increasingly challenging to provide that. The thing with State Retirement is once you are in, they don't let you out. So, this is just something that we are going to have to deal with moving forward.

Council Member Pryor then asked, what is the City's contribution now? Mr. Molinari answered, currently for non-sworn employees, it's 14.56% and for police officers, it's 17.24%. In next year's budget, it will be 15.56% and 18.24 %. So, you are talking about a significant amount of money.

Mayor Young asked if the employees' percentage portion would go to 9%. Mr. Molinari responded that's correct. It has been capped at 9% for regular employees and 9.75% for law enforcement employees.

10. There will be no increase in our insurance premiums.

11. There is a proposed 1.0% cost of living adjustment for city employees.

The City Manager then gave the following details for each City department budget:

MAYOR AND CITY COUNCIL

- 2019 Municipal Election Cost.

CITY MANAGER

- Status quo.

FINANCE

- 300 Hampton Street Improvements. We received some USDA funding and we are looking at putting in a handicap lift, handicap restroom, installing a

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generator and replacing the roof. When we purchased 300 Hampton Street, we envisioned that the downstairs conference room could be used as a City's emergency operation center in the event of a severe weather event.

PUBLIC WORKS

- Status quo.

PLANNING AND DEVELOPMENT

- \$25,000 has been allocated for demolition of substandard properties.

POLICE

We are proposing two (2) new patrol vehicles and one (1) new administrative vehicle. We have some resources available to purchase some things in this budget year, which enables us to take out of the budget for next year. So, next week, I will be coming to you with a request to purchase a new patrol vehicle for police which would give us a net, if approved by Council, three (3) new patrol vehicles and one new administrative vehicle.

JUDICIAL

- Status quo.

FIRE

- We are looking at some drainage improvements to Station 3 on Robertson Boulevard.

SANITATION

- We are looking to purchase a new Residential Sanitation Truck and a new Commercial Sanitation Truck. Keep in mind, I know that when we met with Willdan a couple of weeks ago, we had a really good dialog about the commercial side of sanitation pickups, specifically as it relates to dumpsters, and I'd like to continue that conversation. However, it does benefit us to put a place holder in the budget for new sanitation vehicles, because the turnaround time on those vehicles is typically at a minimum six to eight months. What we have done in the past, is finance our vehicles over a 5-year period. We usually don't see the debt service hitting us until the following fiscal year, and you will see that as we go through our debt service.

PARKS

- We will have a Discovery Center Opening next year, and we have included \$50,000 in the Parks Department to go toward operational costs, which will include resources for a part-time person in the Parks Department, who would be dedicated solely to maintaining the grounds of that facility, a part-time events coordinator, as well as we are looking at doing our live animal exhibit maintenance, doing that in-house, and then all the other expenses that we are going to have with the Discovery Center, electricity and things of that nature.

TOURISM

- Status quo.

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WATER

- Purchase a new pickup truck.
- Engineering for the Mable T. Willis Boulevard Well.
- Engineering for Eastside Waterline Project (CDBG match). That is a CDBG Project. As you are aware, we have been working on the North Lemacks Street Revitalization Project for some time, and because Phase III was so intensive and took us so long to close out, we missed our window in applying for CDBG funds. The good news is that the County has a slot and is going to allow us to be the subrecipient. They would be the applicant and we would be the subrecipient, which we have done before. This will allow us to offsize some aging lines on the east side of the City in the County, which more than meets the low-to-moderate income threshold that CDBG requires. It will also allow us to continue to purchase new radio read meters, which has been an ongoing effort by the Water Department.

UTILITY SUPPORT

- Status quo.

SEWER

- We are looking at purchasing a new service truck with a crane body.

On a question from Council Member Bridge, Utilities Director Wayne Crosby stated that the main function of the service truck would be to pull sewer pumps from the lift stations. The newer lift stations have larger capacity pumps.

SEWER SUPPORT

- As I have mentioned there is a need for a sewer system camera and flow monitoring.

REVENUES

The City Manager then gave the highlights of the revenue section of the budget as follows:

Property Tax - We have seen a steady uptick in revenue, and we are projecting \$1,760,000. As you are aware, we have had an uptick in commercial construction, which will assist us. We are proposing to maintain our current millage rate of 86.4 mills.

Fines and Fees - We are budgeting \$50,000. As you are aware, we have been having to come to terms with an edict that came down from the Chief Justice of the Supreme Court which makes it much more difficult for us to collect fines, and as a result, it has significantly diminished our revenue.

State Shared Revenue - This is the local government fund. You probably are aware that there is some legislation in the General Assembly circulating right now about stabilizing the local government fund. The local government fund has not been fully funded since 2008. That's when we went into the Great Recession. Just to put it into perspective, if we were to be fully funded pursuant to state law, our share of the local government fund would be a little over \$170,000 and right now we are projecting

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\$122,000. So, just do the quick math, that's an additional police patrol vehicle that we could purchase. So, that's real money that has an impact on us.

State A-Tax - Pursuant to state law, our hotels collect a 2% state accommodations tax. \$25,000 of that money goes directly into the City's General Fund and then we have 65% and then 30%. 65% goes before the A-Tax Committee, which makes recommendations to Council on how to spend that money and then 30% of that money goes to our DMO -the Designated Marketing Organization- which is the Walterboro Tourism Commission. So, all those dollars are reinvested into the City, but we also get to put, of that 5% that's left over - that goes into our General Fund. So, we are projecting \$43,000 in revenue here. That has continued to go up as well, and we can thank the opening of the new Hampton Inn. It has really had a positive impact on us.

Business License Revenue - We are projecting \$890,000, which is what we are anticipating at the end of this fiscal year. Also, the Municipal Association collects business licenses for us on insurance premiums and telecommunications. It's a beneficial arrangement because we pay the Municipal Association a fee for collecting it, but they can do it more efficiently than if we had 270 municipalities trying to collect it independently on their own.

Permits Revenue - We are projecting \$64,000.

Interest - I asked Amy to add this new line item in revenue this year. The local government investment pool, in which we have \$2,000,000 of our General Fund parked is able to provide a very favorable interest rate. That has gone up steadily since we've had our money in there, and last month, they paid us 2.46% in interest; plus last year we put out an RFP for banking services and South State Bank is paying us a more favorable rate. So, I wanted that to be reflected there.

Franchise Fee Revenue - We are projecting \$730,000 and includes SCE&G, Coastal, PRTC and Comcast.

Miscellaneous Revenue - A small portion of that is our Planning and Development fees. If somebody goes before the Board of Zoning Appeals for a variance or a special exception, there is a fee associated with that, which is really just trying to cover our costs for posting the property and advertising the meeting in a newspaper of general circulation in the City.

We have also accounted for our Discovery Center revenue in this line item. We will propose, not in this year's budget, but in the following year's budget, once we have the Discovery Center up and running - that really needs to be accounted for as an Enterprise fund, showing revenues and expenses and accounted for more like a business. But this year, I think it would be best for us to just absorb those expenses into our General Fund, and then when we can put together the budget for next year, we will have some history there, and it will be easier for us to do that.

Local Option Sales Tax - Again, this has been very favorable for the City. We monitor this very closely. We receive two checks from the State every month. One check is based on our population relative to the municipal population in the County, and then the other check is a credit that we give back for property tax, which is 71% and then the other one is 29%, but that has continued to increase.

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Victim Assistance Fund - Again, this is something that has been impacted by the State Supreme Court. The Victim Assistance Fund that comes from a special assessment placed on tickets, helped to pay for the City's Victim Advocate, but really does not come close in matching that. As you are aware, we make a transfer every year from the Enterprise Fund to the General Fund. One thing that I have tried to do over these past five years, is trying to lessen the City's dependence on that transfer. I don't think it's something that we can completely do away with, but a few years ago, we were transferring over a million dollars, so we've been able to whittle away at that.

On a question from Council Member Broderick regarding the amount being transferred, Mr. Molinari answered that he believed that amount is less than 10%.

Reimbursements - Mr. Molinari stated that the City has been providing post employment benefits, specifically health insurance to retirees since 2000. There were some changes with the way that it is accounted for through the Governmental Accounting Standards Board. They issue these statements every year, and GASB Statement 45 really impacted every municipality adversely. It used to be that with any post retirement health benefits you could pay as you go. Unfortunately, what happened is that the Governmental Accounting Standards Board started looking at the bigger picture. They were looking at larger cities that were running up huge liabilities with retirees health insurance, and as a result we had to account for it differently to where you had to be able to show your entire liability. Just to give you an idea, when I started here a little over 5 years ago, we had about 75 employees or former employees who were eligible for health insurance benefits, post retirement. That number is now 42. So, what you are going to see is over time, that liability will go down. With that being said, for a number of years, we put money away in a trust that is an affiliate organization of the Municipal Association which actually sits on the SC Orbet Board, but we made a determination last year that we have put \$1.7 million into this trust and we haven't really reaped any benefit from it. We are starting to see some more people retire and we are having to pay those benefits. This is our money - let's start drawing down from that and paying off that liability, or paying those premiums I should say.

Grants - Under grants, we were able to get some USDA money for some projects that I have mentioned for 300 Hampton Street. We are also getting some USDA funding for a new patrol car and we are also getting, every year through the Municipal Association \$2,000 grants each for police, fire and public works.

We make an annual transfer from our local hospitality account to the General Fund. This year, that amount is \$150,000. The local accommodations tax transfer is \$90,000. As a new line item, we are making a transfer from the local accommodations tax to the Discovery Center. That is an eligible expense under the statute for the expenditure of local accommodations tax. So, the total projected revenue for the General Fund is \$7,208,360.

Mr. Molinari then went over the projected revenues for the Enterprise Fund, which were as follows:

Water	\$2,150,000
Service Charges and Tap Fees	\$ 100,000
Interest	\$ 7,000
Misc. Revenue	\$ 10,000
DHEC H2O Safe Water Act	\$ 25,000
Residential Garbage Revenue	\$ 247,500

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Commercial Garbage Revenue	\$ 242,000
Transfer in	\$ 100,000
Sewer	\$1,288,000
Sewer Taps	\$ 70,000
Interest	\$ 7,000
Miscellaneous	\$ 1,000
Environmental Testing	\$ 17,800
Grant Revenue (USDA)	\$ 50,000

Mr. Molinari gave more details on the Enterprise Fund projected revenue as follows:

Transfer in - \$100,000. - Mr. Molinari said that this is for the design and engineering of the Mable T. Willis Well. Over time, the Consumer Deposit Account built up a fairly significant amount of interest and we have been able to draw down that interest to fund some water and sewer projects that served as a match for CDBG projects. Now, we are proposing to use the remains of that for the Mable T. Willis Blvd. Well. As you are aware, we have already received \$1,000,000 from Rural Infrastructure to build that well.

Sewer Revenue - We are projecting \$1,288,000 in revenue. Also, you can see in bold what it would generate to have a base charge for sewer at \$6 per billing cycle. Like I said, I would like to bring Willdan back sometime next month. I think they gave a really good presentation, but I'd really like to get into the nuts and bolts of that and really demonstrate to City Council what is possible if we tweak a few things.

Regarding the base sewer charge of \$6 per billing cycle, Mayor Young asked the City Manager if there would be any customers who would not be paying at least \$6. He asked is the sewer charge based solely on the amount of water use. Mr. Molinari responded yes. Mayor Young then said, so it's not like the water account where we have a minimum charge for so many thousand gallons. The sewer is based solely on that, so the \$6 would actually be just like a service charge on the sewer account? Mr. Molinari responded yes. Mayor Young then said, so it would be just an addition to what we are charging. So, it's not a base charge that allows the use of so many gallons or anything? Mr. Molinari said, that's correct.

Sewer Taps Revenue - \$70,000.

Interest - \$7,000.

Miscellaneous Revenue - \$1,000.

Environmental Testing - Again, this is just a pass through, we are projecting \$17,800.

Grants - We are looking for some projected revenue from USDA of \$50,000.

Council Member Brown then asked about sewer taps revenue for \$100,000. He asked is this the amount we make a year from sewer taps? Mr. Molinari responded that figure is \$70,000. Mr. Molinari further explained that the figure show \$100,000 for water taps and \$70,000 for sewer taps. Councilman Brown then asked is this for new connections? Finance Director Amy Risher explained that septic tank dumping is the majority of the \$70,000 figure for sewer taps. Septic tank dumping is around \$60,000 and sewer taps are around \$10,000. Mr. Brown then said so that \$70,000 figure is not just for sewer taps. Ms. Risher responded, that's correct.

Mr. Molinari then summarized each individual department budget as follows:

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Mayor and City Council Budget

City Manager Molinari stated that the projected cost for the election this year is \$3,500.

He also stated that Council had asked that staff make some improvements to Council Chambers. You'll see here that \$10,000 is taken out, but that figure is actually things that we can get done this budget year. I have already met with PRTC and we are looking at some different options - higher quality projectors, as well as a new recording system.

We are also proposing an increase in our employee Christmas Gift Bonus. On the first payroll in December in handing out the pay stubs, we also hand out the Christmas Bonus, so our employees have a little more money around Christmas time, and that has been very favorably received by our employees, and I recommend that we increase that amount.

Our retirees' insurance is still the same.

City Manager Budget

Mr. Molinari stated that nothing is really new in this budget. This reflects historically what we have had with travel and membership dues. This is a very straightforward budget.

Mayor Young asked, is this one of those years where we would have an extra payroll? City Manager Molinari responded, that was a few years ago, and it was just the way that the calendar fell, but we found a way around that. The only reason why you see that is because it's still in this spreadsheet. We can take it off. It has no impact on us this year.

Finance Department Budget

Status quo, as far as personnel.

Under line item No. 151, you will see annexation rebates. As you will recall, the City back in 2013 came to a settlement with the county. Per the terms of that agreement, when the City annex property which is unincorporated and pays Fire District millage, the City reimburses the Fire District for five (5) years. The whole reason for that is that there was debt service involved on the part of the fire district. Annexation would have an adverse impact on paying off that debt service.

I have already discussed the renovations to 300 Hampton Street.

Public Works Budget

Mr. Molinari said, one thing I did want to mention here is that City Council asked staff after the retreat to replace the windows at City Hall. Our Public Works Director got a figure on that, and it was quite high, about \$200,000. What I would suggest to you, obviously this will be a discussion for a future retreat, but I would strongly suspect that the Capital Project Sales Tax will go back before the voters in 2022. I think that updating City Hall will be a good project for that. Also, I am not sure at least in the short term that we would see a real return on investments as far as energy savings. That's what I am trying to say, I think we can get through the next few years okay with the same windows we have. Looking at the big picture, I think that a full renovation of City Hall would be a great project in a future Capital Projects Sales Tax. But obviously, that's something that will be discussed further.

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Planning and Development Budget

No major changes there. You can see that the bulk of our expenses are contractual arrangements with Safebuilt, which they get 90% of our building permit revenue, and then we also have \$25,000 for demolition.

Mr. Brown asked about the line item for Safebuilt. He asked, what are we paying Safebuilt? Mr. Molinari responded that the amount is \$49,500. We are projecting \$55,000 in permit fee revenue and 90% of that is \$49,500.

Mr. Molinari added that there is also money in this department budget allocated for the City Appearance Board. He said, as you are aware, Dana Cheney has been extremely active on that front and he has requested to attend some litter prevention conferences, and he has done a very good job in securing grants for the City through Palmetto Pride.

Police Department Budget

Mr. Molinari pointed out that this is our largest department. One of the challenges that we have had and probably the biggest challenge that we have had in the Police Department has been in keeping our fleet up to date. We have a number of vehicles that are over the 100,000 miles threshold. We did have some bad luck where one officer's vehicle was totaled after hitting a deer, and we've had another unfortunate situation last year. As a matter of just good sound budgeting, we really need to include new patrol vehicles every year in every budget. In the short term, it's easy if you are trying to balance a budget to cut these capital items back, but I tell you especially with police cars, that can come back to bite you if you don't keep your fleet current.

Councilman Pryor then said, so basically what we are doing now is replacing those two old Crown Vics. So, are you saying to really get up to date, we need seven (7) vehicles? Chief Marvin responded that would replace the Crown Vics. That would replace the 7 old cars that we have, correct and then continually get cars every year that would get us where we need to be.

Council Member Bridge then asked, have we found that changing our insurance is a good decision. Ms. Risher answered affirmatively. Mr. Molinari added, that the new company is easier to work with and it's been beneficial to our bottom line. What I appreciate most about both those insurance programs is that when we were with the state, they sort of kept you at arms length, and with the Municipal Association and those two affiliate programs, you have access to all their resources, so the training information and all that, they really hold your feet to the fire. They will come down here annually and audit everything that we are doing, so I like that and I know from a safety standpoint, law enforcement that there is a number of simulators and you may have seen some of that at the conferences that you go to, but it's been very beneficial. Ultimately, and what I have tried to instill to our department managers is the importance of safety and when we have an incident, that doesn't occur in a vacuum. That has a ripple effect through our general fund to our enterprise fund which impacts everybody's budget, because unfortunately, the more incidents we have, the worse our experience modifier is, and the more our premiums cost. But I am very pleased with the Municipal Association. I think they do a very good job in that regard.

We are also proposing a new admin vehicle for the Deputy Chief. Kevin has been with us for almost 5 years. He has been a great sport, but we can't have the Deputy Chief driving around in that car, which has more than reached its useful life.

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Fire Department Budget

This is pretty much a status quo budget, other than we need to make some drainage improvements to Station 3. You will probably notice in driving by the substation on Robertson Boulevard that the station and the driveway are a little below grade. What happens during the summer when we get intense rain events over a short period of time, that the base fills with water and we can't have that.

Parks Department Budget

Under this department, Mr. Molinari stated that he would like to mention one capital item, which is another item he'd like to place in this current year's budget.

One of the things that City Council has talked about and has asked the staff to address is the condition of Ireland Creek. I have asked our Parks Director Ryan McLeod to look at some equipment that would enable us to better maintain that area. As you are aware, the City has sent a letter to the Army Corps of Engineers, exploring with them what we can do above and beyond what we have been doing, which is essentially cutting it every November or December. I haven't received a letter back from the Army Corps, however, I did receive some followup questions from them, which I take is a good sign. The great part about this piece of equipment, and it's called "a Ventrac," and we actually had the vendor here a couple of months ago, and Ryan and I and Hank were able to see a demonstration, which actually enables the individual driving the Ventrac to get right in the creek, driving on those mounds to maintain that area. But also, I think most beneficial of this, is it would allow us to maintain our interchanges much more efficiently and more safely. As you are aware, the slopes on those interchanges are pretty severe. The day that we had the demo, Ryan sent me a video of the cutting of the interchange at Exit 53. Another detail, as far as efficiency, I know there is cutting that Ryan's crew performs that takes up a lot of man-hours, and this particular piece of equipment for certain sections would allow the crews to do it much more efficiently and less man-hours.

Ryan McLeod, Parks Director, added, what I would say is that it would still allow us to use the tractor on less sloped areas, because right now there is a safety concern with the pitch that we have with our John Deere Tractor and our bushhog. We could run the bushhog in flatter safe areas and also run the Ventrac. The Ventrac is very user-friendly. He pointed out that this machine could be used in cutting Ireland Creek and on the slopes. Mr. McLeod then discussed the different qualities of the Ventrac.

Mayor Young pointed out that there are a couple of cypress trees growing in the middle of the creek, so we might not want to do anything to get rid of them, unless there is a reason we need to.

Ryan McLeod pointed out that the warranty on the Ventrac was one year. He recommended that if the City purchased the machine through Reynolds Truck and Tractor of Myrtle Beach, who services the machine. Mayor Young asked Mr. McLeod if his crew also cuts the grass at the Wastewater Treatment Plant? Mr. McLeod responded, we only do our small section. The Wastewater Treatment crew does a good job keeping the grass cut there.

Mr. Molinari said with the Ventrac if Council were amenable that we could pay for out of this year's budget, in fact I asked Ryan to put together a proposal and interestingly enough, it actually behooves us in this situation to go through one vendor. By competitively bidding it, we would actually end up paying about \$800 more. Mr. McLeod said, what happens and it goes to source and it becomes a multiple bid, they generally take 13% off retail or whatever their distinguished price is through Ventrac.

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In this situation, if we don't bid it out, we can get our full 15% off, which is a full 2% savings, which is roughly \$800.

Tourism Budget

You will see a line item for the First Thursday event. We have actually taken those expenses and put them into line item 113, which is advertising and promotions. Mr. Broderick asked if the First Thursday event would be eligible for A-tax money? Mr. Molinari said, I think there would have to be a larger event that was affiliated with that, for example the Criterium. The idea with First Thursday is to try to do something that will benefit our downtown merchants, improve their sales and hopefully lead to greater occupancy rates of our storefronts downtown.

Mr. Broderick asked, if something was brought into the Discovery Center and tied into the First Thursday, would that make it eligible for A-tax funds? Mr. Molinari, I guess you could potentially do that. The state statute is pretty specific on what you can use those funds for.

Council Member Bridge then asked, are we doing an advertising campaign for the Discovery Center? Mr. Molinari answered, we will be. Mayor Young asked if money was in the budget for a big opening event for the Discovery Center. Mr. Molinari responded that this was included.

ENTERPRISE FUND

Water

As you are aware from hearing the presentation a couple of weeks ago that we have a very healthy Water Enterprise Fund. As I mentioned in the summary, we are continuing to purchase new radio read meters. We plan to continue to do that, but also do a handful of capital items. Wayne is in dire need of new pickup trucks and is recommending a new pickup truck.

I have already talked about the new Mable T. Willis Blvd. Well and the Eastside Waterline Project, which is the CDBG Project, which I will be bringing before you next week at the May Council meeting.

Utility Support

This is a department that we created a few years ago to reflect the individuals over at 300 Hampton Street, who are engaged with water, sewer and sanitation billing. You will see under Utility Support, a line item for a rate study. We have nothing under there, because Council fully funded that last year and we are still in the process of going through that rate study with Willdan.

With Utility Support, we have put in all of our debt service. The Water and sewer we have, the state Revolving Fund and RIA Wastewater Treatment Plant upgrades. Those are costs we have that are recurring

Sanitation

There are no real changes there, but what I would like to do is to have a session with Willdan about our Sanitation Pickups. Everybody loves our residential pickup, but with commercial service, we are really at a critical juncture where either we need to continue to invest in that operation or look at potentially divesting ourselves of that. When I say commercial service, I mean dumpster service. I will give you a perfect example. Both of our commercial trucks are aging and last year, we had both of them

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go down, and we had to contract with someone, because we had to continue to provide the service. But obviously, residential is something that we hear nothing but positives about, and I think that's a service that is really is best be done in-house. In talking to other jurisdictions that have tried to contract that out, we just have so many benefits of that. We have drivers that have been doing this for 34 years. They know the people, they know the routes and they do a great job for us.

Sewer

This is the operation of the operation of the Wastewater Treatment Plant. Line item 305 - system cost, we added an additional \$12,000 there to get a couple of new pumps at the lift station at the Country Club.

Under Capital Items, Wayne has already talked about the service truck with the crane body. We are proposing to purchase that.

Sewer Support

These are our gravity lines. This is where our Public Works Director and Street Superintendent comes out of this budget. We have in there what we did with the sewer system camering and flow monitoring. That's very expensive to do. In trying to put together a budget, and what we did was the total projected cost was \$235,500. What we did was we split that down the middle to whereby we would do half of the work in this fiscal year and half of the work in the next fiscal year. That's really contingent upon the fee that we talked about related to sewer before. What I'd like to do is bring Willdan back and have a more detailed discussion before we do Second and Final Reading of the budget.

Debt Service

In 2011 the City refinanced its General Obligation Bond, and we had made our last payments of \$90,130. So that officially comes off the books. We still have another General Obligation Bond hanging out there. This was done for the rehabilitations to the parks, which we did as well as some capital items. The second GO Bond was a 180-month issue, and that will be satisfied in 2026. As you will recall, we purchased some new fire apparatus a few years ago and are financing that over a 5-year term, and that will be satisfied in 2021-2022. We also purchased a new grapple truck for Public Works and it was also financed over a 5-year term, and that will be satisfied in 2022-2023.

When you get into the Enterprise Fund, which is where you see a lot of activity, we did an extensive sewer line rehab in 2001 and refinanced that debt in 2011. That debt will go away in 2021-2022. We are looking at a little less than \$214,000 for that. We also did a rehab of some wastewater on Bells Highway. The first residential truck that we purchased in the 2014-2015 budget year is finally going away. You can see how low interest rates were at the time. We financed that truck at 1.61%. When you compare that with what we are paying for our new residential truck, that's almost double for that.

We have our new residential garbage truck which we took delivery on in January, and that debt service will come on line in this budget year.

Mr. Broderick then asked the City Manager about the wastewater project on Bells Highway. He asked when will that come off debt service - that's a 20-year debt. Mr. Molinari replied that he did not know for sure, but he would suspect that if that was refinanced in 2011, then that debt would probably come off the books in 2031.

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Transfer Allocation

Mr. Molinari said that a couple of years ago, City Council adopted a set of financial guidelines and policies and it was specifically directed toward the transfer that we make from the Enterprise Fund to the General Fund to where we can document every dollar to be traced back to the General Fund, and there are a few different methodologies that we do that. We do a cost of service allocation which is based on salaries and the amount of time that City Council spends on the Enterprise Fund, that the City Manager's office spends, that Finance Department spends. We also have what is essentially a franchise fee - a 5% that gets billed back to the City, and then we also have a payment in lieu of taxes and a rate of return. Transfers from the Enterprise Fund to the General Fund, we are not unique in that regard, it's a very common practice throughout the state.

We also did the same transfer allocation for both our local hospitality tax and our local accommodations tax. Local hospitality tax and local A-tax are completely identical. If you look at the state statutes as far as the expenditures that it can be used for but clearly tourism related buildings, tourism related cultural, recreational or historical facilities, Discovery Center and all the other expenditures fit right in there. So, we are very comfortable in what the State statute allows.

Special Funds

- A. Just to go through our last line item - Special Funds. Our local A-Tax we continue to see and uptick with that. We have expenses that come out of that every year - our lighting at Exit 53 and Exit 57, we pay for with local A-Tax. We are going to be transferring \$30,000 to help with the operation of the Discovery Center. We transferred \$90,000 to the General Fund and then the bond for the Discovery Center will be paid for from local accommodations tax for the first three years, I believe.
- B. Local Hospitality Tax - same thing. More restaurants continue to come on line. This is going to be huge for us. The more businesses we have that serve prepared food, the better for us.

We have a little bit of interest income from South State Bank.

Our primary expenses are our transfer out, and as you are aware, the City helps to pay for some of the debt service for the Veterans Victory House. That will go away, and I believe it's three years. Then we also for the design and engineering cost for the Loop Project, the City did a transfer in and out of that account, and then we have 30% which goes to advertising and promotion and 65% to the Accommodations Tax Committee. Then you have the \$43,000 which goes into the General Fund.

Debt Service

We have some debt service as well that's associated with our Special Revenue Funds. You can see with the Tax Increment District that will go away in 2021. The Victory House debt will go away in 2021. As soon as we finish paying that off, you can see that the bulk of the interest and principal for the Discovery Center will be paid off with what we are paying in local hospitality tax for the TIF and for the Victory House. The good news is that our tax base that we are drawing hospitality tax from is much stronger today than it was when we first did those bond issues. So, that is the 2019-2020 budget. I will be happy to answer any questions you may have. I have mentioned a few items that I would like to take care of in this year's budget which will go before Council next week. I'd like to bring Willdan in again, ideally before we do Second Reading to talk about the Water and Sewer and Sanitation and to do some

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more detail, but I can't thank Amy enough and the Department Managers. They have been great. It was a challenging budget. You know, doing the budget is like putting together a puzzle, and there are a lot of moving pieces and parts, but everybody really did a bang-up job on it and I am pleased with the budget we have put together, and I am comfortable recommending it to City Council.

The Mayor thanked the City Manager and said, I know that is a lot of work.

There being no further discussion, a motion was made by Council Member Bridge to adjourn the meeting, seconded by Council Member Broderick and passed unanimously. The Mayor said, I need to remember to say something about this in the meeting Tuesday night, but when we had the storm come through the other day, our crews were out there immediately, and I know that Judge Buckner was singing their praises because he had a big tree down across Mystic Lane and our guys were out there very quickly taking care of it. Hank Amundson said he had gotten a couple of compliments in the last couple of days about the clean up after the Rice Festival. Mayor Young said he had noticed how quickly it was done and that our men had done a great job. We need to thank you publicly.

The Mayor then adjourned the meeting at 6:30 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

Please note that Bobby Bonds did not vote on the motion to adopt these minutes, as he is no longer a City Council Member as of the approval date:

ORDINANCE # 2020-07

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 TWO FULL PARCELS AND ONE PARTIAL PARCEL OF LAND FRONTING MEADOW STREET, BETWEEN STATE AND TRINITY STREETS, DESIGNATED AS TMS#s 163-03-00-005, 163-03-00-014, AND 163-03-00-007 FROM MEDIUM DENSITY RESIDENTIAL(MDR) TO HIGHWAY COMMERCIAL DISTRICT (HCD).

WHEREAS, the Planning Commission of the City of Walterboro met on JUNE 23, 2020 to consider a change in zoning classification from Medium Density Residential District (MDR) to Highway Commercial District (HCD) for the above-mentioned properties,

WHEREAS, pursuant to said meeting, the Planning Commission has recommended that the zoning classification of the property aforesaid be changed to Highway Commercial District (HCD).

NOW, THEREFORE, BE IT ORDAINED and ordered by the Mayor and City Council of the City of Walterboro, South Carolina, that the Zoning Map of the City of Walterboro, South Carolina is hereby amended by changing the Zoning District classification of the properties located on Meadow Street, between Trinity and State Streets, designated as tax map number 163-03-00-005, 163-03-00-014, and 163-03-00-007 from Medium Density Residential District (MDR) to Highway Commercial District (HCD) as shown on the attached map.

DONE, this 4th day of August, 2020.

William T. Young, Jr
Mayor

ATTEST:

City Clerk

First Reading: July 7, 2020
Public Hearing: August 4, 2020
Second Reading: August 4, 2020

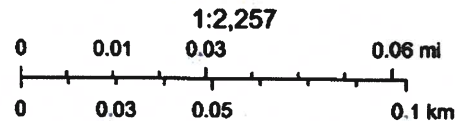
Enterprise Re-Zone

Ordinance # 2020-07
Attachment



6/19/2020, 2:32:53 PM

- █ Override 1
- ▭ Parcel Boundaries
- Address Points
- Road Centerlines
- ▭ Municipal Boundaries



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

RESOLUTION NO. 2020-R-05

(Revised)

WHEREAS, the need to address quality of life issues for the City of Walterboro, and addressing the concerns and issues of LMI residents is a priority for the City, infrastructure improvements have been identified as a priority community need for City of Walterboro, and

WHEREAS, the City of Walterboro wishes to address this need by making application to the South Carolina Department of Commerce, Grants Administration for Community Infrastructure Funds in order to improve the wastewater collection system by making sewer line upgrades in Sub Basin 12 of the City's system.

WHEREAS, the completion of this project would directly benefit residents of the City of Walterboro, of which at least 51% qualify as having low-to-moderate incomes,

NOW THEREFORE BE IT RESOLVED by the City Council of Walterboro, South Carolina, that

1. City Council hereby endorses the Black Street I/I Project because it will greatly improve the quality of life for the residents of the City of Walterboro.

2. The City Manager is authorized to prepare and submit a Community Development Block Grant (CDBG) Community Infrastructure Application for the City of Walterboro – Black Street I/I Project and is authorized to commit matching funds in the amount of 10% of the grant request or \$134,876 to meet the local commitment of the Community Development Program.

3. Additionally, the City Manager is authorized to commit an additional \$18,613 in funds to meet the budget needs of the proposed project.

ADOPTED, THIS ____ DAY OF AUGUST, 2020.

William T. Young, Jr, Mayor

ATTEST:

Clerk to Council

ORDINANCE # 2020-08

AN ORDINANCE TO AMEND ORDINANCE # 2020-04, SO AS TO SET THE LOCAL OPTION SALES TAX CREDIT FACTOR IN THE FISCAL YEAR 2020-2021 BUDGET.

WHEREAS, the fiscal year 2020-2021 budget was adopted with the passage of Ordinance # 2020-04 on June 23, 2020; and,

WHEREAS, City Council has determined that a need exists to amend said budget to set the Local Option Sales Tax Credit Factor for the fiscal year 2020-2021 budget.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN COUNCIL ASSEMBLED, that the fiscal year 2020-2021 budget be amended as follows:

1. A local option sales tax credit factor of .001701 shall be established.

This ordinance shall become effective upon adoption.

ADOPTED, this _____ day of _____, 2020.

William T. Young, Jr.
Mayor

ATTEST:

City Clerk

First Reading: _____
Public Hearing: _____
Second Reading: _____