

Walterboro City Council
Rescheduled Regular Meeting

November 14, 2023

6:15 P.M.

Minutes

A Rescheduled Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, November 14, 2023, at 6:15 P.M., with Mayor Bill Young presiding.

Present: Joined in the meeting were: Mayor Bill Young, Councilmembers: Greg Pryor, James Broderick, Paul Siegel, Judy Bridge, and Carl Brown. City Manager Jeff Molinari, Assistant City Manager Ryan McLeod, City Clerk Adrienne Nettles, Finance Director Amy Risher, Bond Counsel Gary Pope (Pope Flynn, LLC). Councilmember Ladson Fishburne was not in attendance.

Call to Order:

With the above – mentioned Councilmembers present, Mayor Young called the meeting to order, and invited everyone to join in as he gave the invocation. Councilmember Broderick led the Pledge of Allegiance to our flag.

Public Input on Agenda Items:

There was no public input on agenda items.

Public Hearing:

1. **Ordinance # 2023-11**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO (Second and Final Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council we have our Bond Counsel Gary Pope with us from Pope Flynn, LLC. He is going to brief Council on the ordinance.

Gary Pope stated Mr. Mayor and members of City Council before you today are the public hearing and second reading on the water and sewer capacity fee. These fees were explained to you by my colleague Lawrence Flynn. They are part of the equity funding, making certain the new development and capacity pays for what it needs to pay for.

Approval of Minutes:

Upon motion of Councilmember Bridge, seconded by Councilmember Broderick the following minutes were approved:

1. August 17, 2023 – Work Session
2. September 5, 2023 – Regular Meeting
3. October 3, 2023 – Regular Meeting

Old Business:

1. **Ordinance # 2023-13**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO (Second and Final Reading).

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

New Business:

1. **Ordinance # 2023-14**, AN ORDINANCE AMENDING THE BUSINESS LICENSE ORDINANCE OF THE CITY OF WALTERBORO TO UPDATE THE CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020 (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council the Business License Standardization Act requires municipalities in odd numbered years to update their business license ordinance by December 31st. Based on the latest standardization recommendations from the Municipal Association of South Carolina we have made those changes. We request City Council's approval of amending the business license ordinance.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

2. **Ordinance # 2023-15**, AN ORDINANCE TO AMEND CHAPTER 8 - BUSINESS AND BUSINESS REGULATIONS, ARTICLE III – SOLICITING; PEDDLERS, SOLICITORS, AND TRANSIENT MERCHANTS AS REQUIRED BY ACT 176 OF 2020 (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council this ordinance before you is specifically a result of Ordinance **# 2023-14**. Peddlers, solicitors, and transient merchants were removed from the NICS Codes. We need to place solicitors, peddlers, and transient merchants in a separate area in our code of ordinances.

Motion: Councilmember Siegel; Seconded by Councilmember Broderick

Discussion: None

Carried: All ayes

3. **Ordinance # 2023-16**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE UTILITY SUPPORT DEPARTMENT (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and member of City Council the ordinance before you will codify and put in the Comprehensive Fee Schedule the capacity fee that you have just put in place. It will also put into place the water and sewer rate increases. We must put those increases into place to be able to

meet the debt service requirements for the wastewater treatment plant expansion project. We ask for Council's favorable consideration.

Motion: Councilmember Brown; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

4. Ordinance # 2023-17, AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND ORDINANCE ENTITLED "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO" ENACTED ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council our Bond Counsel Gary Pope is going to speak on Ordinance **# 2023-17** and Ordinance **# 2023-18**. With the line of credit that we are having to take out for the wastewater treatment project, there are several pieces and parts that had to line up with the master bond ordinance.

Gary Pope stated as you are aware you have an ordinance that sets the terms between all your current and future bond holders. To change that we must have an ordinance by City Council as well as consent of all outstanding bond holders. You have two bonds; one is owned by South Carolina State Revolving Loan Fund and the second is owned by Truist Bank. They have consented to the changes to your ordinance. Those changes include the ability to issue bonds as a revolving line of credit. It sets a maximum amount that could be used of \$40 million, and the maximum amount that could ever be outstanding at one time of around \$13 million. The reason we are doing this is because of a timing issue with the EDA grant. EDA will pay you as you submit your pay request for the work that has been done. It is a big grant, and you all are fortunate to have it. Due to the size of the city enterprise fund, there is no ability to go and borrow \$40 million and get reimbursement for it. We are working with Truist Bank and negotiating with them to set up a line of credit. We all have a good understanding with them as to the various terms and what we are trying to accomplish. They are on board with it, and we need to enact this ordinance to have an agreement.

Councilmember Broderick asked, how long does it usually take for us to get back the reimbursement from the EDA?

Amy Risher, Finance Director answered it will take anywhere from 30-45 days on each reimbursement request.

Councilmember Broderick asked, "Is the one time max we can have 13 million dollars?"

Gary Pope answered, yes that is right. The idea is that you can draw down and pay it off as the reimbursement comes in. You can do that up to 40 million dollars maximum credit amount.

Councilmember Bridge asked do we have the reassurance from EDA that we have this money?

City Manager Jeff Molinar stated we received two different grants for this project. In April of 2020 we were awarded \$15.6 million. In May of this year, we were awarded an additional \$9.9 million because of the cost of the project. Everything that I understand with EDA is ironclad and not subject to any changes.

Motion: Councilmember Broderick; Seconded by Councilmember Brown

Discussion: None

Carried: All ayes

5. **Ordinance # 2023-18**, A SERIES ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING THIRTEEN MILLION FIVE HUNDRED DOLLARD (\$13,500,000); OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO (Introduction and First Reading).

Gary Pope stated this is a series ordinance that under the amended bond ordinance would allow for you to issue the amount of the \$13,500,000 up to the maximum of about \$40,000,000, to provide for the payment of the EDA Grant on the reimbursement bases. This ordinance is in accordance with the master one. It has been reviewed by Truist Bank and this is the ordinance that authorizes borrowing.

Motion: Councilmember Brown; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

6. **Resolution # 2023-R-05**, A RESOLUTION TO CERTIFY THE RESULTS OF THE NOVEMBER 7, 2023, MUNICIPAL GENERAL ELECTION.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

7. A Proclamation to declare November 16, 2023, as World Pancreatic Cancer Day.

Motion: Councilmember Bridge; Seconded by Councilmember Broderick

Discussion: None

Carried: All ayes

8. Consideration of a parade request from Herman Bright – Martin Luther King, Jr. Parade, January 14, 2024, at 2:30 PM.

Motion: Councilmember Siegel; Seconded by Councilmember Bridge

Discussion: None

Carried: All ayes

9. Consideration of a request from the Pharaohs of the Lowcountry Eastern Truck Division to use the former Ford property at 114 North Walter Street to hold a car show and Christmas Toy Drive, Saturday December 9, 2023, 12:00 – 3:00 PM.

This request was withdrawn.

10. Consideration of a request to close streets for the Annual Christmas Parade to be held on Sunday, December 3, 2023, at 6:30 PM.

Motion: Councilmember Pryor; Seconded by Councilmember Bridge

Discussion: None

Carried: All ayes

11. Election of Councilmember James Broderick as Voting Delegate at the 2023 National League of Cities Summit.

Motion: Mayor Bill Young, Seconded by Councilmember Pryor

Discussion: None

Carries: All ayes

City Manager's Report:

1. Consideration of financing proposals – wastewater treatment plant expansion line of credit.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo from our Finance Director Amy Risher. The city's financial advisor PFM solicited proposals for the wastewater treatment plant expansion line of credit. Our Bond Counsel Gary Pope described all that information in detail. As you can see South State Bank was a no bid, JP Morgan was a no bid, and Truist Commercial has given the City a term of 5 years with a rate of 4.95 % with our line of credit. The reason we are having to do that is because the money we are getting from EDA is a reimbursement grant. We will be paying multiply pay applications to the contractors before reimbursement is sent to EDA. We need to make sure we have enough capacity to be able to make those payments. This is why we are having to do the line of credit. In talking with our financial advisor and bond counsel we will probably be looking at a subsequent bond issue towards the end of the project.

Councilmember Siegel asked is this a floating rate?

City Manager Jeff stated it is a variable rate.

Councilmember Siegel asked if there any limits on how high it can increase?

City Manager Jeff stated there are no limits set. However, I will say it was difficult finding a lender who was willing to participate in the line of credit. It is an interesting project where our total city budget is a little over \$13 million and our Enterprise Budget is a little over 4 million dollars. This project is \$38 million. Trying to satisfy the different lending institutions and meet their criteria and demonstrate to them that we can pay the line of credit back was challenging. Fortunately, Truist stepped up and we were able to meet all their requirements.

Councilmember Brown asked how we will pay the interest rate?

Amy Risher stated it will come out of the revenues from the system.

Motion: Councilmember Broderick, Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

2. Consideration of funding recommendations from the Accommodations Tax Advisory Committee.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo and supporting documentation from our Finance Director Amy Risher. The A-TAX Committee met on October 26, 2023, and reviewed three (3) applications. They are recommending the following from the Tourism Fund:

1. Community Innovation Request \$17,000. They are not recommending any funds towards that.
2. Palmetto Cycling Coalition – FestiVelo XXVI requested \$29,900. They were approved for \$21,000.
3. SC Artisans Center – Marketing and Promotions requested \$35,000. They were approved for \$10,000.

Should these requests be approved as submitted, the projected remaining balance for 2023-2024 will be approximately \$279,696. The remaining funds will be up for consideration at the next scheduled meeting in February 2024. Therefore, the A-TAX Committee respectfully requests City Council approval.

Councilmember Bridge asked, “have we funded FestiVelo before?”

City Manager Jeff said yes, we have. I will say the numbers are good in terms of the money they spend in the community.

Councilmember Siegel asked how many participants were there this year?

City Manager Jeff stated there were a few hundred cyclists.

Motion: Councilmember Pryor; Seconded by Councilmember Brown

Discussion: None

Carried: All ayes

3. Introduction of Karen Williams, Main Street Manager – Tourism Director

City Manager Jeff stated Mr. Mayor and members of City Council I am pleased to introduce Karen Williams. Karen is our new Main Street Manager – Tourism Director. Karen comes to us from the historic Charleston Market. She has also worked for the City of Charleston as the Event and Farmers Market Manager. Prior to that she was a Main Street Coordinator in the City of Howell, Michigan. We are excited to have Karen with us and we think she will do a great job.

A motion was made to go into Executive Session by Councilmember Brown, seconded by Councilmember Pryor. Mayor Young explained that City Council would be going into Executive Session to discuss the provision of water and sewer service to Northwest Walterboro, Personnel Matter – Planning and Development Department.

Executive Session:

1. The provision of water and sewer service to Northwest Walterboro.
2. Personnel Matter: Planning and Development Department.

A motion to come out of Executive Session was made by Councilmember Pryor, seconded by Councilmember Broderick at 7:49 PM. All in favor motion carried.

There being no further business to consider, a motion to adjourn was made by Councilmember Brown, seconded by Councilmember Bridge, and passed unanimously. Mayor Young adjourned the meeting at 7:49

P.M. Notice of the meeting was distributed with the agenda packets, to all local media, posted on City Hall Bulletin board and posted on the City's website at least twenty-four hours prior to the meeting.

Respectfully,

Adrienne Nettles
City Clerk