

**MINUTES**

A Public Hearing and Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, June 9, 2015 at 6:15 P.M., with Mayor Bill Young presiding.

**PRESENT WERE:** Mayor Bill Young, Council Members: Jimmy Syfrett, Paul Siegel, Bobby Bonds, James Broderick and Judy Bridge. City Manager Jeff Molinari, City Clerk Betty Hudson and City Attorney George Cone were also present. Council Member Tom Lohr was absent. There were approximately 8 persons present in the audience.

There being a quorum present, Mayor Young called the meeting to order and welcomed everyone to the meeting. Council Member Syfrett gave the invocation and Council Member Siegel led the pledge of allegiance to our flag.

**PUBLIC INPUT ON AGENDA ITEMS:**

There were no public comments or questions on agenda items.

**PUBLIC HEARING:**

1. **Ordinance # 2015-03, An Ordinance Adopting the City General Fund Budget for Fiscal Year 2015-2016 and Matters Relating Thereto**
2. **Ordinance # 2015-04, An Ordinance Adopting the City Enterprise Budget for Fiscal Year 2015-2016 and Matters Relating Thereto**

The Mayor asked the City Manager to give a brief description of the budget, and then we will have public comments.

City Manager Molinari told Council that staff has been working on this budget for sometime. The Budget Committee convened in April and went through the entire budget for the General Fund and the Enterprise Fund. Just to give you a quick overview.

- 1) The total City Budget is \$10.8 million. The General Fund is \$7.3 million of that.
- 2) There are no property tax increase and no business license increase in this year's budget.
- 3) We are proposing a 5% water rate and sewer rate increase to account for increased costs at the Wastewater Treatment Plant.
- 4) Both the City and employees are having to endure increases in health insurance premiums. As of July 1, premiums are going up 3.4% for both the City share and employees.
- 5) We are also seeing increases in South Carolina Retirement System and Police Officers Retirement System.
- 6) Staff has proposed a 2% cost of living adjustment for City employees to help offset some of those increased costs.
- 7) The Mayor and City Council and City Manager's budgets are status quo.
- 8) The Finance Department is proposing to paint the annex building next door.
- 9) The Department of Public Works is looking at purchasing a new front loader with a tink bucket. This will be used for yard debris collection.
- 10) The Planning and Codes budget is status quo.
- 11) The Police Department is looking at purchasing 3 new vehicles - 2 patrol vehicles and an admin car.
- 12) The Judicial Department's budget is status quo.

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- 13) The Fire Department is looking at hiring 3 new firefighters. This will allow the City to meet the OSHA requirement of 2 in and 2 out. This will give us at least 4 firefighters on duty at all times.
- 14) The Sanitation Department's budget is status quo.
- 15) The Parks Department is looking at purchasing a new Ford F-250 Pickup Truck.
- 16) The Tourism Department budget is status quo.
- 17) The Water Department is looking at adding one new technician.
- 18) The Utilities Support Department's budget is status quo.
- 16) The Sewer Department is having to absorb increased sludge and disposal costs.
- 17) Sewer Support Department's budget is status quo.

No further comments or questions were raised and the Public Hearing was closed.

**PROCLAMATIONS AND RESOLUTIONS:**

1. **Revised Resolution # 2015-R-04**, A Resolution Approving the Colleton County Bicycle and Pedestrian Plan, was before Council for consideration.

The Mayor announced that this resolution had been tabled previously by Council.

A motion to take Resolution No. 2015-R-04 from the table for reconsideration was made by Council Member Siegel, seconded by Council Member Broderick and passed with all members voting in favor.

A second motion was then made by Council Member Siegel to adopt revised Resolution No. 2015-R-04, A Resolution Approving the Colleton County Bicycle and Pedestrian Master Plan, as submitted. Council Member Bridge seconded the motion. The motion passed unanimously. A copy of said resolution is attached as part of these minutes.

2. **Resolution No. 2015-R-05**, A Resolution to Formally Recognize and Offer Commendation to Charlie Chewing, Public Works Director, for 23 Years of Distinguished Service to the City of Walterboro, South Carolina, was before Council.

Mayor Young then asked Public Works Director Charlie Chewing to come to the podium. The Mayor then read the resolution in its entirety into the record.

The Mayor stated, there really aren't enough words to show our appreciation to Charlie. Thank you for all you have done. In jest, the Mayor stated that Charlie had tried to retire a couple of times, but we never would let him.

Mr. Chewing then addressed Council. He said, I hope that I deserve these great comments and I hope that I have done something to help the City. Walterboro is my hometown and I hope that I have contributed.

A motion to adopt Resolution No. 2015-R-05 as submitted was made by Council Member Bridge, seconded by Council Member Broderick and passed unanimously. A copy of said Resolution is attached as part of these minutes.

**APPROVAL OF MINUTES:**

Upon motion of Council Member Broderick, seconded by Council Member Siegel, the following Minutes were approved unanimously as submitted:

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- 1) Minutes of the April 28, 2015 Work Session for Budget Committee.
- 2) Minutes of the April 28, 2015 Regular Meeting.

**OLD BUSINESS:**

1. **Ordinance # 2015-03, An Ordinance Adopting the City General Fund Budget for Fiscal Year 2015-2016 and Matters Relating Thereto - Second Reading and Adoption**

A motion was made by Council Member Bridge, seconded by Council Member Lohr, giving Second Reading and Adoption to Ordinance # 2015-03 as submitted. The motion carried unanimously.

2. **Ordinance # 2015-04, An Ordinance Adopting the City Enterprise Budget for Fiscal Year 2015-2016 and Matters Relating Thereto - Second Reading and Adoption**

A motion was made by Council Member Bonds, seconded by Council Member Syfrett, giving Second Reading and Adoption to Ordinance # 2015-04 as submitted. The motion passed with all members voting in favor.

3. **Ordinance # 2015-05, An Ordinance Authorizing the City of Walterboro to Grant an Easement to South Carolina Electric and Gas Company Over Property on or Near Robertson Boulevard - Second Reading and Adoption**

City Manager Molinari briefed Council on this agenda item. He explained that there is an industry wanting to be located on airport property. In order to provide electrical service to that industry, SCE&G is requesting an easement to place three utility poles on City owned property. Where you see the circle and the x, those are the three locations. This is the same parcel, about a 24-acre parcel, where the City's Public Works Facility is located. Mr. Molinari then pointed out the locations for the 3 poles.

A motion was made by Council Member Bonds, seconded by Council Member Syfrett, giving Second Reading and Adoption to Ordinance # 2015-05, as submitted. The motion passed unanimously.

4. **Ordinance # 2015-06, An Ordinance Authorizing the City of Walterboro to Join with the Walterboro-Colleton County Airport Commission and the County of Colleton in Granting an Easement to South Carolina Electric and Gas Company Over Property on or Near Robertson Boulevard - Second Reading and Adoption**

City Manager Molinari explained that this is the same industry just mentioned. Mr. Molinari explained that they will be located on property jointly owned by the County and the City. Because of this, we are required to pass an ordinance to allow for the easement. They are looking at locating thirteen (13) utility poles on Walterboro-Colleton County Airport property.

A motion was made by Council Member Broderick giving Second Reading and Adoption to Ordinance # 2015-06 as submitted. Council Member Bridge seconded the motion. In discussing the motion, Council Member Broderick asked, is this project "DENT?" City Manager Molinari responded that this is project "DENT" - Palmetto Aero. The motion passed unanimously.

**NEW BUSINESS:**

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1. **Ordinance # 2015-07, An Ordinance Authorizing the City of Walterboro to Join with the Walterboro-Colleton County Airport Commission and the County of Colleton in Approving a Ground Lease for Project "C," First Reading**

Mayor Young then explained that this is a lease for a business that would be located at the airport. I don't think we've gotten everything signed yet, but this is first reading. I think the lease is really lengthy. I can tell you that the lease has been written and rewritten and has gone back and forth between the Airport Commission and the owner of this prospective entity a number of times over the past several months. The Airport Commission has voted to approve this ground lease and send it to City Council and County Council for First Readings. When you get to Second Reading, it will have the names and other information on it that are not in this one.

City Manager explained that people have been working on this for about 5 or 6 months. The City is represented with three members on the Airport Commission - the Mayor, Tom Lohr, Chairman of the Finance Committee, and Mr. Franklin Smalls, another City appointee. He further stated, this is really a ground breaking event, because it is the first ground lease on airport property. Mr. Molinari further said, the perspective industry is looking at making a fairly significant investment - about 127 jobs and over \$3,000,000, with very competitive wages. It is an aerospace-related company.

Mayor Young then stated, we have been pretty excited about this. Negotiations have gone on for some time.

A motion giving First Reading Approval to Ordinance # 2015-07 as submitted to approve the ground lease for Project "C" was made by Council Member Siegel and seconded by Council Member Broderick.

In discussing the motion, Council Member Bonds asked if the Airport Commission had a lawyer to review the documents and negotiating the matter? If so, who is that lawyer? The Mayor responded that Burt Duffie is the Airport Commission's lawyer. He went back and forth extensively between the prospect and the Commission as we worked this out. There were a number of extra meetings, and some times on weekends, and unscheduled meetings were called to try to get through with this. Council Member Siegel then asked if parcel "A" was abutting the runway? Mayor Young responded, there is a space in between there and the runway. He has access to that runway. For a point of reference, the City Manager Molinari pointed out the area where the main terminal is located. Mr. Siegel then asked, is it their plan to lease similar parcels all the way down that runway? Is this a scheme or a plan that will hopefully replicate down the line? Mayor Young answered, there is some discussion about some expansion in the future, but it is not right by that parcel.

The motion giving First Reading Approval to Ordinance # 2015-07 then passed with all members voting in favor.

2. **Authorization for Submission of EDA Grant Application for Upgrades to the Wastewater Treatment Plant and Committing \$1,360,000 in Matching Funds**

City Manager Molinari briefed Council on this agenda item. He said, as you are aware we need to make some upgrades to the Wastewater Treatment Plant. To that end, the City has been pursuing grant opportunities, specifically, for money through EDA, the Economic Development Administration. With the assistance of Michelle Knight of the Lowcountry Council of Governments, we have had to scramble a bit, but we have been putting together an application to submit to EDA in the amount of \$2,040,000. The grant requires that the City provide a match of \$1,360,000. Mr. Molinari cautioned Council by stating, with regard to the \$1,360,000 match, I am

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hoping to offset that cost with additional grants. If we can get the EDA money, then that should open the door to some other funding sources. But the timing is critical. With Colleton County recently being designated a "Promise Zone," we wanted to get in on the last funding cycle. There are four different funding cycles for EDA, and this is the last of the fiscal year. The grant applications are due on Friday, and we wanted to try and capitalize on that recent designation as much as we can. So, for the purposes of the grant application, I have to commit the City to \$1,360,000 as a match, but like I said, I am going to do everything I can to reduce the out-of-pocket cost for the City.

A motion was made by Council Member Bridge authorizing the submission of the EDA Grant Application for Upgrades to the Wastewater Treatment and Committing \$1,360,000 in Matching Funds. Council Member Broderick seconded the motion.

In discussing the motion, Council Member Bridge then asked if she could address the amount of money the City is required to give as matching funds? She said, with that amount of money, are we trying to think in terms of the increase in water rates and sewer rates as part of that committed funding? City Manager Molinari responded, that is not going to come into play until a little further down the road. As I was saying, the more that I can reduce that number of the City's match, the fewer adjustments we'll have to make in terms of rates and things of that nature. Now, the rate increases that were put into this coming budget were to go to handle the increased cost of sludge disposal as well as the plan for future expansion. But this grant application is really critical, because the total cost of the project, including engineering, is about \$3.8 million. If we can get this grant, we will be in a much better shape.

Mayor Young then asked, where will we get the balance of what we need if funded by grants? What are you thinking about for that? City Manager Molinari responded, if we are able to secure an EDA grant, that is going to put us in a much stronger position for a rural infrastructure grant, and that is up to \$500,000. So, that would take that \$1.3 million down to \$800,000. Depending on how we would want to finance those improvements and what types of rates we could get would dictate what we would have to do as far as the rate structure is concerned. At this point, I am just trying to accumulate as much grant money as I possibly can.

Council Member Broderick then asked, does the "Promise Zone" designation tie into the Rural Infrastructure Grant? Would that help us? City Manager Molinari responded, it does not, but that being said, it is certainly something that we will look for on the application. The Federal Department of Commerce is one of ten federal agencies that are currently participating in the "Promise Zone" program. In talking to Commerce officials in Columbia a couple of weeks ago, they indicated to us that with the "Promise Zone" designation that would give us a leg up. Let's say, they were evaluating two projects that were essentially equal. By virtue of us being in a "Promise Zone," that would give us a leg up and get us across the goal line.

Council Member Bridge then said, the amount of money for our matching, this project is going to take about two years, was that the time frame? City Manager Molinari then said, actually the next item on the agenda, the time line that URS has proposed is a very aggressive time line, but looking at what they proposed, we are looking about a nine-month construction period. Obviously, this would be contingent upon the funding. One of the conversations I have had with the Utilities Director is that in the event that we are not funded, then we are going to have to go back to DHEC for a little lead way until we can piece together all the financing. But the time line that is outlined in the task order is a very aggressive schedule and we will try to do that. It's all contingent upon funding.

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The motion authorizing the submission of the EDA Grant Application for Upgrades to the Wastewater Treatment and Committing \$1,360,000 in Matching Funds then passed with all members voting in favor.

3. Consideration of Agreement with URS for Engineering Services for Upgrades to the Wastewater Treatment Plant

City Manager Molinari informed Council that URS had provided the City a task order in the amount of \$332,988 to perform design and engineering services for upgrades to the Wastewater Treatment Plant that would include increased biosolids storage and improvements in how we dewater sludge at the plant with the installation of two (2) screw presses. Mr. Molinari pointed out that for the engineering component of this project, the City would have to come out-of-pocket and that the City has some capacity in its consumer water deposit account. This is basically interest that has accumulated over time, and we have some resources available in there for us to fund the necessary improvements that we have to make at the plant.

A motion was made by Council Member Bonds to approve the agreement with URS for Engineering Services for the Wastewater Treatment Plant Upgrades as submitted. Council Member Syfrett seconded the motion. The motion passed unanimously.

4. Consideration of Requests for Qualifications (RFQ's) to Provide Engineering Services for the North Lemacks Street Revitalization Project, Phase III

City Manager Molinari briefed Council on this agenda item. He stated, as you are aware we are getting underway with Phase III of the North Lemacks Street Revitalization Project. Last month, the City sent out a Request for Qualifications to engineering firms to provide services for some components of Phase III, which includes: installation of pedestrian trails, removal of asphalt aprons, gateway features, and a community garden. Also, not included here is: lighting, security cameras, and landscaping along North Lemacks Street. We received proposals from 3 different firms as follows:

Johnson, Mirmiran & Thompson (Charleston, SC)	\$49,000
Wood + Partners (Hilton Head, SC)	\$32,000
Johnson, Laschober & Associates (Mt. Pleasant, SC)	\$15,000

Mr. Molinari pointed out that the City is required, through the terms of the grant, to evaluate the proposals based on six (6) different criteria. The committee consisted of the City Manager, the Public Works Director and the Utilities Director. The proposals were graded on the experience of the firm, project team familiarity with the City, project approach, and schedule, qualifications and cost. Mr. Molinari noted that Wood + Partners, Hilton Head Island, SC, scored the highest on the evaluation. Their proposal is in the amount of \$32,000. Mr. Molinari stated that the bid is actually under budget. He stated that there is actually \$43,694 in the budget for engineering services. CDBG will provide \$11,582 and the City's match will be \$20,418. Concluding, Mr. Molinari stated that pursuant to CDBG requirements, if approved, the contract with Wood + Partners would not be signed until it's approved by the Department of Commerce.

A motion was made by Council Member Siegel to approve Wood + Partners to provide engineering services for the North Lemacks Street Revitalization Project as recommended by staff. Council Member Broderick seconded the motion that passed with all members voting in favor.

**COMMITTEE REPORTS:**

There were no Committee Reports given.

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**CITY MANAGER'S REPORT:**

There was no City Manager's Report given.

**EXECUTIVE SESSION:**

The Mayor then entertained a motion to enter into an Executive Session. Council Member Broderick So Moved and Council Member Bridge seconded the motion. All in favor. None opposed. Motion carried. The Mayor announced that the meeting will convene into an Executive Session for:

- 1) A discussion of potential purchase of property, and
- 2) Receipt of legal advice.

At approximately 7:23 p.m., a motion was made by Council Member Bridge to exit Executive Session and return to Open Session. Council Member Broderick seconded the motion. All in favor. None opposed. Motion carried.

The meeting returned to Open Session, and there being no further business to consider, a motion to adjourn the meeting was made by Council Member Broderick, seconded by Council Member Bonds and passed unanimously. The meeting adjourned at 7:24 P.M. Notice of this meeting was distributed to all local media and posted on the City's website and the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson  
City Clerk

**APPROVED: July 14, 2015**