

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 present, 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. Cosby, 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

APPROVED: August 4, 2020