

**MINUTES
REGULAR COUNCIL MEETING
TUESDAY, MAY 15, 2018
6:30 P.M.**

{Summary minutes of City Council meeting. Audio tapes of the meeting are on file and are included by reference as part of this meeting. An agenda of this meeting has been either mailed or made available to persons, organizations and local news media as per their request. The agenda gives the date, time and place of the meeting as well as the order of business. This disclosure is in compliance with the South Carolina Code of Laws of 1976, Section 30-4-80

The regular meeting of City Council was held on May 15, 2018 at 6:30 P.M. in the City Municipal Building with the following present:

COUNCIL: Mayor Harold Thompson, Mayor Pro Tem Robert Garner, Councilmembers Tommy Anthony, Vicki Morgan, Pamela Sloss and Sonja Craig. Councilmember Ricky Todd Harris was absent

CITY ATTORNEY: Larry Flynn was absent

DEPARTMENTAL STAFF: Gloria Rogers, Municipal Clerk/Personnel Director; Laura Hembree – Finance Director; Joe Nichols – Utility Director; Perry Harmon – Public Service Director; Leroy Edwards – Maintenance Shop Director; Sam White – Public Safety Director and Rebecca Lance – Accounting Supervisor

NEWS MEDIA: Mike Stevens – WBCU Radio and Graham Williams – Union County News

OTHERS: Frank Hart, Kathy Teague, David Lance, Curtiss Hunter, Lynda Casey-Clark, James Hunter, Kacie Petrie, Carson Petrie, Barbara Crayne, Phil Crayne, Rebecca Rochester, Bill Rochester, Paul Winters, Jerry Brannon, Rick Smith, Kendall Austin, Amy Belue, Bobby Monroe and Rieta Drinkwine

1. CALL TO ORDER

Mayor Thompson called the meeting to order. He gave the invocation. The Pledge of Allegiance to the flag was given by all present. The roll was called by Municipal Clerk Gloria Rogers.

2. MINUTES

- | | |
|--------------------|------------------------------|
| A. April 17, 2018 | Public Hearing |
| B. April, 17, 2018 | Regular City Council Meeting |

MOTION by Mayor Pro Tem Garner to approve minutes.

SECOND by Councilmember Anthony.

CARRIED UNANIMOUSLY.

- | | |
|-------------------|----------------------------------|
| C. April 23, 2018 | Special Council Meeting/Workshop |
|-------------------|----------------------------------|

MOTION by Councilmember Anthony to approve minutes.

SECOND by Councilmember Sloss.

CARRIED UNANIMOUSLY.

D. May 8, 2018

Special Council Meeting

MOTION by Mayor Pro Tem Garner to approve minutes.
SECOND by Councilmember Anthony.
CARRIED UNANIMOUSLY.

3. **COMMUNICATIONS**

A. Monthly Reports

MOTION by Mayor Pro Tem Garner to accept monthly reports.
SECOND by Councilmember Craig.
CARRIED UNANIMOUSLY.

B. 1. Retirement Award - Barbara Crayne

Mayor Thompson presented a retirement award to Barbara Crayne for 28 years of service with the City of Union.

2. Frank Hart - Union County Supervisor

County Supervisor Frank Hart gave Council an update on the Union County Stadium Project. He states that the stadium has been in need of improvements for a decade or longer. Mr. Hart states that last year they were able to broker a deal with the School District. The County has committed 1.3 million for improvements at the stadium. The funds came from the refinancing of their outstanding bonds. The agreement with the School District, in addition to the \$70,000 that is paid to the County each year to use the stadium, as well as Timken Sports Complex and some of the other ballfields; the School District will pay the County \$130,000 per year over a 5 year period. This will cover 50% of the stadium project. Their three primary objectives are to address safety issues at the stadium, to improve ADA accessibility and the construction of a fieldhouse. Mr. Hart discussed Phase I of the project which should be completed by the end of August and Phase II will happen after football season. He also discussed Phase III. Mr. Hart states that his hope is that the City of Union would consider partnering with the County and the School District to make some improvements to the stadium. The County is proposing that the City's possible role in the project could be infrastructure improvements at the site (water, sewer, electrical and gas); install upper/lower water lines along the stands; bid or fund new sewer line on the north end in the relocation around the field house and also bid/fund new water line at north end of the facility. He also states that Utility Director Joe Nichols gave him an estimated total cost of \$150,000 and not to exceed. Mr. Hart asked Council to consider covering the cost of the above items from the Local Hospitality Tax Funds since the facility is a tourism center for the County.

Mayor Thompson states that he will give City Council an opportunity to review request.

3. Paul Winters - Union County Fair Association

Paul Winters, Executive Director of the Union County Fair Association addressed Council. He apologized for remarks he made at the budget worksession and asked council to accept his apologies and forgive him for the mistake. Mr. Winters also states that it was never the intent of the Fair

Association, nor himself, to not make the Fairground facilities available to any organization based on any funding from the City or the County. Mr. Winters addressed a question that came up after the budget worksession last month. The question was why does the Fair Association need funding as 10+ years ago it was not necessary; it had plenty of money. He states that 10 years ago, hospitality funds were not available as they are today; however the Fair Association is an organization that qualifies for the funds. Since 2009 the Fair Association has faced many expenses that the prior Fair Association did not have to deal with. Next he states that they have made an investment in their Fair since 2009 specifically in entertainment. He estimates that they have spent approximately \$10,000 a year for the last 10 years for entertainment. Also labor costs have increased because of federal labor laws and most recently they did power upgrades for Relay for Life.

4. Bobby Monroe - DataMax

Bobby Monroe of DataMax thanked Council for allowing him to come back to discuss his services. He states that since the last time he addressed Council they have added another 12 to 15 municipalities that they are collecting back revenue for business licenses. He states that DataMax is out of Winston Salem, N.C. and they work in North Carolina and South Carolina. They work with municipalities to increase revenue around business license. DataMax will identify those businesses coming into the City of Union without a business license and will collect on behalf of the City. Mr. Monroe states that for a municipality about Union's size, typically anywhere from \$200,000 to \$500,000 is what the City could see on an annual basis. The statute allows DataMax to go back three years to collect on penalties on the City's behalf. DataMax will do 100% of the work and they get 50% of the proceeds. They share in that revenue going two years forward and three years back that will be revenue generated for City of Union and DataMax. After two years, all the businesses that they find are now in compliance and Union gets 100% of those fees. Their service is all performance based. The City of Union will never see an invoice from DataMax until the City receives their money first. There is no risk for the City of Union. After two years they will continue to help collect revenue from businesses going forward. Mayor Thompson states that this will be discussed at upcoming meeting.

4. **BUSINESS**

A. **ORDINANCE – 2nd READING – ORDINANCE TO ESTABLISH THE STANDARDS FOR PLACEMENT OF SMALL WIRELESS FACILITIES ON COVERED AREAS IN THE CITY OF UNION**

Utility Director Joe Nichols states that this is 2nd reading of an ordinance that the Municipal Association put in place to provide policies and procedures for the placement of small wireless devices on City owned utility poles. City Council passed 1st reading of the ordinance at its April 23, 2018 meeting. The recommendation is to pass 2nd reading of the ordinance.

MOTION by Councilmember Anthony to pass 2nd reading of the ordinance.
SECOND by Mayor Pro Tem Garner.
CARRIED UNANIMOUSLY.

B. **ORDINANCE – 2ND READING – AMENDING CITY OF UNION ECONOMIC DEVELOPMENT INCENTIVE PACKAGE**

Mayor Thompson states that the Union City Council voted on July 18, 2017 to

implement an Economic Development Incentive Package to encourage private investments within the A-1 Central Business District. At a recent meeting it has come to the attention of Mayor and Council to expand that area to a greater portion of the City as a whole, thereby better serving the goals and increasing the benefits of the program that will benefit the City and its citizens. City Council passed 1st reading at its April 23, 2018 meeting. Staff's recommendation is that the ordinance to amend the City of Union's Economic Development Incentive Program be approved by Council for 2nd reading.

MOTION by Councilmember Morgan to pass 2nd reading.

SECOND by Councilmember Anthony.

CARRIED UNANIMOUSLY.

C. ORDINANCE – 1ST READING – PROPOSED BUDGET 2018-2019

Finance Director Laura Hembree states that the Fiscal Year 2018/2019 Proposed Budget All Funds Summary is \$44,907,650, a decrease of 2.3% under Fiscal Year 2017-2018. The General Fund's projected revenues are \$5,641,860. Expenditures are proposed at \$6,264,240. This leaves a deficit of \$622,380 to be funded by fund balance. Taxpayers will receive a credit against their property taxes, due to Local Option Sales Tax revenue. There is no tax or fee increase proposed for the General Fund. Capital equipment and improvements in the amount of \$315,900 are included in the proposed expenditures amount above. The Solid Waste Management fund has a budget of \$784,510, an increase of 2.6%. No fee increase is proposed For FY 2019. The Utility Fund projected revenues are \$35,603,060. Expenses are proposed at \$37,085,300, a decrease of 3.6% under last year's budget. The deficit of \$1,482,240 will be funded by retained earnings. The PPA will continue to true up the cost of power each month. Water proposed rate increase is at 2.5% on volume only. Sewer customers will see an increase of 2.5%. Natural Gas base rates will not increase, but the PGA will continue to true up cost of gas each month. Capital equipment in the amount of \$477,000 and infrastructure of \$3,522,430 are included in the total utility proposed expenses above. A 2.6% cost of living raise is proposed for City employees. The General Fund and Utility Funds will use fund balance/cash reserves to balance. The following is a list of special revenue funds and their FY 2018-2019 proposed budgets:

a. Local Hospitality and Accommodations	\$430,000
b. Main Street Junction	116,600
c. Economic Development Fund	100,000
d. Drug Fund	7,000
e. Community Change	30,000
f. Debt Service-Tax Increment	90,000

Staff recommends Council to approve the 2018-2019 proposed Budget Ordinance.

MOTION by Mayor Pro Tem Garner to approve 1st reading of the 2018-2019 Budget Ordinance.

SECOND by Councilmember Sloss.

CARRIED 5: to 1

FOR: Thompson, Garner, Anthony, Sloss, Craig

OPPOSE: Morgan

D. ORDINANCE – 1ST READING – ADOPT TAX LEVY – 2018-2019

Finance Director Laura Hembree states that the proposed Tax Levy will remain the same at 86.8 Mills. The recommendation is to pass 1st reading of the Tax Levy for 2018-2019.

MOTION by Councilmember Sloss to pass 1st reading of the Tax Levy Ordinance.

SECOND by Councilmember Craig.

CARRIED UNAMIOUSLY.

E. ORDINANCE – 1ST READING - ANNEXATION AGREEMENT

Finance Director Laura Hembree states that over the past several years, the City has annexed parcels that were under the jurisdiction of the Buffalo Fire District. As part of each annexation, legal counsel has been sought to determine the amount of tax monies to be allotted to the District to cover any debt service obligations. The ordinance encompasses future annexations with the Buffalo Fire District. The agreement details the calculation for the amount of taxes to be paid to the District based on the millage and debt service terms at the time of annexation.

MOTION by Mayor Pro Tem Garner to pass 1st reading of the ordinance
SECOND by Councilmember Sloss
CARRIED UNANIMOUSLY.

F. ORDINANCE – 1ST READING – AUTHORIZING FOR MAYOR TO EXECUTE DOCUMENTS INCLUDING A QUIT CLAIM DEED

Mayor Thompson states the City of Union sold and transferred a 39.15 acre tract of land to Bass Properties, L.P. by deed dated January 21, 2005. The deed and grantee was identified as Bass Properties, when in fact the correct name of the Grantee is Bass Properties, L.P. The recommendation is to allow Mayor Thompson to execute any and all documents needed to correct a transfer of land to Bass Properties, L.P.

MOTION by Mayor Pro Tem Garner to accept recommendation.
SECOND by Councilmember Craig.
CARRIED UNANIMOUSLY.

G. RESOLUTION – GAS SUPPLY CONTRACT

Utility Director Joe Nichols states that the Public Energy Authority of Kentucky is a Natural Gas Acquisition Authority created between and among public agencies to acquire gas at reasonable prices that would enhance reliability, efficiency, and supply security through the joint purchases and the arrangement of joint services on behalf of its members and public agencies. The City desires to purchase from Seller a portion of the gas available to Seller under the Prepaid Agreement, and Seller desires to sell such gas to the City of Union, upon the terms and conditions set forth herein. The recommendation is to approve resolution.

MOTION by Councilmember Anthony to approve resolution.
SECOND by Mayor Pro Tem Garner
CARRIED UNANIMOUSLY

H. DISCUSSION/MOTION – JUNE REGULAR CITY COUNCIL MEETING

Mayor Thompson states that City Council meets every third Tuesday of the month. The June 2018 meeting is scheduled to meet on June 19th but due to scheduling conflicts the staff recommends that the meeting be moved to June 5, 2018 at 6:30 p.m.

MOTION by Mayor Pro Tem Garner to approve recommendation.
SECOND by Councilmember Sloss.
CARRIED UNANIMOUSLY.

I. **AWARD BID – ASBESTOS AND LEAD MATERIAL REMOVAL AND DISPOSAL**

Utility Director Joe Nichols states that on May 10, 2018 three bids were obtained for the removal and disposal of asbestos and lead containing material from 113 East Main Street. This is the building adjacent to the Main Street Junction donated to the City by Art Sutton. The three bids are as follows: Asbestos and Demolition, Inc. - \$12,200; NEO Corporation - \$13,900 and E. Luke Green Company, Inc. - \$9,900. Staff recommendation is that we accept the bid from E. Luke Green Company, Inc. in the amount of \$9,900 for the removal and disposal of asbestos and lead containing material located at 113 East Main Street.

MOTION by Councilmember Anthony to accept recommendation.

SECOND by Mayor Pro Tem Garner.

CARRIED UNANIMOUSLY.

5. **EXECUTIVE SESSION** – None

6. **ANNOUNCEMENT BY MAYOR AND COUNCIL**

None

7. **PUBLIC COMMENT**

None

8. **ADJOURNMENT**

MOTION by Councilmember Sloss to adjourn.

SECOND by Councilmember Craig.

CARRIED UNANIMOUSLY.

Meeting adjourned at 7:20 P.M.

Gloria J. Rogers, Municipal Clerk

Minutes approved _____ 2018