

**MINUTES
REGULAR COUNCIL MEETING
TUESDAY, APRIL 19, 2011
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 (e).}

The regular meeting of City Council was held on April 19, 2011 at 6:30 P.M. in the City Municipal building with the following present:

COUNCIL: Mayor Harold Thompson, Mayor Pro Tem Keith Henderson, Councilmembers Tommie L. Hill, Robert Garner, Ricky Todd Harris, Orangelow Ruff and Andy Bailey.

CITY ATTORNEY: Billy Whitney

DEPARTMENTAL STAFF: Gloria Rogers, Municipal Clerk/Personnel Director; Sam White, - Public Safety Director; Joe Nichols – Utility Director; Walker Gallman – Finance Director; Perry Harmon – Public Service Director , Mike Petrie – Maintenance Shop Director; Laura Hembree – Accounting Supervisor; Melissa Y. Lawson - Media Information Technology Director & Brian Blackwell – Planning Department.

NEWS MEDIA: Graham Williams – Union County News; Charles Warner – Union Times and Steve Ramsey – WBCU.

OTHERS: Albert Saussol, Torence Inman and Ben Powles.

1. Call To Order

Mayor Thompson called the meeting to order. Mayor Pro Tem Henderson 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. March 15, 2011	Public Hearing
B. March 15, 2011	Regular Council Meeting
C. March 29, 2011	Special Council Meeting
D. April 4&5, 2011	Budget Work Session
E. April 11, 2011	Special Council Meeting

MOTION by Councilmember Bailey to accept minutes as presented.

SECOND by Councilmember Garner.

CARRIED UNANIMOUSLY.

3. Communications

A. Monthly Reports

MOTION by Councilmember Ruff to accept monthly reports.
SECOND by Councilmember Harris.
CARRIED UNANIMOUSLY.

B. Presentation - National League of Cities - "Line Warranty Program"

Mr. Albert Saussol, Regional Account Manager with Utility Service Partners, Inc., addressed council regarding the partnership with the National League of Cities "Line Warranty Program". The Service Line Warranty Program is an affordable home protection solution for residents to help them deal with the financial burden of unanticipated utility line repair and replacement costs that are not the city's responsibility to repair. Some additional program benefits are: no cost for cities to participate; affordable rates for residents; repairs made by trusted local contractors; reduces local officials' frustration and increases citizen satisfaction. Mr. Saussol would like to enter into a marketing agreement between the City of Union and SLWA.

4. **Business**

A. ORDINANCE – 2ND READING – AGREEMENT – CITY/COUNTY WITH RESPECT TO MONTENEGRO

In passing the Intergovernmental Agreement with Union County, South Carolina, the City's 2010-2011 Budget Ordinance will need to be amended to appropriate funds to reimburse Union County with respect to Project Montenegro. The ordinance is to appropriate \$450,000 plus cost to reimburse Union County in accordance with the terms of the agreement. City Council passed 1st reading of the ordinance at a Special Council Meeting on April 11, 2011.

MOTION by Councilmember Henderson to pass 2nd reading of the ordinance.
SECOND by Councilmember Bailey.
CARRIED UNANIMOUSLY.

B. ORDINANCE – 2ND READING – WAIVE UTILITY EXTENSION AGREEMENT FOR UNION COUNTY CONCERNING PROJECT MONTENEGRO

City Council passed 1st reading of an ordinance at its Special Council Meeting on April 11, 2011 to waive utility extension agreement for Union County concerning Project Montenegro.

MOTION by Councilmember Henderson to pass 2nd reading of the ordinance.
SECOND by Councilmember Bailey.
CARRIED UNANIMOUSLY.

C. DISCUSSION/MOTION – NEEDS ASSESSMENT AND PUBLIC HEARING

In order to apply for Community Development Block Grant funds, the City must complete a Needs Assessment. A Needs Assessment Public Hearing was held on Tuesday, March 15, 2011 where comments concerning the City of Union's community needs were taken from councilmembers and the public. The comments were compiled in a Priorities & Planned Actions. If council approves, a motion is in order to accept the 2011 Needs Assessment

which is required for Community Development Block Grant funding eligibility.

MOTION by Councilmember Hill to accept the Needs Assessment.
SECOND by Councilmember Ruff.
CARRIED UNANIMOUSLY.

D. DISCUSSION/MOTION - ADVERTISING/WBCU TEXACO

The 30th Annual Country Showdown begins each spring with over 450 local talent contests sponsored by country music radio stations throughout the US. Winners advance to their respective State competitions held at leading fairs and expositions. Acts then compete for a \$1,000 prize, the State title and the opportunity to advance to one of five Regional Finals. It's the last step before the prestigious National Finals held at the historic Ryman Auditorium in Nashville, Tn. The audience cheers on the Regional Winners, as they compete for the Grand Prize of \$100,000 and the National Title. A uniform judging system is used at all levels of competition to insure fairness. This event will be held May 6, 2011 at USC Union Auditorium, 7:00 PM. If council wishes to sponsor this event, a motion is in order along with level of sponsorship.

MOTION by Councilmember Henderson to donate \$200 to the 30th Annual Country Showdown.
SECOND by Councilmember Garner.
CARRIED UNANIMOUSLY.

E. AWARD BID – DEMOLITION OF 114 UNION BOULEVARD

A total of one bid was received on April 4, 2011 for demolition of 114 Union Boulevard. The recommendation is to award bid to Smith Backhoe of Union, SC in the amount of \$1,825.00.

MOTION by Councilmember Ruff to accept recommendation.
SECOND by Councilmember Garner.
CARRIED UNANIMOUSLY.

F. AWARD BID – SC ENERGY OFFICE GRANT – YMCA HVAC UPGRADE

The City received a grant from the SC Energy Office to upgrade the lighting and heating/cooling units at the YMCA. The lighting portion of this grant has been completed and the heating/cooling bids were received March 29, 2011 at 2:00 p.m. in City Hall. Four base bids were received for replacing the heat pumps at the YMCA. Bids are as follows: Custom Air Inc. - \$88,733; MSS Solutions - \$53,303; Steele's Heating & Air Conditioning - \$56,425 and Thomas Mechanical - \$47,880* (Savings options). The recommendation is to accept bid from Thomas Mechanical in the amount of \$27,874.00* for YMCA. This includes negotiated deductions for: Replace Trane controls with ECOBee Stats (\$20,006).

MOTION by Councilmember Henderson to approve recommendation.
SECOND by Councilmember Garner.
CARRIED UNANIMOUSLY.

G. AWARD BID – SC ENERGY OFFICE GRANT - CITY HALL HVAC UPGRADE

The City received a grant from the SC Energy Office to upgrade the lighting and heating/cooling units at City Hall. The lighting portion of this grant has been completed and the heating/cooling bids were received March 29, 2011 at 2:30 p.m. in City Hall. Four base bids were received for upgrading The cooling tower at City Hall. Bids are as follows: Custom Air, Inc. – \$59,650; MSS Solutions - \$48,573; Steele’s Heating & Air Conditioning – \$49,730 and Thomas Mechanical - \$45,490* (savings options). The recommendation is to accept bid from Thomas Mechanical in the amount of \$35,440 for City Hall that includes the following negotiated deductions: Self perform controls vs. Trane Controls – \$3,500; Remove electrical & controls from scope of work – \$6,300 and Remove electric water fill for ball valve – \$250.

MOTION by Councilmember Bailey to approve recommendation.
SECOND by Councilmember Garner.
CARRIED UNANIMOUSLY.

H. APPOINTMENT – HOUSING AUTHORITY BOARD

This is a vacancy on the City of Union Housing Authority’s Board to fill an expired term ending April 6, 2016. A public notice was run in the Union Times soliciting candidates. A request letter was submitted by Mr. Harold Lawson. Mr. Lawson has already served one term on the board. A letter of recommendation for Mr. Lawson was also submitted by Robbie D. Littlejohn, Executive Director of the Union Housing Authority. Request letters and public notice was presented to council. City staff recommends that council re-appoint Mr. Lawson to fill this most important board vacancy.

MOTION by Councilmember Harris to approve staff recommendation.
SECOND by Councilmember Bailey.
CARRIED UNANIMOUSLY.

5. **PUBLIC COMENT:**

- A. Please address the Mayor and Council from the lectern and state your name and address for the record.

None

6. **EXECUTIVE SESSION** – TO DISCUSS LEGAL, CONTRACTUAL, AND PERSONNEL MATTERS

MOTION by Councilmember Bailey to go out of regular session into executive session to discuss a personnel matter.

SECOND by Councilmember Ruff.
CARRIED UNANIMOUSLY.

MOTION by Councilmember Bailey to go out of executive session back into regular session.

SECOND by Councilmember Harris.
CARRIED UNANIMOUSLY.

No action taken.

7. **ANNOUNCEMENTS BY MAYOR AND COUNCIL:**

None

8. **CONTINUATION OF BUDGET WORK SESSION**

The budget worksession continued with the presentation of the Planning Department budget by RCI Code Consultant Brian Blackwell. The Planning Department continues to handle daily operations regarding planning and development activities as well as licensing for contractors and businesses within the City of Union. Goals for the department are as follows:

- Continue to condemn substandard dwelling & buildings, clean up substandard lots and bring substandard signs into compliance
- Continue to work with CRPC to update Land Use Plan and Zoning Ordinance
- Continue to work towards making the department more user friendly
- Work towards implementing a permit rate that is compatible with surrounding cities and code regulations.

Mr. Blackwell continued presentation with information on new commercial construction; new residential construction and renovated building sites. Nine demolition permits were issued – 3 by the City and 6 by the property owners. A comparison of permit fee schedule with other cities and counties were reviewed.

Finance Director Walker Gallman discussed the All Funds Summary. This included the Hospitality & Accommodations Tax and the Insurance Proceeds which was added since the last presentation of the All Funds Summary. Solid Waste Management is down 11%; Combined Utility Funds is down 4%. An agreement will be presented to Council regarding Victims Assistance in order to transfer fund proceeds to County. The Economic Development funds in the amount of \$72,000 were transferred to the utility fund. This is reimbursement for YMCA pool project. There is not much activity going on in the City Drug Fund. The Community Change Fund remains unchanged. Tax Increment district is the payment for bond that was borrowed 18 months ago. In PMPA-Promotional funds, there is proposal to budget \$10,000 for economic development and the rest will be used for advertising. The budget is down 1% over last year's budget due largely to purchase power.

The budget includes the following proposals:

- 3% cost of living
- Increase cost of health insurance – 5.2% for employee and employer
- Increase in retirement cost to employers increase effective July 1, 2011 for SCRS 0.145% and PORS 0.233%. Increase is planned for July 1, 2012.
- Personnel changes as follows: Loss of 1 SRO; Water and Wastewater Lead Operators to Supervisors and possibly downsizing Solid Waste Management

Next the Finance Director discussed the general fund actual estimated proposed projections. General fund budget by departments were discussed. There is a decrease in the Community Service Account due to transferring some of the expenditures to Hospitality & Accommodations. The general fund summary which includes ways on how the City can balance the general fund budget (deficit of \$288,190) was discussed. The follow recommendations were presented to Council:

- Raise taxes by 4.38 Mills to offset prior year deficit
- Raise taxes by the CPI 1.6% - 1.18 Mill = % 15,810
- Use of Hospitality and Accommodations fee.

- Reduce transfer to Solid Waste Management – currently by \$130,000 per year
- Forgive advance from Utility \$72,000 per year
- Use of Fund Balance

He discussed a proposed increase to residential home owner's tax mills.

Solid Waste Management issues to be considered are monthly fee; fuel; advance due general fund – funds used to construct transfer station; continues to downsize staff due to attrition and automation of equipment and privatize operation. Comparisons of sanitation rates for nearby cities and counties were discussed. The Solid Waste Management Summary was reviewed.

The City of Union Utility Fund Projections Expenditures and the Utility Summary was reviewed. Rate, fee & deposit for utilities were discussed. Electric rates will remain the same for FY2012, but a purchase power adjustment (PPA) will continue to true-up the cost of electric each month. Security lights were discussed. There is a 5% increase proposed per year to cover cost of changing to Metal Halide. Mercury Vapor is no longer being manufactured. This will be 2nd year of a 3 year phase.

Summary of proposed rates for fiscal year 2011/2012 by consultants for water and sewer rates shows a 10% increase on Monthly Facility Charge and 9% on volume. Natural gas base rates will remain the same, but the PGA will continue each month to true-up the cost of natural gas.

Connection fees were discussed. Presently temporary connection service fees are \$10 for water/electric or both and \$10 for gas. The recommendation is to increase temporary service fee to \$20 for water/electric or both and \$30 for gas only. If all three services are requested, the charge is \$50 and utility transfer fee will be the same.

MOTION by Councilmember Garner to accept the recommendation regarding connection fees.

SECOND by Councilmember Ruff.

CARRIED UNANIMOUSLY.

Reconnection fee for after hours was discussed.

MOTION by Councilmember Henderson to increase after hour's reconnection fee to \$75.

SECOND by Councilmember Bailey.

CARRIED UNANIMOUSLY.

Tap fees were discussed. Staff recommendation is to continue to reimburse the \$300 tap fee for gas. On the relocation of a water tap, customer will need to pay cost up to but not exceed the cost of a new tap. Sewer tap is the responsibility of customer and City will provide saddle. If a new tap is required, the City will issue a new saddle; a tap fee will be required. Water tap fees recommendation is to increase by \$100 by size over the next 2 year. Any water meter over 2 inches, customer will need to call for quotes.

MOTION by Councilmember Henderson to accept proposed tap fee increase.

SECOND by Councilmember Bailey.

CARRIED UNANIMOUSLY.

Underground electric service was discussed. The City will continue not to charge for all new underground electric service, up to 100 linear feet (\$2.50 per linear foot thereafter).

Utility Deposit for customers was discussed. A maximum deposit may be required up to an amount equal to an estimated two month (60) days bill for a new

customer or a maximum deposit may be required up to an amount equal to the total actual bills of the highest two consecutive months based on the experience of the preceding twelve months or portion of the year, if on a seasonal basis. A minimum deposit if required is \$200. All deposits may be subject to review based on the actual experience of the customer. The amount of the deposit may be adjusted upward or downward to reflect the actual billing experience and payment habits of the customer. A schedule of deposits based upon an analysis of sixty days usage of customers may be utilized in determining deposits required by the City of Union. Special offerings may be exempt as determined by the City Union, i.e, subdivision lighting, outdoor lighting, etc. Simple interest at the current effective rate per annum, if you qualify will be paid. No interest will be paid if deposit is held less than 6 months. Interest shall be accrued annually and payment made of such interest shall be made to the customer at least every two years or less and at the time the deposit is returned. This payment will be a credit to balance owed. If customer has a zero balance payment will be by check. The deposit shall cease to draw interest on the date it is returned, on the date the service is terminated, or on the date the notice is sent to the customer's last know address that the deposit is no longer required.

MOTION by Councilmember Henderson to accept deposit requirement as written.

SECOND by Councilmember Bailey.

CARRIED UNANIMOUSLY.

The Finance Director discussed other fees such as business license; franchise fee and insurance license fee – collected by MASC and building permits. There will not be an increase.

Councilmember Henderson discussed looking at an impact fee for the City of Union in the near future.

Council's recommendation will be incorporated into a proposed budget and will be made available for public hearing and presented to council at the May regular council meeting for first reading.

9. **ADJOURNMENT:**

MOTION by Councilmember Garner to adjourn.

SECOND by Councilmember Bailey.

CARRIED UNANIMOUSLY.

Council meeting/budget worksession adjourned at 8:55 P.M.

Gloria J. Rogers, Municipal Clerk

Minutes approved _____ 2011