

MINUTES
Town of Lexington
Executive Session and
COUNCIL WORK SESSION

May 16, 2016

Town Council held a Council Work Session preceded by an Executive Session on May 16, 2016 at 6:00 p.m., followed by a Special Council meeting held in the Eli Mack Sr. Room located at Town Hall, 111 Maiden Lane, Lexington, South Carolina. The meetings were attended by: Mayor Steve MacDougall, Mayor Pro-Tem Hazel Livingston, Council Members Kathy Maness, Ted Stambolitis, Todd Shevchik, Todd Carnes and Ron Williams.

Staff members present were: Town Administrator Britt Poole, Assistant Town Administrator Stuart Ford, Municipal Attorney Brad Cunningham, Transportation Director Randy Edwards, Police Chief Terrence Green, Planning, Building and Technology Director John Hanson, Economic Development Catalyst Johnny Jeffcoat, Utilities and Engineering Director Allen Lutz, Finance Director Kathy Roberts, Parks and Sanitation Director Dan Walker, Parks and Sanitation Assistant Director Johnny Dillard, Special Projects Manager Wesley Crosby, Events and Media Coordinator Jennifer Dowden, Assistant Municipal Clerk Karen Hanner, and Municipal Clerk Becky Hildebrand.

There were two (2) citizens present and no members of the news media were present.

CALL TO ORDER: Mayor MacDougall welcomed everyone to the Council Work Session. He read an opening statement to explain the procedures of a Council Work Session which stated: *“Work Sessions are less formal business meetings that enable Council to obtain and discuss information regarding Town issues from Staff members and/or consultants. Like Regular Council Meetings, citizens are encouraged to attend and observe Work Sessions; however, they do not include Public Hearings, but do allow for public comment at the end of the Work Session unless otherwise called on by Council. Council does not take an action vote on items during a Work Session other than to vote to place an item on Council’s next Regular Council Meeting agenda for consideration and an official vote. Council Work Sessions are not tape recorded, but Minutes are taken and posted on the Town’s web page following approval of Council.”*

Councilmember Carnes gave the invocation. Mayor MacDougall led in the Pledge of Allegiance. Mayor MacDougall called the Council Work Session to order at 6:03 p.m.

EXECUTIVE SESSION REPORT

Mayor MacDougall reported that the *Executive Session* was called to order at 5:30 p.m. after a motion was made by Councilmember Williams and seconded by Councilmember Maness to go into *Executive Session*. The motion was unanimously carried. Council adjourned from *Executive Session* at 5:59 p.m. after a motion was made by Councilmember Shevchik and seconded by Councilmember Williams. The motion was unanimously carried. Mayor MacDougall reported that Council met in *Executive*

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Session to discuss: one legal issue regarding pending litigation; two contractual issues regarding a contract for professional services and issues regarding water service; and two personnel matters regarding Boards and Commissions qualifications and appointments. (*All pursuant to SC Code 30-4-70(a) (1) and (2) and Council may take action on matters discussed in Executive Session.*). No vote was taken. A motion was made by Councilmember Stambolitis and seconded by Councilmember Shevchik to ratify Mayor MacDougall's *Executive Session* report. The motion was unanimously carried.

DELETIONS TO AGENDA: None.

APPROVAL OF MINUTES: A motion was made by Councilmember Maness and seconded by Mayor Pro-Tem Livingston to approve the Minutes from Council's Work Session held on April 18, 2016, Council's Joint Meeting with the Planning Commission held on April 19, 2016, and Council's Regular meeting held on May 2, 2016. The motion was unanimously carried.

PRESENTATIONS: None.

BUSINESS ITEMS: (Discussion and Recommendation for the June 6, 2016 Council meeting.)

1. **Appointments to Boards and Commissions – Municipal Clerk Becky Hildebrand:** The terms for the following Boards and Commissions members expire June 30, 2016. Council is required to approve reappointments.

Advisory Committee: Edith Harmon, Mary Stokes-Clark, Lauren Palkowski, Bill Reese

Historic Preservation Board: Mandy Derrick, Robert Britts

Planning Commission: Brian Amick, Roscoe Caughman

Current Boards and Commissions Vacancies:

Advisory Committee:	2
Board of Appearance:	1 and 2 pending
Board of Zoning:	3
Building Code Board of Appeals:	1
Traffic Committee:	2 resident vacancies

A motion was made by Councilmember Shevchik and seconded by Councilmember Maness to place the item on Council's June 6, 2016 agenda for approval of the reappointments. Councilmember Stambolitis requested that vacancies be advertised on the Town's Channel 2 and the Town's newsletter in order to help fill the vacancies. Town

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Administrator Poole stated that the slide on Channel 2 could be improved. The motion was unanimously carried.

2. **Carrying a Loaded Weapon in the Town Limits – Municipal Attorney Brad Cunningham:** Section §136.01 of the Town of Lexington Code of Ordinances reads as follows: *§136.01 – Loaded Guns – It is unlawful to carry any loaded gun in the municipality. This section shall not apply to any law enforcement officer or other person entitled by State law to carry a loaded gun. ('60 Code, §10-32; Am.Ord.351, § 4, passed 1-5-98)*

Staff asked Council to consider repealing this law as, in the opinion of legal counsel, it is preempted by State and Federal Law. Also, the Town already has separate ordinances that prohibit unlawful possession of a weapon, and discharging a firearm in the Town limits. Municipal Attorney Cunningham added that Chief Green brought this to his attention following one incident.

A motion was made by Councilmember Stambolitis and seconded by Councilmember Carnes to place the item on Council's June 6, 2016 for First Reading. Councilmember Stambolitis asked if the repeal of this ordinance would enact the Second Amendment. Chief Green stated that there are several ways to carry a gun: with a State Concealed Weapons Permit or carrying a gun to and from your business without a permit. He added that it is a horrible ordinance in that it was drafted in the 60's and prevents someone from having a loaded gun in Town even if hunting or fishing. Municipal Attorney Cunningham stated that as it was written it would also apply in your own home. Town Administrator Poole added that it would apply even if an FBI agent walked into Town Hall. The motion was unanimously carried.

3. **Accommodations Tax – Special Projects Manager Wesley Crosby:** The Accommodations Tax Advisory Committee (Marvin Robinson, Chair) met on April 12, 2016 to review and make recommendations regarding the FY 2015 65% fund allocation of the Town of Lexington Accommodations Tax funding. A spreadsheet listing the applicant who applied and the Accommodations Tax Committee's award recommendations was presented to Council for their review and approval. (Copy attached.) Additionally, a budget provided by the Greater Lexington Chamber and Visitor Center regarding the designation of FY 2015 30% Advertising and Promotion Special Fund was provided. (Copy attached.) The FY 2015 30% amount is \$43,315.67. At the April Work Session, Council directed that the item be brought to the May Work Session.

Summary:

	<u>Requested</u>	<u>Committee Recommended</u>
Capital City Lake Murray Country	\$ 10,000	\$5,000.00

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Columbia City Jazz Dance School	\$ 15,000	\$ 0
Columbia Metro Convention & Visitors Bureau	\$ 10,000	\$ 6,000.00
Columbia Regional Sports Council	\$ 3,000	\$ 3,000.00
Columbia Volleyball Club	\$ 15,000	\$ 3,000.00
Lexington Chamber & Visitor Center	\$ 24,500	\$20,000.00
Lexington County Museum	\$ 8,000	\$ 8,000.00
Lex County Recreation & Aging Comm.	\$ 25,000	\$12,500.00
River Bluff High School & LHS Baseball	\$ 2,000	\$ 0
The River Alliance/Tartan Day	\$ 5,000	\$ 4,000.00
Town of Lexington/Amphitheater	\$ 30,000	\$30,000.00
Town of Lexington/Snowball Festival	\$ 3,000	\$ 3,000.00
White Knoll High/Red Bank Baseball	<u>\$ 3,000</u>	<u>\$ 0</u>
Total of all Requests:	\$153,500.00	
Total Funds Available		\$94,500.00

Councilmember Maness stated that she understood that the Council was going to hear from Mr. Rawl from the Lexington Chamber. She called on him to address some questions from Council.

Mr. Otis Rawl, CEO and President of the Lexington Chamber, apologized for not being able to attend the previous meeting when they discussed the Accommodations Tax. He stated that he had discussed the Chamber's request for funds with several Councilmembers during the past few weeks and several had asked him to look back at the last five years. He stated that until the last two years, the funds barely covered activities at the Chamber which included the space for the visitor's center for walk in customers, staff, and web site staff. He looked at a few years ago when the Chamber said they would do certain things and the wording said that if the funds were available they would do certain things such as an enhanced web site, provide thumb drives, outside dispensers on the weekends when they were not open, and contract with a company to create a Lexington tour application on iphones. He stated that out of 7 or 8 things, the only thing that was created was a Lexington video tour on their web site and it was created because someone else paid for it by 10 or 12 groups paying \$5,000 for an ad. Mr. Rawl stated that they only received about \$25,000 up to 2013, and in 2014 the amount jumped because of the World Series and last year they were at \$42,000. He added that he made a commitment to the Mayor and some other Councilmembers that certain things would be done on his watch at the Chamber. He added that they also receive money from the County's Accommodations Tax and to keep the Chamber out of legal issues, they only promote Chamber members on their web site when using Accommodations Tax and he thought any hotel/motel in Lexington County has the right to be on the web site, but maybe not as much as a member that pays more. Mr. Rawl stated that during his interview he had stated that the Chamber should wean themselves from the Accommodations Tax to support the Chamber's operations. He would like to use those dollars to promote only things that go on in the Town and the County. He stated that right now they use the funds for insurance, utility bills, a

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portion of salaries, and anything that goes on with the building. He added that it may take him a year or two but the Accommodations Tax should be used to work with others to promote the Town and the County which is a better use of the money. He stated that they will work on membership more and build a better web site to help them get to that point. Mr. Rawl stated that they need to work on an enhanced web site. He knew that Mr. Poole and Ms. Dowden had worked with the Chamber a few years ago, but it is not as functional as it needs to be, it does not identify by sector, and it doesn't have everything they need. Mr. Rawl stated that they are in discussion with another web company and they will also sit down with the Town and County in focus groups to determine what it needs to look like. Mr. Rawl stated that their visitor's bureau needs to be updated. His vision is to take the Chamber's visitor's bureau into the 21st century by removing all the card displays and replace it with electronic visuals with touch pads to find restaurants, hotels, and activities within the County. He added that down the road they hope to have kiosks in hotels, like in Charleston, where visitors can see all the places to go and see. Mr. Rawl stated that the Chamber wants to work with the Town on events that the Town wants them involved in. They started talking with the Council on a big event in the fall in association with the kickoff for the Ice House Project and Oktoberfest. They want to be partners with the Town because it is good for everyone. Mr. Rawl stated that the official request for \$24,000 is for a contract for an enhanced web site to be up and running within 8 weeks. They plan to have 3 or 4 focus groups and the public to determine how the web site should look. He added that the Chamber will do these big things with or without the Town, even though it would be nice to have the Town's additional funds, but the Chamber will move forward. He stated that he and his staff have discussed how they can change the image of the Chamber, put a better foot forward, be a better partner with government and be a virtual center for information. He added that they only have about 39 people that walk into the Chamber, but they have 11,000 to 15,000 visit the web page. Mr. Rawl thanked the Mayor and Council for the opportunity to speak before they make a decision on the Accommodations Tax funding.

Mayor MacDougall thanked Mr. Rawl and stated that they are excited to have him at the Chamber in his position and they cannot wait to see what he does at the Chamber and they are glad to be a partner and the Town supports him.

A motion was made by Mayor Pro-Tem Livingston to move forward with the Accommodations Tax recommendations that were submitted and place the item on Council's June 6, 2016 agenda for consideration. She added that would give Mr. Rawl and his staff a chance to work with the Town and see what they can do and not hold him accountable for things that happened in the past. Mayor MacDougall agreed. Councilmember Shevchik seconded the motion.

Councilmember Stambolitis stated that he had some additional questions. He stated that the Town has had some good and bad issues with the

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Chamber. He added that he was very encouraged that Mr. Rawl is the President because he has a lot of admiration and respect for him and he thinks he will do a good job. He wished to address his concerns and the things that bothered him. Councilmember Stambolitis stated that he had visited the Chamber's web site on numerous occasions and the only people that advertise there are Chamber members. He thought the Visitors Center should include all businesses and points of interest in the Town whether you are a Chamber member or not. He asked if the new Chamber web site would be separate or would it be connected to the Chamber.

Mr. Rawl stated that it should not matter what kind of member you are. He thought they got too caught up in membership versus advertising versus sponsorships. He added that you should be able to pay \$5,000 to advertise on the Chamber's web page as a non-member and the Chamber's responsibility should be to make sure the ad is not offensive. Mr. Rawl stated that they have a tiered system now for investment in the Chamber and they always put extra on the membership side, but they do not have to. He added that if someone wants to buy a \$10,000 membership and they want to spend \$9,500 on advertisement they can do it. He added that a non-member can advertise with them and they will take their money. Councilmember Stambolitis thought the Visitors Center was to provide information to visitors, yet it sounds like you have to pay for that. Mayor MacDougall stated that Mr. Rawl had already addressed that by saying if you are not a member you can advertise with them. Mr. Rawl clarified that it applied only to A-tax because that's the only public funds they receive so hotel/motels will be listed, but if you advertise anything else you have to pay for it. Councilmember Stambolitis stated that his interpretation is that is what the Town is paying the money for to help provide information to visitors such as shopping, restaurants, and events without businesses having to pay for it. Mr. Rawl stated that if they want to go back and discuss that again they can, but A-tax is only for accommodations, hotels and motels, and the Chamber will include events, but the actual requirement of the law is only for hotels and motels. Mayor Pro-Tem Livingston stated that Mr. Rawl was correct and it should only apply to hotels and motels because it would not be fair to another business because a restaurant should not be different from a landscaper if they are not part of accommodations. Mr. Rawl stated if they had funds from Hospitality Tax they would put them all on the web page if they paid Hospitality Tax and that's the mandate by law. He added that Skip Hoagland recently sued the Hilton Head, Charleston, and Myrtle Beach Chambers for the way they were spending their Accommodations Tax to make sure that everyone got to participate in the dollars whether they were members or not. He stated that it was clear to him that the Chamber has to support everyone that pays their tax. Councilmember Stambolitis confirmed that the law states that only the people that pay Accommodations Tax get the benefit from it. Mr. Rawl

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stated that was his way of saying that they will put every hotel or motel on the web page, but if you are not a hotel/motel, it will cost you to advertise on the Chamber's web page by working out an agreement on the size of the banner that they wanted to appear on the page. Mayor MacDougall stated that way the Chamber would automatically create value in being a member.

Councilmember Maness asked if Council gave what was requested plus the 30% the Chamber would receive \$63,315 and the year before they received approximately \$50,000, yet when she reviewed the Accommodation Tax Reports back to 2010 and each year after, the Chamber always stated that the web page was "in progress". She stated that the Council is giving a lot of money for a project that is still in progress. She added that this was before Mr. Rawl's time, so she was going to go along with the Accommodation Tax Committee's recommendation for the Visitors Center, but it is a major concern to continue to give the money without the results.

Mr. Rawl stated that they built three different web sites while he was at the SC Chamber and they were comprehensive. He stated that the one at the Lexington Chamber was done about 2 years ago for \$6,000 and it was not what he considered comprehensive. He added that would be fine for a small business, but not for a multifaceted one as needed for a Chamber. Mr. Rawl stated that the Chamber is currently bidding for a new web page at \$30,000 to \$50,000 and it will be a comprehensive web page. He stated that if Council approved the amount for the Chamber they would have the web site up and running within 6 to 8 weeks. He added that it would include events County wide and all other categories.

Councilmember Maness stated that the information from the Chamber was signed 2/18 which stated that the funds would be used for new Town maps and to help promote the Town. She wanted to know if this would still be done in order to get this money. Mr. Rawl stated that they have a contract in front of them now from Lunar and within the next week they would produce a County map and a Town map showing all points of interest. Councilmember Williams asked if this would only include the County and Town of Lexington. Mr. Rawl responded that they had not yet crossed the river, but they are an MSRP and they should do joint things. He added that he and Carl Blackston at the Columbia Chamber are talking about it, but they have not done it yet.

Mayor MacDougall verified that a motion and a second had been made to place the item on Council's June 6, 2016 agenda. Councilmember Maness stated that she had more questions regarding other groups on the Accommodations Tax recommendations list. She stated that the Lexington County Blowfish stadium would bring tourist to the area. She asked what other part of their application could be funded and why it

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was not funded. Councilmember Shevchik responded that their application included some things that did not qualify and the committee went back to determine how to give them an additional \$2,500. He added that the committee thought the application was submitted in a way that they knew they would not get what they asked for. Special Projects Manager Crosby stated that the Blowfish application included qualified expenditures such as advertising and staging equipment for \$18,000. He added that some items such as conventions and food did not qualify. Councilmember Maness confirmed that one-half of what they asked for did not qualify. Special Projects Manager Crosby stated that there was some flexibility and the committee chose to give them half. Ms. Constance Flemming, committee member, stated that the expenditures listed that did not qualify were a major discussion and they were comfortable with half.

Mayor MacDougall confirmed that the recommended amounts had not yet been disclosed to the applicants. Special Projects Manager Crosby stated that he would not yet have released it.

Councilmember Carnes asked how the Lexington County Museum's capital project amount qualified. Special Projects Manager Crosby stated that as a museum they qualify differently, much like a Chamber and operations is qualified because they are 100% a tourist group. He added that the application is for an ADA video to be able to view the old buildings that they may not otherwise be able to access. Councilmember Carnes asked why the amount submitted by Columbia Volleyball Club was qualified since they would receive \$3,000 out of \$15,000 requested. Councilmember Shevchik responded that last year they were funded at one-half and this year part of the amount was for operations, which does not qualify, but their magazine ads do qualify. Councilmember Carnes asked if they did not get it because it did not qualify or because they were not a priority because he was at the event and it brought hundreds of people to the area from as far away as Wisconsin and Miami and it appeared to be a qualifying event. Special Projects Manager Crosby stated that they asked for more than they qualified for. Councilmember Shevchik stated that they have been advising them on better ways to apply.

Councilmember Maness stated that she would like to amend the motion. Mayor Pro-Tem Livingston recommended that the committee's recommendations stand. She stated that if it is determined that the applicant is not qualified, they could have to go through an investigation like the Wine Walk and it is a lot of work, plus they could have to give the money back. She added that the applicants should be offered a workshop on how to apply. Mayor MacDougall added that the Town would get dinged too if funds were given for something that was not

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qualified. Councilmember Maness stated that the Lexington County Recreation, who asked for the funds for the Lexington Blowfish Stadium, only qualified for \$12,500 of the \$25,000. Special Projects Manager Crosby stated that \$18,000 of the \$25,000 would probably qualify. Councilmember Maness stated that based on that information, she would like to amend the motion to take \$4,000 from River Alliance and give it to the Lexington County Recreation Commission. She added that the Tartan Day is primarily in Cayce and West Columbia. Councilmember Shevchik stated that he and the committee met all day long and a lot of hotels had people stay with them during the The River Alliance/Tartan Day. Mayor MacDougall stated that he would caution Council to change amounts because he spent 9 years on Columbia's Hospitality Tax and it is similar in that the committee is an important part. They spend many hours going over the applications and hearing the presentations and they base their decision on the letter of the law. He trusts it as accurate. Councilmember Stambolitis asked if any Lexington hotels benefited. Town Administrator Poole responded that the classic car show started at the Wingate Hotel. Councilmember Shevchik stated that people stayed at other hotels in Lexington also because they did not want to stay in hotels in Cayce or West Columbia. He added that the committee members who are hotel owners said they booked a lot of rooms for the event. Special Projects Manager Crosby stated that the committee asked a lot of questions during their meeting with the applicants and they have changed their mind about an event once hearing more details. He added that the applicant for Tartan Day told the committee that they are working toward growing the festival more into Lexington. Ms. Flemming agreed and added that the hotel owners did confirm that they had more heads in beds because of the festival. Councilmember Maness stated that she had heard the presentation because she was at the West Columbia Council meeting when they heard the presentation. Councilmember Maness withdrew her request to amend the motion.

Mayor MacDougall stated they have a motion on the floor made by Mayor Pro-Tem Livingston to move forward with the Accommodations Tax recommendations that were submitted and place the item on Council's June 6, 2016 agenda for consideration which was seconded by Councilmember Shevchik. Mayor MacDougall called for the vote. The motion was unanimously carried.

4. **SCE&G Right of Way on East Main Street – Director of Parks and Sanitation Dan Walker:** SCE&G is clearing their power lines in Town and informed the Town that the Crepe Myrtles and Chinese Elms on East Main Street from Lexington Methodist Church to the Old Mill have to be reduced in height. These trees are 35 to 40 year old mature trees. SCE&G's method is to top out the trees to about one-half their current size. This would completely ruin

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these trees and cause their failure. Mr. Walker inquired about other methods to eliminate the threat to the lines and SCE&G's only option was to raise the lower lines above the trees which would cost approximately \$57,562.00. A second option would be to let the Town reduce the crown of the trees with some strategic cuts this Fall. A third option is to remove the trees altogether. (Cost proposal and map attached.)

Mr. Walker stated that SCE&G will not allow the Town to prune the trees after they have started. He added that SCE&G wants an answer from him tomorrow because their crews are in the area now.

Councilmember Stambolitis asked how much it would cost to run the power lines underground. Town Administrator Poole responded that it would cost significantly more to put the lines underground. He added that it would be easier to cut the trees down. Mr. Walker added that they could also replant the trees and that type of tree does not cost very much. Mayor Pro-Tem Livingston asked if the price was negotiable. She added that the citizens would go crazy if they take the trees out. She stated that it would cost just as much to replace the trees so why not just raise the power lines since the trees are at maturity. Town Administrator Poole stated that the Town could apply for a fund to get SCE&G to pay half of the cost of moving the lines. Mayor MacDougall stated that he would be concerned with what time of day they would have to take them out because Main Street gets very busy. Councilmember Williams asked how much longer it would be before they faced the same issue if the trees are replaced. Mr. Walker stated that the trees are at maximum height and they could be trimmed up. Mayor MacDougall asked if SCE&G could be put off until the summer. Town Administrator Poole stated that they had put SCE&G off in order to have this discussion, but he would make a request. He assumed the reason SCE&G wanted it handled now is because the crews are in the area now. He added that if they agreed to raise the lines, then those crews would have to be scheduled and that could take some time. He stated that if the Town is able to use the non-standard funds, of which SCE&G is holding \$500,000, then half would come from that fund. Mayor Pro-Tem Livingston stated that they were going to mess up the roads whether they cut the trees or raised the lines.

A motion was made by Mayor Pro-Tem Livingston and seconded by Councilmember Williams to raise the lines. Town Administrator Poole recommended that a motion be made to place the item on Council's next agenda which would allow Staff to deliver the request to SCE&G and get an answer regarding funds prior to the next Council meeting. Councilmember Carnes confirmed that there are approximately 30 trees in the area. A second motion was made by Mayor Pro-Tem Livingston to place the item on Council's June 6, 2016 agenda. The motion was seconded by Councilmember Shevchik. The motion was carried with six (6) in favor and one (1) opposed (Carnes).

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5. **Harmon's Pond in the Spring Lake Subdivision – Director of Parks and Sanitation Dan Walker:** The Town received a call from a resident in the Spring Lake area regarding a problem with the pond that is owned by the Town. Upon investigation Staff found erosion damages to the dam. Discussion was requested from Council to determine options: (1) Make repairs, (2) Deed the pond to the HOA, and (3) Breach the dam. (Map attached.)

Mr. Walker added that the pond is out of town and was donated to the Town several years ago by developers. He stated that the homeowners have placed signs around the pond stating it is private and trespassers will be prosecuted. He confirmed that it is the small pond in the middle of the map. Town Administrator Poole stated that every time a home owner calls him about it, he recommends going to Council and they will probably give the pond to the HOA. He recommended that Council direct Staff to advise the home owners that the Town is expecting to breach the pond and eliminate it as a liability unless the HOA wants to keep the pond the Town will turn it over to them.

A motion was made Mayor Pro-Tem Livingston and seconded by Councilmember Williams to go to the HOA to let them know that the Town expects to breach the pond, but if the HOA wants to keep the pond, the Town will deed it to them. The motion was unanimously carried.

6. **Quit Claim for Interest in Property at Highway 378 West – Utilities Director Allen Lutz:** The Town operated and maintained a sewer booster pump station on Highway 378 West on property that is listed as owned by the Joint Water and Seer Commission (Tax Map # 004199-03-041). This station was part of the system the Town purchased from Lexington County. Lexington County School District One wishes to obtain the property as part of land for a new middle school. The Town's attorney suggested that both the Commission and the Town file a Quit Claim Deed to the School District for the property, the Commission filing for the property they own and the Town filing for any interest that the Town may possess.

A motion was made by Mayor Pro-Tem Livingston and seconded by Councilmember Stambolitis to place the Quit Claim to the School District on Council's June 6, 2016 agenda. Councilmember Williams confirmed that the pump stations are gone. The motion was unanimously carried.

7. **Ordinance to Adopt the FY 2016-2017 Budget (Title Only) and Ordinance to Provide for the FY 2016-2017 Tax Levy – Finance Director Kathy Roberts:** South Carolina law requires Town Council to adopt a balanced budget and a Tax Levy each year. At the May 2, 2016 Council meeting, a motion was made to return the items to Council Work Session for further discussion. Council was requested to place the item on Council's Special meeting following this Work Session. (Draft budget attached.)

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Councilmember Carnes asked if the Utilities Department's \$2.5 million new storage and office space was part of a comprehensive plan or when and by whom was it designed. Town Administrator Poole responded that the building plan was started approximately 4 years ago, shortly after discussion of sports fields on that property, and they realized that could not be done. They determined the Utilities' equipment needed a larger location and main base. He added that it is a good opportunity to clean up both sites. He stated that it would also house the impound lot for the Police Department, along with equipment from Parks, Transportation and/or other departments. Mr. Poole added that an engineer was brought in to do the civil work. He stated that the Town owns a lot of high dollar equipment that needs to be housed under covered parking. Councilmember Carnes confirmed that the shop is approximately 85 feet by 50 feet which includes restrooms, conference room, lockers, and showers. Mr. Poole stated that the plan is to abandon the old site for multiple reasons: (1) ground storage of water needs to be moved; (2) clean the site up; (3) refurbish the site for parking or other needs and possibly leaving the water plant for architectural preservation reasons. Mr. Lutz stated that they have been at the old site for 27 years and they have tripled the number of employees in that time. Councilmember Stambolitis stated that it is a great idea for a logistics center and storage. He confirmed that the Town can use approximately 10 of the 44 acres to build on. He added that Town Hall is maxed out on parking and storing equipment especially with the growth of the Town. Mr. Poole agreed that the Town Hall parking lot fills up during the course of business every day. He added that the plan is to also move equipment that is stored at the Town's water towers. He confirmed that DHEC allows the use of a cap on the property that would require 14 acres by 4 feet of dirt, therefore some of the property can only be used for covered parking. Councilmember Stambolitis requested a copy of the site plan for the project. Mayor MacDougall stated that Mr. Lutz has a computer that monitors all the pumps and it is in danger of being destroyed or damaged so it is very important to move it as soon as possible. He apologized to Mr. Lutz that Council had not acted on this sooner and he appreciated his patience. Councilmember Carnes stated that if the building is 85 x 50 or 4200 square feet, for \$2.5 million he would like more detail about what would be included. Mr. Edwards described the buildings that would be located on the site and added that he would get a copy of the site plan for Council.

A motion was made by Councilmember Stambolitis to put First Reading of the budget on Council's Special meeting. Councilmember Maness stated that she had additional questions about the budget.

Councilmember Maness referred to page 19 and asked for a description of a Channel 2 Administrator at \$45,000. Mr. Poole stated it may not be the best title but it is a graphic artist type person for projects on the web page and Channel 2. He stated that the I.T. Department has a significant amount of work for two people. The new person would work with Ms. Dowden on the media side of public relations for the web page and Channel 2 which is half of what Mr.

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Pritchard does now. He stated that Channel 2 could be so much better but there is not enough I.T. time. The other side of that is they need more I.T. time. The new person would be 100% for laptops, body cameras, and set up for all the equipment. They will also look at the interface with customers to improve paying on-line, which may affect the need of more people in Finance. He would also like to branch off into providing apps to provide information. Councilmember Maness requested that the position title be changed prior to the budget becoming final. She also requested that they correct the time on Channel 2. Councilmember Stambolitis confirmed that the person would have media experience to enhance the Town's web page and Channel 2 because it is underutilized. Mr. Poole stated that he hoped it would be someone that is already on Staff but does not have time to give it the time it needs. He added that prior to issues with the Tyler system some improvements had been made to Channel 2 and the web page.

Councilmember Maness asked about the Police School Resource Officer listed on page 19. Town Administrator Poole explained that the Town paid half this year, but starting with this budget the school will pay $\frac{3}{4}$ salary and we will have 3 Resource Officer and paying less.

Councilmember Carnes asked about the new combo truck for \$375,000 from page 33. Utilities Director Lutz confirmed that it is the cost of the new truck. The old truck was purchased in 2003 and they are typically good for 10 years. The old truck will be given to the Transportation Department because they would not need it every day. Mr. Poole stated that Utilities uses the truck every day for the CMOM (Capacity, Management, Operation, and Maintenance) program which is the reason the Town has experienced very few spills because Staff proactively cleans the lines. The Transportation Department uses it to clean out ditch lines, etc. He added that the hope is to drag out the use of the old truck for another eight to ten years. Mr. Lutz confirmed that it would be the same brand of truck, but a little larger.

Councilmember Maness referred to page 41 regarding Hospitality Tax. She asked if "transfer to General Fund" is included on what they voted on. Mr. Poole stated that Council voted on the Hospitality Tax and for projects used for transportation. He stated that State law allows offsetting a portion of the General Fund from Hospitality Tax. They (Council) could take half of the money and put it in General Fund to offset the cost of services from Police, Parks and other areas related to hospitality, but that is not what this describes. He stated that on page 7 there is an equal \$500,000 that is transferred to Streets and Infrastructure and that is all the money can be spent for, therefore the money does not have to be justified as meeting the requirements of the Hospitality Tax. Mr. Poole gave an example of the Cherry Ridge subdivision, which has road issues, would not qualify for Hospitality money, but it would from Streets and Infrastructure to repair the problem. He stated that when the Town gets a Bond this is where the money goes for road resurfacing. He confirmed that Council

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has to authorize funds spent from that account. He added that smaller road projects may also come from that account.

Councilmember Maness stated that on page 7 the \$100,000 from Hospitality Tax was removed from the amphitheater since four Councilmembers had concerns about it, but she wanted to know where that money was moved. Mr. Poole responded that the \$100,000 is still there from a total dollar amount but it is coming from the General Fund. He added that estimates on revenues were rolled back, because the Town does not spend money on supplies just because funds are left, so estimates are rolled back which is the start of the next budget.

Councilmember Williams referred to page 12 and stated that the Town went from \$19,000 to \$31,000 in Finance for the audit. Mr. Poole responded that the Town was approached by the audit company to advise us that they needed to increase their fees and in part it is due to the Town adding Hospitality Tax and a TIF District. He added that their original fee was based on a certain size government and we are now larger. He stated that they asked last year, but he had advised them that a contract was already in place. Councilmember Maness agreed that was a big jump in fee for just one year and asked if the Town has a multiple year contract. Mr. Poole responded that it is Professional Services; therefore it is a yearly contract and is rebid approximately every five years. Finance Director Roberts stated that up until this year the Town had a contract and this year they came to the Town Administrator to ask for an additional year in order to make up some of the money they had lost. She stated that they do a lot particularly with the TIF District because they have to verify that the funds were properly allocated. Assistant Town Administrator Ford stated that the auditor had called and provided them the hours on the job and measures that were taken to reduce that number to make it as efficient as possible. He added that when Ken retired, Ray Williamson took over, and he advised us that they were under billing the Town going back a number of years indicating that last year they had hours that could be billed would total \$45,000. He asked for the Town to consider the amount of \$30,000. Mr. Ford felt confident if the contract was bid out, the amount would be higher.

Councilmember Williams referred to page 13 and stated that under Building and Facilities repairs had jumped up to \$36,000. Ms. Roberts responded that it was an adjustment from some items that should not have been under capital last year, such as painting the PCI building should not be capital funds.

Councilmember Williams referred to page 15 and asked the Parks and Sanitation Director about \$27,000 for Downtown Beautification. Mr. Walker responded that it included Christmas lights, banners, or anything that has to do with downtown development. Councilmember Williams referred to page 16 and asked if \$45,000 in the Transportation Department was for a sweeper truck. Mr. Poole responded yes, it is for a sweeper truck and Mr. Edwards is already pursuing information about a rental or part-time use so they make the right decision.

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Councilmember Williams referred to page 18 and wanted to confirm that the number of people being moved around was correct under Parks and Sanitation. Mr. Poole responded that they are getting a 6 and 7 in this budget and titles were reworked, but the two new positions are a grade 6 and 7.

Councilmember Williams referred to page 20 and stated that he thought traffic cameras were not recording. Mr. Poole stated that they are recording, but not used for traffic tickets. The recordings are only kept for 72 hours, which is a lot of information with all the intersections, but Police could use it to search the route of a fleeing suspect. There is no enforcement authority granted to those cameras. SCDOT would not help with this particular cost.

Councilmember Williams referred to page 21 and asked about the replacement of rifle optics in the Police Department. Chief Green responded that the SWAT rifles were defective because of the heat in the summer you cannot see through the optics. He added that a class action law suit is currently in the works and he did not know if the Town would receive any settlement from that or not, but they had to replace them in the meantime.

Councilmember Williams referred to page 22, Capital Outlay for the Parks Department, and asked about the two pick-up trucks because he had looked at the one that needed a new transmission which could be replaced instead of purchasing a new truck. Mr. Walker responded that one truck had the dashboard and door falling off, plus they are bringing in two new employees that will need a truck. He added that the old trucks are not safe and one truck is 18 or 19 years old. Mr. Poole stated that one newer truck, 8 years old, has a transmission problem and it will be repaired. Ms. Roberts stated that Department Heads had been told no for several years on the purchase of vehicles.

Councilmember Williams asked about the Utilities Department pump truck that has an hours meter on the engine and if you take the hours divided by 40 hours a week it equals about 30 weeks a year of service. He talked to three people that drive the trucks of which one had his truck since 1989. He did not see a need to replace the truck at this point. He stated that he also talked to the Transportation Director who said they only use the truck two days a month. He added that it seems to be more of a scheduling problem instead of a \$360,000 truck which could be put off one to two years. Councilmember Williams stated that if the Town needs a pump truck because ours is down, you can rent one for \$185 an hour with two men.

Mayor MacDougall stated that we are actually a small business that runs a town and our small business is the water and sewer department and if the Department Head says he needs a truck because the one he has is not capable of keeping up because in his work he uses it every day and divided by 10 to 13 years that's \$100 a day. If he has to call in a company for an emergency situation it would cost \$2,000 if the company is available. Mayor MacDougall stated that in his

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opinion the Director asked for a piece of equipment to maintain the lines and to keep the Town from having a major sewer spill and we should provide it to maintain our water and sewer company. He stated that the Finance Director has said that we put off buying equipment for years because we have not had the budget or the financial piece to do it with and this year we have a budget that allows us to make up to some of these employees that have been put off for years.

Councilmember Williams stated that they need to be more responsible and prudent with taxpayers' dollars and make sure that some things could be put off for another year. Mayor MacDougall stated that Councilmember Williams could vote against it. He added that being prudent should not mean cutting services to citizens and you couldn't find a better piece of equipment to provide a good service to citizens, so you either cut services or be prudent. Councilmember Williams stated that it would not be cutting services if the truck was out of service because there are people who are certified in that business in the private enterprise. Mayor MacDougall asked how many emergency contracts do we want to approve.

Councilmember Stambolitis stated that during the flood had the sewer lines not been cleaned out it would have been a disaster for him at the shopping center.

Mayor MacDougall recalled Councilmember Stambolitis' motion to place First Reading of the budget on Council's Special meeting immediately following the Work Session. Councilmember Shevchik seconded the motion. The motion was carried with six (6) in favor and one (1) opposed (Williams).

COUNCIL/STAFF COMMENTS: None.

PUBLIC COMMENTS: None.

QUESTIONS FROM THE NEWS MEDIA: None.

ADJOURNMENT: There being no further comments or questions, a motion was made by Councilmember Maness and seconded by Councilmember Stambolitis to adjourn the Council's Work Session at 7:30 p.m. and move into Council's Special meeting. The motion was unanimously carried.

Respectfully submitted,

Becky P. Hildebrand, CMC
Municipal Clerk

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APPROVED:

Steve MacDougall
Mayor

FOIA COMPLIANCE – Public notification of this meeting was published, posted and mailed in compliance with the Freedom of Information Act and the Town of Lexington requirements.