

MINUTES
Town of Lexington
Executive Session and
COUNCIL WORK SESSION
September 19, 2016

Town Council held a Council Work Session preceded by an Executive Session on September 19, 2016 at 6:00 p.m. 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, Community and Economic Development 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, Events and Media Coordinator Jennifer Dowden, Assistant Municipal Clerk Karen Hanner, and Municipal Clerk Becky Hildebrand.

There was one (1) citizen 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 Shevchik gave the invocation. Councilmember Williams led in the Pledge of Allegiance. Mayor MacDougall called the Council Work Session to order at 6:02 p.m.

EXECUTIVE SESSION REPORT

Mayor MacDougall reported that the *Executive Session* was called to order at 5:00 p.m. after a motion was made by Councilmember Stambolitis and seconded by Councilmember Carnes to go into *Executive Session*. The motion was unanimously carried by all those present. (Councilmember Shevchik was absent for the Executive Session.) Council adjourned from *Executive Session* at 5:59 p.m. after a motion was made by Councilmember Maness and seconded by Councilmember Williams. The motion was unanimously carried by all those present. Mayor MacDougall reported that

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Council met in *Executive Session* to discuss: one legal issue regarding annexations; two contractual issues regarding Water Contract with West Columbia and an engineering contract. (All pursuant to SC Code 30-4-70(a)(2). Council may take action on matters discussed in *Executive Session*.) No vote was taken. A motion was made by Councilmember Maness and seconded by Councilmember Carnes 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 Williams and seconded by Mayor Pro-Tem Livingston to approve the Minutes from Council's Regular Meeting held on September 6, 2016. The motion was unanimously carried.

PRESENTATIONS: None.

BUSINESS ITEMS: (Discussion and Recommendation for the October 3, 2016 Council meeting.)

1. **Mid-Year Budget Adjustment – Finance Director Kathy Roberts:** The following budget adjustment was requested for the current year. No increase in appropriations occurred as a result of the change.

(1)	Increase Council Expenses	\$32,000
(2)	Decrease Parks Contractual Services	<u>(\$32,000)</u>
	(Advanced Disposal Expenditures reduced due to penalties.)	
	NET	\$ 0

Councilmember Maness recommended that the funds be placed somewhere other than Council's budget since they were unsure of the use of the funds. Town Administrator Poole stated that Councilmember Carnes had recommended that the funds be used for citizens in some way, which has not yet been identified. He added that this is only a place to hold the funds until such time a purpose has been approved. He stated that it is like free money. Mr. Poole stated that budgets are only a forecast and additional residuals could be obtained which would mean more funds could be spent. Councilmember Carnes stated that it could be deferred until the November Work Session; however, he wanted the budget to show the funds going back to the tax payers. He added that he originally thought it would be closer to \$70,000 or \$80,000. He stated that it could cause the wrong perception if it were held in Council's Expense Budget. Finance Director Roberts stated that the funds are currently held in the Parks Budget and could stay there until a Second Reading. Councilmember Maness requested that Council wait two months to move the money in order to give time to have a better understanding. Councilmember Stambolitis stated that he was fine with it being held in the Parks Budget for now. Parks Director Walker stated that if another storm happened, he may need the money for cleanup and

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repairs. Mayor MacDougall agreed to leave the funds alone for the time being.

A motion was made by Councilmember Stambolitis to table the request to place the item on the next agenda. There being no second, the motion failed. Municipal Attorney Cunningham advised Council that since the motion failed, they would still need to make a decision on the item. A motion was made by Councilmember Stambolitis and seconded by Councilmember Shevchik to leave the funds (\$32,000) in the Parks Budget until a later date. The motion was unanimously carried.

2. **Cost Participation Policy – Assistant Town Administrator Stuart Ford:** The Town's *Cost Participation on Off-Site Water and Sewer Lines Policy* has been in place since April 5, 1999. The policy provided that Council may participate in off-site line construction costs up to a maximum of 25% of project Capital Contributions Fees (CCFs) limited to actual off-site costs. Since the inception of the policy, it has primarily been used for extensions of sewer lines for new subdivisions outside of Town. At the July Work Session, Council directed possible revisions be discussed at a future Work Session. The proposed revised policy was provided for Council for discussion. (Copy attached.)

Budget and Finance: A review of the Sanitary Sewer Service Agreement Schedule indicates that 21 Agreements with a total of 1,011 CCFs have included cost participation of about \$656,000. Approximately 220 Agreements (for subdivisions and individual phases) with approximately 11,300 CCFs have been executed since inception of this policy. Cost participation has equaled 9% of total CCFs and 2.5% of the \$25,500,000 in total revenue from subdivision Sanitary Sewer Agreement since inception of the policy.

Mr. Ford presented a detailed presentation of the Modified Policy (copy attached – 14 pages) along with several examples. He explained how the filters could work and how they could be made more difficult at Council's recommendation. Mr. Poole stated that the policy as a whole is a philosophical decision for Council. He added that Council has to decide if they want cost participation and then the policy is a test method to show the benefit to the Town and to determine if the developer's request should go before Council. He stated that if Council does not want cost participation, the policy can be eliminated. Mr. Poole stated that part of the purpose is to get developers outside of Town to meet higher standards and the revised policy does that and would improve the quality of life for some subdivisions. He added that some developers would add sidewalks if they were to receive \$70,000 in discounts from the Town.

Councilmember Shevchik stated that the goal of the revised policy was to run all requests through the filter and only those that pass the test could be brought before Council because now all requests are brought to Council. He added that the revised policy would weed out most of the requests and Council would still be able to debate the merits and make a decision on those that passed the test.

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Councilmember Maness asked why raise it to 30% from 20%. Mr. Ford responded that the percentage would be up to the Town. He added that the proposal is for consideration of up to 25% CCFs (limited by cost of off-site) and a project that passes could be considered for up to an additional 5% only if Council agrees. Councilmember Maness stated that in 1999 the Town needed help with growth, but in 2016 the Town does not need it. She recommended that Cost Participation come off the books. Councilmember Maness stated that if it were taken off the books Staff could bring request to Council on a case by case basis. Mr. Poole responded that Staff would have to create a special policy if done case by case to avoid running the risk of people calling "foul" and/or it appearing that special favors are done for certain projects. He added that the plan presented by Mr. Ford treats all projects the same and the same rules apply to all.

Councilmember Stambolitis asked if the Town would recover the cost of discounts given to developers. Utilities Director Lutz stated that it is only a discounted rate and part of the 25% cost participation not actual costs. Mr. Poole added that the Town does not write a check.

Councilmember Carnes asked (in Example 1) if \$6.6 was capital expense what would be the net figure. Mr. Poole stated that the CCF fee is the net. He added that the investment offsets the installation of the lines because future development is possible. Councilmember Williams stated that in Example 1, for \$1.1 we give back \$115,000 which is no more than the off-site. Councilmember Stambolitis asked how many homes 8,000 feet would serve and if there was a standard. Mr. Lutz responded that the Town goes by SCDHEC standards as to availability. Mr. Poole added that if it does not meet that standard they use a septic system.

Mayor Pro-Tem Livingston stated that the policy appears to be written so all requests would come to Council. Mr. Ford explained that Example 2 would show a request that did not come to Council.

Councilmember Stambolitis asked if Council did not have Cost Participation, would it hinder growth and could they use the money to repair roads. Mr. Poole responded, no, it would not stop growth and the funds cannot be used for roads. He added that Council has to decide about Cost Participation and what was presented tonight was a plan to filter out some requests and encourage those that Council wants to see. He stated that builders could be encouraged to build closer to Town but Staff could not make a case one way or the other. Mr. Poole stated that if Council wants Cost Participation, Staff can help them and if they do not want Cost Participation Council can table it. Councilmember Stambolitis stated that PR1 would be controlled to meet our standards and he hoped to see the minimum lot size increased.

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Councilmember Shevchik agreed that we have enough growth in Town, but if they look outside of Town, the Council does not have control of the restrictions. He added that Council would only want to participate in those with ideal situations. He stated that if Council takes Cost Participation off the books, they may miss some that would be good opportunities that the Town could capitalize on if the property came into Town. He added that if it passes, Council would only see those that pass the tests with some type of merit, whereas now they see all of the requests. He stated that the proposed filters would have screened out most of the requests that Council reviewed, plus the percentages could be adjusted on each request. Mr. Poole added that Council could set a maximum eligibility percentage.

Councilmember Carnes stated that he was philosophically against Cost Participation because the first guy in to develop an area pays for the lines and the second developer does not have to pay. He would like to see the second guy have to also participate too for density reasons. Councilmember Carnes asked if Larkin Woods would have been approved under the proposed policy. Mr. Poole responded that they may have been turned down. He added that there have not been any new neighborhoods since 2009, until around 2012, and they all applied for Cost Participation.

Councilmember Williams asked about PR1 and how it would be handled. Mr. Ford stated that it would have to pass the filters and the standards and if service was available for the potential growth. Mr. Poole added that there are not many places in Town for 100 home developments which would require 135 acres. He added that developers can go outside of Town, where they get approved by the County, then request annexation. He stated that once they have an approved plat they have a vested right. Mr. Poole added that the goal is to have nicer neighborhoods with high standards.

Mayor MacDougall stated that the proposed policy would eliminate 90% of the requests coming before Council. He added that it would give Council the opportunity to look at future developments and they needed this as a tool in their tool box in order to not miss any that met their requirements. He stated that it would be foolish to take it off the books now because the proposed plan still gave them control without needing to review each request. He applauded Staff for bringing a comprehensive proposal because he knew it took much more than two days to develop it. He confirmed the policy is not about what we give them; it is about how much less they pay.

A motion was made by Councilmember Shevchik and seconded by Councilmember Carnes to place the item as presented on Council's October 3, 2016 agenda for consideration. The motion failed with a vote of three (3) in favor of the motion (Carnes, MacDougall, Shevchik) and four (4) opposed (Livingston, Maness, Stambolitis, Williams).

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A motion was made by Councilmember Maness and seconded by Councilmember Stambolitis to take the Cost Participation Policy off the books for the Town of Lexington. Mayor MacDougall stated that this would be short sighted and a terrible mistake and Council could expect a flood of requests. Councilmember Shevchik stated that subdivisions in the rural area would be built with no sidewalks and no codes and the Town would have to deal with it. Councilmember Maness stated that she would withdraw her motion and table the item for now. Municipal Attorney Cunningham stated that by tabling the item, the current policy would remain in place.

3. **Potential Facility Rental Fee Increase – Event and Media Coordinator Jennifer Dowden:** Staff was requested to present price comparisons for the Conference Center and Palmetto Collegiate Institute as it relates to other government agencies rental fee rates.

Town of Lexington	Conference Center \$600 (in town) \$1,000 (out of town)	PCI \$500 (in town) \$1,000 (in town)
Swan Lake-Iris Gardens (Sumter)		\$1,100 (Full Day Rental)
Lace House		\$3,700; wedding garden \$650 Saturday (lower prices Fri/Sun)
Hampton-Preston Mansion		\$2,600 – Full Day (Saturday/Sunday)
Seibels House and Garden		\$2,600 – Full Day (Saturday/Sunday)
The Manor at Doko Meadows (Blythwood)	\$2,750 – Blythwood Commons (Friday/Saturday/Sunday)	
Hope Center	\$150 per hour (Friday/Saturday)	
Adult Activity Center (Richland County Recreation)	\$150 per hour (banquet/dining) (outside residents 20% increase)	
Saluda Shoals – River Center (Irmo-Chapin Recreation)	\$1,975 – Entire Facility	
Community Center (West Columbia)	\$150 per day (Must be City Resident)	
Municipal Center (North Augusta)	\$2,000 (Friday/Saturday) Palmetto Terrance Ballroom	

In 2015, the town hosted 148 paid events (89 – Private individuals, 34 – Non-Profits, 25 – Business). Additionally, the Town hosted 80 collaborative events (Department of Education, Trainings – Police Department and Utilities, Museum Gala, Kid’s Day, etc.)

Councilmember Stambolitis commented that the Town is half the cost of the other locations. Mayor MacDougall stated that the Town also allows all weekend rentals so we are cheaper and it costs us money. Mayor Pro-Tem Livingston stated that the Town is no comparison to the others. She suggested that the Town charge for tables, set-up, and chairs because they can cost \$5.00 to \$21.00 per chair at some locations. Councilmember Williams recommended raising the out of town rates

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since they had not been raised in ten years. He added that they should at least pay our overtime rate. Mr. Poole confirmed that the Town cannot have three events per weekend because we do not have the Staff. He added that a weekend renter can come in on Friday for a Saturday event and they have until Sunday to clean up. Ms. Dowden clarified that if a renter is having two events on a weekend, such as a rehearsal dinner on Friday and wedding on Saturday, they are charged for two events. She confirmed that approximately 65% to 70% of the renters are in town residents and receive a reduced rate. Councilmember Shevchik stated that people are just finding someone that lives in town to sign with them so they get the cheaper rate. Councilmember Stambolitis agreed that the Town takes a bath on these rates. He suggested that the rate be raised in accordance with the cost of living index. Municipal Attorney Cunningham stated that the rate would have to be changed by a vote, not on a sliding scale. Mr. Poole explained that the Town makes enough income from the rentals to pay the Bond which was approximately \$89,000 last year. He added that Town Staff is already here for the work to be done and they are rarely called in for overtime. Mr. Hanson agreed that his Staff comes in only if there is a problem and that only happens about once a month during an event. Mayor MacDougall stated that the Town is not in the negative yet. He asked about maintenance cost on the Palmetto Collegiate building. Ms. Hildebrand stated that the cost is approximately \$3,000 to \$5,000 for equipment, plus \$19,000 to paint. Mr. Hanson confirmed that it recently cost \$18,000 to paint the exterior due to wear and tear on the building. Councilmember Shevchik stated that the building is fragile. Ms. Dowden stated that the facilities are rented more from March to November and the Conference Center also rents a lot during the week. Councilmember Carnes asked if there was a policy on how far ahead the facilities could be rented. Ms. Dowden stated that she only signs contracts approximately 18 months out.

A motion was made by Councilmember Stambolitis and seconded by Councilmember Shevchik to raise the facilities rental rates by 5% each year. The motion failed with a vote of three (3) in favor of the motion (Shevchik, Stambolitis, Williams) and four (4) opposed (Carnes, Livingston, MacDougall, Maness).

4. **Discussion of LED Commercial Signs – Director of Planning, Building and Technology John Hanson:** Last month Town Council deferred discussion on allowing LED commercial signs in the Town. Council was asked to determine some acceptable parameters if they desired to allow this type of signage and to refer the matter to the Planning Commission to work out the details. Some of the parameters could include the type of signage (color video, monochrome LED, or grayscale LED), the size that would be acceptable, the number of times a message could be changed and in which zoning district the signs would be allowed.

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Mr. Hanson stated that 75% of the LED signs were taken down in Town; one remains until October 2nd; and the last two will come down in 2018 and 2023 because they were grandfathered by the Ordinance. Mr. Poole stated that Council may want to be mindful that there was a lot of expense associated with businesses that had to remove their signs.

Mayor Pro-Tem Livingston stated that according to the Town's Architectural Review Manual it is hard to control color just as it was for the Dollar General that had to tone down their corporate yellow. She stated that she is not against businesses, but she fought hard for the Sign Ordinance. She added that Mr. Clyde Smith shook his fist at her over the Sign Ordinance when she first came on Council, but now he hugs her and thanks her for making Lexington's signs look better. She did not see how they could change the Sign Ordinance now. She asked if they were listening to the citizens or catering to what the businesses wanted.

Councilmember Stambolitis stated that he wanted the Sign Ordinance changed, but he could leave it alone for now. He added that it had been a big battle and he was okay to leave it alone so they should kill it for now. Councilmember Shevchik and Carnes agreed to leave the Ordinance alone. No further action was taken.

5. **Virtual Attendance at Meetings – Municipal Attorney Brad Cunningham:**
A request came from a Councilmember for the Town Council to discuss whether it wished to permit "virtual attendance" at Town Council meetings. This could be accomplished by phone, internet or Skype. South Carolina law does not expressly prohibit it, but the Attorney General has cautioned that it is necessary to take extra steps to ensure FOIA (Freedom of Information Act) compliance with such meetings. The Town's current procedures expressly indicate that "all votes must be made publicly, and by show of hands". This procedure would need to be amended to allow for phone attendance. Council was provided a copy of the current Rules for Procedure for the Town Council. In the past, it has been the practice that these rules extend to other Town meetings such as Boards, Commissions, etc., unless the applicable Board/Commission had its own written Rules of Procedure.

Municipal Attorney Cunningham stated that the procedures may be a challenge in order to cover all logistical issues and to determine if a change applies to Boards and Commissions.

Councilmember Maness stated that she had asked for virtual meetings because there are several times a year when the meetings fall on a Tuesday, she has to travel with her job. She added that the budget meeting in May was one meeting she would like to have called in and at least listened to the conversation since no vote was taken at the meeting. Councilmember Maness stated that other cities allow virtual meetings and she would like the option to be available to Town Council.

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Councilmember Carnes stated that he would not have a problem with Work Sessions, but not Executive Sessions or regular meetings when a vote is taken.

Councilmember Shevchik stated that he did not have a problem with it if someone wanted to watch the meeting, but not to vote virtually. He stated that you could watch the on-line streaming of the meeting. He agreed that virtual should not be allowed in the Regular Council meeting, but he was okay with the Work Session. He recommended that policy be drafted.

A motion was made by Councilmember Carnes and seconded by Councilmember Maness to place the item on Council's October 3, 2016 meeting to consider virtual attendance participation in informal Council meetings, but not the Regular Council meeting. Councilmember Shevchik stated that he did not agree with listening to the Executive Session because you would not know who else was listening. He recommended that a video could be produced. Councilmember Maness stated that you could face-time in and you would know who was watching. Mayor MacDougall stated that it could open too many doors. Councilmember Maness agreed that you could listen in to everything but the Executive Session and the Regular Council meeting. Councilmember Maness amended the motion to include that you could call in or watch on a device for non-regular meetings and Work Sessions, but you could not vote and Executive Session was not included. Councilmember Stambolitis seconded the amended motion. Councilmember Williams confirmed that virtual attendance as stated only applied to Councilmembers and not Staff or Boards or Commissions. The amended motion was unanimously carried.

6. **Central Midlands Hazard Mitigation Plan Resolution – Municipal Attorney Brad Cunningham:** The comment period has ended for the 2016 Central Midlands Hazard Mitigation Plan. Participating jurisdictions can now adopt the plan by Resolution. Adoption of the Resolution will keep the Town eligible for some Federal Hazard Mitigation Grants. A copy of the proposed Resolution was provided to Council. (Copy attached.)

A motion was made by Mayor Pro-Tem Livingston and seconded by Councilmember Maness to place item on Council's October 3, 2016 agenda for consideration. The motion was unanimously carried.

COUNCIL/STAFF COMMENTS: None.

PUBLIC COMMENTS: None.

QUESTIONS FROM THE NEWS MEDIA: None.

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ADJOURNMENT: There being no further comments or questions, a motion was made by Councilmember Maness and seconded by Councilmember Shevchik to adjourn the Council's Work Session at 7:25 p.m. The motion was unanimously carried.

Respectfully submitted,

Becky P. Hildebrand, CMC
Municipal Clerk

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.