

MINUTES
Town of Lexington

COUNCIL WORK SESSION

November 21, 2016

Town Council held a Council Work Session on November 21, 2016 at 111 Maiden Lane, Lexington, South Carolina. The meeting was attended by: Mayor Steve MacDougall, Mayor Pro-Tem Hazel Livingston, Council Members Kathy Maness, Todd Shevchik, Todd Carnes and Ron Williams. Councilmember Ted Stambolitis was absent.

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, Events and Media Coordinator Jennifer Dowden, Assistant Municipal Clerk Karen Hanner, and Municipal Clerk Becky Hildebrand.

There were three (3) citizens and five (5) students 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. Mayor MacDougall 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 no *Executive Session* was held prior to the Work Session.

ADDITIONS/DELETIONS TO AGENDA: None.

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APPROVAL OF MINUTES: A motion was made by Councilmember Maness and seconded by Councilmember Williams to approve the Minutes from Council's Regular meeting held on November 7, 2016. The motion to approve the minutes was unanimously carried by all those present.

PRESENTATIONS (delayed to later in the meeting)

BUSINESS ITEMS: (For Discussion and Recommendation for Council's December 5, 2016 Regular Council Meeting.)

1. **Martin Luther King Donation - Municipal Clerk Becky Hildebrand:** The Lexington County Ministerial Alliance and MLK Celebration Committee requested a Town sponsorship of the annual Martin Luther King Fellowship Banquet in celebration of the Martin Luther King Holiday. In past years, the Town purchased a table at the banquet. With a contribution of \$250.00 the Town would have a reserved table for eight. (Request letter attached.)

A motion was made by Councilmember Carnes and seconded by Councilmember Williams to place the request on Council's December 5, 2016 agenda for consideration. The motion was unanimously carried by all those present.

2. **Talent Bank Application – Municipal Clerk Becky Hildebrand:** Mr. Brian Zarnick submitted a Talent Bank application to serve on a Board or Commission. Mr. Zarnick is a Town resident. He indicated an interest in the Advisory Committee or the Traffic Committee. Both committees currently have a vacancy. (Copy of Talent Bank application attached.)

A motion was made by Councilmember Shevchik and seconded by Mayor Pro-Tem Livingston to place the item on Council's December 5, 2016 agenda for consideration. Councilmember Carnes requested that the evaluation process change for Council's review of a Talent Bank application. He requested that they review the process at the next Work Session, not with the particular application. Mayor MacDougall stated that Council could appoint Mr. Zarnick to the Advisory Committee for now. The motion was unanimously carried by all those present.

3. **Amendment to The Architecture and Appearance Manual - Planning, Building and Technology Director John Hanson:** The Vision Plan recommends regularly updating the Town's Architecture and Appearance Manual. The Architecture and Appearance Board recently reviewed the manual and provided an update for Council's approval. (Copy attached.) The recommended revisions mainly include updated photographs and minor changes to the text intended to clarify language. The Board held several work sessions

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and a Public Hearing on the proposed changes prior to adopting a recommendation for Council approval.

A motion was made by Councilmember Shevchik and seconded by Councilmember Williams to place the item on Council's December 5, 2016 agenda for approval. Councilmember Williams stated that page 3 does not show the negative symbol on his Ipad. He added that the manual will be a great help for companies and others to help them figure out what is accepted. The motion was unanimously carried by all those present.

4. **Proposed Donation of Land to Town – Municipal Attorney Brad Cunningham:** The Town was approached by a private party who wished to donate a strip of land to the Town. The strip of land is between Coventry Lakes Subdivision and some commercial properties on Sunset Boulevard including Tractor Supply, etal. The owners of the property would like to “donate” it to the Town. Ultimately the adjacent property owners in the subdivision would like to obtain the property for their own benefit, as it was originally intended to be HOA property for the subdivision. However, the idea fell through, and what resulted was a piece of property about 20 feet wide that sits between two fences. The property has largely been unkempt for many years and was recently purchased by a private party at a Lexington County Tax Sale, sight unseen. Apparently, the private party discovered the property is of no practical use except for the adjacent landowners. The Town could potentially be caught up in the cost of surveying, and other costs, related to the transfer of the property.

Town Administrator Poole recommended that the Municipal Attorney be directed by Council to assist with the transfer of the property directly from the owner to the adjacent property owners. He added that Municipal Attorney Cunningham could help draft an agreement between the owner and the adjacent property owners since the land has no value for the Town and five homeowners have an interest in the property. Councilmember Shevchik stated that while he was recently campaigning, this issue came up. He added that the homeowners tried to buy the property but were outbid. He stated that it is an eyesore for the Town. Mayor MacDougall stated that it was the consensus of Council to direct the Municipal Attorney to assist the homeowners through the process.

5. **Water and Sewer Reimbursement Resolution – Assistant Town Administrator Stuart Ford:** The Town intends to fund the Water and Sewer System Capital Improvement Plan (CIP) in part by the issuance of Revenue Bonds (Bonds) and Bond Anticipation Notes (BANs). Internal Revenue Service regulations allow issuers to adopt a Reimbursement Resolution (Resolution) in order to recoup costs for capital expenditures incurred prior to the issuance of Bonds or BANs. The Town will implement projects in accordance with the CIP but the Town needs an updated Resolution that includes project descriptions and currently estimated budgets in order to maintain maximum flexibility in project development and

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financing. The CIP over the next five years includes approximately \$24 Million in projects. The financing plan includes a mix of capital contribution fees, retained earnings, and revenue bond issuances. Since the Resolution remains valid beyond the current five year CIP schedule, additional future projects were included.

A motion was made by Councilmember Carnes and seconded by Councilmember Shevchik to place the item on Council's December 5, 2016 agenda for approval of a Reimbursement Resolution for Water and Sewer System CIP. The motion was unanimously carried by all those present.

6. **Issuance of General Obligation Bonds of 2017 – Assistant Town Administrator Stuart Ford:** The Town's General Obligation Bond Anticipation Notes (BANs) of 2016 mature in January, 2017. The BANs totaling \$1.59 Million provided interim funding for road projects, property acquisition, and other capital improvements. General Obligation Bonds of 2107 totaling approximately \$1.43 Million combined with currently budgeted amounts will refund the BANs. The Resolution allows a contingency for the issuance of BANs in the event that terms offered by bidders are not in the best interest of the Town. Recurring annual Franchise Fee proceeds of approximately \$300,000 will be used to repay the Series 2017 GO Bonds over approximately 5 years.

A motion was made by Councilmember Williams and seconded by Councilmember Carnes to place the item on Council's December 5, 2016 agenda for approval of a Resolution for the issuance of General Obligation Bonds, Series 2017. Councilmember Williams confirmed that the savings were estimated at \$300,000 or 1% each year. The motion was unanimously carried by all those present.

PRESENTATIONS

Ms. Phyllis James, The Mitchell House, requested to speak to Council regarding Town facilities being in competition with private entrepreneurs and diminishing their ability to do business, specifically at the Palmetto Collegiate Institute. She stated that she lives in Mallard Lakes and opened The Mitchell House on North Lake Drive in 1992. Ms. James stated that others have gone out of business, such as 403 Café and rental facility and the Magnolia House. She added that she had not made a profit in two years and the Town facility makes it difficult when it is rented for so much less. Ms. James stated that The Mitchell House has a garden and can accommodate 300 guests. She invited Council to come visit her facility which is a historic house which was originally owned by the Mitchell family in 1921. She added that one of the daughter's name was Phyllis who learned a dance in Charleston and introduced it in the Big Apple. Ms. James stated that she was not related to the Mitchells, but there is a ghost at the house that oversees her. She stated that she stayed booked until the last two years and is currently operating in the red. She asked for a solution from Council because people could rent the Palmetto Collegiate Institute for \$750 and do their own event. She added that she could not keep up her grounds for \$750. Ms. James concluded that the Town was funding

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weddings in the community and that government was competing with local businesses. She stated that if the Town would raise their rates she may be able to stay in business for another 25 years. She charges \$2,600 per day for the rental facility. She added that she loves her brides, grooms and their families, she takes care of their every need, and she would be sad to close. Ms. James asked Council to look at the impact on people who make a living in the rental facility business. She asked that they bring the Town rate up to a comparable rate.

Councilmember Maness thanked Ms. James and stated that The Mitchell House is very beautiful. She asked if her rates were all inclusive so they could compare apples to apples. Ms. James stated that she is licensed by DHEC therefore a bride cannot bring in her own caterer. She added that her rate is \$195 an hour and she does a complete package from performing the wedding, decorating, preparing the food and the cake. Ms. James stated that her families do not have to do a thing.

Councilmember Carnes stated that Council had discussed the Town rates during the last three to four months and compared it to the private sector, but they had no intentions to interfere with the private sector. He added that Council had extensive discussions about the issue trying to come up with the right solution.

Mayor Pro-Tem Livingston asked if Ms. James rates included tables and chairs. Ms. James responded yes, it did include tables and chairs as well as linens with an upcharge. She asked who cleaned the facilities for the Town.

Town Administrator Poole stated that the Parks Department maintains the grounds for Palmetto Collegiate Institute and the Town's Maintenance Department maintains inside the building. He added that it is economics of scale because these departments may only take one to two hours a week to clean up the facility.

Ms. James stated that she has to hire a landscape company. She added that she cannot compete and pay a \$2,000 a month electric bill and \$700 to \$1,000 water bill. She stated that staff has to keep the facility clean along with the five bathrooms. She offered for her and her husband to perform marriage ceremonies at the Town parks for a fee.

Councilmember Williams stated that the Town looked into other facility fees. He confirmed with Ms. Dowden that The Mitchell House was not listed, only other government facilities. Ms. James stated that the Town was lower than the City of Columbia who charge \$2,800 per day. Councilmember Williams stated that the Town had not raised the rental fees in 10 years and that was why he had asked Staff to look into it. He stated that the Town also provides tables and chairs at the Town's conference center (seats 350) and the Palmetto Colligate Institute (seats 120).

Councilmember Shevchik stated that the Town charges \$500 a day for in-town residents plus a \$250 refundable deposit and \$1,000 for out-of-town rate plus a \$250 refundable deposit, per event. He added that the deposit is returned if the facilities are properly cleaned by the renter.

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Ms. James stated that her revenue is half of what it used to be. She added that it is known that if you are not a resident, you can find a Town resident to sign with you for the Town rentals in order to get the better rate.

Mayor MacDougall stated that he had been to events at The Mitchell House as well as events at the Lace House in Columbia, both of which are beautiful facilities. He added that the Town is not in the business to fund weddings, but Council would look into the issue again and discuss it further at a later Work Session.

Ms. James encouraged the Mayor and Council to rush their decision because she would be bankrupt in 12 months.

COUNCIL/STAFF COMMENTS

Mayor MacDougall welcomed students from River Bluff High School.

PUBLIC COMMENTS: None.

QUESTIONS FROM THE NEWS MEDIA: None.

ADJOURNMENT: There being no further comments or questions, a motion was made by Mayor Pro-Tem Livingston and seconded by Councilmember Shevchik to adjourn the Council's Work Session at 6:35 p.m. The motion was unanimously carried by all those present.

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.