

MINUTES
Town of Lexington
Executive Session and
Council Work Session

May 15, 2023

Town Council held an Executive Session at 5:30 p.m. followed by a Special Council meeting and Swearing-In Ceremony followed by a Council Work Session on May 15, 2023 in the Council Chambers located at 111 Maiden Lane, Lexington, South Carolina. The meeting was attended by: Mayor Steve MacDougall, Mayor Pro-Tem Hazel Livingston and Councilmembers Kathy Maness, Ron Williams, Todd Lyle and Gavin Smith. Councilmember Todd Carnes was absent.

Staff members present were: Town Administrator Britt Poole, Assistant to the Town Administrator Wesley Crosby, Municipal Attorney Brad Cunningham, Transportation Director Randy Edwards, Police Chief Terrence Green, Planning, Building and Technology Director John Hanson, Utilities Director Allen Lutz, Utilities Supervisor Billy Gunter, Finance Director Kathy Pharr, Economic Developer Jack Stuart, Parks and Sanitation Director Dan Walker, Communications Manager Laurin Barnes, Digital Media Coordinator Michael Tolbert, Assistant Municipal Clerk Karen Hanner and Municipal Clerk Becky Hildebrand.

There were approximately thirty (30) citizens present and two (2) members from the news media.

OPENING STATEMENT

Mayor MacDougall welcomed everyone to the Council Work Session and introduced the Councilmembers. 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 comments 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 taped for use by the Municipal Clerk only and Minutes are taken and posted on the Town’s web page following approval of Council.”*

CALL TO ORDER

Mayor MacDougall called the Council Work Session to order at 6:44 p.m.

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DELETIONS ON AGENDA: None.

APPROVAL OF MINUTES: A motion was made by Councilmember Maness and seconded by Councilmember Lyle to approve the Minutes as submitted for the April 17, 2023 Council Work Session. The motion was unanimously carried by all those present.

PRESENTATIONS: None.

BUSINESS ITEMS (For discussion and recommendation for Council's June 12, 2023 Meeting.)

1. **Boards and Commissions Reappointments – Municipal Clerk Becky Hildebrand:** The terms for the following Boards and Commissions members will expire June 30, 2023. Reappointments require approval by Council.

Advisory Committee: Ginny Kurtz and Robert Suggs

Building Codes Board of Appeals: Keith Benton

Historic Preservation Review Board: Chuck Corley, Jan Westmoreland
and Michael Blackwell

Traffic Committee: Susan Ruinen, Bob Ferrell and Rosemary Wilson

Current Boards and Commissions Vacancies:

Advisory Committee	3
Board of Zoning Appeals:	2
Building Code Board of Appeals:	3
Historic Preservation:	2
Traffic Committee:	4

Council was asked to place this item on their June 12, 2023 agenda for consideration of reappointments.

A motion was made by Mayor Pro-Tem Livingston and seconded by Councilmember Maness to place this item on Council's June 12, 2023 Work Session agenda for further discussion. Councilmember Maness confirmed that the Board members had not yet been contacted. She also asked if the members had been attending and added that the Advisory Committee needs to start meeting again. She stated that years ago the Advisory Committee helped with Keep America Beautiful which was very successful. Town Administrator Poole stated that they are going to do that again this year in the summer. He added that they met last year to discuss it. Mayor MacDougall agreed that he would like to see the attendance records and possibly Council could come up with some ideas for the committees. Mayor Pro-Tem Livingston suggested

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that since Councilmember Smith had recently been campaigning that he could probably think of some potential applicants. Councilmember Smith stated that across five Boards there were fourteen vacancies. He asked what was the Town doing to fill the vacancies. Town Administrator Poole responded that the Town periodically advertises that citizens can fill out a Talent Bank Application and submit it to serve on a Town Board. He added that Councilmembers also recommend citizens for Boards. He stated that it is typically hard to get people to serve even though they only meet once a month. Councilmember Smith asked how long some of the Board members had served and possibly they were just bored with it. Municipal Clerk Hildebrand stated that the Boards and vacancies are also posted on the Town's web site. She added that she would provide Council with an attendance record and number of years served for them to review at their next Work Session. The motion was unanimously carried by all those present.

2. **Accommodations Tax – 2023 Applications – Assistant to the Town Administrator Wesley Crosby:** On April 27, 2023 the Accommodations Tax Advisory Committee reviewed the 2023 Accommodations Tax projects requesting funds from the 65% A-Tax Fund Allocation. (Copies provided.) Nine applicants submitted requests totaling \$218,000. A spreadsheet listing the requests and the Accommodations Tax Committee's award recommendations was provided to Council for their review and consideration of approval at their June 12, 2023 Council meeting. (Copy attached.) Award amounts equal this year's available funds of \$169,500.

1. Capital City Lake Murray Country	\$ 9,500
2. Columbia Metropolitan Convention Center (CVB)	\$40,000
3. Columbia Museum of Art	\$ 5,000
4. Crossover Athletics	\$ 5,000
5. 20 th Annual Chick-fil-A Classic Basketball Tournament	\$17,000
6. Midlands Authority Sports Marketing Campaign	\$10,000
7. Lexington County Museum	\$ 8,000
8. The River Alliance Tartan Day South	\$15,000
9. Town of Lexington Icehouse Amphitheater	<u>\$60,000</u>
	Total \$169,500

Mayor Pro-Tem Livingston stated that it appears a lot of this money is going back across the river and why did Capital City Lake Murray only qualify for \$9,500. Assistant to the Town Administrator Crosby responded that traditionally CCLMC is awarded \$5,000 each year and following each applicant's presentation to the Committee, this is where the dollars fell based on what CCLMC brings to the Town of Lexington based on past experience and their publications. He stated that CCLMC has

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some small amount of advertising in their magazine but they primarily do not work directly with the Town or push more tourism this way because their focus is Lake Murray and the region. He added that the Columbia Museum of Art and the Columbia Visitors Bureau (CVB) do a lot more marketing for the Town. Town Administrator Poole reminded Council that the CVB made a presentation to them recently and demonstrated how their advertising dollars go further with shared marketing and they follow the Town's specific directions to market the amphitheater especially through billboards. He added that their presentation showed how they marketed in specific areas like Charlotte. Mr. Poole stated that even though the CVB is in Columbia, they spend our advertising dollars specifically for the Town. Mayor MacDougall stated that we get more bang for the buck with CVB's buying power and we invest our money with someone who has that advantage. Mayor Pro-Tem Livingston asked if this was the first time that the Museum of Art had received funding. Mr. Crosby responded no, they had received \$5,000 last year and the year before. He added that the museum had also expanded their strategy to work with the Town more and their on-line publication will direct hits over to hotels and restaurants. He stated that they also understand it is important to work together as a region because when people visit Columbia they are usually day tripping around the area. They also work with all the Chambers to bring more tourist to the area. Mr. Crosby stated that the Committee felt strongly about funding the Museum of Art for what they do. Mayor Pro-Tem Livingston confirmed that Crossover Athletics is local and she knew about the Chick-fil-A Classic at River Bluff High School. She asked why the Lexington Chamber did not apply this time. Mr. Crosby responded that the Chamber felt that the 30% they receive off the top of A-Tax (\$78,000) was enough for them. Councilmember Maness confirmed that the Lexington Chamber is the Town's designated visitors center and automatically receive 30% of the A-Tax funds. She also thought the number of applicants were low this year considering this is free money. Mr. Crosby stated that the Town's overall A-Tax has jumped up over the past year and he expects it to be strong again next year. He added that the Town has had a few more applicants in past years, but he reaches out to past applicants and recipients, the Town advertises on the web site, he was not sure about social media, plus Council and Staff sometimes recommend an applicant. Town Administrator Poole stated that when he is approached by someone starting an event, he recommends that they apply for A-Tax funds. He added that based on all the qualifications to apply for the funds, smaller events may not use that much for advertising. Mr. Crosby gave Kids Day as a good example

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because their attendees are usually local and not from a 50-mile radius.

A motion was made by Councilmember Lyle and seconded by Councilmember Williams to place this item on Council's June 12, 2023 agenda for consideration. The motion was unanimously carried by all those present.

3. **Rental Deposits – Assistant to the Town Administrator Wesley Crosby:** Town facility rental deposits have remained low over the course of the Town's rental history. In the last few years rental damage has increased. Recent damages in the Conference Center, Palmetto Collegiate Institute (PCI) and the Eli Mack Room have far exceeded the deposit rate. Damages range from uncleaned facilities, property damage, landscape damage and general negligence to the Town's buildings. Since January, eight (8) deposits have been held and of those, four (4) had damage costing more than the deposit. Staff proposed a deposit increase to help cover potential damages for future facility rental contracts. Current deposit rates for both the Conference Center and PCI are \$284 and the Eli Mack Room is \$120. Staff recommended a \$1,000 deposit for the Conference Center and PCI and a \$500 deposit for the Eli Mack Room.

Mayor Pro-Tem Livingston and Councilmember Maness agreed that the proposed amount seemed high. Councilmember Maness confirmed that Staff had checked other venues and the amounts they charge for deposits. Mr. Crosby added that the renter does get the deposit back if they follow the instructions they are given and doing the right thing. Councilmember Maness stated that it is not about getting it back as much as having to pay it up front and waiting to get it back. Mayor Pro-Tem Livingston asked about the turn around time to give the deposit back. Town Administrator Poole stated that it takes 2 weeks to a month. Councilmember Smith stated that he just went through a rental with the Town and he was advised that it takes a minimum of 14 days to get the deposit back. He asked how did Staff come up with the proposed \$1,000 deposit. Town Administrator Poole responded that the amount is from around the range of the damage that Staff has seen, plus some renters feel that the deposit is just their cleaning fee. He added that it happened again last weekend and the renter just walked out and on Monday morning Staff walked into beer cans, trash, etc. Councilmember Lyle stated that if this deposit is calculated to repair the damage, he would not care if it was \$1,500 if that's what it takes based on the damages, then it is an accurate and reasonable deposit if it is hedging the risk correctly. Mr. Crosby added that if the damage is less than the deposit, such as not vacuuming, then the entire deposit is not held. Councilmember Williams asked how bad was it left last weekend. Mr. Crosby responded that it took Staff two days to clean it up. Mr. Hanson estimated that it took one-half day. Mr. Crosby stated that it was bad and he preferred to not go into the details. He added that some issues have

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been about having alcohol, when they stated up front that they would not have alcohol so they do not have insurance and the Town has no other way to go against them. Mr. Poole stated that recently one of the joggling boards in front of PCI was broken in half and just the replacement board will be \$380, plus \$300 in shipping or send someone to Charleston to pick it up.

Mayor MacDougall asked if there was a common factor with the rentals that create damage. He thought it was a little high to charge someone \$1,000 if there were only having cake and ice cream for their kid's birthday party. Town Administrator Poole responded that they would probably be using the Eli Mack Room. He added that the Town has a lot of weddings and a fair amount of quinceañera parties with alcohol being held in the Conference Center and at PCI. He stated that they do not have as many problems with non-profit groups, plus they have started a "do not rent to" list. Mayor Pro-Tem Livingston suggested to start the increase with \$500 for the Conference Center and PCI and \$250 for the Eli Mack Room since only 4 out of 8 had damages and not punish everyone and then review it again later to determine if there is a common denominator causing damage. She later suggested that in-town deposits be \$500 and out-of-town deposits be \$1,000. Councilmember Lyle asked how long has it been since a rate increase. Mr. Poole responded that three or four years ago, Council approved raising all the rates with the cost of living percentage and other than that they are at the original rate plus the minor cost of living increases. He later clarified that the deposits have stayed the same, only the rental rates have gone up. Councilmember Lyle stated that PCI is an A+ venue and competes with other venues that charge \$6,000 to \$8,000 grand to rent and the Town does not charge that much. He added that he did not have a problem with the proposed increased deposit, especially if they are tailored to the previous history and experience because it is a deposit. Councilmember Lyle stated that he would not mind seeing the deposit return period being a little faster, possibly 72 hours or three business days if it is on a weekend, which should give Staff time to examine the facility for damage. Mr. Poole asked to hear from Finance Director Pharr on that topic. Finance Director Pharr stated that a lot of the checks do not get paid until the day of the rental, therefore the Finance Department needs to make sure that the check clears the bank. Councilmember Lyle stated that in that case the time could be five days or less or until the check clears the bank. Mr. Poole wished to clarify that deposit checks are paid 30 days from the event and the Town has them on file sometimes for a year or more before the actual event especially for weddings. He added that some venues require 50% down of the total rental cost to hold the date. Mayor MacDougall stated that he wants to be fair and equitable to those that have to pay it and possibly lose it due to damage.

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Town Administrator Poole stated that he just received a text from Staff recommending that weekend rentals pay a higher deposit because those are the events that typically have damage compared to weekly rentals. Mr. Hanson explained that the renters from the previous weekend were in the Conference Center until 2:00 in the morning and did not clean up. Councilmember Maness asked if the contract could include wording to state if any damages exceed the deposit that the renter will be responsible to pay for it. Councilmember Lyle stated that could be done but then you turn into a collection manager. Mr. Crosby thinks it is already in the contract. Mr. Poole stated that it is hard to collect if you do not have insurance. Councilmember Williams asked if the renter could pay part of the deposit on the day they rent the room and then pay the remainder 24 hours before the event when they pick up the key. Mr. Poole responded that could be done but the Town requires it to be paid 30 days before the event now. He wished to add that so many of the Town's venues are booked so far out into the future, that whatever Council decides today will not affect those rentals and we would not see the impact for a few years.

Mayor MacDougall asked if the Town's low rates gives people the attitude that you can just get away with destroying it. Mr. Poole responded yes and we are getting the customers that are looking for the absolute cheapest place. Mayor Pro-Tem Livingston confirmed that damage is done by in-town and out-of-town renters. Mr. Crosby stated that there were 23 deposits held over the past three to four years and there have already been nine so far this year. Councilmember Lyle confirmed that the taxpayers eat the damage costs if there is not enough deposit to cover it so he questioned if we go into collections mode or we tax people. He suggested that we get whatever deposit the data shows are relevant to adjust the risk that is necessary. Mayor Pro-Tem Livingston requested the information for damages just this year and if it was from in-town or out-of-town renters.

Councilmember Smith stated that he rented the Lace House last year and his deposit was \$1,500 for a \$6,000 rental and they got the deposit back within 72 hours. He added that they also had to pay 50% of the venue rental on the day they rented it. He agreed that speeding up the deposit return is a good thing and he agreed with Councilmember Lyle that the Town's deposits and rental rates are low. Mayor MacDougall agreed. Councilmember Lyle stated that the deposit should be narrowly tailored to adjust for the risk of the damage caused because that is the whole purpose of the deposit to hedge the risk so the Town does not have to burden taxpayers to fix stuff. Councilmember Smith asked if the Town could change the deposit to be paid 30 days before an event because a year is a long time to have a \$1,000 on your credit card. Mr. Poole responded that the Town could do that but something would have to replace the deposit to hold the room as a guarantee that they will show up, so ½ and ½ might work as previously mentioned. Councilmember Smith stated that the

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Town could do something similar to the Lace House and require half of the venue rental at the time it is booked and require the deposit 30 days before the event which is an additional \$1,000. Mayor Pro-Tem Livingston stated that she might could live with something like that since it would be closer to the date of the event for the deposit. Mr. Crosby stated that in the past year, all but one event was by in-town renters. Mayor MacDougall stated that the deposit should be \$1,000 for in and out of town renters but split it up with some of it due at booking and some due 30 days before the event. Mayor Pro-Tem Livingston recommended making 50% of the venue rental due at the time of booking and the remaining venue rental fee and the deposit due 30 days before booking. She asked why do some people get to pay on the day of the event. Mr. Poole responded that it happens, but if they have not paid by 30 days before the event, the room can be rented to someone else. If the room had not been rented to someone else, the original renter can still rent it at the last minute.

Mayor MacDougall requested that Staff clean up the verbiage on this item and bring it back to Council. Councilmember Maness stated that Staff needed to bring it back to Council's June Work Session

4. **Lexington Police Department and Mutual Aid Agreement with Charleston County – Police Chief Terrence Green:** Council was asked to consider a Mutual Aid Agreement with Charleston County for First Reading. (Copy attached.)

A motion was made by Councilmember Williams and seconded by Councilmember Smith to place the item on Council's June 12, 2023 agenda for consideration. Councilmember Maness confirmed that this would be the first agreement with Charleston County. The motion was unanimously carried by all those present.

COUNCIL/STAFF COMMENTS: None.

PUBLIC COMMENTS: None.

NEWS MEDIA COMMENTS: None.

ADJOURNMENT: Mayor MacDougall thanked everyone for attending the meeting tonight. There being no objection from Council, Mayor MacDougall adjourned the Council Work Session at 7:17 p.m.

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Respectfully submitted by:

Becky P. Hildebrand, CMC
Municipal Clerk

APPROVED BY:

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.