

REGULAR MEETING
DARLINGTON COUNTY COUNCIL
DARLINGTON, SC

April 3, 2017

A Regular Meeting of the County Council of Darlington County was held this 3rd day of April 2017, at 6 p.m., at the Courthouse Annex/EMS Building, 1625 Harry Byrd Highway (Highway 151), Darlington, South Carolina.

NOTICE OF MEETING

In compliance with the Freedom of Information Act, a copy of the agenda providing the date, time, and place of the meeting was emailed to the local newspapers, persons requesting notification, and posted on the county's website, on the bulletin board in the lobby of the courthouse, and at the entrance of the Courthouse Annex/EMS Building.

COUNCIL MEMBERS PRESENT

Vice Chairman Marvin Le Flowers, Chaplain Dannie Douglas, Jr., Mr. J. Lewis Brown, Mr. David Coker, Mr. Robert L. Kilgo, Jr., and Ms. Joyce W. Thomas.

COUNCIL MEMBERS PRESENT

Chairman Bobby Hudson and Ms. Mozella Nicholson.

ALSO PRESENT

County Administrator Marion Charles Stewart, III, County Attorney James C. Cox, Jr., Clerk to Council J. JaNet Bishop, Development Services Director Terri Cribb, Elections/Voter Registration Director Hoyt Campbell, Emergency Management Director Mac McDonald, Finance Director Sherman Dibble, Human Resources Manager Ginger Winburn, Library Director Jimmie Epling, Recreation Director Le Andrews, Roads and Bridges Director Bobby Richardson, Sheriff Tony Chavis, Tax Assessor Kyle Johnson, Emergency Management Coordinator Molly Odom, Chief Deputy Sheriff Josh Edwards, Lt. Robert L. Kilgo, III, Former Sheriff W. Glenn Campbell, and others.

REPORTERS PRESENT

Ms. Samantha Lyles of the News and Press, Mr. Jim Faile of the Messenger, Mr. Matt Parris of WBTW News 13, and a reporter from News 15.

Recognition Of Employee - Sheriff Tony Chavis

In the absence of Chairman Hudson, Vice Chairman Flowers recognized Sheriff Tony Chavis.

Sheriff Chavis reported that several weeks ago, during the first Citizen Advisory meeting, a ceremony was held to recognize Deputy Allen Hutchinson. County Councilwoman Joyce Thomas was present at the Citizen Advisory meeting and suggested that Deputy Allen Hutchinson also be recognized at a County Council meeting. Therefore, in

the absence of Deputy Hutchinson, Sheriff Chavis read two letters from a citizen thanking Deputy Hutchinson for giving him a ride when it was snowing. One letter was written to Deputy Hutchinson and the other was written to Deputy Hutchinson's supervisor, Lt. Robert L. Kilgo, III. The citizen did not disclose his name.

Call To Order/Invocation And Pledge Of Allegiance

Vice Chairman Flowers called the meeting to order. Mr. Douglas presented the invocation and Mr. Coker led the Pledge of Allegiance.

Citizens' Comments

Mr. George Cannon asked about the County's plans regarding mosquito spraying so that he could relay the information to the residents attending the neighborhood meeting scheduled for tomorrow (April 4, 2017) at Kingsville Heights Church.

Mr. Stewart indicated that Codes Enforcement would provide information to Mr. Cannon regarding what was done last year and the plans for the coming year.

Mr. Doug Reimold thanked Council for approving, at its last meeting, a resolution giving the month of April the status of Autism Awareness Month. He briefly talked about the statistics for children being born with autism and the spectrum of autism disorder. Mr. Reimold invited everyone to attend the Autism Awareness Fair scheduled for April 29, 2017, at Hartsville YMCA. Darlington County Autism Support Group will sponsor the event.

Personal Appearance - Mr. Antonio McFarland - Request For The County Accommodations Tax Advisory Committee To Consider Funds For The Annual Community Rice Festival

Mr. McFarland, Coordinator of the Annual Community Rice Festival, reported that for the past three years, he submitted the festival's Accommodations Tax application via email and was fortunate to receive funds each year. This year, he submitted the application packet on March 9th and thought that it was submitted successfully. However, he later discovered, after the deadline, that the email went to his outbox because his storage was full. After discovering this, he contacted the Clerk to Council who suggested that he appear before County Council to request approval for the Accommodations Tax Advisory Committee to receive the application for funding consideration. Mr. McFarland also reported that the Annual Community Rice Festival attracts over 3,000 people and funds raised are given back to the nonprofit organization (New Vision Community Development Corp.). There is no paid personnel, and the organization has many initiatives in New Hopewell/Byrdtown Community.

~ Councilman Kilgo arrived at 6:14 p.m. ~

Mr. Flowers asked that status of the Accommodations Tax Advisory Committee. The Clerk to Council indicated that the Committee will meet on Thursday, April 6, 2017, to develop funding recommendations.

Mr. Brown added that the Accommodations Tax applicants made presentations to the Committee last week. On April 6, 2017, the Committee will make recommendations to submit to County Council.

Mr. Douglas stated that over the years, Council has reduced funds to some applicants in order to fund late applicants. He stated that the Annual Community Rice Festival had received funds for the past three to four years. Mr. Douglas pointed out that Council previously accepted Society Hill's late application.

Mr. Kilgo said he spoke with the Chairman of the Accommodations Tax Advisory Committee who realizes that there was a mistake or something. Mr. Kilgo anticipates that the Committee would allow Mr. McFarland to make a presentation.

MOTION was made by Mr. Coker and seconded by Ms. Thomas to allow the Accommodations Tax Advisory Committee to consider funding for the Annual Community Rice Festival.

The motion carried with Mr. Brown opposing.

Personal Appearance, Mr. Ben Zeigler, Haynesworth Sinkler Boyd, P.A. - Financing Options For Courthouse Project

Mr. Ben Zeigler presented information regarding potential ways to finance a courthouse/administration building. An overview of the four available financing options (general obligation bonds debt limit/capacity, general obligation bonds referendum, capital project sales tax, and installation purchase revenue bonds) was provided to Council and the staff.

Mr. Zeigler explained that the general obligation bond debt limit/capacity is issued by County Council within the eight percent debt limit applicable to the county. A general obligation bond referendum would be used to go beyond the eight percent debt limit. The capital project sales tax would be a part of the general obligation bond, except that Council would impose a capital project sales tax to repay the bond. The installment purchase revenue bond would entail the issuance, on an annual basis, of a general obligation bond. The annual finance itself would be an installment purchase revenue bond.

Regarding the general obligation bond debt limit/capacity, Mr. Zeigler explained that South Carolina Constitution provides that the county could have outstanding, at any one time, general obligation bonds in an amount not exceeding eight percent of the county's assessed values. Currently, the assessed value of all taxable property in Darlington County for the year ending December 31, 2016, is approximately \$223 million. The eight percent constitutional debt limit would be approximately \$17.8 million. The county currently has about \$1.4 million general obligation bonds outstanding. Therefore, the county could issue approximately \$16 million in general obligation bonds and remain within the eight percent debt limit without going to the voters.

Mr. Zeigler explained that the general obligation bond debt referendum would have the same borrowing structure, except the county could go beyond the eight percent debt limit by going to the voters. If approved in the referendum, the county could issue general obligation bonds beyond the \$16 million. The bonds would have to be issued within five years of the referendum and there would be a 30-year maximum maturity.

The capital project sales tax would be a sales tax (one cent) imposed pursuant to a referendum. The sales tax would last for eight years and would be used at the same time as the general obligation bond payable from the sales tax. Mr. Zeigler pointed out that such sales tax would be in addition to the tax that the School District currently has for fifteen years. Therefore, if approved, there would be a two cents sales tax in Darlington County until March 2032. He talked about the procedure for creating a Capital Project Sales Tax Commission. Mr. Zeigler noted that Florence, Marion, and many other counties have been very successful with the capital project sales tax.

Mr. Zeigler explained that an installment purchase revenue bond is a method by which the county can leverage its eight percent debt limit by having a non-profit corporation, created by the county, issue the debt. The non-profit organization would hold title to the property, issue the debt, and then contract with the county to sell the project to the county. Each year, the county would issue a general obligation bond sufficient to make the payment on the installment purchase obligation. Each payment made by the county, using the general obligation bond proceeds, would give the county an incremental equity interest in the project. Therefore, at the end of the financing term, the county would own the property. This would allow the county to preserve its general obligation debt capacity but would be a little more complicated. Mr. Zeigler explained that the rates are normally higher than general obligation bond rates because the county's obligation to purchase the project would be subject to annual appropriations. The county could walk away from it at any time. Therefore, lenders take this into consideration when making such loans. However, this was a well-used and well-regarded type of financing used for courthouses and administration buildings. Florence, Marion, and Chesterfield Counties have used installment purchase revenue bonds to finance their new building.

Personal Appearance, Mr. Tyler Traudt and Mr. David Cheatwood, First Tryon Advisors – Available Financing Options For Courthouse Project.

Mr. Traudt explained that it would be First Tryon Advisors' job to help Council determine the best plan to finance the county's major capital needs. He provided a handout describing the advantages and disadvantages of each of the four financing options presented by Mr. Ben Zeigler of Haynesworth Sinkler Boyd.

Mr. Traudt stated that a general obligation bond would be the county's cheapest form of debt. It also was the simplest and most commonly used financing structure. The primary disadvantage would be the eight percent debt limitation. Therefore, if used, the county would have to find some other source of funds. This should be the county's reserve bucket. However, with an approved referendum, the county could borrow as much as it likes with no limitation.

An installment purchase revenue bond would be more expensive and the answer to the eight percent debt limitation question. This mechanism would have more interest cost, and the county would have to issue an annual general obligation bond. With a voter-approved general obligation issuance to fund the entire project, it would not have to be touched again. Each year, property taxes would make the payments. Mr. Traudt also explained that an installment purchase revenue bond would require the county to issue a

general obligation bond each year with a small maturity. Therefore, there would be a cost of issuance each year.

Mr. Traudt explained that a capital project sales tax (general obligation bond issue) would be an eight-year tax for the first period with a dedicated sales tax revenue stream to make the payments. Property taxes would not have to be levied. However, the county would be limited, from a sales tax prospective, in how much could be borrowed based on the amount of revenues, unless the county would be willing to have a millage increase. He noted that the primary disadvantage of the capital project sales tax is that it must be approved during a General Election. Therefore, the county would have to wait until November 2018 to ask the question of the voters about imposing the tax. Then the revenues would not be collected until May 2019. The capital sales tax would be a one percent sales tax on all unprepared food, with many exclusions including items subject to food stamps. This would be the same tax that the School District has had since 2005 which generates approximately \$5.3 million annually.

Mr. Traudt also presented a summary of financing scenarios/assumptions for general obligation bonds, installment purchase revenue bonds, and capital project sales tax with multiple project costs and the impacts of 20 and 30-year repayments.

Mr. Kilgo commented that with a capital sales tax, the county would have to share with the municipalities.

Mr. Zeigler stated that, technically, the county would not have to share with the municipalities. There would be a six-member commission with three members appointed by the county and three appointed by the municipalities. The commission generates the project and decides whether there would be something for every municipality or one big project that will benefit everyone.

Mr. Zeigler pointed out that there could be a general obligation bond for a building or for everything except the equipment, furniture, and fixtures. Then there could be an equipment installment purchase or a lease purchase for the equipment. The county could pay the equipment installment purchase from an annual general obligation bond issued or from the operating budget. If the sales tax is not sufficient to pay the general obligation bond, then the Auditor would place it on the taxes. He noted that the capital project sales tax referendum must be during a General Election. However, a general obligation bond referendum can be held at any time with the appropriate notice.

Mr. Flowers stated that Council could establish a date for a general obligation bond referendum. If it fails, then Council could ask for a sale tax referendum in 2018. If this fails, the county would have to go with an installment purchase or be limited to the eight percent.

Amendment To The Agenda

MOTION was made by Mr. Kilgo and seconded by Mr. Coker to move to Executive Session.

The motion carried unanimously.

Vote For Executive Session - Discussion Of Negotiations Incident To Proposed Contractual Arrangements

MOTION was made by Mr. Kilgo and seconded by Mr. Brown to vote for an executive session for discussion of negotiations incident to proposed contractual arrangements.

The motion carried unanimously.

MOTION was made by Mr. Kilgo and seconded by Mr. Brown for Council, the County Administrator, and the County Attorney to go into executive session for discussion of negotiations incident to proposed contractual arrangements.

The motion carried unanimously.

Vote For Executive Session - Receipt Of Legal Advice Regarding A Potential Claim

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to vote for an executive session for the receipt of legal advice regarding a potential claim.

The motion carried unanimously.

MOTION was made by Mr. Kilgo and seconded by Mr. Coker for Council, the County Administrator, and the County Attorney to go into executive session for receipt of legal advice regarding a potential claim.

The motion carried unanimously.

Executive Session

Council, the County Administrator, and the County Attorney went into executive session at 6:51 p.m. and reconvened at 7:05 p.m. Upon reconvening, Vice Chairman Flowers announced that no action was taken in executive session.

Consent Agenda (Receive As Information)

Included in the Consent Agenda were the following:

- 5.A. *Historical Commission Board Packet/Minutes/Stats, March 2, 2017*
- 5.B. *Parks, Recreation and Tourism Monthly Report, March 2017*
- 5.C. *Airport Commission Minutes, January 2017*

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to receive the Consent Agenda items as information.

The motion carried unanimously.

Approval Of Minutes - Minutes Of Regular Meeting, March 6, 2017

MOTION was made by Mr. Brown and seconded by Mr. Douglas to approve the minutes of March 6, 2017.

The motion carried unanimously.

Ordinances

Ordinance No. 17-02, An Ordinance To Make Appropriations For Ordinary County Purposes For Darlington County For The Fiscal Year Beginning July 1, 2017, And Ending June 30, 2018; To Provide For The Expenditures Thereof; And To Provide For Revenues For The Payment Thereof - FIRST READING

The title of Ordinance No. 17-02 was read for First Reading. No action required.

Ordinance No. 17-03, An Ordinance To Designate That Agency In The County For Alcohol And Drug Abuse Planning For Programs And To Make Appropriations Pursuant To Sections 6-27-40(B) And 12-33-245(B) And (C) Of The 1976 Code Of Laws Of South Carolina, As Amended, For Darlington County For The Fiscal Year Beginning July 1, 2017, And Ending June 30, 2018 - FIRST READING

The title of Ordinance No. 17-03 was read for First Reading. No action required.

Ordinance No. 17-04, An Ordinance To Amend Darlington County Code Of Ordinances, Chapter 2 (Administration), Article V. (Finance), Division 7 (Fees), To Establish A New Uniform Emergency Services Vehicle Fee For Darlington County And The Guidelines For The Collections And Use Of This Fee; To Establish A New Uniform Emergency Services Residential Fee For Darlington County And The Guidelines For The Collection And Use Of This Fee; And To Establish The Effective Date Of This Ordinance - FIRST READING

The title of Ordinance No. 17-04 was read for First Reading. No action required.

Resolutions

Resolution No. 675, Renaming The Darlington County Detention Center To The W. Glenn Campbell Detention Center

MOTION was made by Mr. Kilgo and seconded by Ms. Thomas to approve Resolution No. 675.

Mr. Kilgo and Ms. Thomas commended Sheriff Chavis for this recommendation.

The motion carried unanimously.

Mr. Flowers read the resolution and presented it to Mr. W. Glenn Campbell who was accompanied by members of his family.

Mr. Campbell stated that it was an honor to have the facility named after him. He thanked Council and Sheriff Chavis.

Resolution No. 676, A Resolution Re-Establishing The Darlington County Courthouse Construction Advisory Committee

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to approve Resolution No. 676.

Mr. Brown stated that considering the financing information presented tonight, he did not see any guidance to the committee from a financial standpoint. He also indicated that he would like to receive information from the Committee on a quarterly or biannual

basis prior to the end of two years. Mr. Brown was concerned about the financial aspect of how the county would be impacted.

Mr. Kilgo felt that the previous two attempts with the Committee failed because Council was not kept informed. He mentioned that the previous resolutions were for a one year, and such facility could not be built in one year. Therefore, two years was being proposed. Mr. Kilgo assured Council that if he is a part of the Committee, he would make reports on a regular basis. The Committee meeting scheduled for today was canceled. However, Mr. Kilgo had researched the finances with Mr. Zeigler.

Mr. Stewart announced that the Clerk to Council would serve as Clerk to the Courthouse Construction Advisory Committee. She will attend the meetings and provide the minutes, which can be forwarded to County Council if requested.

Mr. Flowers confirmed that during open session of Council, members of Council can amend how the Committee was put together or the parameters in which they operate. If there are specific things that Council members want the committee to address or if there are issues, a vote of Council could instruct such.

Attorney Cox confirmed Mr. Flowers' statement.

Mr. Brown stated that, ultimately, it would be Council's determination as to what the county can afford and provide guidance as what the perimeters should be.

Attorney Cox pointed out that the Committee was an advisory committee.

Mr. Stewart asked whether Council wanted an initial joint meeting with the Committee.

Mr. Coker indicated that he would like a report after each Committee meeting.

Mr. Brown talked about the need for Council and the committee to be in unison regarding the construction cost. He said Council has the ultimate decision and may be thinking about something in the range of \$15 million to \$20 million, and the Committee may be looking at something in the range of \$35 million to \$40 million. He wants to make sure there is not a disconnect with the amount.

Attorney Cox agreed that the two-year provision in the Resolution was needed. He also stated that Council has complete control because the Committee was an Advisory Committee. Council could receive reports or meet with the Committee at any time. However, it may be premature to have a joint meeting prior to the Committee getting organized. The Committee could let Council know where members will visit and when.

Mr. Flowers reiterated that the timeframe would be to re-establish the committee and schedule a joint County Council/Committee meeting when they are up to speed and prepared to have one.

Attorney Cox said Council could request this at any time.

Mr. Brown wanted to make sure that Council and the Committee stay connected with the initial concept of what the county can afford and what to build.

The motion carried unanimously.

Committee Reports

There were no committee reports.

Other Items

Appointments To Boards/Commissions (Alcohol & Drug Citizen Advisory Committee - Coker), (Airport Commission - Flowers), (Construction Board of Adjustment & Appeals - Douglas & Flowers), (Library Board - Flowers), (Recreation Commission - Douglas)

Mr. Douglas questioned whether Mrs. Brenda Nettles had resigned from the Parks and Recreation Commission.

Recreation Director Lee Andrews indicated that Mrs. Nettles was in the process of resigning.

Mr. Douglas nominated Mr. Ken McRae to fill the unexpired term of Mrs. Brenda Nettles on the Parks and Recreation Commission. This term will expire June 30, 2019.

The vote was unanimous to appoint Mr. Ken McRae to the Parks and Recreation Commission.

Mr. Kilgo asked whether the county Boards/Commissions were considered a public office. If so, if an individual serves on a board/commission and has an office with another government agency, this would constitute dual office holding.

Attorney Cox confirmed that this could be considered as dual office holding.

Mr. Flowers and Mr. Coker carried over their appointment(s).

Appointment To Pee Dee Workforce Development Board

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to reappoint Mr. Chuck Miller to represent the Education Sector on Pee Dee Workforce Development Board for a term to expire June 30, 2020.

The motion carried unanimously.

Hyman Paper & Chemical Company's Request For An Exception To Erect A Third Billboard Sign 500 Feet From Existing Sign Along I-20

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to deny the request from Hyman Paper & Chemical Company.

The motion carried unanimously.

Administrative Update

Mr. Stewart did not have an update.

Requests / Comments - Members Of Council

Mr. Coker, Mr. Douglas, Mr. Brown, and Ms. Thomas thanked Mr. Glenn Campbell for his years of service and Sheriff Tony Chavis for his efforts.

Mr. Douglas also commended the appearance of the new uniforms worn by the officers of the Sheriff's Department.

Ms. Thomas indicated that she would meet with Roads and Bridges Director Bobby Richardson regarding state and county roads.

Mr. Kilgo invited everyone to attend the Historical Society's meeting on Thursday, April 6th, at 6 p.m., at Mr. B's Restaurant. Historical Commission Director Brian Gandy will present a program regarding portrait of Darlington's Mystery Lady.

Vice Chairman Flowers reminded Council members to attend Council's Budget Worksession scheduled for Tuesday, April 4th, at 10 a.m., at Darlington Raceway Media Center, 1301 Harry Byrd Highway, Darlington. He asked Mr. Stewart to follow-up with Mr. Cannon regarding plans for mosquito spraying.

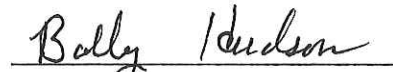
Adjournment

MOTION made by Mr. Kilgo to adjourn the meeting. There being no further comments, the meeting was adjourned at 7:28 p.m.

Respectfully submitted,



J. Janet Bishop
Clerk to Council



Bobby Hudson, Chairman
Darlington County Council

Approved at meeting of May 1, 2017.