

CITY OF CAYCE
Regular Council Meeting
June 1, 2010

Public Hearing – FY2010-2011 Budget

A Public Hearing was held at 6:00 p.m. in Council Chambers to obtain public comment on the proposed FY2010-2011 Budget. Those present included Mayor Elise Partin, Council members Steve Isom, James Jenkins, Kenneth Jumper and Rick Myers, Interim City Manager Tammy Barkley, Interim Municipal Clerk Mendy Corder, and Garry Huddle, Municipal Treasurer. City Attorney, Danny Crowe, Frank Robinson, Director of Utilities, Ken Knudsen, Director of Planning & Development and Chief Charles McNair, Director of Public Safety, were also in attendance. Mayor Partin advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA.

Opening Statement

Mayor Partin stated the purpose of the Public Hearing was to obtain public comment regarding the proposed FY2010-2011 Budget.

Public Testimony

Ms. Kay Hutchinson provided comment on the proposed FY2010-2011 Budget (see comments attached).

Councilman Myers stated for the record that the proposed budget that was sent to the media and posted actually has a different estimated millage for FY2010-2011 than what is being discussed at tonight's meeting. The Interim City Manager advised the proposed budget that was advertised for the public's review was done before the Council budget workshop therefore the millage is lower than what is proposed currently.

Close Hearing

Mayor Partin closed the public hearing noting that no further public comment was received.

Regular Meeting

The Regular June 2010 Council meeting was held this evening at 6:05 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council members Steve Isom, James Jenkins, Kenneth Jumper and Rick Myers, Interim City Manager Tammy Barkley, Interim Municipal Clerk Mendy Corder, and Garry Huddle, Municipal Treasurer. City Attorney, Danny Crowe, Frank Robinson, Director of Utilities, Ken Knudsen, Director of Planning & Development and Chief Charles McNair, Director of

Public Safety, were also in attendance. Mayor Partin advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA.

Mayor Partin called the meeting to order. Mr. Jumper gave the invocation and Mayor Partin led everyone in the Pledge of Allegiance.

Approval of Minutes

The minutes of the May 6, 2010 Regular Meeting were presented for approval. Mr. Myers made a motion to approve the minutes as presented with one change. On the 5th line of the second full paragraph on page 4 it should read, "other businesses in Cayce that are **not** enclosed on three sides." Mayor Partin stated she had one change as well. She asked that the commas in the minutes reflect what is in the ordinance. The minutes need to read, "Workplace" means any enclosed indoor area, enclosed structure, enclosed building, enclosed facility, or any exterior portion thereof enclosed on at least three sides". Mayor Partin also asked that the minutes note that she did in fact respond to Mr. Isom's e-mails regarding evaluation forms for the previous City Manager. Mr. Isom asked for a point of order. He stated the note the Mayor wanted to put in the minutes needed to be done at the time the minutes are recorded or else the Mayor would be changing the substance of what was said. Mayor Partin asked Attorney Danny Crowe to address this issue. Mr. Crowe explained the City's local rule provides that if a member of council desires to express a position on a matter voted on by the Council in the minutes they may do so by presenting a position in writing. He stated Mr. Isom was correct that one cannot go back and add something that did not happen but one can make a statement at the current meeting regarding how one reacts to what happened at the previous meeting. Mayor Partin called the question on approval of the May 6, 2010 council meeting minutes with the changes noted. It was unanimously approved by roll call vote. Mayor Partin asked to make a note at that time in reference to page 15 where Mr. Isom made reference to an e-mail he sent the Mayor and did not receive a response. She stated that was incorrect. Mr. Isom stated he disagreed and that was his comment for the record. Mayor Partin stated she had copies of the e-mails with her and asked that be noted in the minutes. Mr. Isom asked that it also be noted he did not receive the e-mails.

The minutes of the May 10, 2010 Special Council Meeting were presented for approval. Mr. Myers made a motion to approve the minutes as presented. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

Presentations, Resolutions, Proclamations

A. Presentation by John Brown re Enforcement of Noise Ordinance

Mr. Brown appeared before Council to discuss the increasing noise in Glenwood Estates. He stated the City of Cayce is growing and with that growth there is more foot traffic through his neighborhood and cars blaring loud music day and night. Mr. Brown asked that Public Safety stop these loud cars and ask them to turn their music off. He

explained his older neighbors are afraid to complain because they fear retaliation from the persons who are not adhering to the noise ordinance.

Mr. Myers asked since only person was signed up for Public Comment could that person speak before Mr. Milhous and Mr. Michaelson since their presentation would probably be lengthy and the speaker needed to get to another appointment at 6:30pm.

Public Comment regarding Items on the Agenda

Mr. Randy Rudd owns a car wash business in Cayce and said Mr. Myers stated to him that the current Smoking Ban Ordinance would prohibit Mr. Rudd's customers from smoking while they are washing their cars at his business. Mayor Partin said the ordinance refers to indoor enclosed spaces, not outdoor enclosed spaces. Mr. Rudd thanked Council for the clarification.

Presentations, Resolutions, Proclamations (Con't)

B. Presentation by Robert Milhous and Jaime Michaelson re Utility Rate Structure for FY2010-2011

Mr. Milhous appeared before Council to discuss the utility rate structure for FY2010-2011. He stated there were two objectives that he and staff looked at regarding the rates. One issue is what rates are needed for this proposed budget in order to meet the City's debt compliance as called for under the indenture of the trust. He explained the City of Cayce has to meet certain requirements under its bond indenture to raise revenue in order to meet its O&M cost as well as its debt service payments as well as a coverage ratio test.

Mr. Milhous stated the second objective that was looked at is what would be the effective rate structure for FY2011-2012 and FY2012-2013. He explained the reasoning behind looking at that is to anticipate the additional debt service requirements that will kick in subsequent to the completion of the new wastewater plant and the repayment of Cayce's bond indebtedness to the SRF loan which is \$35 million dollars plus capitalized interest.

Mr. Milhous stated the variables that are in the budget that affects the potential increase to rates are the O & M costs, capital expenses, and reserves that the City budgets to set aside to help for the repair and replacement of equipment in the utility system. He explained cash flow also has to be looked at. For example, what cash needs to be generated from providing the utility system to pay its bills and to provide resources for capital needs without going back into the bond market or a debt related market.

Mr. Milhous said that after meeting with city management and looking at three different scenarios to increase the utility rate structure it was decided to recommend Council give first reading approval to a 10% rate increase in 2011 and 2012. The

reason for that substantial increase is preparing the City long term for the inherent debt service it is going to have to pay beginning in fiscal year 2012.

Mr. Milhous stated if Council decides on a 0% increase than the operating budget if broken out mathematically is a little over 8 million dollars for the Utility. A 0% increase would barely meet the 1 15% based on static consumptions the city has experienced.

Mr. Milhous explained the risk factor is two-fold. The city would not generate reserves in order to have additional capital and in FY2012-2013 when the new debt service kicks in. A 5% increase would generate some cash but a 10% increase would level out the impact over the next couple of years because Cayce will be looking at a substantial rate increase down the road. Mr. Milhous said to summarize what it would take to meet the 115% test for the proposed budget of FY2010-2011 mathematically the current budget will do that with a 0 rate increase. The risk factors are the City is deferring a substantial rate increase in the future and cash flow reserves are not being generated to handle additional capital needs.

Mr. Jumper asked Mr. Milhous if he thought next fiscal year would be any better or an increase would still be needed. Mr. Milhous said based on the current consumption patterns of Cayce's customers which are basically static along with the Commission and the Town of Lexington's as contractors to the system and them showing relativity small increases in volume an increase would be necessary for next year in order to meet the 1 15% test.

Mr. Jenkins said as he understands it if Council does not increase the rates now a larger increase will have to take place in the near future. Mr. Milhous said that is correct and there is no way around it. He said the neighboring municipalities have all had a rate increase. Mr. Jumper made a motion to approve the Interim City Manager's recommendation of a 10% increase on first reading. Mr. Jenkins seconded the motion. The motion passed four to one by roll call vote with Mayor Partin, Mr. Jenkins, Mr. Jumper and Mr. Myers voting yes and Mr. Isom voting no.

Ordinances and Resolutions

- B. Continued discussion of FY2010-2011 Draft Budget and Approval of Ordinance to Adopt FY2010-2011 Budget to Provide Revenue for the City of Cayce

The Interim City Manager stated she prepared the draft budget based on input from council given at the budget workshop and after working closely with department heads. She said the general fund budget is a negative .15% from last year's budget and the utility budget has increased 5% from last year. The Interim City Manager said Cayce businesses are reporting less revenue so the business license fees are down. The general fund, gross revenues & the O&M budgets are balanced based on a 10% rate increase for utility rates and what has been cut out of the budget so far.

The Interim City Manager stated there are no recommended increases for employees such as a COLA or merit raise or one time bonuses. She explained the City Holiday Drop-In has been deleted from the budget and travel and training items have been deeply reduced or altogether eliminated. All the line items in all funds have been carefully scrutinized by all department heads and those are at or below last year's level. The Interim City Manager stated there was no capital equipment included in the general fund budget however there is some in the O&M budget. She said Mr. Myers had asked that the indirect cost from the O&M fund be reduced to \$950,000 but she could not make the budget balance with that change. She said the budget was cut as much as she and the department heads could and is looking for any direction from Council.

The Interim City Manager stated there were a few items she needs Council's guidance on whether or not to include in the budget or pursue further: contributing money to support the Homeless Shelter, funding bus service in Lexington County, consideration of a penny sales tax or hospitality tax to fund specific projects, continue to research eliminating commercial sanitation pick up service, city vehicles assigned to staff and driven to and from home and lastly furloughs and/or salary reductions.

Mr. Jenkins suggested staff drive their own vehicles to and from work and use a city car at work. He also inquired if there is any abuse of city vehicles and how much it costs the garage to fix these vehicles. He also said staff might want to look into which employees were promised an automobile when they were hired and what they cost would be to compensate them for the loss of the vehicle. The Interim City Manager explained that some employees are subject to call and if they do not have their work vehicle then they have to first drive to the city to get a work vehicle before going to the location where they are being called. She explained this can create a longer response time to calls.

Mr. Jenkins asked if the on call staff was rotated. Frank Robinson said his utility personnel rotate on call. There is a first response person and a back-up person which is typically a crew leader or more experienced staff member. Division heads do not rotate and drive city vehicles every day to and from work because they have to be responsive if something happens in the field or at the water or wastewater plant. Mr. Jenkins stated his concern is how many people have city vehicles and how many times they are actually called in. He asked the Interim City Manager to research how many department heads were promised city vehicles in their hiring package.

Mr. Myers stated he is concerned because the city cannot justify the revenues for the budget being composed currently and he is also concerned about staff accruing overtime. He recommended coming up with a certain percentage cut in overtime and transportation and see how much that changes the expenses and then ask each department head to provide how and if they can meet that reduction. Mr. Myers stated he was not in favor of a tax increase or raising the indirect cost in the budget.

Mr. Frank Robinson explained there was no way to trim overtime in the utility department. He said if there were not utility staff on call there would be services that

would go lacking when there is an emergency. He explained the people on call are aided by having a city vehicle so they can respond as soon as possible. Mr. Myers asked how many years the utility department exceeds their overtime budget. Mr. Robinson answered every year the overtime budget is exceeded. He explained there are two people on call in the field operations. The first responder goes out and handles the problem if he can; if not he calls the back-up person which is typically a supervisor to come out and assist. Mr. Myers asked if these staff members are hourly employees or salaried. Mr. Robinson said they are hourly. Mr. Robinson said during the week they are only paid for the hours they work overtime but on weekends the primary man on call if he doesn't receive a call at all for the whole weekend receives four hours overtime each day. The back-up person receives two hours a day overtime pay if they don't get a call. Mr. Robinson stated that rarely happens since they normally get called out. Mr. Myers asked what the utility department's total overtime is in the budget. It was decided the total overtime budgeted is approximately \$100,000.

Mayor Partin asked Council if they had any other guidance for the Interim City Manager in reference to the budget. Mayor Partin referred to page two of the white paper where the Interim City Manager asked for specific guidance on 6 issues. Council did not have any comments at that time. Mayor Partin said she was not interested in looking into furloughs or salary reductions. She stated she felt the City needed to do everything it can to keep its staff.

Mayor Partin stated she felt the one thing council was not talking about are the items the city needs such as new fire trucks and other capital needs the staff needs right now. She commented that she feels staff should continue to research eliminated commercial sanitation pick up service. She also asked the Interim City Manager to get council more information on the penny sales tax and the hospitality tax. Mayor Partin stated she was in favor of contributing \$5,000 to the Central Midlands Regional Transit Authority to continue bus service through September and to buy the city time to come up with a better plan for the bus service.

Mayor Partin stated she would love to see the city be able to contribute \$25,000 to the Midlands Housing Alliance to support the Homeless Shelter but did not see how it was possible with the budget. She said she would like to see the city contribute something for the homeless shelter even if it is a nominal amount.

Mr. Jenkins made a motion that council give first reading approval of the Ordinance and direction and guidance in the further development of a budget for FY 2010-2011. Mr. Myers asked to go back to discussion of the budget for a moment. He asked Mayor Partin if she was asking for \$5,000 for the CMRTA for this current budget or the proposed budget. She said it was for the FY2010-2011 budget. Mr. Myers asked if the funds for the homeless shelter would also be in the FY2010-2011 budget. Mayor Partin stated yes. Mr. Myers asked her what monetary amount she was suggesting and Mayor Partin said she was going to leave that in staff's hands.

Mr. Myers said he was not in favor of funding either the CMRTA or Midlands Housing Alliance at this time. Mr. Jumper seconded the motion to approve the first reading of the Ordinance. The motion passed three to two by roll call vote with Mr. Jumper, Mr. Jenkins and Mayor Partin voting yes and Mr. Isom and Mr. Myers voting no. Mayor Partin asked Mr. Myers and Mr. Isom to please get with the Interim City Manager and share their concerns why they voted no so she has some guidance on where to go with the second reading.

C. Approval of Ordinance to Amend Chapter 35 Regulating Smoking in Places of Employment – Second Reading

Mr. Isom made a motion to approve the ordinance amending the Cayce city code Chapter 35. Mr. Jumper seconded the motion. Mr. Myers suggested an inspection by the fire inspector or the code official every three or five years of the smoking room at Farm Bureau would hopefully alleviate any concerns some members of council had and he would be glad to add that to the amendment. Mayor Partin and Mr. Jenkins said they did not think anyone on staff was trained to do air quality monitoring. Mr. Jenkins stated it was a scientific fact that carbon monoxide cannot be removed out of a room. He said that now city staff was going to have to be trained to learn how to do an air quality test and there is no money in the current budget or the FY2010-2011 to do this.

Mayor Partin called Attorney Danny Crowe to the podium to answer a few questions from her. She asked Mr. Crowe who asked him to address the concerns the business community had in reference to the smoking Ordinance. He stated the previous City Manager had asked him to do this. Mayor Partin asked Mr. Crowe what the Town of Lexington initially passed in reference to outdoor smoking in their Ordinance. Mr. Crowe said the Town originally prohibited outdoor smoking and their change to their Ordinance was to allow it. He stated Cayce's Ordinance did not prohibit outdoor smoking and focused on enclosed indoor areas and areas within ten feet of an entry or exit door.

Mayor Partin said a gentleman spoke to Council earlier that night during the public comment period and was under the impression from a councilmember that the Ordinance prohibited smoking outside. Mr. Myers said to clarify that a roof extension under the definitions of the Ordinance is considered part of the structure therefore part of the structure was considered part of the enclosed area and the amendment clarifies this issue. If it is open on three sides than smoking is allowed.

Mayor Partin said she received a phone call from a local business stating that Mr. Myers had told them that the Ordinance would not allowing smoking outside. She said she took exception to that because that is not what Council voted on. She asked Mr. Myers if there were other businesses in the city that the Smoking Ordinance affects. He answered the only business that has been willing to come forward came forward in May so if the amendment passes those businesses will be inspected like any other business in Cayce. The Interim City Manager suggested that city staff research what standards

have to be met with a smoking room and then any business with a smoking room will be responsible for any costs involved in having it inspected.

Mr. Isom said one aspect of the Ordinance that Mayor Partin, Mr. Jenkins and Mr. Jumper voted on was the definition of a motor vehicle as a workplace and he stated that Mr. Myer's amendment to the Ordinance clarifies this. Mayor Partin asked Mr. Myers if he was making an amended motion since a motion and a second is already on the table. Mr. Myers said he didn't mind adding the inspection issue to the amendment but otherwise just call for the question and then council can sit down and develop some regulations that would apply to facilities with smoking rooms. Mayor Partin stated that the amendments that are on the table now would not address any regulations. Mr. Myers stated he offered to add the inspection process to the amendments. He stated the fire inspector could determine how the inspections would be conducted and the fire inspector and the building official could work together to develop that process.

Mr. Myers stated the fire inspector inspects businesses on an annual or bi-annual basis and when he is inspecting a business with a smoking room he would also inspect that room. Mr. Myers said if documentation is required from that business then that could be developed. Mayor Partin said Mr. Jenkins made an amended motion saying some type of regulation be added to the amendment and it did not receive a second. Mr. Jenkins said if council passes the amendment then they are passing something they do not have an idea what the regulations are going to be. He stated the amendment would go into effect that night and council would not know what they were regulating or how to regulate smoking rooms.

Mr. Isom stated to Mayor Partin that he was still concerned about the vehicle as a workplace and asked if it was her interpretation that the automobile or truck is not in any sense of the word a workplace. Mayor Partin stated they were debating two different ordinances. Mr. Isom said section 35-1(a) (9) that Mr. Myers is proposing clarifies the definition. He said he was asking for Mayor Partin's opinion. She said what Mr. Isom just read is correct.

Mr. Myers said that regulations are actually written into the amendment. He quoted from Section 35-1(c), "a dedicated smoking room ...by means of a mechanical exhaust system, removes all smoking room air to the exterior of the building with no air leakage to the interior of the building." Mr. Myers stated that section of the amendment states what standards have to be met.

Mr. Myers stated the only people he has spoken to about the Smoking Ordinance and the amendments are people who have contacted him. He said his objective with the amendments was to clarify the Ordinance and to be as business friendly as possible. Mayor Partin said Mr. Myers said he brought the amendments to the table to clarify the Ordinance but then he also stated that Section 35-1(c) regulates the smoking room. She said that section doesn't address who regulates, when a business is inspected or according to what standards. Mr. Myers said he suggested earlier the fire inspector could inspect these buildings.

Mr. Jenkins stated he did not see any where in the amendment where it says which companies are grandfathered in. Mr. Myers showed him where this is stated and Mr. Jenkins asked how they were going to know which businesses have smoking rooms. Mr. Myers said enforcement will be handled on a complaint basis and when there are problems they will be handled.

Mayor Partin called Chief McNair to the podium and asked him if there was a method to test air quality when fire inspections are done. Chief McNair said they do not have devices to test cigarette smoke in the air. He stated he would prefer that Public Safety stay out of testing businesses for cigarette smoke in the air. Mr. Isom stated there was no standard for cigarette smoke in the air. Mr. Jenkins stated the city does not have equipment to test for pressure in a room. He said a smoke test would need to be done on the room to make sure smoke is not getting out. The Interim City Manager asked Mr. Jenkins if he knew of a company that does that particular test. He said there are companies that do this testing and the Interim City Manager said maybe staff should contact one of the companies that does testing.

Mayor Partin asked staff to come up with some guidelines in reference to regulating a smoking room in a business and the business would have to pay for the inspection. Mr. Myers stated he felt the businesses themselves should have to prove that their smoking room meets all standards and not involve staff. Mr. Jenkins said he did not agree with leaving staff out of the process. He said the city should make the guidelines not the city businesses. Mayor Partin stated they could table the issue and ask Farm Bureau to come back to council with some regulations. Mr. Myers stated he felt the amendment already says this and this was creating a lot of red tape.

Mayor Partin said the amendment does not specify when or how often the businesses with smoking rooms have to be inspected. She said there was a motion on the table to approve the amendment to Chapter 35 regulating smoking in place of employment. The motion passed three to two by roll call vote with Mr. Isom, Mr. Jumper and Mr. Myers voting yes and Mr. Jenkins and Mayor Partin voting no.

Mayor Partin stated for the record that she received a call from a restaurant who said Mr. Myers walked in there and told them council was not going to let them smoke outside even though in the newsletter it was stated smoking was permitted outside. She asked that council be careful in how they interpret the law and in sharing that with the public.

Mr. Jenkins asked if he could make an amended motion to the smoking ordinance that just passed. Attorney Crowe asked if he was proposing a new motion to amend the ordinance that was just passed. Mr. Crowe said the agenda would have to be amended to add consideration of a motion that has not been written at this point. He said before the main motion was voted on it could have been amended orally but once the amendment is passed the regular ordinance procedure will have to be followed. Mr. Jenkins informed the council that he would be speaking to the city attorney and

incurring an attorney fee to draft a motion to amend the motion that just passed. Mr. Isom said he thought it was a given that council has an option to go to the attorney and Mr. Jenkins said he hated to run up costs if he doesn't need to. Mr. Jenkins stated he wanted Attorney Crowe to draft an ordinance to amend this chapter to add all the facts and scientific documentation such as the size of the room, how many people could be in Farm Bureau's smoking room at one time, how much air flow needs to be in there to address the evacuation of the smoke. Mr. Jenkins said he would like the Farm Bureau to have the room examined by an engineer to give it a passing grade before the amendment goes into effect. He stated he would get with Attorney Crowe the following day to make sure he (Mr. Jenkins) worded the amendment correctly.

Mr. Isom asked Mr. Jenkins if council needs to state in public every time they need to speak to the city attorney. He asked Mr. Jenkins if he was in agreement to do that. Mr. Jenkins said it had already been stated that every time they use the city attorney they incur a cost and he wants everyone to know he's not incurring cost for foolishness. Mr. Isom stated he thinks it is foolishness and that he is wasting time because he could have amended the motion earlier.

Mr. Myers asked why council doesn't just ask the Farm Bureau to provide the information Mr. Jenkins just stated. Mr. Myers said he felt the business would do that and this would not take up a lot of the city attorney's time.

D. Approval of Ordinance to Amend Chapter 16.1 Re Elections – Second Reading

Mr. Myers made a motion to approve the Ordinance on second reading. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

E. Approval of Ordinance to Amend Section 16.6 Re Elections – Second Reading

Mr. Isom made a motion to approve the Ordinance on second reading. Mr. Jumper seconded the motion. Mayor Partin asked if the time stated in the Ordinance was noon so staff would have time to report. The Interim City Manager said it is state law that as long as Lexington County is managing Cayce's election the city has to go by their deadline. The Ordinance was unanimously approved by roll call.

F. Approval of Ordinance Amending the City of Cayce Sewer Use Ordinance – Second Reading; and Approval of Resolution Adopting Enforcement Response Plan

Mr. Jenkins made a motion to approve the Ordinance on second reading. Mr. Jumper seconded the motion. Mr. Myers stated that obviously this was something the city had to do and unfortunately it has cost the Utilities department a fair amount of money to meet this mandate by DHEC. He said the Enforcement Response Plan was

pretty significant and the city had to involve the engineers. Mr. Myers said DHEC could probably have created a template and everyone could have used it and saved a lot of money. He said unfortunately everyone was required to create their own template. Mayor Partin called the question and the Ordinance and Resolution passed four to one with Mr. Jenkins, Mr. Jumper, Mr. Isom and Mayor Partin voting yes and Mr. Myers voting no.

G. Approval of Ordinance to Rezone Property Located on Foreman Street from RS1 to M1 – Second Reading

Mr. Jumper made a motion to approve the Ordinance to Rezone Property located on Foreman Street from RS1 to M1. Steve Isom seconded the motion which was unanimously approved by roll call vote.

Other

A. Approval of Appointment of Cayce Representative to the West Metro Board of Directors

The Interim City Manager advised this issue was postponed from the May meeting and city staff has checked with Mr. Leo Redmond to see if he was interested in serving on the Board. He is willing to serve with Ms. Rachel Steen being back-up if he is unable to attend. Mayor Partin asked if the Board allows for back-ups or alternates. The Interim City Manager answered yes since this is not a voting member position. Mr. Myers made a motion to approve the appointee. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

B. Approval and Ratification of Purchase of Property on Old Dunbar Road

The Interim City Manager explained this property is the property the city is considering for the relocation of the Animal Control shelter. In February council approved a motion for the City Manager to proceed with negotiations as discussed. The Interim City Manager stated that the city was closing on the property in two days and this is to ratify Council's motion to purchase the property. Mr. Isom made a motion to approve the ratification of purchase of property on Old Dunbar Road. Mr. Myers seconded the motion.

Mr. Myers asked the Interim City Manager where the money was coming from to purchase the property. She stated it was coming from the current O&M budget. Mr. Myers recommended that staff contact West Columbia in reference to contributing to the cost of the property. Mayor Partin stated she would not want West Columbia involved in contributing to the cost of the property since she would prefer the property be Cayce's alone. She stated she agreed with Mr. Myers that it would be a great idea if West Columbia could contribute to the cost of building the animal shelter. Mayor Partin suggested having a planned proposal of what the city is asking for before approaching West Columbia. Mr. Myers suggested asking for one half of the cost of the property and

one half of the cost of the building. The Interim City Manager stated it was not in the FY 2010/2011 budget to build the Animal Shelter. Mr. Myers said he still would suggest mentioning this to West Columbia so they can plan accordingly. The motion was unanimously approved by roll call vote.

C. Approval of Resolution Finding and Declaring an Emergency with
Regard to Pump Station No. 2 Sewer Main Break and Consenting to and
Authorizing the City Manager to Undertake Certain Actions

The Interim City Manager stated on March 15, 2010 the city experienced a sewer line brake and spill at Pump Station No. 2. She said it was considered an emergency situation and had to be repaired immediately. She explained T&T was engaged to make the emergency repairs. The Interim City Manager said in accordance to Cayce city code under Section 2-146 the City Manager may award contracts and make purchases for the purpose of repairing damages caused by such accidents or meeting such public emergency. She said the City Manager must file with council a certificate showing such emergency necessity. The Interim City Manager said she had the certificate which had been signed by the previous City Manager since it was under his jurisdiction at that time and the certificate had been presented to Council. She stated the resolution finding and declaring an emergency also needed to be approved.

The Interim City Manager stated she had provided Council with a detailed breakdown of the costs of the project. Mr. Jenkins made a motion to approve the resolution finding and declaring an emergency with regard to pump station no. 2 sewer main break and consenting to and authorizing the City Manager to undertake certain actions. Mr. Myers seconded the motion. Mr. Myers said he would like to amend the motion that the City make it a point to go back to any responsible parties that may have caused the City any undue or unnecessary costs associated with this project. He said he hopes the city can recover some of their costs related to the emergency. Mr. Jenkins asked if there was any doubt that someone contributed to this problem. The Interim City Manager said there is a possibility that someone did contribute to the problem and staff is researching that possibility.

Mr. Jenkins questioned whether the person believed to be responsible had been addressed yet. He stated he had a problem with no one being approached yet even though someone was suspected of causing the problem. Mr. Myers stated he thinks the responsible person will be approached and right now he is just trying to get it on public record so it comes back to the city at some point in the amendment. Attorney Crowe advised that based on preliminary evidence it seems Martin Marietta is responsible for the break by overburdening the easement. He said there are a number of legal issues involved and he would like to brief Council about them in executive session at the next meeting. Mayor Partin stated there was an amended motion on the table and asked if there was a second. Mr. Isom seconded the amended motion.

Mr. Jenkins asked that in the future if someone causes the city undue damage that staff not wait this long to address it. The Interim City Manager stated there were

certain things that the city has to adhere to within the code. She said staff has to get the breakdown of the bill before they can come before Council with the resolution to declare and file the emergency. She said there are certain steps that have to be followed. Mr. Myers said that staff did not know initially that another party was responsible. The Interim City Manager said to not do the repairs until an agreement was received from someone was not a possibility, the repair had to be made.

Mayor Partin asked Mr. Myers to restate his amended motion. He said that we include in the recommendation that additional information be followed up on as to the potential of a responsible party who may have contributed to this breakage or had some responsibility towards the cost of the reconstruction. The amended motion passed unanimously by roll call vote. Mayor Partin said now council had to go back to the original motion which is to approve the resolution finding and declaring an emergency with regard to the pump station no. 2 sewer main break and consent to authorize the city manager to undertake certain actions. The motion passed unanimously by roll call vote.

D. Bid Award – Purchase of Magnesium Hydroxide System for Pump Station No. 1

Mr. Myers made a motion to approve the bid award. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

E. Approval to Fund CMRTA and DART Service through September 30, 2010

The Interim City Manager stated Mayor Partin attended a meeting in reference to this issue. The Interim City Manager said the City has been told that CMRTA will discontinue bus and DART service in the City of Cayce unless the City provides some monetary funding for that service. She said it was recommended the City contribute \$5,000 to continue the service through September 30 which would give Lexington County and the surrounding municipalities time to meet and work out some type of bus and DART service for the area. The Interim City Manager said if Council approves funding this project at that amount the general fund budget would be adjusted accordingly. She said when the white paper was written it was unsure if the city had to pay the amount this fiscal year or FY2010-2011 but it is believed that now the deadline is July 15, 2010 so it can be put in next year's budget.

Mayor Partin said the distribution of funds is merely a way to buy Cayce time. She said there was a meeting scheduled the following day to look at what some of the options are to continue service especially for people in need. She said she hopes council would vote in favor of the \$5,000 to buy Cayce time to come up with some answers. Mr. Jenkins made a motion to approve funding CMRTA and DART service through September 30, 2010. Mr. Jumper seconded the motion. Mr. Isom asked Mayor Partin if she could explain what kind of ideas they are looking at as far as possibilities for Lexington County since she attended the meeting. She said there were not many concrete ideas discussed as far as moving forward. She said most of the ideas came

from the Transit Summit that was held last October. She said she feels the summit will be a good catalyst for being able to come up with some answers.

Mr. Isom asked Mayor Partin how many people in Cayce are impacted by the DART Service. Mayor Partin said the numbers have not been very forthcoming from CMRTA. Mr. Jenkins said his concern is for senior citizens who need DART Services. He said he would ride the bus or a DART Service to come see how many people in Cayce use them.

Mr. Myers said the CMRTA has yet to provide Council any ridership numbers for Cayce and have not provided numbers to West Columbia or Lexington County. He said the Airport did an informal survey and it came back to zero ridership to the Airport from the bus system. He said CMRTA's federal funding and grants are based on numbers from the City of Cayce, West Columbia and Lexington County and he feels it would be a legal question whether the CMRTA can cut off transportation to the City of Cayce when their federal funds are based on Cayce ridership. Mr. Myers also asked if council is going to fund the CMRTA than what they are going to take out of the upcoming budget to fund the \$5,000 with.

Mr. Isom said at a previous meeting with CMRTA there were only 24 people from Cayce at that time riding the system so it is hard to justify the costs. He said more information is needed to make a good decision. Mayor Partin said Council is not looking into buying into the CMRTA but rather buying time to come up with their own answer. She said it was her understanding that if Cayce pulls out in September than CMRTA could not use Cayce's numbers for federal funding and the City would use them for federal funds.

Mr. Myers questioned whether CMRTA could legally stop service to Cayce since their federal funding is partially based on Cayce numbers. Attorney Crowe stated he had some concerns about CMRTA's ability to kick out the Lexington County entities from the group. He suggested Mayor Partin ask Lexington County's attorney at the meeting the next day if he has researched this issue since Lexington County Council is the bulk contributor to CMRTA from Lexington County. Attorney Crowe said if Lexington County has not researched the issue then he would be pleased to do whatever Council wishes him to do.

Mr. Myers suggested not acting on funding CMRTA until after Mayor Partin attends the meeting the next day and speaks to Lexington County's attorney. Mayor Partin said there was already a motion on the table and if there was no more discussion she was going to call the question. She said she doubted Lexington County would put up \$10,000 without having some idea of that answer. Mr. Myers stated that was not a lot of money to Lexington County and Mayor Partin said she disagreed. Mr. Myers reiterated he did not think Cayce should fund \$5,000 if CMRTA cannot stop the route to Cayce legally. Mayor Partin said even if Council approved the funding if they found out at the meeting that CMRTA in fact could not stop service to Cayce Council could go back and change their decision. The motion passed three to two by roll call vote with

Mr. Jenkins, Mr. Jumper and Mayor Partin voting yes and Mr. Isom and Mr. Myers voting no.

Committee Matters

A. Committee Minutes

Council reviewed the following Committee meeting minutes for approval to enter into the official city record:

Zoning Board of Appeals – November 16, 2009

Cayce Museum Commission – May 12, 2010

Cayce Events Committee – May 18, 2010

Mr. Myers made a motion that the Committee meeting minutes be entered into the official city record. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

B. Committee Appointments/Reappointments

Beautification Board – Two (2) Positions

There are two open positions. The Beautification Board met with potential members and recommends the appointment of Ms. April Blake and Ms. Deena DeVore to fill these positions. Their potential member applications are attached for your review.

Cayce Events Committee – Three (3) Positions

The following members' terms expire June 2010: Mr. Danny Creamer, Dr. Pete Cassidy and Ms. Frankie Newman. All have been contacted and would like to serve again. Reappointment applications are attached for Council's review. It is recommended that Mr. Creamer, Dr. Cassidy and Ms. Newman be reappointed to the Committee.

Board of Zoning Appeals – Two (2) Positions

The following members' terms expired in March 2010: Ms. Tara Almond and Mr. David Murray. Both have been contacted and would like to serve again. Reappointment applications have been attached for Council's review. It is recommended that Ms. Almond and Mr. Murray be reappointed to the Board.

Mr. Myers made a motion to approve all recommendations as stated above. Mr. Isom seconded the motion which was unanimously approved by roll call vote.

Mayor Partin asked staff to advertise the two openings on the Consolidated Board of Appeals on the Cayce website and asked the Interim City Manager to make sure no one on staff is still using the previous potential member applications since one of the applicant's form still asked for a social security number.

C. Appointments to Foundations

Beautification Foundation – One (1) Position

The following potential member application has been received and is attached for your review.

District 2 – Kim Wells

Mr. Jenkins made a motion to appoint Ms. Wells to the Foundation. Mr. Myers seconded the motion which was unanimously approved by roll call vote.

Public Safety Foundation – Five (5) Positions

The following potential member application has been received and is attached for your review. Mr. Myers also recommended the appointment of Phil Carter.

District 2 – Cynthia Lampley

District 4 – Phil Carter

Mayor Partin said she spoke to the Mayor Pro-Tem and she would like to be on the Beautification Foundation. She also asked staff to contact Joe Long who is the current chair of the Beautification Board to see if he would be interested in serving on the Beautification Foundation. Mayor Partin stated since the Beautification Foundation is filled a meeting needs to be scheduled. Mr. Myers recommended Mr. Isom to also serve on the Beautification Foundation.

Mayor Partin said the Mayor Pro-Tem would serve on the Public Safety Foundation and Mr. Jumper has expressed interest in serving on that Foundation also. Mr. Isom made a motion to appoint Ms. Wells to the Beautification Foundation and Mr. Carter and Ms. Lampley to the Public Safety Foundation. Mr. Myers seconded the motion which was unanimously approved by roll call vote. The Interim City Manager advised that staff would contact the Chair of the Beautification Board and then the Interim City Manager would contact the Mayor to figure out the best time to set up the first meeting for the Beautification Foundation.

City Manager's Report

The Interim City Manager advised that the May Financial Report would be sent to Council either Friday or the following week. She provided Council with the following dates:

June 23 – Love Automotive Press Conference

June 24 – LCMA Meeting hosted by Cayce at the Cayce Historical Museum

The Interim City Manager stated a date needed to be set for a special Council meeting to hold a Public Hearing on the Utility rates before second reading. She stated after that Public Hearing they could have second reading on the Utility rate ordinance

and the budget ordinance if Council so desires. She said a fifteen day notice is required on the Public Hearing so they could schedule a meeting the week of June 21st. Council chose June 22nd at 6pm to hold the Public Hearing for the second reading of Utility Rates Ordinance and second reading on the budget Ordinance.

Mayor Partin stated she would like to have another Public Hearing on the Budget. Mr. Myers stated he would like to have a workshop on the budget since he feels there is a lot of work still to be done. Mayor Partin stated Council had already held a workshop and she was the only council member to give comment. Mr. Myers said at that time there were no revenue projections and now there are firm numbers to work with another workshop is needed.

The Interim City Manager explained before she can set the O&M budget Council has to have a consensus on the utility rates. She suggested holding a Public Hearing and a second reading on the Utility Rate Ordinance and then at a later time hold a budget workshop and a second reading on the budget. Mayor Partin suggested doing the second reading on the Utility Rate Ordinance on June 22, 2010 at 6pm and then immediately after that hold a budget workshop. Mr. Myers questioned how staff could do that since they won't have the numbers and those numbers will affect the indirect transfer.

The Interim City Manager stated what guidance she had received from Council that night was to reduce the indirect transfer back to \$950,000. Mr. Myers said that was his suggestion but he was not sure if the other council members agreed with that. The Interim City Manager stated she had to have some type of consensus from Council. She said she had been given direction to cut everything back so hopefully a fire truck or some other equipment can be added to the budget. She said this will entail sitting down with department heads and asking them what else they can cut from their budget.

Mr. Jenkins stated the city definitely needs a new fire truck since it is out of compliance. The Interim City Manager explained the city was not out of compliance, it is just recommended that the oldest fire truck be replaced. She said she would ask public safety staff to pull the worksheets and include how old each fire truck is and OSHA's recommendations. Mr. Jenkins said he would like a report showing how many fires the city has responded to where there were problems with the truck when trying to fight the fire. Mr. Myers stated he would like to know which rung each truck is in and how many times it responds to calls.

Council decided to hold interviews for the Interim City Manager position Monday, June 28, 2010 from 9am to noon and scheduled the public hearing and second reading of the budget for Wednesday, June 30, 2010 at 7pm.

The Interim City Manager provided Council with updates on the follows issues:

Twice weekly Garbage Pick-up began May 31st and will run through the end of August.

Taylor Road Update – John Fechtel called recently informing her Taylor Road is completely finished as far as the asphalt is concerned. It will not open until the railroad installs the crossing arms. The Interim City Manager stated she is contacting the railroads the next day to get an estimated date when that will occur.

Municipal Association Annual Meeting – The Interim City Manager said to date she has been advised by Mayor Partin, Mr. Myers and Mr. Jenkins that they will not attend this year. Mayor Partin said she would attend and represent the City. Mr. Isom said he would attend the annual meeting but not charge the City anything. Mr. Myers stated he thought the training at this meeting is valuable and would like to see the Mayor and Mr. Isom attend if possible.

Threat Design and Development - The Interim City Manager met with Robert Threat about a plan he has to build a multi-use development on Charlie Thompson's property at Blossom Street Bridge. It is still in the preliminary planning stages but it is an upscale high rise condo. It will also include retail space, office space, restaurants, and an above and below ground parking garage. The Interim City Manager stated the City Attorney is still communicating with Charlie Thompson's attorney in reference to the infrastructure and what is allowable.

Executive Session

- A. Discussion of Compensation for Municipal
- B. Discussion of Compensation for City Manager Consulting Services
- C. Discussion of negotiations incident to proposed contractual arrangements for Interim City Manager

Mr. Myers made a motion to move into Executive Session to discuss the matters above.

Mr. Jenkins asked the Interim City Manager how the city forgives a debt if there is a business with a large water bill that has not been paid and another business wants to move into that building but the debt is going to follow that meter. The Interim City Manager explained the City's policy is whoever comes in to open an account if there is anything owed on that account they are liable. She said often with rental property there are businesses in there who have not applied for a business license since they are not really operational but they have been running the water and then a legitimate business moves into that building comes in to City Hall to open an account and there is a \$2,000 outstanding bill. She said the city works on this type of situation on a one on one basis and tries to work with the landlords to see if it can be resolved. She said ultimately the city cannot make someone pay for water they did not use. The Interim City Manager said there are a few procedures that need fine tuning and she has been working with the Municipal Treasurer to see how best to handle.

Mr. Jenkins said he thinks our Ordinance states a lien is supposed to be put on the property until the debt is paid. The Interim City Manager said that is correct but often the amount of money spent in placing the lien and the legal work involved is more than the outstanding water bill. Mr. Jenkins said the instance he is referring to the amount owed is \$3,000 and that money could be applied to the budget. The Interim City Manager said the city has no way of going back to the property owner to get that money. The city has an agreement with whoever is leasing that building at the time.

Mr. Jenkins said the debt should follow the meter not the property owner. He also stated the bill should have never been allowed to get that high. Mr. Myers said the city certainly does not want to penalize a new business or a new resident coming to the city if they had no liability for the water usage. Attorney Crowe explained there is actually a legal issue regarding whether municipalities can actually enforce liens for water service. He said they can do it for sewer service but there is no specific statutory authorization for a lien on property for water service. He explained that the amount of the particular debt they were discussing would be half that amount since half is water and half is sewer.

Mr. Jenkins stated when the City has a situation like that with that large amount of money involved it needs to be brought before Council. He said the City just passed an Ordinance on transparency and that would fall under that. Attorney Crowe said he would be glad to research that but ordinarily that would be considered an administration function that would be handled by the City Manager. Mr. Jenkins said he would like for Attorney Crowe to help him draft an Ordinance to limit the amount the City Manager can forgive before it has to come to Council.

Mr. Myers said there is probably a privacy issue involved but he agrees there should be some guidelines there. Attorney Crowe asked Mr. Jenkins to outline for him what amounts he thinks should be in what situations and he would be glad to draft something up. At that time Mr. Jenkins seconded the motion to go into Executive Session which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, the Regular meeting was reconvened. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible Actions by Council in follow up to Executive Session

Mr. Isom made a motion to proceed with the salary increase for the Municipal Judge as discussed in Executive Session. Mr. Jenkins seconded the motion which was unanimously approved by roll call vote.

Mr. Isom made a motion to approve the amount as discussed in Executive Session for compensation for City Manager consulting services. Mr. Myers seconded the motion which was unanimously approved by roll call vote.

Mr. Myers made a motion to approve the increase in salary for the Interim City Manager as discussed in Executive Session. Mr. Jenkins seconded the motion which was unanimously approved by roll call vote.

There being no further business, the meeting adjourned at 11:30 p.m.

Elise Partin, Mayor

ATTEST:

Mendy C. Corder, Interim Municipal Clerk