



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES

CITY MANAGER
REBECCA V. RHODES

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

CITY OF CAYCE Regular Council Meeting April 2, 2013

The Regular April Council Meeting was held this evening at 6 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Eva Corley, Tim James, James Jenkins, City Manager Rebecca Rhodes, Assistant City Manager Shaun Greenwood, Mendy Corder, Municipal Clerk and Garry Huddle, Municipal Treasurer. Blake Bridwell, Director of Utilities, Public Safety Director, Charles McNair and City Attorney, Danny Crowe were also in attendance. Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Corder confirmed they were.

Mayor Partin called the meeting to order. Council Member Jenkins gave the invocation and the assembly recited the Pledge of Allegiance.

Approval of Minutes

Council Member James made a motion to approve the minutes of the March 5, 2013 Regular Meeting and the March 11, 2013 Special Council Meeting as submitted. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Resolutions

A. Approval of Reimbursement Resolution

Ms. Rhodes stated the planning process for a City Hall building may require the City to contract out for certain types of professional services. Specifically, engineering, architectural and legal services. The City can be reimbursed for these expenses through the proceeds from whichever source of debt it may incur to actually develop the City Hall building. She stated the proposed resolution allows the City to do this. Council Member James made a motion to approve the resolution. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Public Comment Regarding Items on the Agenda

No public comment was given.

Ordinances

A. Approval of Ordinance Approving the Cayce Minor Home Repair Program – Second Reading

Council Member Almond made a motion to approve the Ordinance on second and final reading. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

B. Approval of Ordinance Amending the Refuse Ordinance – Second Reading

Council Member Jenkins made a motion to approve the Ordinance on second and final reading. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

C. Approval of Ordinance Amending City Code Section 34-3 Concerning Franchise for Private Waste Service – Second Reading

Council Member James made a motion to approve the Ordinance amending section 34-3. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

Other

A. Discussion of Proposed FY13-14 Utility Budget

Ms. Rhodes stated staff has made several adjustments to the utility budget but is still awaiting information from the auditors in reference to sewer sales revenue from the Purchasers. Currently, the second draft of the FY13-14 Utility Fund Budget estimates expenditures of \$10,326,264 and revenues of \$8,638,853 for the upcoming year. She explained there are still items that are estimated such as health insurance and general insurance both of which are going up.

Ms. Rhodes stated the Utility Budget has to be sent to the Purchasers by April 30, 2013. She explained the two major expenses still in the budget are the Capital Expenses at \$585,700 and the cost to fund the Depreciation Fund which is \$550,000. She stated depreciation is not something that technically has to be funded but if the City funds the depreciation then the Purchasers have to fund it as well. Those two entities currently have credits with the City and by funding the depreciation this will work off the credits owed to them by the City.

Ms. Rhodes explained that the Purchasers paid money years ago for capacity in the original water plant and the City was not able to provide that capacity so they were given a credit. She stated that it would take approximately 6 years at \$550,000 a year for each Purchaser to work off the credits. She explained that it is important to fund depreciation so in future years funds will be available to rebuild the plant.

Ms. Rhodes stated she is proposing a slight increase in utility rates to cover the cost of living increase. She stated Council had asked for information regarding changing the City's utility bills from a postcard to an envelope that would allow inserts. It will actually cost a little less for the 8.5 x 11 mailings, but there will be an added cost whenever an insert is used. Mayor Partin stated it would be great to go to bills with envelopes since the postcards are easily lost in the mailing process. Council Member James suggested creating a policy regarding inserts since many non-profits will ask the City about using the inserts for their causes.

Ms. Rhodes explained that currently the City charges a deposit rather than a fee whenever a new customer sets up a utility account. The City's deposit for homeowners is \$35 for in-city customers and \$50 for out-of-city customers. The deposit for renters is \$50 in-city and \$75 out-of-city. She explained most municipalities charge a fee rather than a refundable deposit and the average fee is \$40 and the deposit is \$91. She explained a deposit would have to be \$101 for the City to recoup its costs through 2011 and \$160 to cover costs through 2012.

Ms. Rhodes stated the City is a member of the set-off debt program which collects any money owed to the City through state income tax returns. Approximately 10% of monies owed are recovered through this program.

Ms. Rhodes advised that staff recommends going from a deposit to a fee. The City could return the current deposits to existing customers and this would take \$428,000 of liability off the City's books. If the City changes to a fee this would create \$105,000 of revenue each year which would count towards the City's debt ratio.

Ms. Rhodes explained that there will need to be Public Hearings held if Council decides to move forward with a fee rather than a deposit. These hearings will be held in conjunction with the Budget Public Hearings. She stated current customers will receive a credit on their bill in the amount of their deposit.

Ms. Rhodes stated Council asked staff to research funding options for large water and sewer infrastructure projects. She explained in 2010 Council paid American Engineering to create a Capital Investment Plan for the City of Cayce for 2010 – 2015. The Plan outlines each project in detail and rates and ranks these projects based on several criteria.

Ms. Rhodes stated one of the projects that Council and staff have talked about often is the Avenues Project. She explained that this project actually encompasses the Avenues, Broadacres, and North Frink Street water distribution system replacement and refurbishment. Julius Felder Street is also included in this project.

Ms. Rhodes stated there are not many options for funding large infrastructure projects. She explained all the City's current debt is with the Budget and Control Board

and through the State Revolving Loan Fund. Currently the rate for these funds is at an all time low of 1.9%. She stated the City must apply for these funds and be awarded. There are usually more funds available for sewer projects than water projects. She explained the engineering and design of the project must be completed to apply for SRF funds. The City would also have to prove that it has in place rates at the time of the award that are sufficient to pay for the debt.

Ms. Rhodes stated another funding option is outright revenue bonds. The City Utility Fund could borrow money from the regular bond market but she stated this should only be a choice if SRF funds are not available because of the increased cost on the open market.

Ms. Rhodes explained the third funding option is to create municipal improvement districts. She stated the City could create a Municipal Improvement District to encompass a designated area and charge those individuals in that district an extra millage rate that would be earmarked for paying back one of the other bonding options.

Ms. Rhodes stated Council would need to make a decision as to which projects it would like to fund and then Staff can look into the SFR funding situation at the time.

City Manager's Report

Ms. Rhodes informed Council of upcoming events. She stated the Cayce Animal Adoption Center will have a soft grand opening on April 27, 2013. The new City website is up and very user friendly. Ms. Rhodes stated the 12th Street Lighting Project is almost complete. All the new Cobra head lights are up except on the bridges and those will be up soon. She stated the Beautification Foundation recently met and have picked out the brick color for the new signage at Knox Abbott Drive at the Blossom Street Bridge and have filled out their encroachment permit application to SC DOT.

Committee Matters

- A. Approval to Enter the following approved Committee Minutes into the City's Official Record
 - Cayce Events Committee – January 10, 2013
 - Museum Commission – February 5, 2013
 - Planning Commission – February 25, 2013
 - Board of Zoning Appeals – February 25, 2013

Council Member Jenkins made a motion to approve entering the above approved Committee Minutes into the City's official record. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

- B. Appointments and Reappointments
Beautification Foundation – One Position
Museum Commission - One Position

Council Member James made a motion to re-appoint Ms. Therese Griffin to the Beautification Foundation. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Council Member James made a motion to re-appoint Ms. Mary Sharpe to the Cayce Museum Commission. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Mayor Partin asked Mr. Crowe if the Mayor and Council appointments to the Foundations need to be on the agenda before any action can be taken. He stated it should be on the agenda as a separate item. Mayor Partin asked staff to see if the Public Safety Foundation has any recommendations of potential members for the Foundation for Council approval. Ms. Rhodes stated she had contacted the Foundation and asked that they submit names for potential foundation members.

Executive Session

- A. Discussion of negotiations incident to proposed contractual arrangements for public relations services
- B. Receipt of legal advice relating to claims and potential claims by the City and other matters covered by the attorney-client privilege
- C. Discussion of negotiations for possible City Hall property
- D. Continued discussion of City Manager's evaluation

Council Member Jenkins made a motion to move into Executive Session to discuss the matters above. Council Member James seconded the motion which was unanimously approved by roll call vote.

After the Executive Session was concluded, Council Member Jenkins made a motion to reconvene the Regular meeting. Council Member James seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no action was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible Actions by Council in follow up to Executive Session

Council Member Almond made a motion to authorize the City Manager to negotiate PR Services as discussed. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Council Member James made a motion to authorize the Mayor to continue to negotiate and move forward with finalizing the contract. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Council Member James made a motion to authorize the City Manager to negotiate with property owners for possible purchase of City Hall property as discussed. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Council Member Almond made a motion to authorize the finalization of the City Manager's evaluation with completion of the bonus. Council Member James seconded the motion which was unanimously approved by roll call vote.

There being no further business, Council Member Jenkins made a motion to adjourn the meeting. Council Member James seconded the motion which was unanimously approved by roll call vote. The meeting adjourned at 7:30 p.m.



Elise Partin, Mayor

ATTEST:



Mendy C. Corder, Municipal Clerk

