

MINUTES
REGULAR COUNCIL MEETING
MAY 13, 2013 – 7:00PM

The May 2013 regular meeting of City Council was held in the Council Chambers of the City-County Complex Building located 401 West Main Street in Dillon, South Carolina. All councilmembers were in attendance: Mayor Todd Davis, Councilman James Washington, Councilwoman Connie Manning, Councilman Johnny Eller, Mayor Pro-tem Douglas Jackson, Councilman John Braddy, and Councilman Phil Wallace.

Mayor Todd Davis called the meeting to order at 7:00pm by asking everyone to stand for the Pledge of Allegiance to the American Flag. Benny Genwright then gave the invocation. Councilman Wallace made a motion to approve the agenda, which was seconded by Councilman Braddy. The motion passed unanimously. Councilman Wallace also made the motion to approve the minutes from the regular Council meeting on April 8, 2013 and the special/called meeting on April 15, 2013. Councilman Braddy seconded the motion and it passed unanimously.

Mayor Davis began his report by congratulating everyone involved with the Celebrate Main Street festival. He said all parts of the festival were a great success, from the entertainment, to the vendors, to the car show. The Mayor said the rain held off until that night and the street dance was moved to the Wellness Center. He said there were great acoustics with the band and there was a good crowd. He suggested that we have the dance at the Wellness Center each year. Glen said the band really wanted to be outside. The Mayor then asked why the date had changed for the festival since it used to be held the first weekend in May. Glen said this was due to an overlap of events a few years back when the festival fell on the same day as Mother's Day weekend and the Darlington race. The date was changed then and we decided to leave it that way.

Next, the Mayor reported that the golf course was coming along well and should be ready soon. He said the City had been working hard and Glen would discuss funding options for the golf course in his report. Glen would also discuss the SRF loan application. The Mayor then pointed out that we had good collections in the Hospitality Tax revenue. Glen projected that we would collect about \$60,000 more than was budgeted. Councilman Wallace asked about the balance in our water/sewer depreciation account. Finance Director Janet Bethea said there was roughly \$1.8M in unrestricted funds and \$1.9M in restricted funds.

Continuing with his report, the Mayor said he had met with new Senator Tim Scott at B&C Steakhouse on Saturday. The Senator was happy to be in town and meet with a few people. The Mayor then thanked the Dillon Animal Shelter for doing a great job with posting pictures of animals on Facebook in an effort to get them adopted instead of being euthanized. He commended whoever thought of doing this on a job well done. Lastly, the Mayor said he had attended a meeting for the SC Campaign for Teen Pregnancy. During the meeting he found out that in 2011 Dillon ranked 6th for the highest number of teen pregnancies, Marlboro ranked 4th and Marion, 5th. The Mayor then commended the Crisis Pregnancy Center for doing a good job in counseling teens. Since they opened, they have had over 75 births that may not have occurred.

City Manager Glen Wagner began his report with a review of the current fiscal year's budget. He said that General Fund revenues were in line with the exception of business licenses and franchise fees, which should be collected next month. We were waiting for franchise fees from Progress Energy, now Duke Energy Progress. Glen said that we should break even in the Water/Sewer Fund. He once again mentioned that we should expect to collect 15% more than budgeted in the Hospitality Tax fund, or hot meals tax, which would amount to around \$60,000.

Mr. Wagner then moved to discussion of funding the golf course. He informed Council that we may need to use the 2% Hospitality Tax funds for start-up costs. Glen said he had proposed a yearly budget of \$300,000 for the golf course and \$75,000 was needed to get started. He told Council that a separate checking account had been opened with a zero balance and a letter had been sent to the County requesting \$75,000 to help with the expenses. Glen felt that the total amount of \$150,000 would be enough to start us off and then we would rely on revenues collected from the golf course. He said he did not know what the County was going to give but it would be between \$50,000 and \$75,000. The County has to have three readings so we won't know until June. Glen informed Council that six-months of expenses included \$15,000 for the lease payment, \$14,000 for golf cart lease, and \$50,000 to \$75,000 for salaries and benefits for three full-time and five part-time employees. He added that equipment for the golf course needed to be purchased, mostly mowers, in the amount of \$130,000. He said Council needed to decide how this was to be financed, by borrowing the money or using the 2% Hospitality Tax funds. If borrowed, the repayment terms would be \$2,300, for 60 months, at 1.75%.

Councilman Wallace said that the \$75,000 was for operating and maintenance costs and should not be financed but the \$130,000 could be financed at a cheap rate. Finance Director Janet Bethea said she did not want to do that because the golf course was set up as a separate fund and as of now did not have a means to repay a loan. Councilman Eller said that we needed to set a cap on the amount of money we were going to use from the Hospitality Tax fund so that we would not have to keep using that money. He suggested that we get the total amount that we need to start plus the amount for the equipment and not consider what the County may or may not give. Councilman Wallace and Mayor Pro-tem Jackson agreed that if we do that then we should pay ourselves back to cover the equipment purchase at the same terms as discussed, \$2,300 per month for 60 months, at 1.75%. They also suggested that if the County does give us some money then we should put those funds in the golf account to help with expenses. Glen said that short cuts were taken previously in maintaining the golf course and the City was working hard to make the course ready for play. Councilman Wallace added that a minimum amount of stuff was done so that the golf course could break even, along with the operation of the restaurant, bar and pool. He said the City was willing to make the initial investment to keep the golf course open. Councilman Eller then asked if anyone had been found to run the restaurant portion of the Country Club. Glen said that the members had formed a separate board, with Felix McLellan as chairperson, to take over the operation of the restaurant, bar, and pool.

After the discussion, Councilman Wallace made the following motion: To allocate \$75,000 from the 2% Hospitality Tax fund as start-up funds for the golf course and also to borrow \$130,000 from the 2% Hospitality Tax funds to purchase equipment for the golf course with repayment terms of \$2,300 per month for 60 months at 1.75% interest, for a total of \$205,000 with the possibility that we may have to borrow another \$50,000 if the County does not allocate funds for the golf course; however, if the County does give funds for the golf course, this money would be placed in the golf course account for expenses. Councilman Braddy seconded the motion and it passed unanimously.

Next, Glen informed Council that the Auditor had found a State statute that said property leased by a municipality could be exempted from paying property taxes if it is non-profit. He also said that we had

to get a retail license. Glen then directed Council's attention to the proposed Golf Course Rate Structure, which had rates for members and non-members. Councilman Wallace made a motion to approve the proposed Golf Course Rate Structure as presented. Mayor Pro-tem Jackson seconded the motion and it passed unanimously.

Continuing with his report, the City Manager said that we were waiting on an environmental study with the CDBG project and then it could be bid out, probably in July. Concerning the upcoming 2013-2014 budget, Glen said we were looking at a possible savings and better coverage with our health care. He said we were getting competitive rates since we had asked for a quote from another carrier. Councilman Eller asked if we had put anything in the budget for paving the alleys. Glen said we had budgeted \$25,000 for two alleys. The City Manager said we were also looking at salary increases in the Police Department. He said this was looked at 4 years ago but nothing was ever done. Councilman Eller then asked why we had purchased the new police car. Glen said that each officer has a car and this was done to control mileage, repair costs and also for more accountability. Previously, vehicles were shared by several officers. Glen also said that the Crown Vic was no longer made and was being replaced by Dodge Chargers and Chevrolet Impalas.

Maggie Riales informed Council that all of the benches had been placed around the walking trail at the Wellness Center. They were donated by the Lions Club, Kiwanis Club, Glove & Trowel Garden Club, Yellow Jasmine Garden Club, and the Dillon Garden Club. The Glove & Trowel Garden Club had also agreed to do the planting around their area. Maggie continued her report by stating that the response to the façade grant had been very good. Several businesses had participated such as NAPA (painting), Carolina Shoe Repair, Merle Norman and the Framers Market (awning). Maggie also said that the backs of the buildings near the TV8 building had been painted. Finally, she said that the Board of Architectural Review had lost two members and they were recommending Mr. Stacy Jackson, a General Contractor and son of Mr. Arthur Jackson, and Ms. Stacie Simonds of Carolina Shoe and Leather Repair, to replace these spots on the board. Councilman Braddy made the motion to accept the recommendation and appointment of Mr. Stacy Jackson and Ms. Stacie Simonds to the Board of Architectural Review. Councilman Wallace seconded the motion and it passed unanimously.

There were no citizens' reports and no unfinished business.

In new business, Ordinance #13-02, Municipal Budget for 2013-2014 was presented for first reading in name only. Glen said he was still waiting for information to finish the budget, such as health insurance costs and local government fund revenue. Councilman Braddy made the motion to approve Ordinance #13-02 – Municipal Budget for 2013-2014, which was seconded by Councilman Wallace and passed unanimously. Resolution #03-13 was presented to recognize May 15, 2013 as Peace Officers' Memorial Day. Councilman Braddy made a motion to pass Resolution #03-13 with a correction to the date in paragraph 5 from May 15, 2012 to May 15, 2013. Councilman Wallace seconded the motion and it passed unanimously. Resolution #04-13 was presented authorizing the City to apply for SRF funds for the construction of a 300,000gallon elevated water storage tank at the Highway 34 water plant. Councilman Wallace made the motion to pass Resolution #04-13, which was seconded by Mayor Pro-tem Jackson.

Councilmembers' Reports:

Councilman Eller said he had received a lot of complaints about park repairs in the local parks. He asked if we could use Hospitality Tax funds to make some repairs. Glen said all of the park equipment is expensive and adults are the ones tearing things up. Councilman Eller said that something needed to be done. He then said that he wanted to thank the police officers for the job they do. He asked Council to think favorably on increasing the police pay. He said right now our officers are \$3,000 underpaid

compared to surrounding cities our size. He said we also needed to look at the pay for our fire department engineers and the volunteers, too. Next, Councilman Eller asked about the splash pad. He asked Glen if he could schedule a tour for the council. Glen agreed to set this up. Councilman Eller then asked if the City could have the insurance representative inform the employees of exactly what their insurance plan entails when we get all of the information finalized. He said that most of the employees do not know what they have.

Councilman Washington asked if a letter had been mailed concerning the lot that needs to be mowed on 9th Avenue. Benny said yes but we have to wait 14 days after we receive proof of receipt of the letter before we can cut the lot.

Councilman Wallace thanked the staff for their hard work on the golf course. He said this was a good thing and people were glad that the City had stepped in and the public was confident that we would do a good job.

Mayor Pro-tem Jackson asked about the bridge situation on Highway 301 North. Glen said he had met with SCDOT and the County and a public meeting was scheduled for May 21st. He said the bridge was old and it needed to come down, but there was some concern about contamination in the Little Pee Dee River. Glen said SCDOT was looking at this project for summer 2015. He said they had discussed detouring traffic down I-95 to Exit 193 to come through town.

Councilwoman Manning presented her recommendation to the Zoning Board of Appeals to replace Rev. Lodie Smiling, who had passed. She recommended William Blakely. Councilman Wallace made the motion to accept the recommendation to place William Blakely on the Zoning Board of Appeals to replace Lodie Smiling. Councilman Washington seconded the motion and it passed unanimously.

Councilman Wallace made the motion to enter into executive session for a personnel matter.

Councilman Braddy seconded the motion and it passed unanimously. Open session ended and the executive session began.

With no further business to discuss and no action taken, Councilman Wallace made the motion to return to open session and to adjourn the meeting. Mayor Pro-tem Jackson seconded the motion and it passed unanimously. The meeting adjourned.

Approved: _____
Mayor, J. Todd Davis

Attest: _____
Council Clerk, Lynn Bowman

Date Approved: _____