

MINUTES
LEXINGTON COUNTY COUNCIL
June 14, 2011

Lexington County Council held its regular scheduled meeting on Tuesday, June 14, 2011 in Council Chambers beginning at 4:30 p.m. Chairman Kinard presided.

Councilman Frank Townsend gave the invocation. Bob Hall, a full-time SCANG Reservist and Administrative and Indoor Environmentalist with Lexington County Building Services, led the Pledge of Allegiance.

Members attending:	James E. Kinard, Jr.	Frank J. Townsend, III
	George H. (Smokey) Davis	Debra B. Summers
	Bobby C. Keisler	Johnny W. Jeffcoat
	Kenneth Brad Matthews	M. Todd Cullum

Not Present: William B. Banning, Sr.*

*Mr. Banning was not present for the Council meeting due to illness.

Also attending: Katherine Hubbard, County Administrator; Joe Mergo, III, Deputy County Administrator; Larry Porth, Finance Director/Assistant County Administrator; John Fachtel, Director of Public Works/Assistant County Administrator; Jeff Anderson, County Attorney; other staff members, citizens of the county and representatives of the media.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, and posted on the bulletin board located in the lobby of the County Administration Building.

Chairman's Report - Chairman Kinard reported he attended the following meetings/events: attended the Central Midlands Council of Government (COG) meeting; met with Legislative Delegation members regarding funding for the County's new 911 center; attended the June 8 Airport Committee Workshop; and several community Crimes Watch events.

Council Member's Comments - Mr. Matthews reported he attended the Coldstream Homeowners' Picnic attended by approximately three dozen members of the Coldstream Community and noted the community is very happy about the new Nursery Road bridge.

Ms. Summers reported she and several Council members attended the ribbon cutting ceremony for Transitions, the new homeless center in Columbia.

Administrator's Report - Enviroflash - Ms. Hubbard directed everyone to the County's website where citizens can sign up for Enviroflash, which is an e-mail alert system that delivers air quality information straight to individuals' e-mail. Lexington County, Richland County, the City of Columbia, S.C. DHEC and Neuton Lawn Mower Company have partnered to provide a fee electric mower to a citizen in the midlands who sign up for the air quality forecast by Enviroflash by July 1, 2011.

Special Presentation to Scott Adams, Vice President, Prysmian Cables & Systems and Randy Halfacre, President/CEO, Lexington Chambers of Commerce by Councilman Bill Banning -

Prior to the presentation, Mr. Jeffcoat said Lexington County recently attracted Amazon.com to Lexington County and Amazon.com received one of the smallest incentive packages of any company of that size that Lexington County has ever given. It is a \$125 million investment in the county with a million square foot building. The taxes, income taxes, as well as property tax will be approximately \$11 million a year to the state and Lexington County will receive approximately \$1 million a year for our schools. Amazon.com will employ 2,000 people with an average of \$15 an hour and offer full benefits. They will have health insurance to match that of the state government; they will have 401K, vacation, bonus plans, etc. He said they are already talking about expanding in some other areas of the state. So it is not only a win for Lexington County, but it is a win for the state of South Carolina. And there were some concern about giving Amazon.com an exemption of not collecting sales tax. Basically, this is a warehouse; nothing sold here. You can't go in the facility and buy anything; you can't trade anything out, and you can't select anything. This is just a warehouse that receives orders that have been sold in another state. He said most everybody he has talked to seems to think to settle the income tax issue is a federal issue. And those folks that were against giving them exemption for five years, he would like to ask for their help to get behind the federal government and ask them to solve this issue because in the agreement that we made with Amazon.com, if the federal government passes a law and says that all e-commerce should collect sales tax, then they will immediately start collecting sales tax. Other than that, it will be five years that they don't have to collect sales tax on sales that are made to the citizens of South Carolina. We can call it unfair, whatever, but when you look at the real issue here – it is they can buy today; they are not here. Today, they can buy; you can buy; all of us can buy from Amazon.com and you don't pay sales tax. They can be in Tennessee; they can be in Washington; they can be wherever they want to be and you don't pay sales tax. So, for five years they are here not collecting sales tax, after that we are going to require them to collect sales tax. So it was either nothing at all for South Carolina or the \$125 million investment and 2,000 jobs. They are hiring now. You can go on the internet and fill out an application. All of you that know people, I would recommend you get on the internet and apply for these jobs. Two thousand jobs are a lot of jobs. And hopefully that is going to make quite an impact. Some say it could amount up to maybe 4,500 jobs with the spinoffs that will come with Amazon.com locating here in Lexington County.

Mr. Jeffcoat said we had two people who really stood out front. As most of you know, the first vote in the House was defeated and Amazon.com left the building, the building they were building. So, Mayor Halfacre, Town of Lexington, invited the top management person for lunch and told him we appreciated him having an interest in Lexington but was sorry the way it turned out. During the luncheon, one of the people asked what we can do to get you to come back to South Carolina and he said get me a law, and I will come back to South Carolina. At that point, those few people in that lunch meeting decided we would give it a real try. So, Mayor Halfacre and Scott Adams, Vice President of Prysmian Cables & Systems, decided that we would get together and get the business community behind it and talk with our legislators to explain exactly what we are giving up. All through the process, it was a huge effort by Mayor Halfacre, President and CEO of Lexington County Chambers of Commerce, some members of Commerce, and a lot of people. So, I am extremely pleased to see 2,000 jobs come to our county, especially under the economic times that we are experiencing. Therefore, we, as a council, would like to recognize Mr. Halfacre and Mr. Adams and asked both gentlemen to come forward.

Mr. Jeffcoat presented a metal engraved Palmetto Tree to both gentlemen for their hard work and dedication in making Amazon.com a reality in Lexington County.

Special Recognition - Mr. Cullum recognized the following elected officials in attendance: Sheriff James Metts, Auditor Chris Harmon, Mayor Stan Shealy and Debbie Gunter, Registrar.

Employee Recognition Katherine Hubbard, County Administrator - Shining Stars - Ms. Hubbard recognized the following employees for their positive can-do attitude and helpful approach when interacting with others and presented each with an engrave acrylic "Shining Star." Tony Feraci, Joey Dana, Trevor Hall, Charles Heath, Sheila Busby, Chad Wessinger, Scot Kirkland with Public Safety Fire Service; Terry Defee, Register of Deeds; Barbara Amick, Auditor's Office; Wade Hall, Public Works Department; and Marcetta Mayes with Building Services.

Resolution R11-06 - Adopting the All Natural Hazards Risk Assessment and Mitigation Plan for the Central Midlands Region of South Carolina - Wayne Shuler, Regional Planning Manager (COG) -The item was deleted from the agenda.

Appointments - None.

Bids/Purchases/RFPs - Mr. Davis made a motion, seconded by Mr. Cullum to approve the following two bids/purchases/RFPs (O & P).

EECBG Fire Station Bay Heaters Replacement - Building Services - Competitive bids were solicited and advertised for the Energy and Conservation Block Grant Bay Heater Replacements for five (5) fire stations. Three (3) responsive bids were received. Staff recommended the award of the bid to the lowest responsive bidder, Custom Air, Inc., in the amount of \$37,000.

Pelion Medical Center Dental Equipment - Community Development - Competitive bids were solicited and advertised for dental equipment for the Pelion Medical Center. Two (2) responsive bids were received. Staff recommended the award of the bid to lowest responsive bidder, Henry Schein Dental, Inc., in the amount of \$106,664.02.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Mr. Davis
	Mr. Cullum	Mr. Townsend
	Ms. Summers	Mr. Keisler
	Mr. Jeffcoat	Mr. Matthews

Approval of Minutes - Meetings of May 5, May 17, and May 24, 2011 - Ms. Summers made a motion, seconded by Mr. Cullum to approve the May 5, May 17, and May 24, 2011 minutes as submitted.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Ms. Summers
	Mr. Cullum	Mr. Townsend
	Mr. Davis	Mr. Keisler
	Mr. Jeffcoat	Mr. Matthews

Zoning Amendments - Zoning Text Amendment T11-01 - Sign Amendments (Goal 2) - 3rd & Final Reading - Mr. Jeffcoat made a motion, seconded by Ms. Summers to approve third and final reading of

Zoning Text Amendment T11-01.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Mr. Jeffcoat
	Ms. Summers	Mr. Townsend
	Mr. Davis	Mr. Keisler
	Mr. Matthews	Mr. Cullum

Zoning Map Amendment M11-02 - Crockett Road - 1st Reading - Mr. Davis made a motion, seconded by Mr. Townsend to approve 1st reading of Zoning Map Amendment M11-02.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Mr. Davis
	Mr. Townsend	Ms. Summers
	Mr. Keisler	Mr. Jeffcoat
	Mr. Matthews	Mr. Cullum

Ordinances - Ordinance 11-05 - An Ordinance Adopting an Annual Budget for Fiscal Year 2011-12 - 3rd & Final Reading- Prior to Council taking action, Mr. Larry Porth, Finance Director, gave a recap of the ordinance to be voted on.

Mr. Porth reported the General Fund budget is currently at \$102,382,698 which includes Law Enforcement, Fire Service and County Ordinary. In addition to the General Fund, he said there are a number of Special Revenue funds that are accounted for in separate and distinct funds which includes Library Services, Grants and Special Revenue Funds under the authority of the Solicitor; Grants and Other Special Revenue Funds under Law Enforcement; the HUD Entitlement Community Development Programs; Clerk of Court-Title IV-4; the Forensic Death Investigator Grant with the Coroner and funds under Economic Development; Accommodations Tax and Tourism Development Fees; the Public Defender Fund and "C" Funds. Also, there are a number of Proprietary Funds/Enterprise Funds for Solid Waste operations and the Lexington County Airport at Pelion as well as certain Internal Service Funds that handles the County's Workers Compensation and Employee Health Insurance Fund. The total of these various funds total approximately \$53,000,000 in estimated revenues for the upcoming year. Lastly, Council is charged with the responsibility of oversight of several funds for agencies (Millage Agency Funds) that are not controlled entirely by the County, which includes the Lexington County Community Mental Health; Lexington County Recreation & Aging Commission; Irmo-Chapin Recreation Commission; Midlands Technical College; Riverbanks Zoological Park; and the Irmo Fire District. These property tax amounts total about \$22,000,000.

Mr. Jeffcoat made a motion, second seconded by Mr. Davis to approve third and final reading of Ordinance 11-05.

Mr. Kinard opened the meeting for discussion.

Mr. Keisler said it has been a very, very hard decision for him to make on this budget, but at this time cannot support the budget. He said he polled the citizens in his district and they do not want a tax increase. He said he feels somewhat offended to see all the citizens in the audience opposing the budget

who did not show up for the public hearing. He said four people showed up for the public hearing, of which only three of the four spoke against the budget. He said those in audience should have attended the public hearing to voice they opinion.

Mr. Townsend said it (budget) has been a hard decision for him as well. He said citizens in his district do not want their taxes raised either. However, Mr. Townsend did say he sees that we need them and the services. Mr. Townsend said there are citizens who want their roads paved, clay and gravel put down, and police protection which all take time, money and energy. But, he did make a promise that he had forgotten about and that was he would not vote to raise taxes if he was elected. Therefore, he will stand by his word and vote against it.

Mr. Davis said citizens in his district want better fire service, better EMS service, and want services that cost money and they are willing to pay for it. He said District 3, which he represents, is the one district in the county that pays more taxes than any other district and most of the people that had contacted him have asked him to support these efforts in this service, so he will support the budget.

Mr. Cullum said his constituents want those same services and a lot of them are of the aging population and appreciate an EMS unit coming when they need it and certainly appreciate a fire truck being there. Mr. Cullum said he supports the budget, but up to a certain point. He said he did an internal poll in his district, mostly business owners, and the only issue he is struggling with is the pay raise. A lot of people are lucky they have a job today and there are a lot of people who don't have a job today. Mr. Cullum said he could not bring himself to ask the entire public to subsidize a pay raise for people who have guaranteed jobs. We have had no layoffs; we have not asked people to absorb other duties and eliminate jobs. He said we have mandates that have been placed upon the County by the state, by the Supreme Court and a number of other state agencies and we need to meet those obligations. However, there are a number of us who are holding the line on our pay raises. Our insurance costs are going up, not incrementally, but astronomically. We are raising our deductibles; we are raising our out-of-pocket expenses and our premiums are still going up and that is nothing that the employees of this County aren't faced with and understand that, which is a very painful thing. But, the employees of this county are also, a lot of them, residents of this county and are neighbors of people that are faced with the same exact circumstance in which they find themselves in with increased insurance costs, but they have a guaranteed job. But these people are going to get a bill that's not negotiable; it is going to be paid. Some of the commercial property owners that I have talked to are still trying to pay last year's taxes and are struggling to do that and they are good solid business people. Again, I say I support this budget except for the pay raises because it is not indicative of what I see going on out among the people of this county. Mr. Cullum said when called for the vote, he will have to do a real "gut" check but does not think he can support the pay raises.

Mr. Jeffcoat said he agreed with Mr. Cullum that we are facing tough times, without question. Mr. Jeffcoat said he was not pointing fingers at any one agency or any governmental entity but everyone needs to know what we are faced with. He said he also has people in his district who don't want to pay increases in taxes but they would like to continue to have the services they are accustomed to. Mr. Jeffcoat said he was not trying to change anyone's mind here tonight, but wanted everyone to know where he is with the budget and that he does care about people who are on fixed incomes. He said he knows there are a lot of people out of work and that is why we worked so hard to get 2,000 jobs here even though we had to give an incentive. First of all, a couple of years ago we built a building for DSS, a state agency that has absolutely nothing to do with the county, that we are responsible to provide space for because they had outgrown the facility they were in. We spent \$8 million to put those employees in a

facility that was adequate, which is over and above what it takes to furnish services for everybody in the County. We have a 911 call center where calls have increased dramatically in the county and asked Ms. Hubbard for updated figures.

Ms. Hubbard responded that the Sheriff's Department is responding to over a 100,000 calls for services a year, EMS responding over 30,000 and it just keeps growing.

Mr. Jeffcoat said we have 50,000 more people now in this last census than we had before. The calls are going through the ceiling and we have to build a call center that requires a lot of technology and has to be built so if a tornado comes through it can sustain the elements so we will be there to communicate to get the services to people that really need it. The cost is estimated to be \$15,000,000. We have been cut by the state, money they send to the County to give services to the citizens of this county, \$5,000,000 a year for the last three years. This is serious to us. Mr. Jeffcoat said he understands where everyone stands and we don't want increases, but we want ambulance service when we call. We want someone to answer that call and send an ambulance to us now; that is what we want. That cost money. We have police service. The Sheriff is constantly working to improve the response time, but he cannot do it without money. He can't do it without vehicles and we all know that. That is where we are coming from. The fire trucks - they are very expensive and the personnel to run those fire trucks are expensive. Another example, is the Public Defender's Office. That is a state agency; not a County agency. They have been coming to us for several years, and we have tried to subsidize the cost of their employees off the money that we receive in taxes from property/business owners to try to keep the system running for those people who are in jail. The Public Defender's Office represents roughly 70% of the general population of the jail. However, during the budget process, they needed \$267,000 just to keep what they have as far as personnel and we did not have it. We gave them \$100,000 and they were forced to cut personnel. So now we have an agency that represents 70% of the general population of the jail trying to move those cases as quickly as they can to try to keep the jail population from growing so we don't have to build more expensive jails. Well, we have cut their personnel so what is going to happen? We talked about employees and raises. Everybody knows what health insurance has done in the last five years. In the last three years here, the health insurance has skyrocketed. We have not been giving raises. This year it was either try to be fair with the employees we have, and you have to pay employees if they are going to work and we have great employees who work hard and you have to take care of them if you can. The cost of the insurance this year was about \$600,000 so we decided to give a 2% merit raise to those who deserve it to offset a little of that cost, which is going to cost a little over \$200,000 to do that rather than spend over \$600,000 to absorb just this year the increase in health insurance. We had 50,000 more people this year than we had the last decade. We are cutting back a lot. We are talking about \$9.76 on a \$100,000 home per year and understand that is a lot. And if you divide that over the last three years, that is \$3.25 a year. Certainly not a good thing, but something we had to do. Mr. Jeffcoat said he wanted to explain to everyone his thinking process and thanked everyone in attendance. Mr. Jeffcoat said he was here to work with everyone but we are behind the eight ball just trying to keep up. Mr. Jeffcoat said the small increase, which he is not meaning to deemphasize the importance of how important it is having tax increases, is not keeping us where we need to be. That is not even close to where we need to be to keep up with the demand for services that we have today in this growing county; one of the fastest growing counties in the State of South Carolina.

Mr. Kinard called for further discussion; none occurred.

In Favor: Mr. Kinard Mr. Jeffcoat
 Mr. Davis Ms. Summers
 Mr. Matthews

Opposed: Mr. Townsend Mr. Keisler
 Mr. Cullum

Ordinance 11-06 - An Ordinance Authorizing Pursuant to Chapter 44 of Title 12, South Carolina Code of Laws, 1976, as Amended, the Execution and Delivery of a Fee Agreement Between Lexington County, South Carolina and Interstate Container Columbia LLC; and Matters Relating Thereto - 3rd & Final Reading - Mr. Jeffcoat made a motion, seconded by Mr. Matthews to approve third and final reading of Ordinance 11-06.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor: Mr. Kinard Mr. Jeffcoat
 Mr. Matthews Mr. Townsend
 Mr. Davis Ms. Summers
 Mr. Keisler Mr. Cullum

Ordinance 11-07 - An Ordinance to Amend Ordinance No. 95-12 as Amended by Subsequent Ordinances Relating to the Joint County Industrial Park of Lexington and Calhoun Counties so as to Enlarge the Park (Interstate Container Columbia LLC) - 3rd & Final Reading - Mr. Jeffcoat made a motion, seconded by Mr. Townsend to approve third and final reading of Ordinance 11-07.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor: Mr. Kinard Mr. Jeffcoat
 Mr. Townsend Mr. Davis
 Ms. Summers Mr. Keisler
 Mr. Matthews Mr. Cullum

Ordinance 11-08 - An Ordinance (1) to Amend Ordinance No. 95-12 as Amended by Subsequent Ordinances Relating to the Joint County Industrial Park of Lexington and Calhoun Counties so as to Enlarge the Park to Add Certain Property Owned by Michelin North America, Inc.; and (2) Approving and Authorizing Other Matters Related Thereto - 3rd & Final Reading - Mr. Keisler made a motion, seconded by Mr. Davis to approve third and final reading of Ordinance 11-08.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor: Mr. Kinard Mr. Keisler
 Mr. Davis Mr. Townsend
 Ms. Summers Mr. Jeffcoat
 Mr. Matthews Mr. Cullum

Committee Reports - Public Works - T. Cullum, Chairman - Enhancement Grant Requests - Mr. Cullum reported the Public Works Committee met earlier during the afternoon to consider a request for two enhancement grants - The Town of Gilbert for \$36,000 the Town of Lexington for \$98,384. The

Committee voted in favor to recommend to full Council for approval.

The Town of Gilbert’s grant application in the amount of \$180,000 requires a 20% match of \$36,000. The grant funds will be used to extend the sidewalk on Hampton Street and extend the sidewalk on Broad Street to the Sweet Song subdivision.

The Town of Lexington grant application in the amount of \$491,920 requires a 20% match of \$98,384. The grant funds will be used to beautify the I-20 and Highway 378 Adopt-an-Interchange project.

Mr. Cullum made a motion, seconded by Mr. Jeffcoat to provide the matches for both the Town of Gilbert and the Town of Lexington. Funds will come from “C” Funds Special Projects.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Mr. Cullum
	Mr. Jeffcoat	Mr. Townsend
	Mr. Davis	Ms. Summers
	Mr. Keisler	Mr. Matthews

SCDOT - Right of Way Entry Agreement - Mr. Cullum made a motion, seconded by Mr. Jeffcoat to approve the SCDOT Right-of- Way Entry agreement between SCDOT and Lexington County for the property at the Annex Building on Columbia Avenue for the purpose of moving forward with their Columbia Avenue widening project.

Mr. Kinard opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Kinard	Mr. Cullum
	Mr. Jeffcoat	Mr. Townsend
	Mr. Davis	Ms. Summers
	Mr. Keisler	Mr. Matthews

Solid Waste, D. Summers, Chairman - Solid Waste/Processing Facility Application #11-01 - First Reading - Ms. Summers reported the Solid Waste Committee met to discuss and consider first reading of Solid Waste/Processing Facility Application 11-01. The Committee voted in favor to recommend to full Council for approval.

Ms. Summers made a motion, seconded by Mr. Davis to approve first reading.

Mr. Kinard opened the meeting for discussion.

Mr. Cullum noted a public hearing will be held on this issue prior to the final reading.

Mr. Kinard called for further discussion; none occurred.

In Favor:	Mr. Kinard	Ms. Summers
	Mr. Davis	Mr. Townsend
	Mr. Keisler	Mr. Jeffcoat
	Mr. Matthews	Mr. Cullum

Budget Amendment Resolutions - The following BARs were distributed and signed:

11-100 - A supplemental appropriation transfer of \$728 and a supplemental appropriation increase of \$728 for Public Safety/EMS. The reimbursement from DHEC for the EMS Grant-in-Aid was less than requested. This transaction transfers the additional money needed to cover the expenditures in the fund.

11-102 - An appropriation transfer of \$106,665 to purchase dental equipment for the Eau Claire Cooperative Health Centers.

Executive Session/Legal Briefing - Mr. Kinard reported Council entered into Executive Session during the afternoon Committee of the Whole meeting to discuss five contractual and four legal matters.

Matters Requiring a Vote as a Result of Executive Session - As a result of Executive Session, Mr. Kinard reported there was one motion to be considered (SCDOT Right-of-Way Entry), which Mr. Cullum handled during the Public Works Committee reports.

Old Business New Business- None.

Motion to Adjourn - Mr. Davis made a motion, seconded by Ms. Summers to adjourn.

In Favor:	Mr. Kinard	Mr. Davis
	Ms. Summers	Mr. Townsend
	Mr. Keisler	Mr. Jeffcoat
	Mr. Matthews	Mr. Cullum

There being no further business, the meeting was adjourned.

Respectfully submitted,

Diana W. Burnett
Clerk

James E. Kinard, Jr.
Chairman