

**SPECIAL CALLED MEETING OF THE FLORENCE COUNTY COUNCIL, WEDNESDAY, MAY 29, 2013, 8:00 A.M., COUNCIL CHAMBERS ROOM 803, CITY-COUNTY COMPLEX, 180 N. IRBY STREET, FLORENCE, SOUTH CAROLINA**

**PRESENT:**

James T. Schofield, Chairman  
Alphonso Bradley, Vice Chairman  
Waymon Mumford, Secretary-Chaplain  
Mitchell Kirby, Council Member  
Russell W. Culberson, Council Member  
Roger M. Poston, Council Member  
Kent C. Caudle, Council Member  
Willard Dorriety, Jr., Council Member  
Jason M. Springs, Council Member  
K. G. Rusty Smith, Jr., County Administrator  
D. Malloy McEachin, Jr., County Attorney  
Connie Y. Haselden, Clerk to Council

**ALSO PRESENT:**

Kevin V. Yokim, Finance Director  
Ryon Watkins, EMS Director  
Sam Brockington, Fire/Rescue Services Coordinator  
Lindsay Buchanan, Morning News

A notice of the special called meeting of the Florence County Council appeared in the May 28, 2013 edition of the **MORNING NEWS**. In compliance with the Freedom of Information Act, copies of the Meeting Agenda were provided to members of the media and members of the public requesting copies, posted in the lobby of the City-County Complex, provided for posting at the Doctors Bruce and Lee Foundation Public Library, all branch libraries, and on the County's website ([www.florenceco.org](http://www.florenceco.org)).

Chairman Schofield called the meeting to order. Secretary-Chaplain Mumford provided the invocation and Vice Chairman Bradley led the Pledge of Allegiance to the American Flag. Chairman Schofield welcomed everyone attending the meeting.

**RESOLUTIONS/PROCLAMATIONS:**

**RESOLUTION NO. 27-2012/13**

The Clerk published the title of Resolution No. 27-2012/13: A Resolution To Authorize The Addition Of Two Ambulances To The County Fleet For The Emergency Medical Services Department. Councilman Caudle made a motion Council approve the Resolution as presented. Councilman Springs seconded the motion, which was approved unanimously.

## **ORDINANCES IN POSITION:**

### **ORDINANCE NO. 30-2012/13 – THIRD READING**

The Clerk published the title of Ordinance No. 30-2012/13: An Ordinance Authorizing The Execution And Delivery Of One Or More Incentive Agreements By And Among Florence County, South Carolina And Project AP, And One Or More Affiliated Or Related Entities, As Sponsor, To Provide For A Fee In Lieu Of Taxes Incentive; To Provide For The Inclusion Of The Project In A Multi-County Business Or Industrial Park; To Provide For Special Source Revenue Credits; To Provide For A County Grant Or Job Creation And To Enter Into Any Other Necessary Agreements To Effect The Intent Of This Ordinance; And Other Related Matters. Councilman Caudle made a motion Council approve third reading of the Ordinance. Councilman Culberson seconded the motion, which was approved unanimously.

### **ORDINANCE NO. 36-2012/12 – SECOND READING**

The Clerk published the title of Ordinance No. 36-2012/13: An Ordinance Consenting To The Extension Of Time For Project Proton To Complete The Project Pursuant To That Certain Fee Agreement Dated December 1, 2008; And Other Matters Related Thereto. Councilman Dorriety made a motion Council approve second reading of the Ordinance. Councilman Culberson seconded the motion, which was approved unanimously.

## **APPOINTMENTS TO BOARDS AND COMMISSIONS:**

### **PEE DEE REGIONAL HEALTH SERVICES DISTRICT**

Council Unanimously Approved The Recommendation Of J. Boone Aiken, III, General Counsel To McLeod Health, For The Appointment Of The Following Individuals To Serve On The Pee Dee Regional Health Services District With Appropriate Expiration Terms And Pending Approval Of The Governor: David Durant, Starlee Alexander, John Curl, And Carl Humphries.

## **REPORTS TO COUNCIL:**

### **ADMINISTRATION/GRANTS**

#### **SOUTH MURRAY HILL ROAD**

Councilman Dorriety made a motion Council Accept Allocation From The South Carolina Department Of Transportation (SCDOT) Under The Florence County Transportation Committee (FCTC) Funds Program, PCN #42566 In The Amount Of \$39,200 For The Resurfacing Of South Murray Hill Road. Councilman Springs seconded the motion, which was approved unanimously.

## **COUNTY ATTORNEY**

### **NATIONAL CEMETERY PROPERTY**

Councilman Dorriety made a motion Council Authorize The County Attorney To Enter Into Negotiations To Purchase Properties Adjacent To The Florence National Cemetery Owned By Seretta Ford To Expand The Cemetery, In An Amount Not To Exceed \$20,000 From Funding Previously Approved At The November 15, 2012 Regular Meeting Of County Council; And Authorize The County Administrator To Execute An Option To Purchase Real Estate Pending Review By The County Attorney. Councilman Caudle seconded the motion, which was approved unanimously. Councilman Caudle requested that the County Attorney research the opportunity for any additional parcels that may be available for future expansion.

## **EMS/PROCUREMENT**

### **PURCHASE TWO (2) AMBULANCES**

Councilman Dorriety made a motion Council Authorize The Use Of Florida Association Of Counties Bid #11-10-1202 Awarded To Wheeled Coach Industries To Purchase Two (2) Ambulances At A Base Bid Of \$111,400.00 Each With Needed Options In The Amount Of \$72,756 (Total Purchase Of \$295,556) From Peach State Ambulance, Inc., Tyrone, Ga., The Authorized Regional Representative For Wheeled Coach Industries To Be Funded From EMS Departmental Funds. Councilman Springs seconded the motion, which was approved unanimously.

## **PUBLIC WORKS/PROCUREMENT**

### **WASTE MANAGEMENT CONTRACT**

Councilman Caudle made a motion Council Approve A Five Year Extension Of The Existing Solid Waste Collection And Disposal Contract With Waste Management One Year In Advance Of Expiration In Order To Recognize Cost Saving Incentives Being Offered By The Company Projected To Be \$1,055,323 Over The Six Year Term. Councilman Springs seconded the motion. Councilman Mumford expressed concerns regarding House Bill H.3290, currently on the House Bill Contested Calendar, which shifts authority for solid waste management from local elected officials to corporate, out of state, waste management companies. Mr. Randall Essick, Director of Market Planning and Landfill Development, and Vickie Liebers, Public Sector Account Manager, with Waste Management were both present at the meeting and Councilman Mumford requested they provide information relative to his concerns. Mr. Essick responded that the interpretation of the Bill was incorrect. The Bill that was introduced allowed for industries and businesses to use the company of their choice to do business. The original Bill that was introduced was vague with regard to issues affecting local government, but an amendment was introduced that clarified that user fees, zoning, etc. were not impacted. The Bill was initiated in an attempt to allow businesses and industries to take waste where they chose to take it. The waste haulers group did ask that residential waste be removed from the Bill, but currently it was included. Councilman Mumford stated his understanding was that if the Bill passed there were two primary waste companies in

South Carolina that would have total control over the hauling of waste and the counties would have no say in where waste was hauled or what waste was being hauled into a county. Mr. Essick responded that that was totally false. The genesis of the Bill came about approximately two years prior. A small waste hauler out of Marion County was hauling waste out of Horry County into Marion County to his C & D site, when Horry County passed a flow control ordinance that caused him to lose about 40 – 50 percent of his volume. He reduced employees from 43 to 9 and was about to go bankrupt. He requested assistance from the Solid Waste Management Association and the Association voted to support him. Mr. Essick stated the Bill would not help Waste Management in South Carolina; they would not gain from it. The Bill was strictly written to deal with the flow of waste by business and industry. Councilman Mumford asked why the contract extension would need approval at the special meeting versus waiting until the June regular meeting. Councilman Caudle asked if he understood correctly that the contract was being renewed a year in advance and would be for a six year period, as opposed to the five years as allowed in the contract. Vickie Liebers with Waste Management responded that was correct. In order to capitalize on the savings currently available, the contract needed to be approved prior to May 31<sup>st</sup>. Ms. Liebers confirmed the County would experience a savings of over \$1.055 million over the six-year extension. Councilman Mumford stated his concern was that, there were some of the top attorneys in the nation working with the South Carolina Association of Counties, and down the road, at the end of the five year contract, the prices would escalate and the County would have no say in the matter because Waste Management would have total control. Ms. Liebers assured Council that based on the contract the County currently had with Waste Management, the company could not exceed 75% of the annual CPI. She stated the Company had a 30 year relationship with Florence County and they had no intention of jacking up the prices. Councilman Mumford stated “I just want it to go on record, Mr. Chairman, what she just said that she is not trying to pull anything over our eyes, because in five years we’ll see. The citizens of this County and this State will see as well. I cannot support it.” The motion was approved with an eight (8) to one (1) vote. Voting in the affirmative were Chairman Schofield and Councilmen Culberson, Poston, Kirby, Bradley, Caudle, Dorriety and Springs. Voting “no” was Councilman Mumford.

## **ADMINISTRATION/FINANCE**

### **DISCUSSION OF THE FISCAL YEAR 2014 BUDGET**

Finance Director Kevin Yokim provided a brief recap of the status of the budget. Several years ago the County implemented an Ordinance that requires a Fund Balance of 25%. As of June 30, 2012, the County was at 20% with its Fund Balance. He said the good news was that the State had approved to fund the LGF at the same rate as last year rather than reducing the funding. Mr. Smith stated the contract the County was renewing with Waste Management was an effort to help replenish the fund balance and reduce costs for the County. Chairman Schofield stated the proposed budget did not include the 17 positions that the State informed the County must be added for the jail. He said the City-County Complex would cost the County to absorb the costs that were previously shared with the City, once the City moved out. However, he and the Administrator were working diligently to implement some cost saving initiatives. He said the \$7 million the County

had lost due to the State not fully funding the LGF over the last several years would have improved the fund balance, but that loss had put the County in a bind.

Chairman Schofield stated Mr. Sheehy had a column in the Morning News that he wanted to make a few comments on. *“The County, he says, is already on the verge of approving a 3.5 million dollar increase in property taxes.* He meant to say, I think mills; that’s 3.5 mills and that equates to about \$1.5 million dollars. I want to try to keep everybody on the right page here and know exactly what’s happening. We are also, in his article he’s talking about the capital projects and the efforts in the Senate to negate it. Well, potentially, the way we read the Bill that’s not in there at this time. That doesn’t mean that it wouldn’t be in there and, in fact, where he says that passing this tax would eliminate using a penny tax for any other use, there are many different pennies; you have the local option penny, you have a personal property tax exemption penny that could be implemented in Florence County, which is in addition to other pennies. The local option penny we have is a penny that can fund tax reduction and municipal and county operations; that’s the one we passed 20 years ago. There’s another local option penny which is available, which does nothing but tax relief. It does not fund any municipal or county operations. There’s an education penny, there’s a tourism penny, there are many different pennies and Senator Leatherman’s trying to get one more penny in there. There’s a penny in there right now for transportation authority, which can fund road construction, which Richland County just passed for twenty-something years to do their road work. But Senator Leatherman’s trying to put another penny in there, referendum, that the money doesn’t go to a transportation authority, it goes to the CTC (the County Transportation Committee). It would be solely at their discretion to ask for the referendum before County Council. Then they would be deciding what roads would be paved. Curiously, in his penny, different than in the penny for capital projects and transportation, those two are tied together and it says specifically in the Law that you can’t have both of them. It says that, you know, there’s the potential you could have a half a percent on one and half a percent on the other one, but you can’t have more than one penny between those two – the capital projects and the transportation. The other pennies are totally separate. But in Senator Leatherman’s Bill where he is amending House 3412 up there, it specifically, flat out, says that this penny is in addition to any other penny on the books. So it is not restricted, it could be the third penny. I am familiar with one County, there may be two, but Charleston County does have three pennies on at this time. So ... I don’t see that it eliminates any other use and I don’t see where that, you know, that that’s all that could be done, you know. I’d agree with him when he says ‘I believe the voters who pay the bills are best suited to decide what capital projects to fund.’ That’s why this Council has so vigorously tried to promote the Capital Project Sales Tax so that we don’t have to use property tax millage increase for bonds or otherwise, to do things like the radio system that need to be done.

With Council’s indulgence, I want to comment on one other thing that the City has done and Mr. Sheehy put in his article. And I want to comment on that, one because I’m the Chairman of the Council and two, because I was very much involved in the passage of the Local Option Sales Tax, as some of you can remember, about twenty years ago. I have here an advertisement that ran in the Florence Morning News (that’s what it was called in those days). It’s called ‘Here’s the truth’ and it was a list of questions and

answers that I was asked when I traveled all over this County about what we were trying to do to pass the Local Option Sales Tax. I would call your attention to the last two questions on the left hand column. It says *'Question: aren't the City and County just trying to get more revenue?'* The answer that was given to the public was *'No. They are substituting sales tax revenue for property tax revenue. Both the County of Florence and the City of Florence are passing ordinances, which require that 100% of all local option revenue be used for property tax reduction. There will be no new revenue for either the City or the County. Question: Won't they raise taxes anyway, even with the local options? Since the City and County are mandating 100% of the local option revenue be used for property tax credit, they will receive no new revenue from this source.'* That is how we went to the community and asked them to approve it. I talked to Mayor Haigh Porter, who was the Mayor at the time, and his recollection and in fact he has some different advertisements hanging on his wall that were run that state the same thing. I would call to your attention, if anyone wants to see what the County did at that day, Ordinance #13-93/94 has Section 4 in it and I told the people when they came to me (I had just lost my seat on City Council by a couple of years) I told them I didn't think I was the right person to lead the charge for the local option sales tax. They said they thought I was, I said, well the only way I'm gonna do it if it's for 100% property tax relief, because I want to be able to cut the legs out from under the opposition. I want to make sure that what we're trying to do is substitute one kind of tax for another and something that 35% of the money will come from people from out of town. Section 4 of the Ordinance that the County passed at that time says this *'This Ordinance #13-93/94 (which is the Ordinance to do the capital projects) says This Ordinance may not be repealed or amended by the Florence County Council unless such action is approved in advance in a countywide referendum by the voters of Florence County.'* Section 2 says *'If the local option sales tax is approved by the voters all of the revenue generated therefrom will be utilized to replace property tax revenues by application of a 100% property tax credit against County ad valorem property taxes so that they are reduced by the greatest amount possible.'* That was the commitment the County made at that time and that is a solid commitment. I talked with Mayor Wukela and he assures me that there is nothing in the City ordinances that they have been able to find that committed the City to the 100%. All I can tell is that I know what we went out there and talked and I know how Mayor Porter feels about it and what Mayor Porter said on the stump twenty years ago, it was 100%. I understand what the City wants to use the money for and that's a very worthwhile cause, but I for one believe that when you talk to the people you should live up to what you say and I haven't had the chance to research City ordinances and City resolutions to see if there's anything to the contrary; they assure me there's not. I do remember at the time saying, we didn't ask to put that restriction on Lake City or Coward or Scranton. One reason we didn't put it on the small towns was because the local option absolutely wiped out every bit of their millage for government service and in fact they had a surplus of funds coming from it. So we didn't feel like it was necessary. We felt like that the City of Florence being the largest city and the County of Florence had an obligation to try to do 100% rollback. So, I just wanted to try to clear that up and let you know that the County is very much dedicated to 100% in the local option as it exists today.

I want to point out one other thing that people can look at. If you wonder about what we are doing in the Capital Project Sales Tax, I would invite you, and whether its legal or not, go to the Aiken County government website and look at the section they have on the capital sales tax projects and ask yourself what you see the people of Aiken and what do they know that maybe the people of Florence County should know or don't know or some other people in this County should know. You'll see a section titled 'Sales Tax I Projects Map (2000-2004)'. You can click on that and see what they did. Then you can see 'Sales Tax II Projects Map (2005-2012)' and if you look on that they'll give you the detail and they will show you that there are a lot of projects completed and then they will show you a lot of projects that are still under construction, like our roads. And then you will see 'Sales Tax III Projects Map (2013-2020)' which is the new penny that they just passed. So they do have a new penny that is on for new projects, which are in no ways connected to the old projects and the old projects are not finished. That is one of the contentions that the Attorney General has made to us as to why we can't do what we are doing. Well, Aiken County is doing it and the State has made no effort to change what they are doing or to call it into question, so I just wanted to point that out to the public.

One other thing, Council asked us to write a letter to the Legislative Delegation asking for their help in explaining to the public what the situation was and why the delay was on the rest of the road projects and also for their help to try to propel those projects forward in working with the DOT and with the Corps of Engineers. Received a response from one member of the Delegation that was more into just telling us why what we are doing in the Capital Project Sales Tax is wrong and it did not in that letter of their's address what we asked, was that they help us try to explain this nor try to do something with the Corps of Engineers. I'm happy to report that Senator Kent Williams, and I have copies of these letters and I'm sure you all will have copies of them, did write the Honorable Lindsay Graham and to Robert St. Onge, Jr., the Secretary of Transportation, SCDOT and ask them to do everything they can to speed up these projects. So, Senator Williams I appreciate your effort to try to get the voters some answer because again this is not something that County Council has much control over. The SIB agreement that we signed with the Infrastructure Bank and DOT gives them all of the control for managing the projects and moving them forward.'

Mr. Smith expressed appreciation for Councilman Mumford's comments regarding Waste Management and stated that in order to address those concerns he wanted to assure him that Mr. Yokim, the County Attorney and he would prudently review the contract extension to ensure it alleviates all of his concerns.

There being no further business to come before Council, Councilman Culberson made a motion to adjourn. Councilman Springs seconded the motion, which was approved unanimously.

**COUNCIL MEETING ADJOURNED AT 8:43 A.M.**