

**A RESOLUTION TO SUPPORT THE MUNICIPAL ASSOCIATION
2018 LEGISLATIVE ADVOCACY INITIATIVES**



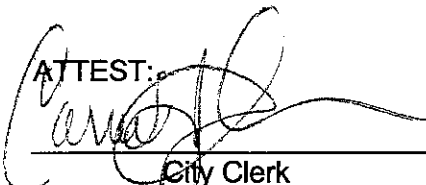
- BE IT RESOLVED,** cities and towns in South Carolina are the government closest to the people providing the core services residents and businesses demand for an exceptional quality of life; and,
- WHEREAS,** hundreds of municipal officials from across the state collaborated to identify challenges at the municipal level; and,
- WHEREAS,** these challenges can be addressed through a comprehensive approach that includes changes to state law, training from experts, research and collaboration with stakeholders; and,
- WHEREAS,** the Municipal Association identified five advocacy initiatives based on the feedback from local officials including encouraging business growth and development, providing quality municipal services, increasing funding for law enforcement, expanding funding sources for infrastructure and reducing blight; and,
- WHEREAS,** implementing business licensing practices that save businesses time and supports local economic growth; and,
- WHEREAS,** cities and towns need dependable and consistent revenue sources to support the efficient and effective delivery of municipal services; and,
- WHEREAS,** supporting reliable funding for the Criminal Justice Academy in order to make more training opportunities available to law enforcement officers, increasing funding for body-worn cameras and equipping cities with the tools to meet challenges created by the opioid epidemic. Increased funding for quality training will result in safer streets and communities; and,
- WHEREAS,** repairing and maintaining existing roads and infrastructure is about encouraging and supporting statewide economic development with infrastructure that can accommodate new industry and support existing industry; and,
- WHEREAS,** dilapidated structures pose a public safety threat in municipalities of all sizes; and,
- WHEREAS,** the City of Orangeburg supports the agenda set forth by the Municipal Association of South Carolina Board of Directors for city and town councils to govern effectively and efficiently.

BE IT, THEREFORE, RESOLVED that the Council of the City of Orangeburg affirm on this 16th day of January 2018, its support for the Municipal Association's 2018 advocacy initiatives for the state's 270 cities and towns.

DONE AND RATIFIED THIS 16th DAY OF JANUARY 2018.



ATTEST:



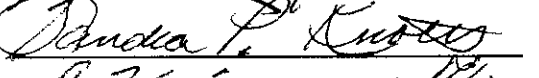
City Clerk



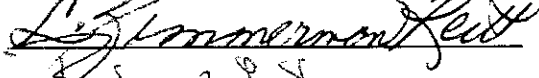
MAYOR




Sandra P. Knott



Richard L. Starnes



Richard L. Starnes



Richard L. Starnes



Richard L. Starnes



MEMBERS OF COUNCIL

City Council Minutes January 16, 2018

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, January 16, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

Mayor Butler acknowledged that Mr. Jeff Ruth, Hillcrest Golf Course Manager, has resigned to accept another position. The City wishes him well.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve the December 19, 2017, City Council Minutes, as distributed. This motion was unanimously approved.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to approve the January 9, 2018, Special City Council Minutes, as distributed. This motion was unanimously approved.

Department of Public Safety Director Mike Adams accepted the Character Trait Proclamation for the month of January, 2018, "Cheerfulness".

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve a Resolution to support the Municipal Association 2018 Legislative Advocacy Initiatives. This motion was unanimously approved.

City Administrator John Yow overviewed the Appointments to Boards and Commission. He stated, "Council has the prerogative to make nominations tonight, if prepared, or we can put this item on the February 6, 2018, Agenda."

Councilmember Hannah (District #3) made a motion, seconded by Mayor Pro Tem Keitt, to appoint Ms. Phyllis Pelzer to the Aviation Commission for a four (4) year term expiring January, 2022.

Councilmember Jernigan asked Councilmember Hannah, "What is her background?"

Councilmember Hannah replied, "She is an engineer that teaches in the public schools and is an adjunct professor at South Carolina State University and now she is at South Carolina Department of Transportation."

This was a 5-1-1 vote, as Councilmembers Jernigan opposed and Councilmember Stroman abstained.

Mayor Pro Tem Keitt (District #5) made a motion, seconded by Councilmember Jernigan, to reappoint Mr. Kevin Bell to the Aviation Commission for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Mayor Butler (At Large) made a motion to reappoint Colonel Richard Leonard to the Aviation Commission for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Councilmember Stroman (District #1) made a motion, seconded by Councilmember Haire, to reappoint Mr. George Buck to the Board of Zoning Appeals for another four (4) year term expiring January, 2022.

Councilmember Hannah (District #3) made a motion, seconded by Councilmember Haire, to appoint Ms. Elaine Wright to the Board of Zoning Appeals for a four (4) year term expiring January, 2022. Councilmember Jernigan asked Councilmember Hannah, "What is her background?"

Councilmember Hannah replied, "She is a community activist that is retired from the public schools."

This motion was unanimously approved.

Mayor Pro Tem Keitt (District #5) made a motion, seconded by Councilmember Haire, to reappoint Willie Brown to the Board of Zoning Appeals for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Mayor Butler (At Large) made a motion, seconded by Mayor Pro Tem Keitt, to reappoint Mr. LaNard Huggins to the Board of Zoning Appeals for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Councilmember Stroman (District #1) made a motion, seconded by Councilmember Haire, to reappoint Mr. Guy Best to the Planning Commission for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Councilmember Hannah (District #3) made a motion, seconded by Mayor Pro Tem Keitt, to appoint Ms. Paula Payton to the Planning Commission for a four (4) year term expiring January, 2022. This motion was unanimously approved.

Mayor Pro Tem Keitt (District #5) made a motion, seconded by Councilmember Haire, to reappoint Mr. Bill Barrett to the Planning Commission for another four (4) year term expiring January, 2022. This motion was unanimously approved.

Mayor Butler (At Large) made a motion, seconded by Councilmember Haire, to reappoint Dr. Shirlan Moseley-Jenkins to the Planning Commission for another four (4) year term expiring January, 2022. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to reappoint Mr. G. W. Berry and Mr. Louis Boone, to the Building Board of Appeals for another four (4) year term expiring January, 2022. This motion was unanimously approved.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to reappoint Mr. Linton Davis and Mr. Michael Stroman, as alternates, to the Building Board of Appeals for another four (4) year term expiring January, 2022. This motion was unanimously approved.

There were no Department of Public Utilities matters brought before Council.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to enter into an Executive Session for (1) Legal Matters, concerning (a) Intergovernmental Agreement—Municipal Court/Orangeburg County and (b) Ground Lease for Hangar Construction—

Orangeburg Municipal Airport and (2) Sale of Real Property, (a) Old City Gym at 1420 Broughton Street.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to return to Open Session. This motion was unanimously approved.

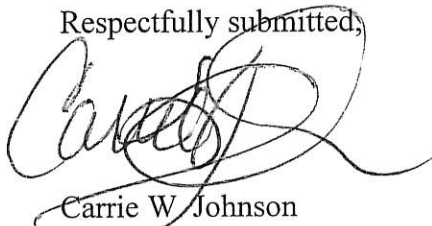
A motion was made by Councilmember Haire, seconded by Councilmember Hannah, to approve the First Reading of an Ordinance to lease real property at the Orangeburg Municipal Airport to Green Mountain Boys, LLC. This will be a Ground Lease for thirty (30) years and a 10,000 square foot hangar will be constructed to house two planes. This motion was unanimously approved.

No action was taken on Item 10, Approval Intergovernmental Agreement—Municipal Court/Orangeburg County.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

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CITY COUNCIL MINUTES

February 6, 2018

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Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, February 6, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
Sandra P. Knotts
Richard F. Stroman

ABSENT:

L. Zimmerman Keitt

A motion was made by Councilmember Stroman, seconded by Councilmember Knotts, to approve the January 16, 2018, City Council Minutes as distributed. This motion was unanimously approved.

Mayor Butler, Department of Public Utilities Manager Warren Harley and Director of DPU Electric Division Wade Holmes, presented John H. Fields a Retiree Resolution and gold watch for his thirty-four years, one month and twenty-two days of service to the Department of Public Utilities.

Ms. Candice Roberson, Executive Director with Downtown Orangeburg Revitalization Association (DORA) addressed Council. She stated, "There were many successes in 2017, there were eight (8) free events held Downtown. Twelve (12) businesses participated in these events. There was a first Farm to Table Dinner held in downtown Orangeburg. Overall, there were 1,000 volunteer hours to coordinate these events. Tea Thyme had a new addition of a courtyard. Memberships have increased and we have had an increase in pedestrian activity. In 2018, we have developed a work plan for the community that will be unveiled at our annual meeting in conjunction with Business After Hours on February 27th. There will be a car show on April 1, 2018, and we will be working on a small grant program in 2018. We received a parcel of land in 2017, and we will be building a pavilion to house our Farmer's Market. I would like to request that at our next event, which is the St. Patrick's Day Festival, to be held on Friday, March 16, 2018, that we allow the sale of alcoholic beverages on City property."

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to allow for the sale of alcoholic beverages on City property at the St. Patrick's Day Festival on Friday, March 16, 2018. This motion was unanimously approved.

Concerning Second Reading of an Ordinance, City Administrator John Yow stated, "This is a Second Reading of an Ordinance to Lease Real Property at the Orangeburg Municipal Airport to Green Mountain Boys, LLC. It is a grounds lease for constructing a hangar that is 10,000 square feet. It is for a thirty (30) year term and rent adjustments are made at ten (10) year intervals. This has been sent to the Federal Aviation Administration (FAA) for approval and we hope to have an answer back from them before the Third Reading."

A motion was made by Councilmember Jernigan, seconded by Councilmember Haire, to approve the Second Reading of an Ordinance to Lease Real Property at the Orangeburg Municipal Airport to Green Mountain Boys, LLC. This motion was unanimously approved.

Ms. Evelyn Disher, Executive Director for the Community of Character, accepted the Character Trait Proclamation for February, 2018, "Honesty".

City Administrator John Yow overviewed the Recreation Complex. He stated, "As you know, we have approved a contract to construct the new Recreation Complex. We will have an official groundbreaking on February 15th. The lighting was a separate contract and the bids are shown and the low bid is Techline at \$1,181,510 with a ten (10) year warranty. We opted for the ten year warranty instead of the twenty-five year warranty because of how quickly technology changes and we can also extend an additional fifteen years. Techline has installed lighting at high school, municipal, collegiate, and professional levels. They want this to be the flagship for municipal governments in South Carolina. This lighting system is LED and this also gives us flexibility to control lights remotely and to adjust them as necessary. I am confident to proceed with this company. We will be bringing back a revenue bond for Council's approval."

A motion was made by Councilmember Stroman, seconded by Councilmember Hannah, to approve giving authorization to City Administrator John Yow to purchase a LED lighting system for the Recreation Complex in the amount of \$1,181,510 from Techline Sports Lighting. This motion was unanimously approved.

City Administrator Yow stated, "I will also note that the LED lighting will cut our lighting load about 50% and we will need a reduced number of poles and fixtures that will also reduce the wind load. We want to build this right the first time."

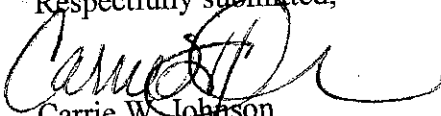
Councilmember Stroman stated, "I noticed that this is about \$150,000 less than was projected in the budget and you should be commended for that."

There were no utility matters brought before Council.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

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CITY COUNCIL MINUTES

February 20, 2018

2691

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, February 20, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve the February 6, 2018, City Council Minutes as distributed. This was a 6-0-1 vote, as Mayor Pro Tem Keitt was not present at the last meeting.

Ms. Jeanne Gue and Ms. Jeanna Reynolds made an appearance before Council concerning a Downton Project.

Ms. Jeanne Gue of 270 Mason Drive addressed Council. She stated, "As I travel to Charleston, I take back roads and as I did last year around July 4th, I noticed all the small towns had American Flags in their downtowns. I know last year there were small flags in the square which was great. What I am asking tonight is permission from the City to have flags hung from Russell Street and the square from the week after the Rose Festival throughout June and July donated by members of the Community. These members have a vested interest and these flags can be hung in honor or memory of someone. I have spoken to the Times and Democrat and they will do an article on this before the event. However, the light poles are hard to hang anything on so I called Parks & Recreation and they referred me to the Department of Public Utilities. DPU has rods to hang from the poles and we are asking permission to move forward with this. The flags will be made locally at Carolina Visuals, a flag plant in Smoaks, SC. Once we get the design of the flag, we will bring it back to you for approval. The cost of the flags will be approximately \$30 to \$35 each."

Councilmember Jernigan asked, "Where can we sign up for a flag?"

Ms. Gue replied, "I will send you a form."

Councilmember Hannah stated, "This is a well thought out plan. My vehicle has American flags on it. Is this for beautification or patriotism?"

Ms. Gue replied, "Both."

A motion was made by Councilmember Stroman, seconded by Councilmember Hannah, to approve the request to hang flags from Russell Street and the Town Square from the week after the Rose Festival throughout June and July. Flags to be donated by members of the Community. This motion was unanimously approved.

Ms. Melinda Jackson, President of the Orangeburg County Chamber of Commerce, made an appearance before Council concerning the Soft Skills Program. She stated, "My appearance tonight is two-fold. First of all, I would like permission from City Council to allow the Chamber to sell alcohol, (no liquor) as we did last year, during the Rose Festival on May 5th from 2:00 until 6:00 P.M. We had no issues last year and we will have two bands performing."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the sale of alcohol during the Rose Festival on May 5th. This motion was unanimously approved.

Ms. Jackson asked if this could be approved from here on out and City Attorney Walsh replied that it would have to be done by Resolution.

Ms. Jacobs ²⁶⁹² passed out information to Mayor and Council regarding workforce initiatives. She has been working in local high schools and will be moving this to middle and elementary school levels.

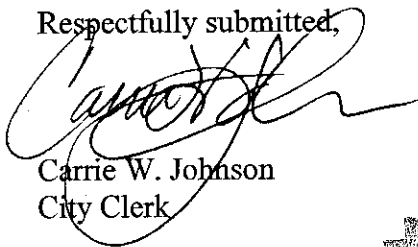
A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the Third Reading of an Ordinance to Lease Real Property at the Orangeburg Municipal Airport to Green Mountain Boys, LLC. This motion was unanimously approved.

There were no utility matters brought before Council.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Economic Development, (a) Project Recycle, (b) Project Halo, (c) State Infrastructure Bank/Site Readiness, (d) Project Oz and (e) Project Global, (2) Legal Matter (a) GKN Contractual Matter, (3) Purchase of Real Property, (a) Discussion on purchase of real property – YMCA Tract, and (4) Personnel Matter, (a) Municipal Court Judge Hiring Process Position.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

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CITY COUNCIL MINUTES

MARCH 6, 2018

2693

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, March 6, 2018, at 7:00 P.M. in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the February 20, 2018, City Council Minutes as distributed. This motion was unanimously approved.

Chief Adams addressed Council in regards to the SC Overdose Prevention Act. He stated, "LEON stands for Law Enforcement Officer Narcan. LEON's goal is to provide comprehensive training to law enforcement agencies across South Carolina that focuses on the identification, the treatment and the reporting of drug overdoses attributed to opiates/opioids, such as heroin and narcotic pharmaceutical drugs. The program was created pursuant to the 2015 passing of the South Carolina Overdose Prevention Act (SC Code Section 44-130-60). The Act seeks to grant immunity from both civil and criminal prosecution, to doctors, pharmacists, caregivers and first responders who are engaged in the prescription, dispensation and administration of Naloxone (Narcan) in an opioid-overdose suspected case. Drug overdose is currently the leading cause of accidental death in the United States with 62,497 lethal drug overdoses in 2016, or an average of one life every eight and one-half minutes. In 2016, there were 5.2 million opioid prescriptions dispensed in South Carolina (Population 4,961,119). In 2016, there were 366 murders in South Carolina but 616 opioid deaths, so this is 616 opioid related deaths versus 366 murders. Narcan usage is on the rise with 4,197 incidents in 2014 versus 7,278 incidents in 2017. This is a 48% increase since 2013 in EMS administration of Narcan. For many reasons, EMS is usually not the first emergency responder to the scene of medical emergencies. The average current response time for EMS to all 911 calls in South Carolina is 11.9 minutes. The average response time for fire departments running medical first response is 6.41 minutes and the average law enforcement response time is usually 3-5 minutes, depending on the setting (rural/urban/suburban). To date, LEON has trained over 4,300 officers in 140 agencies in thirty-five counties with 217 deployments and 196 lives saved. The program offers for free the training, the online reporting portal, access to DHEC pharmacies, statewide standing orders by a physician to carry and administer the Narcan. LEON was awarded a Federal SAMHSA Grant to continue the program and to purchase Narcan for the program. Unless a LEON agency chooses another Narcan product from the one we provide, there is no other cost. LEON program emphasizes tactics and safety. There may be situations where it may not be safe to use Narcan. It is 100% up to the individual officer's discretion. Because of the high potency of the illicit fentanyl and opioid analogues, we recommend officers to carry Narcan to save fellow officers who inadvertently come in contact or inhale the powdered forms. The dosage and route given by LEON is enough to keep an overdosed person breathing and alive. None of the 217 deployments to date have resulted in a problem and data from other states concur. Narcan can also save a canine officer's life. Powdered opioids like fentanyl and carfentanil can be inhaled by them as well as it can be absorbed through the pads on their feet. A first responder may administer an Opioid antidote in an emergency if the first responder believes in good faith that the person is experiencing an Opioid overdose. The first responder must comply with all applicable requirements for possession, administration and disposal of the opioid antidote and administration device. The Department (DHEC) may promulgate regulations to implement this section, including

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approximately 2694 training for first responders who carry or have access to an opioid antidote. A first responder who administers an opioid antidote in accordance with the provisions of this section to a person whom the first responder believes in good faith is experiencing an opioid overdose is not by an act or omission subject to civil or criminal liability or to professional disciplinary action.

Councilmember Haire asked, "How many officers are trained to administer this?"

Chief Adams replied, "We have two certified instructors now and we will get all of our officers trained. It is a container that is put in the nostril and squeezed to release the Narcan and EMS is called to follow up."

Mayor Pro Tem Keitt asked, "You stated, you are seeing an increase?"

Chief Adams replied, "Yes, the serious problems in the past have been cocaine and it is now shifting to heroin, fentanyl, and opioids. People may start out with a prescription and get addicted and then go outside for these drugs."

Councilmember Jernigan asked, "What ages do you see in this abuse?"

Chief Adams responded, "Generally, ages 16-35 and all walks of life."

Councilmember Jernigan asked, "Are you working with SC State University and Claflin University on this since it is right in that age group?"

Chief Adams responded, "Not yet, but we will try to get them to come to our training."

Councilmember Haire asked, "I hope you will reach out to the infirmaries on the campuses also."

Chief Adams replied, "Any first responders are eligible to get this training and product; however, it is best to call Law Enforcement whenever something may happen on campus as we will get there quicker."

Deputy Director of Public Safety, Ed Conner addressed Council in regards to the Orangeburg Safe Communities Initiative. Director Conner stated, "The Orangeburg Safe Communities is a unified, proactive police and community collaboration that engages, educates and empowers repeat serious offenders (on probation) to obtain assistance, change behavior, make healthy life choices or suffer consequences of unified police/prosecutorial focus and priority. This focused deterrence model creates an appropriate mix of legal and ethical pressure to change offender behavior, reduce recidivism, severity and reduce victimization. Orangeburg Safe Communities Focused Deterrent addresses crime violence through research-based problem solving strategies and partnerships among local, state and federal law enforcements, local governments and a variety of community organizations and partners. It identifies individuals to participate in the program through established criteria. Offenders will be selected by a Board made up of members of the law enforcement community and civilians. A lot of the agencies involved are SLED; Bureau of Alcohol, Tobacco, Fire Arms and Explosives; US Justice Department Drug Enforcement Administration; SC Department of Probation, Parole and Pardons Services; SC Department of Corrections; Orangeburg Department of Public Safety; Department of Justice US Marshall; South Carolina Highway Patrol; Department of Justice Bureau of Investigations; Orangeburg County Sheriff's Office; Holly Hill Police Department; North Police Department Santee Police Department and the Eutawville Police Department. The Call-In is selected offenders that are informed by both the law enforcement community and the citizens of the community that they must change their behavior in order to remain in the community. Through the network of community organizations they are offered help in job training, housing, religious guidance, counseling, etc. The final step and most important, is to follow through with the services and promises made at the call-in. A civilian coordinator (working with Probation, Parole and Pardon) ensures that each offender receives the assistance they need by referring them to the community organization best equipped to meet their individual needs. We are partnering with many agencies such as: CASA Family Systems; CPM Federal Credit Union; Family Solutions of the Low Country; SC Regional Housing Authority; Palmetto Goodwill; OC Tech, South

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Carolina Department of Probation; Parole and Pardons Services; National Fatherhood Initiative; SC Works; NewVision; the Dawn Center; Vocational Rehabilitation and the SC Department of Corrections. Our first call-in is March 14, 2018, at 6:00 P.M. in the City Council Building, 633 Middleton Street, Orangeburg, SC."

Ms. Evelyn Disher, Community of Character Executive Director, accepted the Community Character Trait Proclamation for the month of March, 2018, "Perseverance".

There were no utility matters brought before Council.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Legal Matter -Luther Batiste III, Opioid Ligation, (2) Discussion of proposed contractual arrangements, purchase of real property and legal matters TMP# 0184-00-01-040.000 (US Hwy 21), (3) Proposed location, expansion and provision of services for industries -- Tri-County Co-Op Property (US Hwy 601) and (4) Legal Matter-Public Service Commission Intervention (SCANA-Dominion Energy).

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

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CITY COUNCIL MINUTES

MARCH 20, 2018

2696

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, March 20, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
Sandra P. Knotts
Richard F. Stroman

ABSENT:

L. Zimmerman Keitt

A motion was made by Councilmember Stroman, seconded by Councilmember Knotts, to approve the March 6, 2018, City Council Minutes as distributed. This was a 6-0 vote as Mayor Pro Tem Keitt was not present.

Mr. Stanley Montgomery of 1168 Douglas McArthur Street addressed Council requesting construction of a skating park. He stated, "I would like to ask for a proposal for a skate park. (All supporters stood up.) There are many that are not here that want this to happen. This is a community effort and there are reasons and purposes for this proposal. (1) A skate park reduces illicit behavior for juveniles and negative behavior. There are not many activities or programs available for my age. (2) A skate park provides a safe place to skate. Common injuries are collisions with motor vehicles, falls or trips. (3) A skate park reduces destruction to private property. Most people do not want people to skate near their homes. (4) A skate park promotes physical activity and more physical exercise. (5) A skate park would provide different exposure. If you are not into baseball, soccer or football, this is another option. There are many types of obstacles that are needed for a skate park. We would need ledges, flat bars, half pikes and some other flat surfaces."

Councilmember Haire asked, "Have you run this by Parks & Recreation?"

Mr. Montgomery replied, "Yes, they stated I need to come to Council."

Councilmember Jernigan asked, "Where do you want to build it?"

Mr. Montgomery replied, "There is a location at 897 Russell Street that is abandoned and has gravel areas."

Councilmember Jernigan asked, "You want the City to build it? How much would this cost?"

Mr. Montgomery replied, "Yes, and it would probably be about \$10K for new concrete, ramps and ledges."

Councilmember Hannah asked, "Do you skateboard around SC State University?"

Mr. Montgomery replied, "No, we skate near the bus station."

Councilmember Hannah replied, "You are on point with what you are saying and I agree this will give kids another option as a project. I represent District 3 and I am delighted that you came before us and to allow another opportunity."

Mayor Butler responded, "Thank you and we will take this under advisement."

City Administrator John Yow overviewed the City's FY 2018-19 Budget Calendar which was given to Council as information only at this time. Councilmembers were requested to review their respective calendars and notify City Administrator Yow of any conflicts prior to the next Council meeting. Consideration for approval of the Budget Calendar will be on the April 3, 2018, City Council Agenda.

Councilmember Jernigan replied, "We did vote, 5-1."

Councilmember Knotts asked, "Is it possible to review the Section of the Ordinance that we have now?"

City Administrator Yow replied, "Come by the office and we will be glad to provide that section of the code."

City Administrator Yow stated, "We do not allow smoking at our facilities now."

Councilmember Jernigan asked, "What precipitated this Ordinance?"

City Administrator Yow stated, "Mayor Pro Tem Keitt addressed Council at a prior meeting."

Councilmember Hannah replied, "It is mainly for health reasons."

Councilmember Knotts asked, "There are already 'No Smoking' signs currently?"

City Administrator Yow replied, "There is, and it is currently not enforceable with a fine. In the City facilities, it is State Law you cannot smoke."

City Administrator Yow addressed Council in regards to an Ordinance providing for the issuance of a not exceeding \$5,000,000 Accommodations and Hospitality Tax Revenue Bond of the City of Orangeburg, SC and other matters relating thereto. He stated, "This is part of our overall budget for the new Recreation Complex. We have slightly under \$18 million budget and a \$5 million revenue bond that is part of this budget. We have funding from the 1% County Capital Project Sales Tax and the Local Accommodations and Hospitality Tax. For your information, Charlton deSaussure, who has served the City for many years, is the bond counsel on this. Letters will be going out accepting bids until Tuesday, April 12th at 12:00 noon. We will have the bids at the April 17th City Council Meeting and the Third Reading. We will have the First Reading tonight and Second Reading on April 3rd and the final reading and bids on April 17th. The reason we are doing it this way is because if we put something out for that amount of money, they may pad the rates forty-five days out. We are trying to keep the rates as low as we can. This will also refinance existing debt with a balance of a little over \$600,000 leaving us with only one debt in that fund. The original issue was \$3.5 million. Revenue from the Hospitality and Accommodations Tax is what is pledged and therefore does not affect your property taxes as it is not a General Obligation Bond, it is a Revenue Bond. I have a couple of things to talk over with our bond counsel prior to the next meeting. If you look at Article 1, Section 4, it states, we are constructing a 90 acre recreation complex. As Council knows, we own more property than that and we could spend any additional amounts on the existing property, more than the 90 acres in that property."

Councilmember Hannah asked, "Is it a savings to the City to refinance the \$600,000 or is it a convenience?"

City Administrator Yow replied, "It is both, I cannot tell you what the rates will be. We are currently at 4.1% and we are anticipating 3.6-3.7%. Don't hold me to that, but that would be a significant savings to the City. If the rates come in higher, we would not refinance or look at the best overall option."

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve First Reading of an Ordinance providing for the issuance of a not exceeding \$5,000,000 Accommodations and Hospitality Tax Revenue Bond of the City of Orangeburg, SC and other matters relating thereto. This motion was unanimously approved.

There were no utility matters brought before Council.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to enter into an Executive Session for (1) Purchase of Real Property -- Purchase of real properties located on Boulevard at Railroad Corner, (2) Legal Matter -- Discussion on possible Opioid Litigation, and (3) Personnel Matter -- Municipal Court Judge Process Position.

Mayor Butler recognized Dr. Jerome Fitch, Director of Athletics at Claflin University, 2697 Mr. Ricky Jackson, Head Men's Basketball Coach. Mayor Butler presented the Team with a Proclamation for their success this basketball season.

City Administrator Yow addressed Council in regards to a First Reading of an Ordinance amending Chapter 5 of the Code of Ordinances of the City of Orangeburg, titled "Police Regulations" by adding a new Section 5-28 titled, "Smoking in Public Places", Prohibiting the smoking in public places.

He stated, "At the November 21, 2017, City Council meeting, Mayor Pro Tem Keitt proposed a possible No Smoking Ordinance. For review tonight is an Ordinance for that purpose and it is up for discussion. I know that Ms. Keitt has spoken to some of you already about this. This is our first attempt. What we have before you tonight is an Ordinance that would prohibit smoking at our Parks and Recreation Facilities including parks. I would like to mention that Section 5-28.9 on page 3 should be omitted from this Ordinance. As you can see from the listing of all parks, Hillcrest Golf Course was purposely omitted from the list as it is a wide area and there are foursomes that regularly play together. Again, that is up to Council. I would like to go on record to say that we have signs in our facilities now for no smoking and we do not allow smoking in the recreation areas. This is up for Council's discussion to see if you still want to do this and see what areas of the Ordinance you like or don't like."

Councilmember Haire stated, "I have a concern. I had a brother who was a chain smoker who has passed away and I tried talking to him, but it was very difficult for him to give up smoking. In this Ordinance, it states that you must be within 10 foot of a recreation facility. Does that include sidewalks? I think the Department of Public Safety has more to do than issuing smoking tickets."

City Administrator Yow replied, "You would like to insert in the Ordinance, unless on a public sidewalk?"

Councilmember Haire replied, "I would like to see us (I thought Ms. Keitt would be here) carry this over until we have had an opportunity to review this Ordinance. I move that we postpone this Ordinance. Councilmember Knotts, seconded the motion. This was a 5-1 as Councilmember Jernigan opposed.

Councilmember Jernigan stated, "I am opposed at postponing this, it is just delaying it. We can make changes on the Second and Third Readings. Why postpone it for one person? Also, I have some questions that I am not clear on. In Centennial Park, it states you cannot smoke in Centennial Park. Does that mean an individual cannot smoke if they are there by themselves?"

City Attorney Walsh replied, "Yes."

Councilmember Jernigan stated, "The Ordinance states that it has to be a group of people, isn't that contradictory?"

City Administrator Yow replied, "I read it that way as well. Under State Law you cannot smoke in buildings under any condition. But in Section 5-28.4, it states a gathering of the public regardless of the number. I read that as if one person is there alone, they could smoke. This is our first attempt at this so it may take some time."

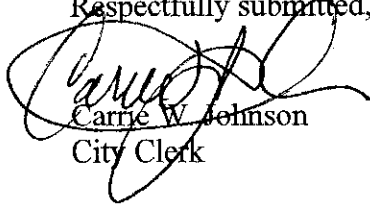
Councilmember Stroman stated, "I have a problem creating new laws on the books. I know smoking is not good. I think DPS has more to do than to write a \$25 ticket for someone smoking. I have not had any complaints from people smoking."

Councilmember Haire stated, "I would like to address Councilmember Jernigan's statement about one person, we do not know that until we vote."

There being no further business, the meeting was adjourned.

2699

Respectfully submitted,


Carrie W. Johnson
City Clerk

/pfb



City Council Minutes
April 3, 2018

Orangeburg City Council held a Public Hearing on Tuesday, April 3, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding. The purpose of the Public Hearing was for the following:

- (1) Comments on adoption of an Ordinance providing for issuance of not exceeding \$5,000,000 Accommodations and Hospitality Tax Revenue Bond.
- (2) Consideration of a Zoning Map District change from A-1 Single-Unit Residential District to O-I Office-Institutional-Residential District for property belonging to Unity Mortgage of SC, LLC, located at 1705 Carolina Avenue, TMP# 0173-05-25-007.000.

Public Hearing #1 received no comments and was closed.

Public Hearing #2, Consideration of a Zoning Map District change from A-1 Single-Unit Residential District to O-I Office-Institutional-Residential District for property belonging to Unity Mortgage of SC, LLC, located at 1705 Carolina Avenue, TMP# 0173-05-25-007.000, Mr. Leon Felder of Unity Mortgage addressed Council. He stated, "I am the property owner and when we started this process I asked the surrounding neighbors if they had a problem with this business being there, no one objected. There will be two people working there. I would like to thank the City, Mr. John Singh and Mr. David Epting since this is a process and they helped me with the application." Mr. Felder also recognized supporters that were present.

Hearing no other comments on Public Hearing #2, a motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Hannah, to close the Public Hearing. This motion was unanimously approved.

Council entered into the regularly scheduled City Council meeting.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the March 20, 2018, City Council Minutes as distributed. This was a 6-0-1 vote, as Mayor Pro Tem Keitt was not present at the last meeting.

Mayor Butler and City Administrator Yow presented Allen Robinson with a Retiree Resolution and gold watch for his thirty years and twenty-five days of service to City of Orangeburg's Hillcrest Municipal Golf Course.

Mr. Shawn Taylor, Recreation Superintendent of the Parks and Recreation Department, presented Mr. Jerry Ellis the South Carolina Recreation and Parks Association (SCRPA) "Champion of Our Community Award" for his achievements as a baseball and football coach for over twenty-five years of service to the Orangeburg community. A video was shown from the SC Recreation and Parks Association about the award. Mr. Ellis received a standing ovation from the audience.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Fiscal Year 2018-19 Budget Calendar, which also cancels the July 3rd meeting and July 17th meeting. This motion was unanimously approved.

Mayor Pro Tem Keitt addressed Council in regards to the proposed Smoking in Public Places Ordinance. She stated, "This started with a no smoking grant for Project LifePositeen located at 349 Summers Avenue. I asked Council to consider a smoking ban originally on four places, two being Centennial Park and the Recreation Complex on North Road. City Administrator Yow and I discussed putting all parks on the Ordinance with the exception of Hillcrest Golf Course. I would love to see us entertain this for non-smoking. People shouldn't have to inhale someone else's smoke. I am asking Council to consider this or what you would like to go with or take out of the Ordinance."

City Administrator Yow reminded Council, "It is against state law to smoke in public buildings currently."

Councilmember Jernigan asked, "What about the Downton Plaza?"

City Administrator Yow stated, "The Plaza is in the list of public places and if you want to smoke, you would have to go to the sidewalk."

Councilmember Jernigan stated, "I think the Plaza is too restricted. We have events on the Plaza, the car show this weekend, bands, and other events and we allow them to sell alcohol and I think if someone wanted to smoke there, preventing them from doing so at these events would be too restrictive and I have misgivings on that."

Councilmember Stroman stated, "As I said last time, I have had no complaints on smoking from anyone. A police officer has more to do than write smoking tickets; I can't go along with it."

Councilmember Haire stated, "I spoke with the author of this Ordinance and I thought that there were only four areas of non-smoking, I think this is too invasive. I know the four were Centennial Park, the workshop at DPU, the Complex on North Road and I am not sure what else."

Councilmember Knotts asked City Attorney Walsh, "In Section 5-28-8, how is this enforced?"

City Attorney Walsh replied, "It would be on a uniform traffic ticket or an Ordinance summons and they would go before Municipal Court."

Mayor Pro Tem Keitt stated, "There were four places originally and one was the North Road Recreation Center, is that listed?"

City Attorney Walsh stated, "That is not in the City, we would have to amend the Ordinance once it is in the City."

City Administrator Yow suggested that Council discuss this and decide what they want to include or exclude in the Ordinance. Staff is just bringing it up for consideration and discussion.

This item was tabled until a later meeting.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the Second Reading of an Ordinance providing for the issuance of a not exceeding \$5,000,000 Accommodations and Hospitality Tax Revenue Bond of the City of Orangeburg, SC and other matters relating thereto. This motion was unanimously approved.

Mayor Butler read the Fair Housing Resolution declaring April 2018, as Fair Housing Month in the City of Orangeburg.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve a Resolution declaring April 2018, Fair Housing Month in the City. This motion was unanimously approved.

Ms. Evelyn Discher, Executive Director of the Community of Character, accepted the Character Trait Proclamation for April 2018, "Humility".

2702
City Administrator Yow overviewed the Contingent Fee Retainer Agreement for Opioid Related Litigation.

Councilmember Jernigan asked, "If we do this and the City is sued over an opioid case, would they be the City's lawyers?"

City Administrator Yow and City Attorney Walsh stated, "No."

Councilmember Jernigan asked, "So what does this actually do?"

City Administrator Yow replied, "We are entering an agreement that the attorneys would represent us in litigation to recover City costs related from opioid manufacturers and others.

Councilmember Haire stated, "On Page 1, the bottom is #2 and the next page goes to #6. I think there are pages missing and I would like to have the original Ordinance voted on that we received originally."

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Contingent Fee Retainer Agreement for Opioid related Litigation (original copy) giving City Administrator Yow authorization to execute the documents. This was a 6-1 vote, as Councilmember Jernigan opposed.

Councilmember Hannah asked Council to Keep Orangeburg Beautiful. He passed out to Council a flyer about litter and the three ways litter comes to our neighborhoods through cars, walking and the homeowners. He stated, "The homeowners do not clean up their home areas. We have to talk to these people about keeping their areas and neighborhoods clean and welcoming."

Councilmember Hannah asked Reverend Hilton L. Simmons to speak. He mentioned a homeless shelter he helped organize and the litter is troublesome.

City Administrator Yow stated, "We support you in your efforts and be assured the City enforces the Litter Ordinance. We, as City employees, also pick up litter and will be organizing another litter pick up again in May."

Councilmember Stroman replied, "I see the Service Department picking up litter all the time and we appreciate it."

Mayor Pro Tem Keitt replied, "It is a great idea and we can do better."

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the First Reading of an Ordinance to amend Section 24-4.1, District Boundaries and Maps of the Code of Ordinances and the Zoning Map change of the City of Orangeburg, property belonging to Unity Mortgage of SC, LLC, located at 1705 Carolina Avenue, TMP# 0173-05-25-007.000. This motion was unanimously approved.

There were no utility matters brought before Council.

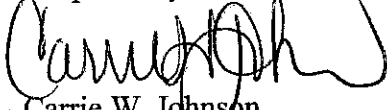
City Administrator Yow introduced the new Public Works Director, Mr. Dean Felkel.

Mayor Pro Tem Keitt told DPS Director Adams that his staff was doing a wonderful job.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

/pfb



CITY COUNCIL MINUTES

April 17, 2018

2703

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, April 17, 2018, at 7:00 P.M. in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the April 3, 2018, City Council Minutes as distributed. This motion was unanimously approved.

Mayor Butler and DPU Manager Warren Harley presented Mr. Burnie Martin, Jr., with a Retiree Resolution and gold watch for his thirty-three years, five months and two days of service to the Department of Public Utilities.

Mr. Stanley Montgomery of 1168 Douglas McArthur Street addressed Council. He stated, "I am here to follow up on any concerns for the Skate Park proposal?"

Mayor Butler replied, "We are taking this under advisement and will be discussing it in our planning session in June."

Mr. Montgomery stated, "I also want to start a Youth Council for the teens to express their concerns in Orangeburg. Teens should get involved in politics and be involved in changes in the community. A Youth Council would be beneficial in many ways to the City and to the community."

Mayor Butler asked, "How are you going to bring this about?"

Mr. Montgomery explained, "There would be two youths per district."

Mayor Butler asked, "Is this more of an advisory capacity?"

Mr. Montgomery stated, "Yes, bringing ideas to the forefront."

Mayor Butler explained, "We will take this idea into our planning session as well in June."

Councilmember Jernigan asked, "Do you know Willie Johnson, he would be a good person to talk to about forming this Council."

Mayor Pro Tem Keitt gave Mr. Montgomery her business card.

Councilmember Hannah stated, "I stood where you stand before and I applaud you and please understand that everyone here will have to agree to this."

Ms. Candice Roberson of DORA addressed Council. She stated, "I wanted to bring to you what has been going on with DORA this last quarter. There are two new businesses in the 1100 block of Russell Street. One business is "Addicted", a women's boutique and the other is "Prime Time Nutrition" that serves smoothies and nutritional drinks. There is an increase in building improvements in downtown and also effects of the City's Facade Grant where "Tea Thyme" has new signs and "Jenn Affairs" is remodeling. We have a quarterly merchant training and this quarter was Window Displays, which was beneficial to the merchants. We plan to have an event each month in downtown. In March, we had a successful St. Patrick's Day celebration and the car show scheduled for April has been rescheduled for May 5th due to inclement weather. We

2704
contacted the Rose Festival Committee about holding this in conjunction with the Rose Festival. The main event will be our street dance where the Mighty Kicks will be performing on the square. The Downtown Farmer's Market will be starting May 15th through August 28th on Tuesdays from 3:30 p.m. until 6:00 p.m. Our Farm to Table Dinner will be June 7th with tickets going on sale May 1st. We are partnering with Blue Bird Theatre this summer to bring a movie series one day a week at 10:00 a.m. We plan to market this to stay at home moms, daycares, and schools to bring pedestrian traffic downtown. None of these events can happen without your continued support from the City employees and City Council and your help is most appreciated. I am requesting permission to sell beer and wine at the Street Dance on May 4th and also be able to serve beer and wine at the Farm to Table Dinner on June 7th. It will be a part of your ticket price."

A motion was made by Councilmember Jernigan, seconded by Mayor Pro Tem Keitt, giving approval to DORA to be able to sell beer and wine at the Street Dance on May 4th and serve beer and wine at the Farm to Table Dinner on June 7th. This motion was unanimously approved.

Councilmember Jernigan stated, "I commend what you do with such a limited staff and only volunteers."

City Administrator Yow overviewed for Council the bidding on the Revenue Bond (15 year term) to assist in the funding of the Recreational Complex. He stated, "As Council knows we have had two readings previously on the Revenue Bond. We had a bid opening on April 12th and in your packet is the bid tabulation of the responses. I am happy to report that we received a favorable rate of 2.957% from a local bank and the second bid of 3.35%, which was also a good bid. South State Bank has done a lot of business with us over the years. Going back to a previous question, we are paying off 4.1% money with 2.957% money, so we are saving money paying off the previous debt which is also included in the memo."

Councilmember Hannah asked, "On the first page under requirements from South State Bank, what is bond counsel, does that replace the City Attorney?"

City Administrator Yow replied, "No, we actually employ a bond counsel and also have the City Attorney review any type of General Obligation Bond or Revenue Bond, but also we employ a separate bond counsel which is Haynesworth, Sinkler & Boyd, which is Mr. Charlton deSaussure who we have used for many years."

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve giving authorization to the City Administrator Yow to accept the bid from South State Bank in the amount of 2.957% APR for \$5,000,000 Revenue Bond. This motion was unanimously approved.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the Third Reading of an Ordinance providing for the issuance of a not exceeding \$5,000,000 Accommodations and Hospitality Tax Revenue Bond of the City of Orangeburg, SC, and other matters relating thereto. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the Second Reading of an Ordinance to amend Section 24.4.1, District Boundaries and Maps of the Code of Ordinances and the Zoning Map change of the City of Orangeburg, property belonging to Unity Mortgage of SC, LLC, located at 1705 Carolina Avenue, TMP# 0173-05-25-007.000.

City Administrator Yow addressed Council in regards to a lighting contract for the Recreational Complex. He stated, "As Council knows at the February 6, 2018, meeting, City Council granted me the authorization to award contract to Techline, Inc., in the amount of \$1,181,510 for LED Lighting at the new Recreation Complex. However, this contract was not awarded to Techline. In our due diligence, it was brought to our attention that Techline did not have the applicable state contractor's license in place at the time of their bid submittal. They have since obtained their license; however, I asked Attorney Walsh to review the matter in its entirety.

According to state code, it was not proper for Techline to submit a bid nor would it be proper for the City to award contract to them. At this time, we have opted to reject all bids. Fortunately, we are able to negotiate directly with MUSCO Sports Lighting, LLC, who has a standing contract with National Joint Powers Alliance of which we are a member. We have negotiated base price of \$1,161,500 for a complete installed LED sports lighting system. This amount is \$20,010 lower than the previously presented contract authorization request and \$151,575 lower than MUSCO's earlier offered bid. There is no reduction in the LED lighting system being provided. MUSCO is the largest sports lighting provider in South Carolina and have a proven track record across South Carolina. We are also considering adding the control link and monitoring system with a twenty-five (25) year warranty for an additional, \$15,400. It is my recommendation that Council grant authorization to proceed with the award of contract to MUSCO Sports Lighting, LLC, for the total amount of \$1,176,900.

Councilmember Haire asked, "How were we going to monitor the system with Techline?"

City Administrator Yow replied, "I don't think they could do that at present."

Councilmember Haire asked, "Would we have to do the monitoring ourselves if we went with them?"

City Administrator Yow replied, "Yes, and they would have had a local company from Irmo, SC, do the maintenance."

Mayor Pro Tem Keitt stated, "I am glad you found out in time about the license."

City Administrator Yow replied, "I think this is the first time we have had this happen. This company was trying to get into the South Carolina market and be aggressive with the pricing and some states do not require such a license but South Carolina does."

Councilmember Hannah stated, "We are getting more for less?"

City Administrator Yow replied, "We are getting more and it is slightly lower in price than Techline, but significantly lower than MUSCO's original bid."

A motion was made by Councilmember Jernigan, seconded by Mayor Pro Tem Keitt, to authorize for City Administrator Yow to purchase a LED lighting system for the Recreation Complex in the amount of \$1,176,900 from MUSCO Lighting System, LLC. This motion was unanimously approved.

Assistant City Administrator Singh addressed Council. He stated, "I am pleased to bring you an additional item for our tool box for downtown, which is the Bailey Bill. This is a historic tax credit for an entity or individual that may want to renovate a historic building downtown over a period of time. The Bailey Bill works with an entity by freezing the taxable assessed value of a property up to twenty (20) years based on building value. Typically, many entities have used 20% for this threshold. The Bill is a tax savings incentive by freezing the building's value at the rate prior to the improvements. The tax assessment savings is based on the amount of restoration to the building. Two examples are provided. The first example is a twenty year period and the second example is a ten year period. This Ordinance provides a scale as to the amount of restoration to tax savings. The County needs to provide the same incentive on the County level to increase this credit."

Councilmember Haire asked, "Will this Ordinance squeeze the people out due to financial constraints or resources putting pressure on them to maintain their structures in certain decorum?"

City Administrator Yow and Assistant City Administrator Singh replied, "Only, if they use the Bailey Bill."

Assistant City Administrator Singh stated, "It is the same with our Façade Grant, they need to maintain the improvements."

2706
City Administrator Yow replied, "In the past in residential districts, it has become somewhat burdensome on some with windows and some sort of things with historical houses and we have not done that."

Councilmember Hannah asked, "Are all the buildings historic?"

Assistant City Administrator Singh replied, "The threshold is 1950 or earlier."

Councilmember Hannah asked, "On page 7 of 8, Item H, who is the agent that handles that?"

Assistant City Administrator Singh stated, "We will be giving you that information based on the process. The answer to that will probably be our staff and Public Works and we have to have a Board to evaluate the applications. We are working on that and it is in process."

City Administrator Yow stated, "We need input from Council on that to start the process."

A motion was made by Councilmember Jernigan, seconded by Councilmember Stroman, to approve the First Reading of an Ordinance adopting the "Bailey Bill" providing for special property tax assessment for rehabilitated historic properties; and other matters related thereto. This was a 6-0-1 vote, as Councilmember Haire abstained.

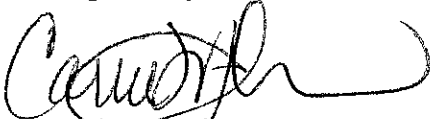
A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Fiscal Year 2018-2019 Department of Public Utilities Budget Calendar. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for a (1) Legal/Economic Development matter concerning inclusion in a Multi-County Industrial Park of certain tracts of land owned by Zeus Industrial Products and (2) a Personnel Matter concerning Municipal Court Judge position hiring process.

Council will not return to Open Session.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

/pfb



**A RESOLUTION AUTHORIZING THE CANCELLATION OF REVERSIONARY
CLAUSE OF THE CITY IN PROPERTY OWNED BY PALMETTO DEVELOPMENT
GROUP**

WHEREAS, by deed dated September 26, 2016 the below described property was conveyed to Palmetto Development Group with the City of Orangeburg retaining a reversionary interest therein, and

WHEREAS, Palmetto Development Group has or is in the process of applying for grant funds from the United States Department of Commerce, Economic Development Administration and a condition of said application is that the grant be awarded to Palmetto Development and a co-applicant consisting of a governmental agency, and

WHEREAS, the City has been advised that said deed reversionary clause has prevented Palmetto Development Group and its co-applicant from obtaining grant funds for its corporate purposes as described in City Ordinance No. 2016-5, and

WHEREAS, the City wishes to assist Palmetto Development Group in its creation of a business incubator at said site which will contribute to the general welfare of the citizens of the City and its surrounding areas.

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL DULY ASSEMBLED, that John H. Yow, City Administrator is hereby directed and authorized to execute a termination of the reversionary clause of the City in the below described property and contained in the above deed in recordable form and deliver said termination to Palmetto Development Group for recording purposes on either of the following conditions:

1. The below described property shall be conveyed by Palmetto Development Group to a political subdivision of the State of South Carolina, an agency of said subdivision or to a public educational institution of the State of South Carolina.
2. Article XI of the Articles of Incorporation of Palmetto Development Group be amended and after amendments shall need as follows:

Article XI-Dissolution:

"In the event of the dissolution of Palmetto Development Group (PDG), all assets, including real property, shall be distributed for a public purpose to the State of South Carolina, an agency of said State, a South Carolina local government or a South Carolina public educational institution. Any personal property not so disposed of shall be disposed by the court of competent jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes."

Description of property:

All that certain piece, parcel or lot of land, with buildings and all improvements thereon, situate, lying and being on the South side of Russell Street, in the City and County of Orangeburg, State of South Carolina, fronting on said Russell Street, forty-three (43) feet, eleven (11) inches, and running back and measuring on the respective sidelines, one hundred seventy-eight (178) feet, eight (8) inches, and measuring on the rear line forty-three (43) feet, five (5) inches, and bounded as follows: On the North by Russell Street; on the East by property now or formerly of Mrs. Emma C. Dantzler; on the South by property now or formerly of William W. Wannamaker (Orange Cotton Mills); and on the West by property of J.W. Smoak.

AND IT IS SO RESOLVED.

Done in meeting duly assembled this 1st day of May, 2018.



Michael C. Butte
MAYOR

Sandra P. Knotts

James H. Haire

L. Zimmerman Keitt

James Haire

MEMBERS OF COUNCIL

ATTEST:

[Signature]
CITY CLERK

STATE OF SOUTH CAROLINA)
)
CITY OF ORANGEBURG)

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF ORANGEBURG, SOUTH CAROLINA
AUTHORIZING THE INCLUSION IN A MULTI-COUNTY INDUSTRIAL PARK
OF CERTAIN TRACTS OF LAND OWNED BY ZEUS INDUSTRIAL
PRODUCTS, INC. LOCATED WITHIN THE CITY LIMITS OF THE CITY OF
ORANGEBURG PURSUANT TO SECTION 4-1-170 OF THE SOUTH
CAROLINA CODE.**

WHEREAS, Zeus Industrial Products, Inc. (the "Company") is investing additional capital in Orangeburg County (the "County") thereby maintaining existing jobs and creating additional job opportunities for the citizens of the City of Orangeburg (the "City"); and

WHEREAS, in connection therewith, the Company and the County desire to include certain tracts owned by the Company including those more particularly described on Exhibit A attached hereto (the "Company Tracts") in an existing multi-county industrial park created pursuant to an agreement between the County and Dorchester County (the "Park") in order to continue to provide certain incentives to the Company; and

WHEREAS, the Company Tracts are located in the City, such that the consent of the City is required in order to include these properties in the Park; and

WHEREAS, as an incentive to encourage the Company to continue to invest in the County and to encourage the retention of jobs and the creation of additional jobs, the City desires to consent to the inclusion of the Company Tracts in the Park.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Orangeburg, South Carolina, in meeting duly assembled:

1. The inclusion in the Park of the Company Tracts is hereby consented to by the City, pursuant to all requirements of South Carolina law, including Section 4-1-170 of the South Carolina Code of Laws and on the conditions that "Revenue" as defined in County Ordinance No ~~2018-05-07~~²¹ with the effective date of 5-7-18 shall be calculated and paid to the City in accordance with said County Ordinance.
2. The City agrees to execute any other documents necessary to evidence this consent.
3. This Resolution shall become effective immediately and shall be prospective only.
4. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

(Signature Page Follows)

Done in meeting duly assembled this 1st day of May, 2018.



Michael C. Berth
Mayor

Glenn Haine

Darsha P. Knotts

[Signature]

L. Zimmerman

Richard F. Stone

[Signature]
Council members

ATTEST [Signature]
City Clerk

EXHIBIT A

1. Champlain Property – Manufacturing Property – Mill Building 1 (located in the City of Orangeburg)

(Mill Street and Boulevard)

Tax Map # 0173-18-19-001.000

All that certain piece, parcel or lot of land, with improvements thereon (including a four story brick building, a one story office building and a two story warehouse), situate, lying and being in School District No. 5, City of Orangeburg, County of Orangeburg, State of South Carolina, being on the South side of Mill Street, at the corner of Boulevard, S. E. and Mill Street, containing one and fifty-four hundredths (1.54) acres, and being more particularly shown and delineated on a Plat of 1.54 Acres, prepared by Edisto Surveyors & Associates, approved by A.R. Parler, Jr., RLS dated July 29, 1981, and recorded in the office of the Clerk of Court for Orangeburg County in Plat Book 51, at page 92, and bounded and measuring as follows: On the North by Mill Street, measuring thereon two hundred nineteen and forty-hundredths (219.40) feet; on the Northeast by the right-of-way of the Atlantic Coastline Railroad Company, measuring along a curved line, one hundred sixty-four and sixty-one hundredths (164.61) feet; on the Southeast by property of the grantor herein, measuring thereon one hundred sixty-four and fifteen-hundredths (164.15) feet; on the South by property of the grantor herein measuring thereon two hundred fourteen and sixty-one hundredths (214.61) feet; and on the West by South Boulevard Street, measuring thereon two hundred fifty and seventy-hundredths (250.70) feet. Said property having such courses, distances, boundaries and measurements as more particularly set forth and shown on the aforesaid plat, which is incorporated herein and for a more complete and accurate description reference is craved thereto. Being a portion of the same property conveyed to Management and Investment Corporation by South Carolina Cotton Mills, Inc., by deed dated January 21, 1980, and recorded in the aforesaid office on January 21, 1980, in Deed Book 459, at page 209.

2. Warehouse Property (located in the City of Orangeburg)

(Moseley Street)

Tax Map #'s 0173-18-06-001.000, 0173-18-07-002.000, and 0173-18-07-003.000

All that certain pieces, parcels or lots of land containing 2.97 acres situate, lying and being in the City of Orangeburg, School District #5, Orangeburg County, State of South Carolina shown as Parcels A, B, & C on a plat surveyed for O.L. Hughes & Son, Inc. by Edisto Engineers & Surveyors, Inc. dated May 1, 2007 and recorded in the Office of the Register of Deeds for Orangeburg County in Plat Book D74, at Page 10, and having all metes, bounds, courses, distances, directions and measurements as are shown on said plat, are incorporated herein and made a part hereof by reference.

This is the same property conveyed to O.L. Hughes & Son, Inc. by O.L. Hughes, Sr. & O.L. Hughes, Jr. dated and recorded January 9, 1975 and recorded in the Office of the Register of Deeds for Orangeburg County in Deed Book 406, at Page 159; also conveyed to O.L. Hughes & Son, Inc. by Deed of Florence W. Henry and Frances Henry Scott dated and recorded December 6, 1994 and recorded in the Office of the Register of Deeds for Orangeburg County in Deed Book 610, at Page 995.

and

All that certain piece, parcel or lot of land, with all improvements thereon, situate, lying and being in the City and County of Orangeburg, State of South Carolina containing sixty-one hundredths (0.61) of an acre and being more fully set forth and shown on a Plat for Zeus Industrial Products, Inc., prepared by Edisto Engineers & Surveyors, Inc., approved by Richard L. Stroman, RLS, dated September 18, 2006 and recorded in the office of the Register of Deeds for Orangeburg County in Plat Book 49, at page 6 and

bounded as follows: On the West by the right-of-way of Magnolia Street; on the North by property of O.L. Hughes & Son, Inc.; on the East by property of O.L. Hughes & Son, Inc.; and on the South by the right-of-way of Mill Street.

Said property having such size, shape, courses, distances, boundaries and measurements as more fully set forth on the aforesaid plat which is incorporated herein by reference.

Being the same property conveyed to G and G Investments by deed of Harry B. Rahner, III, et al., recorded in the office of the Register of Deeds for Orangeburg County on July 3, 1980 in Deed Book 462 at page 795 and a portion of property conveyed to G & G Rental Co., Inc. by deed of G & G Investments, a SC General Partnership, by deed recorded in the aforesaid office in Deed Book 565, page 1055.

3. Manufacturing Property – Mill Building 2 (located in the City of Orangeburg)

Tax Map # 0173-18-19-002.001

All that certain piece, parcel or lot of land, with the buildings and improvements thereon, situate, lying and being at the Southwest corner of the intersection of Mill Street (formerly Duke Street), and an unnamed street, 50-feet in width, in the City and County of Orangeburg, State of South Carolina, being triangular in shape and measuring on the northern side ninety-seven feet, six inches (97'6"); on its eastern side one hundred nineteen feet, ten inches (119'10"), and bounded now or formerly as follows: On the North by right-of-way of said Mill Street (formerly Duke Street); on the East by the right-of-way of the said unnamed street (now Wheeler Street) above mentioned; and on the South and West by the right-of-way of the Southern Railway Company's connecting track, the eastern ends of cross ties of said track being the line; said said (sic) and its boundaries being more fully shown and delineated by the Plat thereof made by Samuel Dibble, Jr., Surveyor, in December 1896.

Being a portion of the same property conveyed to O.L. Hughes & Son, Inc., by deed of O.L. Hughes, Sr., et al., etc., recorded in the office of the RMC for Orangeburg County in Deed Book 406 at page 159.

CITY COUNCIL MINUTES

May 1, 2018

2707

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, May 1, 2018, at 7:00 P.M. in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to approve the April 17, 2018, City Council Minutes as distributed. This motion was unanimously approved.

Mayor Butler and DPU Manager Warren Harley presented Mr. Michel G. Sells with a Retiree Resolution and gold watch for his thirty-six years, four months and twenty-one days of service to the Department of Public Utilities.

DPS Director Mike Adams presented to Council a certificate, for CALEA Meritorious Advanced Law Enforcement Accreditation, which was awarded to the Department of Public Safety. Chief Adams stated, "This is the sixth accreditation and being accredited is difficult and resources are provided by Council and taxpayers. I would also like to give an update on PSO Cody Miles who was injured on the job. He is to have surgery later this week."

City Administrator Yow introduced the new Hillcrest Golf Course Manager to Council, Mr. Gregg Funderburk. Mr. Funderburk is a PGA Professional with nearly thirty (30) years experience.

Mr. Rasheed Ali appeared before Council to show appreciation for four (4) DPS officers. He stated, "I am a news correspondent and I see a lot of violence and Chief Adams has a great department and there are no protests here in Orangeburg. The City has officers with good restraint. First, I would like to show appreciation to Sergeant Arney Lucas. He's a role model and many of our youth have been touched by him. He goes the extra mile to get the job done. His goal is to steer youth from criminal activity. Thank you for not abusing the badge. I would also like to show appreciation to Corporal Justin Daff, Corporal Jimmy Jones and Sergeant Jason Sturkie. Sometimes interaction with white officers is unpleasant. These three wise men are lurking among the ranks and they are assets to the Department of Public Safety. White guys matter in the form of these officers. Orangeburg County has not been on the evening news because of these professional officers. Blue lives matter. These officers are role models. Police Departments in America would be better off if everyone possessed the traits of these officers." Mr. Ali presented plaques to Sergeant Lucas, Corporal Daff, Corporal Jones and Sergeant Sturkie.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the Third Reading of an Ordinance to amend Section 24-4.1, District Boundaries and Maps of the Code of Ordinances and the Zoning Map change of the City of Orangeburg, property belonging to Unity Mortgage of SC, LLC, located at 1705 Carolina Avenue, TMP# 0173-05-25-007.000. This motion was unanimously approved.

Assistant City Administrator Singh presented the First Reading of the Bailey Bill Ordinance. He stated, "This is an incentive package. There are a few changes that I've noted in the memo. Before Third Reading of this Ordinance, we will have the Board confirmed."

2708 Mayor Butler asked, "What are the districts?"

Assistant City Administrator Singh replied, "Russell Street Corridor, downtown."

City Administrator Yow asked, "Would you like to involve other areas?"

Assistant City Administrator Singh asked, "Would the same areas as the Façade Grant be good?"

Mayor Butler stated, "Yes."

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Second Reading of an Ordinance adopting the "Bailey Bill" providing for special property tax assessment for rehabilitated historic properties; and other matters related thereto. This motion was unanimously approved.

City Administrator Yow stated, "I have placed the First Reading of an Ordinance amending Chapter Five of the Code of Ordinances of the City of Orangeburg, "Police Regulations", by adding a new Section 5-28, titled, "Smoking in Public Places", prohibiting the smoking in public places on the Agenda at the request of Mayor Pro Tem Keitt.

Councilmember Haire stated, "Maxcy Street Playground needs a name change to Rosa Parks Playground."

The four places for non-smoking in the City are as follows:

- (1) Centennial Park
- (2) Chapel of Hope
- (3) Duncan Street Playground
- (4) Rosa Parks Playground

Councilmember Stroman stated, "I have had no complaints on smoking. There are enough laws on the books now. I'm against this Ordinance."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the First Reading of an Ordinance amending Chapter Five of the Code of Ordinances of the City of Orangeburg, "Police Regulations", by adding a new Section 5-28, titled, "Smoking in Public Places", prohibiting the smoking in public places. This was a 5-2-0 vote, as Councilmember Stroman and Councilmember Jernigan opposed.

Ms. Evelyn Disher, Community of Character Executive Director, accepted the Community of Character Trait Proclamation for the month of May, "Self-Control".

Concerning Item #9 on the Agenda, Discussion on Community Policing, Councilmember Hannah stated, "I am asking for a little to achieve greatness. We have a great staff at the Department of Public Safety. If officers would take three or four minutes during their tour of duty on each shift to interact with someone during that period, it could be a street corner, park or business. Interact with citizens in the City. Interaction will pay off, the officer will gain a friend and the citizens will have faith and this will help our City maintain excellence. There are persons who have never had any interaction with the police. This is what I'm suggesting to the great City of Orangeburg"

Mayor Pro Tem Keitt stated, "It is happening and we need to encourage what they do. They are everywhere."

Chief Adams stated, "Community Policing emphasizes interaction. We have a program. Signal 25, which is to visit people and businesses. It is documented, logged and included in our quarterly reports. In 2017, we had 4,375 interactions with people (not calls). In 2018, the first quarter, we had 1,354 Signal 25 interactions. We have reached 1,700 kids on gang initiatives. We raise money to host programs. In 2017, there was 216 community events supervised by the Department of Public Safety. This is commitment to our community. Kudos to Colonel Conner for Orangeburg Safe Communities where we take away reasons for those to reoffend."

Councilmember Hannah stated, "There is no question about your contacts. Can we get a 2709 chart, numbers can be misleading?"

Councilmember Stroman stated, "We have very good officers, I have no problems."

Mayor Butler stated, "We have spent weeks and much time on the matter of the appointment of a Municipal Judge and we are ready to make a recommendation. We recommend Attorney Virgin Johnson for the City's Municipal Judge position for a two year term."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the recommendation of Attorney Virgin Johnson for Municipal Judge."

Councilmember Stroman stated, "I did not like the way this was handled. It was not fair to all the candidates. Some Councilmembers were at the interviews and some were not. We have had no discussion at all. I have nothing against Mr. Johnson, I just did not like the process."

Councilmember Jernigan stated, "I agree with Mr. Stroman. There were some exceptionally good candidates that were passed over that were more qualified than Mr. Johnson. There was no discussion on it and in fact, it eliminated the discussion altogether."

Mayor Butler stated, "We had a process and the Human Resources Officer assisted with that process. We were to grade the candidates first, second and third. That system was interrupted and we voted for first only. We graded according to the system given to us. We all had one vote. This is a two year term."

Councilmember Haire called for a vote on the motion. This was 5-2-0 vote, as Councilmembers Jernigan and Stroman opposed.

Mayor Pro Tem Keitt gave thanks to Human Resource Officer, Theresa Williams, for her help and assistance in the hiring process for a Municipal Judge.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Legal and Real Property Matters, (a) Palmetto Development Corporation at 1170 Russell Street and (b) Multi-County Industrial Park—Zeus Industrial Products, Inc. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to return to Open Session.

Council returned to Open Session.

City Attorney Walsh addressed Council. He stated. "The City conveyed the Old First National Bank building to Palmetto Development Group in 2016. In that deed, we had a Reversionary Clause that if they failed to operate a business incubator in that location, the property would revert back to the City. Palmetto Development Group has had some difficulty in obtaining grants because of that clause. The Resolution before you authorizes the City to terminate the Reversionary Clause. After research, I recommend that the Resolution be amended giving Palmetto Development Group two choices. Option 1 – when they apply for grants, they would have to have a co-applicant, which has to be a state agency. The title would then be conveyed to that agency and they would be required to use that property for public purpose. Option 2 – Palmetto Development Group would have to amend their Articles of Incorporation, which again would require upon dissolution that the title of the property would be transferred to a County or State Political Subdivision and they would be required to use that property for public purpose."

A motion was made by Mayor Pro Keitt, seconded by Councilmember Knotts, to approve the Resolution authorizing the cancellation of the Reversionary Clause of the City in property owned by Palmetto Development Group. This was a 5-2-0 vote, as Councilmembers Jernigan and Stroman opposed.


2710
City Attorney Walsh stated, "A Resolution that the County has requested of the City that the property owned by Zeus located in the City, which is three tracts of land, that this property be included in a Multi-County Industrial Park which consists of the County of Orangeburg and Dorchester County. Zeus has committed to invest \$15,000,000 and create twenty (20) full time jobs in the next five years to make that investment. Included, is a fee in lieu agreement where the property will be assessed at 6% instead of 10.5% and the millage rate of 94 mills will be locked in. The County by Ordinance has agreed to distribute the fee in lieu with 1% going to Dorchester County and then a 25% infrastructure credit will be given to Zeus and 20% of the revenue will then come to the City and the remainder will go to the County. We all know Zeus is a major industry in our community and it is my recommendation that you approve this Resolution."

Councilmember Haire made a motion, seconded by Mayor Pro Tem Keitt, to approve a Resolution authorizing the inclusion in a Multi-County Industrial Park of certain tracts of land owned by Zeus Industrial Products, Inc., located within the city limits of the City of Orangeburg pursuant to Section 4-1-170 of the South Carolina Code and giving authorization to the City Administrator to execute. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Councilmember Jernigan, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

/bpf



City Council Minutes

May 15, 2018

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, May 15, 2018, at 7:00 P.M. in Council Chambers with Mayor Butler presiding. 2711

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Charles W. Jernigan
L. Zimmerman Keitt (Attended Late)
Sandra P. Knotts
Richard F. Stroman

Absent:

Jerry Hannah

A motion was made by Councilmember Stroman, seconded by Councilmember Knotts, to approve the May 1, 2018, City Council Minutes as distributed. This motion was unanimously approved.

Mayor Butler and DPS Director Mike Adams presented Mr. Donnell Shuler with a Retiree Resolution and watch for his twenty-five years of service to the Department of Public Safety. Director Adams also mentioned Shuler's twenty years of service with the National Guard that ran concurrently with his year's with DPS. Councilmembers congratulated Mr. Shuler and thanked him for his service.

The Honorable Willie Robinson, Magistrate for Orangeburg County, administered the Oath of Office to the newly selected Municipal Court Judge, Mr. Virgin Johnson.

City Administrator John Yow reviewed the changes in an Ordinance amending Chapter Five of the Code of Ordinances related to Smoking in Public Places. He stated, "One amendment had been made since the First Reading as requested on Page 2 Section 5-28.3 replacing the name of Maxcy Street Park with that of Rosa Parks Playground."

A motion was made by Councilmember Haire, seconded by Councilmember Knott, to accept the Second Reading of an Ordinance amending Chapter Five of the Code of Ordinances of the City of Orangeburg, titled, "Police Regulations", by adding a new Section 5-28, titled, Smoking in Public Places, prohibiting the smoking in public places. This was a 3-2 vote, as Councilmembers Stroman and Jernigan opposed.

City Administrator John Yow brought forward the nomination of Mr. Harry Holman of the Public Works Department to fill the vacancy on the City Grievance Committee for a three-year term. Mr. Holman had previously served on the Committee and City Administrator Yow agreed with his nomination.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to postpone this item until the next meeting. This was a 3-2 vote, as Councilmembers Stroman and Jernigan opposed.

Department of Public Utilities Manager Warren Harley presented a Resolution regarding the waiver of water and wastewater tap fees for the County of Orangeburg, Detention Facility. Mayor Pro Tem Keitt was present at this time. DPU Manager Harley reviewed the previously provided figures and calculations of the impact of the request that would total \$147,445.13 based upon current estimates. He also mentioned his concern with this request as DPU has recently experienced the loss of a dryer for wastewater processing and will be adding roughly \$30,000 in additional expenses each month to handle wastewater until this dryer can be replaced. Funds for this replacement are to be included in the next fiscal year's budget request. Due to these

unexpected additional expenses, Manager Harley is recommending denial of this waiver at this time. However, in lieu of total denial, he would recommend waiving water only as tap fees would require an immediate expense to purchase the necessary equipment.

Councilmember Jernigan made a motion to deny the waiver, seconded by Councilmember Stroman.

Councilmember Haire then made a substitute motion to grant to the request as he recommended that working on better relations with the County is essential. Prior to voting on the motions, additional discussion took place.

Councilmember Knotts asked, "Is there a deadline for this request?"

DPU Manager Harley stated, "No, as they have already paid the \$147,445.13 and would be given a credit or refund, if the measure was approved.

Mayor Pro Tem Keitt inquired on any additional timing for the item.

DPU Manager Harley indicated that they would be working at the Council's pleasure.

Mayor Pro Tem Keitt also asked, "What type of funds do we have that would allow, or not allow, us to do this?"

DPU Manager Harley revisited the detailed spreadsheets provided and reviewed those figures and breakouts.

Councilmember Knotts stated, "Does the City fund the County Detention Center and does the City reimburse them for City residents?"

City Administrator Yow stated, "It is totally operated by the County and residency doesn't impact funding as City residents are also county residents."

Mayor Butler stated, "All seventeen municipalities in Orangeburg County use the Detention Center in the same manner."

Based upon the discussion, Councilmember Haire rescinded his earlier substitute motion and made a new substitute motion to table this item to allow Councilmembers time to discuss and gather additional information as needed. Mayor Pro Tem Keitt seconded the motion. This was a 4-2 vote, as Councilmembers Jernigan and Stroman opposed.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Legal and Contractual Matter (a) Railroad Development – Piedmont Company and (2) Legal Matter (a) Mediation Department of Public Safety – Related Lawsuit. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectively submitted,



Tricia Phillips
Finance Coordinator

/pfb



City Council Minutes

June 5, 2018

2713

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, June 5, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Councilmember Haire, seconded by Councilmember Stroman, to approve the May 15, 2018, City Council Minutes as distributed. This was a 6-0-1 vote, as Councilmember Hannah was not present at the last meeting.

Mayor Butler, City Administrator John Yow, Public Works Director Dean Felkel and former Public Works Director Durwood Bowden, presented Ms. Brenda Ballard with a Retiree Resolution for her twenty-eight years and eighteen days of service to the Public Works Department.

Councilmember Hannah asked for special privilege and stated, "I have been working since I was fifteen years old on a paper route and I had many customers such as doctors, lawyers, dentists, preachers and this was in the 1960's. I was elected to Council in 2017, and to have my women and children treated by Council the way they have been treated is terrible and I am out." Councilmember Hannah left the meeting.

Concerning the Smoking in Public Places Ordinance, Councilmember Stroman stated, "I do not see adding new laws on the books for Public safety and I cannot vote for it."

A motion was made by Mayor Pro Tem, Keitt, seconded by Councilmember Haire, to accept the Third Reading of an Ordinance amending Chapter Five of the Code of Ordinances of the City of Orangeburg, titled, "Police Regulations", by adding a new Section 5-28, titled, Smoking in Public Places, prohibiting the smoking in public places. This was a 4-2 vote. Councilmembers Jernigan and Stroman opposed.

Mayor Pro Tem Keitt stated, "Thank you to all Councilmembers that voted for this. I have had calls from many churches thanking us for this and I thank you also those that did not vote."

Concerning the Bailey Bill Ordinance, Councilmember Jernigan asked, "How are the properties declared historical? Is there a list?"

Assistant City Administrator Singh replied, "It is on the age of the building, it must be fifty (50) years old. The age of the building must be verified prior to the application. If the building is already a historical property there may be additional requirements in its restoration. There is also language in the Ordinance that gives Council leeway in regards to determining if you feel a property is historic. The SC Archives and History can do historic reviews before a committee is established."

A motion as made by Mayor Pro Tem Keitt, seconded by Councilmember Jernigan, to approve the Third Reading of an Ordinance adopting the "Bailey Bill" providing for special property tax assessment for rehabilitated historic properties and other matters related thereto. This motion was unanimously approved.

2714
Concerning the Grievance Committee reappointment, Councilmember Haire asked, "Didn't we do things differently in the past, we had a slate of names to choose from and then Council could determine who would be appointed to the Committee. If one name is submitted, it seems we are only rubber stamping this process and we have no input on this."

City Administrator Yow stated, "There are some years where you have alternates and other appointments and may have more than one to vote on."

Mayor Pro Tem Keitt stated, "Mr. Holman is willing to serve and served previously."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to reappoint Harry Hallman from the Public Works Department to the City Grievance Committee for a three year term expiring June, 2021. This motion was unanimously approved.

Mayor Butler presented to Ms. Evelyn Disher, Executive Director for the Community of Character, the Character Trait Proclamation for June 2018, "Prudence".

DPU Manager Warren Harley addressed Council in regards to a Resolution authorizing the waiver of water and wastewater taps for the County of Orangeburg Detention Facility. He stated, "Based on projects that DPU has coming up, we cannot absorb these fees and I would recommend that you do not grant the waiver based on other projects that we need to get done."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, not to approve the Resolution authorizing the Waiver of Water and Wastewater Tap and Impact Fees for the County of Orangeburg Detention Facility. This was a 5-0-1, vote as Councilmember Haire abstained.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Personnel Matter concerning Municipal Court—Associate Judge (s) and (2) Legal Matter concerning Northwood Estates. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectively submitted,

Carrie H. Johnson

Carrie Johnson
City Clerk

/pfb



City Council Minutes

June 5, 2018

2713

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, June 5, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

A motion was made by Councilmember Haire, seconded by Councilmember Stroman, to approve the May 15, 2018, City Council Minutes as distributed. This was a 6-0-1 vote, as Councilmember Hannah was not present at the last meeting.

Mayor Butler, City Administrator John Yow, Public Works Director Dean Felkel and former Public Works Director Durwood Bowden, presented Ms. Brenda Ballard with a Retiree Resolution for her twenty-eight years and eighteen days of service to the Public Works Department.

Councilmember Hannah asked for special privilege and stated, "I have been working since I was fifteen years old on a paper route and I had many customers such as doctors, lawyers, dentists, preachers and this was in the 1960's. I was elected to Council in 2017, and to have my women and children treated by Council the way they have been treated is terrible and I am out." Councilmember Hannah left the meeting.

Concerning the Smoking in Public Places Ordinance, Councilmember Stroman stated, "I do not see adding new laws on the books for Public safety and I cannot vote for it."

A motion was made by Mayor Pro Tem, Keitt, seconded by Councilmember Haire, to accept the Third Reading of an Ordinance amending Chapter Five of the Code of Ordinances of the City of Orangeburg, titled, "Police Regulations", by adding a new Section 5-28, titled, Smoking in Public Places, prohibiting the smoking in public places. This was a 4-2 vote. Councilmembers Jernigan and Stroman opposed.

Mayor Pro Tem Keitt stated, "Thank you to all Councilmembers that voted for this. I have had calls from many churches thanking us for this and I thank you also those that did not vote."

Concerning the Bailey Bill Ordinance, Councilmember Jernigan asked, "How are the properties declared historical? Is there a list?"

Assistant City Administrator Singh replied, "It is on the age of the building, it must be fifty (50) years old. The age of the building must be verified prior to the application. If the building is already a historical property there may be additional requirements in its restoration. There is also language in the Ordinance that gives Council leeway in regards to determining if you feel a property is historic. The SC Archives and History can do historic reviews before a committee is established."

A motion as made by Mayor Pro Tem Keitt, seconded by Councilmember Jernigan, to approve the Third Reading of an Ordinance adopting the "Bailey Bill" providing for special property tax assessment for rehabilitated historic properties and other matters related thereto. This motion was unanimously approved.

2714
Concerning the Grievance Committee reappointment, Councilmember Haire asked, "Didn't we do things differently in the past, we had a slate of names to choose from and then Council could determine who would be appointed to the Committee. If one name is submitted, it seems we are only rubber stamping this process and we have no input on this."

City Administrator Yow stated, "There are some years where you have alternates and other appointments and may have more than one to vote on."

Mayor Pro Tem Keitt stated, "Mr. Holman is willing to serve and served previously."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to reappoint Harry Hallman from the Public Works Department to the City Grievance Committee for a three year term expiring June, 2021. This motion was unanimously approved.

Mayor Butler presented to Ms. Evelyn Disher, Executive Director for the Community of Character, the Character Trait Proclamation for June 2018, "Prudence".

DPU Manager Warren Harley addressed Council in regards to a Resolution authorizing the waiver of water and wastewater taps for the County of Orangeburg Detention Facility. He stated, "Based on projects that DPU has coming up, we cannot absorb these fees and I would recommend that you do not grant the waiver based on other projects that we need to get done."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, not to approve the Resolution authorizing the Waiver of Water and Wastewater Tap and Impact Fees for the County of Orangeburg Detention Facility. This was a 5-0-1, vote as Councilmember Haire abstained.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Personnel Matter concerning Municipal Court—Associate Judge (s) and (2) Legal Matter concerning Northwood Estates. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectively submitted,

Carrie H. Johnson

Carrie Johnson
City Clerk

/pfb



City Council Minutes

June 19, 2018

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, June 19, 2018, at 7:00 P.M., in Council Chambers with Mayor Pro Tem Keitt presiding. 2715

PRESENT:

Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

ABSENT:

Michael C. Butler, Mayor

A motion was made by Councilmember Stroman, seconded by Councilmember Knotts, to approve the June 5, 2018, City Council Minutes, as distributed. This motion was unanimously approved.

Mayor Pro Tem Keitt presented Mr. Kenny Gray with a Retiree Resolution and gold watch for his thirty-four years, seven months and twenty-two days of service to the Department of Public Works. Councilmembers congratulated Mr. Gray and thanked him for his service. Councilmember Stroman commended him for his use of used oil to heat the City Garage and recommended that the City continue this practice. City Administrator Yow expressed appreciation for his service and commented that he ran a safe operation at the City Garage with no issues noted in any OSHA audits conducted at the facility and he attributes this success in their safety record to Mr. Gray.

Mayor Pro Tem Keitt recognized a number of visitors to the meeting from the Orangeburg Chamber of Commerce, NAACP, and Flowers by Jennifer and she thanked them for attending the meeting.

Assistant City Administrator John Singh led the discussion of a model Ordinance to establish standards for the placement of small wireless facilities ("Microcells") for the City. He stated, "The material provided in your Council packets provide background on the evolution of the new technology as well as a draft model Ordinance for your review. Staff will prepare an Ordinance for Councilmembers to consider in the future." There were no questions.

There were no Department of Public Utilities matters brought before Council.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to enter into an Executive Session for (1) Sale of Real Property – Old First Citizens Bank Building at 1095 Russell Street, (2) Contractual Matter – Employee Medical Clinic -- Health Stats/Grove Park. This motion was unanimously approved.

Mayor Pro Tem Keitt reminded Council that there would be no Council meetings in July due to the Council Planning Session Meetings on July 10th and July 11th.

There being no further business, the meeting was adjourned.

Respectively submitted,



Tricia Phillips
Finance Coordinator



Budget Workshop Minutes July 10, 2018

Orangeburg City Council held a Budget Workshop Meeting on Tuesday, July 10, 2018, at 9:00 A.M., in the City Council Chambers Building.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman
John H. Yow, City Administrator
John D. Singh, Assistant City Administrator
Carrie W. Johnson, Finance Director/City Clerk
Patricia Phillips, Finance Coordinator

City Administrator Yow overviewed for Council where the City stands as of September 30, 2017 based on the final audit draft. The audit was finalized prior; however, we had to wait on actuarial numbers for OPEB and the audit will be presented to Council in August. He reminded Council that with the expenses incurred with SC State University infrastructure, health insurance increases, as well as raises at the Department of Public Safety, and two new positions that were added in the Forensics Lab, substantial fund balance was used in this fiscal year. There were transfers to cover deficits at Hillcrest and the Municipal Airport as well.

City Administrator Yow stated, "In FY 2017-18, on a better note, we anticipate \$156,911 to be added to the fund balance. This is due to a stop loss refund from our insurance carrier as well as not buying a recycling truck in this fiscal year, which was \$160,000.00. We have to monitor recycling as some cities are getting out of this business because it is not a money maker and some cities are already paying the recycling companies to pick up. It will be Council's decision to make."

City Administrator Yow stated, "I will be bringing you an amended Budget Ordinance at the next Council Meeting on August 7, 2018, where revenues balance with expenditures at \$18,601,608.62."

City Administrator Yow passed out an Executive Summary where revenues balance with expenditures at \$19,880,089.94 for FY 2018-19.

City Administrator Yow overviewed the Revenue Highlights, which were included in the above budget number.

REVENUE HIGHLIGHTS

A four mill property tax increase is included which is estimated at \$38,000.00 per mill that will generate \$152,000.00 in revenue. We have not had a property tax increase in four years.

No business license rate increase is included; recommend Council continuing Downtown incentives for new businesses. We will need to study further the Municipal Association of South Carolina Model Ordinance to see if it would be revenue neutral and of benefit to adopt.

10% increase in commercial sanitation is included that will generate \$38,000.00. The last rate increase was in FY 2015-16. Our overall costs continue to rise.

\$1.00 increase in residential sanitation is included to \$14.00 per month, which would generate \$56,000.00 annually. The last rate increase was in FY 2016-17.

\$200,000.00 increase in the Department of Public Utilities transfer is included.

\$400,000 increase in fire protection either in new Fire Tax District or in collection of ~~contracts~~ ²⁷¹⁷ and penalties.

Councilmember Haire asked, "Where are we on this as it relates to the attorneys, has this been resolved?"

City Administrator Yow stated, "I think that we have agreed on the principles and what areas the City is giving up and gaining and the mutual aid response. We need to set up a meeting soon with the County in this regard. There is some question as to how a new fire district tax would apply to fee in lieu agreements."

\$845,772 was budgeted in cash reserve in order to balance this budget, in FY 2017-18, we budgeted \$835,000.00 initially in cash reserve but not project needing it.

\$10,000 income for forensics lab to be included; this needs to increase dramatically in order to cover some of the added costs.

Aircraft standby fees of \$12,000.00 is included in this budget. This will apply to Medivac calls where we provide fire trucks and personnel.

\$8,000.00 income for Fire Recovery Ordinance fees is included where we ask the County to include bills we have outside the City.

Need to determine if the City will need to start charging fees to non City Funeral Homes for funeral escorts to cemeteries.

Building Permit Fees steady.

Interest income increase of \$100,000.00 and the Finance Department is seeking ways to increase that income.

City is still not fully funded under the State Local Government Fund, approximately \$100,000.00 underfunded.

There is no change in franchise fees.

We have to review Parks & Recreation fees; considering a gym fee. We are needing to review all fees including concessions and need to determine if the City is making money in concessions when we take into consideration salaries and other costs.

City Administrator Yow stated, "We may look at accepting bids on the concession stands operations."

Changes in fees at Hillcrest Golf Course and this does not affect General Fund Revenues. A discussion was held as to whether the Commission should review the fees. They have not normally done so in past budget adoptions.

Entitlement Funds and FAA Discretionary Funds at the Airport were discussed. City Administrator Yow stated that the City is not on the list for 2019 AIP Funds for Apron Expansion. The City is continuing utilities on the private hangar.

No storm water fees are in this budget as the City is still not required under the Federal Permit Process as an MS4.

Stevenson Auditorium rates remain the same.

Anticipate FEMA/State Reimbursement for 2014 Ice Storm and did not budget, as this is not a recurring revenue. The numbers will reflect if it is received.

EXPENSES

The City will continue all services currently; however, will be adding expenses for the new Recreational Complex of \$260,000.00. This includes personnel and operating expenses.

Cost of Living increase of 1% added, which equals \$103,000.00 including benefits.

Additional 1% for both SCRS and PORS is included. SCRS is going from 13.56% to 14.56% and PORS is going from 16.24% to 17.24%. We did receive a state reimbursement of 1% in this fiscal year in the amount of \$89,000.

Totals for the increase in State Retirement equal \$80,000.00 and this will continue.

No new positions except for the Recreational Complex and one part time to be considered for upgrade to full time in Information Technology.

\$100,000 increase budgeted for possible medical and dental insurance; City remains self-insured.

\$511,000 is budgeted in capital lease expense for this fiscal year to be financed for three years to include four (4) police vehicles, mower, generator, grapple truck and a Smart VMS Sign.

There are recurring costs in the budget pertaining to Department of Public Safety for the PAL Radio System for \$34,000.00, CJIS Compliance of \$74,400.00 and additional next year as well as CJIS Maintenance on Office 365 for \$34,000.00 annually.

Software for the Finance Department, \$200,000.00 contract to be signed this fiscal year.

Livingston House Repairs of \$31,000.00 are included in this budget.

Other operational line items held to current amounts.

Building Code Enforcement continued \$40,000.00 for demolitions and cleanups.

\$54,053.00 department requests moved to 2% Fund, Drug Fund or Cemetery Fund.

\$50,000.00 department requests moved to FY 2017-18.

Fuel costs and tire costs stable.

Retirement Supplemental Insurance capped at \$100 monthly.

\$40,000.00 for Accommodations Tax Advisory Committee from Hospitality and Accommodations Tax Fund; persons or groups requesting money would apply.

Hillcrest Golf Course and the Municipal Airport both continue to operate at deficits; Airport is checking on fuel margins and City Administrator Yow stated that it was already agreed by Council at the Planning Session that we would not be building any rental hangars at this time.

There is a \$250,000 contingency for possible raises due to the Class/Comp Study. This may be phased in and will address lower salaries first.

The new 70/15 Division for the Recreational Complex is adding \$260,000.00 in expenses.

Councilmember Haire asked, "When will we start prepping for tournaments and advertising?"

City Administrator Yow responded, "We need to be doing that now."

Councilmember Jernigan asked, "Why is postage, printing and advertising so low in this Division?"

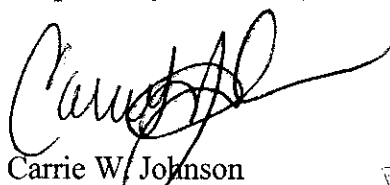
City Administrator Yow replied, "Some of those expenses are budgeted in the 2% Fund."

Councilmember Knotts asked, "Everything you presented is in the \$19,880,089.94 figure?"

City Administrator Yow replied, "Yes."

The Mayor thanked City Administrator Yow and his team for their hard work. He asked Council 2719
for additional comments or questions. There were none at this time.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb



City Council Minutes

August 7, 2018

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, August 7, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts

Richard F. Stroman

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve the June 19, 2018, City Council Minutes, as distributed. This was a 6-0-1 vote, as Mayor Butler abstained as he was not present at the meeting.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the July 10, 2018, Budget Workshop Minutes, as distributed. This motion was unanimously approved.

Mayor Butler, DPU Manager Harley and DPU Administrative Division Director Nexsen presented Ms. Julia Cook Crutchfield with a Retirement Resolution and gold watch for her twenty-nine years, three months and twenty-nine days of service to the Department of Public Utilities.

Mayor Butler, DPU Manager Harley and DPU Administrative Division Director Nexsen presented Mr. Ronald B. Heape with a Retirement Resolution and gold watch for his thirty-two years, two months and twenty-two days of service to the Department of Public Utilities.

Mr. Grant Davis from Mauldin and Jenkins, LLC, addressed Council in regards to the City of Orangeburg and the Department of Public Utilities Fiscal Year Audit for year ending September 30, 2017.

He stated, "First I am going to start out telling you a little about Mauldin & Jenkins. We have eight offices in five states. We have over 400 governments that include 100 cities. We have 290 personnel that are involved in those governmental audits with over 85,000 hours of service annually to those governments. In the audit of the City, you will notice three opinions, two of those are designed to offer an opinion and one is not. The first report is the Independent Auditors Report, which has an unmodified opinion, which is the best you can get. Then there is a statement of net position, on the full accrual basis of accounting that shows all the assets and liabilities. A few highlights are there is a good bit of cash in the General Fund; you have over nine million (\$9,000,000) in cash. There are a significant number of capital assets. You will notice there is a section titled liabilities. The most important one is Net Pension Liability on the balance sheet which totals forty million (\$40,000,000) dollars. There is nothing you can really do about it. It is also an estimate. It is a complex and confusing number. Next year, there will be another similar liability for Post-Employment Benefits and you will notice on this statement that there already is a liability for this amount and there will be change and it will be measured in the most part the same way. I just mention this because next year this will be a similar thing. The last section is net position, which is equity. The City has two-hundred and eighty million (\$280,000,000) dollars in equity. The following statement is the income statement for the General Fund which shows expenditures for each functional program and then shows program revenues such as charges for services and then this gives you a net expense amount. The transfer of other funds, such as from DPU or other funds, as well as property taxes come to the rescue in this regard. Government activities are not self-sustaining without property taxes.

In the General Fund, you have over 9.5 million dollars (\$9,500,000) in cash and 9 million dollars (\$9,000,000) is unrestricted and some liabilities in accounts payable and accrued salaries. In the General Fund, there were 10.2 million (\$10,200,000) in revenues and 18.3 million dollars (\$18,300,000) in expenditures. There is a section for other financing sources and capital lease proceeds is next with transfers in and out following.

If you look at the City's budgetary comparison, there are a few things to highlight and on page 65, you will notice final budgeted revenues 11.4 million dollars vs. actual collected of 10.2 million dollars. A variance of 1.2 million dollars is under other taxes. The local hospitality and accommodations tax revenues are collected in the General Fund and budgeted, but are shown in the Hospitality and Accommodations Tax Fund. In terms of expenditures, there is nothing that sticks out, everything was in order. The Budget was 18.6 million dollars in expenses and spent 18.3 million dollars. DPU and the City budget for the transfers in and out. DPU transfers over 5 million dollars to the City annually.

In regards to Hillcrest and the Airport, those funds are accounted for as Enterprise Funds or business types funds. They are full accrual and show all assets and liabilities. On pages 82-84, the Airport is the biggest as far as assets. Liabilities include net pension liability that hurts these funds. The unrestricted pension liability is reflected there which you have no control over. If you back out the pension liability, you have a positive net pension liability in those funds. The only fund in those three that make a profit is the Pro Shop. The Airport last year lost \$739,000 operationally and the Golf Course lost \$212,000. Part of that is the net pension liability that inflates your loss.

The statement of cash flows shows what comes in on page 84. It shows the Airport and Golf Course using funds and transfers from the General Fund to come to the rescue to fund these activities for the year. Municipal owned golf courses are not profitable. We audit a good many and they rarely make money. They are sort of a money pit. When they are separated out as an Enterprise Fund and you have to record the net pension liability and then again next year show the other post-employment benefits, those numbers are going to continue to get worse. Airports are hit and miss. There are typically ways to find money at the Airport, such as renting hangars, charging landing fees or the margin in fuel sales. Golf courses are harder unless you raise fees. On page 87 is the second of the three reports. This is a yellow book report as the Independent Auditor's Report on Internal Control over Financial Reporting and on compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards. It is not designed to give an opinion. It shows everything is in compliance. The third report is on page 89, which is a single audit report in reference to Federal funds. This report is designed to give an opinion. On page 93 is a schedule of findings. These are all good; you do not want any yes's. There are no findings."

Councilmember Hannah asked, "What do you mean by DPU coming to the rescue?"

Mr. Davis replied, "On page 15, these are functions of the City Government, it shows expenses and then revenues, such as fines and grants and general revenues and then transfers. The transfers from DPU are transfers to the General Fund of 5 million dollars for the City's operation. On page 18, the budget is adopted each year, DPU transfers to the City each year and DPU comes to the rescue of underfunding of the City. There is nothing surprising here. The transfer is not having you to raise property taxes."

City Administrator Yow asked Mr. Davis to report on fines which are on page 86.

City Administrator Yow stated, "We collect \$418,585 in fines and remit to the State \$239,868 where we only retain \$178,717 and DPS is 42% of the General Fund Budget."

Mr. Grant Davis reported on the DPU statements. He stated, "On page 2, DPU is a fund of the City and this mentions that. It is unmodified which is the best you can get. These audits are due to the State within six months of the fiscal year end. This audit was late due to the OPEB reporting that is done by another firm separately and was later than expected. Hopefully, they will be on the ball next year. If you go to page 12, the statement of net position, DPU has 60.4 million dollars in cash and this is one million more than last year. Capital assets are strong and typical with a lot of infrastructure. There are a good amount of liabilities of 9.2 million dollars.

The ~~net~~²⁷²² pension liability is the same as the City. On page 13, is the income statement and you will see an increase in revenues from 2016 to 2017 of about less than 2 million dollars. Expenses increased from 81 million dollars to 84 million dollars, a good bit of that is associated with pension liability. The State of South Carolina is less funded and have less assets and that has prompted them to raise contribution rates. This year should be a better year. Overall, the transfers out on page 13, is the money going to the General Fund which also includes money to SC State University for infrastructure repairs and an increase in equity of 7.9 million dollars at the end of the year. The cash flow statement shows 23.5 million dollars. The cash flow from capital related financing activities shows a negative 18.8 million dollars and this was for the purchase of capital assets which improved your systems for delivery of utilities. Capital Grants received are from TAP Fees. Under cash flow from investments, when investments mature, we call it a sale and when investments are reinvested, we call it a purchase. That is all of the foot notes concerning DPU."

Councilmember Jernigan asked, "All in all, we are in good shape?"

Mr. Davis stated, "You have a lot of cash on hand, you still have to think about the Airport in making money and the golf course. Golf courses just don't make money."

Councilmember Jernigan asked, "With the Airport, depreciation is over \$700,000 and is that counted into the loss?"

Mr. Davis stated, "When you show them as Enterprise Funds, you have to see those separated out. If these were in the departments of the General Fund, it wouldn't stick out so much."

Mayor Butler thanked Mr. Davis for his report.

Ms. Jeanna Reynolds addressed Council in regards to the Food Truck and Craft Beer Festival on September 22, 2018, from 12:00 p.m. to 5:00 p.m. She stated, "A few years back I came before you on behalf of DORA in regards to selling beer and wine at a band festival and I am here again tonight, to ask if DORA can sell beer and wine at the Food Truck and Craft Beer Festival on Saturday, September 22, 2018, from 12:00 p.m. to 5:00 p.m."

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve the sale of beer and wine at the Food Truck and Craft Beer Festival on Saturday, September 22, 2018, from 12:00 p.m. to 5:00 p.m. This motion was unanimously approved.

DPS Director Adams accepted the Character Trait Proclamation for July 2018, "Fidelity" and the Character Trait Proclamation for August 2018, "Respect".

City Administrator Yow addressed Council, He stated, "As Mr. Davis stated, we have a big asset in the Airport and from time to time we have to spend money on it. We are fortunate that the FAA is assisting in that. We would allow the FAA to transfer \$150,000 to the State Aeronautics Division and that money would be leveraged with the State to go into repairing asphalt at the Orangeburg Municipal Airport. We would have to match \$8,500 to get \$160,000 work of pavement rejuvenation at the Airport. It asks that this be duly approved. It would move the money from the Federal Government to the State for these repairs. We normally get \$150,000 for entitlement monies. Other monies they have are discretionary funds that we have to apply for in a grant process."

Councilmember Jernigan asked, "Can that money be carried over?"

City Administrator Yow replied, "Yes, it can for four years, if you don't use it, you will lose it. We had a project several years ago and we loaned our money to Berkley County and then they gave us theirs the next year."

Councilmember Jernigan asked, "Do we have more than that?"

City Administrator Yow replied, " Yes, the entitlement money on the plan Council has seen will be used for the design for the apron expansion and the taxiway rehabilitation. We have learned that the apron expansion alone will not have enough rating points to be considered for discretionary funding and the entitlement money cannot be used for this."

Councilmember Stroman asked "Can this be used for spraying of weeds?"

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City Administrator Yow replied, "No, you have to guarantee that you have to do general maintenance yourself. We have been able to use that money to remove obstructions in the flight path, such as trees."

A motion was made by Councilmember Jernigan, seconded by Mayor Pro Tem Keitt, to approve FAA Entitlement Funds for pavement rehabilitation at the Orangeburg Municipal Airport. This motion was unanimously approved.

City Administrator Yow addressed Council in regards to terms expiring on the Hillcrest Golf Course Commission and the Building Board of Appeals. He stated, "No action is needed tonight, but we will be bringing this item back for your consideration at the next Council meeting on August 21st."

City Administrator Yow thanked City Council and staff for their help in the upcoming budget. He stated, "As you can see we have a projection for Fiscal Year 2017-18 of \$18,601,608.62 which revenues equal expenditures. If you note, we are expecting to add \$156,911.13 to the fund balance where revenues exceed expenditures. In the Airport Fund, revenues are \$568,767.43 and expenses are \$1,350,517.00 where depreciation is \$600,000.00. The Pro Shop Fund is balanced as the Pro Shop transfers its profits of \$50,279.62 to the Golf Course. As Mr. Davis stated, the Golf Course is not making money. It is showing a projected loss of \$179,326.10 with depreciation of \$60,000.00. One of the big costs is that the employees of the Golf Course have retirement and benefits and that is a lot of cost that most golf courses do not have. As you can see, the Hospitality Fund is showing more expenses than revenues. The Hospitality Fund saved money over a period of time to transfer to the Recreation Complex which shows this \$1,000,000 transfer. Revenues of \$1,280,896 with expenses of \$2,281,811, which is a difference of \$1,000,915 which is basically the million transferred to the Recreation Complex."

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the First Reading of an Ordinance amending the Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2017 and ending September 30, 2018. This motion was unanimously approved.

City Administrator Yow overviewed highlights of the Budget for Fiscal Year 2018-2019. He stated, "As Council sees the tabulation page, revenues are \$19,880,089.94 with expenses being the same using \$845,771.94 cash reserve. Last year, the year we are in now, we budgeted using \$835,000.00 in cash reserve and we are fortunate that we haven't spent any of it. As in the prior year, the auditor went over what we did and he also noted the fund balance. The Airport Fund is showing \$600,175.00 in revenues and \$1,136,369.37 with a difference of \$536,194.37 with depreciation of \$605,000.00. The Pro Shop is a balanced fund projecting to add \$53,050.00 to the Golf Course Fund. The Golf Course has \$412,200.00 in revenues and \$587,335.29 in expenses. I do not project it cash flowing by itself. We need to raise rates to offset some of these expenses. The Hospitality Fund expects to get over \$250,000.00 in a FEMA Reimbursement. This is non-reoccurring revenue. As the auditor pointed out, we may move the monies budgeted in the General Fund to the Hospitality Fund."

Revenue Highlights are as follows in this Budget:

- Four (4) mill property tax increase which would only generate \$152,000. A four (4) mill tax increase would be \$16.00 on a \$100,000 house and we have not raised taxes in four years, so that would be equal to \$4.00 per year.
- No Business License Increase; continue downtown business incentives and review the MASC model ordinance to see how it will affect businesses and fees.
- 10% Increase in Commercial Sanitation fees = \$38,000.00

- \$1.00 increase per month in Residential Sanitation fees = \$14.00 total per month to generate \$56,000.00
- \$200,000 increase in the DPU transfer to the City
- \$380,000 increase in Fire Protection Funds either with equitable funding or fire tax district.
We are the only entity in the County on a fire protection basis by contract which is the five (5) mile area outside the City. We have thousands of property owners and businesses not paying contracts.
- There is \$845,772 budgeted to use cash reserve, last year we budgeted \$835,000.
- Jet Fuel and Avgas sales are increasing at the Airport
- We have budgeted \$10,000 for Forensic Lab Revenue which is conservative. DPS will be presenting an update on the Lab at the next Council Meetings.
- Aircraft standby fees have been added to this budget where we send firetrucks and personnel for Medivac standby.
- Fire Recovery Ordinance Fees are added in this budget
- Building Permit Fees remain steady
- Not fully funded with the Local Government Fund
- Reviewing increases in the Parks and Recreation Fees
- No Storm Water Management Fees budgeted
- Stevenson Auditorium rental rates remain the same
- Anticipating FEMA reimbursement from the 2014 Ice Storm, expenses were already shown in the audit for storm recovery.

Councilmember Haire asked, "What is the sentiment of the Legislature on this?"

City Administrator Yow stated, "Legislature voted to reimburse this. It is not a reoccurring revenue, the governor was not against it, I just think other things were attached to the amendment."

Expense Highlights are as follows in this Budget:

- Continue all services, Council needs to decide on whether to continue recycling. It is getting harder and harder to dispose of these materials.
- PEBA Rates continue to increase, 1% increase in the employer rates. SCRS from 13.56% to 14.56% and PORS from 16.24% to 17.24%. This is an increase of \$250,000 to the Budget.
- 1% Cost of Living built in this budget, \$103,000
- There is a Classification Plan where we have added \$250,000 in contingency and I do not anticipate this being enough money for this Plan.
- There are three (3) new positions at the Recreation Complex and one part-time being considered and one full-time in the Finance/IT Division
- \$100,000 increase budgeted in medical and dental insurance increase. I think we are in good shape though, it may go primarily to reinsurance.
- \$511,000 capital is budgeted which is really a low number for us, it could be over a million dollars if a firetruck or garbage truck was included. This is another reason why Council has to address this fire district.

●Annually, we have to pay radio maintenance and have CJIS requirements and if we want to keep our accreditation and have a lower ISO rating of 2, it is very expensive, but pays dividends to the property owner. 2725

There is \$31,000 for repairs to the Livingston House.

Councilmember Hannah asked, "On the Livingston House, is that a low estimate or high estimate? I am asking because I have been over there and there is a lot of work that needs to be done."

City Administrator Yow replied, "Those were estimates given to me by the Parks & Recreation Department. As an owner of an old house, there is money every year for maintenance."

Councilmember Stroman asked, "How many people work there?"

City Administrator Yow replied, "Seven."

Councilmember Stroman asked, "Can we move them somewhere else and sell the property?"

City Administrator Yow stated, "That could be something to discuss in our Planning Session."

●\$50,000 in demolitions and code enforcement

●One of the ways to bring this Budget in, we were able to take \$54,000 in requests from Fiscal Year 2018-19 that were moved to FY 2017-18 due to a positive net cash flow.

●Tires and fuel costs stabilized

●Retiree Supplemental Insurance capped at \$100

●\$40,000 included in the Accommodations Tax Advisory Fund for requests

Councilmember Jernigan stated, "I want to compliment you and your staff with a balanced budget and it is a lot of work and we do have a balanced budget and I know it is hard to do."

City Administrator Yow stated, "Last year we did not have any increases and we cannot simply do that each year, but we do try to hold those at a minimum."

Councilmember Stroman stated, "I hate to see a 4 mill tax increase because landlords will be going up on rent. I do not want it and was going to vote against it, but I will vote for it."

City Administrator Yow replied, "If we had an ISO Class 5 or 7, residents insurance would go up more than the 4 mills."

Mayor Butler stated, "We do provide quality services and these increases are necessary."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to approve the First Reading of an Ordinance to raise Revenue and Adopt a Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2018 and ending September 30, 2019. This motion was unanimously approved.

City Administrator Yow stated that the City years earlier purchased over 130 acres from the YMCA to build a Recreational Complex. We are proposing tonight to purchase the remaining 18.084 acres from the YMCA for \$188,840 as we are making a sizable investment out there and the time is now while construction is going on.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve a Resolution authorizing the purchase of 18.084 acres from the Youth Men's Christian Association of Columbia, SC. This motion was unanimously approved.

Assistant City Administrator Singh overviewed the Lease Purchase process and Lease Agreement for equipment. The low bidder was BB&T at a rate of 2.69% in the amount of \$576,700 and this amount is budgeted in the Fiscal Year 2017-18 Budget.

A motion as made by Councilmember Haire, seconded by Councilmember Stroman, to accept BB&T as the low bidder for the Lease Purchase process and Lease Agreement for equipment for the Fiscal Year 2017-18. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Contractual Matter--MOU with Tri-County Electric Co-Op – Department of Public Utilities and (2) Personnel Matter--Municipal Court discussion on appointment of an Associate Municipal Judge.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to return to Open Session. This motion was unanimously approved.

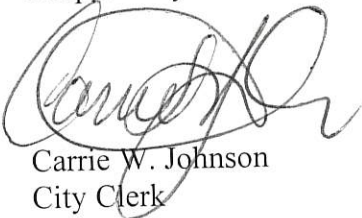
Council returned to Open Session.

Councilmember Stroman made a motion to appoint Judge Chasity Avinger to a two year term as an Associate Judge. This motion was seconded by Mayor Pro Tem Keitt and unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

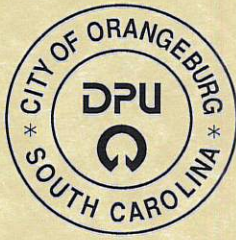
Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb





RESOLUTION

WHEREAS, Julia Cook Crutchfield, faithfully served the Department of Public Utilities of the City of Orangeburg for twenty-nine years, three months and twenty-nine days with a retirement date of June 30, 2018; and

WHEREAS, she, through her long and faithful service contributed greatly to the successful operation of the City of Orangeburg; and

WHEREAS, the City Council, in recognition of the fine contribution rendered to the City of Orangeburg, wants to inscribe on the records its appreciation.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Members of Council, in Council assembled, do officially recognize the faithful service rendered to the City of Orangeburg in the capacities in which she served and we take pride in commending her for a job well done.

BE IT FURTHER RESOLVED that a copy of this Resolution, in appreciation for her devotion of duty to the City of Orangeburg, be placed in the Minute Book of the City in recognition of her services.

PASSED BY the City Council of the City of Orangeburg, State of South Carolina, this 7th day of August 2018.



Michael C. Butler
Mayor

David Hairs
Pamela P. Knott

Jeffrey

William Keith
Paul J. Jones

Richard J. Starn
Members of Council

ATTEST:

Carlyle
City Clerk



RESOLUTION

WHEREAS, Ronald B. Heape, faithfully served the Department of Public Utilities of the City of Orangeburg for thirty-two years, two months and twenty-two days with a retirement date of June 30, 2018; and

WHEREAS, he, through his long and faithful service contributed greatly to the successful operation of the City of Orangeburg; and

WHEREAS, the City Council, in recognition of the fine contribution rendered to the City of Orangeburg, wants to inscribe on the records its appreciation.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Members of Council, in Council assembled, do officially recognize the faithful service rendered to the City of Orangeburg in the capacities in which he served and we take pride in commending him for a job well done.

BE IT FURTHER RESOLVED that a copy of this Resolution, in appreciation for his devotion of duty to the City of Orangeburg, be placed in the Minute Book of the City in recognition of his services.

PASSED BY the City Council of the City of Orangeburg, State of South Carolina, this 7th day of August 2018.



Michael C. Butler

Mayor

L. Zimmerman

James Haire

James

Chris

Richard A. Hanna

Dandra P. Knott

Members of Council

ATTEST:

Carol

City Clerk

**A RESOLUTION AUTHORIZING THE PURCHASE OF 18.084 ACRES FROM THE
YOUTH MEN'S CHRISTIAN ASSOCIATION OF COLUMBIA, S.C.**

WHEREAS, the City is the present owner of 133.264 acres of property located on or near US Highway 178 in the County of Orangeburg which is being developed as a recreational complex, and

WHEREAS, there remains a tract containing 18.084 acres owned by The Young Men's Christian Association of Columbia, S.C. contiguous to the City property, and

WHEREAS, the City desires to purchase said tract of land from the said YMCA in order to fully utilize the properties in the development of its recreational complex.

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL DULY ASSEMBLED, this 7th day of August, 2018 that the City purchase the above described 18.084 acres from The Youth Men's Christian Association of Columbia, S.C. for the consideration of One Hundred Eighty Thousand Eight Hundred Forty and no/100 (\$180,840.00) Dollars.

BE IT FURTHER RESOLVED, that John H. Yow, City Administrator in hereby authorized to enter into a contract for said purchase and to execute and deliver any and all other documentation needed to consummate said sale and purchase.

AND IT IS SO RESOLVED. August 7, 2018

Michael C. Butch
MAYOR

Sam Haire

Douglas P. Routh

Sam Haire

Richard F. Starn

Chris Ferguson

L. J. Harrison
MEMBERS OF COUNCIL



ATTEST:
[Signature]
CITY CLERK



A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT WITH ATTACHED PAYMENT SCHEDULE, PROJECT FUND AGREEMENT AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

BE IT RESOLVED by the governing body of the City of Orangeburg (the "Lessee"), at a duly called meeting of the governing body held on the 7th day of August 2018, the following resolution was introduced and adopted:

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of Equipment as described in the Request for Proposal and Exhibit "A" attached hereto, in the amount of **\$576,700.00** at an annual interest rate of 2.690% for three (3) years, by entering into an Lease Agreement with Branch Banking & Trust Company (BB&T) as Lessor and the City of Orangeburg as Lessee (the "Agreement") according to the terms set forth in the Bid Proposal from BB&T (Exhibit "B"). The Equipment will be used by the Lessee for the following purpose: To provide new and cost efficient equipment for the operation of City government.

RESOLVED, whereas the governing body of Lessee will take the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

RESOLVED, whereas the governing body hereby directs its legal counsel to review the Agreement and negotiate appropriate modifications to said Agreement so as to assure compliance with state law and local statutory law prior to execution of the Agreement by those persons so authorized by the governing body for such purpose.

BE IT RESOLVED, by the governing body of the Lessee that the terms of said Agreement are in the best interests of Lessee for the acquisition of such equipment and the governing body of Lessee designates and confirms the following person(s) to execute and deliver, and to attest, respectively, the Agreement and any related documents necessary to the consummation of the transactions contemplated by the Agreement.

Name and Title of Person(s) to Execute and Attest Agreement:

John H. Yow, City Administrator and Carrie W. Johnson, City Clerk

RESOLVED, the Lessee covenants that it will perform all acts within its power which are or may be necessary to insure that the interest portion of the rental payments coming due under the Agreement will at all times remain exempt from federal income taxation under the laws and regulations of the United States of America as presently enacted and construed or as hereafter amended. The Lessee hereby certifies that it has not issued or effected the issuance of, and reasonably anticipates that it shall not issue or effect the issuance of more than ten million dollars (10,000,000.00) of tax-exempt obligations during the calendar year, and hereby designates the Agreement as a "qualified tax exempt obligation", as defined by Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Passed by the City Council of the City of Orangeburg, South Carolina this 7th day of August 2018.



ATTEST:

[Signature]
City Clerk

[Signature]
Michael C. Butler
Mayor

[Signature]
[Signature]
[Signature]
Richard F. Starnes
[Signature]
[Signature]
Members of Council

City Council Minutes

August 21, 2018

2753

Orangeburg City Council held a Public Hearing on Tuesday, August 21, 2018, at 7:00 P.M., in Council Chambers with Mayor Michael C. Butler presiding. The purpose of the Public Hearing was for the following:

1. Public Hearing: Consideration of an Ordinance to Raise Revenue and Adopt a Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2018 and ending September 30, 2019
2. Public Hearing: Consideration of an Ordinance to (1) Adopt a Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2018 and ending September 30, 2019 and (2) Adopt Amended Gas Rates effective October 1, 2018

Public Hearing #1

Mr. Gene Gartman Jr., of Park Street addressed Council. He stated, "I am here to represent the citizens of the City, we just built a new Recreation Center on Broughton Street that you have to pay or rent it. We have parks and all of you have walked those streets to get re-elected. I ran unsuccessfully for City Council and I promised to keep taxes down and I have no desire to run again. I want to get behind you to look out for the interests of the citizens in Orangeburg. How can we make young people go to the new Recreation Complex when we have a lot of other facilities here? My concern is we are going to have to do with what we have. We have elected officials and others that work for the City. It is your job as holders of Orangeburg's trust for our well-being. We have people on fixed incomes. Four years from now, you will raise the taxes again. We need to look out for people. The new recreation complex will probably be annexed and bring in money. I urge you to look at your budget and don't spend fruitlessly."

Mayor Butler responded, "We have to provide quality of services in a timely manner. We are on point with our fire services, trash pickup and other services. We needed to do this to continue to be able to maintain the quality of services."

Hearing no other public comments, the Public Hearing was closed.

Public Hearing #2

Mr. Gene Gartman Jr., of Park Street addressed Council. He stated, "We have a new consolidated school district that has the potential of tax increases. I would ask that you re-look at your plans and look out for the public's interest."

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to enter into the regular scheduled City Council meeting. This motion was unanimously approved.

Council entered into the regularly scheduled meeting.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts

Richard F. Stroman

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the August 7, 2018, City Council Minutes, as distributed. This motion was unanimously approved.

2754
Ms. Lynn, Director of Communications for the Center for Heirs' Property Preservation made an appearance before Council.

She stated, "The Center is a non-profit organization that provides legal services and education to heirs' property owners. The project was started under the Coastal Community Foundation in 2005. Heirs' property is land that has been passed down without a will and keeps getting passed down without a clear title. These families cannot get a loan, mortgage or any financial assistance because of not having a clear title. It is more of a liability than an asset. There is a legacy and a history behind the land. We help provide legal services to provide a clear title. In the seven counties we began working with has 47,000 acres in 2012. We are determining what exists across the state. In 2013, now that families have of Heirs' Property clear title, what can they do? We were funded by the U. S. Endowment for Forestiers' and the United States Department of Agriculture (USDA) to launch sustainable forestry and African American land retention program. This has provided families with forest education and forest land management, technical assistance, connection to professional foresters and a connection to programs to manage their land for timber and also receive assistance financially to do so. Timber is a 21 billion dollar industry and people are taken advantage of as to what their timber may be worth. We are happy to report that we are expanding our service to fifteen (15) counties moving inland towards I-95. We are going to open an office in Orangeburg in a few months. We will have an open house and all are welcome and we ask that you become messengers in what we are doing. We will be working with families to maintain their legacy and create an asset. In the past, a lot of heirs' property was lost and there is an enormous distrust and fear to come forward and talk about it. We always come into a community and work with civic leaders, pastors, churches and councils to work with you to open doors for us in the community. We will come back and speak where we are invited so we can share this information in order for families to keep their land. We have three buckets of work which are the following:

- (1) Prevention, which is preventing growth of heirs' property through education, wills and probating estates.
- (2) Resolutions, which are direct legal services for a clear title to their land as well as family presentation tools.
- (3) Land Utilization, which is an opportunity to create forest land management solutions.

We look forward to working with Orangeburg and on September 15th, we will be at the Agricultural Center on Henley Street where we have had seminars. Please spread the word."

Councilmember Jernigan asked, "Are you non-profit?"

Ms. Lynn responded, " Yes, we are funded through foundations, SC Bar Foundation, Corporations, and donors as well as US Department of Agriculture (USDA)."

Councilmember Jernigan asked, "Are your services free to the public?"

Ms. Lynn stated, "The direct legal services are free. Sometimes there may be a cost for a survey or a title search. You can call anytime to see if you may or may not own heirs' property."

Councilmember Jernigan asked, "Where is the office going to be?"

Ms. Lynn stated, "It is on St. Paul Street and we will have an attorney, a paralegal and hoping to have a full-time forester."

Councilmember Jernigan stated, "Thank you for coming. Orangeburg has a need for this service. I appreciate you coming and look forward to the opening of the new office."

Mayor Pro Tem Keitt stated, "I am glad you are here so we will know where to send people."

Reverend Henry Smith made an appearance before Council regarding the purchase of the Edisto Creamery. 2755

He stated, "As I travel north on Highway 301 at the fork of Russell Street and 301, that corner tells a story for who we are as a people. I had a thought that this would make a great Welcome Center for the Edisto Memorial Gardens. My prayer is that the proposal I give to you will become a reality. As you can see from the proposal, you will get a better understanding."

Mayor Butler responded, "We will take this under advisement and we will read it and go over it and get back to you."

A motion as made by Councilmember Stroman, seconded by Councilmember Jernigan, to reappoint Mr. Francis Faulling to the Hillcrest Golf Course Commission for a term of three (3) years expiring July, 2021. This motion was unanimously approved

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to reappoint Mr. Joseph Keitt to the Hillcrest Golf Course Commission for a term of three (3) years expiring July, 2021. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to reappoint Mr. West Summers to the Board of Adjustments and Appeals for a four (4) year term expiring July, 2022. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to reappoint Mr. Willie Hubbard to the Board of Adjustments and Appeals for a four (4) year term expiring July, 2022. This motion was unanimously approved.

Concerning the Second Reading of an Ordinance amending the Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2017 and ending September 30, 2018, City Administrator Yow stated, "I went over in detail in the Budget Meeting and the prior Council meeting, the details are reflected in the minutes. Nothing has changed. The Airport final expenditures may be lower due to the bids that recently came in on the water and sewer project for the new hangar, but that does not affect the General Fund Budget totals."

A motion was made by Councilmember Jernigan, seconded by Councilmember Haire, to approve the Second Reading of an Ordinance amending the Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2017 and ending September 30, 2018. This motion was unanimously approved.

Concerning the Second Reading of an Ordinance to Raise Revenue and Adopt a Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2018 and ending September 30, 2019, City Administrator Yow stated, "We just had the Public Hearing on this and the details were also covered in the Planning Session and the prior meeting and are reflected in both meetings minutes. I would like to thank staff and City Council for your support. Therefore, we will be continuing our current level of services including a nationally accredited Department of Public Safety with a current ISO Rating of 2 and providing great sanitation services and also recreation programs for our youth and adults. This will allow us to continue the services that our citizens expect in this community."

Public Works Director Dean Felkel addressed Council regarding an Agreement with G. H. Smith Construction, Inc., in the amount of \$96,991.00 for the extension of water and sewer utilities at the Orangeburg Municipal Airport.

He stated, "This project is to provide water and sewer to the new hangar at the Airport as well as for future hangars and infrastructure. DPU will be providing power for the new hangar and future hangars. We will have water, sewer and electrical, not only for the new hangar, but for future expansions. DPU has been a great help. There were six bids from \$96,991.00 to \$210,276.00. The good news is that the low bid was substantially lower than what we had estimated. The estimated costs were \$242,000.00. Out of that, \$196,000.00 was designated for this construction. G. H. Smith Construction is from Columbia and they have worked with DPU and I would recommend that we award the bid to G. H. Smith Construction, Inc."

2756 Councilmember Stroman asked, "Is the \$2,000 for the seed? The only concern that I had was that they know what kind of seed to put down because they didn't put the right seed down ten years ago."

Director Felkel replied, "There are specifications and construction guidelines that he has to abide by, we will make sure that gets done."

Councilmember Hannah asked, "Since there is a disparity in the bids between the high and low, is the City getting every element you asked for in the low bid?"

Director Felkel replied, "Everyone bid on the same specifications and drawings. I know G. H. Smith Construction has done a lot of work in the past with DPU and everyone bids item to item."

City Administrator Yow replied, "When we have a contract of this nature, we generally have retainage we keep until we have signed off on the project and we are satisfied with the final results and the retainage would not be released until after we have approved the job."

Councilmember Hannah stated, "The reason why I ask is because Pepsi and Coke are both a soda, but there is a difference between the two. When we spend this money, I just want to be sure when we ask for Pepsi, we get Pepsi and when we ask for Coke, we get Coke."

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve authorization for City Administrator Yow to enter Agreement with G. H. Smith Construction, Inc., in the amount of \$96,991.00 for extension of water and sewer utilities at the Orangeburg Municipal Airport. This was a 6-0-1 vote, as Councilmember Stroman abstained.

DPU Manager Warren Harley presented the Second Reading of an Ordinance to adopt an Amended Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, SC, for the Fiscal Year October 1, 2017 through September 30, 2018.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the Second Reading of an Ordinance to adopt an Amended Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, SC, for the Fiscal Year October 1, 2017 through September 30, 2018. This motion was unanimously approved.

DPU Director Harley stated, "The budget remains the same as we discussed in the work sessions and the budget proposed is maintaining a safe and reliable system whereas the customers are getting the best service for the best price with a reasonable return on investment. Also included, is a gas increase on our core residential gas customers for just under \$5.00 per month for a typical bill. This does not include any rate increases on industrial customers."

Councilmember Stroman stated, "I don't like to raise taxes or fees; it is just something we have to do. It costs a lot of money to operate."

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the Second Reading of an Ordinance to adopt a Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, SC, for the Fiscal Year October 1, 2018 through September 30, 2019. This motion was unanimously approved.

Mr. Eric Odom, Division Director of the Water Division of DPU addressed Council. He stated, "The Lease Agreement currently is for a cell phone tower on our tank at 615 Dantzler Street. This amendment is to allow them to install a permanent generator which is not uncommon during storms for cell phone towers. Our current Lease Agreement allows for a portable generator and when approached about the possibility of a permanent generator, we felt this was a better way to set the specifications for noise control and location."

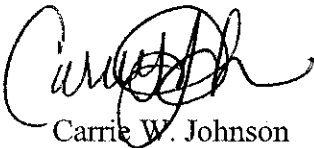
2757

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Jernigan, to approve a Resolution to amend the Lease Agreement between the City of Orangeburg Department of Public Utilities and SunCom Wireless Property Company, LLC, dated March 26, 2001. This motion was unanimously approved.

A motion was made by Councilmember Jernigan, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for a (1) Personnel Matter concerning City Attorney Compensation. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb



DPU PLANNING WORKSHOP
SPECIAL CITY COUNCIL MEETING MINUTES – JUNE 14, 2018

Orangeburg City Council and the Department of Public Utilities held a Budgetary Planning Workshop Meeting on Thursday, June 14, 2018 at 9:00 a.m. in the Assembly Room of the DPU, 1016 Russell Street with Mayor Michael C. Butler presiding.

Mayor Butler opened the meeting by welcoming everyone to the DPU Planning Workshop Meeting at the Department of Public Utilities.

Mayor Butler gave an invocation.

PRESENT: Michael C. Butler, Mayor
L. Zimmerman Keitt, Mayor Pro Tem
Bernard Haire
Jerry Hannah
Charles W. Jernigan
Sandra P. Knotts
Richard F. Stroman

The meeting was then turned over to Mr. Warren Harley, Manager of the Department of Public Utilities.

Manager Harley welcomed everyone to the meeting. He informed the Mayor and Members of Council that he will start with a brief overview. The Directors will inform you about the projects and plans they have projected for the upcoming year. There is a focus like last year on safety, workforce development and reliability. We hired a Safety Superintendent which is Wes Connelly. He is doing a great job for us. Because of Wes' dedication to safety to look deeper into issues, we are finding things that we need to do more intently to be safe. We are training more; we have scheduled training process throughout the year and being safe starts with that culture of safety. We are able to find areas of weakness and we will be spending a little more money in those areas. We don't have exact figures now but Wes has worked on a budget that we will bring to you during the budget process. We see that we need the biggest of those items as we go into the process of a comprehensive safety manual. We have one but it is not in an up-to-date comprehensive way that covers all of the utilities that we have so Wes is working with a couple of groups to get some quotes so that we can get that done. Also, pertaining to workforce development we have started in January the DPU Leadership Institute where we have managers and supervisors attend. We have done about six sessions which are monthly training where they are exposed to conflict resolution, communication training, how to deal with a diverse workforce, how to deal with a multi-generational workforce. There are five generational workforces here at the same time and we want to make sure we are equipping our leadership to deal with those people in the workforce, deal with each other so that they can communicate and understand how we get work done at a more efficiently, more productive level. We have exposed them to conflict resolution, how you resolve things in a proper environment. DPU needs to make sure that wherever we are and we are seen we are handling ourselves as professionals. No matter if you are on a backhoe or in the office, we are all still professionals. We are focusing on liability. DPU has been around for 100 years and some of our infrastructure is almost that old and we are in a situation where we necessarily need to start a comprehensive focus on bringing those utilities and their infrastructure into the 21st century and make sure that the reliability that we have maintained over the years is still there. Since I came on board we have had at least two catastrophic failures in our Electric Division with transformers at substations where we have lost power to as many as 2,000 people in one case. We need to make sure that we have a plan going forward on making sure we can replace those things in a timely manner so they don't happen and force us to do something at the last minute that would cost us more money than if we were planning it out in a methodical process. Having said all that, we will start with Josh Nexsen.

Director Josh Nexsen informed the Mayor and City Council that he was going to go over the goals and objectives of DPU and those are always to provide quality, reliable utility

2728
services safely at the lowest reasonable costs. Through the past year our overall electric usage is up slightly. One area of a week spot in the Electric Division is that the industrial load is down a bit and that is due to a number of large industrial customers have taken some lines down and a couple have actually closed. Natural Gas usage is up about 11% over the past year due to industrial load. Water and Wastewater usage are up a bit; we are starting to see more development/growth in the area. Department wide we are seeing a slight up-tick. There is a demand for labor which means people can go get jobs other places so we need to keep benefits up to keep them here. Manager Harley stated that as you know, we are in the middle of a compensation study on DPU and the City side and that is ongoing. We've gotten some preliminary numbers on that and our goals are to make sure that we are being fair and competitively compensating our employees. Based on what we have seen in the preliminary number we do not anticipate a big cost impact on DPU. There are certainly some positions and groups that are a little behind but we think from a financial aspect that we will be able to manage the cost pretty well and we will keep you up to date. Director Nexsen stated some overview operational points. In the Electric Division the usage between the two groups overall usage is up slightly but the primary industrial load is down a bit. Power supply and distribution costs are increasing; infrastructure replacement costs are increasing. In Gas we have some significant needs in that division to replace some aging infrastructure. Water and Wastewater have always historically operated at kind of a break-even point. If you look at the amount of assets tied up in Water and Wastewater and the net income we get off those two divisions, it is generally in the 1-2% rate of return. What you are seeing is a preliminary high-level estimate on revenues, cost of sales operating income for the upcoming year. DPU is in pretty good shape, but in the next 5 to 15 years some of the costs are going to be significantly higher; in some case it will be double what they have been in prior years on the capital side. We have a lot of transformers and substations that we got from the SC Electric and Gas Company that were basically gifted over to us that we will be replacing over the next 10-20 years. The budget estimates that the transfer to the City will be the same; we will work with the City regarding this. The DPU has around \$20 million cash provided by operating activities. In the upcoming years, out of that \$20 million, \$5.4 million will go to the City for the transfer and that leaves around \$15 million left. DPU will probably in the current year be budgeting to spend around \$15 million in capital improvements. We are going to draw down cash around \$866,000. DPU has around \$24 million cash right now. We would estimate at the end of the FY 2019 to remain in that same range. DPU does have \$30 million in an investment account. All those investments are invested in U.S. Treasuries and agencies in the U.S Government. None of these investments are in duration of more than 5 years and none of them are in buckets of more than one year. Manager Harley stated that one of the things Director Nexsen said was that our fund balance, reserve is pretty healthy at this point. Sometime people might give you a little flack about having healthy reserves but you are a utility and everything you do costs a lot of money with respect to infrastructure and the contractors that you have to get on board to do the work. In the event of a hurricane which is always looming this time of year for our area and any other things that can go bad in one of the divisions. Director Labrador had one that went bad this year, so in terms of being able to respond to those it's important that we have a healthy amount of cash and then keep in mind that we get a lot of our revenue from the industrial customers so if one of those closes down, there is a big exposure for us in that regard. Councilmember Keitt said that it was stated that in 1 to 2 years from now prices will go up; what will we do to camouflage that kind of thing. Director Nexsen stated that we are just saying that in general prices are going up. We look at what we buy; we look at what the price per unit is the last 3 or 4 times we bought it. Those things usually go up about 2 ½ - 3% every month. Manager Harley stated that we have been in a recession for the last decade and as we start to come out of that and things start to improve, we are going to start competing with people on buying materials and labor; this is generally when the price starts to go up on things. Director Durgin has seen this in a couple of his most recent contracts where we had an estimated project and the bids have come in a little higher than what we had expected. Director Nexsen stated that he wish he had a really good answer to how to deal with the rising prices but he doesn't. We always try to be as fiscally conservative as we can; we try to cut cost where we can. That is really your number one way to do it which is to control what you can control on that side of things.

Capital Projects

Administrative – Director Josh Nexsen

2729

Project #1: Replacement of Administration Software – Continuing Project – Director Nexsen stated that this was originally planned to be a 40 month project. The financial piece took about 18 months; we went live in July 2015 and then the customer information side which basically is everything that affects our bills going out and what customers see was done December 1, 2017. The bills looked different, the payment options were different, the website to pay on was different. It was definitely a big learning curve for our folks that we trained from 12-18 months. It still takes 6 months for you to know how to do your job on the new system. There are some things we could not test until we went live; they have worked its way out. We have seen our call volume go back to a normal level. We had very long hold times and that has resolved itself. We went about three or four months without doing any disconnections; we wanted to make sure that our customer base was familiar with the new bills, payments were being posted correctly. Manager Harley stated that with any software change you lose a level of productivity for about six months to a year because you are learning the new system and you have continuous ongoing training of employees but he feels we will have a better product in the long run. DPU has weekly meetings with our people to help to deal with and understand the new software. Our employees have participated in some statewide user groups as well. We are taking every measure to make sure we get a proficient system as soon as possible. Director Nexsen stated that DPU has some great employees who were very dedicated through that process; they worked through a lot of challenges; they worked with the customers. We came in about \$2 million under budget on that project. Manager Harley also informed City Council that the DPU website is being updated. It is not ready for rollout yet. As with anything new, there will be some learning curves for some people navigating the new website but it will look better and be easier to manage. Director Nexsen stated that this project is in the closeout phase and by the end of September of this year it should be completed.

Project #2: Economic Development Building Located in OCCIP – Director Nexsen stated that the DPU proposed in the past an economic development building two budget cycles ago. It was approved by City Council to go into the planning stages and when that happened there were several very large industrial economic development projects that came along and took precedence over it. We bring this back to say this is an option for us to continue to participate in economic development. Manager Harley stated that we want Council to really think about this project. Whether we should put this project back into the budget again for the FY 18-19 is your decision; especially in light of some of the things we will have to deal with going forward. It's good in that the goal you invest in a building you get that return back; it is not like you are sinking money into something that will not pay you back. Even in our conversations with the County as we talk through how we can partner together they have said to go after these types of projects because there is a quicker turnaround. We would need a quicker turnaround on our money if we are going to invest given the things that we've got to deal with going forward. Please keep that in mind and we will talk about this a little later.

Project #3: 1036 Russell Street / DPU Main Office Complex – Previously Approved Project – Director Nexsen stated that Project #3 was the corner of Russell and Cuttino Streets; and Cuttino and Oliver Streets as well. We had an original budget of \$400,000 and the total project ended up being around \$440,000. During that time there were a couple of change orders put in for Cuttino Street and Oliver Street regarding paving them. The City has both of those streets on its list of things to do in the upcoming year or two so we were able to get these streets paved at the same time that they had all the asphalt torn up and got it all paved and it will be no cost to the City. If you take those streets out we actually came about \$40,000 under budget for the project. We think it has improved the traffic flow on busy days. We definitely have seen fewer backing accidents.

Project #4: Operations Center Crew Quarters – Previously Approved Project – Director Nexsen stated this project is an Operations Center improvement to the Crew Quarters.

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When the original Operations Center was built, the warehouse and crew quarters were integrated into one building. The warehouse with the crew quarters along the front of the building was built in 1967, more than 50 years ago when the DPU was about a third of its current size. Those Crew Quarters have become very cramped for the number of staff members we have. Over the past year we have taken some steps to do some programming. Programming is where an architect firm comes in and talks to the employees and supervisors; they look at the kinds of work you do, your headcounts and they try to come up with a plan for the next 50 years. There is a fair amount of work to do because with the plan to build a new building it requires moving the existing laydown yard and other issues we have to deal with like the railroad right-of-way. Manager Harley stated that if we stay with the current design of the building we could use it to house out of town utility personnel when they are here to help with disasters and there are no more hotels available. Most of you have seen the current facility and it is not a jewel in our facilities treasures so we need to address this and get something that fits the time and the way we operate and do business as it currently stands. Director Nexsen said we think this will be a generational project; it will be a 50-60 year project; this isn't a 10-15 year project. For 20 years DPU has been growing at a pretty good rate; Orangeburg hasn't grown for about 10 years but it is not going to be like that forever. The challenges on this project is that you are reworking the current 6 acre site where all your inventory is. You have to move all that, build a building on it, redo all the storm water and build several big buildings subdividing the parcels out between the land that was purchased in 2004. You are revising a lot of the traffic patterns. Right now there are no clear traffic lanes and construction of the new Crew Quarters, Assembly Building and Storage Building in that project.

Project #5 – 400 kW Backup Generator for the Main Office – Previously Approved Project - Director Nexsen stated that during the loss of commercial power which hasn't happened a lot but when it does happen it can be real bad. Everything at DPU 20 years ago would be in a room like we are in putting pins in a cork board and writing down outages. Literally everything at the DPU is electronic now. There is a nerve center here that is fed by an air conditioner but it's not on a backup generator. Server rooms are kept really cold because if they get over a certain temperature they will shut themselves down so they don't have any damage done to them. Our current server supports our SCADA system, the outage system, the customer service system, the dispatching system which is all electronic now and it is not on backup. The computers are on a backup generator but the air conditioner that cools them is not. If we have an outage like we had in 2016 we are crossing our fingers hoping that it doesn't get too hot in there to shut down the server. This project should be done in the current fiscal year by the end of September; it may take a month or so longer than that but we are trying to get it done as soon as possible. This project was slated to be about \$600,000 and we think we are going to come in a little lower than that. The backup generator will serve the entire building.

Director Nexsen stated that this is a summary of all the projects. Project #1 again no expenditures in the upcoming year planned. Project #2 is dependent on City Council to give DPU direction. Project #3 – no more expenditures for the upcoming year. Project #4 will be a multi-year project which will take about 2 years/24 months to complete. Right now all we have spent is about \$150,000 on programming and planning. If DPU got authority to proceed with that project we would go ahead and have the dart speck and the design speck and create a request for proposal that goes out to contractors. It would be a competitive bid process that would not be done until after October 1st if we are given approval. Project #5 we hope to have completed by the end of this fiscal year so there would be no expenditures in the upcoming fiscal year for this project. Manager Harley asked if there were any questions. The Operations Center was one of the things he sent to Council ahead of time because it was a significant project and Manager Harley wanted to make sure Council had a chance to look through it if case they had any questions.

Electric Division – Director Wade Holmes

Director Holmes informed the Mayor and City Council that the Electric Division has eight capital improvement projects for FY 2018-2019.

Project #1 – 115 KV Transmission Line Extension to Highway 601 Substation #10 – Previously Approved Project – This project will provide more reliability to this substation and will cost around \$1.90 million. 2731

Project #2 – Rebuild – Highway 601 Substation #10 – Previously Approved Project - This substation serves the Highway 601 area which is one of the fastest growing areas on our system. We will be placing that substation on the 115 KV system. This is important because from SCE&G we have seven delivery points, four at 115,000 volts and three at 46 KV volts. With the future of SCE&G up in the air, we don't know if they will be able to provide that 46 KV voltage to us or if we went to another transmission owner service provider whether they will have that 46 KV voltage. The 46 KV voltage is old and antiquated; most transmission owners operate at 115,000 or 230,000 volts. We at DPU have to redesign our thought patterns when we are building substations to create a more self-sufficient 46 KV system if we keep those substations.

Project #3 – Rebuild – Goff Avenue/Claflin/SCSU Substation #17 Upgrade – Previously Approved Project (On-Hold) – This project is on hold right now; we are still going to rebuild that substation but we need to do some re-engineering of how that station is going to be fed; it is a 46 KV system.

Project #4 – Peak Shaving / Wastewater Plant Generator – Rowesville Road Substation #20 – Previously Approved Project On-Hold – This is a 2 megawatt generator that we were going to put at Substation #20. That project was going to give us cost benefits through the end of our contract with SCE&G. If that contract got renewed we would get a credit for having it. At this time we are going to cancel putting that 2 megawatt generator at Substation #20 because we don't know what the future holds for SCE&G.

Project #5 – City of Orangeburg Street Lights Upgrade LED Lighting – Previously Approved Project – This is our street light project which provide LED lighting. These lights have a longer life cycle. This project will be completed by the early November 2018 timeframe.

Project #6 – Rebuild – Substation #18 (SI Group) – Previously Approved Project – This project is a rebuild of Substation #18 on Cannon Bridge Road. This is the feed point of our largest industrial customer the SI Group. This substation is roughly 40 years old and is on our 46 KV system. We want to take it off that 46 KV system and put it on the 115 KV system which will make it a lot more reliable and have that added capacity for when the SI Group starts to expand.

Project #7 – Rebuild – Substation #1 (Bull Street) – Proposed Project – This is a new project for Substation #1 on Bull Street. This substation is 50 years old and it is past its life cycle. This substation feeds to the Water Treatment Plant which is a critical asset for the Water Division. Back in August of 2017 the transformer at that substation experienced a catastrophic failure which was due to age because the material inside the transformer started to break down which caused one of the insulators to blow out. This substation feeds roughly 2,000 customers and as well as the Water Treatment Plant. Manager Harley stated that we currently have no spare transformers and we were trying to find one. Director Nexsen said that there was not one transformer in the eastern United States to replace it with. Manager Harley said what we had on the yard wasn't a perfect fit and Director Holmes will explain what was done. Director Holmes stated and showed on a slide where they had to do some creative engineering to actually make that spare transformer to work. The fix is not technically ideal but it works. The new transformers for Substation #1 and Substation #12 were ordered right after this failure and they will be in and on sight in July of this year.

Manager Harley stated that this highlights the issues that we are going to see regarding as this system continues to age. These substations run 24 hours a day, seven days a week and sometimes in extreme weather.

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Project #8 – Rebuild – Substation #12 (Berry Street) – Proposed Project – This Substation is behind BB&T Bank on Berry Street. This substation also has that unique connection that you do not find anywhere in the world anymore. When they built the system that was the thing to do but now any transformer that DPU purchases we will make sure that it is more of a standardized unit so that we can plug and play at any substation that we have. Manager Harley stated that because of the age of the units at Substation 1 and Substation 12 they don't make parts for them anymore and you would have to get them fashioned. Director Holmes stated the transformer has shown through testing that this transformer is worse than the one at Substation 1. It is not a matter of if it is going to fail but when it is going to fail. We are on a rush timeline to get it changed before that happens.

Gas Division – Director Dave Durgin

Director Durgin stated that the Gas Division has two major priorities; the first is safety our number one priority to our employees, customers and to the general public and the second is reliability. Customers expect service 24/7 whenever they need it and wherever they need it with minimal interruption. One of the challenges the Gas Division has is if Director Holmes has an electric outage he can flip a switch and reconnect customers but for the Gas Division to reconnect 25 people we have to turn every one of those folks off. We have a procedure that takes several hours and then we have to reconnect each customer individually which can take up to a day to complete so we try really hard to provide reliable service because in the end that is the most cost efficient way operating.

Director Durgin stated that for 2019 they have identified a number of areas of concern on our existing system that we feel need to be addressed to help us provide that reliable service. To help pay for that, we also continue to seek new opportunities for growth and the good news is that we are in talks with several large users about extending usage to those facilities. The DPU gas system started in 1954 which makes us 64 years old. When the system was originally installed it was an all steel system. One of the ways that we protect steel natural gas pipe is with a methodic protection system which is a fancy way of saying that we put an electrical current on it that prevents it from corroding. Unfortunately that wasn't a common industry practice until the mid-1970s so from a third of its life the pipe was underground and unprotected. That means that any corrosion that occurred at that time wasn't reversed; whatever damage was done, was done. We are now beginning to see the effects of some of that now. Our steel pipes that were installed in the 50s and 60s in high concentrated areas of people and commercial activities. We are meeting all pipeline safety regulations and have passed all our inspections but we must find ways to deal with our infrastructure in a cost-efficient manner. We have identified characteristics to prioritize our replacement program. Obviously pipes with a leak history, pipes further from our methodic protection system – the further you get away from the sourcing of the protection system the less protection you have. The pipes closest to the source have the most protection. Councilmember Haire asked with what we see happening regarding explosions around the world, are we looking at that kind of situation with our aging system. Director Durgin stated that it is not impossible but a lot of those situations that have occurred are leaks on the customer side of the meter. One of the threats that would involve what you are discussing would be what we call a cross-four type situation which is when a gas line happens to be installed inside a wastewater line and it causes an issue where a plumber may come and clean out a wastewater line and it causes gas to fill up a house. We have not had that situation and in our construction practices that we do and we try to mitigate any of those situations. Manager Harley stated that one of the reasons we sent you information regarding our 25 year planning is so that we don't get to a point where that kind of stuff is happening on our side of the ledger. As he has met with all the department directors over the last year and a half, Director Durgin has stated gas is an optional utility. In other words, people can decide not to use gas but the other three utilities they have to use. What causes people to opt out of using gas is if they feel like it is unsafe and we need to do everything on our side to make sure that we are able to deliver it in a safe manner. If our system starts to degrade where we can't keep up with it we would probably lose a generation of customers. We are at a point now with the age of the system we won't be able to stay ahead of the need to repair and replace and

the cost will be more if we continue to patch instead of doing some of the wholesale improvements that is needed. Councilmember Jernigan asked if more customers are changing to gas or going gas when they build a house. Director Durgin stated that typically we have gotten 95% of new construction but we also have not had a lot of new construction in the area recently. Mostly we see water heaters, fireplaces and furnaces. Stoves are probably about 30% of new construction, dryers are about 20%. Manager Harley stated that one idea that we have discussed but have not brought to you yet is that some utility companies have encouraged in a more aggressive way people changing over to gas. Director Durgin stated that we actually have a rebate program available to our core customers in Orangeburg. He stated that we talked about our steel pipe is at risk but the good news is that our high pressure loop that goes around the City has shown to be in very good condition. It is really our low pressure distribution system that has more issues. We have come up with a five-year plan to address our most critical concerns. We are proposing investing a million plus dollars a year in upgrading the gas system; this is a 20-25 year plan. At the end of it we are still looking at having pipe in the system that is 90 years old but we are going to address the most risky pipes that have the most potential of causing us issues. For the following fiscal year we are looking at addressing pieces of Russell Street and Belleville Road and after that along Riverbank Drive and other low pressure areas. Councilmember Haire asked about the Ellore project. Director Durgin stated that the Ellore Project is completed. We are currently hooking up customers; we have 4 that are fully connected at this time, we have another seven services that are being run this week. We have a goal of getting 100 services within the first three years; we are 11% to our goal with three months into the connection period. Manager Harley stated that one of the challenges Director Durgin has run into is plumbers. Director Durgin said that DPU is a utility distribution company and we are all dependent on contractors, electricians, plumbers to do the customer-side of the work to be able to take our utility. With Ellore being a new area there is not a native group of plumbers doing gas work and so that group of plumbers is being identified now. Manager Harley stated that will help to speed up the process. Councilmember Stroman asked how many new customers from the Oaks to Santee. Director Durgin said the DPU has only picked up two or three; we are expecting more of a commercial development to occur near I-95 to the intersection with it and the County has also contacted us about their future plans for the Jafza Park.

Water Division – Director Eric Odom

Project #1 – 10" Water Main Replacement along Shillings Bridge Road – Previously Approved Project – This particular section of water main we have had 12 breaks on record, 7 in the past six years. It has become a problem area for us because it can significantly increase the likelihood of contamination to the system every time we have a break. There are no street lights in this area, but also in this particular area the water main is almost underneath the roadway and traffic along this road tends to go very fast so it is a safety concern for our employees at night so we do the best we can with it now. This project has somewhat evolved since we started the design process; we are still projecting to get this project completed this fiscal year. We ran into some wetlands issues and had to hire an engineer to go out and do some mitigation for us. The good news is that once he did all his work we found out we are not going to have to go into the wetlands so it is going to save us time and money. We are planning on bidding this project and will receive bids July 11th.

Project #2 – 1954 High Service Pump Station, Engine Driven Pump Station and Chlorine Scrubber at the Water Treatment Plant – Previously Approved Project – This is a previously approved project. The good thing is that the pumps were probably built better than you could buy anything today so our plans are to reutilize those existing pumps and have them rebuilt. We will send them off to a factory that specializes in this type of repair and they will be rebuilt back to the 1950's standard that you cannot buy today. This project has evolved overtime; we had planned on rehabbing the entire 1954 Pump Station, we have looked into that building extensively since Council approved us to get started with this project last year and we have decided to move some of these pumps. One will be moved to a newer building and add the other one on our Clear Well which will get us up to our 30 million gallon a day permitted capacity by DHEC and improve our finished water pumping capacity for the next 20 years. The Chlorine Gas

Scrubber was put in the year 1999. Chlorine Gas is not conducive; it will corrode. We will be replacing this Chlorine Scrubber as part of this project also and it will hopefully give us another 20 years of life.

2734 Wastewater Division – Director Richard Labrador

Project #1 – Biosolids Dryer Replacement - Director Labrador stated that our sludge dryer will need to be replaced. The original dryer was purchased in 1997 and it was then replaced in 2004. There were issues with the first one and it never really met the design requirements so the 2004 purchase was kind of a trade in finance. Fast forward and several months ago the dryer finally quit working. It had a 10 year design life; we got closer to 13 ½ years out of it. The idea all along was either to purchase another dryer or wait for it to fail because we were not happy with its performance and then purchase another but in the meanwhile go to the landfill. We are now going to the landfill and are looking at replacing the dryer right now. It will eliminate the landfill hauling and the disposal costs that we are paying right now. The hauling and landfill disposal is costing around \$30,000 a month. Manager Harley said that Director Labrador told him the problem with landfill costs is you are subject to their will and they can either tell you not to come anymore or push the price up even more. Director Labrador said the landfill is owned by Waste Management; the County landfill cannot take sludge from the plants. The plants that have sludge that go to landfills are scheduled D landfills that are lined and they protect the ground water, etc.; they handle scavenger type waste and household waste. We will continue to dry with newer technology and a more reliable machine. What we have been looking at will produce the volume and increase the quality of our solids and the drying produces that Class A Biosolids that we can sell or give away as soil amendment. Before the dryer quit on us, we were selling the Biosolids to a local farmer. We have a contract where they come and pick it up. We charge them a modest fee for selling them the Biosolids. The best thing about the newer machine is that we will keep a smaller footprint that allows in the future to get a second machine if we ever need to expand and get a larger machine we will have a second one for reliability. The building that we have was originally built to handle two machines and we will not have to build a new building. We also will keep our tracking down in the plant because right now we have the trucks from Waste Management taking three loads a day and that is why it cost so much because we generate a lot of stuff and we have to pick up the containers that we fill up and then haul off to the landfill so that is where the cost comes in. We have already started preliminary engineering and will have some more details regarding what we have to do. Director Labrador stated that he feels we will be able to reuse most of the equipment that we already have and may need to make some modifications but not too many. The main cost will be in the engineering and the machine itself. Manager Harley said that we will know more specifically after the PDR is done but in lieu of being hostage to the landfill and that price going up we need to be able control our own destiny in how we manage this and we have talked through it and the best option at this time is for us is to replace the dryer.

Manager Harley asked if there were any questions. He then invited Consultant Tom Sullivan to give his presentation. His presentation will be about our rates and where we are and in light of some of the things we have to do going forward.

Consultant Presentation

Consultant Sullivan gave background information regarding what has happened in the recent past. Electric base rates were changed in October 2015; the bulk of the electric revenue is the power supply cost and we change that twice a year based on what our supplier costs are. The gas rates, the residential commercial rates were last changed in 2009; the industrial rates which really only affected about a dozen biggest customers were changed in 2013. We had originally included a residential commercial rate at that time. He stated that we did make some modifications to the transportation rates a little over a year ago and that was primarily in response to our larger industrial customers and also to have rates available for some of the larger projects that were going to come in with potentially really high volumes. This time last year he had recommended and it was approved by City Council the third of the three-part phase of

water and wastewater rates that had started back in 2014 which went into effect in the beginning of the fiscal year that we you are currently in. Overall, Electric usage is up 3% and that is primarily because this past winter was colder than the prior winter. The winter before this past winter was one of the warmest winters we have ever had in Orangeburg. A large part of that weather benefit was offset by the fact that our industrial sales have been down; they have been down virtually every month this fiscal year and a lot of that is due to retooling and shutting down of some lines which hopefully are temporary. Potentially what is happening with industrial customers is when they change out equipment the equipment they put in is technically more efficient. When SI Group switched their boilers we thought we were going to get a big uptake in load but we didn't get a lot and some of it was because they replaced the boilers with a much more efficient system and even though they were using more gas and energy there were some ups and downs as far as electricity goes. Gas usage was up quite a bit because of that colder winter and also there were two large industrial customers who added loads in the last year. Water usage is up and revenues are up 11% primarily due to the rates increase that was approved last year. Wastewater usage has been flat; wastewater revenues are really dependent upon surcharges and those get reevaluated on a regular basis. The 8% increase in revenues is attributable to the rate increase that was approved last year. Consultant Sullivan stated that he was mostly going to focus on the gas and electric divisions. Over that last 15 years most of the large projects that have been done have really been on water and wastewater. Because of the cash flow generated by the gas and electric divisions we were able to finance a lot of that; especially the water work just from internal funds. We were anticipating starting to use the gas and electric cash flows on the gas and electric systems and that was a large input to why we borrowed money from the SC Water Quality Revolving Fund Authority to fund the Wastewater Plant. We have done some internal analyses looking at the aging facilities on both the gas and electric systems and have done some estimates of what to replace those facilities would cost. The substation upgrades in the electric division that Director Holmes talked about will eventually include poles, conductors and feeds that are also 50-60 years old. Over the next 10 years we are talking about \$130 million. We also have the gas extension projects, the special projects and those customers pay a higher rate. These projects are designed to have the customers that are served off of those systems pay for those systems within a 10-15 year period. The existing older system is not subsidizing those systems and those systems really aren't subsidizing the current system; but once they pay for the system they will have paid for everything and the customers will be contributing positively to the rest of the system. The infrastructure that Dave was talking about was really on the old, not on the special project systems or the outlying areas but really on the old core original system. As Director Durgin discussed, they need to replace the old steel mains and there is also service lines that are connected to those mains so when you replace the mains you also replace the service lines. The estimate on that is probably in the neighborhood of around \$35-40 million over a longer period of time. As Director Holmes stated, the issue with the substations is probably a little bit more severe because all of the substations we got from SCE&G are all of the same era which makes it a higher sense of urgency to replace them. With Director Durgin, he was able to identify the worse stuff and they are able to prioritize it; he can do that in a more systematic way. Historically the Electric Division has been the primary source of the cash finance projects for not only the electric but the water and wastewater divisions. They account for 75% of the transfer, 75% of the revenues, probably 80-90% of the profits. Consultant Sullivan said that they met yesterday to begin the initial phases to determine what is the most optimal way to pay for these improvements. Our existing rates cannot support \$170 million of capital projects. What we are looking at is ways to potentially finance those projects over a longer period of time. We are looking at finding the optimal mix of using internal funds and maybe some debt financing in order to mitigate the rate impact. The plan is to more fully develop that plan over the next 12 months to give you an idea of the longer term financing and the rates that potentially will be needed to support that next year. This year the rate discussion is really to discuss the gas rate that we have been kicking the can down the road for the last five years. Manager Harley stated that the first part is just identifying what the needs are and costs. Now we have a pretty good handle on what Director Holmes and Director Durgin need in terms of what needs to be done. The next phase is sitting down with the group and figuring out what the recommendation will be to you how we proceed. One thing he wants everyone to keep in mind is we need to

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have a really healthy reserve because of what we are exposed to so theoretically you can spend a lot of cash to do some of this stuff but it would not be the wise thing to do based on how we are exposed to storms or the failure of our equipment and the costs to replace and repair. We want to make sure we do a mix where it keeps our cash on hand pretty healthy and manage to keep Council from doing gigantic rate increases; we need to balance that out across the board. Consultant Sullivan stated that for the last 10 years the Gas Division's projects the DPU has not really been growing; adding facilities. It has really been kind of a maintenance mode and when we shift into more of a renewal and replacement mode you are likely to see that staffing needs will need to be changed in order to manage all of the work and operate the facilities. You need to be able to keep your existing customers happy, you need to maintain the system, you need to do renewals and replacements, and you need to be responsive to growth. Councilmember Keitt stated that she is glad to see more emphasis placed on maintenance. Consultant Sullivan said that when we put stuff in the ground it is brand new and you don't really have to do much. If the methodic protection wasn't done in the 60s the gas pipes would have been gone 25 years ago. There are things that have been done but some of the construction practices that were used that were thought to be able to last forever weren't tested years back and come to find out they aren't as good as everyone thought they were. When it gets to be real bad we rather replace the whole thing than continuously patch different areas. Manager Harley said that DPU is no different than any organization that when you go through lean times like the last 10 years from the recession to tend to try to hold on in a different way and most local government agencies don't want to raise rates or taxes so they try to go into a mode to sustain and kicking the can down the road. It is a reaction that may not have served a lot of organizations well because probably the best time to start doing some of this work is during those lean times but it is hard to do. Consultant Sullivan said the DPU has historically been very conservative from the standpoint of borrowing money and sometimes if you are just trying to do projects based on the cash you are generating that limits your scope. The water improvements that were done several years ago for \$20-25 million used up a lot of cash that basically deferred some the stuff that Director Holmes and Director Durgin were talking about. We are talking about something that is on a fairly large scale that will take a long time so it makes more sense to do a more reasonable balance of cash and debt financing. When we look at the revenue number for the DPU it is \$100 million; \$70 million of that is electric and 75% of that electric is money to be paid primarily to SCE&G to buy electricity which is just a straight pass-through. Our revenue number tends to be a little bit inflated because we are not producing the electricity and the gas; we are paying third parties to provide it. We manage this on both gas and electric very closely. We monitor this every month and we adjust the rates on gas every month and electric we do it every six months to make sure that we are collecting our power costs. We don't try to over-collect and we certainly don't want to get into a position where we are under-collecting because a lot of this is driven because the Nuclear Plant is not being built. If Natural Gas prices goes up this goes up. Fortunately gas prices have been very stable but we have history in the past where prices were much higher and much more volatile so we always have to be really cognizant and monitor and work with that closely. On the Electric Division right now because we just had the rate increase three years ago we are not proposing any rate increase; we think we can cover this year but as we prepare this plan over the next year there is probably going to be some mix of rates and debt that we are going need to look at on electric in the coming years. We are expecting the infrastructure on gas to be about \$30-40 million over the next 20-25 years. The existing rates are insufficient to support these and the increasing costs. The special project rates have a surcharge. Those customer pay a much higher rate for 10-15 years to pay for their system and once their system is paid for the surcharge goes away and they revert back to the system. Those projects and the feasibility of those projects whether we do them or not are based on whether we connect enough customers to pay for them. If we can't connect enough customers we project to pay for them we don't do the project; these are basically self-paying projects. The Gas Division, after the transfer, generally averaged just under \$1 million a year in net income and a little bit more than that in cash. The audit he just got from Director Nexsen is half that and that is just the erosion of increasing costs, increasing transfers is a part of that, benefit costs, material costs; all of that has just eroded that down and he is projecting that it will continue to erode and once those capital projects start kicking in the numbers will obviously, without increases

in rates, we will not be able to afford the capital projects. Consultant Sullivan said the last major rate increase on gas was 2013 and that particular recommendation that was made at that time was \$325,000 a year for residential and \$290,000 for industrial. The industrial rate was approved but the residential was not. Our core residential customers are not covering costs and are not generating enough cash flow to replace the old system. An average residential customer if you take out gas costs contributes about \$176 a year in margin. The actual cost of that is almost double that, it's like \$350, so in order to make up that gap you have to actually to increase rates by \$14 a month. He is not going to suggest that. The industrial rates are recovering the costs. The other concerns we have on industrial rates are that they are much more of a competitive market. In some cases they can burn a different fuel, in some cases they can actually direct connect into the pipeline and just eliminate service from the DPU altogether if we charge too much. Most of the companies here have plants in other locations and so they are always looking at what we are charging versus what is being charged at those plants and occasionally we have started to get some feedback that our rates on industrial are bumping up against the maximum that we can charge. Director Durgin stated that those companies that have multiple plants internal projects are competitive within the plants that they own and we have received feedback that the Orangeburg plants may not be as competitive as some other their other plants located elsewhere. Consultant Sullivan said we have become really sensitive; some of the response regarding the change to the transportation rate earlier was to recognize that the rate we had in place was probably impediment to customers adding incremental capacity to their plants so we put an incentive in the rate where if they use more than they have historically used they can use at a lower rate and that has worked for one customer. The problem we have is that we have a pretty big infrastructure that is really being supported by our industrial customers primarily and more of that load is going to need to be picked up by our residential and commercial customers. In order to meet that deficit he has developed some rates to demonstrate what source of rate increase would be needed to meet the deficit. For the core residential customers in the City their annual usage is 400 therms and that translates into an average monthly bill of about \$34.31. The rates that would be needed to meet that deficiency would be raised to \$39; that would be about \$4.69 a month increase. The core commercial customers are closer to \$11. Even though we are talking about a lot of infrastructure replacement and it is expensive and an increase in rates, the good news is we are starting from such a low comparable level that even with the increase we have and potentially increases down the road, we are still going to be highly competitive and among the lowest in North Carolina and South Carolina. Manager Harley said that one of the things is you never want to be in a situation where we have the amount of infrastructure replacement needed to be done and at that higher level; that would have meant you had not used your money wisely. Over the last 15-20 years DPU has maintained lower rates, maintained quality service, done a great job but it also means we have room now to tackle the problems at hand. Consultant Sullivan stated that we want to have a plan in place to do it and also having a plan in place to pay for it. Ultimately part of that is paying for it through higher charges. In reviewing the infrastructure plan we are not only looking at gas and electric; we also need to be cognizant of what the needs are on infrastructure in water and wastewater. Manager Harley stated that we would propose that we do a rate increase on gas. We are not ready to give you a number on electric yet; we want to be on point so that as Council talks to customers and citizens you can rightly defend whatever you decide to do as a Council. We are comfortable where we are and what we need to do starting now on gas to give you that projection. As we develop the plan further we will be able to come back and tell you where we need to go from there. Consultant Sullivan said this is the increase we asked for in 2013 and it just goes up every year; this is almost a catch-up to get us where we thought we should have been five years ago. Manager Harley stated that Council has been careful and considerate of the customers and that is why we only bring this to you when we've dug into it and it is really at this point that the best option for us is to propose raising gas rates; we will do only what you tell us to do. Councilmember Stroman asked if they could go back to discussing building a spec building in the Orangeburg County City Industrial Park. He said the he feels we should move forward with the project. Manager Harley stated that he really wanted Council's feedback on this project as well as the rates. We thought for the last two years this is something that we felt is doable and a wise decision that made sense to do. It is probably still in his opinion over giving cash

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to deals, over seeding projects with cash; it's probably the most doable and sensible step forward for us because we will be able to turn that quicker than anything else we would do other than building a new project for a company that has already decided to come. Please keep that in mind when you think through all of this or you can put it on the back burner and say we want to hold off because I have reached out to the County on several occasions to try to get their feedback on what they think they are going to be looking to do going forward. Manager Harley said he has not received feedback from the County; it really would be helpful if they shared what they are going to do. He said that he is a planner and likes to know what is next as much as possible because he doesn't like to bring Council any surprises. Sometimes things are unavoidable but he has been talking to the County to see what their next steps are and what type of help they want from us. Councilmember Jernigan asked where DPU is looking to build a spec building – in the OCCIP or at the airport. Manager Harley said he has spoken to the County about their view of this and we have talked internally and with the City, Mr. John Yow, what he thinks; either one of the areas works for us in terms of the services we provide – we get a return on all of them. We wouldn't want to put a spec building anywhere we don't have electric and gas at the top of the list. We just need from the two governmental sides what makes sense. Councilmember Jernigan asked if DPU has infrastructure at the airport. Manager Harley said we have everything at the airport as well as at the OCCIP. Director Labrador said the only thing that is different is that one area is in the City and one area is in the County. There will be more of a return on the area in the City. Manager Harley said that if you do the airport, that is a tax base for the City and revenue for DPU as well. The County is still working through their budget which is a July to June budget so hopefully they'll get their things ironed out and then they will sit down with us and talk through what they may be expecting us to do going forward.

Manager Harley informed Council that what he sent to them earlier was a request for them to consider in lieu of a City vehicle for the manager to allow him to receive a car allowance. That would mean he would not receive a car directly from the City. All the gas, all the responsibility, maintenance of that vehicle would be on the Manager and not the City; it would be in lieu of what we currently have in the budget to spend this year for a City vehicle which is around \$43,000; it is basically a replacement of the current vehicle that he is driving. He simply asks that if Council be inclined to do a car allowance in lieu of that so you would not make that car purchase. Manager Harley stated that it is a great deal what he has now but he wishes to forego some of those benefits and receive the car allowance. Councilmember Stroman made a motion to accept the request of Manager Harley to receive a car allowance of \$750 a month, second by Councilmember Keitt, approved unanimously.

Manager Harley informed Council that they do not have to vote on a gas rate increase now and he will not bring it to them at the Special Council Meeting if they are not inclined to consider it.

Mayor Butler thanked everyone for the direction that the DPU is going in. As Mayor, he sees cohesiveness between the Manager, Directors and Administrative team. He likes that everything that was requested for the various areas is in order to improve the services of DPU and to give our customers better quality services. He stated that he is really impressed and hopes that Council will be able to meet most of the needs. Mayor Butler said he appreciates what DPU does and the leadership. Manager Harley stated that all five of the Directors do a great job; they try to shoulder the burden to make sure everything goes right in their areas and they own it. Each and every one of them takes it as a personal responsibility to do a good job; they are not to be taken for granted. Councilmember Haire asked when will we deal with the rates. Manager Harley said DPU will bring the rates up in the budget. He was waiting on a clear indication or consensus one way or the other and what he takes from what he hears is that most of you are in line with considering that further so it will be in the budget. Councilmember Keitt thanked DPU; she really appreciated the updates regarding infrastructure and the foresight of what is needed and what has to be done. It is a blessing to us to see you putting a plan together to address these issues. Councilmember Stroman thanked DPU for what they do; it is very professional and you do a good job. I am proud of you; I complain about rates because people complain to me.

Councilmember Haire made a motion to adjourn the meeting, second by Councilmember Keitt, approved unanimously. The meeting was adjourned.

Respectfully submitted,

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Carol E. Franklin

Carol E. Franklin
Executive Administrative Assistant to the Manager
Department of Public Utilities

CITY COUNCIL MINUTES
SPECIAL CITY COUNCIL MEETING – AUGUST 14, 2018

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Orangeburg City Council held a Special Meeting on Tuesday, August 14, 2018 at 5:30 p.m. in the Assembly Room of the Department of Public Utilities, 1016 Russell Street with Mayor Michael C. Butler presiding.

Mayor Butler opened the meeting by welcoming everyone to the Special City Council Meeting at the Department of Public Utilities.

Manager Warren T. Harley gave an invocation.

PRESENT: Michael C. Butler, Mayor
L. Zimmerman Keitt, Mayor Pro Tem
Bernard Haire
Jerry Hannah
Charles W. Jernigan
Sandra P. Knotts
Richard F. Stroman

The meeting was then turned over to Warren T. Harley, Manager of the Department of Public Utilities.

Budget Presentations
Manager Warren Harley to Mayor and Council

Manager Harley proceeded by thanking the Mayor and Members of Council for taking time to attend the Special Meeting. He informed City Council that the proposed 2018-2019 budget is designed to meet all the needs for our upcoming year in terms of providing resources to maintain reliability, maintain safety standards throughout the entire department and all divisions. We also have provided resources that might provide a little increase to employees which we will go into with a little more detail shortly. Also, if you look at the very back of your notebooks we have "Department Wide" which is all of the equipment and other items that are routine throughout the department; we can go into as much detail in that as you would like. Most of the presentation today will be those big ticket items and capital expenditures in each department. We also will discuss a rate increase for the Gas Division. We will go into that in a little more detail after the divisions have given their presentations and we will talk through the impact of that rate increase and what it would mean to the department going forward. Manager Harley said we will start with Director Nexsen; he will give you a brief overview of the financials and then move directly into his Administrative Division discussion. Manager Harley asked if there were any questions.

ADMINISTRATIVE DIVISION – OPERATIONAL AND CASH FLOW BUDGET
JOSH NEXSEN – DIRECTOR

Director Nexsen welcomed the Mayor and Council. He said that as always, DPU is pleased to present to City Council it's operational and capital budgets for the upcoming year. The operational budget details all the changes in DPU's net position for the year. The details of those changes are in your binder on the first few pages and are broken down by division and the department wide total. Operating revenues are projected to be down just slightly; the offset is in purchased gas and electric. Offsetting the decline in sales we don't project those to be very large, just around 1%. Total expenses are projected only to increase slightly over the upcoming year, around 1-2%; the primary being depreciation which has about a 12-13% increase in the upcoming year and that is primarily due to the fact that DPU has spent a lot more on capital improvements than it has historically. Once those things start depreciating, you realize your expense once that starts happening. The total revenue for the budget is \$104,939,000; this is in the Public Notice. This is operating revenues, non-operating income and the capital

contribution, which are reimbursements for outlays of capitals that we buy from other parties. In this case it is a utility extension which we will go into later in the meeting. Also things like the Penny Project show as capital contributions. Total expenses of the budget will be \$91,489,000 which is the total costs of sales, operating expenses and general fund transfers to the City of Orangeburg. Income before transfers and capital contributions are budgeted to be \$13,449,980. The DPU also included in your budget documents two amendments we generally do every year on the 2016-2017 operational cash flow budgets. Those are the versions that were presented to Council in the August 7, 2018 minutes by our auditor. This is just to amend the budget to final for the actual outcome of the year and there is also an ordinance in your budget materials to amend the 2017-2018 budget to more closely and accurately portray the outcome of the current years cash flow statement. The cash flow statement for the upcoming fiscal year is probably a better representation of what cash comes into the company and how it is used. Capital improvement costs have significantly increased primarily in electric and gas and the Operations Center. The upcoming year does budget a drawdown on cash of around \$5,400,000. The total cash provided by operations is \$20,681,000; that is right where it has been historically. Cash used for transfer to the City of Orangeburg General Fund is \$5,600,000. Cash used for capital and financing activities, this is projects for economic development or special perk projects, payments on long-term debt tap and impact fees and contributions. The net of that number is \$20,960,000 and then total cash provided by investing activities is budgeted to be \$472,000. Cash reserves are projected to be \$25, 635,130 at the end of fiscal year 2018-2019. The American Public Power Association Best Practice Guide indicates our utility maintain a cash reserve of approximately \$36,000,000. When investments are taken into account the DPU meets this reserve requirement. DPU currently has approximately \$30,000,000 in investments. Those are investments held in 1-5 years Treasury and U.S. Agency bonds. Manager Harley said Director Nexsen is making a distinction between cash and cash we have in investments. Totally we meet that threshold. The budget does place reserves on DPU's cash and equivalence by ordinance, \$2 million for bond repayment, \$4.5 million for customer deposits, \$2 million for various other liabilities. The budget also places reserves on these investments by ordinance of \$15 million for a capital reserve account and \$15 million for a contingency reserve account. Basically this is a reserve to fund depreciation which the ordinance requires. When we enter into projects it has an out clause for us – if you cancel a project, generally projects have a 60-90 day window where you have to give written notice to the contractor before you stop doing the project. Not that we are going stop doing a project but if something came up and we needed to stop a project we could but there could be some run out on the project and that is why we reserve a contingency account. We enter into long-term capital projects to build substations, to build waterlines, to redo gas lines, build buildings and if you had to drawdown those projects you would have to spend some money to close them out. Manager Harley asked Council if everyone was clear on the financials. It is important to note that by ordinance we designate all of those restrictions. That is why anytime going forward Council decides to change direction we have to bring it back to you because if it impacts any of those numbers in a different way we have to get your approval to do it because you have done it by ordinance. Director Nexsen stated that he feels this is a sound and reasonable budget proposal that asks for a 1% cost of living adjustment for our employees and allows for an increase in capital spending to better serve our customers in the Orangeburg community. The proposed budget will provide the DPU with the resources necessary to continue to meet our obligations of providing our customers with the best possible service at the lowest reasonable rates while providing a reasonable rate on return for the City of Orangeburg. Councilmember Jernigan asked what contributes to the decrease in sales – are customers just not using as much or are we losing customers. Director Nexsen said that generally in their planning sessions they have talked with Consultant Tom Sullivan about what would cause some decreases in usage. The primary areas we see are efficiency. Even if you have your total number of customers increase, if appliances use 10-20% less energy, light bulbs are all going LED now, it draws down the total amount of electricity, gas or water we sell. Councilmember Jernigan replied that apparently we have not increased our customers enough to offset this. Are we addressing that to the point where we need to try to increase our customers more; is this in the plan? Manager Harley said a lot of that will be a part of economic development and whether people are landing on our system and people moving to the community. If we don't see that type of growth you

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will see people continue to put those efficiency measures in place that will decrease water usage, decrease how much power they burn but the goal is hopefully that on the economic development side and the community growth side that we will see businesses and residences start to grow. Councilmember Jernigan said that annexation will be a big factor, if we can annex some other areas. Manager Harley said to keep in mind in our situation they are already customers most likely and in wastewater and water you will see a decrease in revenue because they get that immediate break when they get annexed. We would have to work really closely with Mr. John Yow to time that annexation because it is going to be an impact to those two divisions in a negative way in terms of revenue. Water and wastewater will take the biggest hit on any annexation of current customers. If it is a new housing start that is different but with any existing customer we will lose some ground on those revenues. Director Odom said territory wise, electric and water are pretty much maxed out on the territory we can grow out into. Gas is probably the only utility that is able to extend further out and grab some of the newer areas out towards Santee like they have done in the last few years. Manager Harley said that in regards to growing the footprint that you currently have developing that customer base, we do have some ideas on how we might be able to do that going forward. We are not ready to roll those out to you yet; we are certainly concerned that we are able to pull and attract customers to our system and that is the important part. Moving forward everybody is looking at whether it is homeowners, businesses or commercial industries, they are looking at ways to be more efficient in the resources they use so we have to make sure that we are adjusting to that way of doing business. Director Nexsen said now we will discuss the capital projects. The capital projects are the large majority of what the DPU spends its money on outside of payroll and purchasing power and electricity.

ADMINISTRATIVE DIVISION PROJECTS
JOSH NEXSEN – DIRECTOR

Director Nexsen informed the Mayor and Council that the Administrative Division has two previously approved capital projects for the upcoming fiscal year 2018-2019. The first capital project is the Operations Center Crew Quarters.

Project #1 – 350 Sprinkle Avenue / DPU Operations Center Improvements – Cont'd.

Total Project Cost:	\$ 7,500,000
Expenditures to Date:	\$ 200,000
Estimated 2018-2019 Cost:	\$ 300,000

Director Nexsen stated that the original warehouse and crew quarters were constructed in 1967 when DPU was approximately 1/3 of its current size. These facilities have exceeded their useful life. The project has gone through planning and programming to identify the long terms of continued use of DPU. The first phase of the project allows for additional space for crew and work areas and training areas. The initial phase also addresses a re-combination of several adjacent parcels, wetlands mitigation, clearing and macerating of the site, improvements to traffic flow as well as improvements to the storm/water retention infrastructure on this site. This is going to be pretty big project that will have pretty much the entire company involved over the next year and a half. Manager Harley pointed out that DPU will propose that we borrow money for this project. We have it broken into phases so in the first phase as Director Nexsen mentioned we actually would want to do both the assembly portion and the crew quarters and that would give us a better meeting place for training that would be open to not just to DPU employees but City employees as well and things that Council would like to do also. We want to make sure that it meets the needs for the next generation of DPU employees. As we work through the rest of the project we want to make sure that we are finding opportunities to be efficient and save money at every turn. Manager Harley said he has never been a part of a project with this many engineers; they all have a way of finding a way to make efficient decisions about what we ought to do. He feels they will be able to bring a really good project to fruition after they get everything

lined up. The key point he mentioned is that DPU will be asking Council to allow us to borrow money on this project. We will bring this back to you, probably in the middle of the spring because ideally they would like to do some of the ground work this time of the year next year when the ground is right.

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Project #2 – 1016 Russell Street / Main Office Backup Generator – Cont’d.

Total Project Cost:	\$ 600,000
Expenditures to Date:	\$ 100,000
Estimated 2018-2019 Cost:	\$ 500,000

Director Nexsen stated that the second project for the Administrative Division is also a previously approved project. It is the replacement of the current standby backup generator to the DPU main office. The current generator is a 100kw unit which is approximately 20 years old. The DPU’s critical command and control systems run almost entirely by computers now. That is the SCADA (Supervisory Control And Data Acquisition) outage management, telephone system, etc. In the event of a loss of commercial power standby electric generators are a critical component to the restoration of utility services. The plan is to install a 400kw generator to allow the DPU to run entirely on standby power in the event of the loss of commercial power. This project was originally planned to be completed during the current year but it was delayed due to a delay in production of the manufacturer. There is a certain unit that we want that is already EPA certified where we won’t have to have air quality testing done on it. Manager Harley said that as you remember, we had an issue with one of our other generators and talked to you individually about it but this would eliminate that problem going forward. Director Nexsen said that part of the project will be to build a wall around it that matches the building where it is not going to stick out so bad because it is a rather large generator.

The total cost for both projects for the upcoming year is \$800,000; \$300,000 is going to be to finish the planning engineering design of the building and site work and the remaining \$500,000 will be spent to acquire the generator and install it and build the retaining area.

ELECTRIC DIVISION PROJECTS
WADE HOLMES – DIRECTOR

Director Wade Holmes informed the Mayor and Council that the DPU Electric Division has six capital improvement projects we will be presenting this evening. Four of those projects are previously approved and two are new projects. All of the projects that he will be presenting tonight will be a part of our overall plan to update some aging infrastructure. Right now the Electric Division has roughly ten substations that are 45+ years old and most of those are at the end of their life cycle. With that type of project load we have to get accomplished we are going to try to do this over the next 8-10 years.

Project #1 – 115 KV Transmission Line

Extension to Highway 601 Substation #10 – Cont’d.

Total Project Cost:	\$ 1,892,000
Expenditures to Date:	\$ 1,170,000
Estimated 2018-2019 Cost:	\$ 722,000

Director Holmes stated that Project #1 is the transmission line to Substation #10. This project consists of extending out transmission loop to Substation #10 so that it will be part of our bi-directional feed substations. This project includes the installation of 13 transmission poles; 9 of those poles are being engineered poles and the other 4 are being direct bearing. All the poles that we have installed along Hwy 601 is a part of our new extension to Substation #10. Those poles are designed to be able to withstand 125 mph hurricane force winds and carry conductors. Should there be an ice storm those conductors can hold the weight of ice 1” or less. The poles range from 70’ to 120’

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in front of the substation. This project itself is 95% completed and we expect to have the rest of it completed by the end of this calendar year. Manager Harley said that when we get it to a nice place out there where it is cleaned up if you would like we will give you a first on the ground look at it. It is pretty impressive and it will give you an opportunity to see where you spend your money.

Project #2 – Highway 601 Substation #10 Rebuild – Cont'd.

Total Project Cost:	\$ 7,428,000
Expenditures to Date:	\$ 6,918,000
Estimated 2018-2019 Cost:	\$ 510,000

Director Holmes said that Project #2 is our Substation #10 rebuild. This substation was a 50 year old substation that we rebuilt to put on our 115 KV Transmission Line. Now that substation has the capabilities of being fed from two different directions. If any part of that 115 KV group drops out, this substation will stay on line. This substation will be able to handle the future growth along Hwy 601 and also this substation will provide backup power to Substations #3 and #6 which are along Russell Street, Substation #19 which is on Old Ellore Road near Husqvarna and Substation #16 which is on North Road up pass Walmart. This substation went from being able to carry Koyo, the hospital, the industrial park up Hwy 601 and roughly 500 customers to being able to carry that location plus an additional 4,000 customers. The rebuild on the substation is 95% complete and we expect to have it completed by the end of this calendar year. Councilmember Jernigan asked if this will be the biggest substation we have. Director Holmes said close, this is tied with Substations #16 and #19 which both of these are 50 megawatt substations.

**Project #3 – City of Orangeburg Department
Of Public Utilities Street Lighting Upgrade (Phase 1) – Cont'd.**

Total Project Cost:	\$ 230,000
Expenditures to Date:	\$ 210,000
Estimated 2018-2019 Cost:	\$ 20,000

Director Holmes said Project #3 is our LED upgrade lighting project. This project extends along Hwy 301 South from the river all the way up to Five Chop Road. It consists of 100 lights and we changed over from high pressure sodium to LED. These lights can be controlled through our AMI system as well as these lights are 40% more energy efficient than the high pressure sodium lights we had. Also with the replacement of the lights we replaced the poles that the lights sit on. These poles meet SCDOT regulations for lighting poles and have the breakaway base at the bottom. This project is also 95% complete and we expect to have it completed by the end of this calendar year.

Project #4 – Substation #18 (SI Group) Rebuild – Cont'd.

Total Project Cost:	\$ 6,200,000
Expenditures to Date:	\$ 155,000
Estimated 2018-2019 Cost:	\$ 950,000

Director Holmes said that Project #4 is our Substation #18 rebuild. That substation is located on Cannon Bridge Road and feeds one of our largest industrial customers. That substation is almost 40 years old and during the peak season it is running around 80-85% capacity which is the natural threshold for a substation. The rebuilt substation will be put on the 115 KV Transmission Line that runs along the front of the property and a bi-directional feed so once again if one section on 115 KV that goes down it will not take the substation down and it will provide additional growth for a new industrial customer that comes in the corridor or for the industrial customer that it is feeding today. Director Holmes said that they have already done the substation transformer drawings that has been approved and placed for manufacture. Because there is a backlog with all substation manufacturers we are looking at a 46-50 week delay before this transformer will be delivered so we are looking at some time around this time next year that we will be able to have the transformer there and have that project in construction phase.

Project #5 – Substation #1 (Bull Street) Rebuild

Total Project Cost:	\$ 2,900,000
Expenditures to Date:	\$ 407,000
Estimated 2018-2019 Cost:	\$ 1,200,000

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Director Holmes said that Project #5 is a new project which is for Substation #1 which is on the corner of Bull Street and Windsor Street. This substation itself is 50 years old and supplies power to our Water Division and is a critical asset to our Water Treatment Plant. This substation feeds roughly 2,000 customers. Manager Harley said that substation impacts Councilmembers Stroman, Hannah and Haire's districts. If you recall when we had the mass outage in that particular substation it impacted all of your areas. This project would go a long way at addressing those needs that feeds those districts. Director Holmes said that a year ago this time that substation's transformer experienced a catastrophic failure. The root cause analysis showed that the internal cord of the transformer had a fault because the material inside the unit started to breakdown which in layman's term is the transformer was wearing down on the inside from being online so long. We are talking 50 years, 7 days a week, 365 days a year, 24 hours a day. Power was lost to the affected areas for about 1 ½ hours. We went ahead and ordered a replacement transformer for the substation back in September and that transformer arrived on site in July (last month). If you go by Substation #1 you will see that construction has started to pick up and we look to have that station rebuilt in a year's time.

Project #6 – Substation #12 (Berry Street) Rebuild

Total Project Cost:	\$ 2,900,000
Expenditures to Date:	\$ 345,000
Estimated 2018-2019 Cost:	\$ - 0 -

Director Holmes said that Project #6 is a new project which is a substation rebuild for Substation #12 which is located at Berry Street and Holly Street right behind BB&T. Substation #1 provides backup for Substation #12 and vice versa. When we rebuild these two substations we have to build one first and then the other one. We can't have these substations rebuild coincide with each other so Substation #12 will be done when we finish Substation #1. This substation like Substation #1 is 50 years old and during our peak time we actually have used it as backup. Substation #12 is running at 95% load capacity which is something we should never do with a substation but unfortunately we had to do for 3 or 4 days until we could get the spare that we put at Substation #1 online. Quarterly inspections on Substation #12 indicate that the internal components of this substation transformer core is starting to deteriorate also so it is just a matter of time and that is why we are racing on the clock to try and get this substation rebuilt and back online. Once again, this substation provides the service area around Berry Street and Boulevard. Manager Harley said that would be Councilmembers Stroman, Hannah and Haire's districts. We know that Council gets questions about these things so we want you to be informed as much as possible. You can always send them to Director Holmes but we know that when they see things going on in your districts they want to ask you and we want to keep you informed.

Director Holmes said this concludes our six projects for the Electric Division. In the upcoming fiscal year we look to spend \$3.4 million for the capital improvements projects we have discussed. Councilmember Hannah asked how do we compare to other utilities having substations that are antiquated. Director Holmes said that is unfortunately par for the course. Most utilities try to get every last kilowatt out of their substations and transformers before they take them offline. What we are finding out now is that when we are ordering substations and transformers from vendors and manufacturers Southern Power, Duke Energy, and others are ordering also; it is around that same cycle – 40-50 year mark. Manager Harley said that one of the reasons why it is like that in the industry, I'm talking about the public utilities, is that in the last ten years we have been in an economic downturn and you push things as far as you can push them and as things go you can only get so much out of a piece of equipment and now it is coming home that we have to do something different. It is good that things nationwide are starting and may pick up; hopefully that will continue and show up in Orangeburg as well. Councilmember Keitt said that most of what we have done is

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getting better than what it was and it really makes an impression on us. Manager Harley said over the next 5-10 years we are going to be continuing that push to improve our infrastructure. Again, you point to what DPU has already done with the wastewater improvements and you just have to continue that as best you can. That is part of the reason we are putting together the plan that you heard about in the planning session. We will need to address across the board infrastructure needs; you can't continue to push those things down the road and still get good results. At this point we would like to believe that we still are able to maintain reliability and safe operation but if you continue to push that down the road then that will put us in jeopardy.

Councilmember Haire asked about the difference in the fiber optic rental amounts for FY 2016-2017 and FY 2017-2018. Director Nexsen said that the reason the amount decreased so much is because there is a pole attachment agreement that is recorded in that fiber optic rental agreement and he believes it is paid once over a five year period and he thinks the years that the amount is much larger is the years that the five year payment is due. Director Nexsen said he is pretty sure that is the reason but he will look into it and give Councilmember Haire more information regarding it. There are three basic rental streams; DPU gets one. For years we cost shared the fiber optics network that we built with SCE&G – a company called Scana Communications. They were sold to a company called Spirit and if you notice Spirit is boring in Orangeburg and they will probably end up not renting fiber optics with us in the next year or so. The second stream is the pole attachment agreement from Spectrum, AT&T, etc. Those are normally paid in a lump sum every 3-5 years. The third stream is where Director Odom rents space on water towers to cellphone companies. He thinks Director Holmes may have one as well.

Councilmember Haire asked about bad debt expenses. Director Nexsen said that in FY 2016-2017 there was a 3-4 month period when we did not do any disconnections for non-payment. Unfortunately, there are some customers who don't pay if you don't cut them off. In FY 2017-2018 and FY 2018-2019 we expect a fairly substantial increase in bad debt from the cutoff from the former system to the upcoming system. We did not convert but about two years of history on that system so if someone left us with a bad debt some of that didn't get converted over. There are some statutes and laws about what you can collect and how far back you can collect. We made some business decisions not to risk not following the law and probably also lost some of the ability to find out who the customer was, where they were, if they left us with a bad debt and if we were able to collect it. These are budgeted numbers and our Comptroller Lauren Privett may be able to speak to it a little bit better. Director Nexsen does not know if they have increased three-fold but he does know that they have gone up significantly. They have probably doubled what they were the same time last year. Historically DPU has had a very low bad debt ratio; almost none. In fact some years it has been a positive number where someone you wrote off came back and paid back their debts where you had a positive number. We have also had some of our commercial and industrial customers sign an irrevocable letter of credit, gotten surety bonds or required a commercial deposit. He told Councilmember Haire that he can get him additional information regarding this if he wants it. Manager Harley said if he is correct the law states you can go back three years and we use the setoff debt program to collect those debts which is pretty good. He said he will take the blame; he and Director Nexsen talked through it when we did the changeover and we did not want to run afoul of cutting someone off inadvertently during the switchover. We had a lot going on in terms of the changeover in software so we wanted to make sure we were spot on so we erred on the side of caution so we will pay a little bit of a premium on the decision we made. We extended a little more courtesy during that time. Director Nexsen said that when we got towards the end of the software project and we were significantly under budget by almost \$2 million, at some point you kind of make some business decisions like if it cost me \$50,000, \$60,000 or \$70,000 not to cut someone off mistakenly I am coming in so far under budget on this project that it may be a give or take situation.

GAS DIVISION PROJECTS
DAVE DURGIN – DIRECTOR

Director Dave Durgin informed the Mayor and Council that the Gas Division has two previously approved projects that will help us to improve the safety and reliability of the gas system as part of our Distribution and Integrity Management Program or "DIMP" Program. 2747

Project #1 – Natural Gas Service along Hwy 33 – Cont'd.

Total Project Cost:	\$ 590,000
Expenditures to Date:	\$ - 0 -
Estimated 2018-2019 Cost:	\$ 590,000

Director Durgin said that Project #1 is a previously approved project that will replace approximately 10,500 feet of gas pipe along Hwy 33 starting at Old Cameron Road. This area has seen an increase in maintenance costs and it has been identified as part of our DIMP Program to address the aging infrastructure of the gas system. This project has been awarded and construction has recently begun.

Project #2 – Improvements to Natural Gas Service along Russell Street – Cont'd.

Total Project Cost:	\$ 540,000
Expenditures to Date:	\$ - 0 -
Estimated 2018-2019 Cost:	\$ 540,000

Director Durgin said Project #2 is a previously approved project that will replace approximately 7,500 feet of gas pipe along Russell Street starting at Pinkney Street and extending just past the By-Pass. This area was identified as part of our DIMP Program to address the aging infrastructure and due to increased maintenance costs as well.

The total amount budgeted for both projects is \$1.13 million which we plan on spending in the upcoming fiscal year. Councilmember Hannah asked if these projects will interfere with the gas service. Director Durgin said that when we do projects like this we actually build a new line and then do transfers one by one so the amount of interruption is minimum; at least we try for that.

WATER DIVISION PROJECTS
ERIC ODOM – DIRECTOR

Director Odom said that the Water Division has two previously approved projects for the upcoming fiscal year.

Project #1 – 10" Water Main Replacement along Shillings Bridge Road – Cont'd.

Total Project Cost:	\$ 800,000
Expenditures to Date:	\$ 36,000
Estimated 2018-2019 Cost:	\$ 764,000

Director Odom said that Project #1 is a previously approved project which consists of approximately 10,000 feet of 10" PVC water main that is going to be basically from the intersection of Hwy 4 all the way underneath the Edisto River to Lake Edisto Road. This has been a failure prone area for our system for the past few years and is in need of upgrading. We had originally planned to have this project completed this fiscal year; to date we have completed the design, permitting and also received bids on this project with the anticipation of starting construction in September. During the design phase of this project we ran into some potential wetlands issues that caused us to get a wetlands delineation. The fortunate thing is that it saved us probably 10% because it gave us another route to proceed that is a lot cheaper. The plan is to begin construction hopefully in September with the completion of this project in December.

Project #2 – Upgrading of the 1954 High Service Pump, Engine Driven Pump Station and Chlorine Scrubber at the Water Treatment Plant – Cont’d.

Total Project Cost:	\$ 2,116,000
Expenditures to Date:	\$ 96,000
Estimated 2018-2019 Cost:	\$ 2,020,000

Director Odom said that Project #2 is a previously approved project which is an upgrade to our 1954 High Service Pump Station as well as an upgrade to our 1973 Diesel Engine Driving Pumps and the replacement of our 1991 Chlorine Scrubber. Basically this project consists of two major components at our Water Treatment Plant. The first is upgrading and improving the overall reliable finished water pumping capacity at our Water Treatment Plant. The 1973 diesel pumps as well as the 1954 pumps while some of them are still operational some of them are not. Our plans are to rebuild four of those pumps, put in all new electrical components and get rid of the diesel engines. We will also have to replace check valves, some piping and other things like that to make it more efficient. Also during the design phase of this project we think we have identified some cost saving measures that will hopefully keep us well under budget on this project. The second component to this project is the replacement of our Chlorine Gas Scrubber. Chlorine Gas is what we use at our Water Treatment Plant to treat water and disinfect it; by law we have to have this and it is a very important piece of equipment that has become somewhat of a very costly piece of equipment to maintain. The new piece of equipment that we are looking to install is much less expensive to maintain and much more reliable and hopefully will last us the next twenty years. Safety wise it is important for the citizens of Orangeburg for us to have this as well as our employees who operate the Water Treatment Plant. To date we have completed about 50% of the design work; our plans are to bid this project early in October with an anticipated completion of this project in the upcoming fiscal year. The total budgeted expenses for the upcoming fiscal year are \$2,784,000 to complete both of these projects. Councilmember Knotts asked what happens to the lead joint pipes once you remove them and where do they go. Director Odom said that our environmental engineer will write in our specs and it will be the responsibility of the contractor to dispose of those pipes in an environmentally manner but currently we do not move any water through that section of our Plant, it is valved off.

WASTEWATER DIVISION PROJECTS
RICHARD LABRADOR – DIRECTOR

Director Labrador informed the Mayor and Councilmembers that the Wastewater Division has one new project for the upcoming fiscal year which is the Biosolids Dryer Replacement.

Project #1 – Biosolids Dryer Replacement

Total Project Cost:	\$ 5,200,000
Expenditures to Date:	\$ - 0 -
Estimated 2018-2019 Cost:	\$ 5,200,000

Director Labrador said Project #1 is a new proposed project that replaces the existing dryer which has been in operation since 2005. The dryer has exceeded its useful life and is no longer operational. The replacement of the dryer will allow us to continue to see substantial reduction in landfill hauling and disposal costs. We will also continue to produce a Class A exceptional quality Biosolids that can be sold or given away as soil amendment. This project will consist of removal of the existing dryer and installation of a modern indirect thermal dryer and all necessary appurtenances. Major new components will include a feed pump, instrumentation and controls and modifications to the existing Biosolids Hopper. The total project cost is approximately \$5,200,000, all of which we anticipate will be spent during the upcoming fiscal year. Manager Harley told Council that DPU had alerted them to the issue relating to this earlier this year. At this point it is a substantial cost to have the waste go to the landfill which we have no control

over the cost. Councilmember Jernigan asked when do we anticipate the new dryer being operational. Director Labrador said there is a lead time on the dryer itself and he anticipates most of the upfront work will be done in anticipation of receiving the completed machine when it comes so it will be late in the fiscal year before we actually install the machine. If all goes well we will be churning away before the end of the upcoming fiscal year. Mayor Butler asked how many dryers do we need. Director Labrador said that we have one and we use the landfill as the backup; we don't have to have two for redundancy or reliability like pumps and critical components because our backup/redundant plan is to go to the landfill which is what we are doing now. This will be the third dryer; the first dryer when he first came to DPU over 20 years ago was not very successful and they had to negotiate a replacement for the second one which was a little bit better but nothing to write home about. At any time we could have purchased a second machine; we were never confident in any of the first two machines that we would pull the trigger on a third. We have room in that building for a second machine and when the time comes and if we need a second machine we can always do that when we expand the capacity of the Wastewater Treatment Plant. We would only do so if we had confidence in the machine; both times the manufacturer went out of business and no longer supported the product. We did our homework and we are looking at a manufacturer that has a 75 year track record in the industry; they are not going anywhere and their machines have a good track record also. We feel good about this one and we feel we don't have to purchase a second dryer; we can stay with the first and hopefully it will last us in excess of 20-25 years.

Manager Harley said the goal always is to maintain reliability and safety. We want to make sure that when your citizens see you on the street that you can tell them that you are always able to provide what they need at their homes, businesses and industries; that is what counts and also that the prices are fair for the service that we provide. With that being said we will move to the next items on the agenda which is a proposed amendment to the gas rates.

Manager Harley said that he wanted to give Council a second opportunity to discuss this. The ordinance contains the actual amendment for the rates of the Gas Division. He gave Council a copy of the impacted areas; the core residential and commercial and then the special project residential and special project commercial. The difference for the core residential customers is \$4.87 and for the core commercial customers the amount is \$11 a month. The amount for the special projects is \$4.64 and \$21.12 and that is on an average annual use for all of those customers. We feel this is an impact that is something fair but also gets us where we need to be. Manager Harley said he knows that previously this was discussed and did not get granted. He asks that Council strongly consider granting this increase at this point. Considering the things that the Gas Division has ahead of it in terms of infrastructure improvements and replacements this is an important step in getting those things back to where they need to be. He asked if Council had any questions on the gas rate increase. Councilmember Keitt said that we know that a lot of our customers are on a fixed income and she knows that we are going to need to raise the rates and asked are we setting up ways for fixed income people to pay their bills in a way that it will not be totally burdensome on them. Manager Harley said that since he has been on board, staff and customer service representatives do a great job working with customers on trying to find a way to pay their bills. Our desire is never to cut anyone off and sometimes although it comes to that we are working diligently with the customer to try to find a way to ease the burden. Generally it's during those peak times when we see that but we do everything we can to work with customers to try to find a way to help them continue to have service while at the same time collecting what we have to from them. He knows that Council is concerned about that so we do our best to work with each customer and we know that everyone is different, every situation is different but we certainly do our best to work with them to try to help them maintain services. Manager Harley said we have partners in the community that we are able to refer them to for assistance as well; whether it is OCAB or CCMO, we do our best to help them find opportunities to find assistance.

2750 Councilmember Keitt said she thinks more churches are helping now more than usual. Councilmember Stroman asked if there are any flat rates if people don't use any gas. Manager Harley said everybody has a service charge. He has had this conversation and last year although we had it in the budget we didn't chronicle it like we are doing here showing every group that would be impacted. We tried to make sure this year that this is only on commercial and residential customers not industrial customers. Councilmember Stroman said Council talked about raising the City taxes by 4 mills and then raising this is just tough on the people. He said he cannot make himself vote for this; he is sorry. Councilmember Jernigan said that it looks to him like everything they do in the City affects our citizens. When we raise something it affects people but we still have to provide all of our services. We have services that we provide to every citizen and the costs for providing that is going up and if the citizens can't see that the costs are going up he is sorry. We have got to keep up with the increase with our costs of providing service and the only way we do it is to raise our rates from time to time. Councilmember Jernigan said the he doesn't think we raise our rates unnecessarily. Manager Harley said that even with this increase DPU still remains one of the lowest around. Councilmember Stroman said the citizens of the City of Orangeburg own the DPU and we represent the citizens and their dividend is lower rates. Mayor Butler said he does agree with Councilmember Jernigan because if we are going to provide efficient and effect service and they expect us to do that; they expect to be warm, they expect to be cold and if it takes a little raise in rates he feels Council should provide this increase so that we can continue to be efficient and effective. Councilmember Jernigan said that we are not raising rates just for the sake of making more money, that is not the reason to raise rates. The reason we raise rates is so we can continue to provide the service. Councilmember Keitt said that it is not that much. If you look at it you are taking about a little over \$4.00. She thinks that our constituents are going to have to realize that in order for us to have good service we are going to have to keep changing the infrastructure that we have. In order to do that there is no other way than to increase the rates. Mayor Butler said that DPU has been so effective in making presentations here tonight and he feels they have done their homework and have studied what needs to be done to continue to perfect their departments. He really likes that and that is why he really wants to support the presentations. Manager Harley said that if you have any questions that you didn't ask tonight, he and Director Durgin will be glad to sit down and talk more in-depth with Council about them and show Council any numbers they would like to see going forward. Councilmember Hannah said that some of his neighbors, friends and associates have had situations with DPU and some have had their services disrupted and one thing they told him that resonated well is that DPU worked with them. That is a plus because they said DPU went the extra mile to help; people feel good about what is happening at DPU. Rates do go up and that is just a fact of life; salaries will go up, we will get over it; everything goes up. Councilmember Stroman said he just feels like we are operating like years ago – waiting for people to come in; he feels we just need to have a way of going out and sell the gas. Manager Harley said that DPU is formulating a plan that we will share with Council in the next few weeks. It is a marketing plan, kind of like the next phase. DPU has done a good bit of work already but we are going to do more in the coming weeks. Mr. Randy Etters, Director Durgin and I have met several times with some potential partners to try and market gas on a different level to make sure we get the kind of penetration that we feel is possible; we certainly have something coming forward. Manager Harley asked if there were any other questions. There were no more questions so they moved to the next item on the agenda.

Mayor Butler read an Ordinance to Adopt an Amended Budget for the Department of Public Utilities of the City of Orangeburg, State of South Carolina for the Fiscal Year October 1, 2017 through September 30, 2018. Manager Harley told Council that as you are familiar with the process at the City Mr. Yow always amends his current year budget to kind of more accurately project the closing numbers and that is exactly what we are proposing to do here. As the City has done we have put into place an ordinance that will amend our current year budget to more accurately reflect what we believe the closing numbers will be. A motion was made by Councilmember Jernigan to adopt the ordinance to amend the budget, second by Councilmember Keitt, motion was unanimously approved.

Mayor Butler re an Ordinance to (1) Adopt a Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, State of South Carolina for the Fiscal Year October 1, 2018 through September 30, 2019 and (2) Adopt Amended Gas Rates effective October 1, 2018. A motion was made by Councilmember Haire to adopt the ordinance for the budget and amended gas rates, second by Councilmember Keitt, 6 approved, Councilmember Stroman opposed. 2751

Manager Harley informed Council that is all DPU has in terms of ordinances. The Second Reading of the Ordinances and the Public Hearing will coincide with the City's Public Hearing. The only other item on the agenda is a quick executive session.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Carol E. Franklin

Carol E. Franklin
Executive Administrative Assistant to the Manager
Department of Public Utilities

City Council Minutes September 4, 2018

2758

Orangeburg City Council held a Public Hearing on Tuesday, September 4, 2018, at 7:00 P.M., in Council Chambers with Mayor Michael C. Butler presiding. The purpose of the Public Hearing was for the following:

Public Hearing: Consideration of a Zoning District Map change from A2 Residential, Multi-Unit District to O-I Office-Institutional-Residential District for property belonging to Paragon, Inc., of South Carolina, LLC, located at 795 Whitman Street, Orangeburg, SC TMP# 0173-14-07-010.000

Hearing no public comments, the Public Hearing was closed.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into the regularly scheduled City Council Meeting. This motion was unanimously approved.

Council entered into the regularly scheduled meeting.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts

Richard F. Stroman

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to approve the June 14, 2018, Department of Public Utilities Planning Workshop Minutes, as distributed. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve the August 14, 2018, Special City Council Minutes, as distributed. This motion was unanimously approved.

A motion was made by Councilmember Knotts, seconded by Councilmember Haire, to approve the August 21, 2018, City Council Minutes, as distributed. This motion was unanimously approved.

Mr. John Shuler, Vice President of the Orangeburg County Fair Association, addressed Council. He was also accompanied by Dr. Eugene Atkinson of the Board of Directors. Mr. Shuler stated, "We have no paid Board Members or a paid Manager of the fair. We have had some financial difficulties in the past with a former employee who embezzled funds and is an embarrassment to the Board and the community. We are in a rebuilding situation. The Board is doing everything to rebuild the trust and provide transparency to the Board and shareholders. The President of the Board, Matt Stokes, acts as CEO. The officers handle the management and all activities of the fair. We cannot continue to borrow money to have a fair. We have the potential to continue to have a fair like we used to have here in Orangeburg and we do not have the funds to do a fair. We borrowed money last year as well. We have got to build on a five-year plan. We knew we had to have marketing help and we brought in a marketing firm to compete for entertainment for the community. It takes planning fairs two years out. That firm presented a new logo, a new mascot and a float advertising the fair throughout the year. We are not charging for parking. The admission rates are \$6 and \$3. The physical plant we have will be painted in fall colors. We have volunteers who have been painting and we have hired a local contractor to assist in painting the bigger buildings. We are working with local people, not from other counties. (Sketches were shown of the new logo, mascot and the older buildings in need of repair.) We are asking for help for the refurbishing of these buildings as you can see in your packet." (Slides were also shown of the fairgrounds and buildings that are being painted).

Dr. Atkinson explained the slides and the buildings that are in disrepair.

Mr. Shuler further explained, "The fairgrounds are used by SC State University Police training, Orangeburg County Sheriff's Office for training, Boy Scouts, Emergency Service Training, Junior Service League and our biggest lessee is the Grand American Coon Hunt. We used to host SC State University Homecoming events, but lately found out that we were in violation of the law. We cannot do big parties and can only have forty-nine (49) people without any fire suppression systems. We are looking into up fitting the buildings for this, but right now, we cannot allow any big parties for rentals."

Councilmember Haire asked, "Who is renting it for Homecoming?"

Mr. Shuler replied, "They are private parties and alumni events."

Councilmember Hannah asked, "What has the attendance been like and the profits?"

Mr. Shuler replied, "We had good weather in 2017; however, with the indictment we have had substantial losses. We have been struggling from year to year. Some fairs within fifty (50) miles of us, have \$250,000 in the bank. We should be that way. I do not have an answer on the attendance, but we have been struggling and borrowing money to run the fair."

Councilmember Haire asked, "Have you approached the County for funding?"

Mr. Shuler stated, "Yes, we have approached the Accommodations Tax Committee for funding of our advertising and we are also reaching out for other funding."

Mayor Pro Tem Keitt asked, "We gave funds a few years back, what was that for?"

Dr. Atkinson replied, "Those funds were used to upgrade and paint the restrooms."

Councilmember Jernigan stated, "We need to take this under advisement and discuss the amount and bring this back to Council at the next meeting." All of Council was in agreement.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Third Reading of an Ordinance amending the Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2017, and ending September 30, 2018. This motion was unanimously approved.

A motion was made by Councilmember Knotts, seconded by Councilmember Haire, to approve the Third Reading of an Ordinance to raise Revenue and adopt a Budget for the City of Orangeburg, SC, for the Fiscal Year beginning October 1, 2018 and ending September 30, 2019. This motion was unanimously approved.

Department of Public Safety Director Michael Adams addressed Council in regards to an update on the Forensics Lab and the presentation was turned over to Dr. Fitts.

Dr. Matthew Fitts addressed Council. He stated, "These slides are the steps that were taken as a timeline for the Forensic Lab Accreditation. These steps have to be done sequentially in order to obtain accreditation. If something may hold us up in the early steps, we cannot move forward. These were the issues last time to address: Personnel, validation, equipment calibration and maintenance and the proficiency testing. In the personnel issue, we now have two full time employees hired by the lab. Our newest member is Mr. Krishna Addanki who was hired in June to work full-time. His Visa application is being reviewed by the US Immigration Services. The process took longer than we thought due to paperwork."

Mayor Pro Tem Keitt asked, "He is not cleared by Immigration? What does that mean?"

Mr. Addanki stated, "I was employed with Claflin University for ten (10) years in the same position, but once I switch employers, a new application has to be done with Immigration. The application has been submitted and I am eligible to work. It may take four to six months to be finally approved, but I have sent in extra money myself to speed up the process."

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Dr. Fitts stated, "The next item was facilities. There were minor lab renovations in February, 2018 and instrument calibrations and maintenance were completed in February, 2018, and the building maintenance is ongoing. This summer we have had HVAC issues and those are being addressed now. We have instruments that cannot be in high temperatures. In addition, there are headwinds that are slowing us down. Our LIMS System Company was bought out and we are now working with the new company and we have had some issues with services with the new company, as well as proper training. The validation process has been done and new kits were obtained by CODIS and final reports were issued in June. A Validation Teach Back is scheduled for the week of September 17th to generate the validation data to complete the testing. In this, we have proficiency testing we have to complete twice a year. The next time will be in November. This has slowed us down, but has not stopped us. We anticipate accreditation next year. I have had conversations with Major Todd Hughey in regards to funding of the lab in the next round of funding with SLED. This is for a grant given by the State and provides a minimum of \$150,000 per lab. The next application will involve our lab."

Mayor Butler asked, "With hiring of the new personnel, will this get us closer to accreditation?"

Dr. Fitts replied, "Absolutely. I anticipate the process to begin speeding up."

Councilmember Jernigan asked, "Is there a problem with the grant?"

Dr. Fitts stated, "There is no problem, I am trying to make sure we are included to apply for funds the next fiscal year. The funds would be available in 2020."

Councilmember Jernigan asked, "What are you doing now in the lab?"

Dr. Fitts replied, "Internal documentation for the accreditation and other case work. We are continuing to do fingerprint analysis, drug analysis, crime scene investigations and evidence."

Councilmember Jernigan asked, "Have you gotten into nationwide databases?"

Officer Shultz replied, "We do analysis with AEFIS, IAEFIS and other databases for fingerprinting."

Mayor Pro Tem Keitt asked, "Are other cities coming to join you?"

Dr. Fitts replied, "Not at this time."

Councilmember Jernigan asked, "Are other entities being contacted to do business with us?"

Dr. Fitts explained, "It would be great to have another county partner with us and hire their own DNA Analysts so that they can do their own casework and assist in paying overhead. If we get inundated by other cases, we cannot keep up with the City's needs."

Councilmember Hannah asked, "What is the time schedule in 2019?"

Dr. Fitts stated, "I anticipate six to eight months from now to apply for accreditation. We have to operate three months before inspection."

Councilmember Hannah asked, "What can we do to expedite this?"

Dr. Fitts explained, "I think you have already done that with the budgets, the personnel and we have to do the internal work now."

City Administrator Yow stated, "Some of the software maintenance is annual recurring costs for the lab and Council was made aware of that in the budget meetings."

Ms. Evelyn Disher, Community of Character Executive Director, accepted the Character Trait Proclamation for September, 2018, "Fairness".

Assistant City Administrator Singh updated Council in regards to the First Reading of an Ordinance for a Zoning Map Change from A-2 Residential Multi-Unit District to O-I Office Institutional Residential District for property belonging to Paragon, Inc., of SC, LLC, located at 795 Whitman Street, TMS# 0173-14-07-010. He stated, "As you can see from the slides, the map is showing the property in question on Whitman Street located next door to a nursing home, Pruitt Health, which is an institutional setting. A-2 Residential allows up to three non-related people who can live there. This is a different set up and this is by definition, a dormitory. It is not a Multi-Family unit. This has a common area and an example is shown on Dorchester Street. It actually looks like a townhouse. This is what is being proposed. Land use needs to be institutional, which is also at Claflin University and SC State University. The Planning Commission approved this. Our goal is to preserve residential neighborhoods; however, we are seeing more Multi-Family. This area is a transitional area."

Councilmember Jernigan asked, "This is a dorm?"

Assistant City Administrator Singh replied, "Yes, it is not the old school college dorms, it is an outside setting."

Councilmember Jernigan asked, "Have you had any opposition from the house next door or any comments?"

Assistant City Administrator Singh replied, "No objections and none at the Planning Commission Meeting."

Councilmember Jernigan asked, "Have you thought about rezoning more of this area?"

Assistant City Administrator Singh replied, "It could be done, it is up to Council."

Councilmember Hannah asked, "Is that the specs or plans?"

Assistant City Administrator Singh replied, "That is the exact plans and I also have the parking plans. There are two floors, with the baths, rooms and common areas. Each dorm has two bedrooms."

Councilmember Jernigan asked, "Is this just for students?"

Assistant City Administrator Singh replied, "It could be for anyone, but it is primarily for students."

Councilmember Stroman asked, "Where is the parking?"

Assistant City Administrator Singh replied, "It is around the building and it does meet our parking specs."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Hannah, to approve the First Reading of an Ordinance for a Zoning Map Change from A-2 Residential Multi-Unit District to O-I Office Institutional Residential District for property belonging to Paragon, Inc., of SC, LLC, located at 795 Whitman Street, TMS# 0173-14-07-010. The motion was unanimously approved.

Councilmember Haire addressed Council in regards to concerns of illegal dumping of yard debris in the City. He stated, "I have a concern of non-residents dumping yard debris on City Streets. Recently, I was coming into Orangeburg from I-26 and a truck passed me full of yard debris. I followed the truck because I had a concern that this person may dump in the City. I followed the truck into the City to Glover Street, but didn't see any unloading of the debris. Often, I observe debris being cut and in different locations in the City being piled up. That to me is litter and I think we need to improve our Ordinance as it relates to littering so that these people think twice about dumping in the City. The citizens of Orangeburg shouldn't have to pay for those who illegally dump. Some of the streets that I have noticed cuttings being placed are on Amelia Street and Ellis Avenue and a few others. If the Ordinance is made to be punitive, these

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individuals won't consider dumping in the City, if we increase the fines. I think we should go back to prohibition, where if you made and transported illegal whiskey, you confiscate the vehicle. I would like to make a motion that we ask the City Administrator and the City Attorney what can be done for illegal dumping to increase the fines for yard debris and other commercial debris."

City Administrator Yow stated, "This happens every week and if they have a business license, maybe we revoke it with proper amendments to the Ordinance.. We need to consider all commercial materials as well."

Councilmember Hannah seconded Councilmember Haire's motion to improve our City Ordinance as it relates to littering. This motion was unanimously approved.

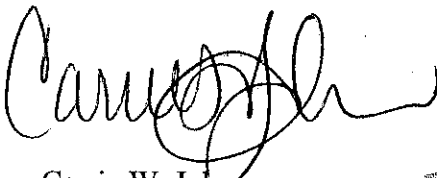
A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Third Reading of an Ordinance to adopt an Amended Budget for the Operation of the Department of Public Utilities of the City of Orangeburg, SC, for the Fiscal year October 1, 2017, through September 30, 2018. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to approve the Department of Public Utilities of the City of Orangeburg SC, for the Fiscal year beginning October 1, 2018, and ending September 30, 2019 and (2) Adopt Amended Gas Rates effective October 1, 2018. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for a Personnel Matter concerning the Associate Judge Compensation. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb





RESOLUTION

- WHEREAS,** this Resolution is made in regard to the submission of an application for Hometown Economic Development Grant funds to the Municipal Association of South Carolina on or before October 12, 2018; and,
- WHEREAS,** the City of Orangeburg hereby commits to provide a local cash/in-kind match of at least \$3,750; and,
- WHEREAS,** which is the minimum 15-percent local match required by the Municipal Association of South Carolina; and,
- WHEREAS,** to support the City of Orangeburg application for a \$25,000 Hometown Economic Development Grant; and,
- WHEREAS,** these grant and local matching funds will be used for a partnership with the Downtown Orangeburg Revitalization Association (DORA) to develop an open air market/downtown pavilion and commercial kitchen.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Orangeburg, South Carolina, in Council assembled on this 2nd day of October 2018 committing the City of Orangeburg to providing a local match for a Municipal Association of South Carolina Hometown Economic Development Grant.

Passed by the City Council of the City of Orangeburg, State of South Carolina, this 2nd day of October 2018.



Michael C. Butch
MAYOR

Bluma Hare

Dandee P. Luoto

Donna Lee

L. Z. Marmorek

Richard J. Stumm
MEMBERS OF COUNCIL

ATTEST:

Carlyle
City Clerk

CITY COUNCIL MINUTES
September 20, 2018

2763

Orangeburg City Council held a City Council meeting on Thursday, September 20, 2018, at 12:00 Noon in Council Chambers with Mayor Butler presiding. This change in meeting date was scheduled after the regularly scheduled meeting for September 18, 2018, was canceled due to Hurricane Florence.

PRESENT:

Michael C. Butler, Mayor
L. Zimmerman Keitt
Jerry Hannah
Bernard Haire
Charles W. Jernigan
Richard F. Stroman

ABSENT:

Sandra P. Knotts

Mayor Butler recognized Mr. Gerrod Maddox, Intern from South Carolina State College.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve the September 4, 2018, City Council Minutes as distributed. This motion was unanimously approved.

City Administrator Yow addressed Council in regards to a funding request from the Orangeburg County Fair Association. He stated, "At the September 4, 2018, meeting, Mr. John Shuler and Dr. Eugene Atkinson appeared before Council requesting financial assistance with the Fair. Council took no action but instructed this matter be placed on tonight's agenda."

Councilmember Haire stated, "I have gone by the Fair property and the plans the Fair has will go a long way to make our City more attractive. I would like to make a motion that we fund one half of the requested amount for this project and it be coupled with a proviso that if the Fair Association disbands before two years that the City be reimbursed."

The motion received no second.

Mayor Pro Tem Keitt stated, "This Fair brings people from all over the community and I think the Association is doing an excellent job. I make a motion that we give the Fair Association \$10,000 so our citizens will have a place to go. If we help support what we have, we don't have to reinvent the wheel."

Mayor Pro Tem Keitt's motion was seconded by Councilmember Stroman.

Councilmember Stroman stated, "I don't think it is fair to put stipulations on the money. I suggest these funds come from the Hospitality Accommodations Tax Fund."

Councilmember Haire stated, "I have an unreadiness and the reason for my stipulation is if they sell the property, I think the citizens should not have to pay for this and we should be able to recoup the money."

The vote was 4-1-1, with Councilmember Hannah abstaining and Councilmember Haire opposing.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the Second Reading of an Ordinance for a Zoning District Map change from A-2 Residential, Multi-Unit District to O-1 Office-Institutional-Residential District for property belonging to the Paragon, Inc., of South Carolina, LLC, located at 795 Whitman Street, Orangeburg, SC TMP# 0173-14-07-010.000. This motion was unanimously approved.

Department of Public Safety Director Michael Adams addressed Council in regards to a FEMA Fire Prevention and Safety Grant. He stated, "The City has been awarded a Resident Fire Inspection Safety Grant through FEMA in the amount of \$12,477.00 with a \$623.00 match. This Grant brings awareness through fire safety inspections with an emphasis on the at risk population and we will be able to install fire alarms and possibly stove auto extinguishers. We will be using social media as well as our community groups to get the word out. Of the fire calls we have, 87% are residential."

Councilmember Hannah stated, "This is a good thing, how many fire calls did you have last week?"

DPS Director Adams stated, "There were twenty-six (26) calls last week for service, we have about 1,500 calls per year."

Councilmember Hannah stated, "How are you going to get the word out on this? You can ride by someone's house and see they need help."

DPS Director Adams replied, "We will be using social media, our community groups and crime watch meetings."

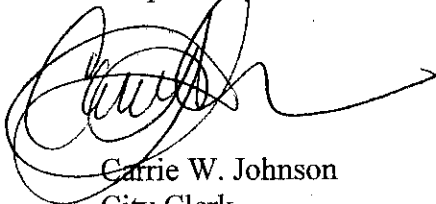
A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve the FEMA Fire Prevention and Safety Grant in the amount of \$12,477.00 and the local match of \$623.00. This motion was unanimously approved.

There were no utility matters brought before Council.

A motion was made by Councilmember Hannah, seconded by Councilmember Haire, to enter into an Executive Session for a Legal Matter and Discussion of Claim Assertion of Demetrius Jamison. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb



City Council Minutes October 2, 2018

Orangeburg City Council held a Public Hearing on Tuesday, October 2, 2018, at 7:00 P.M. **2765**
Council Chambers with Mayor Michael C. Butler presiding. The purpose of the Public Hearing
was for the following:

Public Hearing: To consider an application for annexation into the City of Orangeburg, SC,
property belonging to W-3 Holdings, LLC, 950 Chestnut Street, TMP# 0174-18-05-001.000

Hearing no public comments, the Public Hearing was closed.

Council entered into the regularly scheduled meeting.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts

Richard F. Stroman

Two students from Edisto High School were recognized as attending the meeting.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve
the September 20, 2018, City Council Minutes, as distributed. This motion was unanimously
approved.

Mayor Butler and DPU Manager Warren Harley presented a Retiree Resolution and gold watch
to Mr. Donald Brett Yongue for his thirty years, two months and twenty-one days of service to
the Department of Public Utilities.

Mr. Shawn Taylor, Parks and Recreation Superintendent of Recreation and Marketing,
recognized the All-Star Baseball Champions players and their parents.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Knotts, to approve
the Third Reading of an Ordinance for a Zoning District Map Change from A-2 Residential,
Multi-Unit District to O-I Office-Institutional-Residential District for property belonging to
Paragon, Inc., of South Carolina, LLC, located at 795 Whitman Street, Orangeburg, SC, TMP#
0174-18-05-001.000. This motion was unanimously approved.

Ms. Evelyn Discher, Community of Character Executive Director, accepted the Character Trait
Proclamation for October, 2018, "Courage".

Ms. Shaniqua Simmons, Parks and Recreation Director, addressed Council in regards to an
update on Parks and Recreation Programs. A power point presentation was presented. Ms.
Simmons overviewed the Parks and Recreation organizational chart that also included a Division
for FY 2018-19, to include the new North Road Recreational Complex.

She stated, "We have 14 playgrounds, 11 fields, 2 community centers, shelters and two
cemeteries. During our busy season, we have up to 176 volunteers. These volunteers are mainly
coaches. We rely on our volunteers heavily. We have sixty three (63) paid staff that includes
referees and scorekeepers. At the Orangeburg City Gym in FY 2017-18 we have had 93 events
with over 19,000 visits. We have open play and our rentals have increased with tournaments.
The revenue collected at the gym is \$19,209 for the fiscal year. Our leisure or recreational
services include day camps, summer camps and rentals. The Spray Park is doing well with a 6%
increase this fiscal year in attendance. We have had 210 rentals in FY 2017-18 which could be
shelters, gazebos or the Spray Park. In athletics, we had 167 volunteers in FY 2017-18. An
average volunteer pay rate for the State of SC is \$22.22. We had 8,016 volunteer hours in FY
2017-18 which equates to \$178,000 in savings. The bulk of our volunteers are coaches, which is
an extension of our staff. We have hosted state tournaments here and hope to do more at the
Recreational Complex. The most sponsorship comes from baseball and the least participants are

in football. This is mainly due to parents being cautious about concussions; however, soccer is increasing participants. We have collected in revenues for FY 2017-18, \$71,608 for athletics. Our maintenance staff takes care of the gardens and keeps the organization running and they also offer support to DORA and other agencies. We have special events throughout the year from Spring Camps, Summer Camps, Senior Games, Dance Classes and we have Senior Day at the Gym on Wednesday that includes bingo and line dancing. What's next? The North Road Recreational Complex. Soon we will be advertising for staff. Our facility will be new and great and we will have new lights that will bring the people and tournaments to Orangeburg."

Councilmember Jernigan asked, "How many jobs will this bring to Orangeburg?"

Ms. Simmons replied, "There are six budgeted, four full-time staff and two part-time staff."

Councilmember Jernigan asked, "Will you have volunteers also?"

Ms. Simmons replied, "Yes, that is essential to recreation. The issue is finding good volunteers."

Mayor Pro Tem Keitt stated, "The only issue I have is that the Spray Park is not open long enough."

Ms. Simmons replied, "We may need to try something different."

City Yow stated, "There was some questions before as to activities in the City Gym. Some citizens came before Council to state that there is no activities going on there. As you can see from the numbers and the events, it is being utilized."

Ms. Simmons replied, "We try to tell our visitors to go to the gym to park in the back by Mirmow Field, so if you are riding down Broughton Street, you do not see the cars in the back."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, approving the application for Hometown Economic Development Grant Funds to the Municipal Association of South Carolina for a \$25,000.00 grant with a local match of \$3,750.00 for an open air market pavilion. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the First Reading of an Ordinance for annexation into the City of Orangeburg, SC, property belonging to W-3 Holdings, LLC, 950 Chestnut Street, TMP# 0174-18-05-001.000. This motion was unanimously approved.

Carrie Johnson, Finance Director stated, "Tonight we are requesting approval to move forward in signing the final contract to begin the AS/400 Conversion with New World/Tyler Technologies. The project began in 2009 with an Information Technology Committee discussing future IT related needs. As you can see in your packet, I've outlined our steps since 2009. We demonstrated various software packages to enhance our City's IT infrastructure with solicitations requested from eight vendors (InCode, Southern Software, Tyler New World, CSI, American Data Corp, QSI and AVG). Only three (BS&A, New World and Tyler) responded via RFP process. Bids were enclosed in your packet. Demos and visits were made to other locations, including Fairfield County, Goose Creek, North Augusta and Sumter prior to the Committee's selection. The contract amount of \$278,660, which includes the base module, training and Esuite applications of which \$200,000 is budgeted in FY 2017-18 with the possible addition of roughly \$100,000 over the next three years to include variance with contract and possible additional hardware and licenses as needed. The Project Plan outlines all task through a three phase implementation-reference document provided to them with such tasks as Data Prep, Gap Analysis, Validation of Conversation Data, Testing and Training. This is the first and largest phase as implementation date of November 1, 2019. Last phase will be implemented December 31, 2020. We will be providing quarterly status updates to Council as we progress. Due to limited staff we will be assisted by our consultant who has been with us since the beginning of this effort and also has significant experience with

his product due to his other work with the Sumter implementation. I would recommend you to authorize the City Administrator to enter into this contract extension with New World/Tyler Technologies." 2767

Mayor Butler asked, "This technology is for what?"

Finance Director Johnson replied, "It is for all facets of Finance and also modules pertaining to Public Works that includes accounts payable, accounts receivable, revenue accounting, taxes, business licenses and a community development module. This module will be map interfaced where you can go to a location and see what is due or applicable to that address such as work orders, taxes or a business license. The AS400 is an archaic technology and we are going to a more server based environment, it will be a three year process. A lot of our programs are home grown from the 1980's and we will be going to a more user friendly and windows based environment. This would be an extension of our current contract,"

Mayor Pro Tem Keitt asked, "How many companies were involved in this?"

Director Johnson stated, "There were eight companies and we received three bids. The bid process was done on a grading process."

Councilmember Hannah asked, "Who is our consultant?"

Director Johnson stated, "Mr. Karl McCollester from UDHHA, who was recommended to us from MASC."

Councilmember Hannah asked, "On your pages where it states you visited Fairfield County in 2012 and Goose Creek in 2013, that Technology is outdated?"

Director Johnson replied, "We started this project back in 2009, these cities use the same product as to what we are trying to implement now and their software has been updated yearly. Goose Creek is mainly with Tyler and their software will be updated each year. We get upgrades each year on our current software."

Councilmember Knotts asked, "Are these upgrades automatic?"

Director Johnson stated, "Yes, upgrades are automatic each year."

Mayor Pro Tem Keitt asked, "Who would be trained on this?"

Director Johnson stated, "We will train those applicable to that module. We will train departments that need to do deposits in revenue accounting and Public Works will be trained in community development, as an example. I believe in cross training. Someone else should know what to do if someone else is out."

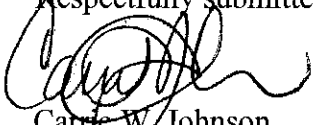
A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve an authorization to enter into a contract extension with New World/Tyler Technologies for the AS/400 system conversion in the amount of \$227,015.00. This motion was unanimously approved.

There were no utility matters pertaining to the Department of Public Utilities.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for (1) Legal Matter concerning Opioid Litigation and (2) Personnel Matter regarding City Attorney Compensation.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk



**A RESOLUTION TO ACCEPT A GIFT OF PROPERTY LOCATED ON
AMELIA, RUSSELL AND WINDSOR STREETS IN THE CITY OF
ORANGEBURG, STATE OF SOUTH CAROLINA, FROM R. MICHAEL
JOHNSON AND GREG B. CAMPBELL**

WHEREAS, R. Michael Johnson and Greg B. Campbell have offered to donate the below described property to the City of Orangeburg, and

WHEREAS, the City finds that it is in the best interest and that of its citizens to accept said gift.

NOW THEREFORE BE IT RESOLVED BY CITY COUNCIL DULY ASSEMBLED this 6th day of November, 2018 that the City of Orangeburg does hereby accept the offer of R. Michael Johnson and Greg B. Campbell to convey the below described property to the City as a gift and donation.

Description of property:

All that certain piece, parcel or tract of land, with any improvements thereon, situate, lying and being in the City of Orangeburg, School District 5, County of Orangeburg, State of South Carolina, being shown as Parcel "A" and Parcel "B" on a Plat for Luther Adden, prepared by W. F. Stokes, RLS, dated January 5, 1981, and revised on January 7, 1981 and recorded in the office of the Register of Deeds for Orangeburg County in Plat Book 50 at Page 85 and bounded and measuring as follows: On the Northeast by the right-of-way of Broughton Street, measuring thereon three hundred one and three-tenths (301.3) feet; on the Southeast by property now or formerly of First Citizens Bank and Trust Company of South Carolina, measuring thereon two hundred thirty-one and nine-tenths (231.9) feet; again on the Northeast by property now or formerly of First Citizens Bank and Trust Company of South Carolina, measuring thereon one hundred twenty-nine and four-tenths (129.4) feet; again on the Southeast by the right-of-way of Russell Street, measuring thereon three hundred twenty-four and nine-tenths (324.9) feet; on the Southwest by the right-of-way of Windsor Street, measuring thereon four hundred thirty-three and three-tenths (433.3) feet; and on the Northwest by the right-of-way of Amelia Street, measuring thereon five hundred fifty and nine-tenths (550.9) feet; all measurements being more or less. **LESS AND EXCEPT:** Two and eighty-seven hundredths (2.87) acres, more or less, shown on a Plat for Kimbrell's Investment Co., Inc., dated April 2, 1999 and recorded in the aforesaid office in Deed Book C-125 at Page 10.

TMS #: 0173-17-03-001

AND IT IS SO RESOLVED.



Michael C. Butch
Mayor

James Hain

Paula P. Koster

James L.

Paul D.

Richard F. Stum

Members of Council

ATTEST: [Signature]
City Clerk

**A RESOLUTION TO ACCEPT A GIFT OF PROPERTY LOCATED ON LANGSTON,
MAPLE AND HAMPTON STREETS IN THE CITY OF ORANGEBURG, STATE OF
SOUTH CAROLINA, FROM J. LEONARD SANFORD AND SANFORD
INVESTMENTS II, LLC**

WHEREAS, J. Leonard Sanford and Sanford Investments II, LLC have offered to donate the below described properties to the City of Orangeburg, and

WHEREAS, the City finds that it is in the best interest and that of its citizens to accept said gift.

NOW THEREFORE BE IT RESOLVED BY CITY COUNCIL DULY ASSEMBLED this 14th day of November, 2018 that the City of Orangeburg does hereby accept the offer of J. Leonard Sanford and Sanford Investments II, LLC to convey the below described properties to the City as a gift and donation.

Description of properties:

From J. Leonard Sanford

All that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in School District 5, City and County of Orangeburg, State of South Carolina, and being set forth and shown as property of R. T. Ashley on a Plat of 2.18 Acres, prepared for Leonard Sanford, by Edisto Surveyors Inc., approved by A. R. Parler, Jr., RLS, dated August 6, 2002 and recorded in the office of the Register of Deeds for Orangeburg County in Plat Book D-140 at Page 5 and bounded and measuring as follows: On the Northwest by the right-of-way of Langston Street, measuring thereon fifty (50') feet; on the Northeast by property formerly of J. G. Houser, now of J. Leonard Sanford, measuring thereon one hundred fifty-one and forty-one hundredths (151.41') feet; on the Southeast by property of J. Leonard Sanford, measuring thereon fifty (50') feet; and on the Southwest by property of J. Leonard Sanford, measuring thereon one hundred fifty-one and forty-one hundredths (151.41') feet; all measurements being more or less.

From Sanford Investments II, LLC

All that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in the City and County of Orangeburg, State of South Carolina, and being shown as property of J. G. Houser on a Plat for Leonard Sanford, prepared by Edisto Surveyors, Inc., approved by A. R. Parler, Jr., RLS, dated August 6, 2002 and recorded in the office of the Register of Deeds for Orangeburg County in Plat Book D-140 at Page 5, and bounded as follows: On the Northeast by the right-of-way of Maple Street, measuring thereon one hundred fifty-one and forty-one hundredths (151.41') feet; on the Southeast by property of Leonard Sanford, measuring thereon fifty (50') feet; on the Southwest by property now or formerly of R. T. Ashley, measuring thereon one hundred one hundred fifty-one and forty-one hundredths (151.41') feet; and on the Northwest by the right-of-way of Langston Street, measuring thereon fifty (50') feet; all measurements being more or less.

AND

All that certain piece, parcel or tract of land, with all improvements thereon, situate, lying and being in School District 5, City and County of Orangeburg, State of South Carolina, containing two and eighteen hundredths (2.18) acres, more or less, and being more fully set forth and shown on a plat for Leonard Sanford, prepared by Edisto Surveyors, Inc. approved by A. R. Parler, Jr., RLS dated August 6, 2002 and recorded in the Office of the Register of Deeds for Orangeburg County in Plat Book C271 at Page 2.

AND IT IS SO RESOLVED.



Michael C. Butch
Mayor

Sam Hare

Andrea P. Knott

Jeff D.

Chris Dyer

Richard F. Hume

Members of Council

ATTEST: [Signature]
City Clerk

CITY COUNCIL MINUTES
October 16, 2018

Orangeburg City Council held its regularly scheduled meeting on Tuesday, October 16, 2018, at 7:00 P.M., in Council Chambers with Mayor Michael C. Butler presiding.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts (attended late)

Richard F. Stroman

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the October 2, 2018, City Council Minutes, as distributed. This motion was unanimously approved. Councilmember Knotts not present at time of voting, but was present for the rest of the meeting.

Mr. William Green of 1048 Doyle Street addressed Council. He stated, "I am here tonight to discuss a project I am working on to bring more attention to Downtown Orangeburg for Christmas. Since it doesn't snow here, I would like to see businesses dress their windows with white lights for Christmas. Also, the light poles only have about ten lights on them. I would like to see an increase in the number of lights that are on a pole to 100 to 150 lights. I think it would be great to add red bows to the top of each light pole from here to the Gardens and the surrounding streets to make downtown look like a Christmas village."

Mayor Butler stated, "You must have a plan behind your suggestion."

Mr. Green replied, "I have asked business owners with poles in front of their business to consider purchasing the bows and the ones I have talked to verbally agreed."

Mayor Butler asked, "Do you have a list of business owners that will put bows on top of the poles? We are here to provide safety to the citizens and beautification, there must be a plan in place."

Mr. Green stated, "I have talked with two florists who would do the bows for the poles."

Mayor Butler asked, "Have you talked to City officials to be sure that the bows can be put on the poles?"

Mr. Green stated, "No, I have not."

Councilmember Jernigan asked, "Have you talked to Downtown Orangeburg Revitalization Association (DORA)?"

Mr. Green replied, "I did talk to someone from DORA last year."

Councilmember Jernigan stated, "I think you need to be working with them on this."

Mr. Green replied, "This is something I am working on and I will be sure to put it all in writing."

Mayor Pro Tem Keitt stated, "I think it is a good idea and you need to have a plan in place."

Councilmember Haire asked, "How many businesses seem to be interested?"

Mr. Green replied, "Let me get all of that in writing."

2769

Councilmember Haire asked, "How many poles are there?"

Mr. Green replied, "I didn't really count the ones not in front of a business, so let me get that number to you."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the Second Reading of an Ordinance for annexation into the City of Orangeburg, SC, property belonging to W-3 Holdings, LLC, 950 Chestnut Street, TMP# 01074-18-05-001.000. This motion was unanimously approved.

City Administrator Yow stated, "There is no new business; however, I want to say that we are thankful that we were spared from another storm by the storm again and I want to thank City Council and the employees for their storm preparedness."

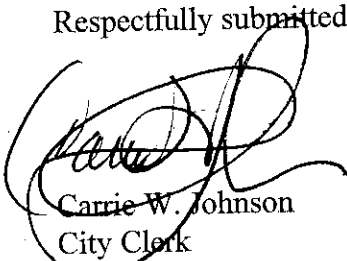
There were no utility matters brought before Council.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to enter into an Executive Session for the following:

- (1) Legal Matter and Discussion of Claim Assertion of Demetrius Jamison
- (2) Legal and Contractual Matters
 - A. Memorandum of Understanding with Tri-County Electric Cooperative
 - B. Midlands Utility/Northwood Estates
- (3) Contractual Matter
 - A. Purchase of Property – Orangeburg County Parcel TMP# 0173-17-03-001.000; 1003, 1007, 1009, 1013 and 1015 Russell Street, Orangeburg, SC

There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

/pfb



CITY COUNCIL MINUTES

November 6, 2018

Orangeburg City Council held its regularly scheduled meeting on Tuesday, November 6, 2018, at 7:00 P.M., in Council Chambers with Mayor Michael C. Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

ABSENT:

I. Zimmerman Keitt

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve the October 16, 2018, City Council Minutes, as distributed. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the Third Reading of an Ordinance for annexation into the City of Orangeburg, SC, property belonging to W-3 Holdings, LLC, 950 Chestnut Street, TMP# 0174-18-05-001.000. This motion was unanimously approved.

Ms. Evelyn Disher, Community of Character Executive Director, accepted the Character Trait Proclamation for November, 2018, "Empathy".

Mr. Jim Battigaglia addressed Council in regards to the Classification and Compensation Study that has been ongoing for the City and the Department of Public Utilities.

He stated, "The Archer Company has thirty (30) years of experience and is headquartered in Rock Hill, South Carolina, with additional offices in Chicago, Columbus, Atlanta, Raleigh and California. Our primary focus is developing classification plans and compensation plans for public organizations.

First, I am going to summarize the mechanics of the study and an introduction to the work we completed with more details in Executive Session.

We have worked with 1,500 organizations in fifteen (15) states. We are working on this as two different studies, one for the City and one for DPU.

Our goals were to create an objective classification and compensation plan, balance internal equity and external competitiveness results in fair compensation, collect, compare and assess major fringe benefits. This can be maintained efficiently and effectively as jobs change.

During this time, we completed a job analysis where employees completed a comprehensive position questionnaire (CPQ). The supervisors and directors reviewed the CPQ's and reviewed them. We then interviewed the Department Directors after we categorized the CPQ's. These interviews allowed the discussions of department services, employee classification issues and recruitment issues, including turnover.

Our next step was job evaluations where we evaluated the jobs and compared them in the public sector and each job had a numerical score. We established a classification structure consistent with the client's preference. The classifications were evaluated by the Archer Job Evaluation System to establish internal equity. The client then reviewed classifications and pay grade

assignments. We then responded to any issues. I would like to point out that the City ~~2771~~ had one hundred (100) job titles and DPU has one-hundred and twenty (120) job titles.

During our market analysis phase, we discussed external equity objectives and compared salary survey data comparing to target employers and identifying benchmark jobs. We then compiled the survey salary ranges and average pay and then analyzed the survey results and compared results to our client's data.

During the statistical analysis phase, we had market estimates that were graphed by job evaluation points. The higher the job, the greater the worth and the higher of pay. There is a line of best fit and correlations calculated and pay policy was developed from these results to match the market. We also looked at the major fringe benefits and we are still in process of doing this. We are looking at paid time off and comparison to holidays, vacation days, sick days and retirement.

Some of our salary survey participants were Aiken County, Lexington County, Orangeburg County, Sumter County, City of Goose Creek, City of North Charleston, City of Santee, City of Summerville, Santee Cooper, Greenville Water, North Charleston Water, AWWA Salary Survey and the Economic Research Institute.

The benchmark jobs we used and job titles and job families were DPU Administration Director, Public Safety Director, Public Works Director, Finance Director, City Attorney, Human Resources Administrator, all Superintendent, Building Official, Public Safety Officer V, Network Engineer, Sanitation Supervisor, Public Safety Officer IV, Accountant, Building Inspector, Water Operation IV, Public Safety Officer I, Executive Administrative Assistant, Mechanic, Motor Equipment Operator III, Wastewater Operator II, Water Operator II, Accounts Payable Clerk, Administrative Specialist I, Motor Equipment Operator I, Data Entry Specialist, Maintenance Worker II, Custodian II and Receptionist. The regression analysis on page 12 of your handout shows the benchmarked jobs and those below the line are below the minimum pay grade.

The City Pay Plan recommendations are to develop a pay plan at 100% of the market with twenty-one (21) pay grades. Each pay grade has a 50% spread from minimum to maximum. We also assigned employees to classifications and pay grades and increase salaries so that all employees are within pay grade minimum salary ranges.

Department of Public Utilities pay plan recommendations are to develop a pay plan at 105% of the market with twenty-one pay grades. Each pay grade has a 50% spread from Minimum to maximum. Assign employees to classifications and pay grades, increase salaries so that all employees are within pay grade salary ranges and providing revised descriptions and benefits analysis.

That is the overview and there will be more details in closed session."

Mayor Butler stated, "I understand this overview very well and it will be beneficial to employees."

Councilmember Stroman asked, "On page 9, there is nothing noted on health and dental insurance, shouldn't that be there?"

Mr. Battigaglia stated, "Insurance is volatile and can change from one year to the next. One government can pay 100%, others 20% or 40%."

City Administrator Yow stated, "We pay 100% of the employee's coverage and a lot of organizations do not do that and I think it is an important benefit."

Councilmember Hannah stated, "I also had insurance down as a benefit. On page 11, is that sequential?" Also, when you talked to the directors, was it individually?"

Mr. Battigaglia replied, "There is no order to that page and yes we did interviews individually."

Councilmember Haire asked, "I have a concern of those employees that are on the lower end of the scale. Garbage collectors, do you treat them any different since they work outside? Where did you get the comparison data?"

Mr. Battigaglia stated, "We use the Economic Research Institute and evaluate jobs. The employees that work outside get a higher score under environmental factors compared to someone who works inside such as an Administrative Clerk."

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, giving Department of Public Utilities Manager, Warren Harley, authorization to sign a Memorandum of Understanding with Tri-County Electric Cooperative. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to enter into an Executive Session for the following:

1. Discussion of Employee(s) Compensation
2. Legal Matter and Discussion of Claim Assertion of Demetrius Jamison
3. Legal Matter -- South Carolina Electric and Gas Company Demand
4. Contractual Matters
 - A. Gift of Property—Orangeburg County Parcel TMP# 0173-17-03-001.000, Orangeburg, SC
 - B. Gift of Property – Orangeburg County Parcel TMP#'s 0173-17-31-001.000, 0173-17-31-002.000, 0173-17-31-003.000, 0173-17-31-004.000 and 0173-17-31-006.000, Orangeburg, SC

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to return to Open Session.

Council returned to Open Session.

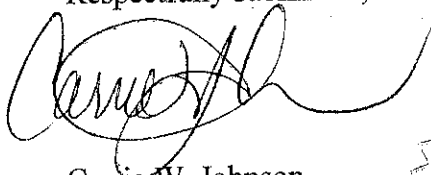
A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve a Resolution to accept a gift of property located on Amelia, Russell and Windsor Streets in the City of Orangeburg, SC, from R. Michael Johnson and Greg B. Campbell, which is located directly across from DPU. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve a Resolution to accept a gift of property located on Langston, Maple and Hampton Streets in the City of Orangeburg, SC, from J. Leonard Sanford and Sanford Investments II, LLC. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to adjourn. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb



RESOLUTION

TO AUTHORIZE THE MUNICIPAL ASSOCIATION OF SOUTH CAROLINA TO ACT AS CLAIMANT AGENCY FOR THE COLLECTION OF DEBT ON BEHALF OF THE CITY OF ORANGEBURG IN ACCORDANCE WITH THE SETOFF DEBT COLLECTION ACT.

WHEREAS, the Setoff Debt Collection Act (S.C. Code Ann. §12-56-10) allows the South Carolina Department of Revenue to render assistance in the collection of debt owed to political subdivisions of the State; and

WHEREAS, the Municipal Association of South Carolina will act as a claimant agency as provided by S.C. Code Ann. §12-56-10 for political subdivisions in South Carolina; and

WHEREAS, the City of Orangeburg desires to participate in the Setoff Debt Collection Program of the Municipal Association;

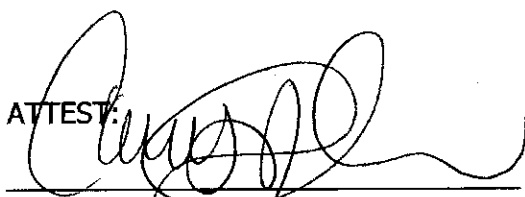
Now, Therefore, Be It RESOLVED, that the City of Orangeburg authorizes the City Administrator to enter into an agreement with the Municipal Association of South Carolina for the collection of debt owed to the City of Orangeburg.

BE IT FURTHER RESOLVED, that the City of Orangeburg indemnifies the Municipal Association of South Carolina to the extent permitted by law against any injuries, actions, liabilities or proceedings arising from performance under the setoff debt provisions.

Resolved by the City of Orangeburg this 4th day of December, 2018



ATTEST:

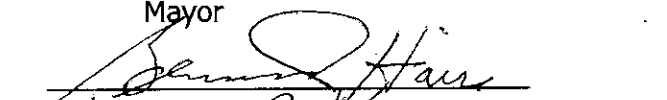


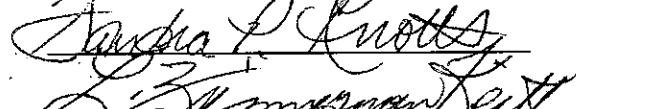
City Clerk

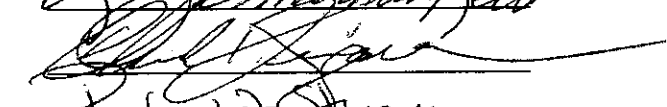


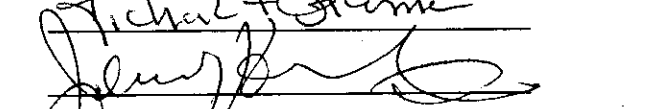
Mayor


Mayor











Members of Council

Members of Council

**City Council Minutes
November 20, 2018**

2773

Orangeburg City Council held its regularly scheduled meeting on Tuesday, November 20, 2018, at 7:00 P.M., with Mayor Michael C. Butler presiding.

PRESENT:

Michael C. Butler, Mayor

Bernard Haire

Jerry Hannah

Charles W. Jernigan

L. Zimmerman Keitt

Sandra P. Knotts

Richard F. Stroman

A motion was made by Councilmember Stroman, seconded by Councilmember Knotts, to approve the November 6, 2018, City Council Minutes, as distributed. This was a 6-0-1, vote as Mayor Pro Tem Keitt abstained, as she was not present at the meeting.

Ms. Doris Greene, SC Partnership Specialist with the US Census Bureau addressed Council. She stated, "We are ready for the 2020 Census. This is mandated by the United States Constitution that we have a Census every ten years to count every person in the United States. Our goal is to count every breathing person. The Census determines representatives for Congress and determines money in our state. There are sixteen (16) programs impacted by the Census that are federally funded. In 2000, South Carolina received \$1,499.00 per person per year and in a ten (10) year period, which is \$15,000 for each person in South Carolina. Federal Funding includes Head Start, Medicaid, schools and hospitals. Census Day is April 1, 2019. Students are counted differently. Each household needs to be counted and children are at risk of not being counted. Many communities are impacted by the census of unaccounted children with school overcrowding. I am here to help with churches, organizations and enlighten people about the Census. It also starts with you in assisting with getting the word out. There are hundreds of jobs available for 12-18 months starting a \$15-18 per hour. We are recruiting now."

Councilmember Jernigan asked, "The jobs are paid?"

Ms. Greene replied, "Yes, and it is up to forty hours per week with paid mileage."

Councilmember Hannah asked, "I see where smaller counties scored very low in 2000, but increased in 2010, what can you attribute to that?"

Ms. Greene replied, "Of course, it was me and the Partnership Program and we got one more person in Congress because of that."

Ms. Cheryl Lynch, Department of Public Utilities Human Resource Officer and Ms. Theresa Williams, City Human Resource Officer, overviewed the Current Classification and Comp Study. Details are as follows:

1. Discuss and determine pay plan placement beyond the pay grade minimums.
2. Discuss and determine timing of implementation plans for minimum and beyond.
3. Fringe Benefits – Holidays, Leave – Paid Time Off, Retirement, City Retiree Health Care, City Health Care and Auxiliary Benefits.
4. Holidays-Ten (10) paid annually which are New Year's Day, Martin Luther King, Jr., Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve and Christmas Day.

2774

5. Leave--Paid Time Off.	<u>Length of Service</u>	<u>Days Per Month</u>	<u>Days Per Year</u>
	0-6 Months	6 end of probation (48 Hrs.)	6
	6 Months – 5 Years	1 ¼ (10 Hrs.)	15
	5 Years – 15 Years	1 ½ (12 Hrs.)	18
	15 Years – 25 Years	1 ¾ (14 Hrs.)	21
	25 Years +	2 (16 Hrs.)	24

6. South Carolina Retirement Plan-City Contribution on Employee Compensation

	<u>YEAR</u>	<u>YEAR</u>	<u>YEAR</u>	<u>YEAR</u>	<u>YEAR</u>
	2018-19	2019-20	2020-21	2021-22	2022-23
SC RETIREMENT	14.56%	15.56%	16.56%	17.56%	18.56%
PORS	17.04%	18.04%	19.04%	20.04%	21.04%

(Employer contributed scheduled 1 % increase per year as mandated by the State)

7. City Retiree Health Benefits (Between the ages of 60 – 65)

Last hired prior to June 1, 1993

15 yrs. service / over age 65

20 yrs. service / over age 60

25 yrs. service

28 yrs. service with SC Retirement with 15 yrs. service with City

25 yrs. service with SC Police Retirement with 15 yrs. service with City

Last hired after June 1, 1993 – January 1, 2010

25 yrs. service

(Value approximately \$8,112 per year for 5 years)

8. City Health Benefits – Medical BCBS (PPO) Plan	Annual Value	\$8,112.00
HDHP Plan/includes Health Savings Acct.	Annual Value	\$7,584.00
Dental BCBS Plan	Annual Value	\$ 420.00

9. Auxiliary Benefits -- Social Security and Medicare Tax (.0765%)
 Workers Compensation Insurance
 Long Term Disability (premium value \$200.00 per year)
 Companion \$15,000 Life Insurance (premium value \$35.00 per year)
 Jury Duty
 Military Duty
 Bereavement (2 days)
 Educational Assistance (70%)
 Uniforms
 Steel Toe Shoes (only DPU)

Ms. Theresa Williams, City HR Officer, overviewed the 2016/2018 Compensation Statements.

Councilmember Jernigan asked, “Can you give me an average pay rate of one position as are currently provided to employees?”

Ms. Williams replied, “We can work on that for you because it would depend on the classification of employees.”

Councilmember Jernigan stated, “Just an average for a person working for the City of the 200 employees.”

Councilmember Hannah asked, “Did I hear you right, that the \$15,000 life insurance policy is \$35.00 per year?”

Ms. Lynch replied, “Yes, that is right, we have a group term policy and those are the current rates based on 400 employees.”

Councilmember Knotts asked, “For bereavement, is that two days?”

2775

Ms. Lynch replied, "Yes"

Councilmember Knotts asked, "What happens when someone has to travel over a period of days?"

Ms. Lynch replied, "They would have to take annual leave or do not get paid for it."

Councilmember Stroman asked, "Do we owe anyone overtime?"

Ms. Williams stated, "Overtime is paid as it is accrued with the exception of DPS employees who have to work a number of hours before they are paid overtime."

City Administrator Yow stated, "Overtime is paid and someone could accrue overtime today, but not get paid until next pay period."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve the 2018-19 Façade Grant Awards. This motion as unanimously approved.

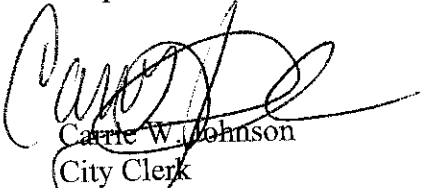
There were no Department of Public Utility matters brought before Council.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to enter into an Executive Session for a (1) Contractual Matter (A) Proposed Contract with the Buxton Company and a (2) Legal Matter (A) Ownership/Reversionary Clause Palmetto Development Group -- 1170 Russell Street, Orangeburg, SC.

Council did not return to Open Session.

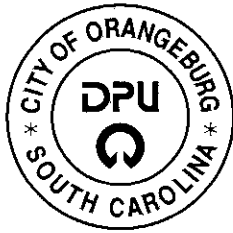
There being no further business, the meeting was adjourned.

Respectfully submitted,


Carrie W. Johnson
City Clerk

/pfb





A RESOLUTION TO AUTHORIZE THE MUNICIPAL ASSOCIATION OF SOUTH CAROLINA TO ACT AS CLAIMANT AGENCY FOR THE COLLECTION OF DEBT ON BEHALF OF THE CITY OF ORANGEBURG DEPARTMENT OF PUBLIC UTILITIES IN ACCORDANCE WITH THE SETOFF DEBT COLLECTION ACT

WHEREAS, the Setoff Debt Collection Act (S.C. Code Ann. §12-56-10) allows the South Carolina Department of Revenue to render assistance in the collection of debt owed to political subdivisions of the State; and

WHEREAS, the Municipal Association of South Carolina will act as a claimant agency as provided by S.C. Code Ann. §12-56-10 for political subdivisions in South Carolina; and

WHEREAS, the City of Orangeburg Department of Public Utilities desires to participate in the Setoff Debt Collection Program of the Municipal Association;

NOW THEREFORE BE IT RESOLVED BY CITY COUNCIL DULY ASSEMBLED this 4th day of December, 2018 to authorize the Manager of the City of Orangeburg Department of Public Utilities to enter into an agreement with the Municipal Association of South Carolina for the collection of debt owed the City of Orangeburg Department of Public Utilities.

BE IT FURTHER RESOLVED, that the City of Orangeburg Department of Public Utilities indemnifies the Municipal Association of South Carolina to the extent permitted by law against any injuries, actions, liabilities or proceedings arising from performance under the setoff debt provisions.

AND IT IS SO RESOLVED.



Michael C. Butler
Mayor

Sandra P. Kistner

Chris Eugene

L. J. Hammond

Richard F. Starn

Samuel Hain

Members of Council

ATTEST:

Carla [Signature]
City Clerk

City Council Minutes

December 4, 2018

2777

Orangeburg City Council held its regularly scheduled meeting on Tuesday, December 4, 2018, at 7:00 P.M., with Mayor Butler presiding.

PRESENT:

Michael C. Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

Mr. George Dean addressed Council. He stated, "On behalf of my family, my wife and my business family, we had an unexpected fire on November 9th. I want to acknowledge what a great job the first responders did. Chief Adams and staff, the Dean's Limited Family thanks you and your personnel for a great job. As a small business in Orangeburg, the City of Orangeburg has done a great job in revitalizing downtown to be pedestrian friendly; however, we need more pedestrians. As a business owner for over forty-eight (48) years and having a history in this community, we need your help and we are asking that you incentivize small businesses. The tax burden is greater for small businesses and we employ over 85% of the workforce. We need you to help us help ourselves. I want to encourage everyone to buy locally and remember where you spend your money. For those of you that believe in Hanukkah, Happy Hanukkah and for the rest, Happy Holidays.

Councilmember Stroman stated, "I was there the next morning and I want to thank the Service Department for cleaning the streets the next morning and I am sorry for your loss."

Mr. William Green spoke to Council in regards to downtown buildings. He stated, "I spoke with someone two weeks ago that the County was going to tear down a landmark in the City of Orangeburg. I would like to ask if there is a listing of historical buildings in the City, since there are very few art deco buildings in Orangeburg and can a building like that be saved? This is the building at the corner near the old Piggly Wiggly. I asked the County Administrator if this could be incorporated into the new library as a gift shop and I was told that the building had to come down. I just think the building should be preserved."

Mayor Pro Keitt stated, "We will talk to County Council about this and see what their plans are."

City Administrator Yow overviewed information concerning the removal of the Reversionary Clause from the deed to Palmetto Development Group at 1170 Russell Street. He stated, "In May of this year, Palmetto Development Group was given options to achieve the cancellation of the Reversionary Clause. Last Friday, we received a letter that their by-laws are being amended and in the event of dissolution, all assets would be distributed to SC State University. This is for information only and does require action of Council."

Councilmember Haire asked, "Where are we at, as it relates to their request?"

City Attorney Walsh stated, "The cancellation was sent to Mr. Kelly, their attorney today."

Concerning Classification Compensation Plan/Benefits Comparison, Mr. Jim Battigaglia from The Archer Company addressed Council with comparisons to other organizations. He stated, "The final list of survey participants and published surveys are the City of Anderson, City of Rock Hill, City of Edisto Beach, Town of Batesburg-Leesville, City of Chester, City of Georgetown, Beaufort-Jasper Water and Sewer Authority, Orangeburg County, Kaiser Family Foundation, Society for Human Resource Management, World at Work and International

2778 Foundation of Employee Benefits. There were a high level summary of Benefits Survey Findings such as Healthcare Plans, Healthcare Premiums monthly, Deductibles monthly, Out-of-Pocket Expenses maximum, Paid Time Off, Accruals and Paid Holidays. The majority of South Carolina respondents offer Preferred Provider Organization (PPO) and high deductible (HDHP) health coverage through the South Carolina Public Employee Benefit Authority (PEBA). The City of Orangeburg emphasizes 100% of employee-only premiums with smaller percentages for dependents and family. The City's PPO deductibles are less than the South Carolina organizations surveyed but the City of Orangeburg's out-of-pocket maximum is greater. The City uses a combined PTO Bank Plan and the City's PTO is conservative compared to surveyed organizations. The City's paid holidays are conservative compared to surveyed organizations. Benefits Survey recommendations are to consider increasing annual leave accruals as the City is somewhat conservative, consider providing annual sick leave as Orangeburg is much more conservative and consider increasing the number of paid holidays."

Ms. Theresa Williams, HR Officer for the City and Ms. Cheryl Lynch, HR Officer for the Department of Public Utilities addressed Council on discussing and determining pay plan placements (pay grade minimums and beyond), to discuss and determine timing of implementation, discuss and determine increasing annual leave, discuss and determine a new annual sick leave policy and discuss and determine increasing number of paid holidays. This information will be taken into consideration and a recommendation will be made to Council.

Councilmember Haire asked, "Once the pay plan is presented and the increases and recommendations, then you can implement?"

Ms. Williams replied, "We will have to bring the recommendations back to you for approval."

Councilmember Haire asked, "When will this process be completed?"

Ms. Williams replied, "In December, we should bring you back recommendations and present for funding and timing to bring to conclusion."

Ms. Evelyn Disher, Community of Character Executive Director, accepted the Community Character Trait "Kindness" for the month of December, 2018.

City Administrator Yow presented the First Reading of an Ordinance relating to the Recovery of Collection Costs as part of Delinquent Debts collected pursuant to the Setoff Debt Collection Act. A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the First Reading of this Ordinance. This motion was unanimously approved.

City Administrator Yow presented a Resolution to authorize the Municipal Association of South Carolina to act as the claimant agency for the collection debt on behalf of the City of Orangeburg in accordance with the Setoff Debt Collection Act. A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve this Resolution. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, to cancel the City Council meeting scheduled for Tuesday, January 1, 2019. This was a 6-0-1 vote as Councilmember Hannah abstained.

DPU Administrative Director Josh Nexsen presented a Resolution to authorize the Municipal Association of South Carolina to act as the claimant agency for the collection debt on behalf of the City of Orangeburg Department of Public Utilities in accordance with the Setoff Debt Collection Act. A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve this Resolution. This motion was unanimously approved.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to enter into an Executive Session for (1) Contractual Matter concerning Contracts for Health, Dental Insurance and Stop Loss Insurance.

Page 3

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, ~~to~~ **2779** to Open Session.

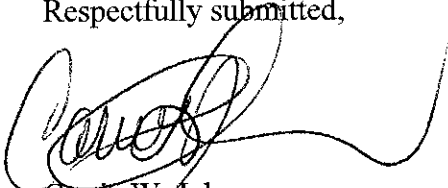
Council returned to Open Session.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, giving authorization to City Administrator Yow to enter into a Contract with Optum for Specific and Aggregate Insurance. This motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to adjourn.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Carrie W. Johnson
City Clerk

/pfb



RESOLUTION

A RESOLUTION TO ADOPT HEALTH INSURANCE BENEFITS FOR THE EMPLOYEES OF THE CITY OF ORANGEBURG EFFECTIVE JANUARY 1, 2019 AND REPEALING ANY CONFLICTING RESOLUTION OR ORDINANCE

WHEREAS, by Resolution of the Orangeburg City Council dated December 19, 2017 certain retirement and health insurance benefits of City employees were adopted; and

WHEREAS, the City by said Resolution retained and reserved the right to review, amend or change said benefits, with or without cause; and

WHEREAS, City Council has reviewed its present benefits and finds that for financial reasons it is now necessary to amend and change the present health insurance benefits provided its employees and retirees.

NOW THEREFORE BE IT RESOLVED, by City Council duly assembled this 18th day of December, 2018, that subject to the City's right in its discretion to amend, change, discontinue or abolish in whole or in part, the conditions, qualifications and requirements of all past, present and future employees of the City of Orangeburg, including retired and disabled employees of said City (hereinafter referred to as "employees") as of January 1, 2019 to obtain health insurance benefits from the City are set forth and shown on Exhibit A attached hereto and made a part hereof by reference. The amended rates, benefits and conditions of eligibility as referenced therein shall be prospective and not retroactive. Said health insurance benefits shall be continuously reviewed and may be amended, changed, discontinued or abolished after each review.

BE IT FURTHER RESOLVED, that regardless of any prior review the health insurance benefits of employees shall be defined, revised, reviewed, established and adopted annually by resolution of the City of Orangeburg and its Department of Public Utilities.

BE IT FURTHER RESOLVED, that any amendment, change, discontinuation or abolishment shall be effective upon adoption by City Council and notice of same after adoption shall be provided to employees within forty-five (45) days after adoption.

The City of Orangeburg is committed to reviewing its personnel policies and procedures and its health insurance benefits as needed. Accordingly, the policies and benefits of employees are subject to review, amendment, change or abolishment at any time, at the discretion of City Council; thus benefits may be increased, decreased or abolished at any time, with or without cause.

Any term, condition or limitation contained in any existing ordinance or resolution in conflict with this Resolution is repealed in its entirety.

RESOLVED BY City Council duly assembled this 18th day of December, 2018.



MAYOR

MEMBERS OF COUNCIL

ATTEST:

CITY CLERK

THIS IS NOT A CONTRACT

HEALTH INSURANCE BENEFITS CALENDAR YEAR 2019 Exhibit A

The within benefits may be increased, decreased or abolished at any time, with or without cause.

Definitions:

“Dental, Vision and Term Life”, collectively and individually, is defined as the insurance benefits provided by the City of Orangeburg and administered by BlueCross BlueShield (BCBS) of South Carolina and Companion Life.

“Employees” are defined as all City of Orangeburg employees, including employees of the Department of Public Utilities.

“Dependent” is defined as an individual who is an employee’s spouse: Is a lawful spouse or; a former spouse who is required to be covered by a divorce decree. Dependent is also defined as an employee’s child: Is a child under the age of 26 which includes a natural child, adopted child, foster child, stepchild, or child for whom an employee has custody or legal guardianship unless child has other federal or state insurance coverage. The term “child” also includes an incapacitated dependent, a child who is on a medically necessary leave of absence, a child of a divorced or divorcing employee who, under a qualified medical child support order, has a right to enroll under the employer’s group health plan. The term “child” does not include the spouse of an eligible child. Under the Patient Protection and Affordable Care Act and the Health Coverage and the Education Reconciliation Act, a child does not include an individual who is eligible for other employer sponsored coverage if the group health plan is grandfathered plan beginning for plan years before January 1, 2015.

“Health Insurance Benefits” are defined as medical, hospitalization and prescription drug benefits available to active full-time employees of the City and provided by the City of Orangeburg and administered by insurance providers under contract with the City.

“1500 HSA” plan is the 2018 Preferred Blue Plan-HDHP administered by BlueCross BlueShield of South Carolina.

“500 PPO” plan is the 2018 Preferred Blue Plan administered by BlueCross BlueShield of South Carolina.

“TERI” is defined as the Teacher and Employee Incentive Program administered by the South Carolina Retirement System.

Active Employees

Active Full Time Employees

The City of Orangeburg (hereinafter referred to as “City”) will provide medical, hospitalization, prescription drug, dental and vision insurance and (\$15,000) term life insurance to active full-time employees (as defined within the Personnel Handbook) with 100% of the premiums paid by the City. The insurance is offered through providers chosen by the City. New full time employees are eligible to be covered at the beginning of the month following 30 days of continuous employment. Terminated employees are only covered until their last day of employment. Councilmembers, City Administrator, Manager of the Department of Public Utilities, and the City Attorney are considered active full-time employees for purposes of qualifying for health insurance benefits.

Dependents of Active Full Time Employees

Dependents, as defined by the insurance providers, are eligible for dependent Health Insurance Benefits, with the City contributing up to the following dollar amounts towards the premium costs and the employee paying all additional costs and premiums, including any future increases:

\$ 276.93 per month for spouse coverage for the BCBS 500 PPO plan
\$ 241.00 per month for spouse coverage for the BCBS 1500 HSA plan
\$ 191.81 per month for children coverage for the BCBS 500 PPO plan
\$ 166.90 per month for children coverage for the BCBS 1500 HSA plan
\$ 383.02 per month for family coverage for the BCBS 500 PPO plan
\$ 333.26 per month for family coverage for the BCBS 1500 HSA plan

The above City contributions to the dependent portion of the premium are capped as of January 1, 2013.

Dependent Dental, Vision and Companion Term Life (\$5,000) insurance may be obtained with the employee paying 100% of the premium cost. Dependents of new employees are eligible to be covered at the beginning of the month following 30 days of continuous employment of the employee. Dental and Vision for dependents of terminated employees are only covered until their last day of employment of the employee. Dependent premiums for Dental, Vision and Companion Term Life Insurance (\$5,000) are as follows:

Dental:

- \$ 35.00 per month for spouse coverage for the Dental plan
- \$ 45.00 per month for children coverage for the Dental plan
- \$ 81.00 per month for family coverage for the Dental plan

Vision:

- \$ 3.00 per month for spouse coverage for the Vision plan
- \$ 4.00 per month for children coverage for the Vision plan
- \$ 7.00 per month for family coverage for the Vision plan

Companion Term Life Insurance (\$5,000):

- \$ 1.00 per month for any number of dependents covered under the Companion Term Life Insurance

Dependents of current active full-time employees are eligible to be added or dropped during the City's annual enrollment period or as defined by law. All dependent coverage will be subject to the then terms and conditions of the City's benefit package being offered to dependents and the terms and conditions of the insurance policy or policies of the then insurance provider.

Employees who select medical coverage under the BlueCross BlueShield 1500 HSA plan will forfeit all other benefits referred to herein, but will receive the following amounts deposited quarterly into their Health Saving Account (hereinafter referred to as "HSA" account).

- \$150 per month for active full-time employee coverage only
- \$180 per month for active full-time employee and spouse coverage
- \$175 per month for active full-time employee and children coverage
- \$185 per month for active full-time employee and family coverage

Spouses of active full-time employees who are eligible for Health Insurance Benefits and/or Dental, Vision and Term Life with their employer(s), regardless of coverage limits or conditions, must select and obtain coverage under their employer's plan or plans before they can become eligible for coverage under any City plan which, if selected, will be secondary insurance.

Effective January 1, 2016, all employees and dependents over the age of 2 years which are covered by one the City's Health Insurance Benefits Plans will be entitled to use the employee clinic (if operational). All covered members who elect to use the clinic must conduct an initial health risk assessment. There is no charge for members covered by the BCBS 500 PPO Plan. There is a required co-pay for members covered by the BCBS 1500 HSA Plan for non-preventative services as required by law.

Effective January 1, 2016 and thereafter; employees or any dependent of an employee covered by the City's Health Insurance Benefits who uses tobacco products shall be subject to a surcharge of \$50 per employee per month. An employee will be subject to this surcharge for the full calendar year if they or their dependent is a tobacco user during any part of the year. The employee is subject to repay the employer for this surcharge if they willfully disregard this rule or fail to properly notify employer.

Effective January 1, 2017 and thereafter; plan participants over the age of 18 and covered by the City's Health Insurance Benefits shall be required to participate in the City's wellness plan which requires the participant to undergo an annual Health Risk Assessment administered by a provider with whom the City contracts or the equivalent of same by participant's primary care provider, within the plan year. Plan participants over the age of 18 who fail to undergo a Health Risk Assessment shall be charged a \$20 per month surcharge in addition to the plan premium.

Effective January 1, 2017 and thereafter; active full-time employees covered by the City's Health Insurance Benefits shall be eligible for a City paid subsidy of \$5 per month for individual monthly dues and \$10 per month for family dues participation at the Orangeburg YMCA. Employees must agree to pay the YMCA dues through payroll deduction at the time of open enrollment and must maintain membership for the full calendar year.

Eligibility for Post-Employment Benefits

Present Active Full Time Employees last hired prior to June 1, 1993

These employees may be eligible for the continuation of Health Insurance Benefits and Dental and Vision insurance coverage if they meet one of the following:

- a. The employee has 15 years employment with the City and is over age 65.
- b. The employee has 20 years employment with the City and is over age 60.
- c. The employee has 25 years employment with the City.
- d. The employee has 25 years employment with the City Department of Public Safety.
- e. The employee has 28 years of service under the SC Retirement System; with at least 15 years of continuous employment with the City.
- f. The employee has 25 years of service under the SC Police Retirement System; with at least 15 years of continuous employment with the City.

Present Active Full Time Employees last hired on or after June 1, 1993 and before January 1, 2010

These employees may retire with the City and be eligible for continuation of Health Insurance Benefits and Dental and Vision if an employee meets the following condition.

- a. The employee works 25 years for the City.

State of South Carolina TERI Retirement Program

Years of employment with the City while participating in the TERI program are included in employee tenure calculation for Post-Employment Benefits eligibility.

Active Full Time Employees Retired under the SC Retirement System or SC Police Retirement System

Total years of City employment of an active full-time employee who has retired under either the SC Retirement System or the SC Police Retirement System are included in employee tenure calculation for Post-Employment Benefits eligibility.

Retirees with Post-Employment Benefits

Retiree Insurance

The following benefits are not available to retirees who during employment with the City, ever made an election to the 1500 HSA Plan. The City will pay the entire cost of a retired employee's Health Insurance Benefits being provided active full-time employees of the City once the retired employee reaches the age of 60 and until the employee reaches the age of 65. Prior to reaching the age of 60, the employee must pay the full premium and cost of his or her Health Insurance Benefits being provided as an active full-time employee of the City. Retirees of the City will be allowed to participate in Dental and Vision insurance of the City if permitted by the insurance provider and provided the retired employee pays the full premium and cost of coverage.

Retirees over the age of 65 and/or their spouses over the age of 65 are eligible to receive any enhanced Medicare or Medicare supplemental plan being provided by the City. The City will pay up to \$100 per month towards an HRA for the retiree to be used for insurance coverage and/or for HRA approved medical expenses for the Retiree and /or spouse. The above City contributions are capped as of January 1, 2013. The City contribution of \$100 per month ends upon the death of the retired employee, however, the spouse may elect to remain on the enhanced Medicare or Medicare supplemental plan being provided by the City with the spouse responsible for paying the entire cost thereof.

The Retirees under the age of 65 are also eligible for the continuation of Health Insurance Benefits and Dental and Vision for dependents. The retiree will be responsible for the entire cost of the Health Insurance Benefits dependent coverage and the entire cost of the Dental and Vision retiree and dependent coverage. Once the retiree attains the age of 65 years, the retiree may continue Dental and Vision coverage for both the retiree and dependents, but must pay the entire cost of any such coverage. A Retiree must elect coverage at the time of retirement. Failure to make an election for available retiree, spouse or dependent coverage upon retirement shall constitute a waiver and forfeiture of all retiree Health Insurance Benefits, including Dental and Vision insurance provided by the City.

Retirees (excluding TERI employees) returning to full time employment with the City will be required to pay fifty (50) percent of premiums for employee coverage of Health Insurance Benefits, dental and vision insurance regardless of age of employee or other terms previously expressed in this paragraph.

Spouses of Deceased Retirees

Spouses of deceased retirees, who are receiving Group PPO Health Insurance Benefits from the City at the death of a retiree, may continue the insurance coverage then in existence, and shall continue up to the age of 65 and shall pay the required premium while covered.

Retirees with No Post-Employments Benefits

Employees hired on or after January 1, 2010

These employees upon retirement or termination will not be provided and may not continue any benefits referred to herein, including without limitation, Health Insurance Benefits, and Dental, Vision and Term Life.

Election to HSA Plans

Current active full-time employees who elect to be covered under a City's HSA medical insurance coverage waive any future rights to be eligible for any benefits referred to herein, including without limitation, Health Insurance Benefits and Dental, Vision and Term Life upon termination of or retirement from employment. However, an employee may return to coverage under the standard 500 PPO plan, however all post-employment benefits remain forfeited and shall not be reinstated.

Spouse & Dependents, over 65, of Active Full Time Employees, Who Would Qualify as a Dependent

Spouse and Dependents, over the age of 65, of active full-time employees are eligible for the standard dependent 500 PPO insurance plan or the Medicare Advantage Plus plan. Spouses and dependents shall be subject to the same restriction for spouse eligibility referred to above if coverage is available at their place of work.

Active Full Time Employees on FMLA Leave or Long Term Disability

The City will continue to pay the monthly health and dental insurance cost of an employee who is placed on long-term disability or Family Medical Leave for a period of three (3) months following the last month worked. Upon expiration of three (3) month the employee has the option of continuing health and/or dental coverage (COBRA) at his own expense for a period of 18 months or up to 29 months (if totally disabled as defined by the Social Security Administration). COBRA coverage ceases once the employee becomes eligible for Medicare or Medicaid.

Dependent medical, dental, vision and life insurance shall remain in force on dependents for a period of up to three (3) months starting with the month following the last month worked by the employee. The City will continue to pay the same portion of the dependent coverage in effect while the employee was an active full-time employee of the City. The employee will continue to pay his portion of the premium for dependent coverage. Dependents will have the same option as an employee of continuing coverage under COBRA after this three-month period.

The employee or dependent must make arrangements for the payment of the employee's portion of the health insurance benefits premiums for the three-month period to be paid weekly, semi-monthly, or monthly.

- If COBRA is elected after this three-month period, employee will make full premium payments the first of each month, payable to the City.

City Council Minutes December 18, 2018

Orangeburg City Council held its regularly scheduled City Council Meeting on Tuesday, December 18, 2018, at 7:00 P.M., in Council Chambers with Mayor Butler presiding.

PRESENT:

Michael Butler, Mayor
Bernard Haire
Jerry Hannah
Charles W. Jernigan
L. Zimmerman Keitt
Sandra P. Knotts
Richard F. Stroman

Councilmember Jernigan recognized our men and women serving in the military that are stationed home and abroad and asked that we remember them during this holiday season as they are away from their families.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the December 4, 2018, City Council Minutes, as distributed. This motion was unanimously approved.

City Administrator John Yow discussed the Ordinance relating to Setoff Debts. He indicated nothing has been changed to the Ordinance since First Reading and recommended to Council that they move forward with the Second Reading.

A motion was made by Councilmember Haire, seconded by Councilmember Knotts, to approve the Second Reading of an Ordinance relating to the Recovery of Collection Costs as a part of Delinquent Debts collected pursuant to the Setoff Debt Collection Act. This motion was unanimously approved.

Assistant City Administrator John Singh discussed the First Reading of a model Ordinance to establish standards for the placement of small wireless facilities. He stated that the Ordinance was developed using the template provided by the Municipal Association of South Carolina and is necessary as technology moves to 5G for wireless devices. He also noted that this would be an evolving item that may need changes or amendments in the future.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to approve the First Reading of an Ordinance to establish the standards for the placement of small wireless facilities in covered areas in the City of Orangeburg, SC, and for other purposes. This was a 6-0-1 vote, as Councilmember Haire abstained.

City Administrator Yow discussed the annual Resolution for the adoption of health insurance benefits for City employees. He indicated that there was no plan design or rates changes in the Resolution from the prior year and all changes centered around the new dates and removal of the HealthStat Clinic references as this was discontinued earlier in 2018.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to approve a Resolution to adopt Health Insurance Benefits for the Employees of the City of Orangeburg, SC, effective January 1, 2019, and repealing any conflicting Resolution or Ordinance. This motion was unanimously approved.

City Parks and Recreation Director, Shaniqua Simmons, requested approval of two nominations to fill two of the four vacancies on the Accommodations Tax Advisory Committee. The first nomination was Reyne Moore, City of Orangeburg Chamber of Commerce President.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Haire, to approve the nomination of Reyne Moore to the Accommodations Tax Advisory Committee in the Hospitality Sector. This motion was unanimously approved.

The second nomination was Barbara Beach, Arts Center Treasurer.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt, to approve the nomination of Barbara Beach to the Accommodations Tax Advisory Committee in the Cultural Sector for approval. This motion was unanimously approved.

Department of Public Utilities Manager, Warren Harley, stated that there was no DPU business.

Councilmember Stroman expressed his thanks and gratitude to the Department of Public Safety for their program on December 18, 2018, at DPS Headquarters that provided forty (40) bicycles to community children.

A motion was made by Councilmember Stroman, seconded by Councilmember Haire, to enter into an Executive Session. This motion was unanimously approved.

Council entered into an Executive Session for the Discussion Employee(s) Compensation. This motion was unanimously approved.

Council returned to Open Session.

Upon returning from Executive Session, City Administrator Yow recommended that Council adopt the Archer Compensation Study results and allow the City to move forward with adding two additional holidays, Presidents' Day and Veterans Day, in 2019, and raise all employees below the salary range to the minimum range effective with the first payroll in 2019.

A motion was made by Councilmember Haire, seconded by Mayor Pro Tem Keitt, for approval of the two (2) additional holidays, Presidents' Day and Veterans Day and raise all employees below the salary range to the minimum range effective the first payroll in 2019. This motion was unanimously approved.

There being no further business, a motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman, to adjourn the meeting. This motion was unanimously approved.

There being no further business, the meeting was adjourned.

Respectively submitted,



Tricia Phillips
Finance Coordinator

/pfb

