

ANDERSON COUNTY COUNCIL
ANDERSON, SOUTH CAROLINA
Regular Meeting – September 16, 2003 – 6:00 p.m.
Linda N. Gilstrap, Clerk to Council

M I N U T E S

All area newspapers, radio stations and television stations were informed of this meeting in compliance with guidelines set forth in the *Freedom of Information Act*.

PRESENT

Chairman William C. Dees – District #6 - Presiding
Vice Chairman Larry E. Greer – District #3
G. Fred Tolly – District #1
Clint Wright – District #4
Mike Holden – District #5
M. Cindy Wilson – District #7
Joey Preston – Administrator
Tom Martin – County Attorney
Linda N. Gilstrap – Clerk to Council
Tammie Shealy - Deputy Clerk to Council

ABSENT

Gracie S. Floyd - District #2

(During times of discussion and presentations the minutes are condensed and paraphrased.)

The official meeting of the Anderson County Council convened in the Council Chambers of the Historic Courthouse on Tuesday, September 16, 2003 at 6:00 p.m.

Chairman William C. Dees called the meeting to order. Mr. Larry Greer gave the invocation and everyone pledged allegiance to the flag of the United States of America. Chairman Dees read the quote. The Chairman also wished Mr. Tolly a happy birthday.

Mr. Tolly moved to approve the minutes from the September 2, 2003 meeting as mailed. Mr. Wright seconded. Ms. Wilson stated that several of her remarks were left off under "Remarks by Council Members" and asked that they be added. Chairman Dees talked about page 5 (4th paragraph) which states "Council agreed that the officers would not be commissioned until they have completed the appropriate required training." He said that he did not recall Council agreeing on this. He said officers to be commissioned would have to have training first because in the State of South Carolina officers must be commissioned before they can be trained. Mr. Greer said that he agreed and he thought the section in the minutes was from a statement he made referring that he had met with Mr. Preston and he assured him that he would establish an administrative policy that would require all officers to be commissioned to complete appropriate weapons training before being issued and allowed to carry a weapon. Vote on the minutes with changes as discussed was unanimous.

Chairman Dees stated that Ms. Gracie S. Floyd was away at a conference and unable to attend the meeting.

Citizen Comments: Mr. Dan Harvell stated that tonight the Council would continue to consider and grant extensions on fee-in-lieu of situations that have become standard procedure for large industry in the County. Everyone appreciates the employee opportunity granted by these companies, he said. He said many citizens feel that the return on the profit is becoming marginal for the citizen taxpayer. While much has been made by the County Administrator and Council over state cutbacks, the fee-in-lieu agreements impact school revenues to a great degree. He suggested the following: lower all business

and industry rate to encourage business growth to all levels of business and industry from one man start up to large corporations, review the tax breaks given to entities with new development under non-profit status, if council must continue to leave property tax levels at their current rate let the fee-in-lieu of dollar impact be deducted from the general fund, excluding emergency services and law enforcement. Where the loss is sustained by education due to these agreements reimburse the specific school districts impacted by those agreements – then they could be assured these fee-in-lieu agreements would be absolutely necessary and would have greater competent in their renewals even if companies have not yet agreed upon terms on investment and employment.

Ms. M. Cindy Wilson moved to approve Resolution #R2003-a resolution recognizing the Honea Path Fire Department. Mr. Greer seconded. Vote was unanimous. Ms. Wilson presented the resolution to Mr. Paul McGaha. Mayor Myers said that council really needed to look at something on the inspection that they had - Honea Path was one of the first towns to go to central dispatch. They were told that Central Dispatch would help them on lowering their interest rate but they lost points on the central dispatch. He requested that Council take a serious look at this because of other fire departments being dispatched by central dispatch.

Item #2 was withdrawn from the agenda.

Chairman Dees presented third and final reading of Ordinance #2003-032 – an ordinance authorizing a fee-in-lieu of tax arrangement on behalf of Orian Rugs, Inc. (The "Corporation") pursuant to a lease agreement between Anderson County, South Carolina (The "County") and the Corporation; authorizing the issuance of an infrastructure credit to the corporation pursuant to an infrastructure financing agreement between the corporation and the County; and other matters relating to the foregoing. Mr. Wright moved to approve and Ms. Wilson seconded. Vote was unanimous.

Chairman Dees presented third and final reading of Ordinance #2003-033 – an ordinance establishing procedures and standards for reimbursement of expenses incurred in the course of official business on behalf of, or under contract to Anderson County, South Carolina; and other matters related thereto. Mr. Greer moved to approve on third and final reading and Mr. Tolly seconded. Vote was unanimous.

Chairman Dees presented third and final reading of Ordinance #2003-036 – an ordinance authorizing an amendment to a lease agreement dated as of December 1, 1996 between Anderson County, South Carolina (The "County") and Michelin North America, Inc. (the "Company") with regard to the period of time in which the company is permitted to complete the project and an amendment to include additional investment criteria for the Company; and other matters relating to the foregoing. The ordinance was recommended for adoption by Mr. Robert Galloway, attorney representing the County. Mr. Wright moved to approve on third reading and Mr. Tolly seconded. Vote was unanimous.

Chairman Dees presented second reading of Ordinance #2003-034 – an ordinance amending ordinance #99-004, the Anderson County Zoning Ordinance, as adopted July 20, 1999, by amending the Anderson county Official Zoning map to rezone from I-2 (Industrial Park) to O-D (Office District) one (1) parcel of land comprising approximately +/- 3.52 acres of property in the Hopewell Precinct on Evergreen Road. The property is identified by TMS #144-00-05-003 and is fully described by Plat Book CPO83, Page #347, Deed Book 18Q/568. Ms. Wilson moved to approve on second reading and Mr. Wright seconded. Vote was unanimous.

Chairman Dees read first reading of Ordinance #2003-038 – an ordinance amending, in limited particulars only, the Master Road list of all County roads located in and maintained by the County of Anderson, South Carolina, created by Ordinance #2001-007; and other matters related thereto. On the

motion of Mr. Wright, seconded by Mr. Tolly, Council voted unanimously to approve on first reading. Mr. Martin stated for the record that the ordinance deletes a road from the county Master Road list in District #4 which was included in the road list by error.

Chairman Dees read first reading of Ordinance #2003-039 – an ordinance authorizing the execution and delivery of an amendment to a lease purchase agreement between Anderson County and Milliken & Company, so as to extend the initial investment period to ten years for investments in excess of the initial commitment. Ms. Wilson moved to approve on first reading and Mr. Tolly seconded. Mr. Greer asked Mr. Martin was it correct that the company planned on having other investments in the future associated with the fee agreement. Mr. Martin referred to Mr. Warren, attorney for the Company. Mr. Warren stated that it was an extension request to extend the existing agreement for three more years so that any investments made in Milliken's Plant would be made under this fee-in-lieu of tax agreement and it was the Company's intention to continue make investments in Anderson County. Vote was five in favor and one abstention (Greer). Mr. Greer stated that he had other questions and maybe he would have answers by second reading.

Mr. Mike Holden moved to add Cole Circle to the District 5's paving list. Mr. Wright seconded and vote was unanimous. This road is off Dixon Road, he said.

Mr. Holden requested that the County attorney check into a situation where the City of Anderson was requiring residents outside the city to sign some type form to get water service for their home. He said if they sell the home they are required to give up their future voting rights for annexation. He said that it seems unconstitutional to them. Mr. Martin said that a member of his firm presently is a member of City Council so that poses a potential conflict. He said that Mr. Preston could be able to get the answer from another law firm.

Mr. Greer moved to appropriate \$25,000 from District #3 paving account for construction of a multi-purpose walking track at the new Library site in Belton which would go from the Belton Depot to the Farmers Market. Ms. Wilson seconded the motion and vote was unanimous.

Ms. Wilson moved to appropriate \$300 for the Town of Pelzer for Recreation Program and Senior Citizen Program. The funds to come from District 7's recreation account. Mr. Holden seconded the motion and vote was unanimous.

Chairman Dees stated that the Wren Youth Association had requested some electrical work at Hurricane Spring Park. He moved to appropriate up to \$14,000 from District #6's recreation account to do the necessary electrical work and repairs. The money will be given only after the appropriate bidding process has occurred and presentation of invoices to the County Finance Department. Mr. Greer seconded and vote was unanimous.

Mr. Wright moved to remove from the table Resolution #R2003-066 – a resolution expressing intent to cease County Maintenance on and to authorize County consent to Judicial abandonment and closure of certain Anderson County Roads; granting encroachment permits as to such portions of said Anderson County Roads and other matters relating thereto. (Chef's House Way – C-10-77A). Mr. Tolly seconded. Vote was unanimous. Mr. Wright said that the resolution was simply a resolution to indicate to the Circuit Court that the County does not have any desire to continue maintenance of Chef's House Way (C-10-77A). He said that he spoke with several property owners concerning Mr. Greer's concerns of property being land-locked. In his opinion, this is the decision that the Court needs to make. Vote was five in favor and one opposed (Greer). Mr. Greer stated for the record that he opposed because he disagrees and his concerns have not been satisfied at this time.

Mr. Wright moved to approve the acceptance of the following roads into the County Road system: Community Park (Community First Commons), Hunter's Run Phase II, Camson Commercial Park, Royal Oaks Shores Phase III, Watson Grove, and Taylor's Ridge Subdivisions. Mr. Tolly seconded and vote was unanimous.

Ms. M. Cindy Wilson stated that at the last Council meeting she had asked questions concerning financial expenditures by the County. She read a memorandum dated September 3. She then read a response from Mr. Preston by memorandum dated September 8. She read the following first paragraph of Mr. Preston's letter: **"C&S Consulting Group, Inc., a company certified as a Disadvantaged Business Enterprise (DBE) by the South Carolina Department of Transportation, is a minority-owned firm. Both C & S Consulting Group, Inc. and Systra Consulting, Inc. provide transportation planning consulting services to Anderson County. The Federal Transit Administration recommended utilizing DBEs whenever feasible in order to encourage and promote these businesses. If you desire to know who the principles of these two entities are, you may contact them directly. C & S Consulting telephone number is (803) 733-5176 and Systra Consulting's telephone number is (973) 893-6000. Their services are paid for by a federal grant from Senator Hollings office."** She said that she went to the Legislative Manual and found that Rep. John Scott from Richland County was shown as being the principal of the C & S Consulting Group, Inc. Second Paragraph: **"Payments were made to La Quinta and Studio 1 for lodging for pilots and associated crews affiliated with the Balloon Federation of America National Championships set up in a Special Revenue fund; funds were collected for this purpose. The expenditures were paid fully by corporate donors. Celebrate Anderson's budget is \$75,000 with \$25,000 coming from the Anderson Independent Mail, \$25,000 from the City of Anderson, and \$25,000 from Anderson County. We will provide a breakdown once all expenditures are paid."** She said the Balloon Federation was a separate function and to show Council how confusing this could be she said that last fall she requested a list of corporate contributors and expenses for a number of functions and competitions and the balloon federation, in particular, that one of the sponsors claimed that she paid this for Freedom Aloft and under the expenses there was several entries "whited" out. There was a note of \$12,370 wired on 6-1-02 and was not included in the list of expenditures. The bottom line was much different, she said. She said that the administrator showed that the county had a surplus in that account when actually the county had a rather large deficit. Third Paragraph: **Ms. Susan Stukas provides professional services as coordinator of the balloon and the associated crew at County events as requested in order to promote the community. The company is paid on a per-event basis."** Accommodations tax, which she has been told pays for most of this is over \$30,000 short this past fiscal year. Fifth Paragraph: **"See the attached memorandum from Holt Hopkins regarding repairs to roads and bridges in County Council District #6."** She said that regarding the memo from Holt showing where the monies would come from to repair roads and bridges in County district 6 – she said this would impact all districts because there would be reduced money for piping, asphalt, rented equipment, stone, and bridge account. These are serious needs however council needs to pay attention to where the Council's priorities are and put more money into the County's roads and bridges. Six Paragraph #6 (first paragraph on page 2): **If you will recall, I informed you that we are in the process of closing out fiscal year 2003. If you had waited until this process had been finalized, there would not have been any misunderstanding**

regarding budget transfers for legal expenses. I have attached a listing of all payments to the three legal firms referenced for August as you requested." She said that she already had the expenses -- she was asking for the invoices and it was for August. She said that she had the copy she requested last year concerning legal expenses and when the County spent 2.6 million dollars with one law firm in a short period of time -- the summary sheets were reprinted so tiny that they were partially illegible. So she had no idea what it was for. She said that she was requesting that again -- copies of the invoices. Second Paragraph -- page 2: **"Stine Gallery did not provide artwork. They framed the All America City certificates in shadowbox frames for each organization and participant that participated in the All America City application process. Stine Gallery also framed South Carolina Resolutions. The Congressional Record, and letters presented by the Governor, Congress and the South Carolina State Legislature recognizing this significant accomplishment. These certificates are showcased in County buildings such as the County Council chambers, the Museum, School District #5, and all non-profit organization that participated. Stine Gallery also prepared the medallions that are presented to the All America City Participants, and that are periodically presented to citizens that County Council honors at County Council meetings for their service and dedication to Anderson County."** She said this past year the county spent over a thousand dollars and over \$20,000 the year before. Third Paragraph page 2 **"If you have concerns regarding the status of my contract, I direct you to the County Attorney or I will be glad to provide you the names and telephone numbers of my attorneys. Also, please review the attached County Council Ordinance that governs my duties."** She said that she wanted to call attention to the budget ordinance that Council was supposed to be notified of expenditures that are greater than \$2,500 and that is on page 19; section 24: Administration Reporting and transferring of funds. She read the following "The County Administrator may, if he deems it in the best interest of the County, and within the overall appropriations provided by this ordinance, and consistent with all other applicable legal requirements, transfer funds or any portion thereof from any fund, department, activity, or purpose, and in accordance with the Anderson County Code of Ordinances, and with any fund(s). the Administrator shall report to the County Council monthly on all such transfers exceeding \$2,500 and above once received. Neither the Administrator, nor any Department Head, may establish or fund a new position without the knowledge and consent of the County Council. County Council may transfer funds within any fund, department, activity, or purpose or among funds by normal Council action, subject to all other applicable legal requirements." She said there was a lot to go over even further than what she was presenting now and she said don't Council owe the citizens greater accountability. She also said that it was without saying that Lawyers, Consultants are required but to the extent that the County is paying is it really necessary? Another memo will be sent on Wednesday outlining what she is requesting, she said.

Chairman Dees read a verbatim transcript of the section of the meeting last week dealing with where the \$200,000 would come from that would be used on bridges and roads washed out in District #6.

Mr. Martin went over an Opinion of South Carolina Attorney General concerning contributions of Council discretionary funds to charitable organizations. A copy of the memorandum is on file in the Clerk to Council's office.

ADMINISTRATOR'S REPORT:

- a. Training: Mr. Gerald Shealy – Basic Weather Spotter Training Course, Advanced Weather Spotter Training Course
- b. Minutes:
 - 1. Anderson County Transportation Safety Minutes
 - 2. Airport Meeting of August 4, 2003
- c. Reports:
 - 1. District Recreation Report- letter from County Attorney
 - 2. District Paving Report
 - 3. Building & Codes Department
 - 4. Road Maintenance Litter Report for August 2003
 - 5. Detention Center Litter Report August 18-21, August 25-28, September 1-4, 2003
- d. Land Use Dispute Resolution Act of 2003 – Requiring Educational Training for Zoning Officials and employees
- e. MedShore Letter
- f. Pendleton Voting Precinct Petition for zoning referendum
- g. Anderson County FILOT Lease with Eagle Polyiso Corporation
- h. County Risk Management training by Mr. Bob Daly
- i. Cardinal Circle off Highway 81 and Camson Road
- j. District Paving Accounts (percentage per district)
- k. State's Capital Report by Dr. Harry C. Stille

REMARKS FROM COUNCIL MEMBERS:

Ms. Wilson: "One thing that we might have some course to work with our county delegation and those across the state – the question is can we improve our inducement agreements and still keep it fair for other taxpayers and perhaps we should look at that and look at it all together. If we do lose our manufacturing base in our country it is going to be a bad day. And I think it is something that we as a council could at least talk with our county delegation about and then they in turn will talk with the rest of the General Assembly. Perhaps something that would be a moratorium on ad valorem taxes which would have to be dealing with the state constitution for a short period of time-1-3 years and then perhaps from there just a flat tax much the same as homes and commercial pay. It would be maybe a fairer way to go and it might net more tax money for the schools and it might keep our companies more viable. It is certainly worth looking at. I really implore all of us on Council to take a stronger interest and more time at looking at our ledger reports because there is a lot of spending that is not necessary and we have necessary spending that probably needs to be increased and these are very important issues that we need to look at. And perhaps we need to go back to our budget because I am very concerned that with a lot of people being out of work and if any of you looked at today's paper there were 4 pages of the tiniest type of delinquent taxes in Anderson County. That very strongly indicates that we have citizens that have a problem paying their bills right now. So what's going to happen if we hit them with a higher tax increase, which is bound to happen when those bills come out in October? I employ all of us to work very hard to look at our expenses in this county again and look at what we can do to lessen the burden on our citizens and still provide the best services necessary."

Mr. Greer: "Mr. Preston, I would like to ask you a question and Michael is getting up but Michael could you wait just a moment please. You may be the one that needs to answer this question. A few weeks back I had been requested by the people of Iva and the people of Starr and the people of Belton to see if we could get the balloon to participate in the Stand Pipe Festival, Depot Days in Iva, as well as the Fall Festival in Starr. I am curious have you been able to arrange that and schedule the balloon for participation at those festivals."

Mr. Preston: "I am going to have to ask Mr. Cunningham to answer that question. I don't know the answer to that. I believe so but let him come forth."

Mr. Cunningham: "Yes Sir, Mr. Greer, all those dates have been currently given to Ms. Stukus who organizes the hot air balloon for the County. She has them on her calendar to arrange for pilots to be available and as always it depends on weather pending and things of those nature."

Mr. Greer: "Michael, the people of those communities appreciate you working to schedule that. Mr. Chairman. Thank you, Michael. I am going to be just a little bit wordy but not as bad as the last meeting."

Chairman Dees: "Thank you."

Mr. Greer: "There is something in agriculture that is called Diversity. And it is important in the farm community not to put all your eggs in one basket, so to speak, that you have a diverse operation, diverse farming operation so that one section of the agriculture economy does not do well then you have other sources of revenue. It is important in a community that you do that as well. It is important that you have industrial bases in your communities and more important that you have commercial and retail bases in your communities as well as the bedroom communities that we have in some of our areas. But industrial base is extremely important in our communities and it is important that we support that industrial base because it is what produces a lasting product. If we as a country plan to survive as service economy alone then we are doomed for problems. We must have a durable product produced. And as I listened to comments about industrial base and fee-in-lieu of and things of this nature and yes we don't want to – the expression I used when I was first asked about fee-in-lieu of was – you don't want to give away the farm in order to get the milk cow. You want to be able to keep something at the same time. But it is important that we support and continue to strengthen our industrial base in all of our communities and the thing that I think that brings that home is in World War II one of the things that made America victorious in both the European and the Pacific operation was the ability of the United States of America to produce industrial goods. You need to go back and read some of the history. They actually built ships in 10 days. Eight days. Built a full floating ready to go to sea ship in 8 days. Yet in the not too distant past this country could not produce enough black berets to outfit our military forces they had to import them from all places – China. So it is important that we continue to support and strengthen our industrial base everything hinges on that. And yet fee-in-lieu of are a mixed blessing – they definitely are – you give up something but hopefully you get something in return and that is what I try to look at as we look at fee-in-lieu of – are we getting something in return that we wouldn't have without it. And I sat across the table from the principals in a company that were looking to locate in Anderson County and I looked them in the eye just as I am looking at Mr. Martin – "Would you locate in this county without this fee agreement?" and the answer was a resounding NO. We would not because even with the fee agreement we are paying less taxes in two other areas than we would pay here. So these fee agreements are a mixed blessing you do give up something but hopefully you do get something in return. Again it is important to strengthen and support our industrial base. Thank you, Mr. Chairman."

Mr. Wright said that he totally agreed with Mr. Harvell that the County should be looking at small businesses. Mr. John Lummas and Mr. Burris Nelson and himself have put together a proposal that we have sent to the governor's office and the state Chamber, State Commerce department. The County has yet to get any feedback on the proposals. He said that he would argue with him that we are not trying to do anything for small businesses.

Chairman Dees: "I currently concur with your verbiage as well as Mr. Greer and I appreciate that. The Chairman has no comment except again to wish Mr. Tolly a happy birthday in the future. This meeting is adjourned."

There being no further business, the meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Linda N. Gilstrap, Clerk to Council
ANDERSON COUNTY COUNCIL