

**CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
229 MAIN STREET
CONWAY, SOUTH CAROLINA
MONDAY – MARCH 3, 2014 – 5:30 PM**

PRESENT: Mayor Alys C. Lawson, Mayor Pro Tem William M. Goldfinch IV, and Council Members Randle L. Alford, Thomas J. Anderson II, Barbara Blain-Olds, Jean M. Timbes, and Larry A. White

STAFF: Bill Graham, City Administrator; Billy Joe Sawyer, Building Official; Reggie Gosnell, Police Chief; Foster Hughes, Director of Parks, Recreation and Tourism; Timmy Williams, Beautification Director; Rick Baker, Fire Chief; Michael Leinwand, Planning Director; Cindi Howard, Human Resources Director; Freddie DuBose, Public Utilities Director; Kevin Chestnut, Public Works Director; Stephanie Carroll, IT Coordinator; and Vicky Lefler, City Clerk

OTHERS IN ATTENDANCE: Kathy Ropp, Rev. Randy Riddle, Hillary Howard, Fran Rickenbaker, Frannie Heizer, and others

CALL TO ORDER: Mayor Lawson called the meeting to order.

INVOCATION/PLEDGE OF ALLEGIANCE: Mayor Lawson recognized Rev. Randy Riddle of Westminster Presbyterian Church who gave the invocation. City Council and those in attendance recited the Pledge of Allegiance. Rev. Riddle thanked City Council and all City employees for the good work being done to clear the City of debris left from the February ice storm.

APPROVAL OF AGENDA: **Motion:** Anderson made a motion to approve the agenda contents, amended to conduct first reading of ordinances before Special Presentations so that, in view of the inclement weather, Bond Counsel Frannie Heizer could leave for Columbia as soon as possible. The motion was seconded by White. **Vote:** Unanimous. Motion carried.

APPROVAL OF CONSENT AGENDA: **City Council minutes – February 17, 2014.** **Motion:** Timbes made a motion, seconded by Blain-Olds, to approve the consent agenda. **Vote:** Unanimous. Motion carried.

PUBLIC INPUT: None.

ORDINANCES FOR FIRST READING:

A. First reading of proposed ordinances to refinance certain outstanding City bonded indebtedness

- 1. Ordinance #2014-03-17 (A) Second Supplemental Ordinance authorizing the refunding of the 2008 Waterworks and Sewer System Refunding Revenue Bond**

2. **Ordinance #2014-03-17 (B) An Ordinance authorizing the refunding of the 2005 Revenue Bond (Stormwater Projects)**
3. **Ordinance #2014-03-17 (C) An ordinance authorizing the refunding of the 2010 Tax Increment Financing Bond**
4. **Ordinance #2014-03-17 (D) An ordinance authorizing the refunding of the 2006A General Obligation Bond**
5. **Ordinance #2014-03-17 (E) An ordinance authorizing the refunding of the 2006B General Obligation Bond**

Graham remarked that an analysis by staff, with the assistance of Frannie Heizer, showed a potential net savings of approximately \$260,000 through the refinancing of certain bonded indebtedness of the City. At the February 17th meeting, staff reviewed with City Council this analysis, including the bonds identified for possible refinancing, and staff was authorized to work with Bond Counsel to prepare the necessary ordinances and solicit bank bids for refinancing those bonds. Those ordinances have been prepared as referenced above and were presented for consideration. Staff recommended approval of first reading for all five ordinances. Noting the savings that would result, Alford suggested that consideration be given to reducing the final maturity of the Water and Sewer Bond to 10 years or less. Heizer advised Council that she was unsure if the City's water and sewer system would be able to repay the debt that quickly but she could gather information relative to a possible change in maturity for the Water and Sewer Bond (savings, payment amounts, effect on water and sewer department, etc.) for Council's consideration before final reading. **Motion:** Anderson made a motion, seconded by Goldfinch, to approve first reading of Ordinance #2014-03-17 (A), Ordinance #2014-03-17 (B), Ordinance #2014-03-17 (C), Ordinance #2014-03-17 (D), and Ordinance #2014-03-17 (E), and consider additional information from Bond Counsel regarding the Water and Sewer Bond prior to final reading. **Vote:** Unanimous. Motion carried.

SPECIAL PRESENTATIONS:

- A. **Mid-year update on contract for services with Conway Downtown Alive.** Hillary Howard, Executive Director of Conway Downtown Alive, gave this power point presentation on the mid-year update for the Visitor Center, the Downtown Marketing Campaign, and the Alive after Five events.

Mayor Lawson abstained from discussion and vote on the following special event request for the Rivertown Music & Craft Beer Festival because her place of employment may be a participant in the event. Mayor Pro Tem Goldfinch presided over the meeting for this item of business.

- B. **Special event request – Rivertown Music & Craft Beer Festival – May 3, 2014.** Hillary Howard of Conway Downtown Alive submitted this special event request. Plans call for the event to be held in the area of 3rd Avenue between Main Street and Elm Street and Laurel Street between Second Avenue and Fifth Avenue. Maps depicting the location of the event, street closures (with times), and the alcohol consumption zone accompanied the special event

application. Approval of the special event request as submitted will exempt the event from requirements of the City's noise ordinance. Staff recommended approval of the special event application with the cost of any support services provided to be absorbed by the City's operating funds. **Motion:** Anderson made a motion, seconded by Alford, to approve the special event application for Rivertown Music & Craft Beer Festival as presented by staff. **Vote:** Mayor Lawson abstained, Timbes voted in the negative, and all others voted in the affirmative. Motion carried.

Mayor Lawson presided over the remainder of the meeting.

C. **Employee Longevity Award** was presented to Ryan Clyde, Fire Department, 15 years. The presentation was made by Council Member Timbes and the City Administrator. Mitch Rabon, Vehicle Maintenance Shop of the Public Utilities Department, was also recognized for 15 years' service but was unable to be present.

PUBLIC HEARINGS AND ORDINANCES FOR FINAL READING:

A. **Public hearing and final reading of Ordinance #ZA2014-03-03 (A) Amendment to Section 7.2 of the City of Conway Unified Development Ordinance relating to access management for multi-family developments.** First reading of this ordinance was approved at the February 17th Council meeting. This amendment requires multi-family developments to have additional access apart from the primary ingress and egress openings and imposes additional connectivity requirements on the developed property to include allowing emergency access for public safety services across the developed property and to the adjoining properties. A waiver provision is also included. Graham emphasized that the additional access required by the amendment is for use only by public safety services in the event of emergency and not for use as a public right-of-way. Staff recommended approval of final reading. **Public Hearing:** There was no comment from the public. **Motion:** Timbes made a motion, seconded by White, to approve final reading of Ordinance #ZA2014-03-03 (A). **Vote:** Unanimous. Motion carried.

B. **Public hearing and final reading of Ordinance #2014-02-17 (B) Establishing a new water and sewer rate structure as an incentive program for qualifying economic development projects.** First reading of this ordinance was approved at the February 3rd Council meeting. Graham commented that the proposed incentive program would make it more economical for a new qualifying business to get established in that the business would be set up as a one REU account with volume charges based on regular water rates and a monthly demand charge added based on actual use of the water and sewer system. Staff recommended approval of final reading. **Public Hearing:** There was no comment from the public. **Motion:** Alford made a motion, seconded by Goldfinch, to approve final reading of Ordinance #2014-02-17 (B). **Discussion:** Blain-Olds expressed concerns that the language of the ordinance precludes businesses, other than those recruited and evaluated by the Myrtle Beach Regional Economic Development Corporation (MBREDC), from being considered by Council for participation for this incentive program. Graham responded that requests received from other businesses would be evaluated by staff and presented in a timely manner for consideration by Council on a case-by-case basis. Mayor Lawson noted that the purpose of this ordinance was to expedite the approval process for MBREDC and all other requests

could come before City Council. Timbes expressed concern that it should be included in this ordinance, for the future, that City Council would have the discretion to consider requests from other businesses for this incentive. **Amended Motion:** Timbes made a motion, seconded by Blain-Olds, to add language to the proposed ordinance that would allow other businesses to request approval of City Council to be included in the economic incentive water and sewer rate structure. **Discussion:** Graham noted that Council discussed Grand Strand Water & Sewer Authority's program for large users (over 100 REUs) and its one-REU program that is reserved for use as an economic development incentive at the January 6th workshop and, at that time, there was general agreement to start with an incentive program for economic development projects recruited and evaluated by MBREDC and consider other requests as received on a case-by-case basis. He also noted that one REU is a very low threshold and that, without further study, the impact of opening the incentive program to other entities is unknown. The Mayor and several Council members spoke on the time sensitive nature of an incentive to assist MBREDC and suggested that further discussions regarding another option for other entities, job numbers, thresholds, etc., take place at a later workshop or the Budget Retreat. Mayor Lawson called for a vote on the amended motion. **Vote:** Timbes and Blain-Olds voted in the affirmative; all others voted in the negative. Motion failed. Mayor Lawson then called for a vote on the original motion. **Vote:** Unanimous. Motion carried.

RESOLUTION: Resolution reaffirming City's Risk Management Policy and update on City's safety program. To help meet SC Municipal Insurance Trust and SC Municipal Insurance Risk Fund guidelines, Baker for Council's consideration this resolution reaffirming the City's commitment to prevent and control accidental loss. In addition to the resolution, Chief Baker presented a brief progress report on the City's safety program. **Motion:** Blain-Olds made a motion, seconded by Anderson, to adopt the risk management resolution as presented. **Vote:** Unanimous. Motion carried. See attachment.

ITEMS FOR CONSIDERATION:

- A. Donation of surplus vehicle to City of Loris.** Graham reported that a 1987, military-type, Chevrolet truck was obtained by the City about 10 years ago through the State Surplus Property Office and, since then, had been assigned at various times to the Police, Fire, and Beautification Departments. It is currently not in use by any City department and is considered surplus property. The City of Loris has asked for donation of the truck to be used by the Loris Fire Department. Staff recommends that the truck be donated as surplus equipment to the City of Loris. **Motion:** Goldfinch made a motion, seconded by Blain-Olds, to approve staff's recommendation. **Vote:** Unanimous. Motion carried.
- B. Proposal from Smith Sapp Bookhout Crumpler & Calliham to extend engagement for annual audit services.** Graham presented and reviewed the proposal extending the City's annual audit engagement with Smith Sapp Bookhout Crumpler & Calliham for the fiscal years ending June 30, 2014, 2015, 2016, 2017, and 2018. It was noted that the City's financial department, with the assistance of Smith Sapp, has received the Government Finance Officers Association's Accounting Award of Excellence for 23 of the last 26 years. After reviewing the proposed amounts for the audit engagements per fiscal year, Graham advised Council that he believes these amounts are reasonable and that bids are not required

since this is a professional service. He also stated that, based on these amounts and in view of the excellent working relationship, staff believes it to be in the City's best interest to continue working with this firm. Staff recommended that Council authorize the City Administrator to sign the letter of engagement with Smith Sapp Bookhout Crumpler & Calliham for auditing services for the next five fiscal years. **Motion:** Timbes made a motion, seconded by White, to authorize the City Administrator to sign the letter of engagement with Smith Sapp Bookhout Crumpler & Calliham for the next five fiscal years. **Vote:** Alford and Blain-Olds voted in the negative; all others voted in the affirmative. Motion carried.


- C. Data Center Equipment Acquisition.** Council approved funding in the FY 2013-14 budget to purchase new hardware and software for the City's computer data center. Carroll presented and reviewed a proposal from Horry Telephone Cooperative (HTC) to provide this equipment and software. Seven of the 21 existing servers in the data center reach end of life this budget year and the rest will reach end of life over the next two years. Under HTC's proposal, seven new servers using virtualization software will take the place of all 21 of these servers. The proposal allows the cost of the hardware and software to be spread over a five year period at 0% interest financing and at the end of the five-year term, all of the hardware and software will be owned by the City. The proposal also includes installation, maintenance of hardware and software, and training. The cost of the purchase agreement is \$168,000 over a five-year term (\$2,800 per month) and, in comparison, is less expensive than State Contract pricing. Carroll noted that some of the equipment is needed immediately and will be acquired and put in place at the Police Department, some will be installed in the new Public Safety Building, and some will be placed at a co-location center operated by HTC. Staff recommended that Council approve the proposal by HTC. **Motion:** Blain-Olds made a motion, seconded by Goldfinch, to approve the purchase of new data center hardware and software as proposed by HTC and presented by staff. **Vote:** Unanimous. Motion carried.

ITEMS FOR INFORMATION:

- A. Fiscal Year 2013-14 budget update** was presented as information.
- B. Proposed City-sponsored technology business incubator in Downtown Conway.** Graham reported on steps recently taken by the City to implement a downtown business incubator. A letter of intent has been issued regarding the City's participation in the Technology Villages Program in collaboration with Coastal Carolina University and Clemson University. In addition, an application has been submitted for funding through the SC Department of Commerce Innovative Challenge Program to assist in the development of a technology business incubator in the downtown area. Graham noted that the Technology Villages Program has great potential for promoting innovative economic development.
- C. Update on Police Department community outreach activities** was presented as information.

ADJOURNMENT: **Motion:** Anderson made a motion, seconded by White, to adjourn the meeting. **Vote:** Unanimous. Motion carried.

APPROVAL OF MINUTES: Minutes approved by City Council this 17th day of March, 2014.



Vicky Lefler, City Clerk