

****AMENDED****

**MINUTES
Town Council Meeting
June 22, 2004
PROSPERITY, SC 29127
Public Hearing
6:30 pm
(Public Hearing Regarding 2004/2005 Budget)**

Council Attendance: Mayor Bruce Connelly, Councilmen Larry Spotts;
Derek Underwood; Allen Gallman

Council Absent: G. W. Dawkins

General Attendance: Andrea Cantrell, Town Administrator; Hank
Bufkin, Town Attorney; Janet Chastain,
Clerk/Treasurer and Paul Gable (Newberry
Observer)

Mayor Connelly opened the public hearing at 6:30 pm. Mayor Connelly stated that the purpose of this public hearing is to discuss the budget for fiscal year 2004/2005. The first reading to approve this budget was June 8, 2004. Mayor Connelly continued to point out the specific increases and decreases in revenue and expenses.

No public was in attendance. Public Hearing was adjourned at 6:45 pm.

**Town Council Meeting
7:00 pm**

Council Attendance: Mayor Bruce Connelly, Councilmen Larry Spotts;
Derek Underwood; Allen Gallman

Council Absent: G. W. Dawkins

General Attendance: Andrea Cantrell, Town Administrator; Hank
Bufkin, Town Attorney; Janet Chastain,
Clerk/Treasurer; Chief Benji Sease; Fred Sexton,
Public Works Director; Mark Bowers and Paul
Gable (Newberry Observer)

Councilman Gallman opened the meeting with prayer.

APPROVAL OF MINUTES:

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Mayor Connelly presented the minutes of the May 18, 2004 council meeting to Council for approval.

A MOTION by Councilman Gallman to approve the minutes of May 18, 2004; Seconded by Councilman Underwood and so approved unanimously.

Mayor Connelly presented the minutes of the June 8, 2004 special called meeting to Council for approval.

A MOTION by Councilman Underwood to approve the minutes of June 8, 2004; Seconded by Councilman Gallman and so approved unanimously.

OPEN SESSION – PUBLIC

Mayor Connelly recognized Mark Bowers to speak. Mr. Bowers stated that the Fire Department wanted to approach the One Cent Sales Tax committee regarding building a new Fire Station in Prosperity. The Fire Department has put together a proposal to present to this committee. If the proposal is approved and the Prosperity Fire Department is able to relocate, the members of the Fire Department all agree that the current Fire Department location will be given to the Rescue Squad. Mr. Bowers stated that they would need land and it would have to be located in Prosperity. He asked that Council be on the lookout for any available land that they would be able to purchase. Mayor Connelly stated that Council had discussed giving the Fire Department our current Town Hall building when it was relocated to the new Town Center. Mr. Bowers stated that this would definitely be a possibility but if Town Hall was relocated he would ask that Council assist in securing other property. Councilman Underwood questioned how much acreage would be needed. Mr. Bowers stated that the current Town Hall facility would definitely be sufficient. He also pointed out that this all depends on the One Cent Sales Tax funds, otherwise they would not be able to fund this project. Councilman Underwood also pointed out to Council that the funds that Mr. Bowers was requesting on behalf of the Fire Department would not take away from any One-Cent Sales Tax funds that the Town has requested. Mayor Connelly stated that he would like to see Council go on record as supporting the Fire Department in this project.

A MOTION by Councilman Underwood to allow Prosperity Fire Department access to the current Town Hall for the construction of a new Fire Department with the understanding that if this property is not available that Council will help them secure other property; Seconded by Councilman Gallman and so approved unanimously.

REPORT OF COMMITTEES:

Electrical, Fire Department, & Parade: Councilman Underwood stated that during the previous budget meeting Mayor Connelly had asked about the costs for doing electrical hookups for residential and commercial. He stated that the numbers have been worked up again and we now have them on file.

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Mayor Connelly stated that the Town has had three power outages in the last couple weeks. All three outages were caused by Duke Power. Mayor Connelly stated that he had contacted our representative at Duke Power, Steve Smith, to make him aware of these problems. Several restaurants and Pioneer Foods had major losses during the most recent outage. There will be outages with any electrical company that you deal with but we would like to try and keep our outages to a minimum. Mayor Connelly requested that Councilman Underwood work with Steve Smith on these problems. Mr. Bufkin asked for explanation regarding animals interfering with the electrical system. Mr. Sexton stated that the smaller animals get on the transformers and short them out. This can also affect the substations. Discussion followed regarding problems with electrical outages.

Councilman Underwood questioned how the power outages affected our phone system at Town Hall. Ms. Cantrell stated that when the power is out our phone system is also down. Councilman Underwood stated that he would like to see the Town pursue getting a backup system for our phone lines. Mayor Connelly stated the phone system at Town Hall is outdated and a new system needed to be considered.

Sanitation and Street: Mayor Connelly stated that Councilman Dawkins is not present tonight and he had nothing to report at this time.

Building, Recreation and Parks: Councilman Gallman stated that a new building would be going up soon at the Old Mills Clinic location. Mr. Bufkin stated that the old buildings across from the Piggly Wiggly have been sold. They will be renovated and put to use in the near future.

Councilman Gallman stated that the regular baseball season is over and the All Star Teams are getting ready to compete. He also stated that the Town had just completed the summer soccer camp. A soccer pro from Europe had been brought in to teach this camp. Ms. Cantrell stated that this is the third year that the Town has had this soccer camp.

Police Department: Chief Sease stated that he had no report at this time.

Water and Sewer Department: Councilman Spotts stated that the Town had a water leak on Langford street and also on Brookside Drive. Both of these problems have been taken care of. He also stated that the sewer right of ways have been cleared up from the debris from the storm damage. The Utilities department is about halfway through mowing the right of ways and this should keep them clear for the rest of this year.

Town Administrator: Ms. Cantrell reminded Council that the Town, along with Newberry Chamber of Commerce, will be hosting the "It's Back" program on Sunday, June 27th at the Town Center. This program is a celebration for Lake Murray. The Lake Murray Country Tourism will be providing three bands that will perform and the Town is providing concessions. Mayor Connelly stated that the Old School Renovation Committee would be offering tours of the Old School during this time.

Town Attorney: Mr. Bufkin stated that he no report at this time.

Old School Renovations: Mayor Connelly stated that Councilman Gallman and himself represented the Old School Renovation Committee and made a presentation to the One Cent Sales Tax Committee requesting funds to go towards renovating the auditorium.

NEW BUSINESS

Fire Department – Mark Bowers: Discussed earlier under Open Session.

Cutoff and Late Fee Policy: Mayor Connelly reviewed the policies presented (see attached copy). Councilman Underwood questioned if any of these policies were new. Ms. Cantrell stated that the policy previously did not clarify that payments had to be received in the office by 5:00 p.m. to be credited to that business day. Ms. Cantrell stated that this policy made this clarification and places it in the ordinances. Mayor Connelly stated that the Town has had some issues with after hour's payments. Councilman Underwood pointed out that the policy that was presented to Council was dated "effective August 2003". Ms. Cantrell stated that this was an internal policy that the utilities department was enforcing. It was being presented for Council to vote on, therefore updating our Ordinances if passed.

A MOTION by Councilman Gallman to approve the Cutoff and Late Fee Policy; Seconded by Councilman Underwood and so approved unanimously.

Vacant Property Utility Availability: Mayor Connelly asked Mr. Bufkin if he had any information on this. Mr. Bufkin stated that he was not prepared to speak on this at this time. Mayor Connelly stated that if there is property that is vacant for an extended period of time the Town gets no revenue from it. Some utility companies are now charging for vacant lot if they have gone to costs to run utilities to the property. This provides an incentive for the property owner to either rent or sale the property. Mayor Connelly stated that he would like for Council to keep this in mind. Newberry County Water and Sewer is already enforcing this policy. Discussion followed regarding how long a lot would have to be vacant in order to make charges. Mayor Connelly appointed Councilman Underwood and Councilman Gallman to do some research on this topic. Mr. Bufkin stated that he would try to put together a questionnaire regarding this.

Electrical Development and Tap Fees: Mayor Connelly stated that Council has been discussing the costs of commercial tap fees. Councilman Underwood stated the costs for a three-phase installation is estimated at \$1920.00. This figure includes labor. Ms. Cantrell stated that the bid from Southeaster Transformer for a pad mount transformer is \$3150.00. This does not include labor, connections, etc. Mr. Sexton stated that the bid for the Wightman Church addition was \$7000.00. Mr. Sexton stated that this was a 1600 amp and the other bid was for a 400 amp. Ms. Cantrell stated that when the prices are given for these installations, the requirements for each individual project needs to be considered. Mr. Bufkin questioned if the Town had a current policy regarding these installation costs. Mayor Connelly stated that it has never been an issue in the past. Mr. Bufkin stated that now that the Town has larger businesses moving in this definitely

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needs to be addressed. He also stated that the Town needs to encourage new growth not scare them away with high utility setup costs. Councilman Underwood stated with his research it would take a average size business about 3 – 6 months to recoup these costs but for a small business it would take about a year. Mayor Connelly stated that he would like to see some more research done on this topic. Ms. Cantrell stated that some decisions had to be made tonight regarding commercial projects currently taking place in the Town. Mr. Bufkin stated that when a larger industry comes in usually some kind of municipal agreement is done to let all parties know what services are to be provided and what the expenses will be. Mayor Connelly stated that he would still like more information gathered on this before making a decision. Mayor Connelly asked Councilman Underwood to work with Ms. Cantrell on this.

A MOTION by Councilman Underwood to go into Executive Session to discuss proposed expansion of services; Seconded by Councilman Gallman and so approved unanimously.

A MOTION by Councilman Underwood to come out of Executive Session; Seconded by Councilman Gallman and so approved unanimously.

Mayor Connelly stated that during Executive Session Council discussed contracts with some potential businesses in the Town of Prosperity. He also stated that unless he got other direction from Council he would continue to pursue negotiations with these potential businesses.

A MOTION by Councilman Gallman that the Town pursue these potential businesses; Seconded by Councilman Underwood and so approved unanimously.

OLD BUSINESS

Allocations of 2004/2005 Funds: Mayor Connelly reviewed the previous votes regarding the 2004/2005 funds. He stated that the expenses and revenue did not equal and Council needs to discuss how to balance this budget. Mayor Connelly reviewed additional expenditures in the Town budget including: ½ of the costs of codifying the ordinances, spraying for mosquitoes, new heating/air unit and new storage shed. The total of these additional expenditures would be \$14,500.00, which is more than is needed in expenditures to balance the budget. Discussion followed regarding how to cut these additional expenses. Mayor Connelly suggested leaving off the addition of a new storage shed. Ms. Cantrell stated without that expense the budges would balance. Mayor Connelly stated that in the Utility budget Council is considering the following additional items: a utility position from \$31,000 to \$39,000, tractor repairs totaling \$13,000.00 or either the purchase of a new tractor for \$26,000.00, electrical upgrade of \$250,000 to \$300,000 and a folder/stuffer machine for the utility billing department for \$4300.00. Councilman Gallman stated that he felt the Town needed to purchase a new tractor not put additional funds into repairing the old one. Mayor Connelly stated that he did not feel there were adequate funds in the proposed budget for a new tractor but the funds could be taken out of reserves. Mayor Connelly stated that the only additional costs that

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could be added to have a balanced budget would be the new employee, the folder/stuffer machine and \$4,000.00 in the budget for tractor repairs. Discussion followed regarding the electrical upgrade and what company would be doing the work. Councilman Underwood questioned if the folder/stuffer machine was a necessity. Ms. Cantrell stated that it would save a lot of time each month during the billing process and it would also be used for recreation mail outs. Councilman Underwood agreed that this would free up staff to work on other items. Mayor Connelly stated that to balance the Town budget they would be adding expenditures of the costs of mosquito spraying, ½ the costs of the codification of the ordinances and the new heating/air unit for Town Hall. For the Utility budget it would be adding the expenditures of a water department employee and the folder/stuffer machine, and then put the remainder of the expenditures in capital additions for surveying costs. Ms. Cantrell questioned if the funds going into capital additions were for engineering costs. Mayor Connelly stated that they were. Ms. Cantrell stated that this remainder would then go into professional services. Councilman Underwood stated that when Council had to pursue purchasing a new tractor these funds could come from reserves.

A MOTION by Councilman Underwood that the surplus funds of \$11, 229.00 include \$4,000.00 for codification of the ordinances, \$3,500.00 for the mosquito control and \$4,000.00 maximum for the heating/air unit for Town Hall. The above listed expenditures would be added to the Town budget for 2004/2005 in order to balance the budget. The surplus funds of \$39, 024.00 include a new position in the water department, purchase of a folder/stuffer machine and the remainder under professional services for engineering costs. The above listed expenditures would be added to the Utility budget for 2004/2005 in order to balance the budget. Seconded by Councilman Gallman, the vote carried four to one with Councilman Spotts opposing.

2nd Reading of 2004/2005 Budget:

A MOTION by Councilman Gallman to approve the 2nd reading of the 2004/2005 Budget; Seconded by Councilman Underwood, the vote carried three to one with Councilman Spotts opposing.

A MOTION by Councilman Gallman to adjourn the Council Meeting at 8:15 p.m.; Seconded by Councilman Underwood and so approved unanimously.

Janet Chastain
Clerk/Treasurer