

SPECIAL MEETING OF FLORENCE CITY COUNCIL MONDAY, JUNE 21, 2021 – 4:00 P.M. CITY CENTER – COUNCIL CHAMBERS 324 WEST EVANS STREET FLORENCE, SOUTH CAROLINA

MEMBERS PRESENT

Mayor Teresa Myers Ervin, Mayor Pro Tempore George Jebaily, Councilwoman Pat Gibson-Hye Moore, Councilwoman Lethonia Barnes, Councilman Chaquez T. McCall, Councilman Bryan A. Braddock and Councilman C. William Schofield.

ALSO PRESENT

Mr. Randall S. Osterman, City Manager; Mr. James W. Peterson, Jr., City Attorney; Mrs. Casey Moore, Municipal Clerk; Mr. Scotty Davis, Deputy City Manager; Mr. Clint Moore, Assistant City Manager of Development; Mr. Kevin Yokim, Assistant City Manager of Administration/Finance; Chief Allen Heidler, Florence Police Department; Chief Shannon Tanner, Florence Fire Department; Mr. Michael Hemingway, Director of Utilities; Mrs. Jennifer Krawiec, Director of Human Resources; Mrs. Amanda P. Pope, Director of Marketing/Communications and Municipal Services; Mr. Chuck Pope, Director of Public Works

MEDIA PRESENT

Notices of this regular meeting of City Council were provided to the media and individuals requesting a copy of the agenda informing them of the date, location and time of the meeting.

Mr. Cameron Crowe with WMBF News was present for the meeting.

CALL TO ORDER

Mayor Ervin called the June 21, 2021 special meeting of Florence City Council to order at 4:06 p.m.

INVOCATION

Mayor Ervin gave the invocation for the meeting. The pledge of allegiance to the American Flag followed the invocation.

ORDINANCES IN POSITION

Bill No. 2021-19 - Second Reading

An Ordinance to raise revenue and adopt a budget for the City of Florence, South Carolina, for the Fiscal Year beginning July 1, 2021, and ending June 30, 2022.

Councilman McCall made a motion to adopt Bill No. 2021-19 on second reading and Councilwoman Moore seconded the motion.



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Councilman Schofield made a motion to amend Section 1(d) of Bill No. 2021-19 to increase the budget for the stormwater utility enterprise fund to \$1,663,000 and to amend Section 12-272(a)(2) of the City of Florence, SC Code of Ordinances to increase the stormwater fee for each residential unit by \$0.50 per month to \$3.84 per month. Councilwoman Barnes seconded the motion.

Councilwoman Moore said she is opposed to the increase because the city already increased water and roll-cart fees and residents do not need more increases at this time. Further, when residents are paying more in stormwater fees, they do not expect their streets to be flooded.

Pro tem Jebaily asked for clarity on the amendments. Councilman Schofield said both amendments will allow the city to increase the stormwater fee in order to obtain the \$7 million bond issuance. Mr. Kevin Yokim, Assistant City Manager of Finance/Administration, said the current stormwater utility enterprise fund for next fiscal year is \$1,460,500. The revenue generated in that fund from the \$0.50 per month increase will be approximately \$200,000 per year, plus the debt service on the \$7 million bond; therefore, in order to account for the \$0.50 increase, the budget fund needs to be increased.

Councilwoman Barnes said she has been asking people in the community their opinion on the city's stormwater issues and a potential increase and fee. The feedback she received was that it would be irresponsible if there was no attempt to fix the issues.

Councilman Braddock spoke in favor of the increase. He said one of the top complaints he hears from residents is of stormwater issues and Council has the ability to start addressing these issues.

Councilwoman Moore spoke again, saying increasing the stormwater fee is not going to solve everyone's stormwater issues; the city needs to look at other solutions. She said it was previously estimated that it would cost approximately \$200 million to upgrade stormwater infrastructure throughout the city.

Councilman McCall spoke in favor of the increase, saying \$0.50 is a reasonable increase and contributes to the purpose of the fee. Other municipalities are doubling their stormwater fees and Florence has not had an increase since its inception in 2006. The problem will continue to get worse if it is not addressed. He acknowledged that the increase will not fix everything, but it allows more projects to be completed.

Mayor Ervin asked for clarity on the motion before Council. Mr. Jim Peterson, City Attorney, approached the podium and said there was a motion and a second on the original budget ordinance as presented. Then, there was a motion and a second to amend the budget ordinance. Once discussion is over on the amendment, Council will vote on the amendment. If the amendment passes, Council will then vote on the budget ordinance, as amended. Mr. Peterson said there is a complication. The portion of the amendment that deals with the increase in fee in Section 12-272(a)(2) of city code is not currently an item before Council. He further said the two amendments need to have two separate motions. Council can consider amending the budget ordinance on second reading today, but they cannot make an amendment to city code with only one reading. The amendment to city code can be considered for a first reading today, with second reading occurring on a later date. Mr. Peterson said the motion to amend Section 1(d) of the budget ordinance is on the table. Once that is addressed, Council can then make a motion to have first reading to amend Section 12-272(a)(2) of City Code to increase the stormwater fee.

Councilwoman Barnes inquired on the stormwater comprehensive study. Mr. Peterson said staff has already indicated they are moving forward with the study and the first year of it is already included in the budget. No action today will affect the study.



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Councilwoman Moore asked if they are voting on an increase in fees. Mr. Peterson replied yes and no. The motion on the table is to amend the budget ordinance to increase the stormwater enterprise fund to \$1,663,000; however, in order to have a balanced budget, an increase in the stormwater fee will need to occur to increase the fund. Councilwoman Moore asked how many years it will be before another list of projects will come before Council. Mr. Randy Osterman, City Manager, said it will depend on the results of the comprehensive study. The study will identify the future needs and ways to fund the needs into the future. Councilwoman Moore asked how long the study will take, to which Mr. Osterman replied three years. He said the list of projects that were proposed to Council were identified by engineering staff as the worst.

Mayor Ervin asked Mr. Osterman if it is correct that when this bill was originally presented, Council could authorize a \$4 million bond for stormwater projects and could come back at a later time to complete the additional projects with another bond. Mr. Osterman said that is correct. He said Council could elect to do the \$4 million worth of projects now and another bond could be issued once the results of the study came back.

Pro tem Jebaily said the question before Council is the budget ordinance, and asked Mr. Yokim if the bond is imbedded within the ordinance. Mr. Yokim replied the original budget ordinance before Council includes a stormwater utility enterprise fund of \$1,460,500 that includes approximately \$325,000 of annual debt service on a \$4 million bond. The amendment on the floor would raise the annual debt service to approximately \$525,000, allowing the city to issue a \$7 million bond. In order to finance the additional debt service, the stormwater fee would need to increase by \$0.50 per month. Pro tem Jebaily said the city has been applying for grants to potentially fund infrastructure improvements. He asked what happens under the circumstance the city receives grant funding and how will it affect the project list, and have additional projects already been identified. Mr. Yokim replied the city's bond attorney, Mr. Charlton deSassure, proposed an amendment to the project description within the bond ordinance. The amendment to the project description does not limit projects the city can complete to those outlined on the list, allowing flexibility. Mr. Peterson said if the city receives grants for projects on the list, it will free up money for the city to complete additional projects staff has identified.

Councilwoman Moore said she wants citizens to know that projects will still be completed without the increase. Also, the grants the city received will also be used to complete additional projects. She asked Mr. Osterman to read the list of projects that will be completed without an increase. Mr. Osterman replied the Cheves Street Underpass, Malden Drive, Dargan and Elm Street, Cannon Street Outfall, Pennsylvania Street Outfall, St Anthony/College Park, Waccamaw Drive and Rutledge Avenue, and the Thomas Road Outfall.

Councilman Braddock asked Mr. Osterman to read the list of projects that will not be completed if the fee is not increased. Mr. Osterman said Oakland Avenue, Sandhurst West, Rebecca Street Outfall, and Wisteria.

Pro tem Jebaily said he has concerns with raising fees at this time, even though \$0.50 is not a significant amount. He said he is leaning towards approving the increase because he knows the city is applying for grants and the bond does not limit the scope of work to the project list. If the city is successful in getting the grant money, it will free up money for other projects that have been identified and move them further up the timetable.

Councilman Schofield said infrastructure drives the economy and allows for businesses to come into Florence and the city needs to address the problem now before it becomes a bigger issue. He said they



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cannot continue to argue over pennies on a dollar when there are residents that cannot wait three or fifteen years for improvements.

Mayor Ervin summarized the options before Council. She said they can go ahead and proceed with the \$4 million bond as outlined from the last meeting and wait for the results from the study, or they can elect to amend the budget ordinance which will in effect necessitate an increase in the fee. She said either choice will not resolve all the drainage issues in Florence, it will simply start a process.

Mr. Yokim provided a reminder on the debt service millage. In August of 2020, City Council passed a General Obligation Bond Ordinance to construct the two new fire stations and for the purchase of equipment. After consulting with the bond attorney, the city's debt service millage will increase from 2.7 to 4 mils, a 1.3 mil increase.

Mayor Ervin said Councilman Schofield will need to amend his motion in order for them to be taken up separately. Councilman Schofield made a motion to amend Section 1(d) of Bill No. 2021-19 to increase the budget for the stormwater utility enterprise fund to \$1,663,000 and Councilwoman Barnes seconded the motion. Council voted 5-2 in favor of the amendment, with Mayor Ervin and Councilwoman Moore voting nay.

Council voted 5-2 to adopt Bill No. 2021-19, as amended, with Mayor Ervin and Councilwoman Moore voting Nay.

Councilman Schofield made a motion to amend Section 12-272(a)(2) of the City of Florence, SC Code of Ordinances to increase the stormwater fee for each residential unit by \$0.50 per month to \$3.84 per month on first reading and Councilman Braddock seconded the motion. Mr. Peterson said this is first reading before Council.

Council voted 5-2 to pass an amendment to Section 12-272(a)(2) of the City of Florence, SC Code of Ordinances to increase the stormwater fee for each residential unit by \$0.50 per month to \$3.84 per month on first reading, with Mayor Ervin and Councilwoman Moore voting nay.

Bill No. 2021-20 - Second Reading

A second supplemental Ordinance providing for the issuance and sale of City of Florence, South Carolina, stormwater system revenue bonds, Series 2021, in the principal amount of not exceeding \$7,000,000; and other matters relating thereto.

Pro tem Jebaily made a motion to adopt Bill No. 2021-20 on second reading and Councilman McCall seconded the motion.

Mayor Ervin made a motion to amend Bill No. 2021-20 to substitute Exhibit "A" of the ordinance for the following language: Description of Project – "The Project consists of the construction, repair and renovation of the Stormwater Management System of the City as determined by City Council and City Staff." Councilwoman Moore seconded the motion to amend, which passed unanimously.

Council voted unanimously (7-0) to adopt Bill No. 2021-20, as amended.

ADJOURN

Without objection, the June 14, 2021 Regular meeting of City Council was adjourned at 4:57 p.m.



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Dated this 12th day of July 2021.

Casey C. Moore, Municipal Clerk

eresa Myers Ervin, Mayor