

MINUTES  
OCTOBER 13, 2011  
COUNCIL MEETING  
6:00 P.M.

Town of Edisto Beach  
Town Hall  
2414 Murray Street  
Edisto Beach, SC 29438

Present: Burley L. Lyons, Mayor, Susan Hornsby, Mayor Pro Tempore, Pete Anderson, Larry “Babe” Hutto and Tommy Mann, Council Members; *Quorum of Council Present*.

Mayor Lyons welcomed guests and thanked all who served the Town of Edisto Beach.

Council Session opened with a word of prayer by Councilman Mann, who also led those present in the *Pledge of Allegiance*.

Councilman Anderson moved to approve the Special Council Meeting Minutes of September 19, 2011. Mayor Lyons seconded the motion, which carried unanimously.

Councilman Hutto moved to approve the Special Council Meeting Minutes of September 27, 2011. Councilman Mann seconded the motion, which carried unanimously.

### **Proclamations and Presentations**

Mayor Lyons told the audience that Susan Spell would be at the November 10, 2011, Regular Council Meeting.

Mayor Lyons recognized Archie Livingston and Mickey Van Metre for service on the TIDE committee. Mr. Van Metre and Mr. Livingston were not present at the meeting to receive their awards. Mrs. Jane Darby accepted Mr. Livingston’s award in his absence.

### **Old Business**

Approved: *Second Reading of Ordinance #2011-30 to amend Section 82-139 of the Town’s Code relating to Sewer Rates.* The Water and Sewer Committee met on August 24, 2011, and voted unanimously to increase water and sewer rates for year one by 5% to begin acquiring sufficient revenues to meet future needs of the Utilities Department. This increase is based on rate revenue scenario #3 in the Water Rate Study completed by American Engineering in June 2011. This increases the base sewer rate from \$189.00 to \$198.45 per 0-6,000 gallons per billing cycle. Additional per gallon rates were adjusted by 5% also. The 5% increase will be used for the following: lift station B needs a new pump at a cost of \$20,000 despite rehab on pump three years ago that should have lasted 20 years; lift station B had to be vacuumed because it had a great deal of sand in it; the Town needs to do an inflow and infiltration study with camera to look

at lines to determine source of sand at a possible cost as high as \$80,000; capital improvements; and the Town is approaching capacity at sewer plant. Councilman Mann moved to approve the second reading of ordinance #2011-30 to amend section 82-139 of the Town's Code relating to sewer rates. Councilman Hutto seconded the motion. The vote carried 4 to 1 with Councilwoman Hornsby opposed.

Approved: *Second Reading of Ordinance #2011-31 to amend Section 82-33 of the Town's Code Relating to Water Rates.* This ordinance increases the base water rates as follows:

Residential	\$123.08 to \$129.23 per 0-24,000 gallons per billing cycle.
Business	\$123.08 to \$129.23 per 0-24,000 gallons per billing cycle
Outside Town	\$246.16 to \$258.47 per 0-24,000 gallons per billing cycle
State park	\$506.07 to \$531.37 per 0-24,000 gallons per billing cycle
Irrigation	\$123.08 to \$129.23 per 0-24,000 gallons per billing cycle

Additional per gallon rates were adjusted by 5% also. The 5% water rate increase will be used for the following: there was a temporary repair on the valve at Dock Site Road and Yacht Club Road; approximately 60 valves need to be repaired or replaced at an estimated cost of \$120,000 over the next several years; the two inch lines on Point Street and Jungle Shores will not support hydrants and need to be upgraded with hydrants installed; there is not enough revenue to take care of the Town's water system; and parts of water system are over 50 years old and are in need of repair or replacement. Councilman Mann moved to approve the second reading of ordinance #2011-31 to amend section 82-33 of the Town's Code relating to water rates. Councilman Hutto seconded the motion. Councilman Anderson stated that is rate increase is necessary for the Town's water system to continue operating. The vote carried 4 to 1 with Councilwoman Hornsby opposed.

Approved: *First Reading of Ordinance #2011-38 to adjust Rollback Millage for the Fiscal Years 2010/2011 and 2011/2012 and provide for a Credit/Refund of Ad Valorem Taxes for 2010 Town Citizens Due to Adjustment and to Provide for the Use of Banked Millage From Fiscal Year 2008/09.*

Council was given the option between the approval of the second reading of ordinance #2011-34 to adjust rollback millage for fiscal years 2010-2011 and 2011-2012 and provide for a credit/refund of ad valorem taxes for 2010 to Town citizens due to adjustment or the approval of the first reading of ordinance #2011-38 to adjust Rollback Millage for the Fiscal Years 2010/2011 and 2011/2012 and provide for a Credit/Refund of Ad Valorem Taxes for 2010 Town Citizens Due to Adjustment and to Provide for the Use of Banked Millage From Fiscal Year 2008/09.

When the Town was preparing the FY 2010-11 budget and setting the rollback millage rate (property tax rate), two major changes were taking place in Colleton County:

1. The County was converting to using Manatron software for property taxes which had widespread technical problems that led to delays and errors; and

2. The County performed a reassessment using 2006 property values when property values were at a peak. As a result, there were numerous appeals filed from the Town of Edisto Beach, of which 471 have yet to be resolved.

During a reassessment year, the Town is required to rollback taxes. Using the best information available, the rollback millage was established at 18.81.

It has been determined that the millage rate was not rolled back sufficiently and the Town collected too much tax over the previous year (TY2010).

Using this new information, two issues need to be addressed. A credit needs to be given to each taxpayer for the overpayment of taxes for TY2010 and the millage established for TY2011 that will be on the upcoming tax statement needs to be adjusted to account for the adjusted rollback millage rate for TY2010.

1. Recommend providing a credit (.00121 mils) to each taxpayer for the overage charged in TY2010 based on the difference between a millage rate of 18.81 (.01881) and 17.60 (.01760) for Fiscal Year 2010-11. The average credit to each taxpayer is \$26.24. Some residents will receive more or less depending on the taxable value of the property in question. This action results in a decrease in anticipated revenues from the budget approved in May 2011 by approximately \$75,000.
2. According to State regulations, the Town is allowed to adjust the millage rate annually by the Consumer Price Index (CPI) and growth increases known as a millage cap. This millage cap is provided annually to the Town by the SC Budget and Control Board. Each year, the revenues are analyzed to determine if this millage cap is necessary or not to maintain Town operations and needs. Depending on anticipated costs, some years the millage cap is used and some years the millage cap is not used.

Last year new legislation allowed Towns to “look back” three years and adjust the millage by any increases (millage caps) not previously imposed. Prior to this legislation, this adjustment was lost if not used.

Beginning with the adjusted millage rate of 17.60 for TY 2010, the millage is adjusted by the millage cap of 1.64% for the current year FY 2011-12 adjusting the rate to 17.89. Then using the “look back” provision, the rate is adjusted by 4.3% for FY 2008-09 adjusting the rate to 18.65. The 4.3% millage cap will not be available next year.

This reduction in millage from 18.81 to 18.65 results in a decrease of anticipated revenues of approximately \$9,500 based on 100% collection rate and if the assessment values are not further adjusted through appeals.

It is projected that these factors will play a pivotal role in further reducing revenues needed to fund operations at the current level. Historical collection rates indicate that the Town will likely collect between 85% and 90% of the anticipated revenues. Discussions with the Assessor’s

office indicate that they anticipate further reductions of the assessed values by \$2.4 million once all of the appeals have been resolved.

Administration recommends that the Council use the additional 4.3% and establish a millage of 18.65.

TY2012 is another assessment year. Having two assessment years within two years eliminates three years of the Town's ability to make millage rate adjustments as allowed by the South Carolina Code, if necessary. Administration also has concerns that as Colleton County's revenues decrease, they may further reduce the amount of funding (\$270,000) they have historically provided to the Town in the past for services to unincorporated areas. Last year this was reduced by 4%.

The following reductions to the approved budget are proposed to offset the decrease in anticipated revenue:

- There is \$96,891 in contingency for unanticipated expenses such as storm damage, etc. This amount can be reduced as needed.
- Postpone Town Hall building maintenance with the exception of the gutter on the south side of the building. \$15,000.
- Postpone scan and publish all permanent documents. \$5,000
- Reduce professional fees for zoning ordinance revision. \$5,000
- Delay purchase of plotter and handheld GPS. \$24,000
- Delay construction of dock at Burley L. Lyons Park \$10,000

Councilman Hutto moved to approve first reading of ordinance #2011-38 to adjust rollback millage for the fiscal years 2010/2011 and 2011/2012 and provide for a credit/refund of ad valorem taxes for 2010 Town citizens due to adjustment and to provide for the use of banked millage from fiscal year 2008/09. Councilman Anderson seconded the motion, which carried unanimously. Mayor Lyons stated that a public hearing for the second reading of this ordinance would be scheduled for November 3, 2011, at 10:00 a.m.

*Update on Colleton County Bond Issues.* On September 16, 2011, Colleton County passed first reading on several bond issuances that Administration felt could impact residents of Edisto Beach. Prior to the second reading of the ordinances on October 4, 2011, Administration and Councilman Mann met with County Administrator Kevin Griffin and several members of Colleton County Council to gather additional information and express the Town's concerns regarding any matters that would increase property taxes on Edisto Beach. Mr. Griffin responded to our questions stating that in each instance, the bonds were either being refinanced reducing the interest rates and saving millions of dollars in interest fees or were reissues of bonds that were being paid off to accomplish approved 10 year capital improvement plans. He has assured the Town he does not anticipate an increase in debt payments for this coming year.

*Update on Enhancement Grant.* The Town received confirmation from the Colleton Transportation Committee (CTC) that they will commit \$322,360 for the Enhancement grant match submitted to the Department of Transportation for sidewalk enhancement.

*Update on Solar Panels.* Per DCS Energy, upon further review of the proposed locations for solar panels, the Town is not an acceptable site for the installation of solar panels under the grant program.

### **New Business/Appearances**

*Legislative Agenda for 2012 Legislative Session.* It is time to prepare the legislative agenda for the 2012 Legislative Session. During the Regional Advocacy meetings attended by members of Town Council, several issues were presented by the Municipal Association of South Carolina for comment. These issues were:

- Enclave Annexation-update state's annexation laws to correct enclave annexation issues (There are no enclave annexation issues on Edisto Beach)
- Municipal Capital Projects Sales Tax-allows municipal residents to vote to impose a capital project sales tax for funding specific projects when the county has opted not to pursue this option
- Enhanced codes enforcement tools (receiverships) to eliminate blighted areas

Although these issues may be of concern for other municipalities, some concentrate on larger issues or issues that are not necessarily applicable to Edisto Beach.

Examples of such are promote fully funding the local government fund according to State statute. In past years, the State has reduced this amount impacting the municipality's ability to fully fund certain programs.

Mayor Lyons stated that one of the Town's Legislative Initiatives should be to put money aside for beach preservation. The Edisto Beach Property Owner's Association and The Image and Design of Edisto (TIDE) Committee submitted draft initiatives for Council's Consideration.

Approved: *Resolution #2011-R35 to adopt a Local Comprehensive Beach Management Plan.* In order to receive State funding for beachfront related issues, a Local Comprehensive Beach Management Plan is required under the Beachfront Management Act of 1988. On March 22, 2011, the Planning Commission reviewed and approved the plan for Council consideration. On September 14, 2011, a public hearing was held to receive public comment prior to adoption by Town Council. Once approved, the Local Comprehensive Beach Management Plan will be submitted for final review by the State. Prior to the State's final approval there will be another opportunity for public comment. Councilman Hutto moved to approve Resolution #2011-R35 to adopt the Local Comprehensive Beach Management Plan. Councilman Mann seconded the motion, which carried unanimously.

Approved: *Special Event Application-Edisto Chamber of Commerce.* The Edisto Beach Chamber of Commerce requested approval of a special event application for the Fall Festival to

be held October 15, 2011 from 10:00 am to 4:00 pm on Jungle Road in front of Palmetto Plaza. Jungle Road will be closed in front of Palmetto Plaza from 7:00 am to 6:00 pm. Councilman Anderson moved to approve the special event application submitted by the Edisto Chamber of Commerce for the Fall Festival to be held October 15, 2011. Councilman Hutto seconded the motion, which carried unanimously.

Approved: Starfish Award Criteria. When the idea of the Starfish Award was initiated, it was an informal process intended to be used to recognize employees who had “gone above and beyond” their normal job responsibilities. Now that this award is being used to recognize citizens as well, Town staff met and drafted criteria for Council’s consideration regarding these awards and award nominations. Councilman Mann moved to approve the Starfish Award Criteria. Councilman Hutto seconded the motion, which carried unanimously.

### **Committee Vacancies**

#### Accommodations Tax Advisory Board

Ashley Fontaine submitted a letter of resignation from the Accommodations Tax Advisory Board. Council received applications from Jane Morrow and Vicky Mauzy. Council voted and Jane Morrow was selected as the new Accommodations Tax Advisory Board member in the hospitality category.

### **Committee Reports**

#### Financial Report

This report was presented by Iris Hill, Town Administrator for the month ending September 30, 2011.

	Received	Spent
General Fund	14.95 %	27.64 %
Water Fund	18.07 %	27.87 %
Wastewater Fund	14.89 %	24.87 %

#### Police Department Report

The Police Department report was presented by Chief Coffey for the month of September 2011.

	September-10	September-11	YTD
Citations	8	10	42
Speeding	4	8	22
Golf Cart Violations	1	2	4
Property Checks	0	1,267	4,187

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Calls for Service	65	87	331
Calls Requiring 2 Officers	8	5	22
Burglary	1	1	3
Larceny	0	2	10
Assaults	4	1	2
Alarms	16	19	62
Traffic Warnings	43	96	377
Patrolled Miles	2,798	11,037	22,106
Criminal Domestic Violence	1	0	3

Chief Coffey told Council and the audience that the after-hours phone number is still being used.

Mayor Lyons told the audience that he and Administrator Hill attended the Coastal Communities meeting at the Isle of Palms and had a chance to discuss issues that coastal communities face.

Mayor Lyons announced that the Town will be hosting the second annual Trick-or-Treat at the Creek at Bay Creek Park on October 28, 2011, from 6:00 p.m. to 8:00 p.m. There will be a costume contest at 7:30 p.m. He urged everyone to volunteer.

Mayor Lyons read a letter from Bill Young, Mayor of Walterboro, about his family's enjoyable vacation at Edisto Beach this summer. Mr. Young stated that Council and staff do a wonderful job handling all of the visitors at Edisto Beach every year.

Building Department Report

The Building Department Report was presented by Patrick Brown, Building Codes Administrator, for the month of September 2011.

	September-10	September-11	YTD
Business/Rental License Fees	\$890.00	\$1,706.50	\$5,532.25
New Construction Permits		1	1
Other Permits	17	20	57
Permit Fees	\$1,308.30	\$4,317.50	\$8,281.50
Inspections	71	72	266

Councilwoman Hornsby stated that she had no activity to report.

Fire Department

The fire department report for the month of September 2011 was given by Fire Chief Larry Waddle.

Calls	September-10	September-11	YTD
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Medical	14	18	73
Fire-related	1	3	18
Public Assistance	24	16	73
Beach Wheel Chairs	7	9	21

Chief Waddle stated that the Fire Department would have a booth at the Fall Festival.

He also stated that he received notification that the Edisto Beach Fire Department is the third largest contributor to children's burn fund in this area.

Edisto Chamber of Commerce

The Chamber report for the month of August was given by Dan Carter.

Councilman Mann urged everyone to vote in the Colleton County Council Runoff Election on October 18, 2011.

Utilities Department

The Utilities Department report for the month of September 2011 was given by Bob Doub, the Utilities Director.

	September-10	September-11	YTD
Pumped MG Water	20.24 MG	20.36 MG	78.79 MG
Treated MG Wastewater	4.70 MG	5.04 MG	21.49 MG
Water Line Repairs	154	113	113
Work Order Repairs	72	0	179

Mr. Doub told Council and the audience that the Utilities Department had been doing manhole inspections of the lift station B system to try and determine the source of the sand inflow and infiltration. They have received quotes for the cleaning and televising of the sewer system connected to lift station B, so the sewer lines can be reviewed and repairs can be made. The Utilities Department has also been performing pump station operation and maintenance evaluations on all pump stations and correcting any deficiencies.

Public Works

This report was presented by the Utilities Director, Bob Doub for the month of September 2011.

	September-10	September-11	YTD
Mowed Acres	16.36	16.36	133.28
Cleaned Ditches (feet)	7,205	1,724	10,607
Roll Carts Delivered	4	16	33

Mr. Doub told the audience that the Public Works department has been replacing signs and roll carts. They have also been cleaning catch basins and cleaning and trimming around the beach accesses and parks.

Administrator Hill stated that the sand that was deposited from Hurricane Irene has since been eroded. The Public Works Department has been removing and replacing the damaged sand fencing.

### **Signed in to Speak**

David Cannon: Mr. Cannon stated that the Edisto Beach Property Owners Association requests the following be added to the 2012 Edisto Beach Legislative Agenda:

- Point of Sale Provision of Act 388-any transfer by gift or interest that does not include a monetary consideration should include transfer by gift or bequest.
- Note that the 2011 legislation, H3713, benefited only the 6% properties by reducing the value of the property at reassessment. This suggested modification will benefit both the 4% and 6% properties by not penalizing transfers of properties between generations by bequest and by gift to individuals and institutions.

Councilman Anderson moved to adjourn the meeting. Councilman Hutto seconded the motion, which carried unanimously.

Meeting adjourned at 6:51 p.m.

*The media/public was duly notified of the date, time and place of the Council Meeting on Friday, October 7, 2011.*

APPROVED BY TOWN COUNCIL

Meagan Chaplin

Meagan Chaplin, Municipal Clerk

November 10, 2011