



**TOWN OF CENTRAL  
COUNCIL WORK SESSION / COUNCIL MEETING MINUTES  
MONDAY, OCTOBER 1, 2007 – 7:00 PM  
CENTRAL TOWN HALL  
1067 WEST MAIN STREET  
CENTRAL, SC 29630**

Present: Mayor Mac Martin; Council Members David Donald, Gary White, Tony Craig, David Boyles, Lynne O'Dell Chapman, and Tracey Reynolds; Town Administrator Phillip Mishoe; Police Chief Kerry Avery; Public Works Director Dean Martin; Fire Chief Ed Reynolds; Recreation Director Tom Cloer; Utility Supervisor Susan Brewer; Finance Director Jerri Martin; Assistant Fire Chief Franklin Reynolds; Citizens Denise Reynolds, Pastor Fred Crowe, and Andrew T. Osborne; and Town Clerk Sandy L. Brown

The meeting was called to order by Mayor Mac Martin.

Lynne Chapman rendered the invocation.

Mayor Martin requested item #11, Executive Session be removed from the agenda.

**Financial Report – Phillip Mishoe**

Mayor Martin distributed new financial reports and stated the following: This report was for the end of the first quarter of this year. There were a couple of bright spots and a major problem. Starting with the good:

1. Sanitation revenue is \$14,800 in the "black." This represents a 3.4% surplus based on the year-to-date budgeted request. The expenses are running less than expected.
2. Sewer revenue and sewer expense – The Administrator recommended a moderate increase on the per thousand gallon rate. It was passed as recommended. The sewer is \$9,450 in the black which is a 5% overage for the budgeted year. The goal is to have it at a 10% surplus, per South Carolina recommendation; as most towns do.
3. General fund revenue – The fund balance is minus. That is a 3% variation from the expected revenue; this is within the parameters. It takes approximately \$15,000 a week to meet accounts payable. \$75,000 is stowed-away for the first part of the year, when there is no revenue in the account. The Town of Central has 5 weeks of reserve, if the other funds are running on an even-keel. In late November, December, and January no revenue will be going into this account.
4. Water fund – This is where The Town of Central hits problems: The Administrator presented a budget with a slight reserve and he recommended a rate increase. A new rate structure was instituted. The opinion was the rates were raised; however, the rates were only restructured, and changed the way the rates were charged. For the past 3 months the water account is minus approximately \$29,522; or \$10,000 a month. If the enterprise funds are on an even-keel, the \$75,000 should carry The Town of Central for 5 weeks. The Administrator is frustrated because the Town Council has torn apart every suggestion he made. The Mayor suggested the Administrator make recommendations and the Mayor would put it before Council. David Boyles stated the Town Council had approved the last recommendation, and now The Town of Central is in trouble. Mayor Martin stated the recommendation was \$1.00 and the Town Council approved 60 cent. The Mayor stated he voted against making the rates 2 readings and he voted against the budget; therefore he could not make any suggestions. If the outside rate is changed and passed on the 2<sup>nd</sup> reading, and put into effect this month, that would be \$29,000. If Council waits until the next month the Town of Central will be \$29,000 more in the hole. There are approximately 2,000 water customers per month; \$1.00 on the base rate would equal \$2,000. Ten cent on the per-1,000 gallons at 12 million gallons, which is the average usage, equals \$1,200.

Mayor Martin stated that even with the Administrator's budget and the cushion he had, they would still be in the hole. The budget now is to the bare bones, it is a sunshine budget. Some of the things that have happened in the past 3 months to cause the deficit: bad debt, Clemson Water Capital Dept., loss of Clemson water revenue, drought, selling less water, coming up on water restrictions soon. The revenue on the Clemson water would be between \$1,000 - \$3,000. David Boyles stated the Clemson deal is costing the Town of Central - having to buy water from Anderson and not making money on the Clemson end. Mayor Martin stated the Town of Central was not buying water from Anderson yet, it is still coming from Easley-Central. The Town of Central still needs \$10,000 to even out the bleed and the Town of Central is still \$29,000 in the hole. He also stated The Town of Central needs to bring the account back into the balance within the next 9 months; that is another \$3,280 a month needed to erase this. The Mayor stated word "cut" and "conserve" has been brought out many times; at this point it is not where the Town Council could cut, but what the Town Council would cut. Mayor Martin distributed a list of services from the Public Works Department. David Boyles stated if the services were cut, people are still being paid to do them. Mayor Martin distributed a check proof for the accounts payable for the past week. He also distributed a rate comparison of other cities and towns. Mayor Martin stated this was the day he had been dreading since this time last year. He stated this was the day to get it right or ACOG would be there the next month doing the meeting. David Boyles asked what the hold off was for Clemson. Mr. Mishoe stated the Town of Central would try again the next day; there was something wrong with Clemson's strainer. Everything that could possibly go wrong with getting water from Clemson has gone wrong. The last time the Town of Central tried the back-flow preventer wasn't working. This is the 3<sup>rd</sup> time the Town of Central would attempt to get water from the City of Clemson. Mr. Boyles stated at some point the City of Clemson needs to pick up some liability, because the City of Clemson has been paid. Mayor Martin stated the payment is .05% of the project per month. Mr. Craig stated the Town of Central needs water and it was not Central's fault. Mr. Mishoe stated Anderson Regional is not required to start sending water until November; that is the reason the Town of Central is buying it from Anderson City. Mr. Boyles stated the deal was made over a year ago. Mayor Martin stated the deal was made 3 years ago and the fault lies with the Town of Central not having a 10% reserve account. If the Town of Central had the account \$4,000 - \$5,000 a month for a project wouldn't be a big deal. He stated the Town Council all voted on it years ago, but the Town Council did not have all the details at that time.

Lynne Chapman asked the Mayor what he proposed to do first.

Mayor Martin's proposal was to remove the 2 readings, 2 months apart and start this month with the increase; and increase the minimum. The base rate could be increased to \$4.00 and it would still be lower than area towns. He stated this would not give the Town of Central a reserve. Mr. Mishoe stated December and January were slow months for selling water, possibly because the students are out of town. Mr. Donald asked what the outside rate would do, if it was increased. Mayor Martin suggest going up \$2 on everyone. Mr. Donald stated the outside rate is now \$4.04 and that he was not comfortable with the numbers. He asked what became of the 3 cents discrepancy from last time. Susan Brewer stated the 3 cent was charged to the customers but it was a clerical error when given to the Clerk to type the ordinance. Mr. Donald asked if the Town of Central audits themselves to see if they are putting out correct numbers. Mr. Mishoe stated the Town of Central does so many re-reads of meters that it is audited during that time. Mr. Donald stated the new and improved water rate structure was off from the beginning; knowing it was trial and error, but it was bad off. Mayor Martin stated if the Town Council had taken the recommended rate of \$1 higher, which is \$1 higher than what the Town of Central has now, which is 40 cent higher than the rate now; that would have been \$5,000 more a month but the Town of Central would still be \$15,000 short. Mr. Donald stated the Administrator said 60 cent was the bare bones minimum and \$1 would be to put in new water lines; and Ms. Chapman made the recommendation of 60 cent. Mr. Boyles stated the Town of Central is dealing with water at every meeting and never getting it right. Mayor Martin stated if the Town Council had taken the recommended rate and the rate change the 1<sup>st</sup> month, the Town of Central would still have a little in the hole, because the Town of Central couldn't predict everything that would go wrong, but the Town of Central wouldn't be having this meeting. Lynne Chapman suggested doing away with the 2<sup>nd</sup> readings (30 days apart).

Ms. Chapman asked if she could make a motion to change it. Mayor Martin stated she could or she could add it to the agenda for the following week. Ms. Chapman asked how to word the motion and Mayor Martin asked what she suggested. Ms. Chapman stated she wanted to suggest raising it \$2 per meter. She stated Town Council needed to start some where. Ms. Chapman made the motion to increase the base water rate \$2.00 per meter; seconded by Tracey Reynolds. David Donald asked if the Water Department made taps and repairs; to which Dean Martin stated the Water Department did; he is the only person listed in the Sewer Department. Mr. Donald asked if the Public Works Department was constantly locating and marking valves. Mr. Dean Martin stated the Public Works Department was because no one knows where all the taps are located. He stated Design South is working on a model for the Public Works Department, of where the valves are. Mayor Martin, Lynne Chapman, Tracey Reynolds, Gary White, and David Boyles were in favor. Tony Craig and David Donald were opposed.

Mr. Mishoe passed out an Impact Fee Report. He stated everything does not close out at the end of the month on impact fees. Mayor Martin stated the impact fee report was broken down by months and by accounts. There were some empty spaces and more money in some. The reason being, when the fees are paid the fees are held in a holding account then posted when the work is complete. Mayor Martin asked how long it took Jerri Martin to generate the report; to which she stated about an hour. Jerri Martin posts the accounts after the work is completed and she receives her reports from Utility Billing. All of Council agreed the Town Council does not need the detailed report submitted by the Finance Director. Mr. Donald stated if the Town of Central comes up in the month of October with a lot of blank spaces he was going to ask questions. Mayor Martin stated the report had been changed several times and maybe it didn't get entered. Mr. Mishoe stated some of the funds are posted when the funds come in, others are posted when the work is complete. It will be the next month before it filters down. However, in June the auditors cut it off and do a journal entry to get it back into the account after the year end. Mr. Mishoe will put a total column at the end of the financial report so that it can be tracked monthly and close out at the end of the year.

#### Reading of Regular Council Meeting Minutes 09/10/07

Chair made the motion to accept the minutes as presented; seconded by Gary White. The vote was unanimous.

#### Building Permit Fees

Mayor Martin stated the City of Clemson has a \$200 minimum on building permits; contractors do not need a permit if the contractor is doing under \$200 worth of work. He asked if anyone was interested in the Town of Central adopting a similar fee schedule. David Donald stated he felt it was a mistake because many contractors would claim \$200 per job. He asked the Clerk if any business licenses had been audited this past year; to which she stated no. Mayor Martin stated this was not about business licenses but about building permits. Mr. Donald asked how the Town of Central would find out if someone needed a business license because he had a list of 41 building permits and 14 had no business license; that is money down the drain. Mayor Martin pointed out again it was about building permits, not business licenses. No one was interested in a change.

#### Request for Funds from the Hospitality Account

Mayor Martin had a request from Beverly Cureton and Anne Sheriff, 2 citizens involved in the Central Community Center, for monies to paint. David Donald asked if he had a written request. Mayor Martin stated no, that Ms. Cureton was in the office for another meeting and made the request at that time. Mr. Boyles stated the Town of Central needed to get prices on paint. Gary White stated in the past the Town Council normally receives a written request. Mayor Martin wrote a written request for the Town Council and submitted it to the Clerk. Chair made the motion to grant up to \$1,000 to paint the Community Center; seconded by Lynne Chapman. The vote was unanimous.

#### County Tipping Fee

Mr. Mishoe stated the amount that the County was charging the Town of Central is \$13,660 yearly. He made a presentation on the amount of commercial customers the Town had and the proposed 31% increase on sanitation fees. Lynne Chapman asked if the customers would be made aware of the new charge. Mr. Mishoe stated Mayor Martin sent a letter, months ago, informing the customers that the customer's sanitation fees would increase due to a fee increase by Pickens County. He stated the customers would be sent a follow-up letter telling the customers this was passed by County Council and informing the customers of their new monthly charge. Mayor Martin stated at some time the town would need to review the commercial sanitation issue and decide if the Town of Central wanted to stay in the business. Mr. Mishoe stated he had discussed the issue with the Public Works Director and if the Town of Central decided to stay in the commercial sanitation business, the Town of Central would need to sink some money into it. All the trucks are rear loading and that is ancient. David Donald stated if the Town Council was going to raise the rates, did the Town Council not need to cushion this account. Mr. Mishoe stated he did not add any cushion, he only calculated how much it would cost to cover the \$13,660 increase. Mr. Donald asked Mr. Mishoe to calculate the increase by 35% and how much would it generate across the board. Mr. Mishoe stated it was on an Excel spread sheet and he could calculate it quickly. David Donald made the motion to raise the commercial sanitation fees by 35%; seconded by Tony Craig. Mayor Martin, Tracey Reynolds, David Boyles, Gary White, Tony Craig, and David Donald were in favor; Lynne Chapman was opposed.

#### Request to Search for Land for the Recreation Department

Tom Cloer requested approval to continue to search for land and \$25,000 - \$30,000 a year from the Hospitality Account to make payments on the land when found. Presently, the Hospitality Account brings in \$75 - \$80,000 a year. Mayor Martin stated the Town could not purchase property without Council's full approval. However, the Town Council could ear-mark money from the Hospitality Account to purchase land. Mayor Martin made the motion to put \$2,000 a month into an account sub-titled "Recreation Land Purchase Fund," from the Hospitality Account; seconded by Tracey Reynolds. Mr. Donald asked if the Rail Road Museum was near pay-off. Mayor Martin stated it was a \$12 - \$16,000 a year payment with 12 - 15 years left to pay on it. Mr. Donald asked how much land the Recreation Department needed to which Mr. Cloer answered 10 - 15 acres. The vote was unanimous.

#### Young At Heart Program

Mr. Mishoe distributed a summary of participations and events provide by the Young at Heart Program and a review of the budget and proposed budget. He asked that the Council review the options; presently the Town of Central was leaning towards Option 1, to distribute the work load among existing sources. The grant was received for the bus. The cost will be split 60/40; 40 for Central, a one-time fee. Mr. Donald asked if anyone was going to meet with the seniors and get the senior's input as originally suggested. Mr. Mishoe stated Clemson's Mayor had made the suggestion and the assumption was Clemson would do this.

#### Addition of Water and Sewer Standards to Subdivision Regulations

Gary White stated the Planning Commission suggested these standards be added to the Sub-division Regulations. Mr. White will talk with the Town Clerk and Building Official to see if the Town of Central needs to put this in the regulations or at least a reference to it.

#### CDBG Grant Application

Mr. Mishoe asked Council's approval to move forward on the application of the CDBG Grant (Community Development Block Grant). He would need to start the process in Janaury (2008) and submit it in April. He is requesting the grant for sewer funds to finish where the Town of Central left off behind Jerry's Pizza and take it to Southern Wesleyan and service the people along the way. The application before was \$500,000; the minimum now is \$1,000,000. He received the approval from Council to proceed.

#### Meeting Format - Record Meetings

Mayor Martin stated that 2 of the Council Members had been to the Municipal Association's schooling with him and these Council Members understood the ramifications of having a clerk at the meetings, and the recording of minutes, versus the normal Work Sessions. This meeting was recorded because of complaints of missed information on the agendas. The Town Clerk Sandy Brown stated she or the Deputy Clerk Susan Brewer would record (and type minutes) any meeting Council requested. However, once the meetings are recorded the recordings become public record. The news media can request a copy of the tapes and publish anything they want. Greenville City was recording theirs for a while but decided against it due to a law suit and a request of the tape. Taping the Work Sessions takes away from the relaxed conversations of Council Members. Mayor Martin stated Town Council did not want anything to escape the request for items to be added on agendas; therefore this meeting was taped as a test. He stated it can be done 2 ways: have a Work Session recorded, but no votes taken; the tape would be stored for 3 years (in accordance with the Records Retention Schedule), or Work Sessions would go back to the way the Work Sessions have been done for "x" number of years. David Donald asked if the sessions were recorded could the recordings be released to anyone who asks. David Boyles asked if the agenda needed to be present to the news media. Mayor Martin stated the press always receives notice of meetings. He also stated that Council Members could not discuss business in public. David Donald stated he preferred to go back to un-recorded Work Session. Lynne Chapman requested time to think it over. Mayor Martin stated if the issue arises, or if there are many items on the agenda, he could call for a recorded Work Session / Council Meeting.

Lynne Chapman stated she had attended at Recreation Center Board Meeting and an elderly gentleman stated he had trouble getting around the Center because of his disability; especially getting in and out the front door. He has requested power-assisted doors, on 6 doors. Mr. Boyles stated ADA was a Federal law and the closures could be adjusted on the doors. Ms. Chapman stated she felt it was something the Town Council needed to address. Tom Cloer stated at the time the building was built, with the type of door the contractors installed, it did not require power assistance. Mr. Donald stated Clemson University had buzzers on their doors and someone from behind a counter would open the doors. Mr. Mishoe and Mr. Cloer stated research would be done on this and report at the next Council Meeting.

Respectfully submitted,

Sandra L. Brown, Town Clerk

Approved by Council: Janaury 14, 2008