

GREENWOOD CITY COUNCIL

January 24, 2005 - 5:51 p.m.

**MINUTES**

PRESENT

Mayor Nicholson; Council Members: Niki Hutto, Linda Edwards, Herbert Vaughn, Johnny Williams, and Barbara Turnburke; City Manager; Assistant City Manager; City Clerk; City Attorney; Phil Lindler; and Megan Varner from the Index-Journal.

ABSENT

Betty Boles

MINUTES

Mayor Nicholson asked for a motion to approve the minutes of the City Council Executive Session, Public Hearing and Meeting on December 13, 2004, plus Special Meeting and Executive Session on January 10, 2005.

Motion was made by Niki Hutto, seconded by Barbara Turnburke, approving the minutes as presented.

The Mayor asked, "Is there any discussion or corrections? All in favor raise your right hand. So moved."

Motion was passed unanimously.

REPORTS

Mayor Nicholson asked for a motion to accept as information the reports from the City Manager for December 2004, and the Commissioners of Public Works Consolidated Financial Report for the period ending November 30, 2004.

Motion to accept the reports as information was made by Johnny Williams, seconded by Niki Hutto.

The Mayor asked, "Is there any corrections or discussion? All in favor raise your right hand. So moved."

Motion passed unanimously.

CONSIDER

Ordinance  
Providing for the  
Imposition of a  
Local  
Accommodations  
Tax within the City  
of Greenwood.

(2<sup>nd</sup> reading)

Under old business, Mayor Nicholson read the first item and recognized the City Manager.

STEVEN BROWN

"Mr. Mayor and City Council, we postponed second reading at the December meeting, and I have been instructed to put it back on the January agenda. I have made a recommendation to change the implementation date from April 1 to July 1. At the same time, the County is requesting that two members from City Council be appointed to meet with two members of the County Council. They haven't taken any action, but are interested in discussing the organizational structure of the proposed visitors/tourism agency. If City Council passes second reading and we change the implementation date to July 1, there will be sufficient time to meet with them, work out these details, and hopefully the County will take similar action."

MAYOR  
NICHOLSON

"Okay. I think there were some concerns about what the County was going to do. They have been discussing it, but just need to iron out some final details."

STEVEN BROWN "Mr. Whittington did call me today. Having to be out of town, he still wanted me to let you know that he is very concerned about this ordinance being imposed inside of the City and not in the County."

MAYOR NICHOLSON "I think the County had discussed the idea and they're in favor of it. There's just some fine tuning they wanted to do before they take any action on their first reading. I know they have three readings, correct?"

STEVEN BROWN "Yes, sir. Personally, I don't have a problem with those matters being ironed out before they take readings because it must be done now, or at some point in time."

MAYOR NICHOLSON "Could it be possible we postpone it to next Monday and appoint a committee to meet with the County to discuss these issues?"

JOHNNY WILLIAMS "Why can't we vote on it and get it out of the way? If the County is going to do it, they'll follow us. If not, they're not going to follow us no matter what. I'd like to vote for it. If not, I'm gonna forget it."

NIKI HUTTO "The implementation date can always be postponed?"

STEVEN BROWN "The implementation date can be changed at your discretion."

NIKI HUTTO "So, if things couldn't be worked out for the best interest of the City and County together, then we could extend the implementation of the actual tax for another month, or two? My feeling is, the bulk of the accommodations tax will be collected within the City of Greenwood. Would it not?"

STEVEN BROWN "We're estimating somewhere between \$140,000 to \$150,000 inside of the City, and about a third of that in the County."

NIKI HUTTO "Basically the monies collected will be the bulk of the City to administer, so I think it would be a good idea that we took the plunge first."

MAYOR  
NICHOLSON

“Either way, we can vote on it, appoint the committee, and go forward.”

JOHNNY  
WILLIAMS

“I would like to see it pass and appoint the committee. I got some big ideas of what I like to be done with it.”

MAYOR  
NICHOLSON

“Alright, can I get a motion then?”

Motion to approve the Ordinance was made by Johnny Williams, seconded by Barbara Turnburke.

“Is there any further discussion? All in favor raise your right hand. So moved.”

Motion passed unanimously.

- attach -

“To go along with that I would like to appoint two members to meet with members of County Council as soon as possible. Perhaps Mr. Brown can get in touch with the County Manager. Mrs. Hutto and Ms. Edwards, would you all do that?”

Mayor Nicholson then appointed Council Members, Niki Hutto and Linda Edwards, to meet with representatives from the County, along with the City and County Managers.

CONSIDER  
  
Ordinance  
Amending Official

Mayor Nicholson read the second item and asked for a motion.

Zoning Map  
(Ordinance No.  
04-020) by  
Rezoning  
Property Located  
at 854, 900, 906,  
and 910  
Edgefield Street  
from R-7 and R-  
10 (Residential  
High Density) to  
GC (General  
Commercial).

(2<sup>nd</sup> reading)

Motion was made by Johnny Williams, seconded by  
Barbara Turnburke.

“Is there any discussion?”

LINDA  
EDWARDS

“I got a question. Are 854, 900, 906 and 910,  
houses? I know where this building is (pointing), but  
are there houses on the side of the building, or is it a  
vacant lot?”

STEVEN  
BROWN

“Some of it is vacant but they are existing properties  
that were used originally as commercial, such as the  
old Benjamin’s Heating and Plumbing, and the Auto  
Parts place.”

PHIL LINDLER

“There are two commercial buildings and two  
residential structures here (pointing). There was one  
structure that was taken out because the property  
owner didn’t want their property included, but the other  
is used as a residence, and the owner wanted it to be  
rezoned to commercial.”

LINDA  
EDWARDS

“Okay. That end where you just pointed to, is that  
near Mineral Street?”

MAYOR  
NICHOLSON

“No. That’s on the other side. It’s behind the church.”

JOHNNY  
WILLIAMS

“It’s the house that looks like a barn.”

STEVEN  
BROWN

“It’s located at the old railroad.”

MAYOR  
NICHOLSON

“Okay. Is there any further discussion? All in favor raise your right hand. So moved.”

Motion passed unanimously.

- attach -

CONSIDER

Annexing Property off  
Center Street Owned  
by Lechi Thi Nguyen.  
(2<sup>nd</sup>  
reading)

Mayor Nicholson read the last item under old business and asked for a motion.

Motion was made by Herbert Vaughn, seconded by Johnny Williams.

“Is there any discussion? All in favor raise your right hand. So moved.”

Motion passed unanimously.

- attach -

CONSIDER

Ordinance  
Amending Official  
Zoning Map  
(Ordinance No.  
04-020) by  
Rezoning  
Property Located  
at 1411 and 1419  
East Durst  
Avenue from R3  
(Single-Family  
Residential) to R4

Under New Business, Mayor Nicholson read the first item and asked for a motion.

Motion was made by Linda Edwards, seconded by Niki Hutto.

“Is there any discussion? All in favor raise your right hand. So moved.”

Motion passed unanimously

(Single-Family Residential).

- attach -

( 1<sup>st</sup> reading)

CONSIDER

Mayor Nicholson read the second item and ask for a motion.

Ordinance  
Amending  
Ordinance 03-10,  
Zoning  
Ordinance,  
Chapter 3,  
Zoning District  
Regulations,  
Section 3.1.3 and  
Section 3.3.4.1,  
Additional Uses  
Permitted in  
General  
Commercial  
(GC).

Motion was made by Niki Hutto, seconded by Linda Edwards.

“All in favor raise your right hand. So moved.”

Motion passed unanimously.

- attach -

( 1<sup>st</sup>  
reading)

CONSIDER

Mayor Nicholson read the third item and recognized the City Manager.

Annexing  
Approximately 9  
Acres of Property  
off Calhoun Road  
Owned by H.  
Edward  
Munnerlyn and  
Brenda G.  
Munnerlyn.

(1<sup>st</sup> reading)

STEVEN BROWN

“Mr. Mayor, Mr. Munnerlyn is here and I’d like to ask him to take his request to Council.”

ED MUNNERLYN

“My name is Ed Munnerlyn, and I’ve been living at that location between 15 to 20 years. I don’t know exactly. We’re right there on the bypass and want to have it annexed. I think, under the existing zoning ordinance for the City, that would be General Neighborhood Commercial.

It’s a little over nine acres, and we’ve had several requests from developers on what to do there. We haven’t accepted anything, because we wanted to do everything at one time to make sure that it all fits in. There has been a request to put a drug store on that corner. A couple of doctor offices and a bank has expressed interest also. Actually three years ago, there was a lot of talk about Publix coming. They had a contract to put a Publix there, but that’s not what we’re wanting to do. It’s such a big structure that it wouldn’t fit into neighborhood commercial, but these small businesses would.”

MAYOR  
NICHOLSON

“Are they contiguous?”

ED MUNNERLYN

“Yes, sir.”

NIKI HUTTO

“Why would it necessarily change from Residential to Neighborhood Commercial if it was rezoned into the City?”

STEVEN BROWN

“To coincide with the new Zoning Ordinance text, the Planning Commission also recommended new land use maps to both the City and County Councils. The City Council has approved an amended version of the Zoning Ordinance and the Land Use Map for the City. The County has not approved either one. When the City Council considers an annexation request, the zoning classification assigned to the annexed property must comply with the “new” Zoning Ordinance.

To determine the recommendation of the Planning Commission, staff must look at the “new” land use map that includes the new zoning classifications which were recommended to County Council. The Planning



Commission recommended that Mr. Munnerlyn's property be classified as Neighborhood Commercial (NC). As in any recommendation forwarded to you from the Planning Commission, you may accept or reject it. In essence, you can zone the Munnerlyn property as NC as recommended or assign a different classification to the property.

We have received a preliminary review by the Municipal Association attorney, and we would like to ask the City Attorney to also look at it before your second reading. South Carolina Code of Laws Section 5-3-305 defines contiguous as "property which is adjacent to a municipality and shares a continuous border; contiguity is not established by a road or right-of-way, which but for the intervening connector would be adjacent and share a continuous border, the intervening connector does not destroy contiguity."

NIKI HUTTO

"Now, would the neighbors on Sherwood Lane be notified that there is going to be a zoning change even though it's not presently in the City?"

STEVEN BROWN

"This property has already been before a public hearing under the land use."

MAYOR  
NICHOLSON

"Okay. Are there any other questions for Mr. Brown or Mr. Munnerlyn? Okay, do I have a motion?"

Motion was made by Johnny Williams, seconded by Linda Edwards.

"Is there any further discussion or questions? All in favor raise your right hand. So moved."

Motion passed unanimously.

- attach -

STEVEN BROWN

"I can almost assure you there will be people from Kimbrook at the next meeting."

ED MUNNERLYN

"I'll say one other thing about that, if I could. Probably five to seven years ago, I wanted to do a PDD. It was about 14 houses out of 14 lots in the same place."

MAYOR  
NICHOLSON

"Ed, have you talked to any of them about this?"

ED MUNNERLYN

"Yes, a lot of them like it. I haven't talked to the ones that don't."

MAYOR  
NICHOLSON

"Okay. Thank you, Ed."

CONSIDER

Mayor Nicholson read the fourth item and recognized the City Manager.

Accepting a  
Portion of Pin Oak  
Drive into the City  
of Greenwood  
Road System.

STEVEN BROWN

"Mr. Mayor and City Council, the residents in a section of Hampton Trace Apartments have requested special consideration to accept a portion of Pin Oak Drive into the city street system. It was originally scheduled to be private. In a previous resolution approved by City Council, you requested the Pin Oak Homeowners to agree to certain stipulations before you would give final consideration. One was a plat establishing the parameters of this road. Secondly, you asked them to agree that they would all sign a legal document indemnifying the City of any claims regarding the construction of this road, storm drainage, and any other aspect of this street. You asked them to provide a letter of credit for three years, as you do on any other road, and all three of those requirements have been met. I have supplied the documents to the City Attorney, and he reviewed them. A copy of his letter is in your packet.

There are two things you need to realize. In some way this is an exception, but you agreed to consider

the request knowing that fact. The second thing is that I feel very strongly that there ought to be more oversight by the City and Planning Commission on proposed private roads. Often, developers tell us that the streets are going to be private and, sooner or later, they'll ask you to accept them.

I plan to ask the Planning Commission to consider changing some of their review procedures on private roads, and making some recommendations to you. I think we have half of the language in our existing ordinance to do so. I'd like for us to be able to inspect these private roads and make sure that they're constructed according to our requirements. If we require this, or at least make that an option, and they don't abide by it, then you would have better standing to deny their request to accept the road into the street system at a later date."

MAYOR  
NICHOLSON

"I agree."

JOHNNY  
WILLIAMS

"What if we use some kind of sign on the side of the road that says, 'End of State Maintained Road'? Couldn't you do that on a private road?"

STEVEN BROWN

"I think we can put the yellow sign with the 'private' designation under the street signs."

NIKI HUTTO

"Yes. That would make the most sense."

JOHNNY  
WILLIAMS

"The person who's buying property need to be made aware of this. If they buy a house on that road it will be their responsibility to maintain."

STEVEN BROWN

"But oftentimes lots are sold before houses are ever developed and the streets are ever put in. That's the problem we encounter. You do have Mr. McCravy's letter, if you want to ask him any questions."

JOHN MCCRAVY

"We reviewed everything and it looks fine."

MAYOR  
NICHOLSON

"Okay. Do I have a motion that we accept this portion of Pin Oak Drive into the City of Greenwood road system?"

Motion to accept a portion of Pin Oak Drive into the City of Greenwood was made by Johnny Williams, seconded by Herbert Vaughn.

MAYOR  
NICHOLSON

"Is there any further discussion? All in favor raise your right hand. So moved."

Motion passed unanimously.

SELECT  
  
A Council Member  
as Mayor Pro  
Tempore for  
2005.

Mayor Nicholson read the fifth item and said, "In the past, we have rotated around. Right now, it's Ms. Hutto, and Ms. Edwards and Mr. Williams have already served. Mr. Vaughn, Mrs. Turnburke, and Betty Boles haven't. Do you all have a nomination?"

JOHNNY  
WILLIAMS

"I thought we were supposed to have done this in April?"

MAYOR  
NICHOLSON

"Well, we are late."

JOHNNY  
WILLIAMS

"It's almost a year late."

MAYOR  
NICHOLSON

"Well, we were working on the rezoning, and it's about time."

A motion to nominate Barbara Turnburke as Mayor Pro Tempore was made by Herbert Vaughn, seconded by Linda Edwards.

"All in favor, raise your right hand. So moved."

Barbara Turnburke did not vote.

Motion passed.

CONSIDER

City Manager's  
Recommendation  
to Dispose of  
Surplus Sanitation  
Equipment.

Mayor Nicholson read the sixth item and recognized the City Manager.

STEVEN BROWN

"Mr. Mayor, when I put this item on the agenda, a company submitted a letter requesting the purchase of one of our sanitation trucks that we have taken off the line. I haven't been able to get any other quotes, and I don't feel comfortable recommending acceptance of one bid. I would ask postponement until we can obtain more bids."

MAYOR  
NICHOLSON

"Okay. Can I have a motion that we postpone item number six?"

Motion to postpone any action was made by Niki Hutto, seconded by Johnny Williams.

"All in favor raise your right hand. So moved."

Motion passed unanimously.

RECOGNIZE

John Lamb,  
Executive Director  
of the City of  
Greenwood  
Housing  
Authority.

Mayor Nicholson read the seventh item and recognized John Lamb.

JOHN LAMB

“Mr. Mayor and Council Members, I’m John Lamb, Executive Director of the Greenwood Housing Authority. I’m here tonight to give you information on some things we’re doing that we think are good and would be an asset to the City. What we’re looking at doing is outside the scope of our vision, which is to provide housing. However, it would be an asset to, not only the residents where we serve, but to the City as well.

If you go back in history to when the apartment complexes that we own were built off Foundry Road, it was under an old Section 23 Lease Housing Program. Instead of giving us a block grant to build them, we actually had to form ourselves into a corporation and hold bonds. Over a 20 year period, HUD would give us money every month to make those bond payments. We had to put two months bond payments into an escrow up front because, if by chance we didn’t make a bond payment and had to foreclose, they would have two payments.

At the end of a 20 year period, that money had drawn interest. The bond company sent \$240,000 back to us. Then HUD said, ‘That money belongs to us, and you got to send it back.’ If we were to send it to them, it would’ve went to New York, Philadelphia, or somewhere. I said, ‘Let us keep it in Greenwood. It was initially intended for this project and these communities in the City of Greenwood.’ They said, ‘Alright. What are you going to do with it?’ At that time, we were using an apartment for a community center in this 118 unit complex. It was a gutted, four bedroom apartment with one unisex restroom. That was all we had. I said, ‘Let us build a community center for the residents of our community and surrounding area.’ They agreed, but going back again to HUD’s golden rule, if it is their gold, they make the rules. The Community Center had to adjoin our property, and I knew \$240,000 was not going to be enough to get property and build a facility. We then invested the money, and that \$240,000 is now \$376,000, so we have invested well over the years.

Over the years, we tried to establish a relationship with the other agencies and entities in Greenwood such as the School District, Literacy Council, YMCA, Lander, Piedmont Tech and everyone. Of course, we found out that everyone else is in the same shape that we and the

City are in. No one has any money for all these expenditures, so we have been plugging along.

This tract of land right here (pointing) where the old Greenwood Mills Foundry was is about 16 acres. We purchased that and are in the process of trying to get the property below it from the railroad as well. It hasn't been accomplished yet, but it's in the works.

We have a conceptual drawing of what we would like to do. We wanted to build a park or some sort of recreation-type complex in that area. It would be open to, not only our residents, but for the residents of the City. I'm sorry this is the only drawing I have, but it shows one concept of what could be done with basket courts, baseball and soccer fields, walking trails, and playground equipment. All that costs money, and we don't have it.

I'm not here to ask the City for \$1 million to complete this project. We're still in the process of trying to see who we can identify in the Community to assist us with this. The one agency that keeps coming to the forefront is the YMCA. The YMCA tells us that they would love to reestablish a presence in the southern end of downtown. One of the ideas that we're pursuing is, how can we partner to make this work? What can we do to make this available to residents of, not only our community, but the community around it? We had a study performed in 2002 by the Institute of Family Neighborhood Development from Clemson University. They found that there was an inordinate number of families with low income, children 17 and under, and single parents.

This is another drawing of an idea for a facility. This is similar to the one that the Newberry Housing Authority has. It has a group room with several classrooms for computer labs, after school and literacy classes. The back part has a large gymnasium that's multi-functional with retractable stands, stages for presentations, and these sorts of things. We don't have the funding for a staff person to have this thing open year-round or eight hours during the day. The Newberry Housing Authority doesn't either. They only have it open for planned

functions, and that's always an option. If things could work out, the YMCA said they could use the building to do programs as well.

We have purchased this property and are moving forward with this corner where the old Greenwood Mills Foundry is. I've received an estimate from S&T. We have not committed to anything, but he gave me his best guess of \$27,000 or \$28,000 to demolish that building. It's fenced right now, but it has been cut in two or three different places. People are going in and out of there, and we just can't seem to keep the fence up. It's a liability for us, but we've already spent \$80,000 on the property. We've spent \$10,000 on the geothermal testing for any environmental problems, and all of that has come out fairly clean. The creek is considered as waters of the US, so we must also get the Army Corp of Engineers involved. We've done all that preliminary work. The Self Foundation was good enough to fund the study to show partners what we want to do and what the need is. Charlie has a copy of it, and you're welcome to look at it.

I talked with the City Manager about the need for a Police, or a Fire Substation, in that area. Of course, that's something that will certainly be made available again, if there is a need, but we haven't gotten that far. I also spoke with the County Voter Registration Office about using it as a voter precinct. At the time they told me that they use the Parks Community Center, but it's been sold and is no longer available. Maybe now they'll do it. We're trying to do something good for the entire neighborhood, not just us, but we just need help. Is there any way possible that the City can provide some sort of special funding to help us demolish that old building?"

JOHNNY  
WILLIAMS

"John, did you look into any grants through Upper Savannah? At one time they told us that they had some grants available to demolish old textile buildings. That's exactly what the foundry is. They used to make aluminum parts for Greenwood Mills."

JOHN LAMB

"No sir, I haven't. The reason I'm here is because, at one time, the City Manager told me that y'all might have a pot of funds or some type of monies."



JOHNNY  
WILLIAMS

“He can get a government grant.”

JOHN LAMB

“For all I knew, he was talking about a grant. I don’t know.”

JOHNNY  
WILLIAMS

“If you get them to see if there are any grants available, taxpayers could really benefit. It can come out of the Federal or State Government Funds, but there may not be any available. I’m just saying that Ware Shoals tore down the Old Mill with the money they got from a grant.”

MAYOR  
NICHOLSON

“Ruth LaForge would know.”

JOHN LAMB

“Yes. Ruth would know.”

NIKI HUTTO

“What did the YMCA offer as a partnership? I know they’re going through a big building phase themselves. Are they wanting to help, or come under this umbrella? How does HUD perceive you possibly being in a partnership with private industries, and things like that? How is that perceived?”

JOHN LAMB

“According to the YMCA national office, there are partnerships with several of these around the country. This is new ground for this YMCA. However, what you’re saying is correct. As far as HUD is concerned, if any HUD money is used, they must have a vested interest in it. So therefore, we looked at several different ways we can do it. The right side of the creek could be deeded to the Greenwood Housing Authority. On our annual contributions contract, we would have to spend this \$376,000 to build a community center, because HUD considers that their money.”

NIKI HUTTO

“Well, it is.”

JOHN LAMB

“The left of the creek would be available, and we have a 501(C)(3) profit that we could put in that title. We could either lease, sell, or donate it to the YMCA.”

NIKI HUTTO

“Could you build something and lease it to another organization under the guidelines of HUD?”

JOHN LAMB

“We could through our 501(C)(3), because they have no

control over it.”

NIKI HUTTO

“They wouldn’t let you build any more housing with the money you had left?”

JOHN LAMB

“Well, if we can’t get a park or something like this going (which is by no means a done deal now) through a partnership with the YMCA, the County Parks and Recreation, the City, or any organization, then it’s always possible that we could develop housing, such as a Habitat Community. We didn’t buy to resell it and make a profit. We want to be able to utilize it.”

MAYOR  
NICHOLSON

“The YMCA has been talking for years about wanting to expand their program to the south end of town. They felt the distance may have alienated that part of the City. I know they have programs now where some of your kids are involved. The YMCA has provided transportation, but they just want to have more of an influence on the entire area down there, not just in the Housing Authority. They want to reach the whole community.”

JOHN LAMB

“That is correct. We do have partnerships with the YMCA where they’re bussing our kids back and forth to their facilities. Sometimes they’ll provide someone for a summer camp to work on our playgrounds. We have after school homework centers and student teachers from Lander for homework and tutoring that’s available at our community center after school. We have teen pregnancy prevention programs and a lot of different things going on, but the facilities are just small and inadequate. We’re hoping for a larger facility with more people involved. We can offer those services, not only to our residents, but to the residents on Church and Columbia Avenues, Blyth Heights, and all around. We’re getting into something that’s not our business, but are just trying to do good for the community. We just need some help.”

JOHNNY  
WILLIAMS

“They do need something on the south end of town.”

MAYOR  
NICHOLSON

“Yes. Mr. Brown?”

STEVEN BROWN

“I doubt if the community appreciates the good job that

John, his staff, Mr. Elliot, and his board are doing for public housing in this City. If you visit some other jurisdiction's public housing, it's a nightmare. If you visit our public housing, I think you can be proud of it. Just the mere fact that they're bringing this to you speaks loudly about their concern for the folks that they serve, along with the south end of town. All of us are very aware that, not just the public housing community, but the south end in general feels they have been slighted.

I see this as a great opportunity to address so many issues. This may be the very catalyst that generates other development. When I talked with John originally, he asked me if we had any money. I told him that the only money I knew of would be the Community Development payback funds. If City Council desires, we can give you a financial accounting of those monies at the next meeting. We can also remind you of any obligations that you have already committed to using those monies. If the City had \$27,000 to invest in the removal of this old foundry, it may be some of the best dollars that you have ever spent.

JOHN LAMB

"We've just took possession of it in October."

STEVEN BROWN

"Okay. I know they want to get it cleared up. For the time being, we'll have a gateway into Foundry Road that'll be so much better. The property on the other side of Foundry Road has already been cleared.

I met with the YMCA officials, and I think they're very interested. I also had a conversation with someone at the Parks and Recreation and Tourism Office in Columbia, and I know that there are some grants available. I think the City, or the Housing Authority through the City, could apply for grants to assist in this development. We would need to be careful if we deed anything. We can partner with the YMCA, but would have to be careful to maintain the public land to qualify for future grants.

I want to go on record as saying that I commend them for this. I know Ms. Turnburke ought to be thrilled because these communities (pointing) have a lot of children and are in close proximity of the proposed facility. It's a

golden opportunity, whether it comes to fruition or not. It'll be something to be determined in the future, but I can tell you the thought process around this project is good."

MAYOR  
NICHOLSON

"Okay. John, we'll have Mr. Brown bring us a report with the funds available at our work session. Mr. Brown, could you bring that to us at the first of the month?"

STEVEN BROWN

"I can."

JOHN LAMB

"In the meantime, I'll call Ruth LaForge to see what may or may not be available to us through the CDBG funds."

MAYOR  
NICHOLSON

"Okay. Thank you. I'm very pleased with the idea, and I hope that it will really become a reality."

CONSIDER

Mayor Nicholson read the eighth item and recognized the City Manager.

Appoint of  
Ministerial  
Recorder for the  
City of Greenwood  
Municipal Court  
Office.

STEVEN BROWN

"Mr. Mayor and City Council, the appointment of Mr. Watts to the Commissioner of Public Works created a vacancy in our Municipal Court Office. He served for a number of years and did an excellent job as, what we call, a 'Weekend Judge'. As most of you are aware, we're required by the Court Administration Office in Columbia to have weekend judges available. They are usually here in mornings and afternoons on Saturday and Sunday. We have been doing this every week for years. There are times when they don't have to come because there are no people in jail that need to be bonded, but that's rare.

We started looking for people who could replace Mr. Watts and are faced with a dilemma of choosing between two highly qualified people. The two individuals that we've identified are, Leesa Inabinet

and Pat Simpson. I think either one of them would do the City a good job. The fact that they're employed in the Magistrate's Office at the Courthouse already makes them familiar with the paperwork of the court system. The additional cost of appointing the two of them would be one week of training at the academy. There are differences in education and the distance from one living closer to the City than the other, but we've come to the conclusion to ask City Council if you'd be willing to appoint both of these individuals.

Ms. Simpson has had some experience as a weekend judge when she worked for the Town of Ware Shoals, so she'll be very familiar with it. She says that the work just intrigues her, even though she could never be a Greenwood County Magistrate because sooner or later they're going to require them to have four year degrees.

Ms. Inabinet has been with the County for 20+ years. She's worked in the court office and the Sheriff's Department. I think she works directly under Chief Magistrate Cantrell now. Ms. Inabinet sees this as some training for a future magistrate appointment.

We talked with them about, instead of one individual doing two weekends, that they would share one weekend out of the month. If Judge Gosnell, who is our present weekend judge, would become sick, or would no longer want to work for us, it just gives us a little bit more flexibility. I used to not worry about that quite as much. Judge Miller, who has always been willing to come in on the weekend when needed, has now begun a Tuesday evening court. He's here every Tuesday evening and, a lot of times when I'm here working, he's still here at eight or nine o'clock at night hearing cases. He's also trying to set up an environmental court (for the lack of any other term), specifically for our code enforcement cases to get them out of the regular court. We're very active, and you can see people in here at all times. So why we can get by with one, we have an opportunity to employ two. The salaries won't be any greater, because they'll just share the work. They will only get one weekend out of the month, as opposed to

two. The only additional cost would be the one week of training at the academy.

I talked with both of these individuals, but it is not my appointment, nor is it my duty to hire these people. They must be appointed by you, and they serve at the pleasure of the City Council. If you choose to appoint them tonight as ministerial recorders, or judges, then they must be sworn in by Judge Wyndham.”

LINDA EDWARDS

“Did you say they work for the County?”

STEVEN BROWN

“Both of these individuals are County employees, and work in the County Magistrate’s office.”

LINDA EDWARDS

“We don’t have anybody to move up? There’s nobody in Judge Miller’s Office moving up the ladder?”

STEVEN BROWN

“We have two night courts a week, and a lot of those employees have to work at night, so they’re already working different shifts at different hours. When City employees work on the weekends, it’s considered as part of their workweek, which means they’d earn time and a half. To be honest with you, these ladies don’t want to come back on the weekends.

Motion was made by Johnny Williams, seconded by Herbert Vaughn to appoint the two individuals.

MAYOR  
NICHOLSON

“Any further discussion? All in favor raise your right hand. So moved.”

Motion passed unanimously.

LINDA EDWARDS

“I request that these two individuals come to the work session next month so that we can meet them.

NIKI HUTTO

“Could you repeat their names one more time, please?”

STEVEN BROWN

“Leesa Inabinet and Pat Simpson.”

MAYOR  
NICHOLSON

“Okay.”

The City Council Meeting recessed at 6:45 p.m.

The City Council Meeting resumed at 6:50 p.m.

RECEIVE

A Special Report  
from the City  
Manager and  
Finance Director.

Mayor Nicholson read the last item and recognized the City Manager.

STEVEN BROWN

“Mr. Mayor, I’ll try to make this short. During the budget meetings, I tried to let you know of the financial problems that I was anticipating in the coming months. I’m back before you tonight with some additional information.

My reason for providing this report to you is (not to be an alarmist, but at the same time I am an alarmist), because I am very concerned about the financial condition of the City.

Over the last three or four years, our revenue is down from all sources, and we have no means of replacing them. We have begun to live off of the fund balance, and now find ourselves at a point in time where we can no longer do that. I think the time has come where we can’t wait until October for the 2006 budget work sessions. If we don’t do something to cut back now, the task before you will be so huge that the pain and injury to cure it may be more than you can stand.

Let me give you some good and bad information. We don’t have all of the audited numbers, but it looks like our 2004 projected revenue was exceeded by \$229,000, and that’s very good. I can also tell you

that our projected expenditures were under budget about \$444,000. I'm so proud that we were able to get more money than projected, and spent less than what we told you we would.

However, last year we had budgeted \$1,246,000 out of the reserve fund. We spent (and this is an estimate, but it's a good estimate) about \$775,000 out of the Fund Balance. That means this coming year we have budgeted another \$1,019,000 out of the Fund Balance. If we spend it, we're looking at our Fund Balance being less than \$500,000. We still have a Capital Improvements Account, which is \$1.6 million, but if you put those two together, we're right at \$2 million. I know that you can shift monies from the Capital Improvements, but it was originally set up to offset some of our Capital Improvements expenditures.

I don't see any signs of significant changes in our revenue during the next year. I think it's time for us to do some hard thinking about reducing this budget. We cannot spend what we have budgeted this coming year. Even though it was a lean budget that you approved, we've got to cut back. I'm even more concerned about it right now. If you look at the increases we have encountered with hospitalization insurance and salaries, that's about \$300,000, and you don't have that much new money in the budget. When you have those expenditures occurring year after year and you don't have additional revenue to cover the additional expenses are reducing the Fund Balance.

What does that mean with the fund balance? This year, I talked to Steffanie almost on a daily basis asking if we're going to get by without borrowing tax anticipation monies. We went until the very last week. In fact, it was probably good that we were on a two week payroll because we had sufficient funds to pay it without borrowing any monies. This was in January, right before one of our big tax checks arrived. This year, Steffanie began to use monies out of the fund balance and other accounts in September. She estimates that, since we've spent \$775,000 this year, we'll probably be borrowing a



minimum of \$1 million in tax anticipation notes by mid July 2005. We're also going to pay interest rates on the money we borrow. We've done that only one time in the last 15 to 18 years. Before then, it used to be done every year.

There must be some tough decisions to reduce expenditures. I don't want to frighten anybody, but we may need to look at reducing staff. I'm asking Council to think about what I have said tonight. I'd like to talk with you more at the work session. If we have a strategy, we can address this problem. If we ignore it, it's not going away. You have done a wonderful job. When we talk about being under budget \$444,000, we didn't do it alone. You participated in that, so in no way have I said anything negative about your actions. I don't think you have been a spendthrift Council, nor have the ones that preceded you.

It's a point in time of our financial history that we need to do some things that are tough. Some people say, 'Well, that's only \$1,000, \$4,000 or \$10,000,' but we must start to save or reduce our spending by \$10,000; then \$10,000 becomes \$20,000, and \$20,000 becomes \$30,000. I want to tell you that those kind of things are not done independent of big cuts. That's why I suggest that you may look at reducing the staff to get this budget in line. When you're talking about \$1 million, if you don't do something now, you'll be \$1 million out of balance with nowhere to get it by October. One million dollars is about 30 mills.

I will give you some recommendations at your work session, and will be meeting with staff tomorrow to discuss this issue. Everybody is taking from us, and I don't have any way of generating any new money. I wish I could tell you something different. I have talked with Steffanie, Charlie, and different department heads, and we've been beating our brains out trying to find ways to cut and reduce our expenditures."

STEFFANIE  
DORN

After 911, investments fell out of the bottom and, as we have less money to invest, it hurts us even more.

Our income shrinks because we don't have any investment money. If we're going to borrow money, we must pay interest to borrow that money, and that will increase our expenditures. It's a 'lose, lose' situation whichever way we go.

Now on the other hand, I'm an alarmist, and I'm alarmed by our situation. I talked with Mr. Brown when we worked on the budget and, as he said, we can't wait until October to make changes. We've got to make some changes because one of those areas where we exceeded revenue, was in business licenses. We lost our United Telephone Franchise this year, so the extra funds we got off of that is gone. We're cut off by the legislature on how much we can receive from the telecommunications industry, so that'll hit us this year. Of course, the property tax assessment on our vehicles, that people voted to reduced, is still going down. We have three more years of that."

STEVEN BROWN

"Each year it decreases a certain amount until it's just six percent."

STEFFANIE  
DORN

"That's right. It's .759%."

STEVEN BROWN

"We saved money there last year because some of our people are deployed to Iraq, and we have to hold their positions while they're gone. We've had as many as five police officers away from us at one time. We have done some good things, even though there are some things that we need to work on. It's not that we've been flagrant with our spending. We'll be talking more to you at the work session. Please don't take me as being critical of you or any of the staff. I just feel that if I don't tell you this, then I'm not doing a good job. I wish it wasn't there. There are a whole lot more pleasant things that I'd love to talk to you about, because a lot of good things are happening. Employees are still working hard, and there's a lot of potential, but we must address this issue and put ourselves on sound financial ground. There is going to be another City Manager, Mayor, and City Council one day, and we want to leave it to them as well as it was left to us. I'll be glad to answer

any questions that you may have.”

MAYOR  
NICHOLSON

“You said that you’ll have additional information at the work session?”

STEVEN BROWN

“Yes, sir. There are some things that I’ll let you know about.”

NIKI HUTTO

“Will you have actual recommendations also? The City does a lot of services that a lot of other cities don’t do, especially hauling everything that everybody puts on the side of the road. With the increase in gasoline costs, has anything been worked out to limit the scheduled days?”

STEVEN BROWN

“We’re trying to look at that right now, and I may be able to address it better at the work session.”

NIKI HUTTO

“It seems as if there are vehicles constantly running.”

STEVEN BROWN

“The reason is because we cannot commingle waste. We cannot put metal with wood, or wood with paper, so we don’t pick them up together. We can put them in the same truck, but when you get to the landfill, we’d have to literally go through it by hand. We found that it’s more cost effective to pick the different things up separately.

When leaf season is in, we must pick up leaves. In about another 45 days when the weather starts getting warm, then everybody trims shrubbery and it’ll be out on the streets. For about 60 to 90 days, we’ll be consumed with yard waste. The things I think you’re talking about is furniture and white goods. I don’t think that cutting it out will reduce the savings that we’re really looking for. It may be a beginning.”

NIKI HUTTO

“Maybe I’m grasping at straws, but I’m thinking of things that could be more tailored, or something of that nature.”

STEVEN BROWN

“We certainly don’t have an over abundance of staff in our offices. I haven’t done a formal survey, but I believe when you compare the City’s salary structure to our other three governments that we compete with, such as CPW, Metro, and the County, I think we’re at the bottom.”

JOHNNY  
WILLIAMS

“There’s no question!”

STEVEN BROWN

“It’s something that I’m not bragging about, but to let you know that I don’t think our salaries are out of line. At the same time, I’m not saying that theirs are out line. I’m just saying that nobody can point a finger and say that we pay our people too much.”

JOHNNY  
WILLIAMS

“Well, have you looked at the franchise with Duke Power?”

STEVEN BROWN

“Yes sir. I talked with the Attorney James Brailsford, who specializes in utility franchise law.”

JOHNNY  
WILLIAMS

“Well, the reason why I asked is, we were going to put a franchise tax on them as a part of that budget, and it never happened.”

STEVEN BROWN

“We are in the process right now.”

MAYOR  
NICHOLSON

“We will meet the fourth Monday in February also. Would you all want to have a work session on the first or second Monday?”

LINDA EDWARDS

“First Monday.”

NIKI HUTTO

“First Monday is on the seventh.”

MAYOR  
NICHOLSON

“Okay then, first Monday. Work session will be February 7<sup>th</sup>, and the regular Council Meeting will be the 28<sup>th</sup>.”

MAYOR  
NICHOLSON

“Alright. Do I have a motion to adjourn?”

Motion was made by Linda Edwards, seconded by Johnny Williams.

“Thank you and have a good night.”

Meeting adjourned at 7:15 p.m.

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Floyd Nicholson, Mayor

ATTEST:

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City Clerk and Treasurer