

1 TOWN OF SURFSIDE BEACH ♦ TOWN COUNCIL CHAMBERS
2 February 25, 2008 5:00 p.m.
3

4 TOWN COUNCIL BUDGET WORKSHOP MINUTES
5 2008-2009
6

7 **CALL TO ORDER**

8 Mayor Hyman called the budget meeting to order at 5:00 pm. Mayor Hyman, Mayor Pro Tem Truett,
9 Councilmember's Hiatt, Martin, Samples and Tuttle were present. A quorum was present. Staff present:
10 Administrator Booth; Clerk Pinnell; Finance Treasurer Hursey; Building/Zoning Director Donevant, Public
11 Safety Director Christenson and Fire Chief Packard.
12

13 **REVENUES AND RESERVES**

14 Mr. Booth stated that there is not a big difference between this budget and the one presented back in
15 October 2007 adding that it now includes some changes that had been requested by Council, such as the
16 addition of \$30,000 for the underground cable, which was previously missed. There were funds added for
17 beautification and some items were removed such as the backhoe, the mechanic looked at the one that
18 the town currently has and thought it could be used for another year or two. \$150,000 was put into road
19 and \$100,000 was put into sidewalks. Mr. Booth added that a lot of our roads are owned by the State
20 and the town goes for CTC money to do those roads. Mr. Booth stated that he would like to see the State
21 turn the roads back over to the town where they belong and added that the State doesn't really maintain
22 them as they should be maintained. Mr. Booth reported that this is a balanced budget and the town has a
23 couple hundred thousand dollars that it is putting aside and not spending and taxes will not be increased.
24 Mr. Booth stated that he would be bringing up the continuation of the 5 mils for stormwater.
25

26 **DECISION PAPERS**

27 It was confirmed by Mr. Booth that there would be time for council to discuss the items presented; they
28 will be going through department by department.
29

30 ***Police***

31 Mr. Christenson handed out information to council on "green" energy efficient vehicles. Mr. Christenson
32 stated that he was asked to do some research on "green vehicles" and while doing research he ran into a
33 department in Westwood, New York that uses the Hybrid Ford Escapes. This vehicle uses no gas when it
34 is at a stop. It has a regenerative braking system that keeps the batteries recharged. He would like to
35 see it put in place in a Supervisory capacity; it has four-wheel drive so the vehicle could be used in a
36 storm situation but added that he does not see it to be a good use as a first response vehicle because of
37 the starting and stopping situations. Mr. Christenson stated that the Crown Vic's get about 8 miles per
38 gallon in a patrol capacity and this vehicle gets between 20 and 30 based on how much it starts and
39 stops. Mr. Christenson stated that at \$2.65 a gallon per gas it would roughly save \$33.60 per shift or
40 \$67.20 per day or approximately \$20,000 per year so in about 15 months it would pay for itself in fuel
41 efficiency. Mr. Christenson stated that one of the issues with this vehicle is that it drains the light and
42 radio systems and he is not sure how that would effect the battery system so he would suggest getting
43 one of these vehicles in a test situation and see how it works out. Mr. Christenson he had spoken to
44 Beach Ford and found out that the down side is that they are hard to get because they are in high
45 demand; worse case scenario would be a 6 months wait. Mayor Hyman asked Mr. Christenson if he
46 was giving this for information only purposes and Mr. Christenson answered that he was. Mr. Martin
47 thanked Mr. Christenson for looking into this and he also spoke to Beach Ford and was informed that the
48 last Hybrid vehicle they ordered took 2 months to get and they could not guarantee that. Mr. Martin
49 agreed that this would be a good test case. Mr. Christenson stated that they had originally put in for
50 \$30,000 which was for a fully equipped vehicle anticipating on State bid contract pricing with the vehicle
51 costing between \$22,000 and \$24,000 leaving them \$6,000 to \$8,000 to fully equip the vehicle to a full
52 working capacity but with this vehicle the MSRP is approximately \$29,000 so it will cost more than the
53 other vehicle but the town would save on fuel costs in the long run. Mr. Christenson stated that people
54 are paying over list price since they are in such high demand. He was told they could get one for \$27,000

55 but then they would need to equip the vehicle so he approximates the cost to be \$33,000 instead of
56 \$30,000. Mr. Samples stated that he could not help but notice that in Public Safety's budget, which is
57 divided into Police and Fire, that the estimated cost for fuel for Public Safety this year is over \$52,000 but
58 the amount being requested for next year is only \$38,000 and he questioned the difference. Mr.
59 Christenson stated that he would need to confirm with Ms. Hursey the actual numbers compared to what
60 was budgeted prior to his being with Surfside. Mr. Samples stated that he is talking about actual
61 expenses between the two departments. He reiterated by saying that the actual amount spent is over
62 \$52,000 and the estimated budget request for next year, between the two departments, is \$38,000. Mr.
63 Samples stated that people do make mistakes but it does tend to address credibility issues when it comes
64 to a "serious, sit down, put a budget together" because he would expect that the Police and Fire
65 Departments use the greatest amount of fuel in town, either them or Public Works, he added he was not
66 sure which it would be. Mr. Christenson stated that he would assume that Police and Fire use the most.
67 Mr. Samples stated that this is a 20 percent reduction in fuel. Mr. Christenson stated that each of their
68 categories had been reduced and this is a part of the zero based budgeting. Mr. Christenson added that
69 he did not have the figures in front of him to give him an exact answer. Mr. Samples responded that what
70 he could tell Mr. Christenson was that the fuel cost for the Police Department, in round numbers is
71 \$44,000 and it is a little more that \$8,000 for the Fire Department so when you add them together it
72 comes to \$52,000 and what is budgeted in Police for next year is \$24,000 and what Mr. Packard has
73 budgeted for Fire is \$14,000. Mr. Samples stated that it does not match and it does not make sense.
74 Mayor Hyman stated that there is probably a mistake and there will be two readings so any corrections
75 necessary could be made. Mr. Christenson thanked Mr. Samples for bringing it to his attention. Mr.
76 Samples added that his point is that he wished someone would look at the numbers more closely. Mr.
77 Christenson stated that they had looked at the numbers 4 or 5 times and Mr. Samples added that it was
78 somehow missed. Mr. Christenson stated that he did not understand what Mr. Samples was referring to
79 when he mentioned credibility and Mr. Samples stated that since he has been involved in budgeting for a
80 long time and these numbers were reviewed by Mr. Christenson several times and that he failed to pick
81 up an important category of real costs, which his department is going to have, or somebody missed it is
82 what he was referring to. Mayor Hyman stated that this will be looked at and if it needs to be corrected it
83 will be done and Mr. Samples added that he assures the Mayor that it needs to be corrected.

84
85 **4a1**

86 *\$32,000 request for radio upgrade*

87 Mr. Christenson reported that interference between the cellular phone system and the public radio system
88 has caused the FCC to require that public safety reband to another 800-megahertz frequency. Mr.
89 Christenson stated that they would be piggybacking off a contract, which was already put in place with
90 Horry County. Nextel and Sprint has been required by the government to pay the biggest amount of
91 money in relation to this rebanding process and the town was able to get the newly rebanded radios for
92 \$400 per portable unit and \$800 per mobile; it would be the same as last year, it is basically a carryover.
93 Mr. Christenson stated that they currently have 42 portable radios and 19 mobile radio units, which
94 equates to the \$32,000 in the decision paper. Mayor Hyman stated that the radios are constantly in need
95 of being upgraded and asked Mr. Christenson how many years he thought this upgrade would last. Mr.
96 Christenson answered that he has no idea and that the Federal Government has required Sprint and
97 Nextel pay the majority of this cost since they have acquired all the radio space and it is because of them
98 that this had to be done. Mr. Truett made a motion to approve the \$32,000 in the budget for the radio
99 upgrades. Mr. Martin seconded the motion. Mr. Samples stated that the decision paper indicates that
100 Horry County plans on purchasing these radios in the upcoming fiscal year and asked if this is correct,
101 that there is no certain time frame and Mr. Christenson stated that there was not. Mr. Samples asked if
102 Mr. Christenson could advise Council as to when Horry County actually purchases it so that in the event
103 there is an asset it could be reapplied elsewhere. Mr. Christenson agreed to notify Council. Mr. Truett
104 asked for confirmation for the public on the figures that indicate the cost to the town to be \$180,000 if the
105 town did not piggyback with the County. Mr. Christenson confirmed this number adding that it would need
106 to be done or the town would have radios that did not work. **All voted in favor. MOTION CARRIED.**

109

110 **4ai2**

111 There was discussion again regarding the hybrid vehicle in that the cost would be \$33,000 as opposed to
112 what was originally estimated to be \$30,000 and that there needed to be a decision on it. Mayor Hyman
113 commented that this is why he previously asked if this was for information only. Mr. Christenson stated
114 that the brochure was for information only but there was a decision paper for \$32,000 but it would need to
115 be for \$33,000 for the hybrid. Mr. Martin made a motion to approve the Public Safety request for \$33,000
116 for a hybrid patrol SUV. Ms. Tuttle seconded the motion. Ms. Hiatt asked if Mr. Christenson had done
117 any research on customer complaints on the hybrid because she knows that there are many comments
118 on the hybrids both pros and cons. Mr. Christenson responded stating that the cons right now, as far as
119 law enforcement goes, is that they are not well suited for a first responder vehicle because of the starting
120 and stopping issue and because of the voltage pulling off the light bars and the radios but in a supervisory
121 capacity it should be a good choice. Ms. Hiatt stated that she had done a lot of research on the different
122 makes and was just curious to know if Mr. Christenson had researched them as well. Mr. Christenson
123 stated that these vehicles could be used in municipalities in many other ways; the town administrators,
124 code enforcement and the building department could use them. Mr. Christenson stated that they would
125 just have to see how this one does but he expects it should do well in a small town where they do not
126 have the high-speed pursuits as they do in larger communities. Mr. Martin stated that the reason that
127 New York is ordering another 1,00 of these hybrid vehicles is that they have done an evaluation because
128 they've been used as taxi cabs in New York which is also heavy radio use and in town driving and they
129 have found that the regenerative braking which charges the batteries also reduces the load on the
130 braking system; the brake pads have lasted longer as well. Mr. Martin added that their experience has
131 been very positive and he would like to see the town try one. Mr. Christenson stated that he agrees and
132 that he had read that some of the vehicles have 120,000 miles on them and that they are still going
133 strong. Mr. Samples asked if we had a capital equipment replacement plan. Mayor Hyman stated that
134 the hybrid vehicle should come out of that fund. Mr. Christenson stated that a plan was put into effect a
135 few years ago. Mr. Samples stated that he had asked a couple times at the budget retreat if we could get
136 a capital replacement plan for the equipment in town because we used to have one. Mayor Hyman and
137 Mr. Truett confirmed that the town still does have one. Mayor Hyman stated that it is in effect until 2010.
138 Mr. Samples asked if this is part of the replacement or of it is something new. Mr. Christenson stated that
139 this is under the replacement plan for the Police Department that was put into effect prior to his arrival. It
140 was confirmed that vehicle 504 is coming off and the new one would go on. Mr. Samples asked if all of
141 the equipment being presented tonight would be on the capital replacement plan. It was determined that
142 not all items being presented at this budget are on the plan. Mayor Hyman stated that some of the
143 equipment is covered under A-Tax. Mr. Samples stated that there is still a plan replacement and there is a
144 \$44,000 item, which is going to be presented later, and he added that this certainly belongs on the capital
145 equipment replacements plan and that it is significant enough that it should be there. **All voted in favor.**
146 **MOTION CARRIED.**

147

148 Mr. Booth asked if there were any questions before he continued with his presentations. Mr. Samples
149 stated that he had personnel questions and asked if we were increasing staff. It was confirmed that staff
150 is being increased through A-Tax funding and Mr. Samples asked what the 10 percent personnel increase
151 was for. Mr. Booth stated that this includes the salary increases and the Holiday bonus. Mr. Samples
152 stated that he questioned the 17 percent increase in finance and the 19 percent increase in the court
153 personnel costs. Mayor Hyman instructed Mr. Samples to keep a note of these and when they got to the
154 department they could discuss it because the Police Department was currently being discussed.

155

156 **Public Works**

157 Mr. Booth reported that there is a 10 percent overall increase in the budget; last year there was a 3
158 percent decrease and this year a 10 percent increase.

159 **4aii1**

160 Mr. Booth presented the side mower assembly decision paper. Mr. Booth stated that it is a \$44,000 item
161 and it is somewhat required by our Phase II stormwater permit in that we can no longer go in and clean
162 out the ditches as we had done before, they now have to be mowed as opposed to digging them out. Mr.

163 Booth stated that this assembly would go onto a mower that is being purchased through A-Tax and it
164 could also be used to trim trees. Mayor Hyman asked for a motion. Ms. Tuttle asked if this was similar to
165 a bush hog. Mr. Booth stated that it works similarly to the mower that we already have except it is more
166 expensive and it has different attachments. Ms. Tuttle stated that this sounds like it works better than the
167 bush hog because the bush hog is very intrusive and added that she agrees with this method. Mr. Truett
168 stated that from the DHEC standpoint dealing with stormwater this process allows the vegetation to filter
169 impurities first versus cleaning out mud. Mr. Truett asked if the town had any other equipment that could
170 do this and Mr. Booth answered that it does not but it does replace the mower that has a head but that
171 mower can not do what this new one does. Mr. Samples approved the purchase of the mower assembly.
172 Mr. Truett seconded the motion. **All voted in favor. MOTION CARRIED.**

173
174 **4aii2**

175 Mr. Booth presented the decision paper to put \$100,000 in towards sidewalks adding that they would try
176 to get some funds from CTC and look into other avenues for funds. Mr. Booth stated that the town would
177 be looking into getting an enhancement grant for the downtown area. Mr. Booth stated that they would
178 like to budget \$100,000 for the sidewalks and then they plan on replacing some of that with as much
179 money as they can get. Mayor Hyman stated that there is already money aside for sidewalks and asked
180 if this was an additional amount being requested. Mr. Booth stated that we need to budget this and then
181 we would put the money back into the budget if we get grants. Mayor Hyman added that this is an
182 ongoing project. Mr. Truett made a motion to approve the \$100,000 to put in the budget for sidewalks.
183 Mr. Martin seconded the motion. Mr. Samples asked which sidewalks were going to be done. Mr. Booth
184 stated that they plan on finishing off Hollywood and then they plan on going down 5th Avenues and then a
185 new plan would be put into place to continue. Mr. Martin made a request to look at the east side of
186 Poplar: he has seen many people walking over there and considers this to be dangerous since it is a
187 heavy traffic street. Ms. Tuttle stated that somewhere listed in the budget there was \$250,000 proposed
188 for sidewalks and asked what the discrepancy was about. Mr. Booth stated that this number was for
189 sidewalks and roads and it was now being broken down in decision papers. There was some additional
190 discussion on these numbers and Ms. Tuttle asked if it would be done in-house or contracted out. Mr.
191 Booth answered that it would be contracted out. Mr. Truett made a recommendation that if other
192 locations where sidewalks are found to be needed funds could always be added in and the budget could
193 be amended. **All voted in favor. MOTION CARRIED.**

194
195 **4aii3**

196 Mr. Booth stated that the decision paper is to add \$150,000 for street paving. Mr. Booth stated that a lot
197 of work has been done on the south end and they would need to take a harder look at the north end to
198 see if there are any roads that really need to be paved. Mr. Booth stated that he believes that the town
199 needs maybe another year to budget \$150,000 for streets and then it could concentrate on maintenance
200 after that adding that the roads, once paved, should last 20 years. Mayor Hyman added that the roads
201 used to last 12 to 15 years; they used to resurface ¼ to 3/8 and now they resurface 1 ½ inches so the
202 roads last longer. Mr. Samples made a motion to approve the \$150,000 for roads. Mr. Truett seconded
203 the motion. **All voted in favor. MOTION CARRIED.**

204
205 **4aii4**

206 Mr. Booth stated that Council would receive the lake dredging bids at the meeting the following night
207 adding that the contractor that is being recommended was the lowest bidder and he would be doing the
208 project without bags. Mr. Booth stated that he had spoken to some people who used the bag process
209 and he was told that they tend to break and you are left behind with a mess. Mr. Booth stated that this
210 contractor would be dewatering it and then taking it out in dump trucks. Mayor Hyman asked how many
211 lakes this \$485,000 would cover and Mr. Booth answered 4. Mr. Booth stated that they are having
212 trouble getting into one of the lakes so they would only be doing 4 to start with. Mr. Samples made a
213 motion to approve adding the \$485,000 to the budget for the lake dredging project. Mr. Martin seconded
214 the motion. **All voted in favor. MOTION CARRIED.**
215

215 4aii5

216 Mr. Booth presented the underground utility decision paper for \$35,000. Mr. Booth stated that the cost for
217 putting in the cable and the phone service was not considered previously when calculating the budget
218 and the town needs to pay for this so it needs to be added. Mayor Hyman asked what fund it would come
219 out of. Mr. Booth answered that it would come out of Public Works. Mr. Truett asked why it would not
220 come out of the underground utility fund and Mr. Booth answered that this fund is only for electricity, it will
221 not pay for anything else. Mayor Hyman asked if we could get the phone company or the cable company
222 to cover this. Mr. Booth stated that they could try. Mr. Samples asked if HTC would do it. Mr. Booth
223 stated that HTC is trying to get the franchise and they might. Mr. Samples stated that this might be the
224 leverage to move Time Warner. There was some discussion and Mr. Booth stated that this may be
225 difficult to do, but he will talk to HTC about covering this. Mr. Truett stated that Horry telephone is
226 primarily in the south end and this could be a perfect fit. Mayor Hyman stated that once they do the
227 underground wiring and we remove the poles then where are their wires going to go since these are
228 Santee Cooper poles. Mr. Booth stated that he believes that there may be a contract. Mr. Booth added
229 that if they can get someone else to pay this then they certainly would not have to use the \$35,000 but we
230 need to put it in just in case it doesn't work out for some reason. Ms. Tuttle asked about the general fund
231 and added that she would like to see the other avenues explored with Horry telephone, and the existing
232 Time Warner and Verizon. Mr. Martin stated that he believes that A-Tax would apply for Seaside Drive
233 since it would be an improvement to the tourist area. Mr. Martin made a motion to approve the \$35,000
234 for the underground wiring project. Mr. Truett seconded the motion. Mr. Samples asked if we have
235 advised the homeowners that this is coming. Mr. Booth stated that they have and they also had public
236 hearings and letters were sent. Mr. Samples asked for confirmation if the residents were going to have to
237 pay for the hookup from the street to their home and Mr. Booth stated that the town would be covering
238 this not the homeowner. Mr. Samples answered that he agreed that the town should pay for this. Mr.
239 Martin added that Santee Cooper already had the easements to do 14th, they had contacted the residents
240 and they were given the easements. **All voted in favor. MOTION CARRIED.**

241
242 Ms. Hiatt asked if the leaf vacuum is in the budget adding that it had been discussed several times. Mr.
243 Booth answered that it was not but there are some undedicated funds and if she would like to add it then
244 it could be added. Mr. Booth stated that there is also a combination leaf vacuum/street sweeper that
245 works well. Mayor Hyman stated that he thought that it was discussed at the budget workshop back in
246 October. Mr. Booth stated that it was discussed but he did not think there was that much of an interest at
247 the time but if they would like to add it then it could be added. Mayor Hyman stated that Council would
248 need some information on it. Mr. Samples stated that what was discussed at the workshop was that Mr.
249 Booth was going to contact Georgetown and bring back some information. Mr. Booth stated that he
250 apologized but with Mr. Kirk leaving some things may have been forgotten. Mr. Booth stated that he
251 would look into it. Ms. Tuttle asked about the street light expenditures of \$51,000 and Mr. Booth stated
252 that this is the payment for all of the streetlights in town. Mr. Samples stated that he could not help but
253 notice that we are losing in the public works side 1 ½ full time employees. Mr. Booth stated that one was
254 maintenance. Mr. Samples stated that in the non-departmental it looks like we are picking up two people.
255 Mr. Booth stated that the recreation used to be there and what he did was he took out the custodial
256 person and put him in a department by himself, which is non-departmental at this point. Mr. Samples
257 stated that he would prefer to see him placed somewhere else. Mr. Booth stated we would need to
258 establish a facilities department. Mr. Samples stated that he thought this should all be Public Works. Mr.
259 Booth stated that in most towns there is a facilities department and they do the maintenance and the
260 cleaning on the buildings and it is not part of Public Works. Mr. Samples stated that 1 ½ was lost in
261 Public Works and 2 were picked up in Non-Departmental and asked if this was a net increase regarding
262 staffing. Mr. Booth took a few minutes to try to conclude the difference. There was additional discussion
263 regarding the staffing difference and it was determined that the differences listed are from the
264 presentation in October. Mr. Martin stated that he would like to make a suggestion in that when staff is
265 changed from one area to another area if this change could be presented in an overview chart that would
266 help. There was additional discussion regarding changes to an adopted budget as opposed to a drafted
267 budget. Ms. Tuttle asked if any personnel positions have changed since October; she asked if any have
268 been added. Mr. Booth stated that some part time people were added to take care of the Census. Mr.

269 Samples pointed out that an admin person was added and Mr. Booth questioned what that could be and
270 then recalled that he added an admin person to assist the office and that individual would sit where Ms.
271 Lewis currently sits and Ms. Lewis would move upstairs. Mr. Samples stated that a new position was
272 never discussed and Ms. Tuttle agreed. Mr. Booth stated that he could do a decision paper on this. Mr.
273 Samples and Ms. Tuttle made comments regarding the actual presentation of the budget and how it is
274 was not clear as to what changes were made. Mr. Truett wanted to confirm that the Mr. Booth was not
275 planning on hiring a Recreations Director and Mr. Booth stated that he was not. Mr. Truett added that he
276 agrees that the town does not need one.

277
278 **Building, Planning & Zoning**

279 **4iii1**

280 Ms. Donevant stated that the pass through fee is not working out for the town and she will be bringing this
281 up as an issue paper at a future meeting. Ms. Donevant stated that the town currently has engineers
282 certifying their own design and this is not how it should work. Ms. Donevant stated that she is now
283 certified through DHEC as a stormwater inspector so the town can cut down the observations from
284 Earthworks. Ms. Donevant stated that they had a flat fee schedule with Earthworks for plan reviews but
285 we now need to take care of her time and the town can have Earthworks do plan reviews. Ms. Donevant
286 stated that she would bring the fee schedule and a copy of the contract for them to review. Ms. Donevant
287 stated that she is now adding money into the budget because the town may need it until she gets her
288 stormwater plan review certification. Mayor Hyman asked which fund this money request would come out
289 of and Ms. Donevant stated that it would come out of the general fund from her department's budget. Mr.
290 Truett made a motion to approve the addition of \$32,000 for the stormwater fee schedule. Ms. Tuttle
291 seconded the motion. Mr. Martin told Ms. Donevant that he appreciated her looking out for people
292 certifying their own design. Ms. Donevant stated that she had some money in the budget and used some
293 of it to have Earthworks or Nelson review some of the plans and three came back with gross negligent
294 items that needed to be addressed. Mr. Martin thanked Ms. Donevant for protecting the town. Mr. Truett
295 added that there was a comment made that some of the engineers would not certify their own plans. **All**
296 **voted in favor. MOTION CARRIED.**

297
298 Mayor Hyman stated that Council would have two readings on the budget workshop and a public hearing
299 on the budget.

300
301 **Recreation**

302 **4aiv1**

303 Mr. Booth stated that he has not been as successful with the County as he anticipated but he is now
304 recruiting the allegiance of the alliance that may be willing to help get more funds for Surfside. Mr. Booth
305 stated that the roof of the Recreation Department needs to be replaced and is requesting to put \$18,000
306 into the budget for the repair. It was confirmed that the rafters would also need to be replaced. Mr.
307 Samples made a motion to add \$18,000 to the budget for the roof. Ms. Hiatt seconded the motion. Ms.
308 Tuttle asked if this has gone out for bid and Mr. Booth stated that it would; everything over \$5,000 goes
309 out for bid. **All voted in favor. MOTION CARRIED.**

310
311 **4aiv2**

312 \$8,000 for a Gator. Mr. Samples made a motion to approve the addition of \$8,000 to the budget for a
313 Gator. Ms. Hiatt seconded the motion. **All voted in favor. MOTION CARRIED.**

314
315 **Administrative**

316 **4av1**

317 Mr. Booth presented the Wellness Program decision paper adding that reducing our rate helps fund it.
318 This will also include Council and volunteers as well. Mr. Booth stated that the individual must use it at
319 least once a week and they would have to pay 25 percent of the cost. Mr. Booth stated that the individual
320 could choose whatever gym they want. Mayor Hyman asked Mr. Booth if he knew how many people
321 were interested in doing this and Mr. Booth answered that many have said they would do it but he is
322 estimating around 20 people would actually join. The town would subsidize these costs. Mr. Truett asked

323 if there was a minimum participation amount in order for our rates to go down. Mr. Booth answered that
324 the town needs to have an active program. Mr. Truett agreed that it was a good idea. Mr. Martin
325 suggested that Mr. Booth check with the town attorney to make sure that this would not count as other
326 compensation and Mr. Booth stated that he had checked and it is not other compensation because the
327 individual is paying a portion; it is not direct compensation. Mr. Martin added that he thinks it is a great
328 idea for the town employees. The maximum cost for the first year would be \$7,000. Mr. Martin made a
329 motion to add the Wellness Program cost not to exceed \$7,000 to the budget. Ms. Tuttle seconded the
330 motion. **All voted in favor. MOTION CARRIED.**

331
332 **4av2**

333 Mr. Booth stated that the next issue paper is for Council to agree to compensate 2 % for the cost of living
334 for the employees. Mr. Samples stated that there is also merit raises and asked what the percentage
335 range was between the steps. Mr. Booth stated that it is all 4 percent but no more than ½ the workforce
336 can get 4 percent, most are in the 2 percent range. It was confirmed that if someone got a 4 percent
337 merit raise and a 2% cost of living then they would be getting a 6 percent increase. Mr. Martin made a
338 motion to approve the 2 % cost of living increase. Mr. Truett seconded the motion. It was confirmed that
339 it is already listed in the budget. **All voted in favor. MOTION CARRIED.** Mr. Samples had a question
340 regarding the budget, which showed a gas allowance for the town administrator. There was some
341 discussion. It was confirmed that the gas cost was for the admin car.

342
343 **4av3**

344 Mr. Booth explained that the ductwork and the HVAC at town hall would need to be worked on. The
345 estimated amount to add into the budget is \$27,000. Mr. Booth stated that it would be quite awhile before
346 the town hall had any major renovation so it was advised that the HVAC be fixed. This cost also includes
347 the replacement of one HVAC unit per year, which is part of capital improvements. Mr. Truett made a
348 motion to add \$27,000 for HVAC and ductwork to the budget. Mr. Samples seconded the motion. **All**
349 **voted in favor. MOTION CARRIED.**

350
351 **4av4**

352 Mr. Booth reported that the current server is 10 years old and will need to be replaced. Mr. Martin made a
353 motion to approve adding the cost for a new server to the budget. Ms. Hiatt seconded the motion. Mr.
354 Samples had a question regarding the decision paper and stated that it sounds like it is both a software
355 and hardware problem. Mr. Martin stated that when a new server is installed it comes with new software.
356 Mr. Samples stated that he believes that the town could do better in pricing than \$15,000. Mr. Samples
357 stated that many local governments nationally are going to off the shelf software. **All voted in favor.**
358 **MOTION CARRIED.**

359
360 **A-Tax Recommendations**

361 **4b**

362 Mr. Booth stated that these items were previously approved. Mr. Booth stated that one of the items A-Tax
363 was behind funding was for the cameras but once Mr. Christenson began getting pricing and found they
364 would be more than he originally thought they would more than likely not get them.

365
366 **Hospitality**

367 Mr. Booth stated that most of the undedicated funds are currently in hospitality.

368 **4ci**

369 \$50,000 is being put in the budget for beautification of the town. Mr. Truett asked if we were going to
370 design the improvements ourself and Mr. Booth answered that we would be going out to the universities
371 and have the classes help us to design. Ms. Hiatt made a motion to approve adding \$50,000 to the
372 budget for beautification. Mr. Truett seconded the motion. **All voted in favor. MOTION CARRIED.** Mr.
373 Martin had a question regarding the parking signs and meter revenues being listed in Hospitality. Mr.
374 Booth stated that the funds remain there but the function does not. This is a dedicated fund. Mr.
375 Samples added that Hospitality appears to have more funds in it than it actually does because some of it
376 is dedicated. Mr. Booth stated that we could always make a separate fund to show the dedicated money.

377 **4di.**
378 Capital Projects-Stormwater – 5 mils
379 Mayor Hyman stated that a sunset clause for the stormwater 5 mils was put on five years ago and asked
380 if it continues would it need to be moved to stormwater maintenance or could it stay where it is. Mr. Booth
381 stated that it could be done either way and that the town is not really finished with the capital improvement
382 in stormwater. Mr. Booth reported that he brought this up to the Stormwater Committee and they agreed
383 to continue with the stormwater projects and that it would be up to the Council on how the town would pay
384 for these projects. Mr. Booth stated that during his audit with DHEC and OCRM it came up that the
385 permit requires there be a funding source for stormwater. The town could either have an impact fee or it
386 could continue with the 5 mils, either is acceptable in the permit requirements. Towns no longer have a
387 choice; they must have funding set for these projects. Mayor Hyman stated that the first stormwater
388 project the town had back in the 1980's was not followed up with maintenance and that was a total
389 mistake and added that once you do something you need to follow up with maintenance. Mayor Hyman
390 stated that his recommendation would be that once the stormwater projects are complete he would like to
391 see maintenance continued. Mr. Martin stated that it could now be changed to stormwater, maintenance
392 and improvements. Mr. Booth agreed. Ms. Tuttle added that she does not believe that something
393 labeled *stormwater fee* would be misleading. Mr. Booth stated that labeling it *fee* might be too vague for
394 the State when you are dealing with increasing property tax. Mr. Samples stated that it is more than just
395 stormwater; it is water quality and projects. It was confirmed that the anticipated dollar amount value
396 would be approximately \$238,000 per year. Mr. Booth stated that every two years the town could handle
397 a pretty good size project with this money adding that there are some projects in the north end that need
398 to be addressed and the 5th Avenue swash needs to be addressed as well. Ms. Tuttle questioned what
399 projects these funds would be used for and Mr. Booth answered that Myrtle Basin is almost finished but
400 there is another phase that needs to be addressed in addition to the 5th Avenue swash. Mayor Hyman
401 stated that there are also some pocket areas in the south end that need to be corrected as well. Ms.
402 Tuttle stated that she would like to hear specifics on how this money is to be used. Mr. Booth stated that
403 currently the town has enough stormwater projects to last five years not including the swash. Mr. Booth
404 added that there are also problems on 5th Avenue. Ms. Hiatt stated that there was a problem on 13th
405 Avenue. Mayor Hyman stated that he and Mr. Booth visited Lake Court and saw that there were issues
406 there as well so this stormwater and maintenance would be beneficial. Mr. Booth stated that at the end of
407 the next five years the town should probably move towards a stormwater impact fee as all of the other
408 communities and counties have done but right now it would be recommended to continue with what the
409 town is currently doing. Ms. Tuttle stated that she has lived on 13th North for 36 years and there has
410 never been a water problem there for her or her neighbors. Mr. Samples made a motion to continue the 5
411 mils dedicated for stormwater management capital fund for use in improvement and maintenance. Mr.
412 Truett seconded the motion. **All voted in favor. MOTION CARRIED.** It was confirmed that it still would
413 remain a dedicated fund.

414
415 Mr. Samples had a question regarding sanitation, which is an enterprise fund and his understanding is
416 that an enterprise fund should break even. Mayor Hyman stated that it could also make a dollar or two
417 but it should not lose money. It was confirmed by Mr. Booth that this fund is making money but it will be
418 used to replace the trucks that are due to be replaced next year. Mr. Samples stated that a significant
419 amount of money has been invested in capital equipment in the last two years and staff has been
420 reduced so his question is why our projected expenses are not going down. Mayor Hyman asked for a
421 line item example. Mr. Samples pointed out that in the latest CAFR the expenses were listed as
422 approximately \$966,000 and in the sanitation portion of the budget projected for next year it was
423 confirmed by Ms. Hursey was approximately \$966,354. Mr. Samples added that these numbers are very
424 close and added that the town has made a tremendous investment in capital equipment and our
425 expenses are remaining the same and he does not understand how that could be. Mr. Samples
426 suggested that the budget should be looked at again. Mr. Booth stated that he would do a detailed
427 analysis and look it over. Mayor Hyman asked if Mr. Booth could distribute this to all councilmembers.
428 Mr. Samples added that if we could cut the rates for the residents then we should cut the rates. Ms. Hiatt
429 stated that a year ago they were told that the rates would need to be increased. Mr. Samples stated that
430 the revenue has increased but the expenses have not declined. Ms. Hiatt added that the rates have

431 remained the same rather than having increased. Mr. Booth stated that the adopted budget for last year
432 was \$1,069,000 and they are asking for \$926,000 for next year and Mr. Samples stated that he is
433 comparing it to the latest audited expenses. Mr. Booth stated that in this fund we also have to take
434 depreciation and it is different than the general fund. Mr. Samples stated that he fully understands that
435 and added that the budget includes a depreciation line and so does the capital expenditures. Mr. Booth
436 stated that he would do a detailed analysis and Mr. Samples stated that when he does he would see what
437 he is referring to. Mr. Samples stated that the proposed budget includes increases in most of the
438 departments and Ms. Hursey stated that the increases include the additional pay increase approved by
439 council and Mr. Samples stated that there will also be given additional merit and cost of living for the
440 following year. Ms. Hursey stated that the increase in salary in her department partially included the
441 increase in her salary because of the added responsibility she took over after the Finance Director left.
442 Mr. Samples stated that this Council then has been very good to, in terms of the compensation package,
443 to the employees so there should be no problem in getting topnotch performances. Mr. Booth added that
444 the turnover has also been reduced. Mayor Hyman stated that this council has been trying to bring staff
445 up to par with the rest of the area and finally this year they were able to do more for the employees; it
446 brought them up some but not what it should have been and that is why the increase was more
447 noticeable in this budget year. Mr. Samples asked to be provided with an updated compensation table.
448 Mr. Booth stated that there was a new one which Council recently passed but he will make sure that he
449 gets a copy of it. Ms. Hiatt asked how we were in comparison to the other towns and Mr. Booth answered
450 that we are not but we are not as large either. Ms. Tuttle asked if any reserves were being used to
451 balance the budget. Mr. Booth answered no and added that it was brought up that the reserves went
452 down a little but on the other side the town is spending an additional 1 millions dollars on stormwater;
453 some of the reserve was put aside for stormwater and it is being spent for this but the town is still in
454 almost a years worth of reserves. Mr. Samples stated that two major projects have been discussed in the
455 last 6 months to a year; one being construction of a fire station and the other being the purchase of the
456 Pier and the only item he found in the budget which was submitted that is related to it is the fee for the
457 architect. Mr. Booth stated that council has not moved forward or decided on doing any of these items so
458 they have not been put in the budget. Mr. Samples stated that back in the October budget retreat Mr.
459 Booth made a statement to the effect that we need to maintain 3 million dollars in reserves and asked if
460 Mr. Booth stands by this statement and Mr. Booth stated that he does. Mr. Booth stated that if 3 million
461 dollars is good then 7 million dollars is great because the town needs to be prepared for a hurricane.
462 Mayor Hyman stated that it is a good thing that we are 19 feet above mean sea level and not below sea
463 level, which is a big help to the town. Mr. Booth added that storm surges are 24 feet though.

464
465 **PUBLIC COMMENTS**

466 *Bob Childs, 14th Avenue North:* "No complaints just a couple of observations. That side mower,
467 congratulations, I've been to numerous stormwater workshops that Clemson has put on and the one thing
468 they preach is stop scraping these ditches down to the dirt, that's where our silt is coming from in our
469 lakes. That leaf vac you brought up Ms. Hiatt you ought to really pursue that, there seems to be more
470 concern about this leaf vac on the south end than there is on the north end I've had the opportunity to talk
471 to a few people lately. The TV cameras, I worked for an agency probably had more dealings with TV
472 cameras than just about anyplace you could think of. Installation, moderately expensive but the
473 maintenance in those cameras is unbelievable, I think \$300 a month was brought up the other night for
474 some kind of general maintenance and I think that's going to, without looking at the contract, is probably
475 going to be yeah, they're still on the pole and yeah they are in focus but once you get into an hourly rate
476 of maintaining these cameras and we didn't have to deal with salt water. I think you're going to get into
477 something that's really a bag of worms. We could do better with more police officers that are doing a
478 good job on the street and be 24/7. The landscape, Mr. Samples and I have talked about this numerous
479 times, I hope we hold the seat to the fire and get professionals before you go tearing anything up, let's get
480 some plans, some review plans so we have something different and not the same old thing different color.

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482 Jackie Donevant thanked council for the pay increases and added how much all of the employees
483 appreciate everything council has done. Mr. Samples said "You're welcome" and Mr. Truett added
484 "Thank you."
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ADJOURNMENT

There were no further comments from council. Mr. Truett moved to adjourn the budget workshop meeting at 6:43 P.M. Mr. Martin seconded. **All present voted in favor. MOTION CARRIED.**

Sharon Pinnell, Town Clerk

Approved: March 10, 2008

Roy Hyman, Jr., Mayor

Rebecca J. Hiatt, Town Council

Joseph P. Martin, Town Council

Douglas F. Samples, Town Council

Judith K. Tuttle, Town Council

James S. Truett, Mayor Pro Tem

Clerk's Note: This document constitutes minutes of the meeting, which was audio taped. In accordance with FOIA, meeting notice and the agenda were faxed and/or emailed to local media and interested parties. A complete list is on file in the clerk's office. The agenda was posted on bulletin boards outside council chambers and in the town hall reception area. Meeting notice was also posted on the town marquee.