



MINUTES
OCONEE COUNTY COUNCIL
Workshop Meeting
March 9, 2010

MEMBERS, OCONEE COUNTY COUNCIL
Mr. Reg Dexter, District V, Council Chairman
Mr. Joel Thrift, District IV, Vice Chairman
Mr. Wayne McCall, District II, Chairman Pro Tem
Mr. Paul Corbeil, District I
Mr. Mario Suarez, District III

Oconee County Council met on Tuesday, March 9, 2010 at 5:30 PM in Council Chambers, 415 South Pine Street, Walhalla, SC with all Council Members [except Mr. McCall & Mr. Suarez], Interim Administrator Gene Klugh, Thomas L. Martin County Attorney and Clerk to Council, Elizabeth G. Hulse present.

Guests Present: Mr. Mike Burns and Mr. Dan McLeod, McNair Attorneys, Mr. Neal Workman and Mr. Scott Puffer, Trehel Corporation.

Press:

Pursuant to the Freedom of Information Act, notice of the meeting, date, time, place of meeting and agenda were posted on the bulletin board at the County Administrative Offices, 415 South Pine Street, Walhalla, SC, and the County Council website [www.oconeese.com/council]. In addition it was made available to the newspapers, radio stations, television stations and concerned citizens.

Member of the press present: Ray Chandler – Anderson Independent & Carlos Galarza – Daily Journal

Call to Order:

Mr. Dexter called the meeting to order at 5:30 p.m.

Executive Session:

Mr. Corbeil made a motion, seconded by Mr. Thrift, approved 3 – 0 to enter into Executive Session for the purpose of receiving legal advice regarding Ordinances 2010-05, 2010-06 & 2010-07. Council entered Executive Session at 5:31 p.m.

Mr. Dexter noted that no actions were taken in Executive Session.

Mr. Thrift made a motion, seconded by Mr. Corbeil, approved 3 – 0 to return from Executive Session at 6:24 p.m.

Council Workshop Discussion regarding amended language for Ordinances #2010-05, #2010-06 and #2010-07:

Mr. Dexter asked Mr. Workman to address Council with any comments before discussion with the bond attorneys. Mr. Workman stated that if he is unable to complete the two buildings due to inclement weather that it might necessitate reducing the bond. He stated that he would know within a few weeks if this was the case.

Mr. Burns and Mr. McLeod addressed Council requesting clarification on several key areas. It was decided to address the issues one by one for clarity. Mr. Burns noted that at the last meeting Council indicated it would support funding for roads, sidewalks and the land associated with these for the project. Mr. Martin noted that multiple decisions will need to decide to include what Council is willing to fund re: infrastructure costs, soft costs associated with the infrastructure, the terms of payment to developer for the infrastructure and other issues addressed in Executive Session that Council may wish to address publicly during this meeting.

Mr. Workman & Mr. Puffer provided Council and the attorneys with a detailed handout [filed with these minutes] showing costs for four key areas of the project.

Mr. Corbeil noted that it is the intent of this meeting that Council resolve in open session all issues related to these ordinances so that the attorneys can modify the documents for second reading and public comment at a future meeting.

Council reviewed & discussed the “infrastructure” section of the handout. Mr. Corbeil noted that the hard infrastructure (excluding demolition costs previously paid) totals \$3,148,400 based on the figures on the worksheet. Mr. Dexter stated that water & sewer costs of \$1,200,000 need to be removed from consideration.

Mr. Corbeil suggested that Council be prepared to support, as the 2010 Projects: (1) all items listed under “infrastructure” with exception of water and sewer design and demolition costs previously paid (for a total of \$1,948,400), (2) any soft costs associated with those projects [anticipated to include approximately 50% of Architects/Design Consultants costs under the “Professional Services” section of the handout] (for a total of \$60,000), and (3) items under the “Site Preparation” section of the handout with the exception of Environmental Engineering/VCC costs of \$655,172 previously paid (for a total of \$1,105,942). Mr. Workman noted that Council should not fund the developer’s legal and accounting, project management and supervision, performance bonding fees or development contingency costs identified under the “Professional Services” section of the handout.

Mr. Workman suggested to fund up to anticipated tax revenues versus selecting items from the list to add up to the total anticipated revenues. Land costs would be funded with the balance of the total bond amount but not for the full amounts.

Mr. Klugh noted that Council could quantify the amount of acreage used for roads to become an actual number for the amount of land. Mr. Martin noted that the maximum bond will be structured by the anticipated revenues; in this case \$3,500,000. The bond would not be sized based on the project list but on the anticipated revenues.

Summary of 2010 Projects Approved for Inclusion in the Bond [per discussion to this point]:

\$1,105,942	Site Prep [excluding what has already been paid]
\$ 60,000	[50% estimate] Proportional costs for architect/design
\$ 400,000	[Portion of \$829,000] Land under Infrastructure
<u>\$1,948,400</u>	Infrastructure
\$3,514,342	[Excluding any land costs]

Mr. Corbeil made a motion, seconded by Mr. Thrift, approved 3 – 0 to direct staff to draft the documents based on discussions at this meeting.

Mr. Burns asked if Council wished to exclude the 4% residential property [owner occupied] from the revenue stream utilized to repay the bond. Discussion followed.

Mr. Thrift made a motion, seconded by Mr. Corbeil, approved 3 – 0 to exclude the 4% residential property [owner occupied] from the revenue stream utilized to repay the bond.

Mr. Burns asked for direction from Council regarding the distribution of revenues in excess of the bond payment. He noted that three options are currently listed in the ordinance to include: [1] funds would be placed into an infrastructure project fund, [2] Council would designate distribution during budget discussions each year, or [3] excess revenues would be distributed to the taxing entities on a pro rata basis. Discussion followed.

Mr. Thrift made a motion, seconded by Mr. Dexter, approved 3 – 0 to designate that all excess revenue after debt service be distributed to the taxing entities on a pro rata basis.

Adjourn:

Mr. Thrift made a motion approved unanimously to adjourn the meeting at 7:00 p.m.

Respectfully Submitted:

Elizabeth G. Hulse
Clerk to Council