



MINUTES
OCONEE COUNTY COUNCIL MEETING
Regular Meeting
December 5, 2017

MEMBERS, OCONEE COUNTY COUNCIL

Mr. Paul Cain, District III
Mr. Wayne McCall, District II
Ms. Edda Cammick, Chairwoman, District I
Mr. Julian Davis III, Vice Chair, District IV
Mr. Glenn Hart, Chair Pro Tem, District V

Oconee County Council met at 6:00 PM in Council Chambers, 415 South Pine Street, Walhalla, SC with all Council Members, County Administrator Scott Moulder, County Attorney David Root, and Katie D. Smith, Clerk to Council present.

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.oconeesc.com/council]. In addition it was made available [*upon request*] to the newspapers, radio stations, television stations and concerned citizens.

Members of the press present: Norm Cannada / Daily Journal.

Call to Order

Ms. Cammick called the meeting to order at 6:00 p.m.

Public Comment Session

Mr. Al Shuler addressed Council regarding County owned vehicles [i.e. cars, pick-up trucks, school buses etc.].

Mr. Tom Markovich addressed Council regarding setbacks and the work Planning Commission and Mr. Root has done regarding residential construction is very good; however, this only addresses residential property and not commercial property.

County Council Response to Public Comment

Mr. McCall responded to Mr. Shuler's comments regarding school bus maintenance and noted the school buses are maintained the State of South Carolina.

Ms. Cammick responded to Mr. Shuler's comments regarding the number of vehicles owned by the County and noted she would work with Mr. Moulder and compile a list and would call him back with an answer.

Ms. Cammick responded to comments from November 2, 2018 comments from Mr. Turetzky regarding the need to plan for the departure of Duke Energy. She noted "the sky isn't falling" and after Mr. Turetzky's comments on November 2nd and the resulting Journal article regarding the need to plan for the future, she noted she received a phone call from the liaison, Ms. Emily DeRoberts. Ms. DeRoberts

gave permission to Ms. Cammick to quote her saying “Duke Energy isn’t going anywhere and will be in Oconee County for many years to come”. Discussion continued.

Moment of Silence

Ms. Cammick asked for a moment of silence prior the Invocation by the County Chaplain.

Invocation by County Council Chaplain:

Mr. Root, County Council Chaplain, gave the invocation.

Pledge of Allegiance:

Mr. Hart led the Pledge of Allegiance to the Flag of the United States of America.

Approval of Minutes:

Mr. Cain made a motion, seconded by Mr. Davis, approved 5 – 0, to approve the November 21, 2017 Regular Meeting minutes as presented.

Administrator’s Report & Agenda Summary

Mr. Moulder briefly reviewed with Council and for the public’s benefit specifics related to the following matters before Council at this meeting:

- Public Hearing of Ordinance: 2017-25
- Third Reading of Ordinance: 2017-25
- Public Hearing
- First & Final Resolution: R2017-13
- Second Reading of Ordinance: 2017-28, 29, 30, 31
- Discussion Regarding Action Items
- Board & Commission Appointments
- Old / Unfinished Business
- New Business
- Council Committee Reports

Public Hearings for the Following Ordinances:

Ordinance 2017-25 “AN ORDINANCE AMENDING ARTICLE 8 OF CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES IN CERTAIN LIMITED REGARDS AND PARTICULARS PERTAINING TO “AMENDMENTS AND REZONING” GENERALLY AND “METHODS OF INITIAL REZONING” IN PARTICULAR; AND OTHER MATTERS RELATED THERETO.”

Ms. Cammick opened the floor for Public Comment.

Noting that no citizens signed up to address Council; Ms. Cammick opened the floor for any citizen wishing to address Council regarding this ordinance. No citizen addressed Council.

Ms. Cammick asked if any citizens wished to submit written comments regarding this ordinance; no citizen presented any written comments for the record.

Ms. Cammick closed the Public Hearing regarding **Ordinance 2017-25**.

Third Reading of the Following Ordinances:
Ordinance 2017-25 [Captioned above]

Mr. Cain made a motion, seconded by Mr. Davis, to approve **Ordinance 2017-25** on third & final reading.

Lengthy discussion followed to include but not limited to:

- Ordinance brought up in October but was postponed for the joint workshop with Planning Commission on October 24, 2017
- Individual parcel apart from moving out of control free district can move
- Applies to the initial rezoning from control free district
- Only county in South Carolina that has a requirement
- Only entity that has control free district
- Zoning process citizen initiated rather than top-down zoning
- Individual property owner has the ability to rezone to another zoning use except for control free

Regarding the previous motion made by Mr. Cain, seconded by Mr. Davis, it was approved 5 – 0, to approve **Ordinance 2017-25** on third & final reading.

Public Hearing: “NOTICE IS HEREBY GIVEN that a public hearing will be held by the South Carolina Jobs-Economic Development Authority (the “*Issuer*”) and the County Council of Oconee County, South Carolina (the “*County*”), on Tuesday, December 5, 2017 at 6:00 pm in County Council Chambers located at 415 South Pine Street, Walhalla, South Carolina, in connection with the issuance by the Issuer of its Hospital Revenue Bonds (SC Health Company) (the “*Bonds*”), in one or more series, in an aggregate principal amount not to exceed \$1,500,000,000.

See Notice of Public Hearing

Ms. Cammick opened the floor for Public Comment.

Mr. Rick Phillips addressed Council highlighting the following to include but not limited to:

- Chairman of the board of Oconee Memorial Hospital when the decision was made to lease the facilities to Greenville Health System
- Became part of a larger integrated health care system servicing Upstate South Carolina
- Also served on the board of Greenville Health Authority Board of Directors & the Greenville Hospital System Upstate Board of Directors
- Oconee County residents have greatly benefited from the relationship with GHS in terms of access quality and value
- Greenville Health System and Palmetto Health are now affiliated
- First action of the new company is the bond refinance request
- Goals of care are improving quality and reducing cost
- Refinance request will save more than \$60 million dollars in interest costs
- Savings in interest cost can be used to increase care through new and enhanced services, initiatives to improve quality, and ultimately control health care cost
- Taxpayers are not responsible for the repayment of the bonds

- Healthcare company and its affiliates are solely responsible for the bond payment

Mr. Hunter Kome, Campus Chief Operating Officer, addressed Council highlighting the following to include but not limited to:

- Been with Oconee Memorial Hospital for over 10 years
- GHS did assume all debt as part of the merger
- When it was refinanced, this was a significant benefit
- Did not have a bond rating due to being a smaller organization
- Letter of credit support was needed that was paid for from the bank and by becoming part of a larger organization and getting a better interest rate there were significant savings on an annual basis to Oconee County

Questions from Council included but not limited to:

If GHS and Palmetto Health are not merging and are just affiliated, why not finance debt individually rather than all together?

Mr. Phillips addressed Council and noted the following to include but not limited to:

- They are one affiliated health company as one organization, Palmetto Health Company which took place on November 21
- It is one entity
- Operating as one health company
- Rebranding of health care company has not been accomplished but is operating as one health company, GHS and Palmetto Health Company

Is the savings across the board is just on interest alone or is it because you're a single entity now?

Mr. Phillips addressed Council and noted the following to include but not limited to:

- Based on interest alone
- Because of being a single entity, there could be potential for future savings that will be coming forward
- Interest savings on refinancing the bond debt

What does Oconee County stand to gain for this?

Mr. Phillips addressed Council and noted the following to include but not limited to:

- Oconee Memorial Hospital has been part of Greenville Health Systems which is now part of a combination of Greenville Health Systems and Palmetto Health
- Due to being larger and more leveraged, you have more negotiating power as far as interest rates
- Tax exempt interest on 501 C3 elections
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How do you see that transferring into improved quality? One of the biggest complaints most often heard is people cannot find a doctor in Oconee County and have to drive for well over an hour to find physicians. I understand the savings in interest but don't get the improvement in quality.

Mr. Phillips addressed Council and noted if we can save dollars in one area then we can spend them on improving quality in another.

Mr. Root noted he informed Council there was no merger between Palmetto Health and GHS entity, however, Mr. Phillips has spoken that this was in fact a merger.

Ms. Kimberly Witherspoon, attorney with Haynsworth, Sinkler, & Boyd, noted this was an affiliation between GHS and Palmetto Health as opposed to a merger. She noted it is an affiliation between the two entities and South Carolina Health Company being the parent company with the two still acting independently.

How might the pending lawsuit impact this if the plaintiffs prevail?

Mr. Kome addressed Council and noted the following to include but not limited to:

- All but two of the plaintiffs are trying to withdraw from the lawsuit
- FTC has reviewed and has chosen not to intervene
- Lawsuit being successful is very small based on all the previous legal review and challenges

Mr. Root noted there are some issues that need to be cleared up on the Resolution. Discussion continued.

Mr. Moulder noted a portion of the debt that is being refinanced was assumed and used for a project in our county which requires our resolution since a portion of those proceeds are refunding debt that was here.

Ms. Witherspoon noted this is a requirement of both state and federal law that we have the public hearing with notice 15 days prior to this date as well as the resolution from the governing body where the project is located. Discussion continued.

Is there any idea how much you will save for Oconee's share of the debt that's being refinanced? On GHS website, there was a lot of mention about Greenville. Oconee would appreciate due regard. Our community has put its health system in the hands of GHS and would appreciate recognition; not just verbally but being involved with the community. Discussion continued.

When were the discussions started regarding the Palmetto Health debt and the GHS debt?

Ms. Witherspoon addressed Council and noted the following to include but not limited to:

- Earlier this year
- The Health version and the House version of the tax plan would remove the possibility for nonprofit hospitals to do tax exempt bonds after December 31st

Is there any negative or concern for moving so quickly?

- When the bonds are issued there will be a tax exempt opinion given by our firm regarding the enforceability of this bond issue.

Does it have to be finished by December 31st or what parts have to be completed?

- There will be a financing that will be accomplished by the close of the year

Noting that no citizens signed up to address Council; Ms. Cammick opened the floor for any citizen wishing to address Council regarding this Public Hearing.

Mr. Al Shuler addressed Council noted he had to go the hospital due to falling off a ladder. He noted he had to sign twice, once from the nurse and once from the doctor, that this was a teaching hospital.

Ms. Suzanne Earle addressed Council and asked why is Oconee County even involved in this? When GHS took over Oconee Hospital they took on all the debt. GHS at that point when thru a process to become a private hospital. Why is Oconee County being asked to help refinance debt for a private hospital that has nothing to do with County Council?

Ms. Witherspoon responded to Ms. Earle and noted a portion of the projects being refinanced were originally issued for the Oconee Memorial Hospital and are in this location. Based on the federal and state law, it is required that we must have Oconee County to complete the public hearing and for Council to have a support resolution in order to go forward with the projects related to Oconee County.

Discussion continued.

Mr. Ben Turetzky addressed Council regarding his experiences with physicians in Oconee and interchange.

Mr. McCall noted he would like to meet with representatives at a convenient time. There are a lot of concerns from citizens in his district regarding the billing system. He also noted one of the biggest concerns was the physicians were going into the hospital systems.

Mr. Kome addressed Council and noted the following to include but not limited to:

- Physician contracting
- Started employing physicians about 10 years ago
- Independent at that time, not part of GHS
- Physicians came to them who needed to become employed because they couldn't pay the overhead, keep up with regulatory requirements, etc.
- Do not pursue independent physicians

Mr. Ernie Lombard addressed Council regarding \$60 million in interest that can be saved with refinancing.

Mr. Al Shuler addressed Council noting from 2004 until present he was at the Mayo Clinic in Jacksonville, FL and their doctors were under contracts.

Mr. Jim Codner addressed Council regarding his frustration and noted this is very simple.

Mr. Tom Markovich addressed Council regarding the total savings is \$60 million and restricting debt that already exists.

Discussion continued.

Ms. Cammick closed the Public Hearing.

First & Final Reading for the Following Resolutions

Resolution 2017-13 "A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HOSPITAL

REVENUE BONDS (SC HEALTH COMPANY) SERIES 2017, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000,000 AND AUTHORIZING A PLEDGE OF REVENUES OF SC HEALTH COMPANY IN CONNECTION HEREWITH.”

Mr. Cain made a motion, seconded by Mr. Davis, to approve **Resolution 2017-13** on first & final reading.

Mr. Cain made a motion, seconded by Mr. Davis, approved 5 – 0, to amend Resolution 2017-13 to remove any reference to any reference to Strategic Coordinating Organization and note as represented by borrower it has been merged with Upstate Affiliate Organization and any reference to the affiliation agreement is removed and replaced with as represented by borrower.

Mr. Davis made a motion, seconded by Mr. Cain, to table **Resolution 2017-13** until next the County Council meeting on December 19, 2017.

Mr. Root noted in case of a special meeting or in case one is required before December 19th the motion would need to be until given notice.

Mr. Davis made a motion, seconded by Mr. Cain, approved 3 – 2 [Mr. Hart & Mr. McCall opposed] to amend previous motion to table **Resolution 2017-13** until given notice.

Second Reading of the Following Ordinances:

Ordinance 2017-28 “AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO.”

Mr. Davis made a motion, seconded by Mr. Cain, approved 5 – 0, to approve **Ordinance 2017-28** on second reading.

Ordinance 2017-29 “AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$6,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.”

Mr. Davis made a motion, seconded by Mr. Hart, approved 5 – 0, to approve **Ordinance 2017-29** on second reading.

Ordinance 2017-30 “AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO.”

Mr. Davis made a motion, seconded by Mr. Hart, approved 5 – 0, to approve **Ordinance 2017-30** on second reading.

Ordinance 2017-31 “AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO.”

Mr. Davis made a motion, seconded by Mr. Cain, to approve **Ordinance 2017-31** on second reading.

Mr. McCall asked if there was consideration to what Mr. Tom Markovich stated during public comment. Mr. Moulder noted the Planning Commission would address this issue at the beginning year once the review of the comprehensive plan is completed.

Regarding the previous motion made by Mr. Davis, seconded by Mr. Cain, it was approved 5 – 0, to approve **Ordinance 2017-31** on second reading.

Discussion Regarding Action Items

To authorize the County Administrator to execute a First Addendum to the Agreement for Purchase and Sale of Property, related to the Historic Oconee County Courthouse, granting Historic Oconee Courthouse, LLC (“Purchaser”) an extension of its Review Period in order for it to receive final Part 2 approval from the U.S. Department of Interior, National Park Service for Purchaser’s rehabilitation plans for the property.

Mr. Davis made a motion, seconded by Mr. McCall, to approve and authorize the County Administrator to execute a First Addendum to the Agreement for Purchase and Sale of Property, related to the Historic Oconee County Courthouse, granting Historic Oconee Courthouse, LLC (“Purchaser”) an extension of its Review Period in order for it to receive final Part 2 approval from the U.S. Department of Interior, National Park Service for Purchaser’s rehabilitation plans for the property.

Mr. Tom Markovich, Historic Oconee Courthouse, LLC, addressed Council and noted several revisions have been made in order to accommodate the requirements of both the State Historic Preservation Office and Federal. They are finishing up drawings and will submit this week and once submitted to the State Historic Preservation Office, they have up to 30 days to respond. Once they get the State approval, it automatically goes to the National Park Service and they have 30 days to respond as well. Discussion continued.

Regarding the previous motion made by Mr. Davis, seconded by Mr. McCall, approved 5 – 0, to approve and authorize the County Administrator to execute a First Addendum to the Agreement for Purchase and Sale of Property, related to the Historic Oconee County Courthouse, granting Historic Oconee Courthouse, LLC (“Purchaser”) an extension of its Review Period in order for it to receive final Part 2 approval from the U.S. Department of Interior, National Park Service for Purchaser’s rehabilitation plans for the property.

Local ATAX –Oconee County PRT - \$35,500

A portion of Local ATAX revenues received by Oconee County are made available for ATAX grants through Ordinance 2011-12. ATAX grants are to be tourism related grants that meet the ATAX

guidelines specified by local and State mandates. Grants are recommended by the PRT Commission based on tourism impact of the project and approved by County Council. All external ATAX grant recipients are required to turn in intermediate reports every 60 days to the progress of the grant and a final report upon completion of the grant.

Staff recommends approval of ATAX grant recommendations by PRT.

Mr. Davis made a motion, seconded by Mr. Cain, to approve the Oconee County PRT in the amount of \$35,500.

Per Mr. Hart's request, Mr. Moulder addressed Council regarding the Sesquicentennial Projects noting the funds would be used on a number of events, advertisements, marketing items, etc. to celebrate the County's Sesquicentennial celebration. The County is turning 150 years this year and there will be a yearlong celebration. These funds will go toward monthly events for celebrations. Discussion continued.

Regarding the previous motion made by Mr. Davis, seconded by Mr. Cain, it was approved 5 – 0, to approve the Oconee County PRT in the amount of \$35,500.

Board & Commission Appointments

Building Codes Appeal Board

No nominations were made.

Conservation Bank Board

No nominations were made.

Board of Zoning Appeals

No nominations were made.

Old / Unfinished Business

Ms. Cammick noted she received a letter from the Planning Commission Chairman Brad Kisker [copy filed with these minutes] regarding the joint workshop on October 24, 2017. The Planning Commission wanted to know if they could proceed with looking at the corridors. The letter had noted the topics being traffic mitigation, alternative routes, design standards for landscaping and buildings, and signage/billboards.

Mr. Cain made a motion, seconded by Mr. Davis, approved 5 – 0, to amend the agenda to include an action item for Planning Commission direction on the corridor plan.

Mr. Davis made a motion, seconded by Mr. Cain, approved 5 – 0, to send a letter to the Planning Commission to proceed with working on the corridor plan.

New Business

Ms. Cammick noted Mandy Gaither with WYFF is interested in news tips from Oconee County. Ms. Cammick noted she and the Clerk to Council would send a paragraph to her so they would have the information on what is going on in Oconee County.

Northland Cable is interested in airing our YouTube videos on their government channel. Mr. Moulder noted the Clerk to Council can send a file transfer of the YouTube video but if they are asking news questions, he would prefer them to be directed to the Administrator's office.

Ms. Cammick noted the minimum notifications requirements are often insufficient for the BZA to obtain meaningful input from all those who are affected and possibly reconsider our notification requirements and broaden them to include more notification time, put more signs out, etc. However, in order to develop this new notification standard, a small committee of two planning commissions, two BZA members, Mr. Huggins, and two citizens need to meet and figure out what is best before bringing before the Planning Commission and then bring back to Council for approval.

Continued discussion followed to include but not limited to:

- BZA actions & special exemption hearings
- Notification requirements
- Improve current minimum notification standards
- Follows state standard
- Receive proper notice
- Post the property with the hearing notice and put an ad in the paper

Mr. Cain made a motion, seconded by Mr. Davis, approved 5 – 0, to amend the agenda and direct the Administrator to gather an ad-hoc committee with a number of representatives from BZA, citizen representatives not part of a committee or commission of the County, and the Planning Commission to evaluate notice requirements for BZA hearings.

Council Committee Reports

Recreation Review Task Force

Mr. Davis read from a prepared statement [copy filed with these minutes] outlining the discussion held at the November 21, 2017 meeting.

Adjourn

Mr. Davis made a motion, approved unanimously 5 – 0, to adjourn at 7:37 p.m. .

Respectfully Submitted:

Katie D. Smith
Clerk to Council