

**CITY OF CAYCE
Special Meeting
May 18, 2009**

A Special meeting of Cayce City Council was held this morning at 9:00 a.m. in Council Chambers. Those present included Mayor Elise Partin, Councilmen Steve Isom, James E. Jenkins, Kenneth Jumper, and Rick Myers, City Manager John C. Sharpe, Municipal Clerk Tammy Barkley and Garry Huddle, Municipal Treasurer. City Attorney Danny Crowe, Bond Counsel Margaret Pope and Belton Zeigler, and City Auditor Jaime Michaelson were also in attendance. Mayor Partin advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA.

Mayor Partin called the meeting to order. Mr. Jumper opened the meeting with the invocation and Mayor Partin led everyone in the Pledge of Allegiance.

Executive Session

- A. Discussion of negotiations incident to proposed contractual arrangements with the Town of Lexington and Joint Municipal Water and Sewer Commission

Mr. Jenkins made a motion to move into Executive Session to discuss the matter above. Mr. Isom seconded the motion which was unanimously approved.

Reconvene

After the Executive Session was concluded, the Special meeting was reconvened. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Special meeting.

Possible actions by Council in follow up to Executive Session

No actions by Council were taken in follow up to the Executive Session.

Ordinances

- A. Approval of Ordinance Approving the "Wastewater Services Agreement among the City of Cayce, Town of Lexington, and Joint Municipal Water and Sewer Commission" – Second Reading

Council considered for second and final reading the approval of an Ordinance approving the "Wastewater Services Agreement among the City of Cayce, Town of Lexington, and Joint Municipal Water and Sewer Commission." Mr. Myers inquired as to how changes would be made once the Ordinance is approved. The City Attorney advised that the Ordinance has been revised to include communication with Council on any changes prior to finalizing the Agreement. Mr. Jenkins made a motion to approve the Ordinance as amended on second and final reading. Mr. Isom seconded the motion which was unanimously approved.

Other

A. Review and Discussion of FY 2009-2010 Draft Budget

The City Manager provided Council with an overview of the FY 2009-2010 draft budget stating that it was balanced by anticipating business license fees from SCANA once they occupy the corporate headquarters. Mr. Myers inquired as to how the anticipated funds were projected. The City Manager stated that the city's Building Official was told on Friday that SCANA would need a certificate of occupancy by September for building A and when they move in, SCANA will be doing business and subject to a business license. Mr. Myers inquired if the City Manager and Municipal Treasurer should meet with SCANA's comptroller to discuss this issue with them. The City Manager stated that a meeting should be set up, but at this point it is a little premature. However, he stated that he does plan to set up a meeting with SCANA and include the Municipal Treasurer and City Attorney.

He stated that property tax revenues were calculated assuming a 2 mill increase as allowed under the state millage cap legislation. He advised Council of the loss of revenue the City would realize with the Local Government Fund reduction. He stated that the General Fund budget does not include any capital requests, COLAs or Merits. He discussed Public Safety's submission of a COPS grant for 11 extra officers and the fact that the positions were included in the budget, but that equipment was not. Mr. Myers stated that the expenses for equipment for these officers needed to be included in the budget. Mr. Jenkins inquired if the funds from the COPS grant could be used for other things in Public Safety. The City Manager advised that the funds could only be used for salaries and fringe benefits to place additional officers on street patrol. The City Manager advised that the city did receive funds from the JAG grant and these funds could be used to purchase equipment or vehicles for Public Safety.

Mayor Partin Elise inquired again if the budget was balanced based on the anticipated SCANA corporate headquarters business license. Mr. Myers stated that he was not comfortable in balancing a budget using funds that are questionable. Mr. Myers stated that he was also not comfortable in placing funds in a budget for 11 officers without budgeting for the equipment and felt it would be better to budget for less people and include funds in the budget for equipment. Mayor Partin inquired if Council would be discussing raising the rates for water and sewer. The City Manager advised

that conversations have been ongoing with the City Auditors regarding utility rates. He stated that several years ago Council agreed to raise rates incrementally to ensure the City meets its debt coverage ratio and cost to operate and maintain the system.

Mr. Jumper inquired as to how much funds were factored into the budget for the first response team. The City Manager advised that this figure is not broken as separate records for first responders are not kept.

In reference to health insurance, Mr. Jenkins inquired if any of the companies offer discounts for non-smokers. The City Manager advised that those that quoted did not include a discount for non-smokers. He stated that the health insurance program provided by MASC does require smokers to pay a surcharge.

Mr. Myers inquired about the 2 mill increase and how the budget would be balanced if the City receives business license fees from SCANA. The City Manager explained the process. Mr. Myers stated that other counties and cities are not raising their taxes, and that he was, at this point, not in favor of passing a budget that includes a tax increase. Mayor Partin stated that she would like to see all departments get involved in looking for grants to help cover expenses in the budget.

Mr. Myers inquired about the discrepancies in salaries in the Public Safety Department. The City Manager advised that it could be that officers were hired with more credentials than others hired at the same time. Mr. Myers inquired as to the two police officers on the payroll who work on the NET Team outside the city. The City Manager stated that one of the officers was pulled back and placed in the city as PSO (and a investigator was hired). Mr. Isom inquired if there was a policy manual on how employees are promoted in Public Safety. The City Manager stated that all jobs are posted and employees are welcomed to apply. Mr. Jenkins inquired about the no-smoking policies within the city. The City Manager stated that there is a no smoking policy in city buildings and city vehicles.

The City Manager stated that a workshop session and special meeting needed to be scheduled to discuss water and sewer rates and for the second reading on the Budget Ordinance. Council set the date of June 23 at 5:00 p.m. Council also scheduled the Public Hearing on Utility Rates to be held in conjunction with the July 7 Regular Council Meeting. First reading on the Ordinance regarding Utility Rates will also be placed on this agenda. A special meeting was scheduled for July 14 at 6:00 p.m. for the second reading on the rate ordinance.

Health Insurance – The City Manager reviewed options with Council. He stated that the renewal rate for the same plan came in at a 19% rate increase. He stated that the options would minimally reduce the premium while greatly reducing the benefits of the plan. Mr. Myers asked that staff contact the provider to see if the dental portion could be rolled in with the medical portion and by doing so, reduce the premium. The City Manager stated he would review this option with the provider. Mr. Isom stated that

he felt the current plan with the 19% increase seemed to be the best plan we could offer to employees. It was generally agreed to renew the current plan for next year with no modifications with the current carrier, Blue Cross Blue Shield.

There being no further business, the meeting adjourned at 1:10 pm

Elise Partin, Mayor

ATTEST:

Tammy P. Barkley, CMC, Municipal Clerk