

**MINUTES
HORRY COUNTY COUNCIL
REGULAR MEETING
November 17, 2009
6:00 p.m.**

MEMBERS PRESENT: Liz Gilland, Chairman; Harold Worley; Brent Schulz; Marion Foxworth; Gary Loftus; Howard Barnard; Bob Grabowski; James Frazier; Carl Schwartzkopf; Paul Prince; Jody Prince; and Al Allen.

MEMBERS ABSENT:

OTHERS PRESENT: John Weaver; Pat Hartley; Anne Wright; Steve Gosnell; Paul Whitten; Janet Carter; Westley Sawyer; and Lisa Bourcier.

In accordance with the FOIA, notices of the meeting were provided to the press stating the time, date, and place of the meeting.

CALL TO ORDER: Chairman Gilland called the meeting to order at approximately 6:00 p.m.

INVOCATION: Mr. Barnard gave the invocation.

PLEDGE: Mr. Allen led the pledge.

PUBLIC INPUT:

1. Pat Howle, Horry Electric Cooperative, presented a check in the amount of \$300,000 to Horry County to be earmarked for the Myrtle Beach Technology Aerospace Park. Jim Papadea and Johnny Shelley spoke briefly.
2. Mickey James, President of the Myrtle Beach Branch of the NAACP, spoke on the Administrator Hiring Process.

Chairman Gilland closed public input at 6:13 p.m.

CHANGES TO THE AGENDA:

Mr. Grabowski moved to add under Resolutions/Presentations an award presentation for E911 to be presented by Mr. Whitten, seconded by Mr. Allen. The motion passed unanimously.

Mr. Grabowski moved to remove Ordinance 98-09 from the agenda and send it to the Public Safety Committee for public input and a second review by the committee on December 7th, seconded by Mr. Schwartzkopf. The motion passed unanimously.

Mr. Allen requested to add under Announcements a recreation disbursement in the amount of \$2,140 to Horry County Parks and Recreation for an engineering study of the Levister Historical School in Aynor.

Mr. Weaver requested to remove under Resolutions/Presentations the discussion on Accommodations Tax Committee Recommendations on Deferred Expenditures. He further stated the matter was discussed with them and based upon the discussions had at the meeting the day before the item was no longer relevant. Mr. Schwartzkopf moved to remove it from the agenda, seconded by Mr. Grabowski. The motion passed unanimously.

APPROVAL OF AGENDA CONTENTS: There was no motion nor a second but a vote was taken that passed unanimously.

APPROVAL OF MINUTES: Regular Meeting November 3, 2009 and Workshop on MBAFB TIF November 3, 2009: Mr. Barnard moved to approve the minutes as submitted, seconded by Mr. Frazier. The motion passed unanimously.

MEMORIAL DEDICATION: It was requested that upon adjournment, Council adjourn in memorial of the following individuals:

Larry O. Bellamy
Warren Dumas
Charlotte P. Freeman
Joseph B. Harvey
Eugene T. Shelley
Edmond M. Causey
Tolar H. Rabon

CHARACTERISTIC OF THE MONTH: Initiative: Recognizing and doing what needs to be done before I am asked to do it.

APPROVAL OF CONSENT AGENDA: Mr. Schwartzkopf moved to approve the Consent Agenda, seconded by Mr. Grabowski. The Consent Agenda consisted of the following:

Third reading of **Ordinance 94-09** to amend the 2010 Budget so as to authorize and provide funding for the purchase of land, site improvements, equipment, and construction of a new Socastee Convenience Center.

Third reading of **Ordinance 95-09** to amend the County Code pertaining to buildings and building regulations.

Third reading of the following Ordinances to approve the request to amend the official zoning maps: **96-09** Caroline's Cove Minor PDD and **97-09** Dora McClure & Alan Watts, agent for Joyce Privette.

First reading of **Ordinance 99-09** to amend the 2010 Budget so as to authorize and provide funding for certain capital improvements to the Conway-Horry County Airport for operating expenses and additional personnel positions for the operation of the FBO, and for information technology and car rental service center improvements at Myrtle Beach Int'l Airport.

First reading of the following ordinances to approve the request to amend the official zoning maps: **100-09** Richco Realty & Construction Co., agent for Warren D. Graham, III et al; **101-09** Bert Von Hermann, agent for William & Judith Hudson and **102-09** Edward & Belinda Royston.

District Appointment: Tim Jessup to the Affordable/Workforce Housing Commission.

The motion passed unanimously.

RESOLUTIONS/PRESENTATIONS:

E911 Award. Mr. Whitten presented an award to employees of the E911 Department. At a recent state conference the Horry County E911 Communication Department was announced as the Communication Center of the Year. Toni Bessent spoke briefly on the award.

Update on the Myrtle Beach Air Force Base TIF. Mr. Weaver explained that at the last budget workshop, Council had requested that staff make recommendations that would eventually be presented to the City of Myrtle Beach on the establishment of a multi-county business park and the TIF Bond. He had scheduled a meeting with NESAs representatives to discuss how the Department of Commerce, Horry County and NESAs could work together to take advantage of the Boeing announcement. He asked Ms. Wright to explain the proposed terms on the business park development.

Ms. Wright stated that at the workshop on November 3rd, Council asked the legal advisors to work on proposed terms on an intergovernmental agreement between the County and the City of Myrtle Beach. The first term dealt with the City consenting to designating two areas at the airpark as multi-county parks. One of the areas in the airpark was the 400 acres and the other area was the 180 acres east of the runway that had been referred to as East Commerce Park. The next term dealt with the County developing the multi-county park in phases. The total public infrastructure costs were estimated to be \$13 million. The City would allocate \$3 million from a TIF debt issuance so the proceeds of debt would be repaid by TIF revenues that would come to the County to be used for Phase One of basic infrastructure. The County had allocated \$2 million from selected sources to go toward the park that Mr. Papadea had been working to accumulate. The balance of the park infrastructure would be developed as economic development projects located in the park from revenue that would be generated as businesses in the park. There was uncertainty regarding when this would occur because it was subject to businesses coming in and developing in the park and generating some fee-in-lieu taxes.

The next proposed term was that the County would offer traditional economic development incentives to prospects such as negotiated fee-in-lieu of tax arrangement, special source revenue credits and special source revenue bonds.

The next proposed term was that in the early years, as the park is developing, revenues from the fee-in-lieu of taxes would be distributed as follows: one percent to partnering counties as required by the multi-county park; the balance of the revenues to infrastructure costs; and distribution of revenues would be reviewed and renegotiated every five years. As the park developed there would be a negotiation process with the City on how future revenues would be distributed.

The next term was that the City would amend the TIF documents to conform to the fee-in-lieu of tax distribution so it would allow the fee-in-lieu of tax revenue for fees that were generated to be distributed as identified above.

The next term was the County would allocate \$1 million from the Redevelopment Authority funds to the City.

Ms. Wright then presented the terms for the Myrtle Beach Air Force Base TIF Bond. During a workshop they had some preliminary proposed terms and Ms. Heizer had been able to make some calls and this was what she thought was available on the current market. They were looking at net proceeds of \$3 million which meant that the TIF would need to borrow more than \$3 million to cover the issuance costs. Ms. Heizer was expecting perhaps \$3.2 million. The term was not to exceed 15 years and was expected that it would be a level debt service which meant the same amount each year would be the amount of debt service. Some rough estimates or projections, to give them an idea of what that would run, at \$3.2 million for 15 years at 5%, would be about \$300,000. She just got the information at 5:30 p.m. and was why they didn't have it on their handout. If the interest rate was 6%, it would be about \$320,000 and would be principle and interest that would need to be paid annually. The primary security would be the TIF revenue stream.

The fact that the TIF was producing revenue and based on current projections of the tax bills that were sent out this past October, that revenue stream was currently about \$845,000 a year.

If there was a need for additional security, the \$500,000 that had already been transferred by approval by Council be the cash reserve balance. That money came from the Atlantic Center. Additional security would be released at the time that the TIF revenue was 2.5 times the annual debt service. If the annual debt service ended up being the \$300,000 at a point where the revenue stream exceeds 2.5 times that, \$750,000, there would be an opportunity for that \$500,000 to come back to the County. There would not need to be a reserve because there was adequate cash flow. She said the reserve fund could be replenished by the County on a best effort nonbinding basis, from available sources of revenue. These were the terms that Ms. Heizer had identified as being the likely type terms that they would be able to negotiate or be able to be negotiated in the current market.

The TIF bond would be placed at the bank in a form to be decided by the City and the County after details were available. Items A-D on the handout listed the various terms and data and were all very similar to ones that were recently discussed from the standpoint of their upcoming debt issuance- bank qualified, tax exempt, tax exempt non bank qualified. The Build

America Bonds were available through the economic recovery program. Those were the ones that could be available to help with reducing the interest rates that would be charged on debt.

Mr. Weaver asked for a vote from Council approving the outline summary of terms and authorizing them to make a presentation to the City of Myrtle Beach. Before anything was done it would be brought back for full legislative approval by Council and Myrtle Beach. **Mr. Foxworth moved to approve the summary outline and to send it to the City, seconded by Mr. Loftus. The motion passed unanimously.**

Update on Lighting in Council Chambers. Gary Watson, Director of Maintenance, stated the proposal was to establish base lighting, which was general lighting, in the whole room. Jim Bang spoke briefly on the lighting stating they would keep the lights and modify them to even the light out throughout the room. Once the base lighting was established, they would find out exactly how much they needed with the least amount of light upfront to alleviate the contrast problems. Mr. Watson stated they planned to have the base lighting done in three to four weeks. The cost was not to exceed \$35,000.

Resolution R-156-09 to disapprove the request of Steve Powell, agent for Heartland Development Inc., to amend the official zoning maps. **Mr. Allen moved to approve the disapproval, seconded by Mr. Foxworth.** Ms. Gilland stated they had received petitions from folks in the neighborhood that were opposed to the rezoning. **The motion passed unanimously.**

READING OF ORDINANCES:

Second reading of **Ordinance 89-09** to approve the request of Sadie, Carlenese, Daniel and Marshall Patrick to amend the official zoning maps. **Mr. P. Prince moved to approve, seconded by Mr. Grabowski.** Ms. Carter spoke stating the applicants had reduced their rezoning request to 1.2 acres. **Mr. P. Prince moved to amend to reduce the acreage down to 1.2 acres, seconded by Mr. Schwartzkopf. The motion to amend passed unanimously. The main motion as amended passed unanimously.** Ms. Gilland stated they would have public review at third reading.

ANNOUNCEMENTS:

Ms. Gilland announced the following: Disbursement of District 7 recreation funds: \$5000 to the Association for the Betterment of Bucksport and \$5000 to the City of Conway Recreation Department. Disbursement of District 11 recreation funds: \$2,140 to Horry County Parks and Recreation for an engineering study of the Levister Historical School in Aynor.

OLD/NEW BUSINESS:

Discussion and vote to choose new Administrator. Ms. Gilland said the final thing on the agenda had to do with a new administrator. They had three finalists that came in the day before, Terry Stewart, Duncan Ballantyne, and John Weaver. Just late that afternoon, Terry Stewart from Florida withdrew his name from consideration so they were left with two. She said there were several ways they could do this. They could adjourn to Executive Session to

discuss it, they could go ahead and vote out there, they could vote and then discuss and then come out and vote again so if there was any particular motion that Council wanted to make ...

Mr. Worley said he would just as soon vote in front of the cameras so the people back home could see how they voted. Ms. Gilland said they definitely were going to do the voting in public. She just didn't know if there was any discussion. She asked Mr. Worley if he had a motion. **Mr. Worley moved to have a roll call vote and do it district by district, seconded by Mr. Schulz.** Mr. Barnard said a roll call vote didn't require a motion. He said any member could request a roll call vote at any time. Ms. Gilland called for the vote as follows:

- District 1, Worley- Weaver
- District 2, Schulz- Weaver
- District 3, Foxworth- Ballantyne
- District 4, Loftus- Weaver
- District 5, Barnard- Weaver
- District 6, Grabowski- Ballantyne
- District 7, Frazier- Weaver
- District 8, Schwartzkopf- Ballantyne
- District 9, P. Prince- Weaver
- District 10, J. Prince- Ballantyne
- District 11, Allen- Ballantyne.

Ms. Gilland said the Chairman votes Ballantyne. She said the total was 6-6.

Ms. Gilland said she would recommend a brief executive session so they could discuss it because she truly didn't want to discuss individuals and that sort of stuff in open session. She asked for a motion and a second that they could perhaps take five minutes because she didn't think it would take long.

Mr. Grabowski moved to go into Executive Session, seconded Mr. Schwartzkopf. Mr. P. Prince asked what did they hope to achieve by the executive session. Ms. Gilland said she guessed they would have to get back there and find out. She said maybe some resolution to a stalemate because she would hate for what they had done and all they had spent to be for naught. **The motion passed. The vote was as follows:**

<u>In favor</u>	<u>Opposed</u>
Schulz	Barnard
Foxworth	P. Prince
Loftus	Worley
Grabowski	
Frazier	
Schwartzkopf	
J. Prince	
Allen	
Gilland	

Ms. Gilland said they would take about a five minute executive session. Ms. Gilland asked who seconded it. Mr. Grabowski spoke but was inaudible. Ms. Gilland said Carl.

Mr. Foxworth moved to come out of Executive Session, seconded by Mr. Schwartzkopf. The motion passed unanimously.

Ms. Gilland said they were now out of Executive Session. She said while they were in there, no votes were taken and nothing illegal was done. She said she would now wait for the suggestion from Council and asked if there was a motion. **Mr. Foxworth moved that they direct the Jim Mercer group to forward to Council another group of candidates for consideration for the office of the Administrator, seconded by Mr. Barnard.** Ms. Gilland said she had a motion and a second to go back to Mr. Mercer who did their executive search for them. She said they came down to two finalists, Mr. Ballantyne and Mr. Weaver. She said the score was tied at 6-6 and there was no extra inning to break the tie so both of those candidates were now ineligible and would move on to the next group that Mr. Mercer would bring to them.

Mr. Worley asked for discussion. Mr. Worley said for the record as District 1 Councilman, he just wanted the folks back home to know that he objected to this Council spending another \$20,000 just to satisfy the NAACP and thought that was ridiculous and he would never support it. Ms. Gilland said just for the record, the NAACP did not even come into discussion in the back room and the search cost \$15,000 and would not cost anywhere near that because they were not doing anything extra and was just going to the next batch of folks. Mr. Worley said they paid all the expenses and the amount was \$20,000. Ms. Gilland said, no sir, nowhere near.

Ms. Gilland asked Mr. P. Prince if he wanted to say something as well. Mr. P. Prince said just for the record he told all of them from the get go that they didn't need to hire a specialist because they were going to wind up with the same type thing and could have done it in-house and would have done just as well if not better and saved that much money, but he wanted people to know about that, too. Ms. Gilland asked if there was anybody else that would like to speak to the camera. Mr. Frazier said he wouldn't vote twice (inaudible) and he wouldn't vote.

Mr. Worley requested that they vote on the board. **The motion to go back to Mr. Mercer for another group of candidates passed. The vote was as follows:**

<u>In favor</u>	<u>Opposed</u>
Foxworth	Worley
Loftus	P. Prince
Barnard	Frazier
Grabowski	Schulz
Schwartzkopf	
J. Prince	
Al Allen	
Gilland	

ADJOURNMENT: The meeting adjourned at 7:20 p.m. in memorial of Larry O. Bellamy; Warren Dumas; Charlotte P. Freeman; Joseph B. Harvey; Eugene T. Shelley; Edmond M. Causey and Tolar H. Rabon.

