

**CHAPIN TOWN COUNCIL
PUBLIC HEARING & REGULAR MEETING MINUTES**

**Tuesday, July 3, 2018
7:00 p.m.**

**Town Council Chambers
157 NW Columbia Ave, Chapin**

Members Present: Mayor David W. Knight, Mayor Pro Tempore Mike Clonts, Council Member Kay Hollis, and Council Member Al Koon

Members Absent: None - Council Member Preston Baines resigned June 13, 2018

Staff Present: Utilities Director Andy Metts, Finance Director Laura Culler, Sanitary Engineer Dan Lambert, Planning & Zoning Director Nathan Powell, Director of Public Affairs Nicholle Burroughs, Police Chief Seth Zeigler, and Town Clerk Julie Hammond

Guests: Grant Davis, Leisha Huffstetler, John Vender, Kim Murphy, Milton Moore, Charli Wessinger, Skip Wilson, and Larry Sandifer.

Call to Order: Mayor Knight called the meeting to order at 7:00 p.m. and determined there was a quorum. Mayor Pro Tem Clonts offered the prayer and Ernie Massaro, American Legion Post #193 led with the Pledge of Allegiance. The Mayor acknowledged the appropriate notifications in compliance with the SC Freedom of Information Act had been met.

Public Hearing

Proposed Amendment to the Utility Department 2018 Schedule of Rates and Fees: Sanitary Engineer Dan Lambert presented the proposed Utility Department 2018 Schedule of Rates and Fees Ordinance #013-07-2018 “Exhibit A.” The proposed ordinance was driven by the City of Columbia water rate increase. The Town purchases the majority of its water from the City of Columbia and they increased their water rates by 9.76% effective July 1, 2018. The Town needed to accept and pass on the increased water rates. During this process the Utilities Department simplified its current rate structure using a base rate placed on the size of meter and a volumetric charge. The cost to the customer using an average of 6,000 gallons of water per month is \$59.06 which amounts to a 7.71% water rate increase for Chapin customers.

Mayor Knight opened Public Comment. There were no comments from the Public

Mayor Knight opened Council comment. There were no comments from Council.

Mayor Knight adjourned the Public Hearing at 7:09 p.m.

Minutes: Council reviewed the June 5, 2018 Regular Town Council Meeting Minutes and the June 21, 2018 Special Called Meeting Minutes. Council Member Koon moved to accept the minutes as presented. Mayor Pro Tem Clonts seconded the motion. All were in favor, motion carried.

Presentation – 2017 Annual Audit: Grant Davis, Mauldin & Jenkins, LLC explained the 2017 Annual Audit was comprised of three documents which included: Comprehensive Annual Financial Report (CAFR) “Exhibit B;” Auditor’s Discussion & Analysis (AD&A) “Exhibit C;” and Management Letter “Exhibit D.”

Mr. Grant reviewed the AD&A document highlighting the Independent Auditor's Report which issued a "Clean Opinion" indicating the financial position and results of operations for the year ended December 31, 2017 were considered to be presented fairly (as good as you can get).

Mr. Grant stated the CAFR report goes above and beyond what is required. Director Culler submitted the report to the Government Finance Officers Association (GFOA). Review takes approximately 6 months and if all requirements have been met the Town would be presented with an award.

The Financials were reviewed highlighting the 2017 net position of the Town at \$26,376,898 with \$20,342,727 in capital asset investment, \$69,875 restricted funds, and \$5,964,296 unrestricted. An increase in total net position of \$4,692,513 from 2016.

Findings/Recommendations included:

1. Reconciliation and classification of interfund activity;
2. Inventory controls (physical and internal);
3. Segregation of duties and eliminate overlapping duties;
4. Accounting and financial reporting software program;
5. Manual journal entry review;
6. Reconciliation of QuickBooks general ledger accounts with QS/1 customer billing and accounts receivable; and
7. Reconciliation of customer deposits.

Public Comments Related to Agenda Items

Liesha Huffstetler wanted to know, in regards to utility extensions to areas not served, what guidelines the Utility Director was going to use to determine what was in the best interest of the Town and where these guidelines were documented. She was also concerned about allowing developers to build sewer extensions in the Chapin area. The lack of a sewer system master plan wouldn't help stop unregulated overgrowth and stress to the roads, infrastructure, and schools.

John Vender with the Old Forge Community Coalition (OFCC). Their mission is to promote responsible commercial and residential development in their neighborhood. Their latest endeavor, with the help of County Council's Erin Long Bergeson and others, was a county zoning map amendment limiting density of residential housing in their community corridor. The FCC will shift its focus to Chapin's proposed policy to extend water and sewer service to areas not served which will ultimately lead to suburban sprawl in the unincorporated areas of Lexington County.

Kim Murphy's concern was the best interest determination of the Town should not be the Director of Utilities but more appropriately the Town Council. She felt there was some mis-numbering on Page 2 of the Water and Sewer Extension Polices. Ms. Murphy had tried to locate sections 18.207 and 18.208 of Town Code and could not find them, she suggested that these ordinances weren't duly approved by Council. Further research indicated that Ordinance #05022006 renamed/renumbered Chapters 17, 18, and 19 and Ordinance #05152015 amended Utility Extensions to Areas not Served which was approved on May 15, 2015 and the minutes of that meeting were approved on July 21, 2015.

Milton Moore, OFCC, had serious concerns about the flood of excessive development in the community. The excessive development is taxing the school systems, roads, police, fire

department, sewer systems, and social structures. He felt Council could help with the uncontrolled development. The OFCC suggested there were some legal discrepancies, practical issues, and financial issues that needed to be addressed and asked for more time of public review. He reiterated the best interest of the Town is Town Council's responsibility.

Charli Wessinger indicated the OFCC individuals did not live within Chapin Town limits and didn't have a dog in the fight but wanted Council to consider what was best for the greater Chapin Community. The group had been working with Lexington County to help control development. She suggested Council look at accountability, procedure for working with developers in the future, put in place a checks-and-balances system, and add a threshold for taps sold.

Reports

Communications/Events Report: Nicholle Burroughs, new Director of Public Affairs, highlighted upcoming events including the American Legion Escort of Unclaimed Veterans for interment at the Ft. Jackson Cemetery on July 13, 2018 and Congressman Joe Wilson's Bus Tour on August 21, 2018

The next Chapin Farmer's Market is on July 7, 2018 from 9:30 a.m. to 1:00 p.m. The addition of the Farm Stand on the 3rd Thursday of the month from 5:30 to 8:00 p.m. includes a few vendors and is meant to be a quick grocery stop.

Planning of the Chapin Labor Day Parade and Festival is ongoing with an upcoming committee meeting on July 12, 2018. The Coffee Shelf sponsored a Facebook live Labor Day question and answer segment and the Tipsy Toad will be the next to sponsor.

Financial Report: Director Culler reported on the May General Fund (GF) Year-to-Date (YTD) Actual Revenues at \$849,108 with GF YTD Expenditures at \$700,006 with a balance of \$149,102. She noted income from the sale of the Police Department's Dodge Charger of \$2,285 and \$25,000 from the first settlement payment in Fairhaven Subdivision Lawsuit.

Business Licenses were up \$1,978 over May of 2017 but falling behind \$139,586 in YTD January-May, 2017.

Director Culler reported on the May Utilities Fund (UF) YTD Actual Revenues at \$1,586,111 with UF Expenditures at \$920,939 with a balance of \$665,172.

Police Report: Calls for service for March totaled 373 for the period of May 22 – June 22, 2018. Chief Ziegler noted 19 vehicle collisions, likely due to increased traffic volume. The Police Department had an officer leave on June 15, 2018 and have posted the position which will close on July 8, 2018.

As part of community involvement, Sgt. Finch initiated "Copsicles." The Department gave out popsicles at the Melvin Park Splash Pad and will continue to show up at different locations during the summer. Mayor Knight and Chief Ziegler also spoke to a group of 10-year old's who were on the All-Star Baseball Team.

Utility Report: Director Metts reported that concrete placement has begun at the Wastewater Treatment Plant (WWTP) Expansion Project. The first pour was on June 21, 2018 and will continue over the next several weeks. The project is on schedule.

The Town has completed its 2017 Water Quality Report for the Amick's Ferry Water System. The report is available at Chapin Town Hall or can be viewed at <http://www.chapinnc.com/DocumentCenter/View/1471/Chapin-Water-Quality-Report---2017>.

Director Metts indicated that pipe had been delivered, utility locates had been done, and construction should begin at the end of the week on the Murray Lindler Round-a-bout. The project is scheduled to be completed in three months.

Zoning Report: Director Powell had several approved/pending sign permits and has been working with Chapin Crossing Tenant's to accomplish uniform signage on the six-tenant outparcel. He indicated Zaxby's would be breaking ground in the August/September time frame.

Special projects included: Conditional Certificate of Appropriateness on Chapin Crossing Outparcels pending receipt of revised landscape and lighting plans; GIS relocation of mobile offices; Presentation of S-48 and I-26 held on June 26, 2018; and Joint Meeting held on June 28, 2018 to discuss revision of the Zoning Ordinance.

Old Business

Ordinance – Amend Utility Department 2018 Schedule of Rates and Fees – 2nd Reading: Mayor Pro Tem Clonts moved to approve a simplified water rate structure and increase the Town of Chapin water rates consistent with the rate increase charged to the Town for water purchased from the City of Columbia. Council Member Koon seconded the motion. The Utility Department 2018 Schedule of Rates and Fees Ordinance #013-07-2018 “Exhibit E” was approved by unanimous vote on its 2nd Reading:

Mayor Knight:	Yes	Mayor Pro Tem Clonts:	Yes
Council Member Hollis:	Yes	Council Member Koon:	Yes

Council Member Koon commended the Utility Department for taking the initiative to simplify the rate structure while having to pass on the water rate fees from the City of Columbia.

New Business

Approval of Water and Sewer Extension Policies: Mayor Pro Tem Clonts moved to approve the Water and Sewer Extension Policies as presented. Council Member Koon seconded the motion. Mayor Knight opened discussion.

Director Metts gave a brief summary of the Water and Sewer Extension Policies “Exhibit F.” He stated the Town of Chapin was designated as the Management Agency for implementation of the Federal Water Pollution Control Act (FWPCA) in the area of Lexington County that is north of Lake Murray. The role of the Management Agency is to implement the 208 Regional Water Quality Management Plan within the designated area.

For the past 30 years the Town has entered into water and sewer agreements with property owners and/or developers for the extension of water and sewer service into parts of the community that did not have service. Town Council also adopted an ordinance for utility extensions in those areas without service. The Water and Sewer Extension Policies are just a working document implementing Town Code.

Director Metts noted that a sentence would be added to item 5.b. Agreements used for capital improvements would come back to Town Council for approval. A recommendation from Town Attorney Smith was addition of the words “A typical” example of this agreement is included herein as “Exhibit 1” and “Exhibit 2.”

Mayor Pro Tem Clonts amended the motion to include “A typical example of this agreement is included herein as “Exhibit 1.” Council Member Koon seconded the motion. The Water and Sewer Extension Policies were approved as amended by unanimous vote.

Mayor Knight:	Yes	Mayor Pro Tem Clonts:	Yes
Council Member Hollis:	Yes	Council Member Koon:	Yes

Council Member Koon noted that the policies came at his urging to establish guidance instead of discussing extensions as they come up; re-inventing the wheel each time. Since the Town Council Work Session, any addition will come before Council for approval. He indicated that Council, staff, and the public all have the same objective, we just need to work together in a positive way. Member Koon suggested individuals contact the Town Council or staff to sit down and discuss their concerns.

Ordinance – Amend Compensation of Town Council to Reflect Actual Amount: Mayor Pro Tem Clonts moved to amend the compensation of Mayor and Town Council to reflect current compensation amounts as approved in prior annual budget ordinances. Council Member Koon seconded the motion. Compensation of Town Council Ordinance “Exhibit G” was approved by unanimous vote on its 1st Reading:

Mayor Knight:	Yes	Mayor Pro Tem Clonts:	Yes
Council Member Hollis:	Yes	Council Member Koon:	Yes

Public Comments – Open

Milton Moore appreciated comments of Council Member Koon but indicated that development is outrageous and if allowed the number of taps being approved by an unelected official brings implications to the quality of life in the Chapin area. Town Council is responsible for development and obligation for the sewer but the surrounding community is suffering with declining property values due to excessive development.

Mayor Pro Tem Clonts pointed out that the Mayor approves/signs all of the agreements.

Skip Wilson verified that the Mayor authorizes and signs sewer agreements. The Utilities Director does not put his name on any document to approve a sewer agreement. Former Mayor Wilson acknowledged Director Metts 30 years of experience with Richland County and expressed the amount of thought that goes into the process of sewer agreement extensions and sewer agreements for development. His concern was that comments/data is not quantified and who determines what is excessive, over developed, or a reduction in property value.

Liesha Huffstetler indicated she was writing an article and wanted written answers to her questions regarding the standards/guidelines of how the Utilities Director was going to approve/disapprove sewer taps and extensions in the best interest of the Town. She referenced a lawsuit in which a

developer sued a Town because the Town decided it was not in the best interest to provide sewer to the development. The judge ruled in favor of the Town.

Kim Murphy appreciated Council Member Koon's comments but felt that if Council was sincere they would have deferred the vote on the sewer agreement policies so there was an opportunity to sit down and discuss the matter. She felt approval of the policies was because there is a developer lined up to install a major sewer line from Chapin Shores to Cross Roads creating more development along the Amick's Ferry Rd Peninsula, Wessinger Rd Peninsula, and all around.

Larry Sandifer, long time community resident, explained that things have changed. He encouraged Council to remember Chapin is a Community of Character.

Adjournment: Mayor Pro Tem Clonts moved to adjourn Town Council. Council Member Hollis seconded the motion. The meeting was adjourned at 8:49 p.m.

COUNCIL APPROVED: August 7, 2018