

**CHAPIN TOWN COUNCIL
REGULAR MEETING MINUTES**

**Tuesday, July 18, 2023
6:00 p.m.**

Council Chambers

Members Present: Mayor Al Koon, Mayor Pro Tem Mike Clonts, Council Member Gregg White, Council Member Vicky Shealy, Council Member Leland Teal

Staff Present: Finance Director Laura Culler, Utilities Director Karalyn Miskie, Town Administrator Nicholle Burroughs, Police Chief Thomas Griffin, and Town Clerk Shannon Bowers

Guests: George Donnelly - American Legion Post 193, Tim Hanley - Chapin Ministerial Association, Grant Davis – Mauldin & Jenkins, LLC.

Call to Order: Mayor Koon called the meeting to order at 6:00 p.m. Mayor Koon then determined there was a quorum and acknowledged the appropriate notifications in compliance with the SC Freedom of Information Act had been met.

Invocation and Pledge

George Donnelly with American Legion Post 193 led the Pledge of Allegiance and Tim Hanley with the Chapin Ministerial Association gave the invocation.

Mayor's Announcements

There were no new announcements at this meeting.

Review and Acceptance of Minutes

Council reviewed the June 20, 2023 regular meeting minutes and Council Member White moved to accept as presented. Mayor Pro Tem Clonts seconded the motion. No further discussion. Motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Council reviewed the June 29, 2023 special called meeting minutes and Council Member Shealy moved to accept as presented. Mayor Pro Tem Clonts seconded the motion. No further discussion. Motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Public Comments Related to Agenda Items

There were no public comments

2022 Audit Report – Grant Davis, Mauldin & Jenkins, LLC: Grant Davis with Mauldin & Jenkins, LLC explained the 2022 Annual Audit. He brought attention to a copy of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association awarded for 2021 included in the annual report.

Mr. Davis reviewed the ACFR document highlighting the Independent Auditor’s Report on page 8. This issued an “Unmodified Opinion” indicating the financial position and results of operations for the year ended December 31, 2022.

He also highlighted management’s discussion and analysis on page 12 of the report. It provides good analysis for the year under audit, which was 2022. Some financial highlights here included: a net position of \$33,558,567 (\$23,953,876 represents investment in capital assets and \$1,793,931 is considered restricted), \$7,810,760 is unrestricted and may be used to meet Town’s ongoing obligations to citizens and creditors, the Town’s total net position increased by \$275,973 an ending fund balance of \$1,514,653 (an increase of \$638,315).

Council noted recommendations (referred to as management points) in the Auditor’s Discussion and Analysis document: 1) Segregation of Duties and 2) Accounting and Financial Reporting Software. Mr. Davis explained the recommendation for the segregation of duties to include cross training of staff or the hiring of new staff in the areas of payroll, human resources, payroll systems management, and employee files. He also explained the recommendation (either a new system or upgrade to QS-1 for accounting) to upgrade the accounting and financial reporting software.

Reports

Town Administrator’s Report: Administrator Burroughs updated Council on several items that included:

- The presentation of the UDO to the Chapin Small Business Networking Group went well – discussed draft zoning map and draft zoning districts
- The Municipal Association Annual Meeting will be July 27-29, and the Small City Summit will be held on July 26
- The Town and Crossroads Church have reached a verbal resolution and currently working on paperwork for the landscaping in that area of Beaufort St.
- The Community Development Block Grant Program: Because of 2020 Census Data, Chapin now considered Rural. This does not impact the Central Midlands Council of Governments, but potentially impacts funding sources for major projects. Staff held meetings with Lexington County to discuss the next steps for the Town.
- The Unified Zoning & Development Ordinance Committee is currently reviewing Land development regulations and will be scheduling public engagement opportunities in the near future and the Architectural Review Board had a preliminary review of a Scooter’s Coffee
- Zoning permits have been issued to Boykin Hills and construction could begin soon and the HireRite building has been purchased by Great Southern Homes.

Financial Report: Before beginning her report, Director Culler reported the general fund revenue YTD as of the end of June 2023 was \$1,496,482 and the expenses YTD were \$799,108. Revenue exceeded expenses by \$697,374. The revenue from Business Licenses as of the end of

June was \$391,244. The Hospitality Tax fund YTD was \$2,108,989 and the ARP fund balance is \$654,989 as of the end of June. She noted that \$499,000 has yet to be committed of the ARPA funds.

The Utility fund Revenue through the end of June was \$2,544,900 and expenses YTD \$2,503,005. Revenue exceeded expenses by \$41,895.

Police Report: Chief Griffin updated Council on police department activities. There were 54 offenses, 12 assisting other agency reports (calls outside the departments jurisdiction, mainly Lexington County), 41 tickets, 124 warning citations, 4 arrests, 14 motor vehicle collisions, 183 officer-initiated contacts, and 135 calls for service from Lexington County reported.

In addition to his written report, Chief Griffin stated that he attended the FBI National Command Course, specifically designed for Chief Executive Officers of police departments with a staff of 50 or less across all 50 states. He also stated he has been in contact with the Richland County Emergency Management about the emergency operations plan adopted by Council in 2016, which is suitable for use. He also noted that the new interchange at the interstate is open and Operation Southern Slow Down is in effect, and advised that drivers should exercise caution.

Utilities Report: Director Miskie provided council with an update on the written report submitted, which included:

- Regular meetings with SCDOT continue the road improvement project and will update Council as needed for any upcoming issues, coordination and/or projects
- Lake Tide Summit development is ready to start construction, and the town expects site clearing to happen within the next few months. White Water Landing held a large lot sale recently, and it appears all lots were sold.
- The 2022 Water Quality Report is posted on the website and the department currently has an open position for a wastewater treatment plant B operator position.

Ordinances

2nd reading: Ordinance amending Chapin Town Code Chapter 18, Section 18.401 “Exhibit 1” – 2023 Schedule of Rates and Fees: Mayor Pro Tem Clonts moved to approve 2nd reading amending Chapin Town Code, Chapter 18, Section 18.401 “Exhibit 1” – 2023 Schedule of Rates and Fees. Council Member Shealy seconded the motion. No further discussion motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

2nd reading: Ordinance amending Chapin Town Code Chapter 18, Section 18.207 Utility Extensions to Areas Not Served: Mayor Pro Tem Clonts moved to approve 2nd reading amending Chapin Town Code, Chapter 18, 18.207 Utility Extensions to Areas Not Served. Council Member Shealy seconded the motion. No further discussion motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes

Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

2nd reading: Ordinance amending Chapin Town Code, Chapter 18, Section 18.402, Billings, Water and Sewer disconnects and reconnects: Council Member White moved to approve 2nd reading amending Chapin Town Code, Chapter 18, Section 18.402, Billings, Water and Sewer disconnects and reconnects. Mayor Pro Tem Clonts seconded the motion. No further discussion motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

2nd reading: Ordinance amending Operating and Utility Department Fund Budget for FY 2023 to provide appropriation of funds for the wastewater lagoon closeout: Mayor Pro Tem Clonts moved to approved the 2nd reading amending the Operating and Utility Department Fund Budget for FY 2023 to provide appropriation of funds for the wastewater lagoon closeout. Council Member White seconded the motion. No further discussion, motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

1st reading: Ordinance providing a general property tax millage rate adjustment for tax year 2023: Administrator Burroughs explained due to the rising cost of operations, this millage increase was being presented to Council in anticipation for future expenditures. Director Culler stated that the increase to the millage was the amount allowed for the current year, taking the millage from 13.07 to 15.55 (1.65%), giving the Town approximately \$40,000 in additional revenue. She also noted that we have not raised the millage this year and in the prior two years. Director Culler then presented Council with information received from the office of Revenue and Fiscal Affairs, regarding a proviso which allow a one-time permanent increase in addition to the standard millage increase for the fiscal year 2023/2024. The rate was recalculated based on population numbers taken from the July 1, 2020 census population data. The increase of 8.74% or 1.14 mils is in addition to the proposed millage of 15.55 to total 16.69. The town is only allowed to lookback to the prior three years. This increase would impact the administrative side of the budget for expenditures that have not been incorporated into the budget. Administrator Burroughs expressed concern that not increasing the millage may result in not being able to implement the strategic initiatives set by council. She stated that incorporating this into the budget for 2024 is the best way to anticipate ongoing future expenditures.

Council expressed concerns in increasing the millage on top of the water rate increase while the health of the budget indicates additional revenue streams through business licenses and new

subdivisions and concerned that if the millage was not taken, they would lose the ability to look back at the last year allowed.

Mayor Pro Tem Clonts moved to approve the 1st reading providing a general property tax millage rate adjustment for tax year 2023, with the proviso as recommended. Council Member Shealy seconded the motion. Discussion followed.

Director Culler noted that a decision must be made on the millage now for the Town to submit the information to the tax office by August 15, 2023 to be included on the tax roll in September. No further discussion, motion passed, votes as follows:

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	No
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	No

Resolutions

Declaration of intent for expenditures related to the waste water lagoon abandonment project

Mayor Pro Tem Clonts moved to approve resolution number 006-07-2023 for declaration of intent for expenditures related to the waste water lagoon abandonment project. Council Member White seconded the motion. No further discussion was held, motion to approve passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Administrative tablet use policy for elected officials: Administrator Burroughs explained that through the efforts of the municipal clerk to improve the packet process by eliminating paper production and improve transparency to Council, she and Clerk Bowers researched other municipalities for a council tablet use policy. This is for council to understand the rules for operating once issued a device to be used for Council packets moving forward. Council Member White moved to approve resolution number 007-07-2023 adopting the administrative tablet use policy for elected officials. Council Member Teal seconded the motion. No further discussion, motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Action Items

Request for Action: Authorization for contracted services for wastewater lagoon abandonment project:

Mayor Pro Tem Clonts moved to accept staff's recommendation to authorize the Mayor to enter into a contract with Williams Infrastructure, LLC in the amount of \$1,673,875 for the wastewater lagoon abandonment project. Council Member Shealy seconded the motion. No further discussion was held, motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Request for Action: Water agreement contract: Council Member Teal moved to authorize the Mayor to execute the proposed Water agreement and Capital Improvement Project for Lake Tide Summit and Westlake Estates. Mayor Pro Tem Clonts seconded the motion. No further discussion, motion passed unanimously.

Mayor Al Koon:	Yes
Mayor Pro Tem Mike Clonts:	Yes
Council Member Gregg White:	Yes
Council Member Vicky Shealy:	Yes
Council Member Leland Teal:	Yes

Adjournment: Mayor Pro Tem Clonts made a motion to adjourn the meeting. Council Member Shealy seconded the motion. Meeting was adjourned at 7:53 p.m.

COUNCIL APPROVED: August 23, 2023