

**CAPITAL PROJECT SALES TAX COMMISSION  
MINUTES  
JANUARY 18, 2010**

**MEMBERS PRESENT:**    **Dave Waldrop, Chairman**  
                                 **Renee Joiner, Vice Chair**  
                                 **Phil Spotts**  
                                 **Lisa Toland**  
                                 **Bob McCartha**  
                                 **Jimmie Coggins**

**STAFF PRESENT:**        **Wayne Adams, County Administrator**  
                                 **Theo DuBose, Consulting Attorney**  
                                 **Jay Tothacer, County Attorney**  
                                 **Laurie Renwick, Clerk to Council**  
                                 **Debbie Cromer, Finance Director**

**OTHERS PRESENT:**    **Karen Livingston, Prosperity Administrator**  
                                 **Derek Underwood, Mayor of Prosperity**  
                                 **Brent Richardson, Newberry Co. Water & Sewer**  
                                 **Bryan Alvarez, Newberry Co. Water & Sewer**  
                                 **Jerry S. Koon, Hazmat Chief**  
                                 **J.D. Moon, Alliance Consulting Engineers**  
                                 **Ervin West, Carter Goble Lee**  
                                 **Christian Jones, Alliance Consulting Engineers**  
                                 **Jamie Frost, Alliance Consulting Engineers**  
                                 **Mike Hawkins, Prosperity Councilman**  
                                 **Kirksey Koon, Newberry County Councilman**  
                                 **Walt McLeod, SC House of Representatives**  
                                 **Tucky Taylor, Citizen**

The meeting was duly advertised as required by law

**1.        Call to Order – Dave Waldrop, Chairman**

Chairman Waldrop welcomed all in attendance and led the meeting with the invocation.

**2.        Adoption of Minutes – November 2, 2009 meeting**  
                                 **November 16, 2009 meeting**

Mr. Coggins motioned to approve the minutes as presented; seconded by Mr. Spotts. The vote was unanimous.

**3. Business/Action Items**  
**a. Q & A for proposed project eligibility and submission**

Chairman Waldrop asked Mr. DuBose to provide an update to Commission members.

Mr. DuBose stated that since the last meeting he had received several questions regarding project eligibility. One was for the Hazmat addition, which has been confirmed as allowable for funding through the CPST. The other two questions were regarding the eligibility of a historic cemetery and sidewalks. Both of which are eligible projects under the CPST Statue.

Chairman Waldrop thanked Mr. DuBose for his expertise throughout this process and for attending the meeting on a holiday.

Chairman Waldrop stated that the closer we get, the more tedious this process will be. He encouraged Commission members to ask any questions they felt needed to be clarified because this is a very important issue we are bringing before the people of Newberry County.

Mr. Adams commented that we are still waiting for a response from the Department of Revenue on the new features of the CPST Ballot Referendum.

Mr. DuBose agreed and stated he has asked DOR to concur with the way we are looking at the statue, the time tables for imposition of the new tax, and the new food tax component. The new amendment to the statue does not allow food to be subject to the 1% sales tax. He also stated that another change in the statue allows the new tax to expire under the maximum time imposed rather than the County notifying DOR when the bonds were paid off so they could stop the revenue stream.

**4. Staff Update on CPST Activities – Wayne Adams, County Administrator**

Mr. Adams briefed the Commission on the construction and engineering services the County has funded and made available to entities/organizations with putting together cost estimates and to assist with the assembly of their project checklist. So far, we have 17 projects that have availed themselves to this service and several of these projects are underway. Mr Adams stated that representatives from the construction and engineering firms were available tonight to answer any questions that Commission members may have.

Chairman Waldrop asked the engineers to introduce themselves and offer any information that would be beneficial to the Commission.

Mr. Jamie Frost with Alliance Consulting Engineers introduced himself and members of the Alliance staff. He said they were offering their services to anyone submitting a project to assist them with compiling their checklist, provide cost estimates, site plans and plats, etc. He said Ervin West with Carter Goble Lee was helping with getting the

building cost estimates. At the end, they will provide a list of projects for the Commission to rank. Once the final projects have been chosen, they will complete a master plan that will be compiled into one booklet. The ultimate goal is to produce a good document for anyone to look at and review each project and what it is comprised of. It can also be used as a reference for when projects are in the implementation stage.

Mr. Adams commented that the document can be used as a single resource for voters when considering the referendum questions. This will be a one set document that the County will make widely available for viewing.

Dr. McCartha asked Mr. Frost about ranking the projects and what he meant by that.

Mr. Frost said the Commission will rank the projects after they have been submitted. He stated that if any of the entities requested their help in prioritizing their projects for submission to the Commission, they would be available to help. Having the entities prioritize their projects will give the Commission some idea of the importance they have placed on the projects they are submitting to you; however, the ultimate decision on projects for the ballot will be the Commissions.

Mr. Adams said there is only one Commission meeting before the project deadline; then four meetings to hear project presentations. He said this might be a good time for the Commission to decide how it is going to rank and/or prioritize these projects.

Mr. DuBose informed the Commission that the statute does not provide guidance for prioritization. He said during the last CPST referendum, all projects were given a "like" priority except for the hospital MRI facility. He said the Commission may want to discuss which avenue they would like to go; either by giving all projects similar priority or by deciding if some projects were more important than others. Experience with the bond market suggests that maybe some project should have a higher priority until we can confirm tax proceeds will be available. Mr. DuBose said he does not have the updated revenue figures for 2009 to compare to the prior CPST, but anticipates having that information in about 6 weeks.

Mr. Adams stated that prioritizing would be a good contingency plan in the event prices are driven up as in the last CPST and we were faced with building less. This will be a guideline as to which projects to complete first.

Chairman Waldrop said with no set guidelines for prioritizing, we are free lancing. It will be left up to the six of us to decide the cutting edge on how we are going to approach this. He said we need some goals in mind to operate effectively as a Commission and felt the current economy had to be a factor in determining the projects. To be able to sell this, we have to interlock with the economy to give relief to county and city governments because this is tax dollars they can use somewhere else. He said the importance of the project needs to be looked at; whether it be finishing up an already started project or selecting a new project. We will need to prioritize projects between the 16-18 million projected funding. We need to put our best foot forward and put together something we can be

proud of for the citizens of Newberry County. He emphasized that this is an extension of the current one cent solution and not an additional penny.

Chairman Waldrop asked Mr. Adams if he had any additional comments.

Mr. Adams encouraged the Commission to think about the factors, and the weighing of those factors, in determining prioritization.

## **5. Other Items**

Mr. Spotts asked if the project list presented to them was the complete list of all projects.

Mr. Adams clarified that the list was only of those projects that had requested the assistance of the construction and engineering services provided by the County. There are other projects out there percolating.

Mr. Coggins asked if we knew how many more projects were out there.

Mr. Brent Richardson with the Newberry Co. Water & Sewer Authority said they have been asked to sponsor four projects in addition to their own, and felt they will probably submit a total of four projects. Their Board will be meeting on Thursday night and the number of projects submitted to the Commission will be determined then.

Mr. Waldrop stated that everyone would be treated fairly. An issue that caused a little indifference in the beginning of this process was the smaller municipalities felt the County would be calling the shots on the projects. That is not the case. All the County is doing is offering the Commission and the municipalities some assistance. They did not have to do this, and they should be commended for helping to set up a process that gives the Commission some good information and cost estimates to base our decision. That is what left a sour taste during the last CPST; the people could not get concrete answers.

Mr. Spotts asked if the projects from the last CPST came back and asked for more money.

Chairman Waldrop stated that during the last CPST, a project had one cost estimate figure and by the time it got to County Council for approval, the figure had escalated.

Mr. Coggins stated that some of that was not controllable.

Chairman Waldrop said that will be a sticky point for him if the entities do not utilize the engineering services, use their own engineers, and end up adding things at the last minute. The Commission will have to set some agreed upon guidelines.

Mr. Frost with Alliance Consulting Engineers reminded the Commission that part of their service and part of the master plan will entail reviewing cost and content for those entities

that did not request assistance with the preparation of their checklist. This will be a second set of eyes to confirm checks and balances

## **6. Public Comments**

Mr. Hawkins commented that another factor that affected the last CPST was between the time of the original estimates and the construction phase; the County adopted the International Building Codes which made a lot of difference and threw a money wrench in a lot of people's plans.

Mr. Coggins stated that the last time they also had Katrina which did not help matters. He mentioned that presently we might have to consider the Haiti earthquake.

Mr. Richardson stated that in order for them to be prepared, he asked if every entity should be prepared to present at the initial submittal or will the list be narrowed down and then request for presentations be made.

Chairman Waldrop stated that all projects will be given the opportunity to present. He encouraged the entities to provide as much information as possible to assist the Commission with making their final selection. If the Commission needs to schedule more meetings for presentations, we will do so, and meet until we are satisfied and all of our questions on each project have been answered.

Mayor Underwood asked if there was a monetary or quantity cap on the projects each entity should submit.

Chairman Waldrop stated there was no limit given to the entities on the number of project they could present. He stated that whatever projects the Prosperity Mayor and Council decided to present would be looked at by the Commission.

Mayor Underwood stated that from the discussions tonight; Prosperity would prioritize their projects and submit to the Commission. He asked if the Commission would then make their decision based on Prosperity's recommended prioritization.

Chairman Waldrop stated that was correct and that every entity will be given the opportunity to make a presentation on every project they submit.

Mr. Coggins stated that every entity submitting multiple projects should have them prioritized. In the event there is not enough funding, it will make it easier on the Commission because we will know which ones are the most or least important to you.

Chairman Waldrop encouraged entities with multiple projects to come prepared to sell each project. He did not want them pushing one particular project and leave the Commission second guessing on the others.

Mr. Alvarez asked if the presentations were going to be by appointment.

Chairman Waldrop stated that he and Mrs. Renwick would set an agenda and schedule the presentations. We will need to look at how many projects have been submitted and look at the time frame. He said he would schedule whatever time necessary to satisfy both those entities presenting and the Commission.

Mr. Spotts stated he felt the entities needed to include in their presentation the urgency of the project, how much it is needed, and why it is needed. Its obvious all of them cannot be approved and the Commission will need all the information they can to make the decision.

Chairman Waldrop agreed with Mr. Spotts and stated the Commission could accomplish this by formulating some guidelines.

Mr. Spotts stated that if Prosperity needed something, that if they didn't get, would close their water down, the Commission needs to know.

Chairman Waldrop said the more information we have the better we are. Some will be easier than other to swallow but that is what it is all about. He encouraged each Commission member to treat everyone fairly.

Mr. Koon stated that his project is adding a Hazmat bay onto the City Fire Station. The City is going to give me a letter of permission to do this. He assumes that the County and City will have to work out some type of agreement because this is County money going into a City building.

Mr. Adams said we needed to find out if the City will be playing a role in maintaining the addition or if this is going to be an expense to the County.

Mr. Koon said it would be an expense to the County. The City said they would approve the bay addition to the Fire Station as long as they matched the exterior of the building and pay for the utilities.

Mr. Adams stated that the City will need to say this in their letter. He said he and Jay will talk with Jeff Shacker tomorrow about the best way to do the agreement. It may be as simple as an Intergovernmental Agreement.

Mr. Alvarez asked if the engineers encountered a problem when reviewing the entities checklists, would there be time to make corrections.

Mr. Frost stated he felt there would be ample time. As soon as the projects are submitted, the will start the reviewing process.

Mayor Underwood wanted clarification that if an entity did not request the engineering assistance and used their own, would they have the afforded the cost content review.

Mr. Frost said they will all be reviewed for the Master Plan for cost and content.

Chairman Waldrop wanted everyone to know that just because the engineers were reviewing the projects did not mean they were going to change anything.

Councilman Kirksey Koon thanked the Commission members and noted they had a hard job in deciding which projects would be on the ballot. He said prioritizing is the way to go. Councilman Koon parted with this thought: “Some people think a pretty road is one that has nice trees, shrubs and flowers along the side, but most of us think a pretty road is one that does not have any holes.”

Mr. Alvarez stated that he felt education was a good thing and important for the success of the CPST. If you want this to pass, you will have to educate the people on this process.

Chairman Waldrop and Mr. Coggins both agreed that the first bit of education is that this is a continuation of the current one cent solution; not a new tax. We have to answer questions people have because these projects will touch people in each community.

Representative McLeod’s statement was hardly detectable due to static but he wanted to let the Commission know that the outer lying communities in the County have a strong voice, and felt each community needed to be represented (a project) on the ballot in order for it to be successful. The last CPST was passed due to this factor. He thanked the Commission for their hard work and commitment for the betterment of Newberry County.

## **7. Comments from Commission Members**

Mr. Spotts stated there are several things we need to drive home to the taxpayers One is that the CPST is one way to complete projects that the County would otherwise not be able to do. The other is that this is not a new tax but one we are already paying. We need this to continue to make progress; and it is not a new tax.

Chairman Waldrop said that County Council has received their share of criticism, but they did not have to take a lead in this the way they have. He asked the Commission to look around the room at the County staff present offering their services to the Commission. Their involvement in helping make this work takes true leadership.

Dr. McCartha reminded everyone that not only Newberry County residents will contribute to this but anyone coming into the County and making purchases.

Chairman Waldrop reminded everyone that the Commission will work hard with every project until they have the satisfaction needed to present the final projects to the ballot.

**8. Adjournment**

**Chairman Waldrop declared the meeting adjourned at 7:02 p.m.**

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**Dave C. Waldrop, Chairman**

**APPROVED:**

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**Laurie N. Renwick, Clerk to Council**