

NEWBERRY COUNTY CAPITAL PROJECT SALES TAX COMMISSION
November 29, 2021, 5:30 p.m.

The Newberry County Capital Project Sales Tax Commission met on Monday, November 29, 2021, at 5:30 p.m. The meeting was held in the Council Chambers at the Newberry County Courthouse Annex, 1309 College Street, Newberry, SC 29108.

Notice of the meeting was duly advertise, as required by law.

PRESENT: CPST Commissioners: Lisa Toland, Chairwoman
Renee Joiner, Vice-Chairwoman
Cornelius Cromer
Alison Johnson
Roy McClurkin
Mike Reid
Harry Werts (alternate) by Zoom
County Staff: Tony McDonald, Interim County Administrator
Karen M. Brehmer, Deputy County Administrator
Debbie Cromer, Finance Director
Crystal Waldrop, Purchasing Director
Consulting Attorney: Theodore Dubose, Haynesworth, Sinkler, Boyd

1. Call to Order

The meeting was called to order at 5:33 p.m. by Chairwoman Lisa Toland.

Chair requested to stand for The Pledge of Allegiance and prayer.

2. Adoption of Minutes, November 9, 2021 meeting

Call for motion was made by Mr. McClurkin, second was made by Mrs. Johnson. There were no concerns or corrections.

3. Business/Action Items

a. Adoption of Agenda Format

Mrs. Brehmer stated that the Commission must determine the format for their agenda. Motion was made by Mrs. Joiner that the format be used as it is for the meeting tonight as well as adding the Pledge of Allegiance and prayer to the agenda format. Seconded by Mr. McClurkin. Vote was unanimous.

b. Setting of Scheduled Meeting Dates and Times

Mrs. Brehmer informed the Commission that dates, and times needed to be established. They were informed that there were suggested dates in their agenda packets. She stated that the only dates conflicting was February 8th, which is a County Council CPST meeting and

May 4th and May 18th are regularly scheduled Council meetings. February 7th and February 9th were available dates. May 3rd and May 17th were not available, as the BZA and Joint Planning Commission meet on those dates.

Mrs. Johnson requested that it be February 9th instead of February 7th. Mrs. Johnson also requested the meetings begin at 5:30 instead of 5:00.

Mrs. Brehmer questioned other conflicting dates. Mrs. Joiner indicated that she will not be available April 25th and will be out of state, unable to Zoom at the meeting time on that date. She went on further to say that she would not be available April 21st through April 27th.

Ms. Toland asked that they agree upon February 9th, all were in favor.

April 4th, all agreed. April 11th, all agreed. April 18th, all agreed and no conflicts on these dates.

Mrs. Joiner asked that deliberation be on May 2nd. Ms. Toland asked Mr. Reid if he was ok with these dates and he indicated that he has a conflict in May but was unsure of the itinerary at this time, but he would be available to Zoom.

Ms. Toland asked Mr. Werts if he was available on May 2nd and May 9th, striking April 25th from the meeting schedule.

May 16th is ok and no conflicts with any of the members. Mr. Reid questioned the dates for May, with Mrs. Brehmer indicating that May 18th is the date that the County Council will need the submissions for their approval. She went on to say that the term for the Commissioners would end on May 16th, after that meeting.

Mrs. Brehmer reiterated the dates to the Commission, confirming the following dates, and with the meetings all beginning at 5:30 p.m. February 9th, April 4th, April 11th, April 18th, May 2nd, May 9th, and May 16th

Mrs. Brehmer told the Commission that the last time, 2016 CPST, there were a total of 18 projects presented from the County sponsored and municipalities.

Mrs. Brehmer explained that the 2016 CPST Commission was presented the 18 projects in three meetings. They lasted anywhere from one hour and fifty minutes to two and a half hours. There was a total of \$21 million available in 2016 and more funds will be available for 2022. The more money means that the projects will be more expensive, or the funds will be spread among smaller projects, which may require an additional meeting. The commission can make that decision, if decided. Not all projects have been presented. Some of the County sponsored have been sent but they have until tomorrow at 5:00 p.m. to submit. A few of the municipalities have sent theirs in but their deadline to submit is March 18th with their full cost estimates prepared.

Mrs. Brehmer went on to say that the Water and Sewer Authority would be submitting projects and they would notify the County when they had finalized theirs.

Projections of the number of projects would be better known on March 1st.

Ms. Toland asked if they should have more than three nights of presentations and Mr. Reid stated that the number of projects was unknown at this time.

Mrs. Johnson asked if a tentative meeting date should be set now. Mrs. Brehmer's response was that it would be better to set the date now and went on to say that more than one meeting could be held in the same week. The date given to the engineers to have the cost estimates to us is March 18th to ensure they give us the best cost estimates.

Mrs. Joiner stated that she would rather have the meetings condensed, not spread over three weeks. Mrs. Johnson agreed, but said she was unfamiliar with the process.

The Commission agreed to add an additional date for presentations to be on April 7th and if not needed, they would not meet.

Mrs. Brehmer said she will provide the number of projects to be presented prior to hearing the first presentation. On the last CPST, presenters were allocated fifteen minutes to present, five minutes for questions and answers, and five minutes in between projects.

c. Project Proposal Submission Standards

Mrs. Brehmer stated that on the last CPST, the form in their packet was required of all projects, both County sponsored and those presented by the municipalities. The form required specifics from each project to include ownership, site location, responsibility of cost overruns, and revenue to operate the facility. The form will be included in the book that each member will receive from the preliminary cost estimates from the engineer. It is especially important to see how the operational cost will be generated by the entities. Mrs. Joiner indicated that the form worked well last time, and it was very thorough.

Motion was made by Mrs. Johnson to adopt the submissions standards form, seconded by Mr. Cromer. It was unanimous to adopt the form as part of the submittals for projects.

4. History of Newberry County CPST Iterations

Mrs. Brehmer informed the Commission of the past CPST iterations, the ballot amounts and the final expenditures. All were correct numbers except for the 2016 CPST iteration, the amount in their packets is the amount expended to date. She went on to say additional expenditures will be added to the amount in the packets provided to them, as some of the 2016 projects have not been fully completed. Of the four iterations that have been passed, there have been \$65M allocated to projects throughout the County. A total of \$68M has been spent to date, with the Mid-Carolina Commerce Park roadway extension, presently in the construction phase, so it has not been fully spent.

There were cost overruns for the 800-Megahertz towers and over collections was used to fund the deficit. Four of the 2016 projects are not complete. They are The Whitmire Town Hall, Silverstreet Recreational Area, the Opera House and the Consolidated Water Points. All these projects will be completed by mid-year of 2023.

Mrs. Brehmer stated that the County has well benefited from the CPST projects without the extra funding from taxpayers; however, the County and the City have both made contributions to their sponsored projects.

Further, Mrs. Brehmer explained that the projects presented in 2016 were estimated at \$54M and they were coiled down to \$21M. Twelve of the eighteen presented were placed on the ballot. The County voters elected to continue with the penny sales tax and hopefully, it will pass again.

Questions were offered to be answered by Mrs. Brehmer and the Finance Director by the Commissioners.

Mrs. Johnson posed a question as to why there were differences in the amounts of construction estimates and what was on the ballot, such as the 2016 ballot, #4, the Recreational Complex for the City of Newberry. Mrs. Brehmer explained that there were several projects where the amounts presented as cost estimates were greater than the amount on the ballot. When the projects were presented to the Commission in 2016, some of the projects were scaled down, based on what the Commission approved to fund. For instance, the Museum came in at a higher number than what was on the ballot. The Museum Board decided to fund the mezzanine that was removed from the original cost estimate by the Commission. In order to get the building into operation, the Commission voted to allocate \$2.2M for that project.

Mrs. Johnson asked if they were required to come back to the Commission if their projects weren't completely funded or does the Commission just give them a certain amount for them to do as they wish.

Mrs. Brehmer went on to say that the entities needed to decide when they give their presentations what they can do without, what they can remove, if the Commission feels their project is too costly. Decisions will need to be made by the entities presenting. The Commission should ask as many questions as possible, so they have a good understanding of what is necessary to operate or what was most important to fund their requests.

The Water and Sewer Authority chose to finish a line out 773 instead of funding the water tank and the Lake Murray water treatment. The City of Newberry added over \$1M of their funds to their project in 2016. The City of Newberry is requesting funding from the 2022 CPST referendum to expand the recreation project from the 2016 iteration as some items were removed from the original request in order to get the project underway.

Some municipalities will present more than one project. The County may present more than one project. There are currently two projects that are requesting sponsorship from the City of Newberry and the County. It will be the Commission's decision how much of the projects they may or may not fund. The City nor the County have fully decided on any of the co-sponsored projects.

Mrs. Brehmer asked Mr. Dubose if wanted to add anything further. He reiterated that the sponsors may remove their projects altogether throughout the negotiation process; however, if they may decide to move forward with their original project, adding additional funding. If that is decided, the funding source must be stated on the ballot. The amount of the additional funds

will need to be disclosed on the ballot as well. It is ultimately up to the CPST Commission to distribute the funds. The sponsors will need to be informed that all additional funding is required to be stated on the ballot.

Mrs. Brehmer made mention of the City of Newberry's shortfall on their project in 2016 and they contributed over \$1M to their project. Mr. Dubose added, it still didn't get them to where they needed to be, but it was stated on the ballot the amount they were providing.

Mr. Reid posed the question regarding the Silverstreet project from 2016 that there were two buildings to be demolished. They requested \$1.6M and got \$700K to take down that building and was that the same building. Mrs. Brehmer responded that the one that was demolished was the old school, the auditorium remained. The statute for CPST doesn't allow for solely demolition without replacing it with something else. Silverstreet doesn't have a steady stream of revenue. They would have relied mainly on donations and fund raisers, which are not considered steady sources of revenue.

5. Discussions and Questions – Commission Members

None presented

6. Other Business

Ms. Toland stated that Mr. Sid Crumpton had resigned from the Commission and Mr. Reid was the first alternate and he accepted the position. No vote was required.

7. Public Comments

None

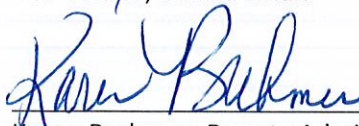
8. Adjournment

Motioned by Mr. McClurkin, time at 6:08 p.m.

NEWBERRY COUNTY
CAPITAL PROJECT SALES TAX COMMISSION



Lisa Toland, Chairwoman



Karen Brehmer, Deputy Administrator

Approved: 2/9/2022