

NEWBERRY COUNTY CAPITAL PROJECT SALES TAX COMMISSION
February 9, 2022 @ 5:30 PM

The Newberry County Capital Project Sales Tax Commission met on Monday, February 9, 2022, at 5:30 p.m. The meeting was held in the Council Chambers at the Newberry Courthouse Annex, 1309 College Street, Newberry, SC 29108.

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

PRESENT: CPST Commissioners: Lisa Toland, Chairwoman
Renee Joiner, Vice-Chairwoman
Cornelius Cromer
Alison Johnson
Roy McClurkin
Mike Reid
Harry Werts

County Staff: Christopher Inglese, County Administrator
Karen Brehmer, Deputy County Administrator
Crystal Waldrop, Purchasing Director

Media Present: Andrew Wigger, Newberry Observer

Chairwoman Toland called the meeting to order at 5:35 p.m., with Invocation by Mr. Werts, followed by The Pledge of Allegiance.

Additions, Deletions & Adoption of Agenda

Mr. Werts made the motion to adopt the Agenda as presented, seconded by Mrs. Joiner, all was unanimous.

Adoption of Minutes, November 29, 2021 meeting

Correction by Ms. Toland on the minutes of her prefix as being "Ms." not "Mrs." No other corrections were made, motion to adopt by Mr. McClurkin, seconded by Mrs. Joiner.

CPST Update

Mrs. Brehmer informed the Commission that there had been no additional projects presented at this time, other than the original eleven that Council had agreed upon, with two of the projects being jointly sponsored by the City of Newberry and the County, and those were the Amphitheater and Gallman High School renovations.

She stated that on Monday February 14th, the County Council will hear from the first five projects, with cost estimations from the engineers, Alliance Consulting Engineers, Inc., and will hear the remaining projects the following week so they can begin deliberations for the County sponsored projects.

The Newberry County Water and Sewer Authority had not yet submitted their project specifics but will have those to the County by the March 18th deadline, with their cost estimates.

All projects will be compiled into a book, provided by the engineers, with their cost opinions, for the Commission to review before presentations. Information and specifics will be provided for each project requesting to be placed on the referendum.

Council will hear presentations on February 14th at 6:00 p.m. Mrs. Brehmer indicated that the Commission could attend or watch the presentations on YouTube, streamed live. The first five to be presented are the Detention Center Renovations/Addition, relocation of Friendly Fire Station, now changed to the Public Safety Complex, Mawson's Way Extension at the Industrial Park on Hwy 219, water tank at the Mid-Carolina Commerce Park, to be serviced by the Water and Sewer Authority.

Theo DuBose Esq. will update later funding, collections and other related matters to the referendum.

Business/Action Items

Project Presentation Procedures – Karen Brehmer

Mrs. Brehmer informed the Commission that there was a Project Proposal Submission form in their agenda packet that all entities requesting funding needed to complete in detail. The form will include specific items such as location, who will be overseeing the project, or "taking ownership", whether there will be needs from water and sewer, etc. and will include cost estimates.

Project Scoring/Ballot Development Procedures

The Commission for the last referendum elected to use the score sheet included in their packet for the projects. Each commissioner had a separate sheet for each project and it allowed an overview of how the Commission stands on each project presented.

Procedure to Develop Presentation Schedule

Mrs. Brehmer explained the development process used for the presentation schedule for the 2016 CPST Commission and the amount of time each project was allocated for presentations; 15 minutes to present and 5 minutes for questions and answers. Council Chambers has improved technology which will reduce the amount of time required between presentations.

She went on to explain the presentations may be broken down into three or four meetings. There are currently thirty projects to be presented, with one pending, and that is the Town of Whitmire for the medical building. The Town failed to meet the deadline to be included in the engineering services but is waiting on a potential co-sponsor for its project, but nothing has been submitted in writing. They also need to provide an accurate cost estimation to be considered.

She asked that the Commission consider the way the projects are to be presented; order of presentation for projects, what format to prepare the schedule, discussion among the Commission and the best way for them to see the presentations.

Ms. Toland asked to discuss the best way to see the presentations by asking does the Commission wish to do them randomly. Mrs. Joiner commented that is the only fair way to choose the order of projects to be presented. Mr. Reid asked what would be easier for the County, with response by Mrs. Brehmer concurring that it would be fairest to pick randomly drawn, leaving no partiality with County staff and the Commission. Ms. Toland asked if the presenters would be made

aware of the procedure. Mrs. Brehmer said the County Council would be made aware and each entity will receive a letter informing of their presentation time, and the amount of time to present their project. Some may not be available at the time set, so some may need to be rescheduled. They will be made aware of the selection process.

The next item would be the time limit. Ms. Toland asked for commissioners' comments about the time for presentations be 15 minutes, 5 for discussions. Mrs. Joiner said the Commission had all the information, and times indicated would be more than ample for the presentations.

Mrs. Brehmer suggested that a motion be made to the decisions, so they are appropriately recorded. Mrs. Joiner made a motion to randomly draw for presentations and limit them to a total of twenty minutes. Mr. McClurkin seconded the motion, all was unanimous, no discussion.

Available Funds Update – Theodore DuBose, Esquire

Mr. DuBose informed the Commission that the most recent deposit from the State Treasurer's Office, two weeks ago, was approximately \$1.251M. This is a quarterly deposit. His estimation for this referendum is about \$35M. He went on to say that the collections over the past year have kept up and jumped up in the past three years. The final number may get narrowed down, based on the Commissions' recommendations for the ballot. There will be another deposit in April; therefore, the amount will be slightly more.

Ms. Toland asked if the \$35M could increase, Mr. DuBose said it could increase. Mr. DuBose informed the Commission that the County Administrator is seeking services from an economist to assist with projections. He stated that the County has used about 12.5% cushion from prior CPST iterations, but it is based on the economy.

Bonding vs. Pay-as-you-go Financing – Theodore DuBose, Esquire

Mr. DuBose continued with explanation for funding, whether the County uses the pay-as-you go financing vs. bonding the entire amount of the projects. A decision that the State Statute commits to the CPST Commission, ultimately the County Council must agree to the decision.

The first method, bonding, the County will bond the total cost of the ballot, or most of it, and all projects may begin at once.

The second method, pay-as-you-go. This method allows projects to begin as the money comes in. The first project on the ballot, as the money is collected, you contract the project. There must be a strict priority list for the projects. You cannot start another project until the money is collected, and the previous project is completed. Projects with low priority will not be done for several years.

If the County bonds the projects, you pay bond lawyers, rating agencies, and interest. It takes the interest that could otherwise be used for funding projects. On the other hand, with pay-as-you-go, inflation could be a factor, and eat through the funds. In the past 10 years, there's been very little inflation. Mr. DuBose was confident in saying the figure is still about \$35M at this time.

Conflicts of Interest and FOIA – Theodore Dubose, Esquire

Finally, Mr. DuBose discussed two state statues. Freedom of Information Act applies to all governmental bodies in the State of South Carolina. It even applies to non-governmental bodies such as those where the revenues come from taxes. He explained that anything for the CPST needs to be done in a meeting and they must be scheduled. He went on to explain that if any four of the members of the CPST convened in a place at once and started discussions on projects, it would be considered a meeting. He stated that phone conversations, with less than a majority would not be considered a meeting but it does apply to a majority over the internet. Avoid chance meetings with the majority of the group.

All meetings need to be scheduled and posted. County staff must keep documents, records of meetings and available to the public. Proper notification of twenty-four hours must be posted to the public, on the internet, the media and anyone who requests the agenda. The agenda cannot be amended within 24 hours of the meeting commencing.

Another big act: Operation Lost Trust, where legislatures were buying votes. Applies to County Council, public employees, and appointed members of local commissions, which is where this commission would apply. The term "public member" for any person who is appointed to a local commission. Using your office to obtain an economic interest for yourself, family member or a business you're associated with. Family members consists of spouse, children, or anyone in your household you claim as a tax dependent. Business, including a non-profit, you are associated with the business, you are associated with the business if you are an officer, director on the board of a non-profit, own stock in the company. This means if a non-profit would be a beneficiary of funding from the CPST, an officer or director of the non-profit, you should recuse yourself from a vote. It does not mean you're off the commission. There is a procedure for recusal. It should be in writing and Chair of the Commission should read the recusal aloud. Concerns should be made aware and addressed. The Ethics Act also prohibits receipt of anything of value. You cannot receive anything of value or ask of anything of value to persuade a vote.

Economic Interests do not need to be filed for the Commission. Do not accept payment for any type of presentation that may be requested to discuss the CPST. Speaking is ok and eating a meal is ok, but do not accept compensation.

Commission members cannot speak at the podium for any project presented.

Evaluating and Selecting Projects – Karen Brehmer

Mrs. Brehmer stated that the evaluating and selection of projects will be based on your scoring sheets in the packets. Based on the amount of money funding the projects, in deliberations, consideration will need to be done according to the amount requested by each project. You have the right to ask the presenters to make suggestions to cut the project. It's up to the Commission as to the dollar amount given to each project.

The scoring process is only a tool to use when deciding the projects to be placed on the ballot.

Role of County Council – Christopher Inglese, County Administrator

Mrs. Brehmer introduced the new administrator. Mr. Inglese spoke about County Council's role in the CPST process. The Council was presented with twenty projects, which were

narrowed down to the eleven presented to the CPST. Council will vote for the referendum, based on the CPST Commissions' recommendation, in its entirety.

Schedule of CPST Commission Activities – Lisa Toland, Chairwoman

Ms. Toland reiterated that there will be three meetings for presentations, with fifteen minutes for presentation and five minutes for questions/discussions. The meetings are April 4th, 11th, and 18th, with an additional meeting, if needed, on April 7th. On May 2nd and May 9th, the Commission will meet again to deliberate which projects will be included on the referendum. The Commission will meet again on May 16th to finalize the ballot list to County Council for their May 18th meeting. Ms. Toland stated that they may not need the April 7th meeting.

Mrs. Brehmer stated that the Water and Sewer Authority may have two projects to present. The Town of Silverstreet did not meet the engineering timeframe the County provided, so unsure if they will present a project.

Mrs. Brehmer answered Ms. Toland that the April 7th meeting may not be required but it will be based on those projects she doesn't currently have. The ballot will be finalized by the Commission and presented to County Council on March 18th for the vote for the referendum.

Discussion and Questions

Commission Members

Mrs. Brehmer made the Commission aware that zooming is available if needed, but they need to let her know in advance.

Other Business

None

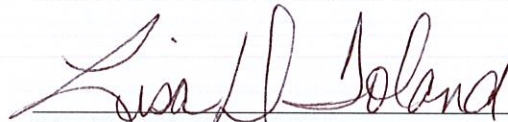
Public Comments

None


Adjournment

Motion for adjournment; Mr. McClurkin made the motion, Ms. Joiner seconded. Time adjourned: 6:30 p.m.

NEWBERRY COUNTY
CAPITAL PROJECT SALES TAX COMMISSION



Lisa Toland, Chairwoman



Karen Brehmer, Deputy Administrator

Approved: 5/9/22