

CITY OF HARDEEVILLE
REGULAR CITY COUNCIL MEETING
AND PUBLIC HEARINGS
MINUTES
JANUARY 8, 2009
6:00 PM

Present: Mayor Bronco Bostick, Mayor Pro Tem Roy Powell, Council Members A. Brooks Willis, Michael Foskey and Bill Horton, City Manager Kevin Griffin, Assistant City Manager Jeff Slocum, City Attorney David Tedder, Planning Director Brana Snowden, Finance Director Dennis Averkin, Police Chief Richard Nagy, Assistant Chief Steve Murphy, Fire Chief Dan Morgan, Municipal Judge John Carroll, and City Clerk Lori Pomarico.

I. CALL TO ORDER

Mayor Bronco Bostick called the meeting to order at 6:00 p.m.

II. INVOCATION & PLEDGE OF ALLEGIANCE

Council Member Brooks Willis gave the invocation

III. PUBLIC PRESENTATIONS/COMMENTS (2 MINUTE TIME LIMIT)

A. MARY WILLIAMS WHITAKER PROCLAMATION

Mayor Bronco Bostick read the proclamation in its entirety and presented a signed copy to Ms. Whitaker.

B. 2007-2008 FINANCIAL AUDIT – BAIRD & CO, BUTCH WHIDDON

Mr. Butch Whiddon thanked the Council for selecting Baird & Co., to do the 2007-2008 Financial Audit for the City of Hardeeville. Mr. Whiddon stated that this is the third year Baird & Co. has done the audit and each year there has been a considerable improvement from the accounting side and the management side of the City. Mr. Whiddon also thanked Dennis Averkin and his staff as well as Mr. Jim Mellon for their help.

Mr. Whiddon referred to the Financial Audit that was distributed to the Council by Dennis Averkin. This year a Comprehensive Annual Financial Report known as CAFR was done which is different than what was done in the past. This report is a lot more involved and includes basic financial statements as well as additional statistical information. The report also includes a letter from the City Manager and Finance Director as to what the report includes and the condition of the City which is a new and required portion of the CAFR.

Mr. Whiddon referred to page 8 of the Audit which is an opinion letter prepared by Baird & Co. The opinion states that the financial statements are presented fairly, in all material respects, the financial position of the governmental activities, and the major funds and the aggregate remaining fund information of the City, are prepared in conformity with generally accepted accounting principles. This is an unqualified opinion which is the best opinion that you could have. Other opinions include an adverse opinion in which the auditor would state that the financial statements are not prepared in accordance with generally accepted accounting principles; an except for opinion in which the statements are prepared in accordance with generally accepted accounting principles with an exception; and a scope limitation which is a disclaimer where the records aren't there to form an opinion.

Mr. Whiddon referred to the auditor's letter of internal control and compliance which makes it a governmental audit. The auditors formed an in relation to opinion of Management's Discussion and Analysis which is consistent with the financial statements.

Mr. Whiddon referred to the Management's Discussion and Analysis on page 10 of the Audit. This is prepared by management and is management's report as to the financial condition, future as well as past, of the City. Mr. Whiddon cited that there is eight million dollars (\$8,000,000) in net assets, however, only two hundred fifty-nine thousand dollars (\$259,000) is unrestricted. There is also approximately eleven million dollars (\$11,000,000) of restricted cash that is to be used for a specific purpose.

Mr. Whiddon referred to the Statement of Net Assets on page 18 of the Audit which is an entity wide financial position of the City. Mr. Whiddon cited that there is approximately thirty-one million five hundred thousand dollars (\$31,500,000) in total assets. Mr. Whiddon referred to the Statement of Activities on page 19 of the Audit and stated that ninety-five percent (95%) of the revenues are tax related, primarily property taxes. Mr. Whiddon next referred to the Balance Sheet for Governmental Funds on page 20 and stated that most governments are interested in what is happening with the general fund and basically this is where the City is operated through. There is two hundred forty-seven dollars (\$247,000) in cash and four hundred thirty-seven thousand dollars (\$437,000) in accounts receivable. There are only fourteen (14) days of cash to operate which is not a strong financial position; we generally recommend that you have one hundred eighty (180) days of operating cash; this is an area that the City can make some improvements on. In the general fund there is a deficit of thirteen thousand dollars (\$13,000) meaning that the City spent more than it took in last year. Mayor Pro Tem Powell asked on previous audits how many days of operating cash the City had. Mr. Whiddon responded that it traditionally has not been what they would like to see and noted that the City has gone through a lot of changes this year and probably used up a good amount of the funds.

Mr. Whiddon referred to the Statement of Revenues, Expenditures and Changes in Fund Balances on page 22 of the Audit citing that due to the bond issuance for Hilton Head Lakes funds are set aside for specific purposes and required that the debt service fund be reported.

Mr. Whiddon referred to page 24 of the Audit which is the start of the footnotes. Mr. Whiddon explained that the footnotes are a portion of the financial statements where there is a lot more detail offered as to certain line items and accounting policies that are used as well as more detail on cash and indebtedness. Mr. Whiddon referred to page 32 of the Audit that has a listing of long term obligations. Mr. Whiddon stated that there is approximately four million dollars (\$4,000,000) in leases which is a very expensive way to finance the purchase of equipment and fixed assets and he recommended trying to find an alternative source to finance that. The two different revenue bonds have an interest rate of 7.75% and Mr. Whiddon indicated that under the current economic conditions this is extensive and suggested possibly refunding these bonds and issuing new debt to pay them off at a cheaper interest rate. City Manager Griffin stated that the City attempted to refinance in the middle of 2008 at which time the market was basically locked up; now that things are starting to loosen up the City will attempt to refinance again. City Attorney Tedder stated for clarification regarding the 7.75% interest on the Hilton Head Lakes bond that it is a pass-through and it is Hilton Head Lakes' responsibility. The City is the conduit to pass that money through and is not in control, it is their responsibility to pay, it is not an obligation of the City; we are not in control of refinancing it and there are some restrictions on refinancing during initial years of the bond.

Mr. Whiddon referred to page 43 of the Audit and stated that there is one hundred ninety-seven thousand dollars (\$197,000) that is due from another fund and he suggested that the City consider transferring that asset to the general fund and help the financial position and the general fund.

Mr. Whiddon referred to the letter on the Report on Internal Control and Compliance. This is what makes this a governmental audit. The auditor is required to test a number of transactions, revenue and expenditure, grants and other items, to see what is found and if the City is in compliance with grant agreements, revenue requirements, debt agreements, etc. Mr. Whiddon referred to page 68 of the Audit citing that they did not identify any deficiencies in internal control over financial reporting that they consider to be a material weakness. The results of the tests result in no instances of noncompliance. City Manager Griffin asked at what time the tests in control were performed. Mr. Whiddon responded that they were done when they did field work and were pulled during the year. There are no set rules as to when they are done but are conducted during the audit period.

Mayor Bostick asked that in the future copies of the Audit be distributed to Council four or five days prior to presentation. Mr. Whiddon stated that Baird & Co. only issues letters; financial statements are prepared by another accountant.

Mayor Pro Tem Powell referred to page 34 of the Audit and asked if the City had already addressed the debt limitation. City Manager Griffin responded that we were able to work on some of that when we financed the Hargray Building; we attempted to finance some of the other lease purchase debt but at that time the market rate was fluctuating heavily. Now that the rates have come down we are going to attempt to refinance that debt as well through the

vehicle we created to finance the Hargray Buildings. City Attorney Tedder stated that we are not in excess of the eight percent (8%) limitation, we have a cushion. We have general obligation debt availability; that is what we were attempting to use when we financed the building but chose not to go forward at that point because of the interest rates. We still have that availability and hopefully this spring/summer as things begin to move forward the administration will take a look at refinancing.

Council Member Horton stated that he feels it is important to reemphasize for the public that these figures are as of June 30, 2008. These are conditions that we as a Council have been working on and have had a transition with the last election and we are on top of it, a lot of these items have either already been taken care of or are in the works. Council Member Horton stated that he wants to applaud this Council on the steps they've taken after what he has seen in the past and the changes that have been put into effect by this Council to move in the right direction financially for the City. The Council is moving in the right direction and doing a great job, we are getting there; it is just going to take a little time.

Mr. Whiddon stated that they also have a recommendation letter that is going to come out and it is going to be short and sweet; the City is heading in the right direction.

City Manager Griffin thanked Mr. Whiddon and stated that the Council will review this document and could have some questions, and that he may ask him to come back during the workshop sessions at the end of the month or first of February. City Manager Griffin stated that this is a much more extensive and detailed than we have ever had an audit report because this is the first time we have ever completed a Comprehensive Annual Financial Report known as a CAFR. Mr. Griffin commended Mr. Whiddon and Dennis Averkin who has worked hard and made it a goal of his to be sure we had a CAFR done this year for the first time.

Mayor Pro Tem Powell requested a copy of the 2007 Financial Report for comparison.

IV. OLD BUSINESS

A. SECOND READING OF AN ORDINANCE TO AMEND THE BUDGET FOR THE CITY OF HARDEEVILLE, SOUTH CAROLINA; FOR THE FISCAL YEAR BEGINNING JULY 1, 2008 AND ENDING JUNE 30, 2009
(2008-12-4A)
PUBLIC COMMENT

City Manager Kevin Griffin stated that this is the budget amendment that was presented to Council in December. There have been no material changes to this document since first reading.

Mayor Pro Tem Powell asked for the total that was returned to LCOG. Dennis Averkin responded that the amount was \$13,262.00 and is closed out. Mayor Pro Tem Powell stated

that the City has lost three staff members, and that he does not see six months of salary rolled back in this budget amendment and asked what the plans are for those positions. City Manager Griffin responded that those positions are still open and we are going to discuss restructuring at the workshops at the end of January. We are currently advertising for a media person for the TV station. We are trying to hold those positions open until we feel that we are on stable financial ground before we move forward, but they are needed.

Mayor Pro Tem Powell asked if the City has received a check from escrow from Tetra. City Manager Griffin responded that we have received a check, but it was received after this amendment was done.

There was no public comment. A motion was made by Council Member Horton to accept Ordinance No. 2008-12-4A at second reading. The motion received a proper second by Council Member Foskey and carried unanimously.

**B. SECOND READING OF A PLANNED DEVELOPMENT DISTRICT (PDD) AMENDMENT FOR PARCELS 029-43-05-006 & 029-43-02-001 OF THE GATEWAY CORNERS PLANNED DEVELOPMENT DISTRICT (PDD) LOCATED ALONG MOORER AVE. AND FRONTAGE RD (+/-22.17 ACRES). (2008-11-6A)
PUBLIC COMMENT**

City Manager Kevin Griffin stated that at first reading of this item there was much discussion about the material changes of the Planned Development. At that time, Council recommended that this issue be remanded back to Planning Commission for further study. It was presented to Planning Commission on December 11, 2008 and they have made a recommendation back with some changes to the PDD. City Manager Griffin deferred to Planning Director Brana Snowden for explanation. Ms. Snowden stated that at the regularly scheduled Planning Commission in December the members heard from the members of the community and made some recommendation in concert with the property owners and developer of that one acre tract. Ms. Snowden cited from the ordinance and stated that the proposal is basically changing the development standards allowed within the planned development which is still an amendment, but leaving the land uses allowed as they were. There are three amendments to the text, one is to add this site plan as shown, as a conceptual site plan for the project dated today and showing the fencing and development standards as Planning Commission is recommending to you with staff's help; second, is requiring that there be an eight foot landscape wall with exterior landscaping along Moorier Avenue, Burke Street or whenever PDD non-residential uses are proposed to abut residentially zoned or used properties; and finally, to limit the curb cuts allowed on Burke Street and to assure that the curb cut on the other side of Moorier Avenue is across from where this retail use is and not back toward the residential uses.

Ms. Snowden stated that she has heard from representatives of the owners today by email and they, along with the developer, are in agreement with this recommendation.

Mayor Pro Tem Powell asked for clarification regarding the eight foot wall along Moorer Avenue. Ms. Snowden indicated on the plan where the wall will be on Moorer Avenue to Burke Street and added that it would be placed anywhere non-residential uses abuts residentially zoned or used properties.

Council Member Mike Foskey asked for the recommendation of the Planning Commission of the original petition which was to have the property rezoned to residential. Ms. Snowden stated that the Planning Commission recommended a less intense commercial district that allowed for residential and some lighter commercial uses. There were still some commercial uses that needed to be screened and buffered from a residential community.

There was no public comment. A motion was made by Council Member Horton to accept Ordinance No. 2008-11-6A at second reading. The motion received a proper second by Mayor Pro Tem Powell and carried unanimously.

V. PRESENTATION & APPROVAL OF MINUTES FROM THE DECEMBER 4, 2008
REGULAR CITY COUNCIL MEETING

A motion was made by Council Member Foskey to approve the December 4, 2008 Regular City Council Meeting Minutes. The motion received a proper second by Council Member Horton and carried unanimously.

VI. NEW BUSINESS

- A. FIRST READING OF AN ORDINANCE TO ADOPT A MASTER PLAN SUBMITTAL FOR A TRACT OF LAND CONSISTING OF APPROXIMATELY +/- 281.03 ACRES LOCATED ALONG INDEPENDENCE HIGHWAY AND OKATIE HIGHWAY TMP NUMBERS 079-00-00-001 & 079-00-00-002, LOCATED IN JASPER COUNTY; AND R603-021-000-0028-0000, R603-021-000-0297-0000, R603-021-000-0298-0000, R603-021-000-0300-0000, R603-021-000-0301-0000, R603-021-000-0302-0000, R603-021-000-0303-0000, R603-021-000-0304-0000, & R603-021-000-0310-0000, LOCATED IN BEAUFORT COUNTY KNOWN GENERALLY AS **OKATIE CROSSINGS** AND TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF HARDEEVILLE TO INDICATE THAT PORTION SUBJECT TO THE MASTER PLAN (**2009-1-8A**)

PUBLIC COMMENT

City Manager Kevin Griffin stated that this is another in a long line of items dealing with Okatie Crossings. This is part of a large regional commercial project we are working through with the Sembler Company at Hwy 278 and Hwy 170 also known as McGarveys Corner. Mr. Griffin deferred to Planning Director Brana Snowden. Ms. Snowden displayed the zoning map to show the outline/borders of what is going in the Master Plan, and indicated

that the northern portion is in Jasper County and the southern portion is in Beaufort County. Ms. Snowden also displayed the site plan with the left side in Beaufort County and the right side in Jasper County, all located in the City of Hardeeville. This plan includes about 1.6M square feet of commercial and multi-family uses. Ms. Snowden stated that the Master Plan text includes signage standards, parking standards, setbacks, landscape standards, references for open space, storm water management and the traffic study which was worked on in conjunction with us, the Department of Transportation, our consultants and Beaufort County. Ms. Snowden added that since this was brought to Planning Commission on December 11, 2008, a few refinements need to be made on the sign program, which will be brought to Council for review before second reading. Ms. Snowden stated that with the changes that have been made, Planning Commission and staff recommend approval.

Council Member Bill Horton asked, for clarification, if they will have a final sign plan that is approved by Ms. Snowden and to the Council prior to the second reading of this ordinance or are they going to be in a position to have to go through a separate approval process on the sign plan for this property. Ms. Snowden responded that we will have a sign program approved at the end of this process before second reading. Each individual sign application would have to come through Planning and Zoning for review and there are places where there will be some interpretation under the guidelines of the MZDO.

Mayor Pro Tem Powell stated that in one of the sections of the Master Plan they are going to develop the out parcels along Hwy 278 first and asked if that is correct. Ms. Snowden responded that is correct and would probably be one of the first applications. Mayor Pro Tem Powell then asked if he is correct in reading that there are twenty-seven (27) out parcels with unlimited square footage. Ms. Snowden responded that there are development standards that have to be met; the whole project has to have the open space and while there is not a restriction on that square footage they have to meet their drainage and retention standards.

Council Member Foskey asked if the project representatives could explain the uses of this property for the public. Ms. Kristi Rooks of the Sembler Company, referred to the site plan and stated that this is a commercial retail shopping center and they are currently talking to department stores, home improvement stores, grocery stores and those types of businesses. There are two sections referenced as the power center, which is more of the bigger box retail users, and the village which is pedestrian oriented. There is a multi-family unit complex in the back and typical out parcel users such as retail, banks and sit down restaurants. Ms. Rooks commented that the only reason Hwy 278 is being developed first is because the infrastructure is already in place.

Mayor Pro Tem Powell stated that Beaufort County, Hilton Head and Bluffton have a strict signage, and asked how closely our signage on Hwy 278 follows their signage. Ms. Snowden responded that they have not done an exact comparison but have looked at a lot of different signs in the area and stated that Beaufort County has a Board that they go through. There are certain standards and they have the flexibility to refine them. Ms. Snowden stated that Ms. Rooks and her staff have done a lot of work in getting different ideas and

keeping it in with the lowcountry theme but are putting signage out there so that people can find these retailers. Mayor Pro Tem Powell asked that within the next two weeks Ms. Snowden provide him the details on how far or close our signage is to their signage.

There was no public comment. A motion was made by Council Member Foskey to adopt Ordinance No. 2009-1-8A at first reading. The motion received a proper second by Mayor Pro Tem Powell and carried unanimously.

B. FIRST READING OF AN ORDINANCE OF THE CITY OF HARDEEVILLE, SOUTH CAROLINA, AUTHORIZING THE ESTABLISHMENT OF THE OKATIE CROSSINGS MUNICIPAL IMPROVEMENT DISTRICT; PROVIDING FOR THE FINANCING OF IMPROVEMENTS WITHIN THE OKATIE CROSSINGS MUNICIPAL IMPROVEMENT DISTRICT BY ASSESSMENTS, ISSUANCE OF BONDS, OR OTHER REVENUES AS HEREIN DESCRIBED; AND OTHER MATTERS RELATING THERETO. (2009-1-8B)

PUBLIC COMMENT

City Manger Kevin Griffin deferred to City Attorney David Tedder. Attorney Tedder stated that this is the next step in the implementation of the Municipal Improvement District financing for Okatie Crossings so that they can build the infrastructure along Hwy 170. This process began back in November with the Letter of Intent; we have had the public hearings, the resolutions and have been working through the stages that you go through to get there. We are at the point now where we adopt an ordinance creating the District; this is first reading of that ordinance. This MID ordinance when put in place and the assessment is created, would not create an obligation on the City of Hardeeville's tax base or general obligation. It is funded solely through the contributions of the owners of the properties within Okatie Crossings as a pass-through. The ordinance is creating the District of the Okatie Crossings area, providing that a bond may be issued, and other various matters. The net value of the bond is \$23M. If Council wishes to move forward on this, we will have second reading and have the ordinance finalized mid to end of February. This is a statutory process and we are basically on track. Attorney Tedder stated that he, as well as Sam Howell and Alan Linkous, the City's bond counsel, has reviewed the ordinance. A few minor corrections have been made and it is his belief that it is the administration's and bond counsels and his recommendation that it be given first reading.

There was no public comment. A motion was made by Council Member Horton to accept Ordinance No. 2009-1-8B at first reading. The motion received a proper second by Council Member Foskey and carried unanimously.

C. APPROVAL OF 2009 REGULAR CITY COUNCIL MEETING DATES

City Manager Kevin Griffin stated that this is the first meeting of 2009 and during this meeting our ordinances require that we state and set our regular meeting agenda for the year.

Mr. Griffin stated that we generally have two meetings a month and we have gone through the calendar throughout the year for any conflicts with meeting dates such as South Carolina City County Management Association meetings and MASC meetings; those dates have been pulled out. There will be meetings held at 6:00 pm on February 5, February 19, March 5, April 2, April 16, May 7, May 21, June 4, July 16, August 20, September 3, October 1, October 15, November 5, November 19 and December 3, 2009. On March 19 and September 17, 2009 the meetings will have a conflict with MASC courses via satellite that are provided by the Lowcountry Council of Governments and staff is proposing moving those meetings to 3:00 p.m. rather than 6:00 p.m. to allow Council Members time to get up to Point South to attend those educational sessions. If needed during those months where there is one meeting scheduled, special meetings can be called by the Mayor.

There was no public comment. A motion was made by Mayor Pro Tem Powell to approve the 2009 Regular City Council Meeting Dates. The motion received a proper second by Council Member Horton and carried unanimously.

VII. MANAGER'S REPORT

City Manager Kevin Griffin reported that he and Mayor Bronco Bostick met with the State Secretary of Transportation, Mr. Buck Limehouse, on Monday, January 5, 2009 in Charleston. They had an extensive meeting on some infrastructure projects related to Exit 3 and other industrial development related to the Jasper Ocean Terminal and the current Savannah Port. The meeting went very well.

City Manager Griffin reported that in late December, the City was asked by the Lowcountry Council of Governments to submit any projects that would be ready to go within 60 to 90 days to bid for the stimulus package that is being proposed by President-Elect Obama. The staff worked very diligently to get that information to the LCOG. The Jasper County Council and the Jasper County School District have hired some assistants working on some assistance with getting into the stimulus package program and they have asked us to join in; they have also put our Hardeeville projects on those lists as well. Mr. Griffin stated that this led to the meeting this morning. Mayor Bostick and Mr. Griffin had a very good meeting with Congressman Clyburn's office in Columbia and explained our projects to them. They were very interested although Hardeeville is not in Congressman Clyburn's district. The Congressman is working very closely with our Congressman, Joe Wilson, and is very interested in the I-95 corridor and what has happened there. There has been a lot of publicity on the I-95 corridor of shame that Congressmen Clyburn is very interested in turning around and bringing more jobs and investment to the rural areas of the Lowcountry of South Carolina. Mr. Griffin stated that these items were discussed heavily and they looked at proposals on what we can do to get this investment and get the stimulus into the Lowcountry and into the City of Hardeeville and Jasper County. The Mayor and Mr. Griffin will follow up and will be in Washington D.C. next week to meet with Congressman Clyburn, Senator Lindsay Graham, Senator Jim DeMint, Congressman Henry Brown and Congressman Joe

Wilson. City Manager Griffin added that we are doing all that we can to get our local projects into that stimulus package so it will affect us here locally.

City Manager Griffin reported that we have been working another avenue with the State Infrastructure Bank and Ted Felder will report on that at the next meeting in February.

City Manager Griffin reported that on January 31st, the USC Beaufort Sandsharks will have their first college baseball game here in our park. They have a double header that day and will start at 12:00 p.m. After the games, at 5:30 p.m., there will be a community “meet the team supper”. There will be a presentation to introduce the team to the community and everyone is invited to come out, enjoy some supper and get a chance to meet and mingle with the team. This will be Hardeeville’s team and they will play at least the next two seasons here at the park behind City Hall. More details will be in the newspaper and on the TV station. The City is very excited about the team and that it is also going to bring a lot more economic investment to the City in the way of hotel rooms and restaurants. City Manager Griffin added that the City appreciates the continued partnership with USCB, Ms. Kim Abbott, and Mr. Rick Sofield, head coach.

Police Chief Richard Nagy reported that for the first time in several years, the City experienced no robberies or fatalities during the holiday season, which is a credit to the officers. The police department was very diligent in what they were trying to do and in what they wanted to accomplish and experimented with a few things that were very successful.

Chief Nagy reported on the Explorer Program. To date, there are six (6) people signed up for the program. An article ran in the paper which helped in terms of recruitment and marketing. There is a training curriculum and basic training program that will be eighty to one hundred hours and the department has received a lot of positive comments from the people in the community and is looking forward to the program in terms of career development. City Manager Griffin asked who any youths in the community interested in the program need to contact. Chief Nagy responded that anyone ages 14 through 21 interested should contact the Police Department. Council Member Foskey stated that this is a good program and anyone with kids should encourage them to get involved. Council Member Foskey asked if Chief Nagy could help Chief Morgan set up one for the Fire Department.

Chief Nagy reported that the Police Department has received a traffic grant for the second year. This is a DUI counter measures project. The Police Department’s performance in the first quarter has been absolutely exemplary; 10 DUI arrests and will have a record number in the next 12 months. Chief Nagy expects to receive an award and is very pleased that the program is on track.

Chief Nagy reported that they will be submitting a drug grant next week to fund one officer for Drug Enforcement and ICE, Immigration Customs Enforcement, and feels that they will be successful with getting the grant. There is also a four week program to get federal certification to enforce immigration laws and as a local law enforcement agency the police

department is going to go forward with that. The police department expects to receive the award in May, effective July 1 in terms of funding.

Council Member Brooks Willis thanked Chief Nagy and acknowledged his success on his tenure here. Council Member Willis stated that he has seen a lot of advancement in the police arena and congratulated Chief Nagy and he appreciates all that the Chief and his staff have put forth. Chief Nagy stated that what they have been able to accomplish in a year and one half has far exceeded his expectations and that is a credit to the officers.

Planning Director Brana Snowden reported on the Comprehensive Plan. Staff and the consultant have been working on the Comprehensive Plan and at 1:00 p.m. on January 22, 2009 at the regularly scheduled Planning Commission meeting we will be presenting three of the elements along with some other summaries. On February 12, 2009 which is also a regularly scheduled Planning Commission date, there will be other agenda items and hopefully we will be able to have a public workshop later in the day to get more input on those items and give you an update on where we are so far.

Mayor Pro Tem Powell asked what the progress is on redoing the Hargray Building. Finance Director Dennis Averkin responded that we have received qualified bids from two contractors. We now need to go to committee and look at the proposals and make recommendation so Council can approve the project. The City ordinance provides that the City Council must approve this type of expenditure at this certain level. This will be discussed at the workshop and brought to Council at the next Council meeting.

VIII. EXECUTIVE SESSION

DISCUSSION OF NEGOTIATIONS INCIDENT TO PROPOSED CONTRACTUAL ARRANGEMENTS AND PROPOSED SALE OR PURCHASE OF PROPERTY; DISCUSSION OF MATTERS RELATING TO THE PROPOSED LOCATION, EXPANSION, OR THE PROVISION OF SERVICES ENCOURAGING LOCATION OR EXPANSION OF INDUSTRIES OR OTHER BUSINESSES IN THE AREA SERVED BY THE PUBLIC BODY IN ACCORDANCE WITH S.C. CODE OF LAW SECTION 30-4-70(A)(2)(5).

A motion was made by Council Member Foskey to recess for five minutes then move into executive session. The motion received a proper second by Council Member Horton and carried unanimously.

A motion was made by Council Member Horton to return to regular session from executive session. The motion received a proper second by Mayor Pro Tem Powell and carried unanimously.

A motion was made by Council Member Bill Horton that the City Manager be authorized to execute and deliver on behalf of the City the Assignment of Rights and

Assumption of Obligations regarding the Morgan Tract and the division of the property between MFM Residential, and MRM Commercial as reviewed and approved by the City Manager and City Attorney. The motion received a proper second by Council Member Foskey and carried unanimously.

IX. ADJOURNMENT

A motion was made by Council Member Horton and seconded by Council Member Willis to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 8:25 p.m.

Lori Pomarico, City Clerk

Date

SEAL