

**MINUTES OF REGULAR MEETING OF NEWBERRY CITY COUNCIL  
HELD IN COUNCIL CHAMBERS, CITY HALL, NEWBERRY, SC  
June 9, 2009 – 7:00 P.M.**

Members Present: Mayor T. Edward Kyzer. Council: R. LeMont Glasgow, Foster Senn, Zebbie D. Goudelock, Gregg Summer, Thomas Louis Boyd, David E. DuBose.

Also Present: City Manager Eric G. Budds, Assistant City Manager Jeff Shacker, City Clerk Tina P. Wicker, Fire Chief Keith Minick. Others Present: Randy Malloy, Deborah Smith, Martin Boyd, Deborah Shaw. News representatives: Heather Hawkins, Holly Astwood.

**CALL TO ORDER**

Mayor Kyzer called the meeting to order and Councilman Glasgow gave the invocation.

**MINUTES**

Councilman Goudelock made a motion, seconded by Councilman Boyd, to approve the minutes of the regular meeting of Newberry City Council held on May 12, 2009 as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**FINANCIAL REPORT**

Mayor Kyzer reported that members of City Council had been provided with a copy of the Financial Report for the period ending May 31, 2009. Kyzer indicated that the report would be attached to and made a part of the minutes. City Manager Budds reported that there were several significant revenue sources that would not come in until the end of the month and that he anticipated a successful budget year.

**RECOGNITION OF EMPLOYEE**

Mayor Kyzer and City Manager Budds recognized Randy Malloy, Police Sergeant, for his five years of service. He received a longevity pin and gift from the City.

**PUBLIC HEARING:**

**Budget for FY2009-2010**

City Manager Budds presented an overview of the proposed budget. He first presented a summary of all funds noting that the general fund budget would total \$8,112,483 and that the special funds which have dedicated revenue and expenditures mostly for major projects would total \$1,985,439 and that the utility fund would total \$33,440,430 minus transfers of \$3,527,636. He stated that the total proposed budget would total 40,010,716.

City Manager Budds proceeded to explain in more detail the general fund revenue changes which reflected a slight revenue increase of .371%. He moved to general fund expenditures noting that there were no major projects proposed, no tax increases, no service fee increase, no

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payroll increases, no use of fund balance and reported that overall expenditures in the general fund increased slightly by 1.56%.

City Manager Budds stated that the utility revenue budget would increase by 5.4% which is largely driven by modest increases in sales, the 5% electric rate increase and the 7.5% sewer rate increase. He remarked that the utility expenditures would increase by \$87,279. He indicated that the funds for utility capital would total \$1,854,832.

Mayor Kyzer announced a public hearing on the proposed budget for Fiscal Year 2009-2010. No one commented on the proposed budget and Mayor Kyzer declared the public hearing closed.

**ORDINANCE (#2009-1002):**                      **City Code Amendments – Electric and Sewer Rate Increases – First Reading**

Mayor Kyzer presented for first reading an Ordinance (#2009-1002) to amend sections of Chapter 9 of the City Code whereby an increase to electric and sewer rates would be put into effect on July 1, 2009. He noted that the City would be passing on a 5% increase for the purchase of wholesale electricity from PMPA and would be implementing a 7.5% increase in sewer rates to service new debt anticipated to be incurred to rehabilitate and expand the City's wastewater treatment plant.

Councilman Glasgow made a motion, seconded by Councilman Boyd, to approve first reading of the Ordinance as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**ORDINANCE (#2009-1003):**                      **Adopt Budget and Levy Taxes for FY2009-2010 – First Reading**

Mayor Kyzer presented for first reading an Ordinance (#2009-1003) to adopt the budget and levy taxes at 93.3 mills for Fiscal Year 2009-2010. He mentioned that there would be no tax increase associated with the budget for next year.

Councilman Goudelock made a motion, seconded by Councilman Glasgow, to approve first reading of the Ordinance as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**ORDINANCE (#2009-1004):**                      **Amend FY2008-2009 Budget – First Reading**

Mayor Kyzer presented for first reading an Ordinance (#2009-1004) to amend the Fiscal Year 2008-2009 budget to address housekeeping and corrective actions. He explained that the most significant change would cover additional state assessment payments related to fine revenue

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which is expected to exceed projections and that other changes related to match funds for grant revenue and expenditures increased or awarded since the mid-year budget was adopted.

Councilman Boyd made a motion, seconded by Councilman Goude-lock, to approve first reading of the Ordinance as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**ORDINANCE (#2009-1005):                      Master Bond Ordinance – First Reading**

Mayor Kyzer presented for first reading an Ordinance (#2009-1005) to adopt the Master Bond Ordinance which sets forth the terms and conditions governing the borrowing of money by the City's public utility system. He advised that the City's Master Bond Ordinance had last been updated in 1993 and that the recommended changes are designed to update and modernize the language of the bond ordinance to facilitate current and future borrowing to support the utility system.

Councilman Boyd made a motion, seconded by Councilman Senn, to approve first reading of the Ordinance as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**ORDINANCE (#2009-1006):                      2009 Series Ordinance – First Reading**

Mayor Kyzer presented for first reading an Ordinance (#2009-1006) to adopt the 2009 Series Ordinance approving the financing of the improvement, construction and equipping of certain sewer treatment facilities in the City through the borrowing of an amount not exceeding \$19,236,065 from the State Water Pollution Control Revolving Fund (SRF) and to provide for other related matters. He stated that the City had a loan commitment offer from the SRF program of up to \$19,236,065 for a period of twenty years. He noted that \$15,236,065 would be loaned at 3.5% interest with the balance of \$4,000,000 loaned at 0% interest. He explained that the \$4,000,000 is federal stimulus funding. He added that the City staff's analysis indicates that the revenues generated from the two 7.5% sewer rate increases would be sufficient to service the debt on this project.

City Manager Budds stated that the bond counsel wanted attention called to two exhibits contained in the Series Ordinance dealing primarily with the funding of the bonds.

Councilman Glasgow made a motion, seconded by Councilman Goude-lock, to approve first reading of the Ordinance as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

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**RESOLUTION:**

**EPA Grant Award – Authorization for City  
Manager to Sign**

Mayor Kyzer presented for City Council's consideration a Resolution authorizing the City Manager to complete, execute and submit an application to the U.S. Environmental Protection Agency (EPA) for the grant in the amount of \$500,000 authorized by Congress and to execute all documents related to acceptance and use of the grant funds.

City Manager advised that Phase II of the wastewater project would actually total \$20,736,064 with an EDA grant of \$1,000,000 and the anticipated EPA grant of \$500,000.

Councilman Goudelock made a motion, seconded by Councilman Glasgow, to adopt the Resolution as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**BID:**

**Wastewater Treatment Plant - \$16,930,618 –  
M.B. Kahn Construction Co., Inc.**

Mayor Kyzer advised that the City opened bids on May 7 for construction work related to rehabilitation and expansion of the wastewater treatment plant. He indicated that the low bidder was M. B. Kahn Construction Company, but that the bid amount exceeded construction estimates. He reported that the City's engineering firm had elected to implement two deductions from the base bid and had negotiated a reduction in the scope of services for a total revised bid amount of \$16,930,618. Mayor Kyzer remarked that the City's engineer and staff recommended the award of the bid to M. B. Kahn Construction Company, Inc. in the amount of \$16,930,618.

Councilman Boyd made a motion, seconded by Councilman DuBose, to award the bid in an amount of \$16,930,618 to M. B. Kahn Construction Co., Inc. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**ANNEXATION AGREEMENT:**

**943 Pine Meadow Road (Tina M. Fuentes)**

Mayor Kyzer advised that the City had received a request for water service from the property owner, Tina M. Fuentes, of 943 Pine Meadow Road. He advised that the request did not require any extension of the City's system other than the customary water tap and the property owner would be required to execute an Annexation Agreement.

Councilman Goudelock made a motion, seconded by Councilman Glasgow, to approve the request for water service to 943 Pine Meadow Road upon receipt of a properly executed Annexation Agreement. Mayor Kyzer declared the motion carried by a unanimous vote of City Council members present.

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**RESOLUTION:**

**CDBG Local Match - \$42,000**

Mayor Kyzer presented for City Council's consideration a Resolution committing the City to providing a local cash match of \$42,000 to support the application for \$475,000 in Community Development Block Grant funding for improvements to the water and wastewater infrastructure in the Oakland community. He stated that local funds would be utilized for engineering and project management expenses and that the grant application would be submitted on or before June 10, 2009.

Councilman Goudelock made a motion, seconded by Councilman Boyd, to adopt the Resolution as presented. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**EXECUTIVE SESSION**

Councilman Boyd made a motion, seconded by Councilman Goudelock, to enter an Executive Session to discuss personnel and contractual matters as outlined on the agenda. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

Councilman Goudelock made a motion, seconded by Councilman Boyd to return to open session at approximately 8:36 P.M. Mayor Kyzer declared the motion carried by a unanimous vote of City Council members present.

**APPOINTMENT:**

**City Attorney – Robert C. Lake, III**

Councilman Boyd made a motion, seconded by Councilman DuBose, to appoint Robert C. Lake, III as City Attorney effective June 11, 2009. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

**APPOINTMENTS:**

**Municipal Planning Commission – George Summer, Mark Senn**

Councilman Goudelock made a motion, seconded by Councilman Summer, to reappoint George Summer to the Municipal Planning Commission and to appoint Mark Senn to the Municipal Planning Commission. Mayor Kyzer declared the motion carried following a unanimous vote of City Council members present.

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**ADJOURNMENT**

There being no further business before City Council, Councilman Boyd made a motion to adjourn the meeting at approximately 8:38 P.M. Councilman Goudelock seconded the motion which was carried by a unanimous vote of City Council members present.

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**T. Edward Kyzer**  
MAYOR

ATTEST:

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Tina P. Wicker, City Clerk  
Newberry, South Carolina

(SEAL)