

MINUTES
LAURENS COUNTY COUNCIL
NOVEMBER 26 2013 – 5:30 P.M.
HISTORIC COURTHOUSE – COUNTY COUNCIL CHAMBERS - PUBLIC SQUARE

ATTENDANCE: **COUNCIL MEMBERS PRESENT-** County Council Chairman Jim Coleman and Council Members, Diane Anderson, Ted Nash, David Pitts, Keith Tollison and Joe Wood.

COUNCIL MEMBERS ABSENT - Vice Chairman Edward McDaniel (due to surgery).

ADMINISTRATIVE STAFF: Laurens County Administrator, Ernest Segars; Laurens County Clerk to Council, Betty C. Walsh and Sandy Cruickshanks, Laurens County Attorney.

ATTENDING - LAURENS COUNTY DEPARTMENT HEADS: Laurens County Building Codes Official, Chuck Bobo; Laurens County Sheriff Ricky Chastain; Laurens County Human Resources Manager, Debi Parker; Laurens County Detention Center, Administrator, Chris Hudson;

PRESS: The *Laurens County Advertiser*, Corey Engle; *The Clinton Chronicle*, Vic MacDonald, GoLaurens.com, John Wage and Iva Cadmus, WLBG-Radio.

SCHEDULED SESSION AGENDA ITEMS – (1) Approval of Agenda, November 26, 2013; (2) Approval of Minutes from the November 12, 2013 Regular Session; (3.) Third Reading – Ordinance #760 – “An Ordinance Authorizing (1) The Execution and Delivery of a New Fee-In-Lieu-Of-Tax and Incentive Agreement Between Laurens County, South Carolina And Norbord South Carolina, Incorporated, Acting For Itself, One or More Affiliates or Other Project Investors, In Connection With The Expansion of The Company’s Manufacturing Facilities in the County; (2) Certain Special Source Revenue Credits in Connection With The Expansion Project; (3) The Execution And Delivery of a First Amendment To a Lease Purchase Agreement Previously Entered Into Between the County and the Company To provide for a Ten-Year Extension of the Period For Payment of Fees In Lieu of Taxes Pursuant Thereto; (4) The Execution and Delivery of a First Amendment to an Existing Fee In Lieu of Tax and Insensitive Agreement Between the County and The Company to Provide for a Ten-Year Extension of the Period for Payment of Fees In Lieu of Taxes Pursuant Thereto; (5) The Benefits of a Multi-County Park to be Made Available with Respect to the Expansion Project; and (6) Other Matters Relating Thereto”; (4.) Adoption of “Policies and Procedures for Tax Advantaged Bond Compliance,” as recommended by the County’s Bond Counsel; (5) Administrative Report – Ernie Segars, County Administrator; (6) Public Comment; (7) Comments from Council Members; (8) Executive Session – Two (2) Contractual Matters.

MEETING NOTIFICATION - The County Council Members, Press and requested public notifications were informed of the meeting in a timely and appropriate manner.

CALL TO ORDER – Chairman Coleman called the November 26, 2013 regular scheduled meeting of Council to order at 5:30 P.M. in the Council Chambers of the Laurens County Historic Courthouse.

Chairman Coleman noted that Vice Chairman McDaniel was absent due to recent surgery and offered an invitation to stand for the invocation and for the Pledge of Allegiance. The invocation was delivered by Chairman Coleman.

APPROVAL – AGENDA – NOVEMBER 26, 2013 – COUNCILMAN PITTS made the MOTION to approve the agenda for the November 26, 2013 meeting with any additions or deletions. The motion was SECONDED by COUNCILWOMAN ANDERSON for discussion. COUNCIL VOTED 6-0 to approve the agenda as presented.

APPROVAL – MINUTES – NOVEMBER 12, 2013 – REGULAR SESSION OF COUNCIL – COUNCILMAN NASH made the MOTION to approve the minutes from the November 12, 2013 regular session of Council, SECONDED by COUNCILMAN TOLLISON; COUNCIL VOTED 6-0.

THIRD READING – ORDINANCE #760 – “AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A NEW FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN LAURENS COUNTY, SOUTH CAROLINA (“THE COUNTY”) AND NORBORD SOUTH CAROLINA INC., ACTING FOR ITSELF, ONE OR MORE AFFILIATES OR OTHER PROJECT INVESTORS (THE “COMPANY”), IN CONNECTION WITH THE EXPANSION OF THE COMPANY’S MANUFACTURING FACILITIES IN THE COUNTY (THE “EXPANSION PROJECT”); (2) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE EXPANSION PROJECT; (3) THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO A LEASE PURCHASE AGREEMENT PREVIOUSLY ENTERED INTO BETWEEN THE COUNTY AND THE COMPANY TO PROVIDE FOR A TEN-YEAR EXTENSION OF THE PERIOD FOR PAYMENT OF FEES IN LIEU OF TAXES PURSUANT THERETO; (4) THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO AN EXISTING FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN THE COUNTY AND THE COMPANY TO PROVIDE FOR A TEN-YEAR EXTENSION OF THE PERIOD FOR PAYMENT OF FEES IN LIEU OF TAXES PURSUANT THERETO; (5) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE WITH RESPECT TO THE EXPANSION PROJECT; AND (6) OTHER MATTERS RELATING THERETO. – COUNCILMAN PITTS made the MOTION to approve Ordinance #760 upon third reading as presented. COUNCILMAN TOLLISON SECONDDING for discussion.

Councilman Wood questioned if this Ordinance was any different from other because of the public hearing held during second reading. Attorney Cruickshanks replied that the process was identical and that the public hearing was held earlier because Norbord Management wanted to attend the Council Meeting when it was scheduled.

COUNCIL VOTED 6-0.

ADOPTION OF “POLICIES AND PROCEDURES FOR TAX ADVANTAGED BOND COMPLIANCE”

In review, Administrator Segars said, “Bond Counsel Theodore DuBose has recommended for Laurens County to adopt the proposed Policies and Procedures prior to the issuance of the \$3.7 million General Obligation Bond in mid-December. According to Mr. DuBose, this policy was development by his law firm as it relates to two recent developments involving the Internal Revenue Service increasing its scrutiny of government-issued bonds and such transactions and are more likely to be audited by the IRS. According to Mr. DuBose, he has explained that by implementing this policy with procedures as written, local governments will be able to respond to audits because any information requested would have been compiled and available as a matter of course. Also, by carrying out the Procedures, issuers will have the opportunity to detect potential violation of the tax rules applicable to its bonds. Another development is that the IRS is now asking issuers of tax-exempt bonds whether they have adopted compliance policies. This question is included on the latest version of IRS Form 8038G, which must be filed with the IRS at the closing of each tax-exempt bond issue. The law does not actually require that such policies be adopted, nor does the IRS suggest what should be included in such policies. Nonetheless, it is possible that the failure to adopt compliance policies may be more likely to trigger an audit, “random” or otherwise”.

Administrator Segars added that Mr. Cruickshanks has reviewed the documents and has indicated his understanding and support.

Council Members questioned a variety of areas such as if the Finance Director had been advised of this and if quarterly meetings will be held with those noted.

COUNCILWOMAN ANDERSON made the MOTION to approve for the adoption of the proposed policy and procedure as presented with COUNCILMAN PITTS SECONDDING; VOTE 6-0.

ADMINISTRATIVE REPORT – ERNIE SEGARS, COUNTY ADMINISTRATOR:

- 1.) Administrator Segars reported the following that two (2) request for proposals towards the bonding of the Administrative Offices have been received as follows: BB&T at 2.31% and Carter Bank and Trust in Virginia at 2.30%.

Continuing Administrator Segars said, “Mr. DuBose is familiar with the Carter Bank and Trust and that the Laurens County Water and Sewer Commission recently awarded a contract with Carter Bank and Trust. The closing of the documents will be held on December 17th at the Church Street Office Complex”.

- 2.) Administrator Segars informed Council that Mr. Dennis Ashley would be placed on the agenda for the December 10th meeting to provide updates to Council on the proposed facility. Construction is proposed to begin in the Spring.
- 3.) Administrator Segars told Council that the Department Heads have been advised of the Internet Policy with degrees of concerns expressed.

Councilman Tollison stated the he would like to hear what feedback is being discussed.

PUBLIC COMMENTS – Chairman Coleman opened the floor for public comments at 5:45 P.M. Having no one else wishing to address Council, Chairman Coleman closed the session at 5:46 P.M.

COUNCIL COMMENTS – Chairman Coleman asked if there were any comments from Council.

- 1.) Several Council Members expressed their wishes for a Happy Thanksgiving Holiday.
- 2.) Councilman Pitts asked for Mr. Marvin Moss to provide an update on economic development.

Mr. Moss stated, “So far this has been a great year. We have ten to twelve (10-12) active prospects; three (3) of which are looking at the same property. The Hunter Park site, we are waiting on landscaping and hope to have a ribbon cutting after the first of the year”.
- 3.) Chairman Coleman noted that Aaron Industries has been sold and we are hopeful that the new owners will elect to remain here in Laurens County.
- 4.) Councilman Pitts asked how many openings were within the Detention Center Staff at the present time. Human Resources Manager, Debi Parker stated that she was not positive at this point. Councilman Tollison noted that he had spoken with Captain Hudson and that several were just before going to the Academy.
- 5.) Chairman Coleman also noted that having just returned from several South Carolina Association of Counties (SCAC) business meetings among other County Officers, that many of those officials complemented Laurens County on its work in the area of economic development.

EXECUTIVE SESSION – COUNCILWOMAN ANDERSON made the MOTION to move into Executive Session at 5:55 P.M. to discuss two (2) contractual matters. COUNCILMAN NASH SECONDDING; VOTE 6-0.

There was a COUNCIL CONSENSUS to come out of Executive Session at 7:08 P.M.

- 1.) **First Contractual Matter** - COUNCILMAN PITTS made the MOTION for Council to approve and endorse the concept of a loan among the Laurens County Development Corporation, the City of Clinton and the Clinton City Economic Development Corporation with Santee Cooper for the purpose of acquiring property, to grade for a one thousand square foot pad and to construct a fifty thousand square

foot (50,000 sq ft) speculative building in the Clinton Industrial Park to encourage economic growth and development. COUNCILWOMAN ANDERSON SECONDING for discussion.

Councilman Tollison stated that he would like for the motion to contain language that clearly states that Laurens County and the Laurens County Development Corporation are not liable for any part of the loan including default on the loan once in place.

Upon having made the motion, COUNCILMAN PITTS AGREED with the additional language noted by Councilman Tollison.

COUNCIL VOTED 5-1 (Councilman Wood was in opposition and Vice Chairman McDaniel was absent).

- 2.) Second Contractual Matter - COUNCILMAN PITTS made the MOTION for Council to approve and endorse the concept of a loan among the Laurens County Development Corporation, the City of Laurens and the Laurens City Commission of Public Works with Santee Cooper for the purpose of constructing a one hundred thousand square foot (100,000 sq. ft.) speculative building in the Hunter Industrial Park. And, that Laurens County on behalf of the taxpayers and the Laurens County Development Corporation will not be liable for any financial obligations towards the loan. COUNCILMAN TOLLISON SECONDING for discussion.

Councilman Tollison stated that he would like for the same stipulations request in the earlier motion to also contain language that clearly states that Laurens County and the Laurens County Development Corporation are not liable for any part of the loan including default on the loan once in place.

COUNCIL VOTED 5-1 (Councilman Wood was in opposition and Vice Chairman McDaniel was absent).

ADJOURNMENT – With no further business, Chairman Coleman adjourned the meeting of Council at 7:15 P.M.

Respectfully Submitted,



Betty C. Walsh

Laurens County Clerk to Council