

WORKSHOP MINUTES
July 24, 2018
9:00 A.M. – WORKSHOP – TED C. COLLINS LAW ENFORCEMENT CENTER

MYRTLE BEACH CITY COUNCIL:

PRESENT:

MICHAEL CHESTNUT, MAYOR PRO-TEM
MARY JEFFCOAT
MIKE LOWDER
PHILIP N. RENDER
GREGG SMITH
JACKIE VEREEN

ABSENT:

BRENDA BETHUNE, MAYOR

CITY STAFF:

JOHN PEDERSEN, CITY MANAGER
JONATHAN "FOX" SIMONS, ASSISTANT CITY MANAGER
BRUCE BOULINEAU, ASSISTANT CITY MANAGER
MIKE SHELTON, CHIEF FINANCIAL OFFICER
TOM ELLENBURG, CITY ATTORNEY
JENNIFER STANFORD, ACTING CITY CLERK



Roll Call.

Present: Michael Chestnut, Mary Jeffcoat, Mike Lowder, Philip N. Render, Gregg Smith, Jackie Vereen.

Absent/Excused: Mayor Brenda Bethune.

CALL TO ORDER.....Mayor Pro-Tem Chestnut

9:04 AM

PUBLIC REQUESTS, PRESENTATIONS, AWARDS, MEMORIALS:

1. Presentation from Samantha Vittoe on the Kid's Triathlon.



Samantha Vittoe gave details on the event, 96 students involved in triathlon.

2. Presentation from Chip Smith on Whispering Pines.



Chip Smith gave an update on highlights of golf course such as rounds, revenue, and rates.



Councilman Render states that the state that the golf course is in is testament of Mr. Smith's hard work and dedication.

CONSENT AGENDA – *The Consent Agenda covers items anticipated to be routine in nature. Any Councilmember may ask that an item be moved from the Consent Agenda to the Regular Agenda for lengthier discussion, or a member of the public may request that such an item be moved. Items remaining on the Consent Agenda will be briefly described by staff, and may be passed as a group with the APPROVAL OF THE AGENDA.*

Note: *City laws are known as ordinances. Before a City ordinance can be enacted it must be introduced (1st Reading), & then approved (2nd reading). Resolutions are normally actions through which City Council reinforces or makes policy not rising to the*

level of law. Motions are generally related to direction from City Council to City staff to take certain actions.

2nd Reading Ordinance 2018-41 of two parts, Part One: to repeal in its entirety Division 2, Purchasing in Chapter 2, Administration, Article VI Finance. Part Two: to enact Chapter 2, Administration, Article VI Finance, Division 2, Purchasing to adjust limits for requiring formal procurement solicitation and contract procedures; to clarify the competitive bidding requirement; to amend the local preference sub-section to comport with these amendments; and to add procedures for filing and resolving disputes and protests.

The Purchasing Code was amended in 2007 to change the limits of purchases requiring competitive bids to \$2,500 for "local purchase orders" and written bids to \$5,000. This proposed amendment:

- Changes the term "local purchase order" to "limited purchase order (LPO)."*
- Requires competitive procedures for all purchases, including competitive quotes for purchases made by LPO.*
- Names the department head as the acting purchasing agent when using LPOs and requires the consistent documentation for all purchase processes.*
- Allows LPO use up to \$7,500, allows oral quotes up to \$25k, but requires written procedures for purchases exceeding \$25,000 (consistent with those of similarly sized cities).*
- Allows for publication by means other than newspaper. Provides public notice and listing requirements for agencies acting as City's listing or sales agents.*
- Establishes a formal protest & appeals process to handle disputes.*

Changes since 1st reading:

- Added requirement ensuring that vendors and contractors have insurance and business licenses.*
- Added "contractual services" to the list of items that may be purchased using LPO.*
- Defined NESAs (North Eastern Strategic Alliance).*

The proposed appeal process includes:

- An informal protest process upon notification within five days of the bid award.*
- If this is unsuccessful, the aggrieved party may initiate a formal protest:*
 - Written notice to the Purchasing Agent within five days of informal notice.*
 - Payment of 5% admin fee.*
 - During the pendency of the protest, the disputed contract will not be awarded unless the Purchasing Agent finds that it is necessary.*
 - Purchasing Agent may hold a hearing and/or conduct an investigation.*
 - Purchasing Agent to render decision within 10 days of the notice.*



Michael Shelton briefly explains amendments made from first reading as well as how banking companies are chosen for who gives us the best services for the best prices, proposal procedure, extension provisions, exercise renewal provisions,



Mr. Pedersen states that ordinance gives more authority for more competitive quotes. Requests that provision takes affect October 1st.

2nd Reading Ordinance 2018-44 to extend the corporate limits of the City of Myrtle Beach by annexing 1.37 acres located at Lot 44 Cove Dr. (Horry County PIN #39403040032), and rezone said property from Horry County SF 10 (Single Family Residential) to City of Myrtle Beach R15 (Single Family Residential).


With annexation of this parcel there will be 14 parcels left in Dunes Cove that are not in the City.



Mr. Pedersen reviewed annexation details.

2nd Reading Ordinance 2018-46 to amend Section 1407.C of the zoning ordinance to allow indoor kennels as a permitted use in the MP (Medical/Professional) district.

The applicant owns the Vet Clinic of Myrtle Beach at 708 21st N and would like to offer additional services on an adjacent lot. Both properties are zoned MP which does not allow kennels (they are allowed in the HC1 and HC2, WM, and LM zones). There are seven locations where an MP district abuts a residential district (the applicant's location does not).

 Mr. Pedersen went over details.


1st Reading Ordinance 2018-51 to amend Ordinance No. 2018-38, the 2018-19 Budget Ordinance, (1) to implement recommendations of the Chapin Memorial Library Board, (2) to provide for the transfer of funds to finance animal shelter improvements, and (3) to correct a scrivener's error in the schedule of Solid Waste fee and charges.

At City Council's July 10th meeting, the Chairperson of the Chapin Memorial Library Board presented several recommendations that the Board adopted at its June 22nd meeting including:

- *Free library cards for veterans.*
- *Acceptance of County grant to Chapin Library for purchase of library materials.*
- *Free library cards for residents participating in Palmetto Library Consortium or other inter-library loan arrangements w/ Chapin Library (Darlington, Georgetown, Horry, Marion, Dillon, Williamsburg & Sumter).*
- *Keep other fees as they are to offset costs of materials lost to patrons of other locations, for which the library has no recourse.*

The amendment also:


- *Provides for interfund transfer allowing the Storm Water Fund to reimburse the capital projects account for Animal Shelter improvements for physical improvements to the kennel areas.*
- *Corrects a scrivener's error relating to the landfill tipping fee charge adopted in 2017-18.*


 Mr. Pedersen states that request to move to regular agenda was expressed by Councilman Render.

Motion M2018-114 to approve a Special Event Permit to the Myrtle Beach Shrine Club/Rusty Watson for the "2018 Smoke on the Beach". At the Burroughs & Chapin Pavilion Place Lot at 812 North Ocean Boulevard from 10:00 am to 10:00 pm each day, Friday September 28 to Saturday September 29. The City Manager is authorized to make changes to these plans as he deems necessary in keeping with the nature of the event and as circumstances dictate.

There are no road closures and/or in-kind service requests associated with this event. The Shriners expect 1,500 – 2,000 participants. This event is a fund raiser benefiting the Shriners' Children Hospitals.

 Bruce Arnel goes over event details.

 Mr. Steve Kahn states that this will be the first time MB will be hosting this event.

 Councilman Lowder expresses excitement to see that location has changed and will have great food.

Motion M2018-115 to approve a Special Event Permit to Scott Payseur for the “Ground Zero Fall Bonfire” event for area teenagers, which is to be held on the beach side of the Burroughs & Chapin Pavilion Place lot on October 22, 2018 (Monday), from 6:00 p.m. to 8:30 p.m. The City Manager is authorized to make changes to these plans as he deems necessary in keeping with the nature of the event and as circumstances dictate.


There are no road closures associated with this event. Ground Zero expects 100 event participants. GZ has requested use of the City's bike barricades to separate the kids from the bonfire, and to have a City fire engine standing by.

 Bruce Arnel goes over details of event.

REGULAR AGENDA *The Regular Agenda includes items that are not anticipated to be routine in nature. Any Councilmember may ask that an item be moved from the Consent Agenda to the Regular Agenda for lengthier discussion, or a member of the public may request that such an item be moved.*

2nd Reading Ordinance 2018-47 to create a redevelopment district zone known as the Gateway Galleria Redevelopment District Zone.

This proposed district is located along 7th N, N. Ocean Blvd., and Chester St. The applicant requests rezoning to a “floating zone” to allow a mixed-use commercial/accommodation/residential development. This is the second review under the new “floating zone”, which requires a RDZ designation by Council.

 Mr. Pedersen explains that 47, 48 & 50 are companion ordinances.

 Carol Coleman reviews over details.

 Councilman Render states that this is not City of Myrtle Beach writing check for incentive.

2nd Reading Ordinance 2018-48 to approve the 7th Avenue North Redevelopment agreement between the City of Myrtle Beach and Laniado Development, LLC (Developer).

The developer is planning to construct a commercial & residential/accommodation mixed use ocean-front development at 7th N and Ocean Boulevard. The project is the second request to utilize the Floating Zone and Redevelopment Financial Incentives adopted by City Council in 2015 and 2016. Qualifying projects must address conditions which suppress economic and social development of commercial, residential, or mixed-use, and the parties must enter into a development agreement to qualify for financial incentives. To be eligible for the financial incentive the developer must obtain a building permit within six months and must complete the project within two years of the date of the building permit.

The proposed development agreement includes:

- Vesting certain property rights by protecting the developer from subsequently enacted legislation.*
- The developer pays normal impact fees (may be refunded thru the incentive policy).*
- A two-year term of the agreement, with automatic renewal unless one party notifies the other at least one year before the expiration date.*
- Either party may terminate for a breach if the other doesn't cure within 30 days.*

1st Reading Ordinance 2018-50 to declare a redevelopment district zone known as the Gateway Galleria Redevelopment District as eligible for redevelopment incentives, pursuant to Chapter 15, Article IV.

This is the 3rd of 3 companion ordinances to facilitate the construction of the “Gateway Galleria” project, a 75,000 sf mixed use project at the corner of 7th North and Ocean Boulevard. Ordinance 2018-47 sets out

the project in a "Redevelopment District". Ordinance 2018-48 approves the necessary redevelopment agreement. This proposed ordinance authorizes the application of the City's financial incentive policy to this redevelopment project.


The estimated construction cost of this project is \$10,000,000. Per the City's incentive policy, a voucher in the amount of 2% of the construction value (\$200,000 in this case), may be provided to the project upon the issuance of a Certificate of Occupancy. The first draw on the voucher is to reimburse the project for permit and impact fees associated with the construction of that property. Thereafter the voucher may be used to off-set City utility fees, business license fees, or Local Accommodation Taxes accruing to this property until the voucher reaches zero or five years (whichever is first). The voucher may not be used to off-set property taxes, State A-Taxes, or sales taxes of any kind. As structured the incentive does not use other people's property taxes to provide an incentive. The voucher is basically a deferment of some forms of City revenues. The voucher does not affect County or School District taxes.


Resolution R2018-29 granting a special event permit to the Five Points Business Association for "The Mistletoe Market" and affirming the city's co-sponsorship.


This event was continued from the last meeting in order to gauge the support of the local merchants affected by this event, and to see if it was possible to reduce the hours of the proposed road closure. The event goal is to promote Broadway Street and the 5 Points Merchant's Association. As revised:


- Broadway would be closed between 3rd N and 6th N from 8:00 a.m. to 11:00 p.m. on 12/8/18 (originally 6:00 a.m. to midnight).
- Activities will feature local restaurants, local arts & crafts vendors, food trucks, food vendors, car show, kid zone, and musical entertainment with stage.
- Event will be gated and open to the public with no admission charge.
- Off-site parking is proposed at the City owned vacant lot next to City Services.
- Participants will be shuttled between the two locations via trolley.
- Alcohol (beer and wine only) will be served at this event as approved by the MBPD.
- The City agrees to co-sponsor the event and provide the following in-kind services:
 - Delivery of water barricades, bicycle racks, and trash barrels.
 - Delivery, pick-up and disposal of one roll-off container.
 - Provide the event with four Police Officers and two EMT's.


The applicant has a petition indicating the support of all except one of the affected merchants.


 Bruce Arnel goes over details of event.

 John Krajc explains that since last meeting that more business owners along Broadway St. are now in support of the event.

 Councilman Lowder states that he would rather see it at 10 AM – 10PM, there are a lot of folks that live in that area and to close that road would inconvenience those residents.

 John Krajc states that for event to be profitable it needs to be at least 8 hours long.

 Councilwoman Jeffcoat suggested just closing two blocks rather than the whole street.

 Mr. Pedersen suggests that we come back to discuss during regular meeting.


Motion M2018-113 to appoint/reappoint one member to the Seniors Advisory Committee.

Catherine Nelson, who was a non-resident, has moved out of the area. Her term expires 3/8/2020. We have resumes from residents Patricia Marie Yost and Julia Brinkley, and non-resident Gina Allan. There are currently six residents and two non-residents serving on this board.

 Mr. Pedersen reviews.

Motion M2018-116 to declare certain vehicles abandoned or derelict pursuant to the authority of Article 41 of Title 56 South Carolina Code of Laws 2001.

City staff has previously tagged these vehicles as either abandoned or derelict. Upon approval these vehicles may be towed from their private property location to a storage facility. If the owner does not reclaim the vehicle, then the tow company ultimately becomes the owner of the vehicle and may dispose of it as they see fit. The memo dated July 24, 2018 shows 3 vehicles.

 Mr. Pedersen reviews stating that memo shows three vehicles.

Motion M2018-117 to appoint/reappoint three members to the Bicycle and Pedestrian Committee. The terms of Michael Snow, Fleet Odom, and Becky Billingsley will expire on August 26, 2018.

The incumbents would like to continue. They are all city residents. We also have resumes from Matthew Hardee and Jim Whitmore both of whom are also City residents. There are currently eight residents and one non-resident serving on this board.

 Mr. Pedersen reviewed.

Motion M2018-118 to appoint/reappoint three members to the Cultural Arts Advisory Committee.

The term of Arielle Fatuova, a non-resident, expired July 18, 2018. She wishes to be reappointed. Also, Victoria Tall is deceased and needs to be replaced. Ms. Fatuova wishes to be re-appointed. We also have resumes from residents Robin Edwards-Russell, and Nick Sherfese. There are currently two residents and six non-resident serving on this board.

 Mr. Pedersen reviewed.

Motion M2018-119 to appoint/reappoint three members to the Tourism Committee.

The terms of Gary Loftus, Taylor Damonte, and Kenneth McKelvey expired on August 25, 2017. The incumbents would like to continue to serve. All are non-residents. We have resumes from residents John Clayton and Robert Sansbury. There are currently five non-residents (no residents) serving on this board.

 Mr. Pedersen suggests moving to consent agenda for continuance.

AGENDA ITEMS FROM THE PUBLIC

COMMUNICATIONS FROM CITY BOARDS/COMMISSION MEMBERS

COMMUNICATIONS FROM CITY COUNCIL AND CITY MANAGER

1. Council Communications
2. CFO Update
3. CM/ACM Update

REPORTS AND INFORMATION PRESENTATIONS FROM CITY STAFF

EXECUTIVE SESSION - Council may take action on matters discussed in Executive Session which are deemed to be "emergency" concerns.

Note: South Carolina law requires that Council's business is conducted in public with limited exceptions known as "Executive Sessions". Subjects eligible for Executive Session include:

- **Personnel matters.**
- **Negotiations concerning proposed contractual arrangements and proposed sale or purchase of property.**
- **The receipt of legal advice relating to:**
 - **A pending, threatened, or potential claim.**
 - **Other matters covered by the attorney-client privilege.**
 - **Settlement of legal claims, or the position of the City in other adversary situations.**
- **Discussions regarding development of security personnel or devices.**
- **Investigative proceedings regarding allegations of criminal misconduct.**
- **Matters relating to the proposed location, expansion, or provision of services encouraging location or expansion of industries or other businesses.**

Motions to go into Executive Session must be made in public and specify one or more reason above. Council can take no votes or take action in Executive Session.

ADJOURNMENT

ATTEST:

BRENDA BETHUNE, MAYOR

JENNIFER STANFORD, INTERIM CITY CLERK