City Council Minutes Special Meeting and Budget Workshop July 26, 2024

Orangeburg City Council held a special meeting on Tuesday, June 26, 2024, at 9:45 AM with Mayor Michael C. Butler presiding.

PRESENT:

Michael C. Butler, Mayor Annette Dees Grevious Jerry Hannah Dr. Kalu Kalu L. Zimmerman Keitt, Mayor Pro Tem Sandra P. Knotts Richard F. Stroman

Ms. Erica Salley, United States Department of Agriculture Loan Specialist appeared before Council concerning acceptance of the USDA grant award letter of conditions for CF Congressional Directed Spending Grant - Rehabilitation of the Old State Theater - \$703,256 and CF Disaster Grant – Department of Public Safety Facilities - \$193,700. She stated, "I am here to present two grants that you received funding through our Community Facilities Program. The first grant was for Department of Public Safety for repairs to a roof and asphalt for two buildings. The grant award is not to exceed \$193,700 for the repair of roof and parking lots. The letter of intent of conditions means you plan to meet the conditions set forth in this document. Also, there is a request for obligation for funds that means there is \$193,700 set aside for you until you are ready to draw down the funds. The breakdown of the cost is on page 2. We expect it to be \$258,000. The USDA grant is \$193,700 and the City will put forth the \$64,616. With this grant, we were able to provide the City with 75% of the total project cost. With this type of project, we typically give you twelve months to complete the project. If you are unable to complete it within twelve months, you can request an extension to complete the project. On page 3 is the disbursement of funds, the applicant is required to spend their dollars first, and then the USDA will reimburse you. Once you have completed your project, you will send in documentation of completion including paid invoices and documentation and we will reimburse you. On page 7, we will need to see at least three bids and state why you chose the bidder. Part of the monthly reporting is that we may come out and do inspections. We require you submit your updated audit report, updated balance sheet and budgets to be incompliance with our program."

Councilmember Hannah asked, "You mentioned three bids. Are you looking to go with the lowest bid or who is the best fit?"

Ms. Salley stated, "According to our regulations, it is the lowest bidder. Sometimes we find that the lowest bidder may not have enough experience to do the job. You can provide us an explanation of why you are unable to go with the lowest bidder for review."

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman to accept the USDA grand award letter of conditions for CF Disaster Grant – Department of Public Safety Facilities - \$193,700. The motion was unanimously approved.

Ms. Salley addressed Council concerning the CF Congressional Directed Spending Grant – Rehabilitation of the Old State Theater - \$703,256. She stated, "The Old State Theater project was funded through the Congressional Directed Spending Grant. These funds were awarded through Congressman Clyburn's office for \$703,256 to rehabilitate the Old State Theatre. The funds have been leveraged with other local funds. We know we are a small portion of this project. Our grant funds are typically the last to be included in a project. This project will be considered a construction project and these funds have been set aside."

Councilmember Grievous asked, "This is also a reimbursed grant?"

Ms. Salley stated, "Yes, that is correct."

A motion was made by Councilmember Hannah, seconded by Councilmember Grevious to accept the USDA Grant award letter of conditions for CF Congressional Directed Spending Grant – Rehabilitation of the Old State Theater - \$703,256. The motion was unanimously approved.

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt to adjourn. The motion was unanimously approved.

Council opened the Budget Workshop.

City Administrator Evering addressed Council. He stated, "At our last budget workshop, Council set forth guiding principles including continue to work on a strategic plan, continuity of operations, commitment to the highest level of public service, and responsible stewardship. Those are our guiding principles as we enter this budget. We also mentioned challenges that we are facing. Primarily, payroll costs have risen significantly over the past five years. Insurance costs have risen sharply over the same period. City revenues have not kept pace with rising expenditure. You asked us to go back to our department heads. We asked department heads to, where possible, do a 15% reduction to help save funds. We are also considering an operational assessment for the entire City to make sure the way we are structured as a government is efficient, that we are not duplicating services and we are providing services in the most efficient revenue savings way possible. I just wanted to make sure that you and the public are reminded of those items. We have done the research you requested, and we can talk about the personnel items obviously in executive session at your discretion."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt to go into executive session. The motion was unanimously approved.

A motion was made by Mayor Pro Tem Keitt, seconded by Councilmember Stroman to return to open session. The motion was unanimously approved.

City Administrator Evering stated, "We do not have anything else to add for the budget workshop. We will be presenting first reading of the budget at the next Council meeting."

A motion was made by Councilmember Stroman, seconded by Mayor Pro Tem Keitt to adjourn the meeting. The motion was unanimously approved.

Respectfully submitted,

Kuida Musand

Linda McDaniel City Clerk

