



**COUNCIL MEETING**  
**117 E. BROADWAY STREET, COUNCIL CHAMBERS**  
**TUESDAY OCTOBER 4, 2022 6:30 p.m.**

The meeting was called to order by Mayor Hanna

The invocation was given by Council Member Altman  
The Pledge of Allegiance was given to the flag

**Council present:** Mayor Hanna, Gary Arthurs, Doolittle Stone, Frankie Poston, Dipen Khambhaita  
Jamie Altman, and April Collins

**City personnel present:** Marlene Rollins, Jim Smith, Ron Douglas, Joey Miles,

**Guest Present:** Tamala Owens, Mallory Feagin, Holly Swann, Joan Lentz, Sammy Jones, Shannon Tippet, Garland Weaver, William Kelly, Randall Cox and Phil Johnson

**Motion** was made by Council Member Altman and received a second by Council Member Stone to approve the agenda. **Motion carried unanimously.**

**Motion** was made by Council Member Poston and received a second by Council Member Collins to approve the minutes from the September 6 & September 20, 2022 Council Meetings. **Motion carried unanimously.**

**PUBLIC FORUM**

Sammy Jones, 253 E. Marin Street, you know what I'm here for I need some answers, Mr. Jim and Mr. Altman came by the house to see what the problem was, he asked what paper did Mr. Smith put the bids in, he didn't put them in the paper, he is working with two contractors, I would like the phone numbers to the contractors because somebody is lying. Any way we got into an argument on the phone, I call and he couldn't talk to me he was with an employee and he would call me back in 10 minutes, I waited around the house for 45 minutes he never called me. Later on, he called the Tuesday before I waited in the house all day because he was to bring the contractors, he didn't call or tell me nothing, I have things to do myself, the city don't pay me \$55 an hour to sit at home, I have things to do I just can't sit there and wait. He should have had the decency to call me. But Jim I would like the phone numbers to those contractors you are talking about. Do you have them?

Mr. Smith: I will not respond

Mayor Hanna stated what we will he like it read here will take all of your concerns and I will get you some answers.

Mr. Jones: well, you said at the last meeting you were going to take care of it. Other words I know what's going on this guy is buying time because he will be gone in a couple of weeks. He could give a rat's butt

...at it, that's what is going on with him. he hasn't done nothing but lie to me the whole time and that no way to run a business, if a man will lie, he will steal.

Mayor Hanna: if you read on down in here the derogatory comments will not be made in public forum. We will try to get you some answers

## **NEW BUSINESS**

The Golf course committee brought to council starting with Mr. Smith stating we have made some repairs to the golf course as council knows and we had to appropriate some money to do that, we have had additional washouts based on weather and we talked about this at the golf course subcommittee last week and tried to figure a way to make these improvements, once we get these improvements done the golf course should be complete in term of the course, we have talked to the contractor and he offered to do the repairs over the next couple of weeks pending financing, he was willing to finance us for a period of 120 days, we decided not to go that route. And pending my discussion with the attorneys I wanted to make sure that was the case the whole process would be legal and above board after talking with the attorney that is not the best way to go about the additional financing we need. Gary I 'll turn it over to you. **Councilman Arthurs:** as you know about three or four weeks ago, we had that weekend where we got about 5 inches of rain on Saturday and it did a lot of damage to the golf course, I don't have to tell yal we can control a lot of things out there, but we can't control mother nature she's been not so kind to use. We had the architect come in, Scott Veazey from southeastern golf construction he came in looked at the golf course, painted off the areas that needed to be sodded to keep this from happening again in the future, he came up with 21 loads of sod to get us opened by November 1<sup>st</sup>, we can't but if off any longer because we need to start getting some money back in, November 1<sup>st</sup> is opening day, he said we can't put it off another day we need to go ahead and finish the golf course. Twenty-one loads will run us approximately how much was it, Jim. **Mr. Smith replied** could be between \$150,000 to \$175,000. **Councilman Arthurs** continues and the way we are going to do this if you look at the hand out, I gave you, Ben Zeigler is our financial attorney has said the best thing for us to do is loan it to the golf course from the general fund and pay it back on a schedule as income comes in from the golf course, pay it back on a schedule general fund back in two years no interest from date of transfer. Southeastern golf will come and do all repair work, the super indent and his crew just can't do it they have the rest of the grass to mow and take care of, it should take about two weeks to do it, and that will give us two weeks to let it grow in so the roots can attach.

**Mayor Hanna** said this is unfortunate to have to come out here to ask for this kind of money but in the overview when you take on a 4.5-to-5-million-dollar project to have an over run that runs less than 3 or 4% just like when you build a house or any other investment you usually end up with a 10 to 15% over run, did we miss somethings we probably did and with the damage we couldn't control this is where we are at. It came down to not a decision but something we had to do because you can't jeopardize \$4 million over a couple hundred thousand dollars, not trying to belittle it but this is the only option we had to salvage the project at this time.

**Council woman Collins** asked at the last meeting we had, this was a problem when we approved the \$70,000 to improve, because you said it washed out in the rain, now you are saying an additional \$150,000 to fix the problem we just fixed with the \$70,000.

**Councilman Arthurs** no, the sod they put down held, these are brand new washouts, we have had some for washouts on five of the holes.

**Councilwoman Collins:** well, when this golf course was designed by the builder did, he not know how to design it so it wouldn't washout, everybody get rain. I don't know a lot about golf but concern would be doing he not design it correctly, so we want have this problem every time it rains.

**Mayor Hanna:** it didn't have anything to do with design, initially if we had not had any bad weather these last two times, we would have been ok but it was not where it should have been. Correct me if I'm wrong, it wasn't where it should have been to start with because we didn't do enough, now you go through 5 or 6 inches of rain and then you go through what we just had this past weekend, nobody can for see that any kind of design. Reese Jones is the #1 golf architect in the nation, I'm sure if he looks at a hole can see potential for what you are saying, we did not fix everything to start with we were trying to get it passable, under budget. **Councilman Arthurs:** we were not trying to rush it, we only had x amount of money and we couldn't do all the sod that was required that should have been done, #1 fairway got a hill that is 100 yards long goes into a 30 40 foot rise., some of the fairways that we got planted was the sprigs, they held up good, first line was two weeks behind and those sprigs didn't have time to take root before all the rain, and like I said we were trying to save money and not use as much sod, sprigs are cheaper and that is the way we went. Now we back to the point where we have to do something.

**Councilman Poston:** I think the golf course is good for the city if it's done the way it should be it will bring in money, but I was raised on a farm and I don't know many times when you going to get grass to root and sod in in two weeks to be ready for golf on November 1 and its October 4<sup>th</sup> now,

**Councilman Arthurs** stated the roots will tack. **Councilman Poston;** I just hate to go out there, and like you said you didn't want to get in a hurry, I understand that but some things act like it did get pushed through because they wanted it to open up by a certain day, I'm not downing nobody I'm just speaking my mind, I do not see, when we just paid \$70,000 for sod, now I went up there and looked around I saw a sink hole, you can't fill that in with sod that has to be done right, that dirt went somewhere, I'm not trying to cause no problems but I don't see sitting right here appropriating more money for something and rush out there to hit a tee ball on November 1<sup>st</sup> and go ahead and mess it right back up that's four million dollars just shot, instead of taking our time and getting something that we wanted. I'm not knocking anybody I'm just stating my point of view. It seems to me that this thing is trying to be rushed through, I don't feel like there is no way you are going out there and plant that grass and have it ready November 1<sup>st</sup>, you can't tell me that won't cause more problems and in three or four months we will be sitting right here again asking for more money to fix it. **Councilman Arthurs:** I understand what you are saying but you can't control mother nature, **Councilman Poston:** we aren't talking about mother nature, I'm talking about sitting here and spending money and having it done the right way, I'm like Ms. Collins I'm sure the guy that did the golf course thought he did find but seems like there's been a lot of places that washed out, when I went out there and looked at it they could have took their time and done something a little different so it would have washed out the way it did. Just like the sink hole that water went somewhere when it went down. **Councilman Arthurs:** we tried to save a little money by keeping the original pipe in the ground when it washed out the first time, apparently it has a small hole in it which caused the run off that and I agree we should have tried to fix it right to start with. **Councilman Poston:** I'm not trying to knock anybody, I'm not knocking the golf course I think it will be a good thing for Johnsonville, so I don't anybody thinking I'm not for it, what I'm saying is this is the second time we've been asked to put money

in it on account of the same thing and its wanting to hit a golf ball off of it on November first and that's three and a half weeks from now and you have to get the sod plant and you going to tell me it's going to grab root and hold you must have been raised on a different farm than me. Councilman Arthurs stated he was raised on a turf grass farm

**Mayor Hanna:** any further discussion?

**Ms. Tammy Owens** asked if the public could ask questions or do, we just have to listen. Mr. Smith stated he didn't have a problem with it, Councilman Arthurs asked the city attorney Charlie Ipock who was at the meeting, Mr. Ipock stated it's not typical, its council decision, it's not necessarily a right or wrong. Councilman Arthurs said go ahead we are not trying to hide anything so asked away.

Ms. Owens asked if the city loans the golf course some money, why can't the golf course pay that money back with interest, since the city is being put out there to subsidize these repairs, I know it's all going to the same place, but it would make me feel better as a citizen of the city if I knew we were getting something for putting that money out there instead of just steadily giving money to the golf course with nothing in return. Councilman Arthurs stated I understand it's an enterprise just like sewer and water, it's an enterprise, city enterprise I wouldn't think that we started our sanitation we talked about adding a second truck and borrowing money from the city or certain account and we decided not to do it because obviously we didn't need it right then, but I didn't think we should it may be legal it may be ok to do it, I don't think we should but it's up to the rest of the council. I'm just one person. **Mayor Hanna** stated the money eventually is all going back to the same pot if we charge interest that puts a little more burden on the golf course to pay it back and like I said the benefits that the golf course is going to afford the city in traffic for restaurants, gas stations and maybe other businesses, the city is going to benefit from this golf course which would be more favorable than any interest they would pay on a two-year loan, this is just my opinion. Any other questions? **Councilman Stone** so the profit from the golf course will pay this back to the city in a two-year time span according to play and how many tee offs we have, if we get 10,000 tee offs at \$40.00 that's \$400,000.00 if we get 15,000 that's \$600,000 so it should be able to pay it back. **Mr. Smith** stated the way this is structured to work is that you have revenues from the number of rounds that you play times the amount that you are charging per round, that's your revenue string, your expenses are the operating expenses for to operate the golf course so the difference between the two is technically net profit and that net profit goes back to paying a variety of sources, whether it's the county for the land or it's the general fund for the loan up front to cover this cost or whatever your due to are, so this is like any other enterprise fund, just like Gary said we have water sewer and sanitation this is another enterprise fund money flows back and forth between those funds and I never heard of forty years of doing this I have never heard of departmental transfers paying back with interest. All you are doing is penalizing one fund to benefit the other and that doesn't make any sense, what the mayor said makes sense, you end up basically loaning money from one fund to the other paying it back its all the same pot. The golf course revenues will contribute to the general fund and the golf course expenses offsets that general fund revenue in this case it's the golf course revenue opposed to water or sewer revenue same principal.

**Ms. Joan Lentz** asked Mr. Mayor can you tell me who owns the golf course. Mayor Hanna responded the county owns it and we lease it, then we will purchase it, we have ten years to purchase it after ten years we will have to buy it or pay for it at fair market value so you don't want to do that, you don't want to take a piece of property for \$650 dump four million dollars on it and pay it back at fair market value. **Ms. Lentz** asked what does the city lease it for? Mayor responded \$1.00, Ms. Lentz what do they get out of this?

or Hanna responded it's part of their, economic development tool for the county to help the city, and surrounding areas.

Councilman Stone stated the penny sales tax paid for it that everyone voted on.

Shannon Tippet stated, April you were talking about last month you said \$60 or \$70 thousand towards fixing the problem that we have, now we are asking for more money, and you saying we can't forget mother nature, ok so to say we get this money and six months down the road we have more problems, where are we going to get the money for it at that time. **Mayor Hanna:** at this point where we are at probably 95% complete on a \$4million project that we voted on to carry forward you can't get into the what ifs, we did feasibility studies, we got a bunch of knowledge from Gary based on rounds from years and years ago at lower prices at what kind of revenue it would turn, once you make that decision to move forward that the way to go, you are going to hit bumps in the road, but I mean to get this golf course up and running and prospering this is what we've got to do, we don't have a choice on this particular matter. Ms. Tippet stated I understand that, I'm all for the golf course to but my main concern is how much are we going to continue to take from the city; I'm all for it but we have to look out for everybody else. **Mayor Hanna:** at this point all we can do is everybody get behind it and make it the best course, we have the best architect, best golf course construction company, we've got a top-notch management crew. The golf course has got every tool it needs to be very successful. **Councilman Arthurs:** Shannon in answer to your question in six months from now we should be having revenue coming in especially with the spring coming up, and we will use that money. Once we get this done and mother nature stops picking on us, that will be it, everything else is ready to go, it's just these bad run outs and wash outs, to answer April's question you can't have a flat area out there no one would come play, you got to have character to for people to come play. **Councilman Altman:** so, everyone understands what the problem is there was nothing but dirt out there, all the grass got killed, nothing but dirt so you had to plant the grass, so when the rains came the grass didn't catch, that is why you got a wash out, six months from now you shouldn't have that problem, don't have anything to do with the design, the design is not the problem the problem is you had a bunch of dirt out there and we got a bunch of rain. I don't like it anymore then anyone else does, as a citizen and tax payer I hate that we are having to do this, but that is the problem, if we get the grass and put in place, we shouldn't have any more problems with it. But it is all the same money, it will be a line item on the budget just like the water department, sewer department, so all the money coming back in will be there. Its not going to be a separate entity.

Mr. William Kelly asked you are borrowing from the general fund to loan to golf course, I know you had studies, with so many fee and so many people come, now you cant really predict that, you have already got \$60,000 and now another \$150,000 or so and say the golf course is going to pay the city back, I know is all in the same but is there some kind of contract, you said two years, if you don't get but one or two people a week to play golf and you cant pay it back what's going to happen if you don't pay it back in two years. **Mayor Hanna:** there will be a contract of sources outlined how the money will be paid back.

**Councilman Arthurs** stated it's called an intrafund loan. **Mr. Smith:** basically it's 24 months' pay back, based on what we are asking for times 24 months that is what will be paid back. **Mayor Hanna:** to answer your question if we don't pay it back in 24 months it will be just like somebody going out borrowing money on a 90 day note at the end, they don't have all the money there may be some refinance, with less money to pay back that's what I'm assuming will happen there, but what I want to drive home is we got a 4 to 5 million dollar project here and to answer Frankie's question are we pushing it for November 1<sup>st</sup>, yea, but if

we don't try to get people on the course in November, if you go to December then you are getting into hard winter months, you're pushing revenues out to next spring and we cant afford to do that.

**Mr. Kelley** asked with money coming out of the general fund and something don't happen we're not going to raise water and sewer rates to pay for it are we. Mayor Hanna and Councilman Arthurs both stated no. Mr. Kelley stated you can't raise water and sewer rate to pay for that right. Mayor Hanna responded water and sewer rates will be raised on feasibility studies just like we have always done, it doesn't have anything to do with the golf course.

**Motion** was made by Council Member Arthurs and received a second by Council Member Stone to move forward Based on advice received from Mr. Smith relating to higher than anticipated pre-opening costs for the Golf Course resulting from adverse weather impacts on sodding, I move that \$200,000 be appropriated from the General Fund to the Golf Course Fund as an intra-fund loan to be repaid no later than two years from the date of transfer at no interest from net revenues of the Golf Course." **Motion carried with four to three with Councilman Khambhaita, Councilman Poston and Councilwoman Collins voting no, Councilman Altman, Councilman Arthurs, Councilman Stone and Mayor Hanna voting yes.**

**Motion** was made by Council Member Collins and received a second by Council Member Poston to enter in to executive session to pursuant to South Carolina Code 30-4-70 (2) for the discussion of attorney-client privileged matters. **Motion carried unanimously.**

**Motion** was made by Council Member Altman and received a second by Council Member Stone to enter back into open session. **Motion carried unanimously.**

#### **ACTION FROM EXECUTIVE SESSION**

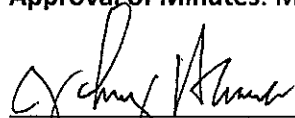
No action was taken

#### **ADMINISTRATORS REPORT**

**Motion** was made by Council Member Stone and received a second by Council Member Altman to adjourn the meeting. **Motion carried unanimously**

**Adjourned:** 8:05pm

**Approval of Minutes:** Minutes approved by City Council on this 15<sup>th</sup> day of November, 2022.

  
\_\_\_\_\_  
Johnny Hanna, Mayor

Attest:   
\_\_\_\_\_  
Marlene Rollins, City Clerk