



**Town of Sullivan's Island
Town Council Special Meeting
and Council Workshop
Monday, December 1, 2014
Town Hall, 2050-B Middle Street
6:00 PM**

- 1. Call to Order and notification that press and public were duly notified in accordance with State Law.**
- 2. First Reading, Ordinance No. 2014-13, Increase of Business License Fees**
- 3. Approval of Funding for Preliminary Engineering Report by HDR for Treatment Plant Construction**
- 4. Council Workshop**
- 5. Executive Session – Contractual Matter**
- 6. Adjourn**

ORDINANCE 2014-13

AN ORDINANCE AMENDING SECTION 10-20 OF THE CODE OF ORDINANCES FOR THE TOWN OF SULLIVAN'S ISLAND TO REVISE BUSINESS LICENSE FEES

WHEREAS, Title 5 Section 7 Paragraph 30 of the South Carolina Code of Law provides each municipality of the State the authority to levy a business license tax on gross income, in addition to other taxes and fees, when it appears to be necessary to preserve health, peace, order and general welfare; and

WHEREAS, the members of Town Council have recognized a need to increase the business license tax in the Town;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Town Council of the Town of Sullivan's Island, in Council assembled, that Section 10-20 of the Sullivan's Island Code of Ordinances shall be and are hereby amended to read specifically as follows:

Sec. 10-20. Classification Rate Schedule. (12/16/08) (12/18/12) (11/19/13)

The license fee for each Class of business shall be computed in accordance with the following rates. The major groups of businesses included in each Class are listed with the major group number according to the Standard Industrial Classification Manual (SIC). The License Inspector shall determine the proper class for a business according to the SIC. (12-15-92)

<u>CLASS</u>	<u>INCOME: 0 - \$2,000</u> MINIMUM	<u>RATES</u>
		<u>ALL OVER \$2,000</u> Rate per thousand (for portion round off to next thousand)
1	\$47.79	\$2.39
2	\$59.64	\$2.58
3	\$71.43	\$2.73
4	\$83.02	\$2.94
5	\$95.64	\$3.09

6	\$107.12	\$3.30
7	\$119.79	\$3.45
7a	\$1,000.00	See Rate Schedule Below
8	See individual business in Class.	

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum fees and rates shall be doubled for non-residents and itinerants having no fixed principal place of business within the municipality.

CLASS 7a Rates (11/17/09)

Base Rates

	<u>RESIDENTS</u>	<u>NON-RESIDENTS</u>
Gross income less than \$10,000	\$1,000.00	\$1,500.00
Gross income of \$10,000 or more	\$1,000.00	\$2,000.00

Rate Structure

Gross income less than \$20,000 Base rate

Gross income of \$20,000 to \$30,000.....Base rate and \$10 per thousand

Gross income of \$30,001 to \$50,000.....Base rate and \$20 per thousand

Gross income of more than \$50,000.....Base rate and \$30 per thousand

Per thousand rate shall not be doubled for non-residents under Class 7a.

CLASS 8 RATES

(Each SIC Number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of State Law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates. Non-residents rates do not apply except where indicated. Businesses listed in this ordinance which are not permitted under the Zoning Ordinance may not be licensed.)

SIC 15, 16 & 17 Contractors, construction, all types.

	<u>Income</u>	<u>Minimum</u>	<u>Per \$1,000 or fraction</u>
A. Having permanent place of business within the municipality			
FIRST \$2,000		\$119.48	plus
EACH ADDITIONAL \$1,000			\$3.46
B. Itinerant (no permanent place of business within the municipality or non-resident)			
FIRST \$2,000		\$238.96	plus
EACH ADDITIONAL \$1,000			\$6.92

A trailer at the construction site, a home office or structure in which the contractor resides is not a permanent place of business under this ordinance.

The total fee for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job, and no deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Inspector a list of subcontractors

furnishing labor or materials for each project.

<u>SIC</u>		<u>License Fee</u>
40	- <u>Railroad Companies</u> - (See Code Sec. 12-23-210)	\$75.00
4121	- <u>Taxicabs</u> - On gross income --- Rate Class 7 (proof of insurance required.)	
481	- <u>Telephone Companies not occupying public street pursuant to Franchise</u> - on gross receipts from customers' premises, telecommunications equipment, intrastate long distance tolls, service work charges, directory, miscellaneous and supplemental services billed to customers located within the municipality. Charges billed to customers located within the municipality shall be deemed to have been apportioned by the company according to services rendered within the municipality.	
	On gross receipts not exceeding \$25,000	\$250.00
	On the next \$175,000 per \$1,000	5.00
	Over \$200,000 per \$1,000	1.00
	<u>Telephone companies occupying public streets</u> pursuant to franchise may pay fee in lieu of a business license, OR receive credit for business license fees as provided by the franchise agreement.	
4841	- <u>Television, Cable or Pay</u>	Franchise
491	-	
493	- <u>Electric and Gas Companies</u>	Franchise

	<u>Income</u>	<u>Minimum</u>	<u>Per \$1,000 or Fraction</u>
5093	- <u>Junk or Scrap Dealers</u> (non-resident rates apply)		
	First \$2,000	\$116.00 PLUS	
	Over \$2,000		\$3.21
55	- <u>Automotive and Motor Vehicle Dealers and Farm Machinery, Retail</u> -		
	First \$2,000	\$ 41.00 PLUS	
	Over \$2,000		\$1.95

One sales lot not more than 400 feet from main showroom may be operated under this license provided that proceeds from sales thereafter included in gross receipts at main

office when both are operated under the same name and ownership.

Gross receipts for this classification shall include full sales price without deduction for trade-ins. Dealer transfers shall not be included in gross receipts.

<u>SIC</u>	<u>Income</u>	<u>Minimum</u>	<u>Per \$1,000</u> <u>or Fraction</u>
5812/5813	-	<u>Restaurants, retail food businesses, convenience stores or other similar establishments, which sell or serve alcoholic beverages or permit the consumption of alcoholic beverages on the premises, and general food establishments -</u>	
	First \$2,000	\$162.74	PLUS
	Over \$2,000		\$3.24
5932	-	<u>Pawn Brokers - All Types</u>	
	First \$2,000	\$116.00	PLUS
	Over \$2,000		\$3.20
5962	-	<u>Vending Machines</u> and all other coin operated Automatic Merchandising Machines (Not included in Business Gross Income): \$12.75 stamp per machine required PLUS	
	First \$2,000	\$70.00	PLUS
	Over \$2,000		\$2.66
5963	-	<u>Peddlers, Solicitors, Canvassers, Door-To-Door Sales,</u> direct retail sales of merchandise. (Non-resident rates apply)	
	(a) Regular activities (not more than two sales periods of more than three days each per year)		
	First \$2,000	\$93.00	PLUS
	Over \$2,000		\$3.00
	(b) Seasonal activities (not more than two sale periods of not more than three days each year, separate license required for each sale period)		
	First \$2,000	\$ 5.81	PLUS
	Over \$2,000		\$3.00

Section 1.

SIC NAICS
CODE or CODE

63 5241 Insurance Companies: Except as to fire insurance, "gross premiums" means gross premiums written for policies for property or a risk located within the municipality. In addition, "gross premiums" shall include premiums written for policies that are

sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by (1) the insurance company's office located in the municipality, (2) the insurance company's employee conducting business within the municipality, or (3) the office of the insurance company's licensed or appointed producer (agent) conducting business within the municipality, regardless of where the property or risk is located, provided no tax has been paid to another municipality in which the property or risk is located based on the same premium. (12-6-04) (11-20-12)

Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute conducting business within the municipality, regardless of whether or not an office is maintained in the municipality. (11-20-12)

As to fire insurance, "gross premiums" means gross premiums (1) collected in the municipality, and/or (2) realized from risks located within the limits of the municipality. (11-20-12)

Gross premiums shall include all business conducted in the prior calendar year. (11-20-12)

Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums or deposit.

Declining rates shall not apply. (11-20-12)

631-632	52411	<u>Life, Health and Accident</u>	0.75% of Gross Premiums
633-635	524126	<u>Fire and Casualty</u>	2% of Gross Premiums
636	524127	<u>Title Insurance</u>	2% of Gross Premiums

Section 2.

Notwithstanding any other provisions of this ordinance, license taxes for insurance companies shall be payable on or before May 31 in each year without penalty. The penalty for delinquent payments shall be 5% of the tax due per month, or portion thereof, after the due date until paid. (11-20-12)

Section 3.

Any exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax. (11-20-12)

Section 4.

Pursuant to S.C. Code Ann. Sections 38-45-10 and 38-45-60, the Municipal Association of South Carolina is designated the municipal agent for purposes of administration of the municipal broker's premium tax. The agreement with the Association for administration and collection of current and delinquent license taxes from insurance companies as authorized by S.C. Code Section 5-7-300 and administration of the municipal broker's premium tax in the form attached hereto is approved and the mayor is authorized to execute it. (11-20-12)

All ordinances in conflict with this ordinance are hereby repealed. (11-20-12)

- 7993 - Amusement Machines, Coin Operated.
- A. Music machines, kiddie rides, and amusement machines licensed pursuant to S. C. Code S23-21-2720 (A) (1) and (A) (2):
\$14.50 per machine PLUS
First \$2,000 income ... minimum \$116.00 PLUS
Over \$2,000 \$3.63 per thousand or portion thereof.
 - B. Video poker and amusement machines licensed pursuant to S. C. Code S12-21-2720 (A)(3):
\$173.00 per machine PLUS
First \$2,000 income ... minimum \$127.50 PLUS
Over \$2,000 \$3.63 per thousand or portion thereof. (1-18-94)
- 7999 - Billiard or Pool Rooms. All types.
\$58.15 stamp per table required PLUS
First \$2,000 income \$11.58 PLUS
Over \$2,000 \$3.63
- 7999 - Carnivals and Circuses
First \$2,000 income \$11.58 PLUS
Over \$2,000\$3.63

RATE CLASSIFICATION INDEX

RATE CLASS 1

<u>SIC</u>	<u>Business Group</u>
47	- Travel Agencies
53	- General Merchandise Stores
54	- Food Stores
553-554	- Auto Supply Stores and Gasoline Service Stations
56	- Apparel and Accessory Stores
58	- Eating Places
636-639	- Insurance Companies (Except Life, Health, Fire & Casualty)
86	- Membership Organizations

RATE CLASS 2

<u>SIC</u>	<u>Business Group</u>
01	- Agricultural Production - Crops
02	- Agricultural Production - Animals
20	- Food and Kindred Products
22	- Textile Mill Products
23	- Apparel & Other Finished Products from Fabrics and Similar Materials
25	- Furniture and Fixtures
30	- Rubber and Miscellaneous Plastic Products
31	- Leather and Leather Products
32	- Stone, Clay, Glass & Concrete Products
33	- Primary Metal Industries
34	- Fabricated and Metal Products (Except Machinery and Transportation Equipment)
37	- Transportation Equipment
39	- Miscellaneous Manufacturing Industries
50	- Wholesale Trade - Durable Goods
51	- Wholesale Trade - Nondurable Goods
52	- Building Materials, Hardware, Garden Supply and Mobile Home Dealers
57	- Furniture, Home Furnishings & Equipment Stores
70	- Hotels, Rooming Houses, Camps and Other Lodging

RATE CLASS 3

SIC

Business Group

- 07 - Agricultural Service
- 24 - Lumber and Wood Products (Except Furniture)
- 26 - Paper and Allied Products
- 29 - Petroleum Refining and Related Industries
- 36 - Electrical and Electronic Machinery, Equipment and Supplies
- 42 - Motor Freight Transportation & Warehousing
- 44 - Water Transportation
- 45 - Transportation by Air
- 59 - Miscellaneous Retail (Except vending machines, peddlers and pawnbrokers)
- 61 - Credit Agencies other than Banks
- 75 - Automotive Repair, Services and Garages
- 78 - Motion Pictures
- 79 - Amusement and Recreation Service (Except Motion Pictures, Amusement Machines and Carnivals)
- 89 - Miscellaneous Services

RATE CLASS 4

SIC

Business Group

- 27 - Printing, Publishing & Allied Products
- 28 - Chemicals and Allied Products
- 35 - Machinery, Except Electrical
- 48 - Communication (Except Telephone)
- 76 - Miscellaneous Repair Services

RATE CLASS 5

SIC

Business Group

- 09 - Fishing, Hunting and Trapping
- 14 - Mining - Minerals
- 38 - Measuring, Analyzing and Controlling Instruments; Photographic, Medical and Optical Goods; Watches and Clocks
- 41 - Local & Suburban Transit & Interurban Highway Passenger Transportation
- 62 - Security & Commodity Brokers, Dealers, Exchanges and Services
- 73 - Business Services

RATE CLASS 6

<u>SIC</u>	<u>Business Group</u>
49	- Sanitary Services
72	- Personal Services

RATE CLASS 7

<u>SIC</u>	<u>Business Group</u>
08	- Forestry
10	- Mining - Metals
21	- Tobacco Manufacture
46	- Pipelines (Except natural gas)
64	- Insurance Agents, Brokers and Service
65	- Real Estate
67	- Holding and Other Investment Offices
80	- Health Services
81	- Legal Services
82	- Educational Services
83	- Social Services
87	- Engineering, Accounting, Research, Management and Related Services

RATE CLASS 7a

<u>SIC</u>	
651	- Vacation Rental as described in Chapter 21 of the Town's Ordinances

RATE CLASS 8

<u>SIC</u>	<u>Business Group</u>
15,16,17	- Contractors, Construction, All Types
40	- Railroad Companies
4111	- Local and Suburban Transit
4121	- Taxi Cabs
481	- Telephone Communication
491-493	- Electric & Gas Services
5093	- Junk and Scrap Dealers
55	- Automotive and Motor Vehicle Dealers and Farm Machinery Retail (Except Auto Supply Stores - 553 and Gasoline Service Stations - 554)

- 5813 - Drinking Places (Alcoholic Beverages)
- 5932 - Pawnbrokers
- 5962 - Vending Machines (Automatic Merchandising)
- 5963 - Peddlers

RATE CLASS 8 (CONT).

- 631-635 - Insurance Companies, Fire and Casualty, Life and Health
- 6411 - Brokers for Non-admitted Insurers]
- 7993 - Amusement Machines, Coin Operated
- 7999 - Billiard or Pool Tables, All Types
- 7999 - Carnivals and Circuses

If a term or portion of this ordinance is invalid the remaining ordinance remains valid,

THIS ORDINANCE SHALL BE EFFECTIVE UPON RATIFICATION.

SIGNED, SEALED AND DELIVERED THIS 16th DAY OF DECEMBER 2014.

 Gerald Kaynard, Mayor Pro Tem

Attest:

Attest to form:

 Ellen Miller, Town Clerk

 Lawrence Dodds, Town Attorney

First Reading: December 1, 2014

Second Reading and Ratification: December 16, 2014

SCOPE OF WORK

TOWN OF SULLIVAN'S ISLAND WWTP IMPROVEMENTS

November 17, 2014

BACKGROUND

The Town of Sullivan's Island (the Town) currently owns and operates a wastewater treatment plant permitted for a design flow of 0.57 MGD. The existing wastewater treatment plant structures, equipment and electrical components are located below the 100-year flood elevation. In addition, the plant is located in a seismically active area. Proposed improvements to the plant to alleviate flood and seismic issues have been submitted to FEMA in a grant application. This scope and fee includes the preliminary engineering services for improvements to the plant, as detailed in the FEMA Hazard Mitigation Grant Application.

SCOPE

The scope of work includes the following tasks:

Task 100 – Preliminary Engineering Report

- Prepare for and attend meeting to discuss the preliminary engineering report.
- Prepare a draft Preliminary Engineering Report (PER) in accordance with SCDHEC requirements. Incorporate comments from review meeting with the Town and submit a final PER to SCDHEC for review and approval. The PER will be based on the unit processes and design criteria presented in the FEMA Hazard Mitigation Grant application and no additional alternatives analysis will be performed.
- Perform a boundary and topographical survey of the existing site and prepare a wetlands plat.
- Prepare for and attend one Town Council meeting.
- Includes the efforts necessary to administer the Project, interface with Town staff, and apply Quality Control (QC) efforts.

SCHEDULE

A draft of the PER will be submitted within 30 days of the Notice To Proceed. The final PER will be submitted 14 days after the review meeting with the Town. The survey will be completed within 45 days of the Notice To Proceed.

PAYMENTS TO ENGINEER

Compensation for the scope outlined above shall be on a Lump Sum basis. The table below provides a breakdown of the fee by task.

FEE SUMMARY	
Task No.	Fee
Task 100 – Preliminary Engineering Report	\$44,200
Total	\$44,200

Preliminary Engineering Report (PER)

The PER is a DHEC requirement for any expansion or upgrade to a Wastewater Facility. This is a detailed site plan that is required as part of the DHEC permitting process. This is a 2-3 month process that, if started now, will be completed by the time the Town will receive notice from FEMA regarding grant funding. Taking this initial, required step now will keep this essential project moving forward without delay.

Approval is not being requested at this time for the full engineering Scope of Work for the entire project. That will be requested after FEMA funding is determined and after a detailed presentation to Council by Tracy Lewis, PE, Senior Project Manager for HDR. The PER is the first step in the full Scope of Work and it is only this first step that is being requested at this time.

HDR Inc. is an engineering firm with extensive experience with Water and Sewer projects in the Lowcountry. HDR has managed projects, including current projects, for Charleston Water System, Mount Pleasant W&S, James Island PSD and Beaufort County. HDR has previously provided engineering services to the Town of Sullivan's Island related to waterline improvements, hydraulic modeling of groundwater conditions, and the Wastewater Treatment Facility. This firm is very familiar with the Town's Wastewater Facility, with area environmental factors and with DHEC requirements.

Tracy Lewis, PE, is HDR Senior Project Manager. She has extensive experience managing W&S projects, including projects for CWS, Mount Pleasant W&S, James Island PSD and Beaufort County. Ms. Lewis has consulted with the Town of Sullivan's Island and prepared the Town's current FEMA Grant application. She is thoroughly familiar with the Town's Wastewater Facility and with DHEC requirements.