

GREENVILLE COUNTY COUNCIL

COMMITTEE ON FINANCE

January 24, 2022

4:30 p.m.

County Square – Conference Room D

Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted online and on the bulletin board at County Square and made available to the newspapers, radio stations, television stations and concerned citizens.

Committee Members Present:

Dan Tripp, *Chairman*
Liz Seman, *Vice-Chairman*
Ennis Fant
Willis Meadows
Stan Tzouvelekas

Committee Members Absent:

None

Others Present:

Chris Harrison, *Council District 26*
Lynn Ballard, *Council District 26*
Butch Kirven, *Council District 27*
Joe Kernell, *County Administrator*
John Hansley, *Deputy County Administrator*
Mark Tollison, *County Attorney*
Kim Wunder, *Assistant County Attorney*
Regina McCaskill, *Clerk to Council*
Jessica Stone, *Deputy Clerk to Council*

Call to Order:

Chairman Tripp

Invocation:

Councilor Fant

Item (3)

Project Ott

*Kim Wunder
Richard Few, Parker Poe*

A resolution to provide a certification pursuant to the South Carolina Textile Community Revitalization Act (S.C. Code Section 12-65-10 et seq.) for certain properties located near West Blue Ridge Drive and Old Buncombe Road formerly part of the Union Bleachery in Greenville, South Carolina.

Richard Few stated the site in question consisted of six (6) tax parcels on 240 acres. Three (3) main tax parcels made up the site of the old mill, which was dilapidated. One of the other parcels was located along the Swamp Rabbit Trail near an old golf course that was created for the employees of the mill. Another parcel, located across from Lakeview Middle School, was a reservoir and was used to supply water to the mill. The remaining parcel had contained a trolley service that was used to provide transportation to the employees.

Mr. Few stated all 240 acres all qualified as an abandoned textile mill site.

Action:

Councilor Meadows moved to approve the resolution.

Motion carried unanimously.

Item (4)

Amendment to Joint Anderson / Greenville County Industrial Business Park

John Hansley

An ordinance to amend an agreement for the development of a joint county industrial and business park (2010 Park) of Greenville and Anderson Counties so as to enlarge the park to include certain property of Lollis Metals, Inc.

John Hansley stated Anderson County was requesting to add Project Faith to the Anderson / Greenville Multi County Industrial and Business Park. The property was located in Anderson County. As a partner county, Greenville County receives 1% of the fee payment.

Action: Vice-Chairman Seman moved to approve the ordinance.

Motion carried unanimously.

Item (5)

Kiyatec (formerly Project Leaf)

Kevin Landmesser, GADC
Stephanie Yarbrough, Womble Bond Dickinson

Approval of a Fee in Lieu of Tax and Special Source Credit Ordinance; Multi-County Industrial Business Park Ordinance; Fee in Lieu of Tax and Special Source Credit Agreement; and Special Source Credit Agreement as they relate to Kiyatec (formerly Project Leaf).

Kevin Landmesser stated Kiyatec was previously approved by the Finance Committee on November 29, 2021, for a resolution inducement agreement; it moved forward to full Council. Kiyatec, a cancer diagnostic company, intended to initially invest \$5 million and create 90 jobs in downtown Greenville.

Action: Councilor Meadows moved to approve the documents.

Motion carried unanimously.

Item (6)

National Opioid Litigation Settlements – Allocation Agreement

Mark Tollison
Kim Wunder
J. B. White, Attorney
Marghretta H. Shisko, Attorney

Mr. Tollison stated as the proposed settlement was an ongoing negotiation and litigation, it would be more appropriate to discuss the issue in executive session, if the committee chose to do so.

Action: Vice-Chairman Seman moved to go in to executive session for the receipt of legal advice as it relates to the National Opioid Litigation Settlements.

Councilor Meadows stated the document provided in regards to the item in question appeared to be a “final document”; it appeared to be “take it or leave it.” There were no other amendments involved.

Chairman Tripp asked Mr. Tollison if there was any rationale for suggesting the item be discussed in executive session.

Mr. Tollison stated he had simply made the suggestion; he deferred to Mr. White and Ms. Shisko.

Mr. White stated it would be better for the Finance Committee to enter in to executive session to discuss the item. He added that the issue of “take it or leave it” had not been expressed by his firm. The allocation agreement had the estimated numbers, assuming there was critical mass in the state, to allow Incentive A and B to be paid earlier.

Councilor Meadows asked if the incentives were what the Committee was expected to vote on as well as what had already been negotiated.

Ms. Shisko stated the vote would approve entry in to the proposed settlement and allocation agreement. Ms. Shisko and Mr. White were present to answer any questions and offer legal advice, if necessary. The legal advice would be more appropriately handled in executive session.

Councilor Meadows suggested the Committee remain in open session; if it became apparent that legal advice was necessary, they could vote whether to enter executive session, or not.

Vice-Chairman Tripp stated he strongly urged his colleagues to enter in to executive session to discuss the issue.

Motion to go in to executive session was denied by a vote of two (Seman and Tripp) in favor and three (Meadows, Tzouvelekas and Fant) in opposition.

Action:

Vice-Chairman Seman moved to move the item to full Council, as there appeared to be no opportunity during the meeting to negotiate the item or receive legal advice.

Chairman Tripp stated he agreed. The item was recently discussed during the Committee of the Whole and should have been sent back to that committee, as opposed to the Finance Committee. If transparency was the "watch word", the issue should be transparent for all the members of Council.

Councilor Fant stated there was no predetermined notion that the item would fail. The public was suspicious when issues were discussed during executive session.

Chairman Tripp stated there were reasons to discuss certain issues in executive session; the County Attorney had advised the committee to do so, as there were specific aspects of the settlement that should be discussed in executive session. If the committee was not willing to discuss the issue in executive session, it should be discussed with Council as a whole.

Motion as presented was denied by a vote of two (Seman and Tripp) in favor and three (Meadows, Tzouvelekas and Fant) in opposition.

Mr. Tollison stated there had been some questions formulated related to the item; answers to those questions had been developed. He requested Mr. White and Ms. Shisko weigh in on the issue.

Ms. Shisko stated they had obtained authority to execute a participation agreement for the national settlements. Those settlements were public and available online; they were subject to reaching an allocation agreement with the Attorney General in regards to how the funds should be divided. Approval from County Council was needed in order to submit the forms for the settlement. The allocation agreement would divide the funds as follows; 85% would be available for payment and the remaining, or 15%, would go into an abatement discretionary fund over years 1-9. For the remaining years, the funds would be split 50-50. The alternative would be the default agreement under the national settlement under which 15% would go directly to the subdivisions, 15% would go to the state of South Carolina and 70% would go into an abatement fund.

Mr. White they were able to negotiate the first nine (9) years of the 18-year payment with 85% of the funds going directly to the counties. The specific metrics formula used, as well as the amount of money, would have to be approved by the courts. The current settlement was with Johnson & Johnson and three (3) distributors; litigation would continue with multiple other manufacturers and distributors. To date, of the 23 counties they had been in direct contact with in regards to the lawsuit, there was close to 100% participation. Mr. White stated they had tried to answer every question submitted and those answers had been provided to Council. The law firm would be giving up its contract for 25%; the fees involved were a bit more than 13.5%. Mr. White stated he was optimistic in regards to the 85% upfront; it was originally to be 15% to the counties, 15% to the state and 70% in a bureaucratic fund.

Councilor Meadows stated the proposed agreement was much better than the original version. He asked if the counties and cities listed in Appendix B had to give approval and were they part of the "critical mass."

Ms. Shisko confirmed the information as stated by Mr. Meadows.

Councilor Meadows stated he made contact with some of the entities listed in Appendix B; he was advised by those he contacted that they were not aware of any current litigation. Those answers concerned him as they affected Greenville County. Mr. Meadows asked if all the entities list in Appendix B had to submit their answer by the deadline.

Ms. Shisko stated she had been in contact with a representative from the Attorney General's Office; that office was in the process of "actively rolling it out." The incentive payments and the base payments would come within the first two (2) years; this would give the state some time to achieve critical mass. However, since litigation was in process, they needed to meet the deadline in order to be entitled to the first round of payments. If an entity failed to sign on the deadline, they would simply not be eligible to receive early payments.

Councilor Meadows asked if payments to the entities that failed to sign up by the deadline would be delayed until 2023.

Ms. Shisko stated it actually depended on when a particular entity chose to participate.

Mr. White stated the firm had represented a number of counties. In terms of "transparency" and "due diligence", Greenville County was at "the top" in regards to questions and answers. It also concerned him that some entities had not signed up; however, there were two (2) different types of subdivisions as part of the lawsuit. There were litigating subdivisions; 41 counties were litigating. They have asked the Attorney General to advise which counties and cities were not litigating. There was certainly an effort to get critical mass. Things were changing daily and it was possible that the deadline would be extended.

Councilor Tzouvelekas stated inquired about information regarding the lawsuit available online.

Ms. Shisko stated both the national settlement agreements were available for public viewing online.

Action: Councilor Meadows moved to approve the National Opioid Litigation Settlements – Allocation Agreement.

Motion carried unanimously.

Item (7) **Adjournment**

Action: Councilor Meadows moved to adjourn the meeting.

Motion carried unanimously the meeting adjourned at 5:08 p.m.

Respectfully submitted:



Jessica M. Stone
Deputy Clerk to Council