



James Island Public Service District

*Dedicated to Public Service Excellence*

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June 18, 2018

Mayor Bill Woolsey  
Town of James Island  
P. O. Box 12240  
Charleston, SC 29422

Re: June 10, 2018 letter to James Island Public Service District Commission Chairman  
Regarding Solid Waste Disposal

Dear Mayor:

The James Island Public Service District (“JIPSD”) was created by the State of South Carolina in 1961 to provide essential services to a legislatively defined service area, and by contract to other areas. The District is a sovereign subdivision of the state, and is governed by elected commissioners, who are the sole decision makers for how it finances and provides its services, which currently consist of wastewater transportation and treatment, fire protection and first responder services and solid waste collection and disposal. For almost 58 years now, it has provided all of these services in an exemplary and independent manner to James Island, receiving universal commendation for the provision of those services.

Prior to any town being formed on James Island, including the present one, the incorporators of such town were required to provide evidence to the Secretary of State and the Legislative Municipal Committee that the proposed town could provide at least fire protection from day one, along with police protection and a plan to provide certain other services.

As an accommodation to the citizens of James Island who were proponents of a town, each time it was asked, the JIPSD gave written indication of its willingness to serve the residents of any such new town, conditioned the full independence in revenue and operation of the JIPSD. These letters were very clear conditioning the offer of services on the JIPSD’s continuing independence in management, policy, service and revenue from any such potential town. It is imperative to reiterate that without such agreement from the JIPSD, there could never have been a Town.

Given that service from the JIPSD was and remains essential to the formation and functioning of the town, it remains a mystery to JIPSD that the mayor’s office has conducted, and fomented others to conduct, a constant barrage of negative information concerning the JIPSD, its operations, its management, its finance, its elections, every aspect of its operations. The degree to which you pursue this negativity is obsessive and mysterious and certainly serves no utility in terms of dealing with an organization upon which the Town is totally reliant, and without which it could never be formed and could not operate today.

Besides the incessant negativity, you have personally in the persona of Mayor, attempted to influence the outcome of JIPSD elections, once again consistently maligning the reputations of persons who only wish to serve local government. The venom which drips from your every utterance makes any communication from your office suspect and suspicious.

Which brings us to the present point. Every town formed on James Island, including the present one, was campaigned as a method to secure for its property owners their rightful share of Local Option Sales Tax (“LOST”) property tax credits. To date, not one single cent of property tax credit from this town has ever reached the hands of property owners on James Island.

It is true that over the years your office has proffered several schemes to disburse the property owners’ portion of the LOST funds, which are being held (or spent) by the town, but which do not belong to the town. Chiefly, these consist of a pretext to have another government funnel the proceeds through questionable accounting as a “credit” on that government’s tax bill, all in an effort to escape the town’s own responsibilities.

For example, one stratagem your office crafted was to funnel the proceeds through the County of Charleston. The County rebuffed those attempts on the basis of the questionable legality involved in attempting have a county give a credit on the Town of James Island’s behalf.

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From time to time, your office has suggested various subterfuges to “wash” the property owners portion of the LOST funds through the JIPSD. Each one was considered by the JIPSD to be of questionable liability, involved overly complicated financial and managerial transactions, and an effort, frankly, to involve the Town, which consists of only part of the JIPSD service base, deep into the JIPSD Commission’s sovereign territory, contrary to the agreement which allowed the town to even form. Each pretext attempted to shift the town’s responsibilities to the JIPSD.

It cannot be forgotten that as a state entity, the JIPSD is required by the United States and South Carolina Constitutions to treat similarly situated individuals or entities similarly, without a compelling or articulated reason for doing otherwise. Most of the JIPSD’s services are offered to citizens within the unincorporated areas of James Island; the services are also offered to citizens of the City of Charleston and City of Folly Beach through various court orders and agreements. The JIPSD offers services to the Town citizens based on the initial letter which allowed the town to be created. To treat any one of these stakeholders differently absent a reason which would pass Constitutional scrutiny for all stakeholders must be rejected.

Your most recent insidious attempt to pawn the town’s responsibilities to the JIPSD appears in the disingenuous letter of June 10, 2018, where on the behalf of the town you offer to donate to the JIPSD up to \$1,000,000 for the JIPSD budget. As has become expected from communications from you, the letter is rife with misconstructions, fabrications, and falsehoods. It is not necessary to address each of the purposefully inaccurate characterizations you make, but a few will serve as illustrations:

1.) Only a short time before the date of your letter, the JIPSD received a document entitled “Proposal for Cost Sharing for Solid Waste Service” between the town and JIPSD prepared by the town administrator. This document blithely announces:

A: upon receipt of the proffered funds, the JIPSD would offer a credit on its tax bills to in-town property owners. It volunteers the Charleston County Auditor to calculate and apply the credit. The town is well aware that the Charleston County Auditor flatly refused to conspire with the town to do this when such prior schemes were attempted, as did the JIPSD.

B. In the first sentence of the Proposal’s section entitled “Legality of Arrangement,” the administrator candidly admits that the town’s legal counsel has opined that the proposal is ‘novel and not entirely free from doubt.’ In the last sentence of the proposal, the town suggests that a declaratory judgment action—a lawsuit—could provide the parties “assurance that the arrangement is legal.”

Please be advised that consistent with its prior responses to these town machinations to avoid putting the LOST credit funds directly into the hands of the taxpayers, where they belong, the JIPSD has no interest in “buying a lawsuit” to settle a novel and not entirely free from (legal) doubt issue by agreeing to the proposal. If the town were serious, it would already have settled the matter by pursuing such a declaratory judgment action. Then, if it were legal, the JIPSD would have more to consider than taking a chance on the legality of an activity whose legality is already suspect.

2) Without mentioning the questionable legality of what you propose, in your letter of June 10, 2018, you begin as usual by bashing the JIPSD’s budgetary considerations, something of which you are entirely innocent of knowledge or appreciation. You state, the “PSD already collects nearly half of homeowners’ property tax bills.”

If this is even true, what you neglect to acknowledge is that the JIPSD provides services commensurate with the taxes it must charge and the fees it collects. Many matters are beyond its control. Do we assume you begrudge paying JIPSD employees a living wage, given the extraordinary performance they provide? Do we assume you fault the JIPSD for being forced to build a new fire station to replace on which was condemned by the County for a Roadwise project, rendering the old station a hazard to James Island motorists and JIPSD employees alike?

Given a non-prejudiced examination, the JIPSD’s current budget proposal would increase the property tax on a \$350,000 home by a modest \$105 per year (\$8.75 per month). You use numbers to conjure sensationalism where none exists. You do not explain that the percentages you use are applied against assessed value, not appraised value, which is the way all property taxes are calculated in this state. Nor do you compare the modest raises required over time by the JIPSD with other local governments. Especially missing is the value the citizens of James Island will receive by having a professional, adequately paid staff to provide life/safety services, as well as a modern fire station to replace the one which is obsolescent because of its age and because of dangerous access issues resulting from reconfiguring the road in front of it.

Before there was a town, all the services available to current residents of the town were provided by the state, the county, the county sheriff, the county school district, the JIPSD, and such. Now that there is a town, one has to look carefully to see what services the town actually provides, as opposed to still relying on the state, the county, the county sheriff, the county school district, and the JIPSD. Stated differently, the town is a paper town, providing no essential services, still dependant on other governments to do almost everything a municipality might be expected to do. The state, the county, nor the PSD has lowered its taxes or fees as a result of the formation of the town; instead, the town has become yet another taxpayer and fee burden for its citizens.

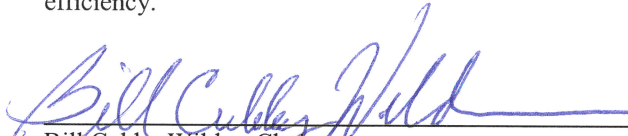
While the town is collecting millions of dollars from a variety of sources, the only obvious use of the money by the town is to spend millions on monuments like a city hall to house town employees who presumably provide some services, whatever they may be. One wonders why a town of such modest size and service needs such an extravagantly expensive town hall. It is most certainly not housing police, fire protection, first-responder or ambulance service, minuscule road maintenance duties, no courts, no involvement in schools, or other services visible to its citizens. It does seem to be an opulently expensive edifice in which a tiny town with minuscule services may shelter a full time administrator and a multitudinous staff.


So yes, the JIPSD, which has been protecting the citizens on James Island for almost 60 years, collects taxes and fees. That is because it actually does several things that are essential to its citizens.

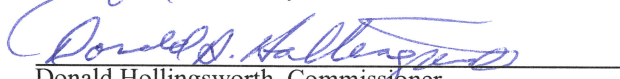
You crow about how the town's property tax bills remain at zero. Aside from the fact that the town provides no discernable services to earn a tax, you omit to confess that the reason the town passed a phantom 20% property tax was purely so it could turn around and give a 20% tax credit. Why did it do this? So it could keep the portion of the LOST funds which were legally required to be returned to the taxpayers. Instead of crediting the taxpayers' funds, by this piece of legerdemain you are instead spending the taxpayers' money on monuments and mysterious services which merely add to the taxpayers' burdens.

It should be an embarrassment to the town that it schemed to pass a phantom property tax only to credit the tax, all for the purpose of shielding its true purpose—that of keeping property owners' tax credit funds.

Given all of this, the JISPD declines to become involved with the town in the town's most current disingenuous efforts to duck town its responsibilities by foisting its duties on another entity, all the while attempting to insinuate itself into the sovereign operations of a duly elected, larger government with a proven track record of service and efficiency.

  
Bill Cubby Wilder, Chair

  
Kay Kernode, Secretary

  
Donald Hollingsworth, Commissioner

Kathy Woolsey, Commissioner

  
Sandi Engelman, Vice Chair

Inez BrownCrouch, Commissioner

Eugene Platt, Senior Commissioner

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