

Ways and Means Committee
5:00 p.m., Tuesday, March 20, 2018

The regular meeting of the Ways and Means Committee was called to order at 5:26 p.m., Tuesday, March 20, 2018 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bell, Buckhannon, Ferencz, Kinghorn, Moye, Rice and Smith, Chair Ward, Mayor Carroll, Administrator Tucker, Treasurer Suggs, Assistant Administrator Fragoso and Clerk Copeland; a quorum was present to conduct business.

1. Chair Ward called the meeting to order and acknowledged that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.

2. Approval of Previous Meeting's Minutes

MOTION: Councilmember Bell moved to approve the minutes of the regular meeting of February 27, 2018 as submitted; Councilmember Moye seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Joe Petro, owner of the Coconut Joe's, was pleased to see that the Committee would discuss going to an hourly rate in the municipal parking lots, and he voiced his full support for this action. He was confident that the results would be more turnover in the lots and more business for the Front Beach restaurants and businesses. Mr. Petro also addressed the idea presented to the Committee last month to turn the parking spaces between Pavilion Drive and J.C. Long Boulevard into active loading zones; he stated that Council was trying to push people to Front Beach without providing ample parking. He noted that, for the past few years, construction has been ongoing, and the vehicles taking up the loading zones were associated with that construction, leaving the delivery trucks for Front Beach businesses with no place to park. He stated that he would like to have a couple of spaces in front of his business, limiting parking to fifteen (15) minutes, for customers to pick up carry-out orders.

Jay Clarke, 10 Seahorse Court and owner of Morgan Creek Grill, expressed his support for the hourly parking in the municipal parking lots to support Front Beach businesses.

4. Financial Statements

A. Monthly Financial Statement

Treasurer Suggs stated that General Fund Revenue was at sixty-six percent (66%) of the FY18 budget while expenditures were at fifty-nine percent (59%) of the General Fund budget; the target for eight (8) months of the fiscal year was sixty-seven percent (67%). Under "Expenditures", the report showed "All Other" at two hundred forty-eight percent (248%) of budget; this category was where the City charged the disaster recovery expenses of three hundred fifty thousand dollars (\$350,000) related to Hurricane Irma. These expenditures will be offset by the FEMA reimbursement funds the City will receive. She also pointed out that Rental Licenses Revenue was at ninety-one percent (91%) of budget; since the Treasurer thought the figure was suspicious, she planned to dig into the collections to insure that all of the funds were properly recorded or if it represented a true decline year-over-year.

Total cash on-hand was approximately twenty-one million eight hundred dollars (\$21,800,000), which includes a significant dollar amount associated with the current beach restoration project; approximately three million dollars (\$3,000,000) has been spent on that project year-to-date. The cash on-hand represents thirty-seven percent (37%) of budgeted General Fund expenditures.

Chair Ward noted that business licenses were not delinquent until May 1, and he was confident that those paying in March and April would insure that the FY18 Business License Revenue met budget.

B. Tourism Schedules

The City has received three percent (3%) more in Municipal Accommodations Fees and Beach Preservation Fees than in FY17. The City had no collections of State ATAX funds or Charleston County Accommodations Tax Pass-through in February. Hospitality Tax collections are running five percent (5%) head of last year.

C. Project Worksheets

The Beach Restoration schedule has changed since last month in that the Treasurer removed the construction contingency from the first page; the project is nearly complete, and staff does not anticipate spending those funds. On the second page, the Treasurer removed the proposed loan as a funding source; the Wild Dunes' contribution toward the local share related to the Irma losses has been included as well as the "plug" number of approximately seven hundred eighty thousand dollars (\$780,000) from the Beach Preservation Fee funds. At this time, the funding for the project equaled the anticipated expenditures.

Responding to Councilmember Rice's question, Administrator Tucker stated that Great Lakes Dock and Dredge has nearly completed the project; they have already begun to demobilize as they are gradually moving some equipment to their next job at Tybee Island. The project will be completed before the target date of the second week of April.

Two (2) pay applications were paid to the contractor for the Phase II Drainage Project in February; Treasurer Suggs noted that this project also has a large contingency. This project was not as far along as the beach restoration so the Treasurer has left the contingency on the schedule; the City anticipates using the contingency funds to fill the shortfall of approximately sixty-three thousand dollars (\$63,000). A portion of this project will be re-budgeted in FY19.

On the Front Beach Restroom Rehabilitation and Boardwalk Project, the City paid one (1) pay application to the contractor; this project will be completed in FY18.

The Bulkhead Rehabilitation is also expected to be completed in FY18.

Due to the delay in receiving the underground storage tanks, a portion of this project will also be rebudgeted to FY19.

Treasurer Suggs introduced a different depiction of the Fund Balances that she thought might be easier for a non-accountant to understand; it was accompanied by the definitions of the fund balance classifications established by Generally Accepted Accounting Principles (GAAP). She noted that unassigned funds could only exist in the General Fund and the non-spendable

Inventory refers to gas and postage. Councilmembers responded very favorably to the presentation of the data.

5. Old Business

Update on Beach Restoration

Administrator Tucker stated that FEMA approved the reimbursement for Irma losses on March 7, 2018 and the City executed the Change Order on March 8, 2018; Great Lakes Dock and Dredge charged the City six dollars fifteen cents (\$6.15) per cubic yard for the additional quantity of sand, the price stated in the original contract for cubic yards in excess of one million (\$1,000,000). The difference between the City's reported sand losses from Irma and the losses acknowledged by FEMA was five thousand cubic yards (5,000 cu. yds.), which they considered the historic erosion rate.

6. New Business

- A. **Recommendation from the Public Safety Committee to make the Managed Beach Parking Plan year-round, to require parallel parking on Palm Boulevard from 21st to 41st Avenue and to prohibit any trailer parking on Waterway. The proposal submitted by Stantec to get this done is in the amount of \$13,640 to revise the Managed Beach Parking Plan and to apply for the encroachment permit from SCDOT (Unbudgeted in FY18; May be funded from Municipal Accommodations Taxes; Police Department Capital Outlay, \$187,625, pg. 25, line 112 or Fire Department Capital Outlay, \$122,375, pg. 25, line 120)**

MOTION: Mayor Carroll moved to approve the recommendations stated above; Councilmember Bell seconded.

Chair Ward asked if any staff member had reached out to SCDOT to ask whether or not the City could do these things.

The Administrator stated that to do the things listed above would require a new encroachment permit because there would be new and different signs; she said that she could write them a letter asking if they would conceptually approve the changes.

Councilmember Bell suggested taking the recommendations one at a time beginning with enforcing the Managed Beach Parking Plan year-round, he questioned that SCDOT had to be involved with that decision.

Administrator Tucker said that the City would only need to insure that SCDOT would be in favor of the change. The existing signage would need to have the secondary signs with the dates removed and enforcement would be year-round and not seasonal.

Councilmember Bell stated that Councilmembers have been approached by residents asking that the parking plan be enforced year-round; he thought that parallel parking on Palm between 21st and 41st Avenue would be something the City could do quickly that would not encumber Council with any future changes. He noted that currently beach-goers park perpendicular and parallel on Palm, and Council has heard from the Fire Chief and the Police Chief that parallel parking was

safer. Councilmember Bell thought that parallel parking would also reduce the congestion on Palm Boulevard. When he proposed these changes to the Real Property Committee, he thought they could be done relatively quickly and easily implemented for the 2018 season. He had hoped that the City could write to SCDOT with its recommended changes and get a letter from them indicating that they agreed or disagreed. He opined that the City did not need to spend thirteen thousand six hundred forty dollars (\$13,640) to accomplish that.

The Administrator explained that the City would need a transportation engineer to draw up a new plan with the new parking and the new signs like the one currently posted on the City's website that would be submitted to SCDOT with the encroachment permit application. She reminded the Committee that the only way the Police Department could enforce the changes would be with proper signage, which would also require SCDOT approval; the resulting sign plan becomes part of the ordinance. If it is not Stantec, it would be another company; since Stantec already has the body of work; one (1) would think they would be the most cost effective company to do the work.

Chair Ward and Councilmember Bell, respectively, withdrew their motion and second.

MOTION: Councilmember Bell moved for the City to make the Managed Beach Parking Plan effective year-round; Councilmember Ferencz seconded.

Councilmember Smith noted that a decision to have the parking plan enforced year-round did not have to be made at this meeting; the change would not be relevant until mid-September. In her opinion, the year-round parking plan brought up several issues, such as residents would be required to purchase guest passes all year and the cost of employing Beach Services Officers (BSOs) for an additional six (6) months. As Chair of the Public Safety Committee, she stated that they would be discussing several different solutions to parking and traffic issues on the island in the coming months.

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Councilmember Rice agreed that Council was rushing to make a decision on enforcing the parking plan year-round; in December and January when residents are hosting holiday parties, they would have to get guest passes at a time when parking and traffic were not problems on the island. She recalled that residents at the public forums stated that they were pleased with the changes brought about by the parking plan.

Councilmember Bell stated the City had a Police Department whose job it was to enforce the City's ordinances; he opined that, in the off-season, BSOs would not be required and that police officers should be able to handle traffic enforcement.

Councilmember Buckhannon commented that part of the Stantec proposal was "Analyze Problem Parking Areas" for a fee of thirty-two hundred dollars (\$3,200); he stated that he thought the City had paid them to do just that in the past. Without information on how much extending the parking plan would cost, he felt he did not have sufficient data to make an informed decision. He agreed that the plan should be extended, but he also thought that too many unknowns existed to rush into a decision tonight.

Councilmember Smith confirmed that this change would not affect the municipal parking lots.

VOTE: The motion PASSED on a vote of 6 to 3 with Councilmembers Kinghorn, Rice and Smith casting dissenting votes.

MOTION: Councilmember Bell moved to prohibit trailer parking, resident and non-resident on Waterway Boulevard; Councilmember Ferencz seconded.

Councilmember Buckhannon asked for clarification on what kind of trailer this action would focus boat or construction or trailers in general.

Councilmember Bell explained that the issue addressed here was largely from residential concerns on Waterway over safety from the overflow traffic from the marina, primarily boat trailers, that park on the sidewalk and often in the roadway. Cars with residential stickers can park on Waterway.

Councilmember Kinghorn voiced concern that this prohibition could hurt businesses at the marina; when people come to the marina to launch their boat and then cannot find a place to park the trailer, they might quit coming to the IOP Marina.

Councilmember Rice recalled how little parking was on Waterway Boulevard last summer when it was made residential parking only; if that holds true this summer, the problem may have resolved itself.

After the marina operator eliminated the annual decals and residential trailer parking last summer; residents started parking on Waterway.

According to Councilmember Ferencz, the complaint Council was hearing was that the trucks and trailers were so big that they extended not only over the sidewalk but also into the roadway creating a safety issue.

Chief Buckhannon stated that trailer parking on Waterway was not a problem in the off-season.

Administrator Tucker stated that, on the sign plan, Intracoastal Court was resident only parking; therefore, a vehicle with a residential sticker with a trailer would be allowed to park there.

Councilmember Buckhannon stated that he was concerned about where the marina overflow would park if they no longer have Waterway Boulevard; he was concerned that the parking problem would be removed from one (1) location only to happen again in a different location.

Councilmember Ward commented that many people on the island believed that marina parking should be restricted to the marina site.

Councilmember Rice opined that the Committee should delay this decision to see how effective the year-round parking plan would affect Waterway parking.

VOTE: The motion PASSED on a vote of 7 to 2 with Councilmembers Kinghorn and Rice casting dissenting votes.

MOTION: Mayor Carroll moved to approve the proposal from Stantec in the amount of \$13,640 and to submit a plan to SCDOT for parallel parking on Palm Boulevard from 21st to 41st Avenue; Councilmember Bell seconded.

To eliminate the need for beach-goers to turnaround in traffic or to go through the neighborhoods to park in the right direction, Councilmember Smith suggested that the non-ocean side of Palm be classified as resident only parking.

Councilmember Ferencz commented that vehicles were already turning against the traffic in order to park perpendicularly on the non-ocean side of the street.

The Administrator said that the assignment to Stantec was directly from the minutes of the Real Property Committee meeting as the instructions were given to staff. One (1) factor related to the residential parking only on the non-ocean side of Palm was to insure that the City remained in compliance with the Beach Management Plan as it pertained to public access to the beach.

Administrator Tucker explained how the process would work:

- Stantec personnel would meet with IOP staff to insure that they understand their assignment;
- Stantec would deliver a work product to staff for review and correct;
- The document would go back to Stantec to incorporate the changes, corrections, clarifications identified by staff;
- Stantec would produce a second work product that would be reviewed a second time;
- The revised work product would be delivered to Council to insure the goal(s) were accomplished;
- The final document would go to SCDOT for approval; and
- Once approved, the document would become part of the parking ordinance.

AMENDMENT: Councilmember Smith moved to amend the motion to add residential only parking on the non-ocean side of Palm from 21st to 41st Avenue; Councilmember Rice seconded.

Mayor Carroll said that he heard the residents “loud and clear” that they wanted to protect the neighborhoods and to reduce the amount of parking; at the same time, the Mayor believed that the general public should have the right to go to the beach, and he was concerned about taking away parking on one (1) side of Palm Boulevard.

Initially for Councilmember Bell, these suggestions/recommendations were “to get the ball rolling” to do what Council wanted to do; by going to parallel parking on both sides of Palms, he thought the City would have time between seasons to determine how many parking spaces the City must have, how to be fair to off-island beach-goers, etc.

Councilmember Buckhannon recalled that parallel parking has been talked about many times and for many years; he agreed with Councilmember Kinghorn that the Committee was rushing with these changes to parking.

VOTE on the AMENDMENT: The Amendment failed on a vote of 1 to 8 with Councilmember Smith being the sole aye.

VOTE: The original motion PASSED on a vote of 8 to 1 with Councilmember Kinghorn casting the dissenting vote.

B. Consideration of changing the kiosks in the Municipal Parking Lots to an hourly rate that is the same as the kiosks on the street

Administrator Tucker reported that the parking rate on the street was one dollars fifty cents (\$1.50) per hour, the cost to reprogram the parking lot kiosks would be three hundred eighty-five dollars (\$385), and the cost for signage on the kiosks was two thousand dollars (\$2,000).

MOTION: Mayor Carroll moved to change the parking rate in the municipal lots to \$1.50/hour, to reprogram the kiosks at \$385 and to purchase new signage for the kiosks for \$2,000; Councilmember Ferencz seconded.

Councilmember Rice expressed strong feelings that the per-hour rate in the parking lots should be one dollar (\$1) per hour to encourage people to park there; though parking on the street was a convenience, the City should incentivize people to park in the lots.

AMENDMENT: Councilmember Rice moved to charge \$1 per hour to park in the municipal lots; Chair Ward seconded.

Councilmember Moye asked for a member of the Public Safety Committee to explain the goal to be achieved with the change to hourly parking in the parking lots.

Chair Ward stated that “the merchants were getting beaten up so badly;” he commented that the charge for parking in the lots has steadily increased, and the increases have driven beach-goers to park on Palm.

Responding to Councilmember Ferencz’ inquiry, the Administrator confirmed that the rate in the parking lots after 4:00 p.m. was a dollar (\$1) per hour, but the rate on the street was one fifty (\$1.50) all the time.

VOTE on the Amendment: The amendment PASSED on a vote of 5 to 4 with Councilmembers Ferencz, Kinghorn, Moye and Smith dissenting.

VOTE on the Amended Motion: The motion PASSED on a vote of 6 to 3 with Councilmembers Ferencz, Kinghorn and Moye dissenting.

7. Miscellaneous Business – None

Budget Workshop: 5:15 p.m., Wednesday, March 28, 2018
Next Meeting Date: 5:00 p.m., Tuesday, April 18, 2018

8. Executive Session – not needed

9. Adjournment

MOTION: Councilmember Buckhannon moved to adjourn the meeting at 6:40 p.m.; Councilmember Ferencz seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk