

## **WAYS AND MEANS COMMITTEE**

5:00 p.m., Tuesday, September 18, 2018

Council Chambers

1207 Palm Boulevard, Isle of Palms, South Carolina

### **AGENDA**

1. **Call to Order** and acknowledgement that the press and public had been duly notified of the meeting in accordance with the Freedom of Information Act
2. **Approval of Previous Meeting's Minutes**  
Regular Meeting of July 17, 2018
3. **Citizens' Comments**
4. **Financial Statements – Treasurer Debbie Suggs**
  - A. Financial Statement
  - B. Tourism Schedules
  - C. Projects Worksheets
5. **Old Business**
6. **New Business**
  - A. Consideration of Morgan Creek Grill lease renewal and extension
  - B. Award of a sole source contract in the amount of \$118,000 to Coastal Science and Engineering for post-project monitoring services (Beach Preservation Fee Fund, pg 30, In 318 – Professional Services, Ongoing monitoring of entire beach - \$75,000 and Post-project monitoring of 2018 offshore project area - \$200,000)
  - C. Consideration of usage of the metal detector for security at City Council meetings and a security officer at a cost of \$200 for 4 hours (Possible funding source – General Fund, Mayor & Council, pg 8, In 15 – Meetings and Seminars, approximately \$1,800)
  - D. Consideration of the purchase of a beach cleaner and associated costs
  - E. Approval of up to \$11,000 for the 2018 Employee Appreciation event (General Fund, General Government, Miscellaneous & Contingency, pg 9, In 58 – Annual Appreciation Event - \$11,000)
  - F. Recommendation from the Real Property Committee to authorize an audit of the City's marina tenants (Marina Fund, pg 36, In 42 - Professional Services, CPA review of Marina tenants' financial statements - \$50,000)
  - G. Approval of additional \$1,507.09 for the 5 in-car camera systems for patrol vehicles (vendor erred in computing sales tax; approved \$25,585.69 in August; budget is \$30,000)
  - H. Consideration of on-line financial transparency dashboard at a cost of \$4,500 (General Fund, General Government, pg 9, In 55 - Professional Services, \$113,520)
  - I. Approval of tax year 2018 millage rates

7. **Miscellaneous Business – None**

**Next Meeting Date:** 5:00 p.m., Tuesday, October 23, 2018

8. **Executive Session – if needed**  
Upon returning to open session, the Committee may take action on matters discussed in Executive Session
9. **Adjournment**

**WAYS and MEANS COMMITTEE**  
5:00 p.m., Tuesday, September 18, 2018

The regular meeting of the Ways and Means Committee was called to order at 5:00 p.m., Tuesday, September 18, 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, Interim City Administrator Fragoso, Assistant City Attorney Copeland 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 Rice moved to approve the minutes of the regular meeting of July 17, 2018 as submitted; Councilmember Bell seconded and the motion PASSED UNANIMOUSLY.**

3. **Citizens' Comments**

Jim Raih, 3904 Cameron Boulevard, spoke to the Committee about the Morgan Creek Grill (MCG) lease and the possibility that the City will issue an RFP for the restaurant lease since only two (2) years remain for Morgan Creek Grill. He noted that the City has a tenant in MCG that "has cash flow problems, credit limit problems, does not take care of the building, does not live up to the triple-net lease." He said that the City should stay positive when answering the questions of "how the City could keep a successful restaurant at the site and, at the same time, follow the rule of law that requires the City to bid long-term leases and purchases." He did acknowledge that the food and beverage business is a difficult one and, particularly difficult, to make a reasonable profit.

Bill Campbell, 34 – 42<sup>nd</sup> Avenue, stated that he and his neighbors on 42<sup>nd</sup> Avenue are very sociable and are frequently looking for a place to go, but that place is no longer the Morgan Creek Grill, but to Shem Creek. The location for MCG is "fantastic," but, in his opinion, he did not get a good value for the food, and happy hour is elusive from day to day.

Rusty Streetman, 4004 Palm Boulevard, wanted to express his thought on the proposed MCG lease and the City's responsibility to optimize the restaurant at the marina; he stated that he has listened to the audio recording of the Real Property Committee meeting and read all of the attachments. He indicated that he was surprised by the petition MCG has on-line garnering support for it to remain at the marina. He expressed his support for the City's issuing an RFP for the restaurant lease and his disapproval of the City's automatically extending the MCG lease. (The text of his comments is attached to the historical record of the meeting.)

Carla Pope, Director of Operations at Morgan Creek Grill, disagreed with the numbers Mr. Streetman calculated. She asked that the City open negotiation with MCG for lease extensions and amendments rather than issue an RFP for the restaurant lease; she said that she has created a digital file to send to all Councilmembers containing information that they believe will show the "worthiness of MCG" for an extended lease. She added that the petition has more than one thousand (1,000) signatures. (The text of her comments is attached to the historical record of the meeting.)

**4. Financial Statements – Treasurer Debbie Suggs**

**A. Financial Statements**

Treasurer Suggs reported that General Fund Revenue was at ten percent (10%) and General Fund Expenditures were at fifteen percent (15%) when the target for two (2) months into the fiscal year was seventeen percent (17%). Total cash from all funds was seventeen million one hundred thousand dollars (\$17,100,000); General Fund cash was at approximately three million five hundred thousand dollars (\$3,500,000) or thirty percent (30%) of the annual General Fund budget.

**B. Tourism Schedules**

The Municipal Accommodations Fee collections were approximately two hundred thousand dollars (\$200,000) which is significantly higher than collections in FY18; the Treasurer has started investigating the number to insure that the amount is correct and will report on her findings next month. The City will not see State ATAX until October, the end of the quarter. The City has received one (1) of two (2) checks from the Charleston County Accommodations Tax Pass-through in the amount of three hundred eighty-one thousand dollars (\$381,000). Like July, the August collections for Hospitality Tax continues to be strong and is running nine percent (9%) higher than FY18. And the Beach Preservation Fee Fund mirrors the Municipal Accommodations Taxes.

The parking revenue summary shows a significant decline in revenue for the lots despite an increase in the number of transactions. The decrease is a concern and needs to be addressed for the 2019 season.

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**C. Project Schedules**

For Phase II Drainage, the City processed construction payout #10 for over ninety-six thousand dollars (\$96,000).

The Mayor noted that the Citadel Beach House was working with the engineer and would be paying their expenses for tying into the project; he asked if the City had heard from the residents of 48<sup>th</sup> Avenue.

Interim Administrator Fragoso reported that some residents have spoken with the engineer, and they are discussing how that would happen.

On the underground storage tank replacements project, the Interim Administrator reported that the tanks have been installed at the Public Works site and are waiting for required DHEC testing.

**MOTION: Chair Ward moved to re-order the Agenda to bring forward Item I under New Business; Mayor Carroll seconded and the motion PASSED UNANIMOUSLY.**

**6. New Business**

**I. Approval of tax year 2018 millage rates**

Treasurer Suggs directed attention to the "Schedule of Assessed Values . . .", and particularly to the first box and the difference of fifty-nine thousand one hundred dollars (\$59,100). With the assessed values from the County, the Treasurer computed the taxes that would be generated using the current millage rates to the FY19 Property Tax Revenue budgeted, and the taxes are fifty-nine thousand one hundred dollars (\$59,100) short of budget. She stated that, historically, the taxes are collected at a better rate than the County predicts. The Treasurer stated that she was comfortable that the City will end FY19 in a good way by leaving the millage rate the same.

**Motion:** Councilmember Rice moved to leave the millage rate for 2018 the same as in 2017; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.

**5. Old Business – none**

**MOTION:** Chair Ward moved to re-order the Agenda to discuss the Morgan Creek Grill lease after the Executive Session; Councilmember Ferencz seconded and the motion PASSED UNANIMOUSLY.

**6. New Business**

**B. Award of a sole source contract in the amount of \$118,000 to Coastal Science and Engineering (CSE) for post-project monitoring services** (Beach Preservation Fee Fund, pg. 30, In 318 – Professional Services, \$200,000)

**MOTION:** Councilmember Rice moved to award a sole source contract to Coastal Science and Engineering in the amount of \$118,000 for post-project monitoring; Councilmember Bell seconded.

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Councilmember Bell explained that the CSE proposal contained three (3) components, post-project monitoring, monitoring the entire shoreline, and emergency monitoring after a storm event. Since CSE designed, engineered and managed the 2018 project, issuing them a sole source contract for the required post-project monitoring was the logical action and in compliance with the sole source requirements defined in the procurement code. The City will bid out the annual monitoring of the entire shoreline and emergency post-storm survey.

**VOTE:** The motion PASSED UNANIMOUSLY.

**C. Consideration of usage of the metal detector for security at City Council meetings and a security officer at a cost of \$200 for 4 hours** (Possible funding source – General Fund, Mayor & Council, pg. 8, In 15 – Meetings and Seminars, approximately \$1,800)

**MOTION:** Councilmember Ferencz moved to use the metal detector for security at City Council meetings, along with a security officer at a cost of \$200 for 4 hours; Councilmember Bell seconded.

Councilmember Buckhannon stated that this expenditure was not included in the FY19 budget, and Chair Ward agreed.

When Councilmember Rice asked if such an action was necessary, Councilmember Bell said that he had brought up the subject as a result of attending a class at the MASC Annual Meeting. He

said that people who have experienced an event would say it is necessary and those who have not would say no. He commented that Interim Chief Usry has recommended that an armed officer should also attend meetings – just in case.

Councilmember Kinghorn asked if a threat assessment had been done because such a report would normally precede such a recommendation.

When asked to respond, Interim Chief Usry stated that no official threat assessment has been done, but that times have changed. She said that she felt unsafe at Council meetings because she has her back to the door; she stated that no one knows when or how something will happen. The Interim Chief noted that Officer Storen has had active threat training and has generated a training program that has been presented to the Water and Sewer Commission, has done in-house training with other patrol officers and to the Interim City Administrator.

**AMENDMENT: Councilmember Buckhannon moved to have an armed officer in attendance at Ways and Means and Council meetings in lieu of using the metal detector; Councilmember Moye seconded.**

Interim Administrator Fragoso stated that this overtime expense line in the Police Department budget was not contemplated in the FY19 budget; therefore, it might be over-budget at the end of the year.

Councilmember Buckhannon recommended looking at the costs involved with the security officer and the overtime for the police officer and to send the issue back to the Public Safety Committee.

Councilmembers Buckhannon and Moye, respectively, withdrew the amendment and second.

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Councilmembers Ferencz and Bell, respectively, withdrew the motion and second.

**D. Consideration of the purchase of a beach cleaner and associated costs**

Chair Ward asked that consideration of the purchase of a beach cleaner be postponed until the FY20 budget discussions.

**E. Approval of up to \$11,000 for the 2018 Employee Recognition Event** (General Fund. General Government, Miscellaneous and Contingency, pg. 9, Ln 58 – Annual Appreciation Event, \$11,000)

**MOTION: Councilmember Kinghorn moved to approve up to \$11,000 for an Employee Appreciation Event; Councilmember Rice seconded.**

Interim Administrator Fragoso reported that this was a recommendation from the Personnel Committee. She recalled that, in the past, the City held a large holiday party at The Windjammer that, in the end, had more invited guests than employees and was discontinued; the City then tried having an employee picnic at a River Dogs baseball game, but employee participation was poor. Earlier this year, the City gave employees two (2) passes to the SC Aquarium that they could use anytime this year. From discussions with HR Officer DeGroot, they decided that an Employee Appreciation Day with a catered meal, recognition of long-time employees, and with City offices closed for two (2) hours, 11:00 a.m. to 1:00 pm, so that all employees could attend would be an appropriate celebration of IOP employees; the event will be held Friday, October 19<sup>th</sup> behind City Hall with a large tent should the weather not cooperate. The Personnel Committee

was very enthusiastic about the event and recommended that staff use the full amount budgeted, eleven thousand dollars (\$11,000) to ensure that employees truly feel that they are valued by the City.

Councilmember Rice thought it was a wonderful plan and that it would build moral; she noted that the City has many long-time employees who have never been recognized and that it was time for the City to show its appreciation.

Councilmember Bell commented that such an event is quite normal in the corporate world.

**VOTE: The motion PASSED UNANIMOUSLY.**

**F. Recommendation from the Real Property Committee to authorize an audit of the City's marina tenants** (Marina Fund, pg. 36, ln 42 – Professional Services, CPA review of tenants' financial statements - \$50,000)

**MOTION: Chair Ward moved to contract with McCay Kiddy and Associates for a financial analysis and testing and specific procedures up to and including a review or audit relating to Isle of Palms tenants at the marina and operations for the year ended to be determined; Councilmember Bell seconded.**

Having discussed this matter with Treasurer Suggs earlier today, Chair Ward stated that they were not concerned about testing all of the accounts of the marina tenants for deviations; if there are none, the auditor can express some assurance on the accuracy and materiality of the financial statements conforming with GAP. The City is more interested in operating and rent revenues, cash and cost of goods sold.

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According to the Treasurer, the original intent was to get assurance that the calculation for additional rent is appropriate; each tenant's lease has a provisions for additional rent.

Noting that this request has come from the Real Property Committee, Councilmember Bell again indicated that he was not comfortable that the Committee received the information requested, for instance, has the income from the subleases Marina Joint Ventures holds been recorded properly. He stated that he also wants to know who is using the marina, residents or non-residents; he has requested data on the number of boat launches by residents and by non-residents and not been comfortable that the numbers were accurate.

When Councilmember Kinghorn asked if fifty thousand dollars (\$50,000) was enough, Chair Ward thought the number was good because he and Treasurer Suggs will control the scope of work.

Since this action has not been taken previously, Councilmember Moyer asked whether the City was doing it because it thinks that things are not being recorded correctly or because the City does not believe that "it has good visibility."

Chair Ward stated that the action was being taken because it was good business practices and that the City was not insinuating anything against anyone.

Councilmember Rice said that this accounting procedure made her uncomfortable; she felt that it was punitive. She asked what the City was going to do with the information once it has it. Councilmember Kinghorn expressed the opinion that Council should be setting policy and stay away from hands-on and refer it to the professional staff.

**Vote:** The motion **PASSED** on a vote of 8 to 1, with Councilmember Rice casting the dissenting vote.

**G. Approval of additional \$1,507.92 for the 5 in-car camera systems for patrol vehicles** (vendor erred in computing sales tax; approved \$25,585.69 in August; budget is \$30,000)

**MOTION:** Councilmember Buckhannon moved to approve an additional \$1,507.92 in sales tax for the 5 in-car camera systems; Councilmember Moye seconded and the motion **PASSED UNANIMOUSLY**.

**H. Consideration of on-line financial transparency dashboard at a cost of \$4,500** (General Fund. General Government, pg. 9, ln 55 – Professional Services, \$113,520)

**MOTION:** Councilmember Kinghorn moved to approve \$4,500 for on-financial transparency dashboard; Councilmember Moye seconded.

The Treasurer with the assistance of the Interim Administrator gave a brief presentation on the product they proposed the City buy; Interim Administrator Fragoso stated that this was a way to take transparency to a new level; it would be available to residents for free on the IOP website. She noted that this product takes complex data and make is easily understandable. She remarked that the program explains how the budget and the various funds work together.

From the presentation, Treasurer Suggs showed that the company has searched out the City's FY16 audited financial reports and loaded it to their program; if the City were to pay for the service, the information would be expanded.

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Responding to Councilmember Bell, the Treasurer stated that the data is static and updated on an annual basis using the audited financial at year's end.

The Treasurer said that she saw this program as a way for the City to get its feet wet with a dashboard product at a fairly low cost and with little work for staff.

Chair Ward asked that staff do more research and to defer any action until next month.

Councilmembers Kinghorn and Moye, respectively, withdrew the motion and second.

## **7. Miscellaneous Business – none**

Next Meeting Date: 5:00 p.m., Tuesday, October 23, 2018

## **8. Executive Session**

**MOTION:** Chair Ward moved to go into Executive Session at 6:14 p.m. to receive legal advice on the lease renewal and extension request from Morgan Creek Grill; Councilmember Bell seconded and the motion **PASSED UNANIMOUSLY**.

When the Ways and Means Committee returned to open session at 6:33 p.m., Chair Ward announced that no vote and no action were taken in Executive Session.

**6. New Business**

**A. Consideration of Morgan Creek Grill lease renewal and extension**

**MOTION: Councilmember Bell moved to reject the Morgan Creek Grill lease as presented; Councilmember Rice seconded.**

Having read the proposed lease, Mayor Carroll said that it did not benefit the City or the residents who own the marina.

Councilmember Kinghorn thanked the tenant for taking the initiative to bring this to the City's attention.

**VOTE: The motion PASSED UNANIMOUSLY.**

**9. Adjournment**

**MOTION: Councilmember Buckhannon moved to adjourn the meeting at 6:35 p.m.; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.**

Respectively submitted:

Marie Copeland  
City Clerk



From  
Jim Rauh

## ways And means Committee

Focus on one thing tonight M.G. Grill lease and the last real property meeting.

MGG has nothing to lose at this point the city is heading for a RFP or RFQ.

Value is determined by 3 things: 1) the cost to build 2) Income the building brings in 3) what other people have paid or are willing to pay for the property.

Rent in the restaurant and bar business is driven by 1) total square footage 2) location 3) number of chairs and bar stools.

B/C in the restaurant business you make your income from the number of time you can turn the seats.

Cash flow is the life blood of the food and bev business.

As the city comes to the last 2 years of the lease with MGG the city is faced with a tenant that has cash flow problems, credit problems not taking care of the building, not living up to the NNN lease.

Walk-in cooler we have been down this road before.

We (the city) must stay focused on the positive.

Commercial real estate is a cut throat business. All is fair in love, war and commercial real estate. Us v. them. Owner wants to keep someone in the building. Renter need to make a profit.

There were so many negative things in the last real property meeting. It (the meeting) was a perfect example of how not to run a committee meeting. When you pick sides no one wins.

I am not an Attorney, I am not an appraiser I am a lic. Real estate broker in SC for almost 30 years. I have owned property, rented property, been a landlord, been involved in a taking law suit with SCDOT and paid over \$100,000.00 in attorney's fees, I have help buyers buy surplus property with SCDOT.

The fact of the matter is by law gov't has to seek the best return on and for the tax payer. In this case it is the lease for the restaurant.

you can get distracted by the walk-in cooler--- DEHE---- a high jacked redevelopment plan----- people throwing people under the bus----- personal attacks by a attorney----- gross income----- net income----- -- NOI----- The time value of money----- cash on cash return----- return on investment,-----return on a loan (why borrow the money if there is not return)..... Net present value..... fixed cost----- cost of goods sold,-----sales volume----- labor cost----- cap rate----- 1/2 of 1Percent can mean a lot of money-----The food and bev business is a hard business----- many do not make it in the business

In the end a new lease will 1) determined by fair market value 2) reasonable terms for both the city and the renter 3) there is nothing wrong about making a fair profit.

Given a chance I would like the opportunity and it would be a privilege to be your next city administrator....

**From: Rusty Streetman**

**rustystreetman@bellsouth.net**

**Subject: Morgan Creek Grill Lease Issue/Proposal**

**Date: Sep 18, 2018 at 1:09:55 PM**

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- I saw the petition that was posted online on various social media encouraging all to sign .**
- It noted that past and present Councilmembers had represented a lease extension would be granted.**
- As one of the citizens that voted overwhelmingly last year against the Marina referendum, I'm speaking out against an automatic extension of the lease.**
- By our vote, we mandated change , and not business as usual from the new council and mayor.**
- I'm certainly not speaking out against MCG specifically. I do patronize them on occasion, and I'm in favor of a restaurant continuing to occupy that space going forward.**
- That being said, I believe the City should put this lease out to bid because I believe that's appropriate under the SC state procurement law.**
- I also feel the City isn't getting fair market value for the property we own as citizens of the Island.**
- It should be noted as a comparison, that Folly Beach owns a property that a restaurant occupies (5,000 square feet)and their base rent is approximately \$163,000 per year , with an additional rent of 8% of anything over \$1,200,000.**
- In reading the "proposed lease"it appears the lease terms**

that are being proposed is 33 years if you count all the extensions.

- There's also a proposal to eliminate additional rent payments.

- During the referendum, the City fact sheet said we get around \$135,000 per year in rent, which was the base plus additional rent.

- This proposal would result in the City getting \$95,000 in rent until 2023, and then \$120,000 a year thereafter until 2053.

- If my math is correct, that equates to a net reduction in rent of somewhere between \$40,000 a year and \$15,000 a year depending on the timing.

- Also, the lease is tied to the CPI, and that would probably raise the rent only ~~1-2%~~ 2-3%.

- Therefore, as a citizen of the Isle of Palms, I'm in favor of the lease going out to bid in order to determine fair market value for the rent.

- If we enter into this lease as proposed, it simply doesn't cover the cost for the City to carry the property.

- Thank you!

Sent from my iPad

We wish for the council to open negotiations with Morgan Creek Grill and **not** put our lease out for an RFP.

We have researched the minutes of previous meetings and have found no precedent for any Marina tenant seeking lease extensions and amendments to have their leases be required to have a RFP bid.

All indications over time from The City have lead Morgan Creek Grill to believe that we would be granted a lease extension with amendments.

During the past four years it has been represented by past and present Councilmembers an extension would be granted.

Our request for a lease extension is not unreasonable and could be negotiated in a cooperative lease negotiation situation.

If it is your intent not to open negotiations with MCG at this time, we request, in part due to the recent storm evacuation, additional time in order to present to **all** members of the council updated, pertinent information regarding our lease. There are several councilmembers that we have not been able to supply with this information yet.

We are prepared to send all members of council a digital file with this information by end of day tomorrow which includes information from our CPA, a report from The Geurry Group regarding an independent appraisal of the MCG lease with the city...and many other significant documents pertaining to the worthiness of MCG having an extended lease.

We have made a public call of support to our patrons both residents and off island patrons (near and far) and are currently amassing a vast number of responses of support for a lease extension Morgan Creek Grill.

over 1000  
combined

Thank you for listening to our comments.

Carla Pope

State of South Carolina  
County of Charleston

Commercial Lease Agreement

This agreement ("this Lease") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between The City of Isle of Palms, SC ("Landlord") and Barrier Isles LLC, a South Carolina limited liability company, and its permitted assigns ("Tenant").

In consideration of the covenants and agreements of the respective parties herein contained, which are expressly agreed to by Landlord and Tenant, the parties hereto, for themselves and their respective successors and permitted assigns, hereby agree as follows:

1. LEASED PREMISES: PARKING

- A. Landlord by the presents hereby demises and let unto Tenant and Tenant hereby hires and leases from Landlord, that certain restaurant building and adjoining grounds, situated near the northeastern corner of the Isle of Palms Marina, an exact description of which is set forth on the map attached hereto and made a part hereof, labeled Exhibit 1 ("the Leased Premises")
- B. Tenant is allowed employee parking and excess customer parking in the Marina parking area.

2. INITIAL TERMS: RENEWALS

- A. The initial term of this Lease shall commence as of \_\_\_\_\_ 1, 2018 and end on \_\_\_\_\_, 2036.
- B. Tenant has the option to renew this lease for five (5) additional, consecutive three (3) year terms, covenants and conditions set forth in this lease. Each option to renew must be exercised by Tenant in writing in strict accordance with the notice provisions contained in Sections 23 of the Lease, at least ninety (90) days prior to the expiration of the preceding term. Tenant may not renew this Lease if Tenant is in default of any provision of this Lease at the time Tenant exercises the option or at the time of the commencement date of the renewal term.

3. RENT:

- A. During the initial term of this Lease and any renewal hereof, Tenant agrees to pay all monthly rent due hereunder to Landlord, or such agent of landlord as Landlord may from time to time designate in writing, payable in advance of the first day of each month commencing on \_\_\_\_\_ 1, 2018, or such earlier date as Tenant may conduct any sales at the Leased Premises, as follows:
- B. During the first two (2) years of the Lease, i.e., June 1, 2018 through May 31, 2020, Tenant shall pay to Landlord the monthly sum of \$10,000.00 commencing June 1, 2018 and on the first day of each month thereafter through May 1, 2020 ("Base Rent"). For the third year of the Lease and every third year thereafter, the monthly rent payable from Tenant to Landlord shall be an amount equal to the Base Rent plus a percentage increase equal to the percentage increase, if any, in the consumer price index for all urban consumers, U.S. City average, as published by the United States Department of Labor, Bureau of Labor Statistics ("Index"). If such Index is discontinued, then the parties agree to use the closest comparable measure of the effect of inflation provided, however, notwithstanding any change in the Index, the Base Rent shall never be lower than the amount paid for the preceding Lease year.

- C. If Landlord fails to receive any rental payment due under this lease within ten (10) days after the due date, a late charge of five (5%) percent of the rental amount shall be added to the rental and paid to landlord for each such late payment, and the same shall be treated as additional rent, due and payable with such rental payment.
- 4. SECURITY DEPOSIT: Landlord agrees to retain the initial Security Deposit in the sum of Ten Thousand and No/100 (\$10,000.00) Dollars paid by Tenant at the time the original Commercial Lease Agreement was executed on May 17, 2002 as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. This deposit, without interest, will be returned to Tenant after the expiration of this Lease provided that Tenant has fully and faithfully performed all of its terms and conditions.
- 5. USE OF THE LEASED PREMISES: COMPLIANCE WITH PPLICABLE LAWS
  - A. The Leased Premises and all improvements located thereon shall be used only as a full-service restaurant, which at Tenant's option may include the on-premise sale and consumption of alcoholic beverages, the sale of artwork, or clothing apparel or other gift shop items which carry Tenant's restaurant logo, lounge areas and carry out and delivery service. Except to extent that Tenant needs to close the restaurant for approved repairs or renovations, Tenant agrees to keep the restaurant open for business year-round, serving dinner at least five (5) days per week and during the tourist season (Memorial Day weekend through Labor Day weekend), serving lunch and dinner at least six (6) days per week. Provided, however, that if tenant is unable to make a profit serving lunch as a direct result of restrictions on excess customer parking at the Marina during lunch hours, Tenant agrees to give Landlord written notice thereof. Landlord shall have thirty (30) days from receipt of such notice to eliminate the restrictions on Tenants excess customer parking during lunch hours. If landlord does not eliminate such restrictions within said thirty (30) day period, then Tenant shall not be required to serve lunch until such restrictions are eliminated.
  - B. Tenant agrees that all activities conducted at the leased Premises by Tenant will at all time comply with all applicable federal, state and local laws, rules and regulations including all state and federal environmental laws, rules and regulations promulgated thereunder. Tenant agrees that Tenant has familiarized himself with Landlord's City Code of Ordinances including, but not limited to zoning, noise and parking regulations. Tenant acknowledges and agrees that Tenant's failure to comply strictly with all such applicable federal, state and local laws, rules and regulations will, at City's option, be deemed a material default by Tenant under this Lease. Provided, however, that nothing in this subsection is to be construed as modifying nor does it modify, Tenant's rights to cure any default as set forth in Section 16 of this Lease.
  - C. Tenant agrees to obtain and maintain all licenses and permits which are required for Tenant's operation of the Restaurant, construction of any alterations or improvements, and any other activities conducted by Tenant in connection therewith.
- 6. CONDITION AND MAINTENANCE OF THE PREMISES: Unless otherwise provided in this Lease, Tenant agrees to accept the Leased Premises in its present condition. Landlord makes no representation or warranties, either express or implied, regarding the condition of the Leased Premises or its fitness for any particular purpose. Except as otherwise expressly stated in this Lease, Tenant agrees that at all times during the term of this Lease and any renewals thereof, Tenant shall be responsible for any and all repairs, maintenance and replacement, both ordinary and extraordinary, at the Leased Premises and all of

it appurtenant systems, except to the extent of any damage covered and paid by Landlord casualty insurance carried pursuant to this Lease. Tenant agrees to keep the Leased Premises in a good, clean and safe order and repair and in good operating condition. All repairs, replacements and renovations shall be of good quality material and workmanship. Tenant's maintenance shall include but is not limited to, responsibility for garbage, trash or rubbish disposal in compliance with all applicable laws, rules and regulations prescribed from time to time. Tenant agrees to be responsible for litter control at the leased premises and to maintain the property free from trash, debris and other litter. Tenant agrees to keep the grounds of the leased premises in good condition and properly landscaped. Notwithstanding the foregoing, Landlord agrees to be responsible for any and all repairs, maintenance and replacement, both ordinary and extraordinary, which are necessary for the marina's bulkheads and retaining walls adjacent to the Leased Premises, and Tenant shall have no responsibility to maintain, repair or replace said bulkhead and retaining walls except for any damage caused by Tenant or Tenant's employees, invitees or licensees which is not covered and paid by Landlord's insurance carried hereunder. Further, notwithstanding any provision herein to the contrary, Landlord agrees to be solely responsible for any and all repairs, maintenance and replacements, both ordinary and extraordinary, which are necessary for the restaurant buildings' foundation, marina bulkheads and retaining walls adjacent to the Leased Premises. Tenant shall have no responsibility to maintain, repair or replace said foundations, bulkheads and retaining walls except for damage caused by Tenant or Tenant's employees, invitees or licensees which is not covered and paid by Landlord's insurance carrier.

7. **TAXES AND INSURANCE:** As additional rent, Tenant agrees to be responsible for payment of all real and personal property taxes assessed against the Leased Premises which accrue during the term of this lease, including the County of Charleston Waste Disposal Users Fee. All such payments shall be paid to Landlord with fifteen (15) days after Tenant's receipt of written notice thereof. Tenant also agrees to promptly reimburse Landlord for and Landlord agrees to maintain all premiums for flood, earthquake, fire and extended casualty, windstorm and hail insurance coverage in amounts not less than the appraised value of the building and any other improvements now or hereafter located on the Leased Premises. Tenant agrees to maintain comprehensive general liability insurance coverage on the Leased Premises including Dram Shop Act Liability in an amount not less than \$250,000.00 per person, \$1,000,000.00 per claim and \$100,000.00 per claim for property damage. All insurance coverage required to be maintained by Tenant hereunder shall be with companies reasonably approved by Landlord, who shall be named as an additional insured on all such policies.
8. **UTILITIES** Tenant agrees to be responsible for the payment of all telephone, electrical, water, sewer or other utility service to the Leased Premises, which accounts shall be in the name of the Tenant.
9. **NO ASSIGNMENT OR SUBLEASE:** Tenant agrees not to sublease or assign Tenant's interest in the Leased Premises or any part thereof, or to encumber same in any manner, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Notwithstanding any such consent by Landlord, Tenant agrees to remain personally liable for the full performance of all terms and conditions contained in this Lease to be performed by the Tenant.
10. **SUBORDINATION AND ATTORNMENT:** So long as Tenant is provided with a written non-disturbance agreement from all such holders, Tenant agrees that this Lease shall be subject and subordinate to any mortgage which Landlord may hereafter place upon the Leased Premises, and to all modifications thereto, and to all present and future advances made with respect to any such mortgage. If

Tenant is provided with such non-disturbance agreements, Tenant agrees to attorn to any mortgages and to any purchaser at a sale pursuant to foreclose thereof.

11. **RIGHT OF ENTRY BY LANDLORD OR LANDLORD'S AGENTS:** Tenant agrees to at all times during the term of this Lease permit inspection of the Leased Premises during reasonable business hours by Landlord or Landlord's Agents or representatives for any purpose. Tenant also agrees to fully cooperate with the present or any future environmental contamination remediation efforts at the Marina, including access to the Leased Premises as reasonably required by the Landlord.
12. **INDEMNIFICATION:** Tenant agrees to hold harmless and indemnify Landlord against any loss or damage, including attorney's fees and expenses, incurred as a result of any and all claims, demands, causes of action, suits, judgments, fines or penalties (including but not limited to all fees and expenses incurred as a result of death or injury to persons or for loss of or damage to property) arising out of or in connections with the use and occupancy of the Leased Premises by Tenant, its agents, employees, invitees and licenses and excluding any such claims by Landlord or its employees, agents, invitees and licenses and excluding any such claims by Landlord's authorized users of the pedestrian access reserved to Landlord in Section 15 of this Lease. In the event of any such claims made or suits filed, Landlord agrees to give Tenant reasonable notice thereof, and Tenant shall have the right to defend or settle the same to the extent of its interest hereunder. Nothing contained in this Lease is to be construed as, nor does it create any obligation by Tenant to any person or entity other than the Landlord or its successors to make any payments or be responsible for any claims, demands, causes of action, suits, judgments, fines or penalties whatsoever.
13. **IMPROVEMENTS AND ALTERATIONS:** No alterations or improvements to the Leased Premises shall be made by Tenant without the prior written consent of Landlord. Unless otherwise agreed to in writing by Landlord, all alterations, additions or improvements made by the Tenant and all fixtures, including trade fixtures, installed by Tenant shall be performed or installed in a good and workmanlike manner and shall at the Landlord's option become the property of the Landlord at the expiration or other sooner termination of this Lease; provided, however, that Landlord has the right to require Tenant to remove all such modifications upon the termination of this Lease, at Tenant's expense. Tenant acknowledges that all property listed on Exhibit II, whether fixtures or movable personal property is owned by Landlord. Notwithstanding any provision contained in this Lease to the contrary, Tenant shall solely pay the cost to replace the walk-in freezer located at the Leased Premises. The replacement of the walk-in freezer by Tenant shall be done in a workmanlike manner and consistent with all applicable building codes. Notwithstanding the provisions of Section 3 of the Lease entitled "Rent" and in consideration of Tenant's replacement of the walk-in freezer located at the Leased Premises, Tenant shall receive an abatement of rent to cover the carrying cost of debt in the amount of \$110,000.00 over a period of five (5) years commencing \_\_\_\_\_ 1, 2018, i.e., the Base Rent due from Tenant to Landlord in accordance with Section 3 shall be reduced by the sum of \$2,088.46 per month commencing \_\_\_\_\_ 1, 2018 through \_\_\_\_\_ 1, 2023.
14. **DAMAGE OR DESTRUCTION:** If the Leased Premises are totally or partially damaged by fire or other casualty, Landlord agrees to repair or replace the damage at Landlord's expenses in such a manner as is reasonably determined by Landlord. Landlord agrees to complete such repairs or replacements with a commercially practicable period of time. There shall be no abatement of rent for a period of nine (9) months from the date of such damage. If such repairs or replacements are not completed by



Landlord within the said nine (9) month period, rent shall then abate to the extent Tenant does not have viable use of the Lease Premises.

15. **RESERVATION OF PEDESTRIAN INGRESS AND EGRESS TO DOCKS:** Throughout the entire term of this Lease, Landlord hereby expressly reserves unto itself, it's successors and assigns, it's invitees and licenses, and all authorized users of the Marina, a non-exclusive easement of pedestrian ingress and egress across and through the grounds of the Leased Premises for the purpose of access to the Marina Docks which are adjacent thereto.
16. **DEFAULT:** If Tenant defaults in the fulfillment of any of the covenants and conditions hereof, Landlord may, at Landlord's option, after ten (10) days prior to written notice to Tenant, make performance for Tenant and for that purpose advance such amounts as may be necessary. Any amount so advanced or any reasonable expense incurred or sum of money paid by Landlord by reason of failure of Tenant to comply with any covenant, agreement, obligation, or provision of this Lease, or in defending any action to which Landlord may be subjected by reason of any such failure shall be deemed to be additional rent for the Leased Premises and shall be due and payable to Landlord on demand. The acceptance by Landlord of any installment of fixed rent or any additional rent hereunder shall not be a waiver of Landlord's right to demand full payment of any additional rent then due and to hold Tenant in default under this lease.  
If Tenant defaults in the payment of rent when due and such default continues for a period of fifteen (15) days, or if Tenant defaults in the prompt performance of any of the other covenants herein, and such default continues for a period of thirty (30) days the Landlord may, in addition to any other rights or remedies, declare this Lease to be in default, retake possession of the Leased Premises, declare the full amount remaining rent for the balance of the term at once due and payable, re-let or sublet the premises at the risk of Tenant, or declare this Lease terminated for the balance of its term, all of which rights and remedies shall be cumulative. Notwithstanding anything hereinabove to the contrary, none of the above shall constitute an event of default unless, as to monetary defaults, it continues for a period of fifteen (15) days after written notice is given by Landlord to Tenant as set forth in Section 23 of this Lease, or, as to non-monetary defaults, it continues for a period of thirty (30) days after written notice is given by Landlord to tenant as set forth in Section 23 of this Lease; provided, however, that Landlord shall not be required to give Tenant written notice prior to declaring a default more than twice in any Lease Year.
17. **GOVERNING LAW: ENFORCEMENT:** This Lease shall be governed by the law of the State of South Carolina. If either party enforces the terms of this lease by legal proceedings, the prevailing party in such proceedings shall be entitled to reimbursement from the other party of all costs and expenses incurred by the prevailing party in connection therewith, including reasonable attorney's fees, at all trial and appellate levels.
18. **RIGHTS OF HEIRS AND ASSIGNS:** The covenants and agreements contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto, and their respective heirs, successors and permitted assigns.
19. **PARAGRAPH HEADINGS:** The paragraph headings as to the contents of particular paragraphs herein, are inserted only for convenience and are in no way to be construed to be part of such paragraph or as a limitation on the scope of the particular paragraph to which they refer.

20. **ADDITIONAL INSTRUMENTS:** The parties agree to execute and deliver any instruments in writing necessary to carry out any agreement, term condition or assurance in this Lease whenever occasion shall arise including the execution of a short form memorandum of Lease Agreement which may be recorded at the Charleston County RMC Office by Tenant at Tenant's sole expense.
21. **SURRENDER OF PREMISES:** Tenant agree to deliver all keys and to surrender the Leased Premises at the expiration or sooner termination of this Lease, or any extensions thereof, broom clean and in substantially the same condition as when said premises were delivered to Tenant, or as altered pursuant to the provisions of this Lease, reasonable wear and tear expected, and Tenant agrees to remove all of its personal property. Tenant agrees to pay a reasonable cleaning charge if necessary for Landlord to restore or cause to be restored the premises to a clean and orderly condition.
22. **WAIVER OF COVENANTS:** It is agreed that the waiver of any of the covenants of this Lease by either party shall be limited to the particular instance and shall not be deemed a waiver of any other breaches of such covenant or any other provision herein contained.
23. **NOTICE:** Any notices or demand required or permitted by law, or any provision of this Lease, shall be in writing, and shall be deemed to be received by Landlord when personally delivered to Landlord or three days (3) after same is deposited in the United States Mail, registered or certified, with return receipt requested, postage prepaid, and addressed to the Landlord, Attention: City Administrator, at Post Office Box 508, Isle of Palms, SC 29451, or at such other address as Landlord may hereafter designate in writing to Tenant. Any such notice or demand to be served upon the Tenant shall be in writing and shall be deemed to be received by Tenant when personally delivered to Tenant, or three (3) days after same is deposited in the United States Mail, registered or certified, with return receipt requested, postage prepaid and addressed to Tenant at 80 41<sup>st</sup> Avenue Isle of Palms, SC 29451 or at such other address as Tenant may hereafter designate in writing to Landlord.
24. **ENTIRE AGREEMENT:** This lease contains the entire understanding of the parties hereto. There are no oral understandings, terms or conditions and neither party has relied upon any representation by the other party, either express or implied, which are not contained in this Lease. All prior understandings, terms or conditions are deemed merged into this Lease. This Lease may be altered or amended only by an instrument in writing signed by both parties.
25. **DOCK USE BY TENANT'S PATRONS:** Landlord Agrees to reserve the dock space (the "Restaurant Dock") shown on Exhibit II attached hereto for the exclusive use of Tenant's patrons from June 1, 2018 to May 31, 2019. at which time Landlord has the option to relocate dock space for restaurant patrons to a comparable dock space within the marina. Tenant agrees to be responsible for payment of all property taxes assessed against the Restaurant Dock property which accrue during the time period for which the Restaurant Dock is reserved for the Tenant's exclusive use. Tenant agrees to prohibit overnight mooring of vessels at the Restaurant Dock other than for exceptional circumstances. Landlord agrees to be responsible for all repairs and maintenance at the Restaurant Dock which are not caused by the negligent or willful acts of Tenant or tenant's patrons. Tenant agrees to hold harmless and indemnify Landlord against any loss or damage, including attorney's fees and expenses, incurred as a result of any and all claims, demands, causes of action, suits, judgments, fines or penalties (including but not limited to all fees and expenses incurred as a result of death or injury to persons or for loss of or damage to property) arising out of or in connection with the use of the Restaurant Dock by Tenants, its agents, employees,

licensees, or invitees except to the extent caused by the fault or neglect of Landlord or its employees, agents, invitees and licensees.

26. BOAT CRUISES: Tenant is allowed to host boat cruises which embark from the Restaurant dock so long as all such cruises are conducted in accordance with all governmental laws, rules and regulations and vehicular parking for such cruises does not materially interfere with the operations of Landlord's Marina Operations Tenant.

27. NOTICE REGARDING ISSUES AFFECTING TENANT: Landlord shall provide Tenant at least forty-eight (48) hours prior written notice of any meetings and/or other action by Landlord or any of the Marina tenants of which Landlord has knowledge which materially affects the operation of Tenant's business at the Leased Premises.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease Agreement to be duly executed, sealed and delivered, by and through their undersigned authorized representatives, as of the date stated above.

WITNESS:

LANDLORD

The City of Isle of Palms

By: \_\_\_\_\_  
Jimmy Carroll, Mayor

TENANT

Barrier Isles, LLC

By: \_\_\_\_\_  
James P. Clarke, Member



# Health Dept Inspection

## Morgan Creek Grill

Jan 10, 2018

### Retail Food Establishment Inspection Report

Facility Information		Audit Information	
Permit:	10-206-04247	Audit Name:	Retail Food Establishment Inspection Report
Facility Name:	MORGAN CREEK GRILL	Audit Type:	10_Routine Inspection
Address:	80 41ST AVENUE	Start Date:	10 Jan 2018 01:00 PM
Facility Service (Full/Limited):	F	End Date:	10 Jan 2018 03:45 PM
City/State/Zip:	ISLE OF PALMS, SC 294510000 CHARLESTON	Inspector:	Jessica Reed
Contact Name:	Chef Ian		

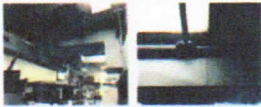
Overall Score  
89%

### Foodborne Illness Risk Factors & Interventions and Good Retail Practices

Item	Answer	Points Current	Points to Total
1. PIC Present, Demonstration - Certification by accredited program, and Performs duties. <b>Comments</b> <ul style="list-style-type: none"> <li>** Consecutive Violation ** 2-102.11 - Demonstration (Priority Foundation Violation) - Advised the PIC of the multiple Priority violations that were out of compliance.</li> <li>** Consecutive Violation **</li> <li>If the violation identified as consecutive is observed on the next inspection, the facility may be referred to the Enforcement Section. Two or more priority violations were found to be out of compliance during inspection. Not corrected. Verification required.</li> </ul>	Out	0	2
2. Management and food employee knowledge, and conditional employee; responsibilities and reporting. <b>Comments</b> <ul style="list-style-type: none"> <li>Non-Violation Notes</li> <li>2-103.11(O) - Policy / References observed for employee health exclusion, restriction and reinstatement.</li> </ul>	In	2	2
3. Proper use of reporting, restriction and exclusion	In	2	2
4. Proper eating, tasting, drinking, or tobacco use	In	2	2
5. No discharge from eyes, nose, and mouth	In	2	2
6. Hands clean and properly washed	In	4	4
7. No bare hand contact with RTE foods <b>Comments</b> <ul style="list-style-type: none"> <li>Non-Violation Notes</li> <li>Employees are handling ready to eat foods with single use gloves and/or utensils.</li> </ul>	In	3	3
8. Handwashing sinks, properly supplied and accessible <b>Comments</b> <ul style="list-style-type: none"> <li>Non-Violation Notes</li> <li>All hand washing stations supplied with soap and paper towels.</li> </ul>	In	2	2
9. Food obtained from approved source	In	2	2
10. Food received at proper temperature	Not Observed	2	2
11. Food in good condition, safe and unadulterated	In	2	2
12. Required records available: shellstock tags, parasite destruction <b>Comments</b> <ul style="list-style-type: none"> <li>Non-Violation Notes</li> <li>Shellstock tags for oysters, mussels and clams are retained for 90 days. Date when last item is sold/consumed is indicated on the tags.</li> </ul>	In	2	2
13. Food separated and protected	In	3	3
14. Food-contact surfaces: cleaned and sanitized <b>Comments</b> <ul style="list-style-type: none"> <li>4-501.114 - Warewashing Equipment-Chemical Sanitization-Criteria (Priority Violation) - Advised PIC that warewashing equipment must operate according to manufacture's date plate or meet the criteria specified in 7-204.11.</li> <li>** Consecutive Violation ** 4-501.114 - Warewashing Equipment-Chemical Sanitization-Criteria (Priority Violation) - Advised PIC that warewashing equipment must operate according to manufacture's date plate or meet the criteria specified in 7-204.11. Second level kitchen: Kitchen: mechanical ware-washing: Low temperature chemical dish machine: no sanitizer registering. Chlorine 0ppm. Chlorine test tape used. Not corrected. Verification required.</li> <li>Non-Violation Notes</li> <li>First floor kitchen: Mechanical ware-washing: lowtemperature chemical dish machine: Wash 120 F, Rinse 120 F, Chlorine 50ppm. Chlorine test tape used.</li> </ul>	Out	0	3
15. Proper disposition of returned, previously served, reconditioned, and unsafe food	In	2	2
16. Proper cooking time and temperatures	Not Observed	3	3
17. Proper reheating procedures for hot holding	Not Observed	3	3
18. Proper cooling time and temperatures	Not Observed	3	3
19. Proper hot holding temperatures <b>Comments</b>	In	3	3

<ul style="list-style-type: none"> <li>Non-Violation Notes</li> </ul>				
Kitchen: Steam-table: queso 170 F.				
20. Proper cold holding temperatures		Out	0	3
<b>Comments</b>				
<ul style="list-style-type: none"> <li>** Consecutive Violation ** 3-501.16 (A2) - TCS Food-Cold Holding (Priority Violation) - Proper Holding Temperatures and Time as a Public Health Control Measure for Hot or Cold Food. - Provided and explained Fact Sheet - Time as a Public Health Control Measure for Hot or Cold Food.</li> </ul>				
<ul style="list-style-type: none"> <li>** Consecutive Violation **</li> </ul>				
<ul style="list-style-type: none"> <li>If the violation identified as consecutive is observed on the next inspection, the facility may be referred to the Enforcement Section.</li> </ul>				
First floor kitchen: Hoshizaki double-door cooler: diced tomatoes 46 F, butter 47 F, stuffed oysters 46 F, micro-greens 46 F.				
<ul style="list-style-type: none"> <li>Non-Violation Notes</li> </ul>				
Lower level kitchen: Cookline: beverage-air cooler: Compound butter 40 F, sausage sweet potatoes 40 F.				
Walk-in cooler: diced tomatoes 39 F, ground beef 38 F, queso 39 F, salmon 40 F, oysters 40 F, flounder 40 F, scallops 39 F.				
Cooler: Beverage air cooler next to expo line: breaded fish 38 F, chicken, Cole slaw mix 39 F.				
Cookline cooler in front of oven-range: chicken 39 F, vegetable stock 39 F.				
Salad station: prep cooler: cut lettuce 38 F, diced tomatoes 38 F.				
21. Proper date marking and disposition	In		3	3
22. Time as a Public Health Control: procedures and records	Not Applicable		2	2
23. Consumer advisory provided for raw or undercooked foods	In		1	1
<b>Comments</b>				
<ul style="list-style-type: none"> <li>Non-Violation Notes</li> </ul>				
<ul style="list-style-type: none"> <li>Disclosure Reminder Verified.</li> </ul>				
24. Pasteurized foods used; prohibited foods not offered	Not Applicable		2	2
25. Food additives: approved and properly used	Not Applicable		2	2
26. Toxic substances properly identified, stored, and used	In		2	2
27. Compliance with variance, specialized process, reduced oxygen packaging criteria or HACCP plan	Not Applicable		2	2
28. Pasteurized eggs used where required	Not Applicable		1	1
29. Water and ice from approved source	In		2	2
30. Variance obtained for specialized processing methods	In		1	1
31. Proper cooling methods used; adequate equipment for temperature control	In		1	1
32. Plant food properly cooked for hot holding	In		1	1
33. Approved thawing methods used	In		1	1
34. Thermometers provided and accurate	In		1	1
<b>Comments</b>				
<ul style="list-style-type: none"> <li>Non-Violation Notes</li> </ul>				
Probe thermometer provided. Ambient air thermometers provided in all cooler units.				
35. Food properly labeled: original container	In		1	1
36. Insects and rodents not present; no unauthorized animals	Out		0	2
<b>Comments</b>				
<ul style="list-style-type: none"> <li>6-501.111 - Controlling Pests (Priority Foundation Violation) - Advised the PIC effective measures shall be taken to eliminate the presence of insects, rodents, and other pests.</li> </ul>				
Kitchen: Lower level, cook line: Observed roach activity around cook line. Observed live roach activity behind cook-line. Not corrected. Verification required.				
37. Contamination prevented during food preparation, storage and display	In		2	2
38. Personal cleanliness	In		2	2
39. Wiping cloths: properly used and stored	In		1	1
40. Washing fruits and vegetables	In		1	1
41. In-use utensils: properly stored	In		1	1
42. Utensils, equipment and linens: properly stored, dried & handled	In		1	1
43. Single-use and single-service articles: properly stored and used	In		1	1
44. Gloves used properly	In		1	1
45. Equipment, food and non-food-contact surfaces approved; cleanable, properly designed, constructed and used	In		2	2
46. Warewashing facilities: installed, maintained and used; test strips	In		1	1
<b>Comments</b>				
<ul style="list-style-type: none"> <li>Non-Violation Notes</li> </ul>				
Chemical test tape provided.				
47. Non-food-contact surfaces clean	In		1	1
48. Hot and cold water available; adequate pressure	In		2	2
49. Plumbing installed; proper backflow devices	In		2	2
50. Sewage and waste water properly disposed	In		2	2
51. Toilet facilities: properly constructed, supplied and cleaned	In		1	1
52. Garbage and refuse properly disposed; facilities maintained	In		1	1
53. Physical facilities installed, maintained and clean	Out		0	1
<b>Comments</b>				
<ul style="list-style-type: none"> <li>6-101.11 - Surface Characteristics-Indoor Areas</li> </ul>				
Walk-in cooler and freezer: Floors are in poor repair and are no longer easily cleanable.				
				
<ul style="list-style-type: none"> <li>6-201.11 - Floors, Walls and Ceilings-Cleanability</li> </ul>				
Floors, walls, and ceiling structures throughout the lower level kitchen are in poor repair and not maintained. No longer easily cleanable.				





- 6-501.11 - Repairing-Premises, Structures, Attachments, and Fixtures-Methods  
Kitchen: walls, ceiling, and floors throughout lower level are in poor repair.

54. Meets ventilation and lighting requirements; designated areas used	In	1	1
55. Chapter 8 - Meets all requirements of Chapter 8: Compliance & Enforcement	In	0	0
56. Chapter 9 - Meets all applicable requirements of Chapter 9: Standards for Additional Operations	In	1	1
<b>Totals</b>		<b>89</b>	<b>100</b>

### Temperature Observations

Item	Answer	Points Current	Points to Total
PRODUCT, PROCESS, LOCATION AND TEMPERATURE - Documented	Yes		
<b>Totals</b>			

### Inspection Report Information

#### Comments:

Complaint investigated: ID #: 31888 verified.  
Preventative pest control services performed routinely in facility. Invoices provided.  
Technician repair cooler unit on site at time of inspection.

Item	Answer	Points Current	Points to Total
Facility Category	Category 3		
Grade Posted	A		
Is a Follow-Up required within 10 days?	Yes		
A Follow-up Inspection will be performed by the date indicated.	18 Jan 2018		
DHEC Contact Phone and Fax Number.	Low Country EQC McMillian - (843)-953-0150 Fax- (842)- 953-0151		
Violations may be subject to enforcement action and penalty. Information collected on this form is subject to public scrutiny or release as well as the Freedom of Information Act.	Notification	0	0
For fact sheets, the regulation, and additional information, please see <a href="http://www.scdhec.gov/food">www.scdhec.gov/food</a> .			
<b>Totals</b>			

Auditor Signature: Jessica Reed

Account Signature: Chef Ian



# Health Dept Reinspection

## Morgan Creek Grill

### Jan 18, 2018

#### Retail Food Establishment Inspection Report

Facility Information		Audit Information	
Permit:	10-206-04247	Audit Name:	Retail Food Establishment Inspection Report
Facility Name:	MORGAN CREEK GRILL	Audit Type:	15 Follow-Up Inspection
Address:	60 41ST AVENUE	Start Date:	18 Jan 2018 12:06 PM
Facility Service (Full/Limited):	F	End Date:	18 Jan 2018 12:37 PM
City/State/Zip:	ISLE OF PALMS, SC 294510000 CHARLESTON	Inspector:	Jessica Reed
Contact Name:	Chef Ian, Chef Kaman		

Overall Score  
100%

#### Foodborne Illness Risk Factors & Interventions and Good Retail Practices

Item	Answer	Points Current	Points to Total
1. PIC Present, Demonstration - Certification by accredited program, and Performs duties.	In	2	2
2. Management and food employee knowledge, and conditional employee; responsibilities and reporting.	In	2	2
Comments			
• Non-Violation Notes			
• 2-103.11(O) - Policy / References observed for employee health exclusion, restriction and reinstatement.			
3. Proper use of reporting, restriction and exclusion	In	2	2
4. Proper eating, tasting, drinking, or tobacco use	In	2	2
5. No discharge from eyes, nose, and mouth	In	2	2
6. Hands clean and properly washed	In	4	4
7. No bare hand contact with RTE foods	In	3	3
Comments			
• Non-Violation Notes			
Employee are handling ready to eat foods with single use gloves and/or utensils.			
8. Handwashing sinks, properly supplied and accessible	In	2	2
Comments			
• Non-Violation Notes			
All hand washing stations supplied with soap and paper towels.			
9. Food obtained from approved source	In	2	2
10. Food received at proper temperature	Not Observed	2	2
11. Food in good condition, safe and unadulterated	In	2	2
12. Required records available: shellstock tags, parasite destruction	In	2	2
Comments			
• Non-Violation Notes			
Shellstock tags for oysters, clams, plastic			
13. Food separated and protected	In	3	3
14. Food-contact surfaces: cleaned and sanitized	In	3	3
Comments			
• Non-Violation Notes			
First floor kitchen: Mechanical ware-washing: lowtemperature chemical dish machine: Wash 120 F, Rinse 120 F, Chlorine 50ppm. Chlorine test tape used. Bar, top, floor: Wash 120 F, rinse 120 F, Chlorine 50ppm. Chlorine test tape used.			
15. Proper disposition of returned, previously served, reconditioned, and unsafe food	In	2	2
16. Proper cooking time and temperatures	Not Observed	3	3
17. Proper reheating procedures for hot holding	Not Observed	3	3
18. Proper cooling time and temperatures	Not Observed	3	3
19. Proper hot holding temperatures	In	3	3
Comments			
• Non-Violation Notes			
Kitchen: Steam-table: quoso 170 F.			
20. Proper cold holding temperatures	In	3	3
Comments			
• Non-Violation Notes			
Kitchen: Reach-in cooler: Oysters 38 F.			
21. Proper date-marking and disposition	In	3	3
22. Time as a Public Health Control: procedures and records	Not Applicable	2	2
23. Consumer advisory provided for raw or undercooked foods	In	1	1
Comments			
• Non-Violation Notes			
Disclosure Reminder Verified.			
24. Pasteurized foods used; prohibited foods not offered	Not Applicable	2	2

25. Food additives: approved and properly used	Not Applicable	2	2
26. Toxic substances properly identified, stored, and used	In	2	2
27. Compliance with variance, specialized process, reduced oxygen packaging criteria or HACCP plan	Not Applicable	2	2
28. Pasteurized eggs used where required	Not Applicable	1	1
29. Water and ice from approved source	In	2	2
30. Variants obtained for specialized processing methods	In	1	1
31. Proper cooling methods used; adequate equipment for temperature control	In	1	1
32. Plant food properly cooked for hot holding	In	1	1
33. Approved thawing methods used	In	1	1
34. Thermometers provided and accurate	In	1	1
Comments			
• Non-Violation Notes			
Probe thermometer provided. Ambient air thermometers provided in all cooler units.			
35. Food properly labeled: original container	In	1	1
36. Insects and rodents not present; no unauthorized animals	In	2	2
37. Contamination prevented during food preparation, storage and display	In	2	2
38. Personal cleanliness	In	2	2
39. Wiping cloths properly used and stored	In	1	1
40. Washing fruits and vegetables	In	1	1
41. In-use utensils: properly stored	In	1	1
42. Utensils, equipment and linens: properly stored, dried & handled	In	1	1
43. Single-use and single-service articles, properly stored and used	In	1	1
44. Gloves used properly	In	1	1
45. Equipment, food and non-food-contact surfaces approved; cleanable, properly designed, constructed and used	In	2	2
46. Warewashing facilities: installed, maintained and used; test strips	In	1	1
Comments			
• Non-Violation Notes			
Chemical test tape provided			
47. Non-food-contact surfaces clean	In	1	1
48. Hot and cold water available: adequate pressure	In	2	2
49. Plumbing installed: proper backflow devices	In	2	2
50. Sewage and waste water properly disposed	In	2	2
51. Toilet facilities: properly constructed, supplied and cleaned	In	1	1
52. Garbage and refuse properly disposed: facilities maintained	In	1	1
53. Physical facilities installed, maintained and clean	In	1	1
Comments			
• Non-Violation Notes			
Plans submitted for walk-in cooler replacement.			
54. Meets ventilation and lighting requirements; designated areas used	In	1	1
55. Chapter 8 - Meets all requirements of Chapter 8: Compliance & Enforcement	In	0	0
56. Chapter 9 - Meets all applicable requirements of Chapter 9: Standards for Additional Operations	In	1	1
Totals		160	160

### Temperature Observations

Item	Answer	Points Current	Points to Total
PRODUCT, PROCESS, LOCATION AND TEMPERATURE - Documented	Yes		
Totals			

### Inspection Report Information

Item	Answer	Points Current	Points to Total
Facility Category	Category 3		
Grade Posted	A		
Is a Follow-Up required within 10 days?	No		
DHEC Contact Phone and Fax Number:	Low Country EGC McMillan - (843)-953-0150 Fax- (843)-953-0151		
Violations may be subject to enforcement action and penalty. Information collected on this form is subject to public scrutiny or release as well as the Freedom of Information Act.	Notification	0	0

For fact sheets, the regulation, and additional information, please see [www.scdhec.gov/fopsd](http://www.scdhec.gov/fopsd).

Totals			
Inspector Signature: Jessica Ryed	Account Signature: Chief Ian, Chief Korman		



47. Non-slip contact surfaces clean
48. Hot and cold water available, adequate pressure
49. Plumbing installed; proper backflow devices
50. Sewage and waste water properly drained
51. Toilet facilities: properly constructed, supplied and cleaned
52. Garbage and refuse properly disposed; facilities maintained
53. Physical facilities installed, maintained and clean

#### Comments

- Non-violator Notes

Plans submitted for walk-in cooler replacement.

54. Meats ventilation and lighting requirements, designated areas used
55. Chapter 8 - Meats all requirements of Chapter 8: Compliance & Enforcement
56. Chapter 9 - Meats all applicable requirements of Chapter 9: Standards for Ad

Total

#### Temperature Observations

Ref

PRODUCT, PROCESS, LOCATION AND TEMPERATURE - Documented





## THE PROPOSAL — EXHIBIT A

[P2492]

### 2019–2023 Beach Condition Monitoring Isle of Palms (SC)

#### INTRODUCTION

This proposal is submitted at the request of the City of Isle of Palms (SC) for annual beach monitoring services following the recent completion of a beach nourishment project and conclusion of a previous monitoring agreement with the City. The proposed services follow successful completion of previous beach monitoring from 2009 to 2017. A portion of the work outlined in the present proposal will serve to satisfy special conditions of permit P/N 2016-00803, which authorized the recent beach nourishment project.

The 2018 beach restoration project at the northeastern end of the Isle of Palms added ~1,675,000 cubic yards (cy) of sand from offshore borrow areas to critically eroded sections of the beach between 56<sup>th</sup> Avenue and the 18<sup>th</sup> hole of the Links Course. The underlying cause of erosion near Dewees Inlet is related to the process of shoal bypassing, whereby large sand bars migrate onshore and attach to the beach. While this process adds new sand to the beach system near inlets, it also modifies wave patterns. Areas adjacent to the shoal-attachment point undergo focused erosion for periods of time. The 2018 project addressed large-scale erosion by importing sand from offshore and widening the beach up to 600 feet (ft) along portions of the island.

CSE has previously been retained by the City to complete post-nourishment monitoring of the project area as well as the downcoast areas of the Isle of Palms. CSE completed comprehensive surveys of the island and adjacent inlets every year between 2009 and 2017, including additional surveys following a 2008 nourishment project and hurricanes from 2015 to 2017. That monitoring provided yearly updates on the beach condition as well as guidance on expected future trends for project planning. It also served as pre-storm conditions for determining FEMA-eligible storm losses during declared disasters (Hurricanes *Joaquin*, *Matthew*, and *Irma*). The surveys allowed the City to receive \$2,725,000 in federal funds for use in construction of the 2018 project.

The present proposal covers the following engineering services required to provide five years of updated condition assessments for the beach at Isle of Palms. Proposed work includes:

- \*\*\*Annual surveys of the project area (53rd Avenue to Dewees Inlet).
- Annual surveys of the downcoast area of the island (Breach Inlet to 53rd Avenue).
- Annual surveys of the Dewees Inlet ebb-tidal delta.
- Annual surveys of the Breach Inlet ebb-tidal delta.
- \*\*\*Post-project surveys of the borrow area (Years 1, 3 and 5).
- \*\*\*Sediment sampling of the borrow area (Years 1, 3 and 5).
- \*\*\*Compaction monitoring (Years 1-3).
- \*\*\*Annual reports documenting beach volume changes and nourishment performance.

\*\*\* These tasks are required by permits for the 2018 project. Surveys of the project area are required in years 1-3 (2019-2021), while borrow area surveys and sediment analysis are required in years 1, 3 and 5 (2019, 2021, 2023). Reports documenting the results of the surveys/analysis are required to be submitted to regulatory agencies each year. In the cost proposal, CSE separates fees and expenses for permit-required tasks and additional tasks (encompassing the remainder of the island).

## **BASIC SERVICES**

References to the “Engineer” in the scope of services are to CSE as the project manager responsible to the City for the execution of the services proposed. Execution of the services by CSE includes completion of work as required to execute all aspects of the scope of services. References to the “City” refer to the City of Isle of Palms, a South Carolina municipality.

## **SCOPE OF SERVICES**

The scope of services proposed herein represents the basic services and is based on CSE's work to date for the City, experience on similar projects and project components, the scope of the project as defined by this proposal, and the regulatory requirements of agencies of the state of South Carolina and the federal government with jurisdiction over construction at the site. The following scope of services is proposed.

### **Task 1.0 Planning, Communication, and Liaison**

The planning task of the project will include coordination and meetings with City representatives to:

- Review the final plan.
- Develop schedules.
- Participate in public forums.
- Provide liaison with government agencies following the one-year post-project survey.
- Assist the City with communication and liaison.

Following authorization to proceed with the proposed scope of services:

- 1.1 CSE will meet or communicate with City representative(s) to clearly define the goals and objectives for the work.
- 1.2 CSE will work with the City to schedule monitoring surveys at a time which will not impact public events, etc. CSE will coordinate with public safety officials regarding beach access and nearshore hydrographic work.
- 1.2 CSE will assist the City in preparing periodic project summaries including display graphics for distribution to officials and the public by way of various mediums, including web sites, newspapers, or City newsletters.

## **Task 2.0 Annual Beach Condition Survey**

This task of the project will include condition surveys of the beach and inshore zone [to (~)–12 ft) depths]. These surveys will supplement previous field data by CSE and will be used for volume change analysis using similar reaches and boundaries as recent reports.

- 2.1 CSE will conduct annual condition surveys of the beach between Breach Inlet and Cedar Creek Spit (Deweese Inlet). The Engineer will occupy previously established profile lines (0+00 thru 370+00) and will obtain cross-sections from the foredune to (~)–12-ft depth contour or at least 1,500 ft from the baseline (3,000 ft in the project area per permit conditions). This survey will be compared with prior surveys and will document volume changes in the project area and downcoast areas. Nourishment volume remaining within the fill limits of the 2018 project will be computed to assess project performance.
- 2.2 CSE will obtain hydrographic data in the vicinity of Breach Inlet to be used in creation of a digital terrain model (DTM). The DTM will be used to monitor changes in the location of shoal and channels associated with the Breach Inlet ebb-tidal delta.

Through agreements with the City and others, CSE has collected ~15 complete surveys of the Dewees Inlet ebb-tidal delta. Shoals migrating from the delta to the beach are the source of sand that has contributed to the history of long-term accretion along Isle of Palms. Monitoring efforts between 2007 and 2017 revealed that large-scale channel migrations have a significant impact on the beach at Isle of Palms. To monitor these events and associated shoal bypass events, CSE will complete the following:

- 2.3 Hydrographic data will be collected over and around the Dewees Inlet ebb-tidal delta to monitor changes in the channels and shoals of the delta. Data will be used to create DTMs of the ebb-tidal delta. Shoal positions and estimated volumes will be described using contours generated from the DTMs. Shoal movement will be monitored and potential impacts to the Isle of Palms beach will be identified.
- 2.4 DTMs will be used to create regular profile sections through the Dewees Inlet channel and to monitor channel width and depth. Data will also be incorporated into color contour models and combined with existing models to provide an animation of shoal movement.

### **Task 3.0 Borrow Area Surveys and Sediment Analysis**

Per conditions of the project permits, monitoring of the borrow area is required to document infilling rates and sediment characteristics of the infilled material. Bathymetric surveys and analysis of surficial sediment samples are required by permits in Years 1, 3 and 5 post-project (2019, 2021, and 2023).

- 3.1 CSE will survey the 2018 borrow areas using the same survey lines as were completed in the post-dredging survey. Survey lines will be spaced at 100-ft intervals and will extend a minimum of 400 ft beyond the borrow area limits to account for potential changes in the slopes of the excavated area. Surveys will be completed using RTK-GPS linked to a precision ODOM echosounder with motion compensation. Using GIS-software to develop 3–D models of the borrow areas, data will be analyzed and compared with prior surveys. Infilling rates will be calculated per permit requirements. Cross-section maps comparing model surfaces from each survey will be generated and included in annual reports submitted to permitting agencies.
- 3.2 Sediment samples will be collected within the borrow area to determine the character of the seafloor material as the borrow area infills over time. CSE will collect ten (10) sediment samples at random locations within the excavation limits and process the samples for grain-size distribution, shell content, and mud content. CSE will produce data tables listing the results and compare the findings with pre- and post-project samples.

### **Task 4.0 Aerial Photography**

- 4.1 Oblique aerial imagery will be collected annually of the beach and shoals at low tide. Imagery will be used to offer visual depictions of the beach condition, dune condition, and shoal locations. Imagery will be placed side-by-side with historical images to offer easy-to-see comparisons of the present beach condition with historical conditions.

## **Task 5.0 Annual Monitoring Report and Presentation**

5.1 CSE will assemble results of each annual monitoring effort into a comprehensive technical report, similar to monitoring reports provided to the City under the previous monitoring agreement. Reports will document beach volume changes, changes in shoal positions and associated impacts, dune condition, and potential concerns. Permit compliance measures will be identified and data necessary to include for regulatory agencies will be included. The remaining volume of nourishment associated with the 2018 project will be described, and erosional hotspots will be identified. Reports will be submitted to the City in hard copy and digital copy. CSE will make available digital photos obtained in the monitoring effort for the City's use.

In the event the City wishes for CSE only to complete the tasks required by project permits, CSE will only complete the work for the permit-related reporting. In years 1 and 3, this includes results from the surveys in the project area and borrow area analysis. In year 2, this only includes beach surveys. In year 5, only borrow area analysis is required.

5.2 At the request of the City, CSE will present the findings of the report to City Council or other committee. CSE will prepare a brief summary of the findings and prepare a short Powerpoint® presentation to provide a visual summary for Council.

## **ADDITIONAL SERVICES**

The work described in the scope of services (paragraphs 1.1 through 5.2) does not include work in the following categories. Work in these categories or other services requested by the City will be considered additional services.

If the City wishes CSE to perform any of the following additional services, the City shall so instruct CSE in writing and the Engineer will perform or obtain from others such services and will be paid therefore as provided in the Agreement for Professional Services between the City and the Engineer.

- Services resulting from significant changes in the general scope, extent or character of the project, or major changes in the documentation previously accepted by the City where changes are due to causes beyond CSE's control.
- Providing renderings or models outside of what is presented in Tasks 1–5.
- Detailed consideration of operations, maintenance and overhead expenses; value engineering; and the preparation of rate schedules, earnings and expense statements, cash flow and economic evaluations, feasibility studies, appraisals and valuations.
- Furnishing the services of environmental scientists, biologists, fisheries scientists, chemical analysis laboratories or other specialized scientific testing, evaluations or services not specifically included in the scope of services.
- Geotechnical engineering studies including sediment sampling, borings, and reports not specifically included in the scope of services.
- Preparing to serve or serving as a consultant or witness in any litigation, arbitration, or other legal or administrative proceeding except where required by the scope of services.
- Services of the independent cost estimator shall be additional services.

## **ADD-ON SERVICES**

In the event the City requires any additional surveys for pre-/post-storm assessments or other reasons, CSE will complete a comprehensive survey of the island using the same scope and methods as outlined in Task 2 (cumulative for permit-required and non-permit required). Fees and expenses for additional surveys will be the same as Task 2 costs shown in Table A. A brief letter report will be prepared that will summarize volume changes from the previous survey.





## PROJECT SCHEDULE

The preliminary schedule proposed is based on a start date of 1 September 2018 for the services proposed herein. The schedule may be modified at the direction of the City. If the City chooses to conduct additional beach improvement efforts, CSE will alter the schedule as necessary to allow the island-wide monitoring to assist in those efforts. Reports will contain only the analysis required by the City in the event the non-permit required work is completed by a separate company.

<u>Date</u>	<u>Task#</u>	<u>Description</u>
January 2019	1	Initiate work under present proposal / finalize plan with the City
Spring 2019	2–4	Condition survey (Year 1)
Fall 2019	5	2019 report (Year 1)
Spring 2020–2023	2–4	Years 2–5 Condition survey
Fall 2020–2023	5	Years 2–5 reports

## PROPOSED BUDGET

Table A provides an itemized budget estimate for CSE’s services for Tasks 1–5 as outlined herein. CSE agrees to perform the services on a time-and-expense basis according to the enclosed fee schedule. Fees are separated by permit required tasks (which includes beach surveys of the area between 53<sup>rd</sup> Avenue and the Links Course, compaction, and borrow area surveys) and non-permit required tasks (beach surveys of the remainder of the island and aerial photography). CSE prefers to enter into a multi-year agreement; however, should the City need to commit to year-by-year services, the budget described below will be applied on a per-year basis. Should City officials require additional services, CSE will provide a quote prior to performing the work. Reimbursables will be billed at cost. CSE reserves the right to request a modification in the budget in the event the budget estimates significantly underestimate the professional time requirements. CSE will endeavor to provide services as efficiently as possible while meeting the standards of professional practice required for the project.

**TABLE A.** Proposed fees and reimbursable expenses for additional services under Tasks 1–5.

Task #	Task Description	Permit Required Tasks (P)			Non-Permit Required Tasks (NP)			Year Total
		Task Fee	Direct Expenses	Total	Task Fee	Direct Expenses	Total	
1	Planning, Communication, Liaison	\$2,560	\$862	\$3,422	\$3,520	\$875	\$4,395	
2	Annual Beach Condition Survey	\$10,460	\$4,887	\$15,347	\$11,180	\$4,923	\$16,103	
3	Borrow Area Survey	\$9,900	\$5,352	\$15,252	\$0	\$0	\$0	
4	Aerial Photography	\$0	\$0	\$0	\$2,640	\$831	\$3,471	
5	Annual Report	\$4,880	\$494	\$5,374	\$5,780	\$773	\$6,553	
	2019 Tasks (P1-5, NP1-5)	\$27,800	\$11,594	\$39,394	\$23,120	\$7,400	\$30,520	\$69,914
	2020 Tasks (P1,2,5; NP1-5)	\$17,900	\$6,242	\$24,142	\$23,120	\$7,400	\$30,520	\$54,662
	2021 Tasks (P1-5, NP1-5)	\$27,800	\$11,594	\$39,394	\$23,120	\$7,400	\$30,520	\$69,914
	2022 Tasks (P2,5;NP1-5)*	\$0	\$0	\$0	\$41,020	\$13,642	\$54,662	\$54,662
	2023 Tasks (P2,3,5, NP1-5)*	\$9,900	\$5,352	\$15,252	\$41,020	\$13,642	\$54,662	\$69,914
	<b>Project Total</b>	<b>\$83,400</b>	<b>\$34,782</b>	<b>\$118,182</b>	<b>\$151,400</b>	<b>\$49,484</b>	<b>\$200,884</b>	<b>\$319,066</b>
*Fees for the project area are included in the Non-Permit Required Tasks for 2022 and 2023 as beach surveys are not required in years 4 and 5								
<b>Add-on Comprehensive Survey &amp; Summary Letter (Optional as Required)</b>				<b>\$31,449</b>				



## FEE SCHEDULE

*[Effective through 31 December 2023]*

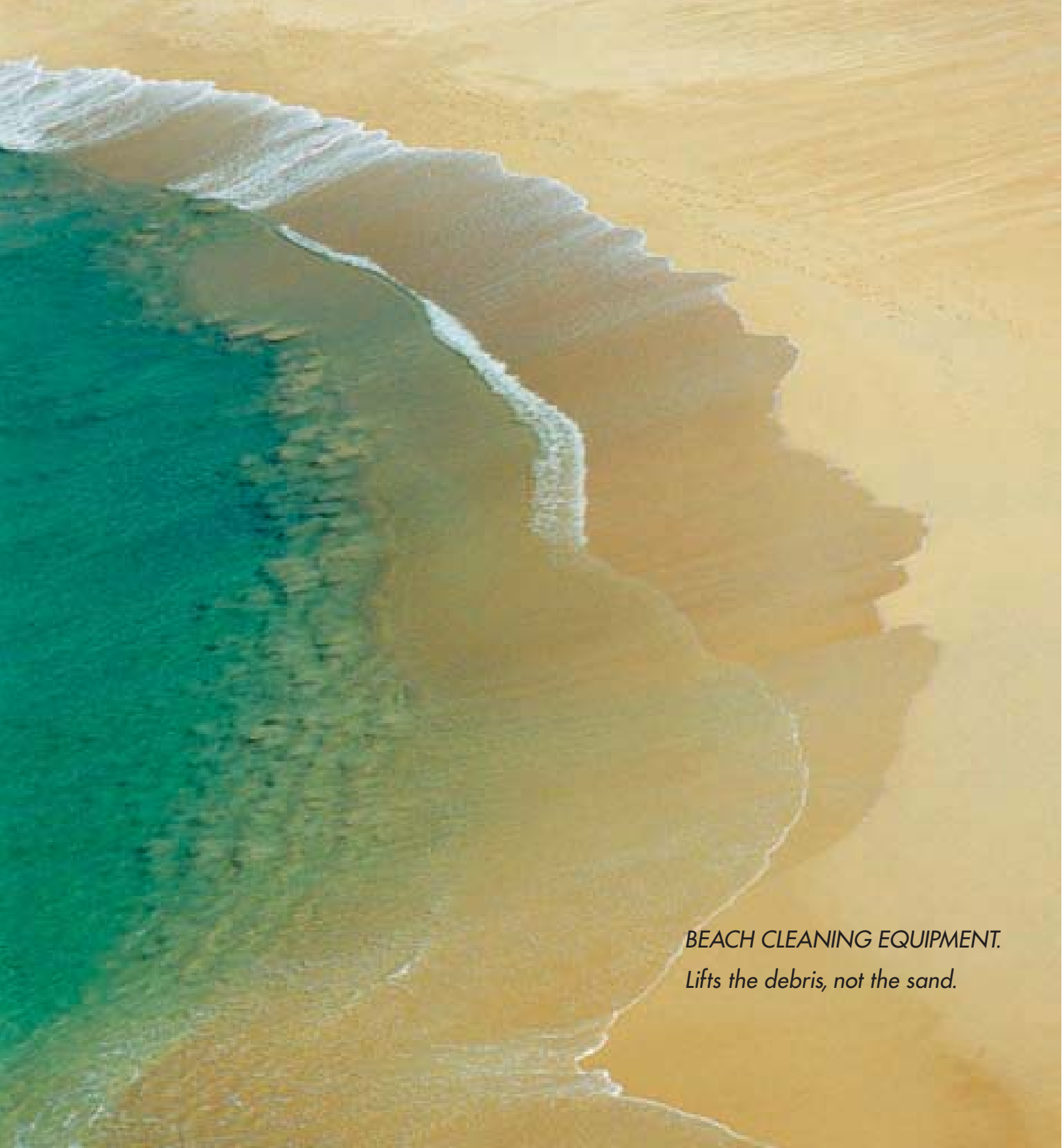
The fee for CSE’s services will be based on the charges listed below. All fee quotations are estimates, and actual fees are based on actual time and expenses incurred by CSE unless otherwise stated in the proposal. All rates are listed in U.S. dollars.

Fees by task are based on estimated numbers of person-days to accomplish the scope of services detailed herein. In-office expenses include communication, copying, insurance (etc), and are charged as a percentage of fees rather than separate itemization. Direct expenses include travel (standard U.S. government mileage rate), lodging and per diem, 4-by-4 beach vehicle rental at \$120/day, survey boat rental at \$500/day, RTK-GPS rental at \$400/day, fuel and dockage at cost, sediment testing at \$60/sample, and field supplies at cost.

PERSONNEL	Staff Category	Hourly Rate
	Principal	160.00
	Coastal Engineer/Project Manager	120.00
	Sr Technical Associate/Coastal Scientist	90.00
	Technical Staff (CAD)	85.00
	Tech–Field Assistants and Admin	65.00

**Type of Contract Desired:** Time and expense for the above-described services at a total not to exceed three hundred nineteen thousand, sixty six dollars (\$319,066) over five years according to Table A.

**Billing Schedule:** CSE will invoice monthly for services performed the prior month with itemization of direct expenses. Invoices will be pro-rated according to fees and expenses inside and outside the project limits. CSE reserves the right to transfer funds between tasks so as to accomplish the work in an expeditious manner, provided total cost of services does not exceed the indicated budget.



BEACH CLEANING EQUIPMENT.  
*Lifts the debris, not the sand.*

 **BARBER** SURF RAKE®

## THE COMPLETE LINE OF BARBER SURF RAKES®



### Model 600HD

At 3,800 pounds, the 600HD is H. Barber & Sons' largest SURF RAKE®. It has been successfully used in a variety of municipal applications. Cleaning up to eight acres an hour with its seven foot wide cleaning width, the 600HD has the greatest cleaning capacity of any beachcleaner. The 3 cubic yard hopper can lift up to 4,500 pounds of material and dump its contents hydraulically from a clearance height of nine feet.

### Model 400HD

The model 400HD is an excellent choice for resorts, hotels and lakeshore communities. At 2,700 pounds, it is H. Barber & Sons' moderate-size SURF RAKE®. The 400HD is equipped with a 2 cubic yard hopper which will lift 3,500 pounds of debris to a dumping height of nine feet. This mid-sized model uses the same heavy-duty conveyor and dump components as the 600HD. The 400HD can clean up to five acres per hour.



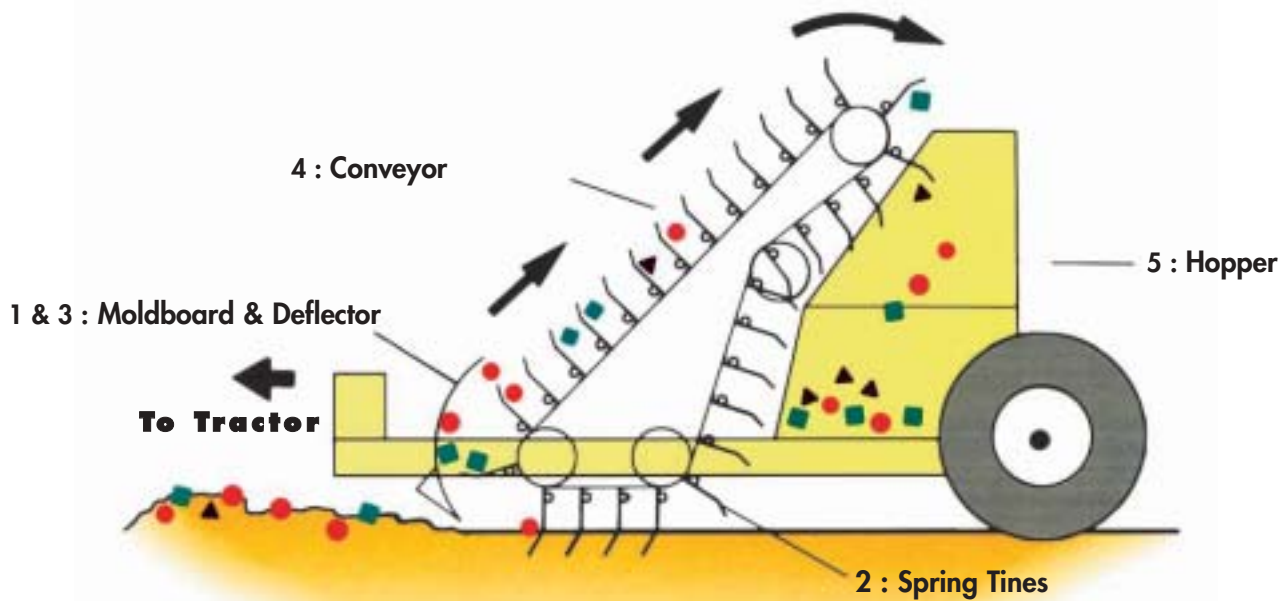
### Model 400

Similar to the model 400HD, the model 400 is the smallest SURF RAKE®. It weighs 1,900 pounds and can lift up to 2,400 pounds in its 1 cubic yard hopper. Its hydraulic dump discards material neatly on the ground. Within one hour, the model 400 can effectively clean up to four acres.





# HOW IT WORKS



The Barber SURF RAKE® is a unique mechanical rake operated by one person from the seat of a towing tractor. It provides safe, fast and efficient beach cleaning. Here is how it works: **1.** The moldboard levels uneven areas in the sand. **2.** A 3/8" grid of stainless steel spring tines rake debris from the sand toward **3.** an adjustable deflector plate. As a result, refuse is deposited on **4.** the conveyor to **5.** the hydraulically raised hopper. The result: a clean, safe and well-manicured beach.



## ◀ THOROUGH CLEANING

Hundreds of stainless steel tines, mounted in offset rows, rake through the sand every second, removing the unwanted debris. Even the smallest objects such as glass, cigarette butts and pop-tops are captured by the SURF RAKE® and deposited in the hopper.

## ◀ SANITIZING CONVEYOR BELT

The Barber SURF RAKE features a new Sanitizing Conveyor "S-Belt". This new belt design maximizes sand penetration and removal of extremely fine debris. Belt perforations, mounting tines underneath the conveyor and eliminating retaining bars now reduce the risk of residual sand removal. The new conveyor belt is easier to repair and keep clean and clear of debris.



## EXTRA STRENGTH STAINLESS STEEL TINE ▶

A new, double torsion, three coil stainless steel tine offers long life, great durability and resistance to corrosion.



## SPECIFICATIONS



### MODELS

#### HYDRAULIC DRIVE

#### CONVEYOR

#### TINES

#### HOPPER

#### DUMP HEIGHT

#### TIRES

#### MOLDBOARD

#### OPERATING SPEEDS

#### CLEANING WIDTH

#### CLEANING DEPTH

#### DIMENSIONS

#### WEIGHT

#### PAINT

#### FINISHING ATTACHMENT

#### GALVANIZATION

#### PERFORMANCE

#### TRACTOR REQUIREMENTS

#### DEBRIS REMOVED

### 600HD

Completely sealed and protected by full flow filter. Large capacity spline mounted cast iron pump, hydraulic motor, flow control, and built-in overflow protection.

Of bar flight type with chain and sprocket drive, covered with continuous 6' wide NBR belt, which will not stretch or corrode.

Approx. 700 Stainless steel tines

3 cubic yard (4,500 lbs.)/  
Hot dip galvanized

9 feet

36 x 13.5 x 15 high  
flotation design

A moldboard deflector plate is positioned at the front of the machine to level the beach before cleaning.

Up to 15.0 miles per hour

7 feet (6 foot processing width)

Adjustable to 6"

Height: 7'6"  
Length: 13'1"  
Width: 7'8"

Approximately 3800 lbs.

Dupont IMRON®  
Polyurethane enamel

To smooth the sand and eliminate tire marks for a minimum 9 foot wide path - optional.

All frame and body parts Hot Dip Galvanized - optional.

Cleans up to 8 acres per hour

60 PTO horsepower 4-wheel drive agricultural type tractor with 30" rear wheels.

### 400HD

Completely sealed and protected by full flow filter. Large capacity spline mounted cast iron pump, hydraulic motor, flow control, and built-in overflow protection.

Of bar flight type with chain and sprocket drive, covered with continuous 4' wide NBR belt, which will not stretch or corrode.

Approx. 380 Stainless steel tines

2 cubic yard (3,500 lbs.)/  
Hot dip galvanized

9 feet

31 x 13.5 x 15 high  
flotation design

A moldboard deflector plate is positioned at the front of the machine to level the beach before cleaning.

Up to 15.0 miles per hour

6 feet (4 foot processing width)

Adjustable to 6"

Height: 7'3"  
Length: 11'9"  
Width: 7'6"

Approximately 2700 lbs.

Dupont IMRON®  
Polyurethane enamel

To smooth the sand and eliminate tire marks for a minimum 9 foot wide path - optional.

All frame and body parts Hot Dip Galvanized - optional.

Cleans up to 5 acres per hour

35 PTO horsepower 4-wheel drive agricultural type tractor with 28" rear wheels.

### 400

Completely sealed and protected by full flow filter. Large capacity spline mounted cast iron pump, hydraulic motor, flow control, and built-in overflow protection.

Of bar flight type with chain and sprocket drive, covered with continuous 4' wide NBR belt, which will not stretch or corrode.

Approx. 340 Stainless steel tines

1 cubic yard (2,400 lbs.)  
Hot dip galvanized

Ground

31 x 13.5 x 15 high  
flotation design

A moldboard deflector plate is positioned at the front of the machine to level the beach before cleaning.

Up to 15.0 miles per hour

6 feet (4 foot processing width)

Adjustable to 6"

Height: 4'5"  
Length: 9'10"  
Width: 7'6"

Approximately 1900 lbs.

Dupont IMRON®  
Polyurethane enamel

To smooth the sand and eliminate tire marks for a minimum 9 foot wide path - optional.

All frame and body parts Hot Dip Galvanized - optional.

Cleans up to 4 acres per hour

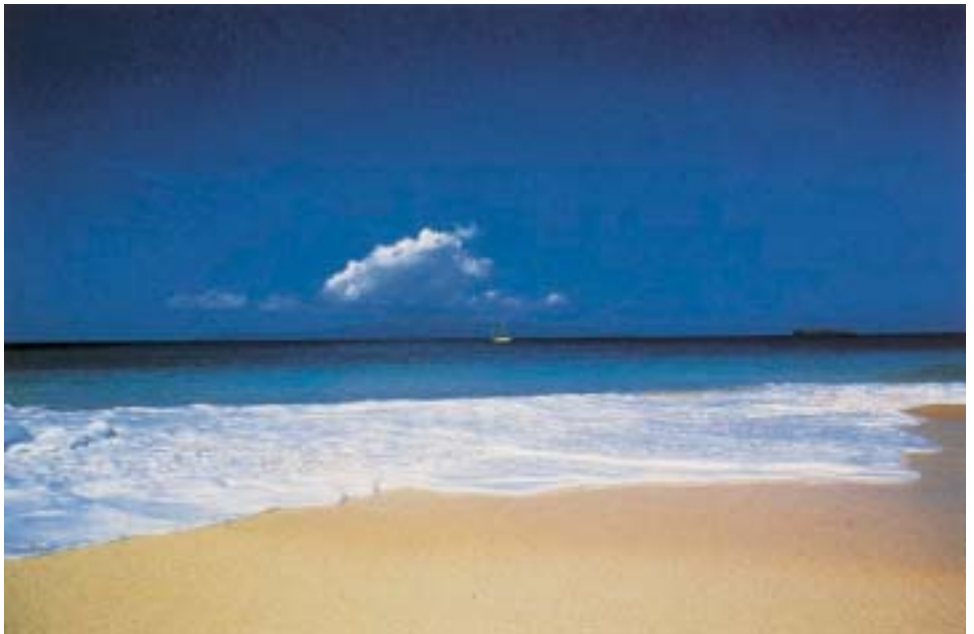
30 PTO horsepower 4-wheel drive agricultural type tractor with 28" rear wheels.

540 RPM rear PTO, 3 point hitch, and 1 remote hydraulic valve (minimum), up to 3 with options. This is a general guideline. Larger or smaller tractors may be used depending on beach conditions.

Broken glass, plastic, syringes, cigarette butts, pop-tops, straws, cans, tar balls, stones 3/8" to 4" in diameter, sea grass, sea weed, fish, small pieces of wood.

The manufacturer reserves the right to change the specifications without notice and without incurring obligation. The information contained herein is from data available at the time of printing.

**T**he Barber SURF RAKE is the beach cleaner of choice for improving the appearance of public and private beaches. The most widely cited reason for choosing the SURF RAKE is its efficiency. It is designed with a unique raking system that quickly and thoroughly cleans an entire beach, including heavy debris areas along the water's edge. It is also the only beach cleaner that is equally effective in wet and dry sand at speeds up to 15 miles per hour. The ultimate result: your beaches are returned to a cleaner, more beautiful condition.



**B**y eliminating the need for hand labor, the SURF RAKE actually reduces time and expense, resulting in an extremely cost-efficient method as well. Users find the SURF RAKE dependable, easy to operate and maintain. And with increasing concern for the environment, the Barber SURF RAKE is the least intrusive method of mechanical beach cleaning available today.

**B**arber SURF RAKES are maintaining beautiful beaches both domestically and internationally. Regardless of where a customer may be located, H. Barber & Sons promises expedient delivery of all parts and machinery. It is part of the company-wide commitment to excellent service which customers have come to expect from H. Barber & Sons. The corporate headquarters and manufacturing plant of

H. Barber & Sons is based in Connecticut. Sales and support services are handled through a worldwide dealer network. Throughout the company, quality production, responsive service and customer support are of utmost importance.

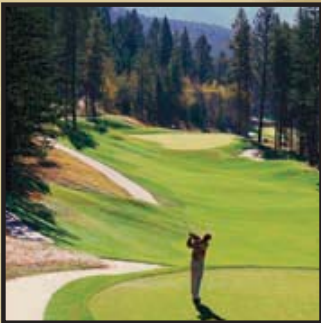
**S**ince its establishment in 1966, H. Barber & Sons has been committed to the preservation of beautiful beaches and the environment. Its product, the Barber SURF RAKE, is the highest quality, most efficient beach cleaning equipment available. With its ability to clean a variety of beach conditions, the SURF RAKE has earned H. Barber & Sons the distinction of being the leader in beach cleaning technology and the largest manufacturer of beach cleaners in the world.



# *The World Leader in Tine Raking Cleaning Equipment.*



**Litter collection machines for both paved surfaces and grass areas.  
Truck towed and tractor towed models for all applications.**



**Stone pickers that remove debris and level work area in one pass.  
A variety of models for different size jobs.**



**World leader in beach cleaning equipment for more than 40 years.  
Models for all beaches and conditions.**



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City of Isle of Palms Schedule of Assessed Values from Charleston County Auditor's Office

Tax Year

	2018	2017	2016	2015*	2014
	(FY19)	(FY18)	(FY17)	(FY16)	(FY15)
Motor Vehicles - (July-Dec)	1,991,940	2,343,670	2,260,210	1,951,510	1,883,430
Motor Vehicles - (Jan-June)	2,211,880	2,113,910	2,208,550	2,068,420	1,884,320
<b>Total Gross Motor Vehicles</b>	<b>4,203,820</b>	<b>4,457,580</b>	<b>4,468,760</b>	<b>4,019,930</b>	<b>3,767,750</b>
<b>Collection Rate (July-Dec)</b>	<b>84.56%</b>	<b>82.35%</b>	<b>89.80%</b>	<b>90.38%</b>	<b>96.31%</b>
<b>Collection Rate (Jan-June)</b>	<b>84.56%</b>	<b>88.08%</b>	<b>89.80%</b>	<b>91.01%</b>	
<b>Total Collectible Motor Vehicles</b>	<b>3,554,582</b>	<b>3,791,944</b>	<b>4,013,092</b>	<b>3,646,244</b>	<b>3,628,724</b>
Business Personal Property	352,160	398,780	400,170	360,350	300,640
Rental Residential	1,362,510	1,315,540	1,261,360	1,557,920	1,802,840
Watercraft	2,507,560	2,346,400	2,228,060	1,702,710	1,416,520
Busines Personal DOR	1,182,960	945,480	928,700	494,680	394,200
Utilities	1,265,970	1,231,200	1,181,080	996,620	991,150
Aircraft	65,520	70,690	254,910	271,190	35,700
<b>Total Personal Property</b>	<b>6,736,680</b>	<b>6,308,090</b>	<b>6,254,280</b>	<b>5,383,470</b>	<b>4,941,050</b>
Real Property 4% (includes Homestead)	55,094,590	52,411,250	49,391,688	49,475,700	50,490,620
Real Property 6%	145,792,660	143,163,740	141,892,830	140,138,550	149,324,900
Real Property Agricultural Use 4%	1,310		1,310	1,310	1,310
Mobile Homes					
Add (Subtract) Assessor's Est Remain Reviews					
<b>Total Real Property</b>	<b>200,888,560</b>	<b>195,574,990</b>	<b>191,285,828</b>	<b>189,615,560</b>	<b>199,816,830</b>
<b>Total Real &amp; Personal Property</b>	<b>207,625,240</b>	<b>201,883,080</b>	<b>197,540,108</b>	<b>194,999,030</b>	<b>204,757,880</b>
<b>Collection Rate</b>	<b>96.69%</b>	<b>96.78%</b>	<b>97.39%</b>	<b>96.97%</b>	<b>96.31%</b>
<b>Total Collectible Real &amp; Personal</b>	<b>200,752,845</b>	<b>195,382,445</b>	<b>192,384,311</b>	<b>189,090,559</b>	<b>197,202,314</b>
Change from prior year	2.75%	1.56%	1.74%	-4.11%	-0.43%
Total Tax Base (GROSS)	211,829,060	206,340,660	202,008,868	199,018,960	208,525,630
Change from prior year	2.66%	2.14%	1.50%	-4.56%	-0.01%
<b>Total Tax Base (Collectible)</b>	<b>204,307,427</b>	<b>199,174,389</b>	<b>196,397,403</b>	<b>192,736,803</b>	<b>200,831,038</b>
Change from prior year	4.03%	3.34%	-0.02%	-4.03%	-0.21%
Less Motor Vehicles (July-Dec)	(1,684,287)	(1,930,012)	(2,029,742)	(1,763,775)	(1,813,931)
	202,623,140	197,244,377	194,367,661	190,973,028	199,017,107
Total collectible base per County report	202,623,140	197,244,377	194,367,661	190,973,028	199,017,103
Difference	(0)	(0)	0	0	4
% Change from Prior Year	4%	3%	0%	-4%	0%

Calculate Projected Property Tax Revenues and Compare to Budget and Actual Property Tax Revenues					
Authorized Millage Rate - Operating	0.0213	0.0213	0.0213	0.0213	0.0198
Authorized Millage Rate - Debt Service	0.0034	0.0034	0.0034	0.0034	0.0031
Total Property Taxes - Operating	\$ 4,315,873	\$ 4,201,305	\$ 4,140,031	\$ 4,067,726	\$ 3,940,539
Total Property Taxes - Debt Service	688,919	670,631	660,850	649,308	616,953
Add Motor Veh Taxes Collected (Jul-Dec)	41,108	41,109	50,135	34,923	41,539
Total Projected Tax Revenues	5,045,900	4,913,045	4,851,016	4,751,957	4,599,031
Budgeted Revenues (Incl LOST)	5,105,000	5,055,000	4,930,000	4,842,000	4,780,187
Difference	\$ (59,100)	\$ (141,955)	\$ (78,984)	\$ (90,043)	\$ (181,156)
Actual Property Taxes Received		\$ 4,346,195	\$ 4,295,362	\$ 4,250,332	\$ 4,178,401
Actual LOST Received		772,357	731,540	698,077	675,906
Total		5,118,552	5,026,903	4,948,409	4,854,307
<b>Difference between Actual and Projected</b>		205,507	175,886	196,453	255,276
<b>% Difference</b>		4%	4%	4%	6%
<b>Difference between Actual and Budget</b>		\$ 63,552	\$ 96,903	\$ 106,409	\$ 74,120
<b>% Difference</b>		1%	2%	2%	2%

Total Appraised Value					
Motor Vehicles	67,681,494	70,354,109	69,742,551	62,684,764	58,580,216
Personal Property	65,630,786	61,499,690	60,750,786	52,238,619	47,126,548
Real Property	3,807,275,167	3,696,343,583	3,599,705,450	3,572,567,750	3,751,046,583
Total Appraised Value	3,940,587,447	3,828,197,382	3,730,198,787	3,687,491,133	3,856,753,347
% Change from Prior Year	5.64%	3.82%	2.21%	-4.39%	-0.25%

Total Assessed Value					
Motor Vehicles	4,203,820	4,457,580	4,468,760	4,019,930	3,767,750
Personal Property	6,736,680	6,308,090	6,254,280	5,383,470	4,941,050
Real Property	200,888,560	195,574,990	191,285,828	189,615,560	199,816,830
Total Assessed Value	211,829,060	206,340,660	202,008,868	199,018,960	208,525,630
% Change from Prior Year	4.86%	3.68%	2.74%	-4.56%	-0.01%

Increase In Collectible Assesmnts	2.6%	1.4%	1.9%
Increase in Budget	1.0%	2.5%	1.8%

\* 2015 was a reassessment year