

## City Council

6:00 p.m., Tuesday, April 23, 2019

The regular meeting of City Council was held at 6:00 p.m. Tuesday, April 23, 2019 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, Kinghorn and Ward, Mayor Carroll, Interim Administrator Fragoso, City Attorney Copeland and City Clerk Copeland; a quorum of Council was present to conduct business.

1. Mayor Carroll 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. Following a brief invocation and the recitation of the Pledge of Allegiance, Clerk Copeland called the role.

### 2. Reading of the Journals of Previous Meetings

**MOTION: Councilmember Ward moved to approve the minutes of the regular meeting of March 15, 2019 and the Special Meeting of April 2, 2019 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.**

### 3. Citizens' Comments

Based on the comments and discussions on social media, a significant number of people spoke at this meeting in support for Michael and Mark Fiem and their business Tidalwave Watersports that operates at the IOP Marina.

Steve Will, 6 Intracoastal Court – Tidalwave pier/dock not compatible to fishing, part of the island, responsible business operators, allowed hundreds of island kids experience their first jobs

Rusty Denman – character reference for Fiem brothers, glad to hear efforts being made to resolve differences

Scott Pierce, 4 – 9<sup>th</sup> Avenue, stated that this year the IOP Marina was on track to lose \$347,000, raining tax dollars from the City of approximately one thousand dollars (\$1,000) per day. The guiding purpose of the IOP Marina was to provide residents with access to the Intracoastal Waterway, not to support commercial activities. Residents do have parking available without doing business with a commercial entity at the marina. In recent weeks it has come to light that several OCRM and Army Corps of Engineering violations that must be corrected by the tenant or the City. The leases do not have limits on the number of sub-tenants an entity might have, and now there are over a dozen sub-leases – of which the City is aware. He expressed the opinion that no third party should enter into a gross profit lease. This Council has made it clear that they do not intend to renew the Tidalwave lease as it is written.

Dennis Shaffer – employed by Tidalwave for 14 year, Fiems are great guys, contribute to island.

Michael Fiem was operating Tidalwave when the City bought the marina and the lease has been renewed over and over again. He expressed their desire to operate a shuttle between the marina and Front Beach. He commented that the marina would not be more attractive if Tidalwave was no longer there. He acknowledged the desire of the residents to have access to the water, but he did not understand why that came at the expense of their business. He indicated that they would be willing to locate to another place in the marina as long as they could operate at the same

capacity that they do today. Since only 103 watersports businesses exist in the United States, he thought sending it out in an RRB would not yield the results the City was expecting. He reminded the City that they have been in business on the island for over twenty (20) years. He said that they have just held their second Residents' Day, when they shutdown normal business and offer all of their activities to island residents at no charge; all contributions go to a local charity. He was baffled that anyone would suggest their reducing the number of activities or cutting back their business; he understood the job of every small business owner was to grow the business to provide the best life possible for himself and his family. He hoped that Council would take into consideration their lease proposal before just deciding to terminate their lease. He recognized Mike O'Malley as the third partner in their business.

Julie Nestler, 17 – 22<sup>nd</sup> Avenue, told Council that, when she arrived home today, her sixteen (15) year old daughter gave her a letter that she wanted read here strongly supporting Tidalwave. She noted that her husband, a volunteer for the IOP Fire Department, has had occasions when he could not get the fireboat launched because the boat ramp was backed up; "Tidalwave has dropped everything to get Gary [her husband] or other firefighters to the scene of an accident." In her opinion, Tidalwave and its owners have a positive impact to the residents and the City.

Dr. Gary Nestler, 17 – 22<sup>nd</sup> Avenue, serves as a volunteer fireman for the City's Fire Department for more than a decade and responds to many water medical rescue calls. As a result, he has seen firsthand "how a commercial enterprise stops everything to make sure that fire service personnel can get on the water to help people." He described Tidalwave and its owners as a "fabric of the community" and attempts by Council to shut down an enterprise like Tidalwave will have "a tremendous blowback from the citizens."

Resident of 105 Palm Boulevard – Tidalwave is the only watersports business on the island; not renewing their lease will take these fun activities away from residents and visitors.

Van Kinnett, 29 – 41<sup>st</sup> Avenue, met the Fiem brothers and Mark O'Malley when his daughters worked for them, and they became friends. The traffic on 41<sup>st</sup> would not change if Tidalwave was no longer at the marina.

Carla Kinnett, 29 – 41<sup>st</sup> Avenue, saw Tidalwave as an integral part of the island; the young people who work for them learn many life skills.

Jason Hilton said that he has worked for Tidalwave for fourteen (14) years and was happy to call owners friends. He agreed with everything that has been said about them at this meeting.

Ginger Campbell, 3907 Hartnett, is also an employee of Tidalwave, and she plans to retire from there. She reported that the owners are working toward marsh cleanups.

Jillian Kerber reported that she takes her guests to the marina to enjoy one (1) of the activities Tidalwave offers; she estimated that she and her husband spend a thousand dollars (\$1,000) a summer at Tidalwave.

Connor (did not give last name, likely 15 years old), 3 Sandpiper Lane, said that this would be his third year working at Tidalwave and that it was a benefit to the island and its residents.

Jeremy Samuels, a senior at the Citadel and three (3) year employee at Tidalwave, recalled that he spent his first day picking up trash all over the marina. He stated that Tidalwave has been a

positive influence in his life that the owners exemplify the core values of the Citadel – honor, duty and respect.

Bill Campbell stated that he and his wife live at 34 – 42<sup>nd</sup> Avenue. Having attended the Ways and Means Committee meeting last week, he was surprised at how much time was spent on non-resident issues. He saw that Council was still focused on attracting visitors to the island; he saw no reason to spend time and money to draw more people to the island. IOP is the closest beach, so where are people going to go? The comment was made during the discussion that the City sends the Charleston Visitors Bureau half a million dollars to promote IOP, and he asked why? Non-residents are going to come to the island whether it is promoted or not, and he was certain that the island reached capacity on some summer weekends. On those weekends, he has observed that “traffic is horrid, parking is crazy, driving to and from the island in the summer is nuts – a trip into Mount Pleasant must be planned or be stuck in traffic for a couple of hours, the police are overwhelmed, parking attendants are in a tizzy, will this never end?” When he asked what the capacity of the island was, he answered that it has been exceeded. Mr. Campbell noted that he and his wife have been residents since 1986 and they moved here because they were “attracted to the laid-back lifestyle” the island offered; he remembered when residents had to go to Mount Pleasant to get drinking water. He would be happy for the clock to run backwards for a time; he did not want more visitors, he did not want entertainment attractions at the marina, and he did not want short-term renters. Due to the number of short-term renters in his neighborhood, it has become a rental-hood. Mr. Campbell stated that he and his wife have hired a local realtor and are looking for a residence off the island.

Dave Gilford, 18 – 42<sup>nd</sup> Avenue, stated that he has seen a lot of change since he moved here in 2003, and he expressed understanding that Council’s job was to insure the quality of life and safety of the property owners who voted for members of Council and visitors alike. With all of the development in recent years, he thought the island was at a breaking point and questioned if the City could afford more and did the City need more. He asked Council to think proactively about the continued growth and a way to manage it.

Sandy Stone, 7 Ensign Court, informed the Committee that he had come to the island in 1973 and became a property owner in 1978; he said that he has seen tremendous change over those years. He came to address two (2) items on the Agenda, i.e. the proposed franchise fee on Water and Sewer and the increase in the short-term rental license fees. On the franchise fee on Water and Sewer, he understood that the money was going to be used to assist property owners with septic tanks to tie-in to sewer; he said that he had paid to have sewer and that he did not want to subsidize those who did not pay as he did. He thought that the Water and Sewer should have a tap-in fee for water and sewer and that everyone paying for the people who currently do not have sewer. As a vacation rental manager, he was opposed to the proposed increase to short-term rental license fees that doubles them. He asked that Council reconsider “that egregious increase;” he anticipated an unintended consequence will be creating a financial incentive for people “to go underground,” not to register their property as a short-term rental. He said that the island already has vacation rental management companies that are working underground, off the books, because of the fees. For instance, Mr. Stone might receive a call from a property owner that he manages to mark a week or month off for maintenance, when they are renting to a relative at a reduced rate and will not report that as income. This increase will produce more transactions off the books.

Olivia Bueno introduced herself as the Vice Chair of the Charleston Surfrider Foundation that works to protect the waterways. She thanked the City for its stand in being the first local government in the state to ban single-use plastic bags; today seventeen (17) municipalities have

banned these plastic bags. She noted that, with the ongoing problem of plastics in the waterways, it is making its way into our drinking water through the food chain. She said that her purpose in attending tonight's meeting was to encourage Council to move forward with the ban on plastics on the beach. Folly Beach was the first beach community to do this, and in coordination with the Surfriders' education campaign, Folly Beach has reduced the plastics on their beach by eighty percent (80%). She offered the Surfrider's assistance in the prohibition of plastics on the beach.

Councilmember Kinghorn, 412 Merritt Boulevard, recognized the recent passing of Senator Ernest Hollings, who served as a soldier, his state and the federal government in the U.S. Senate. He commented that Senator Hollings was an outstanding public servant and had a life well lived. He added that one (1) of the reasons he chose to run for Council was for evenings like this where the issues were not always easy, there were emotions, feelings and diverse opinions about difficult issues. He took the opportunity to congratulate his fellow Councilmembers, who come from different backgrounds, career streams and different personal experiences, but always have the island's best interests at heart.

Graham Sturgiss, 1131 Wando Road, Cainhoy, he stated that his first experience surfing was here next to the pier at the age of fifteen (15) a time that he was certain he knew what he was doing. From law school, he headed right back to the island and lived here for six (6) years; he met his wife on Palm Boulevard and proposed to her on Ocean Boulevard. He stated that the Isle of Palms had been an integral part his life and he wanted others to have the same experiences. If the lessons are legalized, he was certain that his son would be submitting a proposal; his son is the only ASI (Academy of Surfing Instructors, the world's leading surfing accreditation and training organization) surfing instructor between Florida and North Carolina. kids do not have to go to Folly, but do it right here. He said that they would be "safer surfers and be good stewards of the beach." He stated that no one was more dedicated to the ocean and the beach than surfers." He asked that Council give serious consideration of this opportunity. He said that his son's proposal was to have two (2) instructors with four (4) students; he opined that the only impact would be positive.

**Request for a City-sponsored event from HGTV** for filming on the beach on Thursday, May 2<sup>nd</sup> from 10:00 a.m. to 12:30 p.m. for an upcoming episode of *House Hunters*

Interim Administrator Fragoso commented that Circus Dog Productions has been producing *House Hunters* episodes for twenty years and they have requested City-sponsored event status to film on the beach in Wild Dunes for two and a half hours (2½ hrs.) on Thursday, May 2, 2019. They want to present to the viewers a look at life on the coast of South Carolina. The crew will be made up of four (4) people accompanying the homebuyer, a friend and a dog, and they will be using a normal sized van, no semi-trailer trucks. They have already submitted the Certificate of Insurance naming the City as "additional insured." Staff recommends the approval of this activity as a City-sponsored event.

**MOTION: Councilmember Kinghorn moved to approve the HGTV filming on the beach on May 2, 2019 as a City-sponsored event; Councilmember Moye seconded and the motion PASSED UNANIMOUSLY.**

### **Thomas & Hutton presentation of IOP Water and Sewer Master Plan**

The Power Point presentation is attached to the historical record of the meeting.

The key points in the presentation were that sewerage the entire island would cost approximately twenty million dollars (\$20,000,000) and be accomplished over an eight (8) year window. The next step will be to look at funding strategies and to begin identifying funding sources such as raising rates, FEMA grants, loans, fees, partnering possibilities, cost-sharing strategies, etc. The Water and Sewer Commission needs to identify the site for the new pump station as soon as possible to lock it in and to begin negotiations on the price. Mr. Yodice stated that, over time, the project will only get costlier, but a time will come when it has to be done, and then the costs will be considerably higher and the timing will be tight – meet DHEC deadlines or EPA demands. He recommended that the City and IOPWSC be proactive in addressing this issue.

The Mayor suggested that Council, the Board and management of the Water and Sewer Commission and Mr. Yodice should meet together to set the groundwork for where they need to go and how they are going to get there.

Dana Love of 9 Sand Dollar Circle addressed Council as the Chair of the IOP Water and Sewer Commission and voiced the Board's opposition to the franchise fee on water and sewer that is later on the Agenda. He stated that if it is imposed, it will be an "operating expense" for the Commission and "must be passed on directly to [our] customers," and he urged Council not to "impose this tax on the water and sewer customers."

Due to the hour, Mayor Carroll asked the Committee Chairs to only cover the important matters from their Committee meetings.

#### **4. Reports from Standing Committees**

##### **A. Ways and Means Committee**

From the meeting of April 16<sup>th</sup>, Councilmember Ward reported that the Committee was updated on the City's financial position through three-quarters ( $\frac{3}{4}$ ) of the fiscal year. Through March 31<sup>st</sup>, the City has received seventy-one percent (71%) of the City FY19 budget, and General Fund revenues are forecasted to end the year approximately five hundred thirteen thousand dollars (\$513,000) more than budgeted. General Fund expenditures for all departments were at sixty-nine percent (69%) of budget through nine (9) months, and expenditures were forecasted to end the year under budget by four hundred twenty-six thousand dollars (\$426,000). The General Fund is forecasted to end the year nine hundred fifty-nine thousand dollars (\$969,000) to the good as compared to budget. The Treasurer reported that, in March, parking revenue was approximately seventy-seven thousand dollars (\$77,000) when parking revenue for March 2018 was thirty-five thousand dollars (\$35,000). Revenues from the Wild Dunes construction project were forecasted to exceed the FY19 budget by four hundred seventy thousand dollars (\$470,000) at June 30, 2019. In March, the City received three hundred ninety-three thousand dollars (\$393,000) in CTC and TST grants for Phase II Drainage.

1. **Award of a contract to Munnerlyn Pyrotechnics in the amount of \$25,000 for July 4<sup>th</sup> fireworks display (Pg. 28, In 255 - State ATAX, General Government Programs/Sponsorships, July 4<sup>th</sup> fireworks - \$35,000)**

Mayor Carroll stated that this was the third renewal of a three (3) year contract.

**MOTION: Councilmember Ward moved to award a contract to Munnerlyn Pyrotechnics in the amount of \$25,000 for 2019 July fireworks display; Councilmember Kinghorn seconded and the motion PASSED UNANIMOUSLY.**

2. **Award of a contract to Lee and Associates to act as the City's real estate consultant relative to the RFP for the marina restaurant in the amount of six (6%) of the gross lease value payable at lease execution**

**MOTION: Councilmember Bell moved to award a contract to Lee & Associates to serve as the real estate consultant for the marina restaurant RFP; Councilmember Ward seconded.**

Councilmember Kinghorn recalled that he had voted against this contract at the Ways and Means Committee but it was approved; he repeated his question from that meeting asking if the City had checked the references for this vendor. The Interim Administrator said that she had not. He expressed concern that the City would award a six (6) figure contract without checking references, and he could not support it.

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

3. **Approval of Change Order to Civil Site Environmental in the amount of \$13,136.54 for labor and materials to adjust the depth of a section of the pipe adjacent to the Morgan Place Drive within Wild Dunes (Pg. 42, In 101 – Public Works Special Projects, Complete Phase II Drainage - \$1,125,000 from Capital Projects and \$375,000 from Muni ATAX)**

**MOTION: Councilmember Rice moved to approve the Change Order from Civil Site Environmental; Councilmember Moye seconded and the motion PASSED UNANIMOUSLY.**

4. **Award of a contract to Ravenel Ford in the amount of \$32,738 for the purchase of one Ford F150 pickup truck for the Fire Department (Pg. 25, In 113 – Muni ATAX, Fire Department, replaces 2010 pickup truck - \$34,000)**

**MOTION: Councilmember Moye moved to award a contract to Ravenel Ford for the purchase of 1 Ford F150 for the Fire Department in the amount of \$32,738; Councilmember Bell seconded and the motion PASSED UNANIMOUSLY.**

5. **Approval of a change order from Thomas & Hutton in the amount of \$13,000 to cover their costs meeting expenses (Pg. 23, In 54 – Capital Projects Fund, Public Works Drainage Contingency, drainage outfall improvements - \$400,000)**

**Motion: Councilmember Rice moved to approve the Change Order from Thomas & Hutton in the amount of \$13,000; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

6. **Approval of an expenditure not to exceed \$8,500 for the purchase and installation of a water fountain and bottle filling station at Front Beach (Pg. 26, In. 133 & 138 - Muni ATAX, Front Beach, Maintenance/Service Contracts & Misc.)**

**MOTION: Councilmember Rice moved to approve the water fountain/bottle filling for Front Beach; Councilmember Ferencz seconded.**

When Councilmember Kinghorn asked if this purchase was in the budget, Councilmember Rice answered that the water fountain/bottle filling station was in the budget and would be paid from accommodations taxes. He suggested in the Committee meeting that the City should seek a sponsor.

Interim Administrator informed the Council member that the City has been approached by the owner of the chair and umbrella rental company and a member of the IOP Cleanup Crew who saw the opportunity for a potential contribution to the City. She also told Council that staff was evaluating alternatives for the installation costs; she noted that the cost of the water fountain bottle filling station was forty-three hundred dollars (\$4,300), and the installation was quoted at thirty-five hundred dollars (\$3,500). She and Director Page believe that a member of the Recreation Department staff was capable of doing the installation and substantially reducing the installation cost despite the complications it presents.

Councilmember Kinghorn reiterated that there are two (2) water fountains and sinks in the public restrooms. He then inquired if there was a service fee associated with the water dispenser, and the Interim Administrator responded that it was not. Since the fountain will be outside, he believed that it would increase maintenance costs. He asked if staff had contacted the Water and Sewer Commission to find out if they would sponsor it, and the Interim Administrator replied that staff had not done that.

Councilmember Kinghorn assumed that the goal was to encourage people to have re-usable bottles and not to take them on the beach.

When Councilmember Bell asked if there was a warranty, Interim Administrator Fragoso stated that the warranty was for one (1) year under normal conditions.

Councilmember Ferencz did not understand why the Committee wanted to locate the water fountain at Front beach, where there were other sources of water, when there were many accesses that have no access to water.

Councilmember Rice said that this water fountain was the beginning of a hydration station movement; she said they were trying to walk the walk and have places where families could fill their water bottles. She said that Council was doing the right thing and that it was a positive thing.

As a member of the IOP Cleanup Crew, Councilmember Smith expressed her support for the bottling filling station because she has seen firsthand how many plastic water bottles were left on the beach, and this bottle filling station was part of the solution.

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

**7. Approval of implementation of a 3% franchise fee on the IOP Water and Sewer Commission**

**MOTION: Councilmember Kinghorn moved to implement the 3% franchise fee on the IOPWSC; Councilmember Ferencz seconded.**

Councilmember Kinghorn reminded Council that the City has a franchise fee on all other utilities that service the island; he stated that water was the most important utility the City has. He stated that to sewer the island was a major undertaking that was important for the health and safety of the island. In his opinion, everyone should contribute to the project “to insure that the island maintains its environment, health and safety.” He questioned that the IOPWSC Master Plan was delivered four (4) months ago to the Water and Sewer Commission, and only now, April 23<sup>rd</sup>, has it made its way across the street. He was clear that the small increase in their billing was not a tax, but a fee, and the Water and Sewer Commission could choose not to pass it along to their customers, a business decision that they must make. It would be used to offset the City’s portion of the costs to sewer the entire island. He asked Council to take a stand for the City to have full connectivity to sewer by the year 2030. He noted that the best work for Council was “to set policy and direct staff to go do it,” and he urged Council to act accordingly.

Councilmember Moye recounted that he voted to support the franchise fee at the last Ways and Means Committee meeting; over the past week, he did some research and reflecting on why and when to use a franchise fee. He said that franchise fees were intended to be used to when the fees collected were used exclusively for the purpose of maintaining and enhancing the infrastructure for which they were being collected. Based on the discussions he has heard, based on the way the fees were to be collected, he did not think the City could make that case “directly” for this franchise fee. He expressed the belief that “franchise fee was, truly, a tax,” and in this case, one (1) provider was offering an essential service that was used by every person on the island. He suggested that the City should be totally transparent in collecting funds for the sewer project through taxes.

Agreeing with Councilmember Kinghorn’s comments completely, Councilmember Bell stated that he did not know what the problem was with collaborating with the Water and Sewer Commission. He was very disillusioned that there was no ongoing, active conversation between Council and the Commissioners and that it has taken four (4) months to get a meeting set up and to receive the Master Plan; for him the first step was to mend the relationship. He reiterated that people on the island who have sewer will be paying double the amount as someone who has a septic system. He noted also that many people on septic systems do not want this change; they have not had any problems with it and do not understand the need for sewer. He voiced curiosity about whether the Water and Sewer’s billing program could be programmed to allow the franchise fee to be billed only on water, making the fee equitable across the island. He thought that the topic needed a broader policy, a broader discussion a more thought.

**VOTE: The motion FAILED** on a vote of 1 to 8 with Councilmember Kinghorn’s vote single supporting vote.



- 8. Award of a contract to Benson Ford for 1 Ford Interceptor sedan with all-wheel drive in the amount of \$24,990 (The City has received \$17,000 in insurance from driver at fault; City's outlay is \$7,990)**

**MOTION: Councilmember Bell moved to award a contract to Benson Ford in the amount of \$24,990 for 1 Ford Interception sedan; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

The next Ways & Means Committee meeting will be Tuesday, June 18, 2019 in Council Chambers.

### **B. Public Safety Committee**

From the meeting of April 2<sup>nd</sup>, Councilmember Buckhannon reported that Ted McKnight of 2 Shad Roe attended the meeting as a follow-up to the March meeting where he brought to the Committee the issue of little to no line of sight at beach accesses at the northern end of the island. The City is working with SCDOT to eliminate this problem. The City had a presentation from the Flowbird app, which is an app to use with pay-to-park programs; the app is free to the City. The cost to the user is \$0.35 per transaction with \$0.10 coming back to the City. The rollout is planned for the Memorial Day weekend; Flowbird will provide "ambassadors" who will be on the street showing people how to download and use the app. This system also works with the Parkeon kiosks and the T2 ticketing program. In order to establish a test area for the stabilizing product on the shoulders of the road, SCDOT needs to have an engineering plan for their review in order to approve the request for an encroachment permit. In a partnership between the City and the COG, a public transportation initiative continued to move forward for a van to bring employees from the parking lot at the old Bi-Lo store in Mount Pleasant to the island; currently food and beverage employees at the marina and Wild Dunes appear to be the most enthusiastic. In an effort to get a better understanding of the coyote problems, the Public Safety Committee will meet with members of the Board of the Wild Dune Community Association tomorrow, April 24<sup>th</sup>. In order to be legal on the beach, a golf cart must be registered with the State and display the handicap placard issued by the S.C. Department of Motor Vehicles. Three (3) persons submitted proposals to perform the enforcement assessment of the Police Department; more consideration will be given to the assessment at the May meeting. The Committee discussed the possibility of establishing a filming permit for those requests to the City for brief and unobtrusive filming on the beach to reduce the red tape for this type of event.

The Public Safety Committee will meet again on Monday, May 6, 2019 in the Conference Room.

### **C. Public Works Committee**

From the meeting of April 4<sup>th</sup>, Councilmember Rice stated that Caroline Bradner, a representative of the Coastal Conservation League offered their support and assistance in Council's efforts to ban plastic products from the beach and waterways of the Isle of Palms. In Director Pitts' monthly reported, he indicated that both garbage and yard debris collections were down in the month of April; other important work the Public Works' personnel completed were repairs to the Breach Inlet boat ramp, trash removal from the Methodist Church's Tea Room every day it was open, and cleanup of eleven (11) beach accesses. Director Pitts is awaiting confirmation from Charleston

County that the island will again have weekly recycling removal over the summer months. The Committee discussed and would like Council to consider making the Breach Inlet boat ramp a “Residents Only” boat ramp. The construction on Phase II Drainage has been completed; the final survey and the as-builts need to be completed. The balance in the contingency fund for this project will be moved into the account for Phase III drainage. The Committee anticipates recommendations on the areas that Thomas & Hutton has selected as possible small drainage projects the City could complete while it is waiting for the permitting and financing for the Phase III Outfall project. Renovations to the Public Works Building have nearly been completed, and the Committee looks forward to holding some meetings there; Councilmember Rice described it as a “much overdue facelift.” Director Kerr confirmed that the subdivisions planned for Forest Trail have generated a good amount of controversy related to drainage and flooding because it has no drainage/stormwater infrastructure. The drainage pipe replacements on Ocean Boulevard have been postponed until October; the City will be obligated to contribute twenty-five thousand dollars (\$25,000) towards materials that is expected to be reimbursed by FEMA. No changes in the Public Works FY20 budget have occurred since the last review. The Committee discussed, at great length, the potential project to install and implement sewer for the entire island; Councilmember Rice asked that you please read the minutes on the City’s website if you want more information. They discussed the possibility of using solar power on City Buildings; currently the City is buying solar power from a windmill farm elsewhere in the state through SCE&G. The Committee approved and recommended to City Council the approval of the change order from Thomas & Hutton. Councilmember Smith moved to expand the plastics ban by prohibiting single-use plastic bags, plastic straws, and Styrofoam products on the beach and to include a fine of \$100 per violation. From there the Committee discussed implementing a ban on smoking on the beach since cigarette butts comprise the biggest problem with littering on the beach; the Chair acknowledged that this was a complicated issue and requested that City Attorney Copeland provide the legalities related to it and recommend a course of action.

The next Public Works Committee meeting will be at 4:00 p.m., Thursday, May 7 in the City Hall Conference Room.

**MOTION: Councilmember Moye moved to prohibit the use of single-use plastic bags, plastic straws and Styrofoam Products on the beach with a fine of \$100 for each violation; Councilmember Rice seconded.**

Referencing an email she received from a resident, Councilmember Ferencz stated that it had a picture attached of the resident holding what was called a “mutt mit” that she got out of the pooper-scooper station, and it was plastic. She asked why the City was disobeying its ordinance.

Mayor Carroll stated that the ordinance would not go into effect until January 1, 2020.

Interim Administrator Fragoso explained that the new pooper-scooper bags (mutt mitts) are biodegradable and they are going into the distribution boxes when they are refilled. The first locations to have them were the beach accesses where the new beach signs have been installed; she noted that the pooper-scooper bags were made exempt in the ordinance.

Councilmember Ward asked if the City staff had reached out to the businesses to get a feeling for their thoughts on expanding the ban.

The Interim Administrator replied that a meeting was held in City Hall and all business owners on the island were invited to attend, and she commented that not everyone attended. Those who did attend had questions and were actually quite supportive of the change.

According to Councilmember Ward, several Front Beach business owners were not happy about it.

Mayor Carroll said that he was dismayed at the small number of owners who attended.

**VOTES: The motion PASSED UNANIMOUSLY.**

**D. Recreation Committee**

Reporting on the meeting of April 1<sup>st</sup>, Councilmember Smith stated that Dan Harvey, 1004 Grand Pavilion, spoke to the Committee about his enthusiasm at the idea of island children learning to surf, but his level of enthusiasm fell dramatically at the possibility of surfing lessons or camps being offered in the area of the beach in such close proximity to his home and those of his neighbors. When reviewing the monthly report generated by Director Page, they briefly discussed the activity levels in the Cardio Room before moving to the upcoming events beginning with Music in the Park scheduled for Saturday, May 4<sup>th</sup> which is also the first day of registration for summer camps for island residents. Councilmember Smith reported that Wild Dunes and the Wild Dunes Community Association have notified the City that they have had a change of heart about holding surfing lessons on the beach inside the gates. After meeting with the farmers' market managers who suggested re-locating the market to the Recreation Center and their reasoning behind the suggestion, the Farmers' Market for the summer of 2019 will be held at the Rec Center on 27<sup>th</sup> Avenue. The plan is to have a scaled-back market and to have more vegetable vendors and fewer craft vendors; although no decisions were made, the Committee discussed changing the months the market would be open and was considering a change to the time of day. On the subject of the FY20 budget, Director Page was asked to investigate an alternate software program to replace RecTrac and to eliminate the outdoor WiFi. Director Page stated that she was looking for instructors or lecturers for coastal science classes for adults and that plans were moving forward. The Committee again discussed the possibility for a community pool at the Rec Center. Councilmember Kinghorn clarified his suggestion about commemorating the 30<sup>th</sup> anniversary of Hurricane Hugo to a day of education about the changes that have occurred to make the homes on the island more resilient and to educate on hurricane preparedness.

**E. Personnel Committee**

Councilmember Moye reported that, at the regular meeting of April 2<sup>nd</sup>, the Committee had studied the selected resumes for the job of Chief of Police and the subsequent interviews where one (1) candidate stood out above the others. He announced that the background and reference checks were completed with no hiccups, and the selected candidate was to be announced to Council in the next couple of weeks at a Special Meeting of Council. For the position of the Assistant Public Works Director, a number of qualified candidates were sent the employee assessment to complete. Based on those scores, Director Pitts and HR Officer DeGroot would set up face-to-

face interviews; the goal was for Director Pitts make his decision known to Council at the end of the month.

For the position of City Administrator, the Personnel Committee was happy with the quality of candidates Mr. Mercer attracted. Councilmember Moyer said that the process the City undertook to hire the Chief of Police had been a learning experience for the Personnel Committee and that the process would be handled differently when interviewing for the City Administrator. The candidates have been screened, and the top four (4) candidates will be interviewed by the Personnel Committee on Thursday, May 9<sup>th</sup> and Friday, May 10<sup>th</sup>. The finalists(s) will be selected and invited back in a couple of weeks for a more in depth interview with the members of the Personnel Committee and HR Officer DeGroot, and the balance of Council will be invited to observe. He asked that Councilmembers submit interview questions to the HR Officer; the Personnel Committee will review them and determine how to add them to the structured interview questions.

Councilmember Bell recalled that the resumes for Police Chief were sent to all of Council to select the candidates to be interviewed based on the number of votes he/she received, and he noted that no one outside of the Personnel Committee has seen any of the resumes submitted for the City Administrator position. In his opinion, the lesson learned from the interviews for the Chief of Police position was what Council did not know about how to conduct an interview. He added that following the process described above, Councilmember Moyer was assuming that Councilmembers trust the Personnel Committee to select the candidates to be interviewed without any input from the other members of Council.

Councilmember Moyer quoted the City Code §1-3-31C(5)(d) that states

“The Personnel Committee shall serve as the hiring committee to fill a vacancy in any City department manager position.”

He added that what he learned was that he was “far too accommodating” in the process of hiring the Police Chief; he continued that the Personnel Committee was going to take charge and present Council with finalist(s). Since the City ended up with the right person for Chief of Police, he was confident that, by doing it this way, the process will be faster and painlessly and would result in the right candidate for City Administrator.

The Personnel Committee did not get an update on ad hoc committees due to the involvement of the Interim Administrator in the hiring processes and matters of far greater importance, but the top candidate for Chief of Police recommended establishing citizen action committees. The Committee discussed criteria for selecting members to serve on the City’s boards and commissions; the Committee also learned more about the duties and lengths of terms of each one. They also discussed the strategic planning process and the addition of funds to the FY20 budget to have outside assistance through this process from the Joseph F. Riley Center for Livable Communities. The Committee discussed elevating the position to Director of Human Resources, creating a more strategic HR role in the City, and the Chair noted that funds were added to the FY20 budget to accommodate that position. In the discussion of the FY20 budget, the primary change was the addition of a line for Employee Training in General Government; the Building Department budget was increased to allow for the purchase of software to track short-term rentals on the island.

The Personnel Committee will meet again at 8:30 a.m., Tuesday, June 4<sup>th</sup> in the City Hall Conference Room.

The vacancies as of this date were:

- Police Department – 1 Chief of Police, 1 Communications Specialist, 2 BSOs
- Fire Department – none
- Public Works – 1 Assistant Director, 1 CDL driver
- Recreation – seasonal openings
- General Government – 1 City Administrator

#### **F. Real Property Committee**

From the meeting of April 3<sup>rd</sup>, Councilmember Bell reported that Carla Pope and Jay Clarke from Morgan Creek Grill stated that an independent engineer had determined that the building's structure under the walk-in cooler was stable at this time and he will return to check it again in June. The plan is to replace that part of the building in the fall. The Councilmember informed Council that a meeting, attended by Mr. Clarke, the Fiem brothers of Tidalwave and Brian Berrigan, Maria Manager, was held on the issue of parking. Mr. Clarke reported that, due to the heavy equipment used for the rehabilitation of the bulkhead and installation of new underground storage units, the roadway leading to the restaurant was damaged, as were the boat ramp and other sections of the marina. Ms. Pope again pleaded with the Committee to complete the RFP for the marina restaurant as quickly as possible in order to get it out to potential bidders; she indicated that Morgan Creek Grill was having problems in attracting and keeping wait staff and kitchen help because of the state of limbo that the restaurant was operating. Councilmember Bell stated that no matter what financial arrangements were worked out over the remaining term of the lease, the roof and the walk-in cooler must be replaced. Relative to the Tidalwave lease, the Councilmember wanted to make one (1) thing clear to everyone interested that, if the docks were to go out to bid, as Chair of the Real Property Committee, he did not want to see another water sports business operating from those docks. The bigger question was what was the City going to do in a longer term with the marina overall? Then contemplating whether to issue a new lease with Tidalwave. On the subject of a new lease, he stated that, acting on the advice of Council to enter into a new lease for those docks would require that it go out to bid. Although a discussion on the restaurant building assessment was on the Real Property's agenda for the April meeting, the Committee had not received the report prior to the meeting; he expected to have that discussion at the May 1 meeting. The assessment report will be the basis from what the City must do financially and otherwise in the RFP process for the marina restaurant and will likely generate interesting discussion about the future of the marina. Steven Traynham of Coastal Science and Engineering (CSE) presented the results of the 2018 beach monitoring survey; he was pleased with the way the last renourishment project was holding. In this report, he brought up the concerns related to Breach Inlet; after further explanations and discussion, the Committee agreed that CSE should begin the permitting process for a project in that area of the beach. He was concerned that the City should get a permit so that it could respond to a serious storm rapidly.

Councilmember Bell said that contractor for the removal and installation of the underground storage tanks was behind his timeline by three to four (3 – 4) weeks; he was expected to complete the electrical and concrete work this week. If his plans hold true, the final DHEC inspection is scheduled on Friday, April 26. The hose reels should be received in a couple of weeks, and, in the meantime, the old hoses will be used. Per the contract, the project was to have been completed in eighty (80) days, and the City is prepared to initiate the liquidated damages clause of the contract. On the marina dock rehabilitation, the City has continued its partnering with ATM through Kirby Marshall to complete the permit application documents, and Mr. Marshall was trying

to schedule a meeting with DHEC, the Army Corps of Engineers, City staff, marina tenants and Mr. Marshall. On the subject of the OCRM violations found at Tidalwave and their encroachment into the 125-foot setback from the centerline established by the Corps of Engineers, he stated that the City was working collaboratively with Tidalwave in an effort to resolve them. In addition, the City needed to learn what could be done about the City dock that also intrudes about three (3) feet. Trident Construction Company was working to complete the report on the forensics performed on the Public Safety Building; they have agreed to have the report to the City before the FY20 budget was adopted. Councilmember Bell commented that the Interim Administrator has been working with the City Attorney on an ordinance about small antennae that will be needed in order for 5G to replace 4G; the ordinance would prevent the larger carriers, Comcast, AT&T and Verizon, from placing the new antennae anywhere they choose. He assured those present that neither the Real Property Committee nor City Council have discussed “throwing Tidalwave out”; the only discussions have been relative to the lease they currently have. The current lease requires that the City advise them one (1) year in advance of the lease termination that it does not intend to renew that lease.

**MOTION: Councilmember Bell moved to suspend the rules of order to allow the property owner’s attorney Beth Settle to explain the circumstances to Council; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.**

1. Ms. Settle explained that lots 54 and 55 were purchased in 1957; as years passed, this area of the beach accreted significantly and, in 1991, The Beach Company sold the accreted land to the property owners behind them to prevent these new lots from being built upon thereby blocking the ocean views. They were sold with the restriction that the accreted lots would be joined with the lot behind it and would always be sold as one (1) lot, i.e. lots 54/55 and lots 54A/55A. In 1992, The Beach Company conveyed the right to enforce the covenants to the City, which was why they were before Council at this meeting; they were seeking to have the lots conveyed as 54/54A and 55/55A.

**MOTION: Councilmember Ward moved to approve a request by landowner for the City of Isle of Palms to modify covenants and restrictions related to lots 54/55 between 34th and 35th Avenue to conform to intent of the parties and consistent with previous action of City Council on similarly situated lots; Councilmember Bell seconded and the motion PASSED UNANIMOUSLY.**

2. Interim Administrator Fragoso stated that this section of 33<sup>rd</sup> Avenue was a paper road that was never developed and was evenly split among the adjoining property owners. One (1) property was still in need of getting a Quit Claim deed to obtain clear title to the land.

**MOTION: Councilmember Bell moved to provide the property owner with a Quit Claim deed from the City for the unopened portion of 33<sup>rd</sup> Avenue, 2,532 sq.ft.; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

3. Consideration of notification to Tidalwave Watersports that the City has no intention to renew the lease as is or to exercise the lease renewal option

Councilmember Bell stressed that this motion and action of Council was specific to the lease as it existed today; it has nothing to do with any future relationship with Tidalwave Watersports.

**MOTION: Councilmember Bell moved to notify Tidalwave Watersports that the City will not renew the lease or exercise the renewal option of the existing lease; Councilmember Ferencz seconded.**

Councilmember Ward requested that, if the City's intention was to work with Tidalwave in the future, it should begin today; they should not be left out in limbo.

Councilmember Bell stated that, to remain consistent with other actions related to the marina, the City must go out to bid, but the Tidalwave lease will not expire until September 30, 2020. He said that the City could start the RFP process today or it could wait until Lee & Associates comes back with their data on the possibilities for the marina property facing the Intracoastal Waterway. He voiced his preference to follow the process in an orderly manner and to go with where it will lead the City.

From the Ways and Means Committee meeting, Councilmember Ferencz recalled the request for a marina workshop to discuss the many issues at the marina. She opined that City Council as a whole needed to get a clear picture of where the City was going with the marina, and a lot of work was put into that and the City poses those documents. Council would not be starting from scratch. She added that she did not know how to move forward with actions related to the restaurant or the watersports dock until the future makeup and appearance of the marina was established. She asked that the staff work with the Mayor to set a date for a marina workshop as soon as possible.

Councilmember Bell stated that none of that would happen before the notification related to the current lease.

Councilmember Bell expressed his agreement with Councilmember Ferencz and stated that the date for this meeting should be set sooner rather than later. He recognized a recurring theme in the citizen's comments that the owners operate a quality business in a most professional manner and that they have earned the respect of a large portion of the population. He reiterated that this action of Council was not about the owners or the City's doing business with them; it was about the way the existing lease was written.

Interim Administrator Fragoso explained that the City Code did not require the City to go out to on a Request for Proposal (RFP); it is an alternative. She reminded Council that, last year, they passed a motion that new leases and contracts were to go through the RFP process.

Councilmember Rice opined that the City needed stringent guidelines in terms of time to ensure that Tidalwave knew what the future held for them.

Councilmember Bell granted that the marina rehabilitation plan had many good elements, but no one was going to support expending the amount of money tied to it. Council was responsible to go through the process, as smartly as they can; he stated that Council must have a process on how it deals with all of the real estate at the marina.

Mayor Carroll noted that the City would have an opportunity in 2020 with two (2) tracks of land available. He noted that the young owners have done a great job with Tidalwave Watersports, and residents have been clear that they want water access to fish off the docks, to launch a kayak, to go paddle boarding.

Councilmember Ferencz asked that Council come to the marina workshop knowing that they need a decision at meeting's end.

Councilmember Buckhannon reminded Councilmember that presently the City has failing infrastructure at the marina with one (1) dock that recently collapsed and other finger piers on questionable. He thought that the idea of getting rid of a potential revenue source made no sense, but he agreed that a new lease needed to be negotiated.

**VOTE: The motion PASSED on a vote of 5 to 4 with Councilmembers Kinghorn, Rice, Smith and Ward dissenting.**

**5. REPORTS FROM CITY OFFICERS, BOARDS AND COMMISSIONS**

- A. Accommodations Tax Advisory Committee – no meeting March**
- B. Board of Zoning Appeals – minutes attached**
- C. Planning Commission – minutes attached**

**6. REPORTS FROM SPECIAL OR JOINT COMMITTEES – None**

**7. PETITIONS RECEIVED, REFERRED OR DISPOSED OF – None**

**8. BILLS ALREADY IN POSSESSION OF COUNCIL**

- A. Second Reading of Ordinance 2019-05 – An Ordinance Amending Title 7, Chapter 1, Business Licenses, of the City of Isle of Palms Code of Ordinances, Regarding the Increase of Short-Term Rental License Fees**

**MOTION: Councilmember Ferencz moved to waive the reading and to adopt Second Reading of Ordinance 2019-05 - An Ordinance Amending Title 7, Chapter 1, Business Licenses, of the City of Isle of Palms Code of Ordinances, Regarding the Increase of Short-Term Rental License Fees; Councilmember Bell seconded.**

Knowing that this increase must be done through an ordinance means to Councilmember Moyer that it is done infrequently, and, since the City has not increased the business license fees in twelve (12) years, he was not comfortable judging if it was a drastic increase.

Councilmember Rice said that she could not support the ordinance because she thought the increase was severe.

Councilmember Ferencz noted that the City had not made gradual increases over the years and that it now had to catch up; Council has recognized that it must find new revenue sources.

The Mayor opined that passage of this ordinance doubling the fees for short-term rental licenses was “killing the golden goose; he stated that the rental business needed to survive on the Isle of Palms because of the revenue they bring into the City, i.e. rental license fees, property taxes, accommodations tax fees, etc.

**VOTE: The motion PASSED on a vote of 5 to 4 with Councilmembers Buckhannon, Rice, and Ward and Mayor Carroll dissenting.**



**B. Second Reading of Ordinance 2019-06 – An Ordinance Amending Title 3, Public Works, Article A, Stormwater Management Fee**

**MOTION:** Councilmember Smith moved to waive the reading and to adopt Ordinance 2019-06 – An Ordinance Amending Title 3, Public Works, Article A, Stormwater Management Fee; Councilmember Ferencz seconded.

Mayor Carroll stated that the stormwater fee would go from forty-eight dollars

Councilmember Buckhannon stated that he opposed passage of this ordinance because it as an across-the-board increase – the small house was being asked to pay the same as the rental house the sleeps fifteen to twenty (15 to 20) people. He opined that the fee should be based on the square footage of the house because of the difference in the impact of stormwater runoff.

**VOTE:** The motion PASSED on a vote 7 to 2 with Councilmembers Buckhannon and Moye dissenting.

**C. Second Reading of Ordinance 2019-07 – An Ordinance Amending Title 5, Planning and Development, Chapter 4, Zoning, Article 2, District Regulations**

Mayor Carroll stated that this ordinance was about lot size, and he would like to see it turned back to the Planning Commission for further consideration because he thought it would have unintended consequences. Based on the “pending ordinance doctrine”, the ordinance was already into effect; therefore, he did not want any action on the ordinance tonight, and Council agreed.

**D. R.2019-01 – A Resolution to increase Franchise Fees with Comcast from 3% to 5%**

**MOTION:** Councilmember Ferencz moved to approve Resolution R.2019-01 to increase the franchise fees with Comcast from 3% to 5%; Councilmember Bell seconded.

Councilmember Moye said that he had an internal conflict with this ordinance because a franchise fee was a tax, and, currently Comcast was being given an unfair advantage over its competitors whose franchise fees has been 5% for some time. With the adoption of this resolution, the City would be leveling the playing field.

**VOTE:** The motion PASSED on a vote of 7 to 2 with Councilmembers Buckhannon and Ward dissenting.

**E. Resolution.2019.02 – A Resolution to increase Building Permit Fees**

**MOTION:** Councilmember Buckhannon moved to approve Resolution.2019-02; Councilmember Moye seconded, and the motion PASSED UNANIMOUSLY.

**9. Introduction of New Bills, Resolutions and Proclamations**

**A. First Reading, by title only, of Ordinance 2019-08 – An Ordinance to Establish the Standards for the Placement of Small Wireless Facilities in**

**Covered Areas of the City of Isle of Palms, South Carolina; and for other purposes.**

**MOTION: Councilmember Bell moved to approve for First Reading, by title only of Ordinance 2019-08 - An Ordinance to Establish the Standards for the Placement of Small Wireless Facilities in Covered Areas of the City of Isle of Palms, South Carolina; and for other purposes; Councilmember Ferencz seconded and the motion PASSED UNANIMOUSLY.**

**B. First Reading, by title only, of Ordinance 2019-09 – An Ordinance Amending Title 8, Motor Vehicles and Traffic, Chapter 2, Stopping, Standing and Parking of Vehicles, Article A, Standard Provisions**

Mayor Carroll said that this ordinance was about handicap access to the beach via golf carts.

**MOTION: Councilmember Moye moved to approve for First Reading, by title only, of Ordinance 2019-09 – An Ordinance Amending Title 8, Motor Vehicles and Traffic, Chapter 2, Stopping, Standing and Parking of Vehicles, Article A, Standard Provisions; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

**C. First Reading, by title only, of Ordinance 2019-10 – An Ordinance to Raise Revenue and to Adopt a Budget for the City of Isle of Palms, South Carolina, for the Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020**

**MOTION: Councilmember Ward moved to approve, by title only, Ordinance 2019-10 – An Ordinance to Raise Revenue and to Adopt a Budget for the City of Isle of Palms, South Carolina, for the Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020; Mayor Carroll seconded and the motion PASSED UNANIMOUSLY.**

**10. Miscellaneous Business – None**

Next Meeting Date – 6:00 p.m., Tuesday, June 18, 2019 in Council Chambers

**11. Executive Session – not needed**

**12. Adjourn**

**MOTION: Councilmember Buckhannon moved to adjourn the meeting at 9:35 p.m.; Councilmember Moye seconded and the motion PASSED UNANIMOUSLY.**

**Respectively submitted:**

**Marie Copeland, City Clerk**