

WAYS AND MEANS COMMITTEE
5:00pm, Tuesday, August 20, 2019
Council Chambers
1207 Palm Boulevard, Isle of Palms, SC

MINUTES

1. Call to order

Present: Mayor Carroll, Council members Ward (Chair), Ferencz, Moye, Buckhannon, Rice, Kinghorn, Bell, Smith

Staff Present: Administrator Fragoso, Treasurer Suggs, Director Kerr, Chief Cornett

2. Approval of July 16, 2019 Minutes

Mayor Carroll made a motion to approve the minutes of the July 16, 2019 meeting, and Council Member Kinghorn seconded the motion. The minutes passed unanimously.

3. Citizen's Comments – none

4. Financial Statements – Treasurer Debbie Suggs

Treasurer Suggs reviewed the reports and charts included in the packet. She noted that the collected revenues for July look down as most of those received are for FY18/19. She reported on a discrepancy in the ATAX monies received from the State and those from the County. While more research is needed, she believes this discrepancy comes from Airbnb not paying the County taxes as required. Administrator Fragoso added that the City has expressed interest in being a part of a lawsuit against Airbnb requiring them to pay the Municipal Accommodations tax.

Treasurer Suggs reported that the final payout for the construction costs involved in Drainage Phase II has been made. To date, only \$94,000 has been paid out for Drainage Phase III, and those costs are on engineering and design. She said \$71,000 remains to be paid for the underground storage tanks project, but the City will most likely not have to pay out the entire amount due to the late completion penalties accrued.

5. Old Business – none

6. New Business

A. Consideration of the FY19-20 CARTA proposed budget

MOTION: Council Member Rice made a motion to approve the CARTA budget as proposed, and Council Member Ward seconded the motion.

Administrator Fragoso reported on the status of open projects with CARTA. She said the vanpool project is still in the works and the plan is to be ready for implementation next year. The locations for the Park & Rides have been identified and the BCD COG is still waiting on the SCDOT approval of the vans. This program, the first in the state, is projected to roll out next year. Mayor Carroll met with the BCDCOG Director and other area mayors to discuss the issue of beach parking and traffic. The BCDCOG and other government entities are working on an app that will allow users to view traffic conditions to the beaches, applicable ordinances in each area, available parking areas at each beach, and provide the capability to interface with the parking app for people to pay for parking in the City's parking lot. They hope to have this app available for download next year as well. She also shared that the plan for Park & Ride for citizens is still part of CARTA's long-term plan.

VOTE: The motion passed unanimously.

B. Consideration of the Leola Hanbury Award

Council Member Moyer reviewed the impetus of the Leola Hanbury Award. He reported that the Personnel Committee would like for the award to be \$1000 per year to one nominated employee. He also said he hoped future funding from other citizens could be secured to keep it going into perpetuity. Chair Ward stated that the funds are in an interest-bearing account that generates approximately \$500 a year in interest and that it would be prudent for the award to be handled like an endowment and not touch the principal.

MOTION: Council Member Ward made a motion to make the annual Leola Hanbury Award be in the amount of \$500. Council Member Kinghorn seconded the motion.

Discussion ensued as to whether or not the amount should be as high as \$1000 due to funding. Council Member Moyer agreed that the award could be \$500 in its first year, and the hope is that more funding is secured from other citizen's donations to keep the award going far into the future, it could be raised to \$1000.

VOTE: The motion passed unanimously.

C. Consideration of the Proposal from Thomas & Hutton for the design and engineering of the Phase III Drainage project (30th, 36th, and 41st Avenue outfalls)

[Capital Projects, Public Works, CIP Phase 2-5 Drainage - \$200,000, p. 17, line 50]

MOTION: Council Member Rice made a motion to approve Phase III Drainage Project (30th, 36th, and 41st Avenue outfalls) and Council Member Buckhannon seconded the motion.

Administrator Fragoso asked for Council to hear the options available before taking a final vote. Council Member Rice and Council Member Buckhannon withdrew their earlier motion. Director Kerr gave a brief review of the options as well as sharing the recommendations of both the Planning Commission and the Public Works Committee. However, a revised version of Option #1 for the 41st Avenue ditch was provided by Thomas & Hutton just prior to the meeting that both Administrator Fragoso and Director Kerr felt was worthy of further discussion. This new option #1, included in the proposal from Thomas & Hutton dated August 16, 2019, consists of locating the drainage infrastructure under Waterway Boulevard and the control structure at the downstream end of the channel. Director Kerr said staff preferred this option because “stops the tidal influence at the source and it preserved the ability to fill and pipe the existing channel in the future.” Administrator Fragoso said this new option would be roughly \$100,000 more in design, engineering and construction than the lowest option. Council Member Moye asked of Director Kerr if he thought the Planning Commission would approve this new offering, and he said yes. Administrator Fragoso pointed out that this revised option allows the City the ability for piping in the future, if needed. She also stated that the design and engineering proposal is \$29,500 over the budgeted engineering costs included in the FY20 budget. Committee members agreed now is the time to move forward on this project despite some unanswered questions regarding the marina.

MOTION: Council Member Buckhannon made a motion for Council to adopt Option #1 as outlined from the August 16, 2019 memo from Thomas & Hutton in the amount of \$2,095,700 in construction costs and \$229,500 in engineering and design costs. Council Member Rice seconded the motion.

VOTE: The motion passed unanimously.

- D. Consideration of a proposal from Thomas & Hutton in the amount of \$62,600 for the design and the five small internal projects**
[Muni ATAX, Public Works, Drainage - \$500,000, pg. 18, line 56]

MOTION: Council Member Kinghorn made a motion to approve, and Council Member Rice seconded the motion.

VOTE: The motion passed unanimously.

- E. Report of budgeted expenses between \$10,000 and \$25,000 in accordance with Sec. 1-10-3(c) – Approval of a contract in the amount of \$10,000 with Host Compliance for the Short-Term Rental Management Software**
[General Fund, Building, Maintenance and Service Contracts - \$13,500, pg. 12, line 203]

Council Member Ferencz asked why there has been so much change in the cost of this software. Director Kerr reported that between the time the budget was made and the time to purchase the software the company had been sold. Administrator Fragoso said she intends to speak directly to the CEO of the company to discuss with them honoring the original cost of the software. Director Kerr said this is the software that many area municipalities and the County use, but he did look into competitors that turned out to

have much higher price tags. Council Member Kinghorn said this should be worked out by staff, and Administrator Fragoso should speak with them about honoring the original budgeted amount.

7. Miscellaneous Business – none

Next Meeting Date: Tuesday, September 17, 2019 at 5:00pm.

8. Executive Session – none needed

9. Adjournment

MOTION: Mayor Carroll made a motion to adjourn, and Council Member Rice seconded the motion.

VOTE: The motion passed unanimously.

The meeting adjourned at 6:02pm.