

WAYS and MEANS COMMITTEE
5:00 p.m., Tuesday, September 19, 2017

The regular meeting of the Ways and Means Committee was called to order at 5:00 p.m., Tuesday, September 19, 2017 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bettelli, Carroll, Ferencz, Kinghorn, Rice and Ward, Mayor ProTem Harrington, Mayor Cronin, Administrator Tucker, Assistant Administrator Fragoso and Clerk Copeland. A quorum was present to conduct business. Councilmember Bergwerf was absent.

1. Mayor Cronin 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 Bettelli moved to approve the minutes of the regular meeting of August 15, 2017 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

John Moye, 6 Nineteenth Avenue, stated that he would like to see the City's FY17 departmental "surpluses" returned to the tourism funds that were budgeted to support certain General Fund expenditures, and that, if that is not done, to consider increasing the Disaster Recovery Fund.

4. Financial Statements – Treasurer Suggs

A. Financial Statements

Being only two (2) months into FY18, the target for revenue and expenditures was seventeen percent (17%). She stated that there was little to report for revenues since the bulk of revenue received in August actually relates to June, 2017. General Fund revenues were seven hundred ninety-eight thousand dollars (\$798,000), coming primarily from Residential Rental Licenses and Parking, and represent eight percent (8%) of the General Fund budget. Expenditures through August were at fifteen percent (15%) of budget, which is slightly ahead of FY17 for the same period. She reminded the Committee that the Mayor/Council expenditures were greater than the target due to the payment to MeduCare Air for the premium, which was a budgeted expenditure; the percentage will come in line as the year progresses. The City continues to have a strong cash position, which is inflated by the four point eight million dollars (\$4,800,000) of stakeholder funds the City is holding in anticipation of the Beach Renourishment Project and the new revenue stream from the Beach Preservation Fee Fund is one million dollars (\$1,000,000) higher than last year at this time. The interest rate at the LGIP has dropped slightly to one point zero six four six percent (1.0646%), but overall the City is recognizing more interest as the rates are beginning to trend upward.

B. Tourism Schedules

The City had a very good August and Municipal Accommodations Taxes reached a new high at two hundred thirty-five thousand dollars (\$235,000); the fund is up seven percent (7%) from the same period in FY17. The City has received no collections from State Accommodations Taxes

or the Charleston County Pass-through. August was also a record month for Hospitality Taxes with collections of approximately nine-nine thousand dollars (\$99,000); year-to-date, collections are six percent (6%) higher than the same period in FY17. Collections of Beach Preservation Fees mirror Municipal ATAX and are up seven percent (7%).

Councilmember Carroll again cautioned the Committee that the City should not count on tourism fees increasing year after year.

C. Projects Worksheets

For the Phase II Drainage Project, expenses related to the bid opening and legal fees were paid in August. On page 2 is the most recent analysis of the City's funding for the project based on the bid received; it shows that, when matching up the project funding including the contingency with the estimated spending, the project funding is approximately five hundred eighty thousand dollars (\$580,000) short. After applying the existing reserve for General Drainage and Roads and the approved TST funding request from Charleston County, the short fall is reduced to sixty-three thousand dollars (\$63,000), which is well below the substantial contingency for the project.

Pursuant to Councilmember Ferencz' questions, it was determined that the Committee did not have the revised schedule in the meeting packet. Treasurer Suggs explained that the difference was an increase the fund balance in General Drainage and Roads by one hundred thirty thousand dollars (\$130,000) as a result of audit entries to three hundred twenty-three thousand dollars (\$323,000); this reduces the remaining shortfall to sixty-three thousand dollars (\$63,000).

Mayor Cronin added that the project has been contracted, and, according to the Administrator, some survey work has begun in the area of the outfall.

Looking at the second page of the Beach Restoration Project worksheet, the expenses incurred in August are shown; the Treasurer stated that she continues to refine the FEMA and Parks, Recreation and Tourism (PRT) amounts. She recalled that the PRT agreement contains a provision stipulating that, if the City receives FEMA funds, it will reimburse PRT fifty-percent (50%) of the value of the FEMA reimbursement in the project area; Coastal Science and Engineering has provided the data to calculate that payback amount, and it is included calculations. Also included in the full twenty-five percent (25%) of the South Carolina match to the FEMA grant. With the bids received, this project is fully funded and has a surplus of fifty-eight thousand dollars (\$58,000) after a healthy construction contingency.

Administrator Tucker noted that the pre-construction conference on this project will be tomorrow morning, Wednesday, September 20th.

The worksheet for the Public Works Vehicle Wash-down project shows expenditures in August for special inspections of the project; approximately five hundred thousand dollars (\$500,000) remains to be paid on the project.

Treasurer Suggs responded to Councilmember Ward's question that the total project cost is at eight hundred sixty-six thousand dollars (\$866,000) including the contingency.

In clarifying the column headed "Net cost to City," the Treasurer recalled that the City received four hundred seventy-one thousand dollars (\$471,000) from Charleston County in stormwater fees it had collected for the City, making the net cost to the City of three hundred ninety-five thousand dollars (\$395,000). The City's portion is being paid with a combination of Capital Projects and Municipal ATAX funds.

Administrator Tucker reported that the City had signed a no-cost change order for rain days based on the bad weather experienced recently; thereby granting Hitt an extension for the rain days lost.

D. Report on Millage

The Treasurer remarked that the IOP Schedule of Assessed Values from the Charleston County Auditor's Office was included in meeting packet, containing historical data since 2013 for comparison. Treasurer Suggs has added the property taxes received from the County for the tax year 2017, which will be the City's fiscal year 2018; as anticipated, the City has seen some growth in assessments. Directing attention to the sections "Collectible," which is based on calculations that the Treasurer finds "somewhat strange." When the Treasurer computes the total anticipated Property Tax collections and compares it to the budget, the City has a shortfall of one hundred forty-two thousand dollars (\$142,000). She noted that the City frequently shows a shortfall when using the County's numbers, and, after reviewing this data with the Mayor and City Administrator, the decision was that the millage does not need to increase for FY18. Treasurer Suggs expressed confidence that the City could meet the budget estimate without increasing the millage or the Local Options Sales Tax credit.

MOTION: Mayor Cronin moved that the operating millage to stay at 21.3 mills and that the debt service millage remain at 3.4 mills for a total of 24.7 mills; Mayor ProTem Harrington seconded and the motion PASSED UNANIMOUSLY.

E. Consideration of Distribution of FY17 Year-end Positive Net Result

Attention was now directed at the Fund Balance Roll-forward Schedules included in the meeting packet that show the preliminary net revenue for FY17 in red. The audit is currently underway, meaning that the numbers represented could change, but the Treasurer was confident that these were a good indication of how the City would end the year. At this meeting, she was looking for direction from Council as how FY17 positive net results of eight hundred twenty-two thousand thirty dollars (\$882,030) should be distributed. The Treasurer's suggestion was to allow some amount, possibly one hundred to one hundred fifty thousand dollars (\$100,000 – 150,000), to remain in the Unassigned General Fund Account because the City has a target to maintain twenty-percent (20%) of total General Fund expenditures in the account. With this addition, the General Fund would have close to twenty-five percent (25%) of General Fund expenditures, giving the City a "comfortable cushion." Going to the second page of the schedule, Treasurer Suggs pointed out that the preliminary FY17 ending balance in the Capital Projects fund is approximately one million seven hundred thousand dollars (\$1,700,000), but with the aggressive FY18 budget, the projected FY18 year-end balance drops to approximately five hundred fifty thousand dollars (\$550,000). She, therefore, would like to see five or six hundred thousand dollars (\$500,000 – 600,000) transferred to the Capital Projects fund in order to keep that fund balance at a healthy level.

Mayor Cronin noted that the City collected more from FEMA than the actual costs the City paid out in certain categories. Of those extra FEMA funds, the Mayor recommended that fifty thousand dollars (\$50,000) be put into the Disaster Recover Fund and the balance of one hundred to one hundred twenty thousand dollars (\$100,000 – 120,000) remain in Unassigned Funds in the General Fund.

MOTION: Mayor Cronin moved to distribute the FY17 positive net result as follows: \$50,000 to Disaster Recovery Fund, \$600,000 to the Capital Projects Fund and \$232,000 in the Unassigned Funds in the General Fund; Councilmember Kinghorn seconded.

Councilmember Ferencz offered a different scenario for the distribution of the positive net result. From an earlier year-end projection, Treasurer Suggs had shown that two hundred thousand dollars (\$200,000) of it could be attributed to wages in the Police Department that operated for a portion of the year under-staffed. Based on the FY17 budget, Municipal Accommodations Taxes, Hospitality Tax and State ATAX in excess of four hundred seventy thousand dollars (\$470,000) to the Police Department for personnel expenses; therefore, Councilmember Ferencz proposes returning two hundred thousand dollars (\$200,000), proportionately, to the respective tourism fund. Since the City has done the same thing for the FY18 budget, she believes that the tourism funds are paying twice for the same wages. Additionally, she suggests that approximately one hundred fifty-two thousand three hundred dollars (\$152,300) received from FEMA go to the Disaster Recovery Fund because she assumed that money spent during and in recovering from a disaster would be paid from that fund.

Treasurer Suggs noted that money for wages and vehicle usage would all be paid from the General Fund, and she reported that the FEMA reimbursements were credited back to the funds that paid the disaster-related expenses.

Her final suggestion was to add a minimum of one hundred thousand dollars (\$100,000) to increase the Disaster Recovery Fund. In her calculations, the amount remaining of the FY17 positive net result, or four hundred forty-five thousand dollars (\$445,000), would be available for the Capital Projects Fund.

The Treasurer informed Councilmember Ward that the disaster declaration has not yet been made for non-Category B expenditures.

Since the City has no experienced damages from three (3) near-misses in the past two (2) years, Councilmember Ward opined that “it would behoove [the City] to let the resident know that [the City] is adding to that fund.” He voiced the opinion that in previous years, the City has either put “a pittance into to [the Disaster Recovery Fund] or ignored it.”

Mayor Cronin noted that the Isle of Palms was the only community with a Disaster Recovery Fund; he added that other communities consider it unassigned funds to be used for a disaster or any other purpose. He reported that the City has made it a habit not to draw from the unassigned funds; he said that the City has three and a half million dollars (\$3,500,000) in unassigned and two million dollars (\$2,000,000) in the Disaster Recovery Fund.

According to Councilmember Ward, the addition of funds to the Disaster Recovery Fund was a psychological issue, a reassurance matter, with residents more than it was a money issue. The Councilmember expressed the opinion that “[the City] could never have too much money in the bank especially when a hurricane is coming in.”

Councilmember Rice said that she wanted to be assured that the City will have the sixty-three thousand dollars (\$63,000) to complete the drainage project because it will help with the flooding issues on the island.

When Councilmember Ferencz asked if the reluctance to put money into the Disaster Recovery Fund was the fact that the fund was assigned.

The Mayor reminded the Committee that funds could be unassigned by an act of Council, and that the level of unassigned funds, as a percent of budget, was set by ordinance.

Councilmember Ferencz continued her argument that, by not reimbursing the tourism funds for police wages that were not spent, the tourism funds were paying for the same thing twice; she also questioned that the City could put tourism funds into the Capital Projects Fund.

Treasurer Suggs stated that Councilmember Ferencz was assuming that the tourism funds were what was saved, when it could just as easily be money from the General Fund that was saved. The Treasurer stated that the link between tourism funds and the City’s need for police officers was clear and that she has no qualms in saying that the tourism funds come in first to fund these expenditures – otherwise, the expense falls to the taxpayers. The Treasurer added that she thought that spending the tourism funds in the manner that the City does was the responsible action for Council to take.

Mayor Cronin contended that keeping the money where it is or moving it to Capital Projects saved Council for doing anything with property taxes in the future.

AMENDMENT: Mayor Cronin amended the original motion to put \$100,000 in the Disaster Recovery Fund, \$600,000 in the Capital Projects Funds and to leave the balance of \$182,030 in the Unassigned General Fund; Councilmember Ward seconded.

Councilmember Carrol; voiced the opinion that five million dollars (\$5,000,000) would never be enough if the City were hit with another hurricane like Hugo because tourism on the island would end for several years.

VOTE on AMENDMENT: The amendment PASSED on a vote of 7 to 1 with Councilmember Ferencz casting the dissenting vote.

VOTE on AMENDED MOTION: The amended motion PASSED on a vote of 7 to 1 with Councilmember Ferencz casting the dissenting vote.

As part of the BS&A discovery process, BS&A convinced Treasurer Suggs that pooling cash, rather than having multiple checking accounts was a viable option for the City; in thinking through

the process, the Treasurer identified nineteen (19) different checking accounts that are used by the City. She explained that the separate funds would continue to exist for the General Ledger; cash balances would be consolidated for the purpose of the bank accounts only. The Treasurer has decided that the City would need to retain only five (5) accounts, not nineteen (19); the expenditures from the individual funds would be accomplished through journal entries. Treasurer Suggs stated that she has resisted the concept in the past when recommended by one (1) of the City's auditors, but the process will be much simpler and more exact with the new software. She has decided to make this change after consulting with prior and current auditors, the Mayor and Administrator and Councilmember Ward. She added that doing this would have a positive impact on both her and Laura McLellan, the Accounts Payable Clerk.

The Administrator commented that the reporting Council receives would remain the basically the same.

5. Old Business

Drainage – Report from Public Works Director Pitts

As the Director walked to the podium, he indicated that his comments were directed more to any type of weather-related event that hits the island, not just drainage.

The Director explained that the City has a protocol for every event that includes a check-list for every department; when operating conditions change, the Administrator calls a meeting of department heads to review what they have completed on their checklist.

Four (4) questions were posed to the Public Works Director, and the first was to review the strengths of the Department before, during and after flooding conditions. Before the storm, Public Works took the appropriate steps in accordance with each operating condition as defined by the City before, during and after the storm. The four (4) pumps the City owns were serviced and ready for deployment to the areas of the island that typically flood the most; in addition, Director Pitts rented four (4) additional pumps for deployment to flood-prone areas. Additionally, the fuel storage tanks were filled, and a generator was ready in event of a power outage to insure that the gas pumps were operational for City vehicles. The Department was fully-staffed from the beginning to the end of the weather event. During the storm, Public Works was in constant communication with the Police Department to receive real-time information about areas of the island that were flooding and needed attention. Public Works personnel were deployed quickly after the storm to begin debris removal, to keep the pumps operational, to clear streets, and to clean the beach before the emergency berm restoration; Director Pitts coordinated with Eadie's for emergency ditch restructuring. On the subject of needs for immediate future events, the Director noted that 45th through 52nd Avenues are the most flood-prone areas of the island, and the problems in that area are being addressed with the Phase II Drainage Project scheduled to begin in October. In addition, the City needs to update the comprehensive drainage plan for the entire City, identifying existing drainage/flooding areas and finding ways to avoid new problems. Although this would be a major expense and have a significant impact on the City's budget, the Director opined that the frequency of Eadie's stormwater maintenance should be redefined from a five year (5 yr.) plan to an annual plan. Needs for the long-term include focusing on improvements to the drainage system, having additional temporary labor to assist in debris removal and

the revision of the Eadie's contract as noted above. The Director's final recommendation for long-term needs was a restructuring of the of the Public Works Department into three (3) areas of responsibility, i.e. garbage collection and debris removal, drainage and general maintenance of City properties. The final question, the financial commitment needed, was left unanswered.

Councilmember Ferencz voiced the opinion that the Eadies' contract should be revised "very quickly;" she recalled that they completed Year 3 of the five-year (5 yr.) contract at the end of June 2017. She acknowledged that to do this would be quite expensive, but she thought it was a serious need for the City.

Mayor Cronin commented that the water table on the island has risen significantly across the island and has not fallen much in the past couple of months. Director Pitts added that, in low-lying areas where water was still standing, it is there because the water level is the level of the water table.

Mayor Cronin stated that the drainage is part of a complex issue that would bring in grinder pumps and septic tanks as well as stormwater issues.

Responding to Councilmember Rice's question, the Director said that the City needed a civil engineer to study the island's drainage system and it needed open ditches everywhere on the island. He explained that open ditches provide storage, and currently the City has no storage, the City also needs more land mass to create dry ponds to store the water, especially at high tides.

Councilmember Ferencz commented that, on the Public Works agenda for September was an item to consider giving the task of developing a comprehensive drainage plan since they have been working on issues related to septic tanks grinder pumps and sewer to the Planning Commission. She said that the Administrator told her that the City had a comprehensive plan in 1995 developed by E.M. Seabrook; that plan has been the basis for drainage projects Phase I and Phase II; the Councilmember thought it could also serve as a starting point for the Planning Commission.

Councilmember Carroll asked if requiring that driveways, sidewalks and pool surrounds have pervious surfaces would help the flooding problems.

Councilmember Kinghorn asked the Director if he could have cost estimates ready for the December budget planning meeting, and the Mayor was confident that he could.

When Councilmember Ferencz asked what percentage of the surface would be permeable in the revitalization plan for the marina because covering the site with asphalt would only exacerbate the flooding problems in that area. Mayor Cronin did not have the statistics, but noted that the engineering includes a stormwater plan.

Administrator Tucker indicated that Kirby Marshall of ATM would have the percentages at the Council meeting.

(Councilmember Harrington left the meeting due to medical issues.)

6. New Business

A. Report on Emergency Contracts Awarded

1. **Robert Collins Co., Inc. - \$246,200, construct replacement dunes**
2. **Coastal Science and Engineering - \$30,000, project oversight and post-project monitoring**

The Administrator explained that the Robert Collins contract was originally awarded for two hundred twelve thousand dollars (\$212,000), but additional equipment was needed that increased the contract to two hundred forty-six thousand two hundred dollars (\$246,200). Like the City did immediately after Hurricane Matthew, the City contracted with CSE to supervise the emergency dune restoration to survey the entire seven (7) miles of coastline to determine if the island had any sand losses attributable to Hurricane Irma.

In addition, the City needed some emergency drainage work that has added fifty thousand dollars (\$50,000) to the preliminary damage assessment report; the figure is based on rates Eadies' provided prior to the storm.

Also included in the preliminary damage assessment will be overtime incurred by the Public Works Department and the Fire and Police Departments, plus damages to City buildings – some of which will be covered by insurance and others fall under insurance deductibles, and damage to vehicles that are still be assessed. Some of the City's constructed dune walkovers were damaged and will need restoration; estimates are still being gathered. Losses to date, not including sand losses or data still being gathered, total, approximately half a million dollars (\$500,000).

Responding to Councilmember Ferencz' question about the source of funds to cover these expenses, the Administrator explained that overtime expense and certain others will be paid from the General Fund while the emergency contracts will be paid from the Disaster Recovery Fund. Administrator Tucker reminded the Committee that the expenses were subject to insurance reimbursement as well as reimbursement through FEMA Category B.

Councilmember Carroll recounted that Council had received an email from Administrator Tucker discussing the berm restoration from Breach Inlet to 10th Avenue; then a second email was sent with diagrams of the beach that showed gaps in that area. He asked if the emergency berms were being constructed from Breach to 10th or if the berms were only being restored in specific places between Breach Inlet and 10th Avenue.

Administrator Tucker stated that the original target area was Breach Inlet to 10th Avenue, but the City then received clarification from OCRM as to which areas within that area they determined needed emergency work and which did not. One (1) of the determining factors was the distance between a structure and the high tide line; the second email to Council took into consideration OCRM's interpretation of the regulations. City staff continues to be in conversation with OCRM about mechanisms that would allow the City to meet the original goal. Today, discussions concerned ways to get the job done under the City's existing permit that encompasses Breach Inlet to 14th Avenue; since all of the regulatory agencies have commented on that permit, the City hopes to eliminate the gaps.

The Mayor said that, in his mind, OCRM has changed the rules and the City is trying to find a way to work within their rules and get the job the City wants done.

Since the City has a contractor mobilized, the fact that the City had the storm and that another storm is sitting in the Atlantic, OCRM appears to be motivated to help the City; the Administrator expressed the opinion that OCRM was trying to work with the City in every way within the confines of their regulations.

B. Consideration of an award of a contract to Master Craft in the amount of \$34,500 for the installation of retractable basketball goals in the Recreation Center

MOTION: Mayor Cronin moved to award the contract for retractable basketball goals to Master Craft in the amount of \$34,500; Councilmember Kinghorn seconded.

Acknowledging that this expense was included in the FY18 budget, Councilmember Carroll opined that awarding this contract at this time sends the wrong message right now for the City to be spending money on basketball goals.

Councilmember Bettelli suggested that this action sends the “correct message to the residents that [IOP] is a viable island that is going to look out for residents and, in particular, the youth of the island.”

VOTE: The motion was DEFEATED on a tie vote with Councilmembers Carroll, Ferencz and Ward casting dissenting votes.

MOTION: Mayor Cronin moved to reconsider the award of a contract to Master Craft for the installation of retractable basketball goals; Councilmember Rice seconded and the motion PASSED on a vote of 4 to 3 with Councilmembers Carroll, Ferencz and Ward casting dissenting votes.

MOTION: Mayor Cronin moved to award the contract for retractable basketball goals to Master Craft in the amount of \$34,500; Councilmember Rice seconded.

Councilmember Ferencz reiterated the opinion that the City is spending money on a want rather than a need. Looking at the flooding around the Rec Center after Irma, she suggested that now may not be the time for this purchase and that the City should wait since it is not an emergency.

Councilmember Bettelli countered that Council was doing what it had told the citizens it would do in the budgeting process.

VOTE: The motion PASSED on a vote of 4 to 3 with Councilmembers Carroll, Ferencz and Ward casting dissenting votes.

C. Consideration of an award of a contract to Technology Solutions of Charleston in the amount of \$29,896.81, state contract pricing, for Access

Control Upgrade to the Police Department (Pg. 43, ln. 38 – Capital Projects, Police Department, \$30,000)

- D. Consideration of an aware of a contract to Technology Solutions of Charleston in the amount of \$33,197.90, state contract pricing, for Access Control Upgrade to the Fire Department** (Pg. 44, ln. 68 – Capital Projects, Fire Department, \$30,000)

MOTION: Mayor Cronin moved to award contracts to Technology Solutions of Charleston as detailed above; Councilmember Ward seconded.

Councilmember Ferencz asked what this was, and the Mayor explained that it was the security on the doors in the PSB.

VOTE: The motion PASSED UNANIMOUSLY.

The Administrator informed the Committee that the total of the two (2) contracts was over budget by approximately three thousand dollars (\$3,000).

- F. Authorization for up to \$25,000 for unexpected repairs to the 95 foot ladder truck**

MOTION: Mayor Cronin moved to authorize the repair expense in an amount up to \$25,000; Councilmember Bettelli seconded.

Responding to Councilmember Ward's inquiry, the Administrator stated that this expense was not included in the FY18 budget.

Chief Graham stated that the truck has outriggers that extend to stabilize it; one (1) of them has so much movement in it that it must be repaired. The truck is fourteen years old, and, in her opinion, it was not reasonable to fix one without fixing all four (4). The truck must be taken to Georgetown where a factory representative will perform the repairs; she commented that the truck was usable, but the crew must use extreme caution.

When Councilmember Ward asked about the existence of a Repairs and Maintenance line in the budget, Chief Graham noted that this repair would exhaust half of the year's budget designated for repairs and maintenance.

The Treasurer asked whether the expense should be charged to the Capital Projects Fund or the General Fund; she also stated that, typically, she would charge something out of the ordinary like this repair to the Capital Projects Fund.

Treasurer Suggs indicated that this truck was due to be replaced in FY20.

The Chief commented that she tries to get seventeen to twenty years (17-20 yrs.) use out of the trucks, therefore the crews take excellent care of them, but this is one (1) of the trucks that as subject to the elements for two years (2 yrs.).

When asked the name of the company making the repairs, the Chief responded that the FireLine representative will do the work in the First Vehicle shop in Georgetown. If the work goes well, the truck will be in the shop for approximately a week.

VOTE: The motion PASSED UNANIMOUSLY.

7. Miscellaneous Business – None

Next Meeting Date: 5:00 p.m., Tuesday, October 24, 2017

Administrator Tucker reminded those present about the Farmers' Market on Thursday, the Wellness Fair on Friday and Wacky Golf on Thursday, September 28th.

8. Executive Session – not needed

9. Adjournment

MOTION: Councilmember Kinghorn moved to adjourn the meeting at 6:23 p.m.: Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk