

**REAL PROPERTY COMMITTEE**  
9:00 a.m., Friday, September 15, 2017

The regular meeting of the Real Property Committee was held at 9:00 a.m., Friday, September 15, 2017 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmember Rice, Mayor ProTem Harrington, Chair Bergwerf, Administrator Tucker, Assistant Administrator Fragoso and City Clerk Copeland; a quorum was present to conduct business. Kirby Marshall of ATM was also present.

1. Chair Bergwerf 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: Mayor ProTem Harrington moved to approve the minutes of the regular meeting of August 3, 2017 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.**

**3. Citizens' Comments**

Susan Hill Smith of 20-23<sup>rd</sup> Avenue noted that the beach trash barrels were pulled up into the dunes in anticipation of Hurricane Irma, but she found that some barrels were at the edge of the water after the storm. She asked if the City could do more to insure that they were not washed into the ocean with the next storm. She asked that the City insure that, as people rebuild the dune walkovers, they follow all state guidelines. On the subject of the marina revitalization, she asked that the information provided to residents clearly explains all of the components of the project as well as the cost associated with each one and the source of funds for each.

**4. Comments from Marina Tenants**

Marina Manager Brian Berrigan reported that the marina store closed at 6:00 p.m. on Sunday, September 10<sup>th</sup> and remained closed through Monday, September 11<sup>th</sup>; he noted that the marina site was under water for approximately two (2) hours. In addition to minor dock and gangway damage, one (1) of the underground storage tanks was breached and water got into it; the problem was quickly detected and access to the upland fueling station was blocked. Petroleum Recovery Services was on-site on Wednesday and extracted a considerable amount of water, but the lines were not cleared and fuel mixed with water inadvertently filled the tank of a moped, causing the fueling station to be shutdown again. The recovery service returned on Thursday and fixed the problem, and now the fueling station is up-and-running. Due to saltwater intrusion in the electrical components at the docks only diesel fuel is available at the dock; repairs should be complete by Monday, September 18<sup>th</sup>. He noted that a discussion of the underground storage tanks is later on the Agenda, and he was interested to hear it because, if the double wall tanks had been in place for this storm, the breach would not have occurred.

Responding to Councilmember Rice's question, Mr. Berrigan reported that the boats at the marina only suffered cosmetic damage and that the Intracoastal docks were underwater, but not damaged.

Administrator Tucker stated that the City must report damage assessments to Charleston County, and the damages are not limited to the City but also include all of the damage incurred on the

island. The preliminary report was turned in Thursday, September 14<sup>th</sup>. She told Mr. Berrigan that the first invoice from Petroleum Recovery Services was included, but she needed an invoice for their return trip and for any costs associated with the repairs at the dock fueling station.

Mr. Berrigan said that Electrical Supply had been at the marina for the past couple of days trying to solve the problem at the dock, and he anticipated their billing to be high.

When Councilmember Rice asked whether the store had experienced any leaks, Mr. Berrigan replied there were none, but water was under the store and the bulkhead leaked. The leaking in the bulkhead will be addressed with the rehabilitation to it later in the year.

Michael Fiem of Tidal Wave Watersports informed the Committee that their dock had been underwater as well, but the dock experienced no structural damage. Since the electrical box for the gate is often underwater and is not waterproof, they now purchase solenoids in bulk. On Thursday, one (1) of their employees reported being shocked when using electrical equipment on one (1) side of their welcoming hut; therefore the power was shut off leading to that portion of the structure. Mr. Fiem stated that he was hopeful that giving the line time to dry out would solve the problem. In conclusion, he commended the City for its efforts in cleaning up the beach and the Administrator for keeping the marina tenants well informed before and after the storm.

Jay Clarke of Morgan Creek Grill (MCG) reported that the drainage system to eliminate standing water from under the restaurant worked well and that he had noticed more settling of the sand behind the bulkhead. He stated that the employees fully evacuated and the restaurant was closed from Thursday, September 7<sup>th</sup> through Wednesday, September 13<sup>th</sup>. Since re-opening, they have experienced sporadic power outages in all or sections of the restaurant; he commented that they were still assessing the building for damage, but the building does not appear to have suffered any substantial damage.

## **5. Old Business**

### **A. Further discussion of revised concept of Marina Revitalization Plan and extension of the boat ramp**

With this iteration, the Administrator opined that the City was close to having a plan; if the draft is approved by the Committee, it will go before City Council in its September meeting for approval. Assuming it gets that approval, the City will send out the first informational mailing to registered voters the next day.

When the draft plan was presented to the ATAX on Wednesday, several members voiced their concern over the drop-off at the end of the boat ramp and that nothing was included in the plan to address it. The Administrator thought it was worthy of additional discussion since some members of Committee had dealt with their trailer going off the end of the boat ramp and the extreme efforts required to get it back on the ramp

In addition, the Committee should discuss how to go forward with public education and the tools needed to successfully convey fact-based information to the public before the referendum.

Mr. Marshall stated that the draft plan was the same one that was reviewed at the last couple of meetings. It includes the relocation of Tidal Wave Watersports to the Intracoastal docks and the conversion of the Tidal Wave dock to a City dock with a residential kayak/paddleboard launch and storage for kayaks and paddleboards upland. The draft plan maintains the segregation of traffic to the store, the boat ramp and the restaurant. With organization, the site will provide for additional trailer parking and vehicular parking comparable to what currently exists.

Administrator Tucker emphasized that the goal of the segregation of parking was public safety; the lack of public safety at the marina site was a resounding complaint heard from residents.

Adding to the Administrator's comments, Mr. Marshall noted that dedicated pedestrian pathways and a promenade around the marina are included in the plan with a dedicated walkway in the area of the boat ramp making it safer and more-use friendly for residents and boaters. He remarked that, in order to develop a comprehensive plan, ATM garnered input from the Planning Commission, City Council, the Real Property Committee and the public.

On the issue of lengthening the boat ramp, Mr. Marshall recalled that it had been brought up in the initial stages of the process by the marina manager and users; in the condition assessment of the boat ramp, the ramp was determined to be structurally sound and in good shape. With the cost of replacing the ramp and the general condition of the ramp, the decision was made for it to remain since it is still in good, serviceable condition. After concern over the drop-off was voiced again at the ATAX Committee meeting, Mr. Marshall and other ATM staff members familiar with the project took another look at the detailed survey. They determined that, at the bottom of the ramp, there are two and a half feet (2.5 ft.) of water at mean lower low water; industry guidelines for boat ramps suggest a minimum of three feet (3 ft.) at the end of the ramp at the lowest water levels. At this point, they looked at what could be done to extend the ramp and considered a number of options, such as filling with rock, filling with gravel, installing sheet pile and extending the concrete, placing concrete slabs, etc. ATM then reached out to Salmons Dredging, and they suggested extending the ramp with an articulated block mat, which is like a big wire mat that has pieces of concrete in it; it is flexible and can conform to the shape of the bottom. Some fill with an articulated block mat and possibly some steel sheets at the toe of the ramp would be an efficient way to extend the ramp; at this point Mr. Marshall reminded the Committee that the work would be to gain only an additional six inches (6 in.) on a ramp with only an eleven percent (11%) slope. Industry guidelines call for a ramp slope of twelve to sixteen percent (12-16%); the logic being that the steeper the slope the quicker a boat gets into the water. At the IOP Marina, the relatively flat slope contributes to the challenges of launching a boat at low water levels. Maintaining the slope and adding an articulated block mat at the end to gain six inches (6 in.) or a foot of additional water did not seem reasonable; with the fill, the sheet pile, mobilization, and required permitting, the cost would be eighty to one hundred thousand dollars (\$80,000-100,000). Based on those numbers, ATM asked Salmons for an estimated cost to cut out the existing ramp and replace it with a ramp with the appropriate slope and grooved; the replacement cost would be between two hundred and two hundred fifty thousand dollars (\$200,000-250,000). Mr. Marshall opined that spending a large sum of money to extend the ramp did not seem reasonable and that people should simply wait for more water to launch.

Currently signage is in place cautioning boaters about the drop-off at the end of the ramp. Mr. Berrigan said that signs are on both sides of the ramp, on the docks and on the bulkhead railing,

But Mr. Berrigan commented that many people ignore the signs.

Mr. Berrigan said that he was a strong advocate for doing something to the boat ramp; he reported that, when a trailer goes off the end of the ramp, the ramp must be shut down for a long period of time. He also finds the situation dangerous because it demands that the trailer owner get into the water to lift it up and on the ramp; this happens about six (6) times a season. One (1) solution he has considered was having a diver place concrete bags in the water at the end, which would be much cheaper.

Mr. Marshall commented that, in internal discussions at ATM, they talked about placing a concrete curb at the end of the ramp to prevent trailers from going into the water; in addition, it could be done very easily and inexpensively.

Councilmember Rice suggested that, when boaters pay for their launch pass, they could be given a hangtag or a handout specifically warning about the drop-off.

Mr. Berrigan thought her suggestion was a good one and that it would also serve to remove some of the liability from the marina.

Mr. Marshall opined that the best short-term and inexpensive solution today was the curb at the end of the ramp, but long term, he thought the articulated block mat and fill was the best option. He thought the six to eight inch (6-8 in) curb could be installed without a permit because it would be considered maintenance under the marina's existing permits.

Administrator Tucker stated that another comment that was repeatedly made by residents was that they wanted more and better access to the water; therefore, the plan has a lot of green space and more opportunities to sit and enjoy the water. It is hoped that ultimately more slips will be dedicated to residential use.

Mr. Marshall added that the plan brings the entire site into full ADA compliance, including access to the water.

Mr. Smiley asked if the plan provides for additional dockage dedicated to residents.

Mr. Marshall replied that the plan has a similar amount of dockage to the existing site currently dockage, and he understood that dockage was on a "first come – first served" basis currently.

Chair Bergwerf said that a redesign of the docks was necessary and that the use of those docks has not been defined.

Councilmember Rice added that the Committee's intention was to find ways to have more available dockage for residents.

Mr. Berrigan stated that, if the referendum passes, all the current leases would be terminated, and, once the revitalization has been completed, all of the slips on the Intracoastal Waterway would be open to island residents first and any remaining would then be made available to the general public.

Taking the discussion back to the boat ramp, Mr. Berrigan repeated his advocacy for a new ramp due to the slope and the drop-off at the end. He said that, if the City would consider replacing the boat ramp for one (1) with the proper slope and grooved, he would commit an amount not to exceed one hundred thousand dollars (\$100,000) toward the cost, contingent upon the referendum passing.

Stuart Colman of 10 Live Oak Drive asked how much of the surface at the marina would be paved and how much left natural.

Mr. Marshall responded that the drive areas will be paved as well as the parking lots adjacent to the store and the restaurant; the balance of the site will be green space with parking on some type of permeable paving, like gravel, with very clearly marked striping to delineate the parking spaces. In addition, all of the greenspaces will have cement curbs.

Addressing Mr. Berrigan's offer, Administrator Tucker said that, since the referendum language has already been published, the only way to add the boat ramp replacement would be to add it to the bid as an alternate if the result of the referendum was favorable.

**MOTION: Mayor ProTem Harrington moved to recommend approval by City Council of the draft Marina Revitalization Plan with minor editorial changes; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.**

**B. Discussion of items/activities for public education on the referendum**

The Administrator initiated the discussion saying that she was open to any ideas and suggestions from the Committee for getting the information to registered voters. Staff plans on having two (2) direct mailings; the first mailing would have the referendum language, how much the project would cost and how it would be paid for and some general facts. The second mailing would have much more detailed information. In addition, staff wants to have two (2) public meetings, one (1) at the marina and one (1) at the Recreation Center. Visuals need to be developed for those meetings to aid people in understanding; Design Works has been asked to create a 3D model of the revitalized marina clearly showing what the results will be if the referendum passes.

The first meeting date for consideration was Wednesday, September 27<sup>th</sup>; Chair Bergwerf thought that the first meeting should be like an open house at the marina. Rather than set a "rain date," Chair Bergwerf suggested that the City get a tent or use the tent at Morgan Creek Grill, if available.

Councilmember Rice stated that she envisioned tours of the site to familiarize attendees with what is there now and what will be there in the future.

Mr. Marshall suggested a centralized gathering area with several conceptual drawings and that ATM personnel would provide an overview of the enhancements. In addition, he suggested having staff members from ATM and Design Works stationed at specific locations on the site with a copy of the plan to answer questions posed by the public.

Jay Clarke, owner of Morgan Creek Grill, offered full assistance from the restaurant, including the

use of their tent, stage and sound system; he stated they have other tents that could be put up if needed.

The Committee agreed to hold the meeting from 4:00 p.m. to 7:00 p.m.

The second meeting date for consideration was Wednesday, October 11<sup>th</sup> at the Recreation Center.

Councilmember Rice thought this meeting should be held later, 5:00 p.m. to 8:00 p.m. to be more convenient for residents who work or need to get children settled before attending.

Following a recommendation from Susan Hill Smith, the Committee agreed to hold the second meeting on Thursday, October 12<sup>th</sup> from 5:00 p.m. to 8:00 p.m. at the Rec Center; the Committee did not think that the marina meeting would conflict with the Farmers' Market.

Councilmember Rice suggested for the Committee to have a table at the Farmers' Market with a drawing of the revitalization plan and staffed by members of the Committee to answer questions and to listen to comments. She also thought that marina drawings should be on display at the marina and the Rec Center until the referendum is held.

**C. Consideration of request to relocate Tidal Wave Watersports further away from adjacent residential properties**

Administrator Tucker noted that the future plan does relocate Tidal Wave to the Intracoastal dock; she wanted to know if the Committee was interested in relocating them earlier.

Chair Bergwerf said that she did not think relocating Tidal Wave before the referendum or before the revitalization "made any sense at all;" the Committee members agreed.

**D. Discussion of future of marina leases**

Administrator Tucker noted that one(1) of the missions of the marina revitalization was to react to citizens' advocacy for more residential uses and, specifically, for more slips to be available to residents. Based on that input, staff has been studying the leases with marina tenants to determine if opportunities existed in them to attain that goal. At the last Council meeting, Councilmembers were presented with the opportunity to eliminate one (1) of those uses, the watersports company, but Council did not show support for that idea.

In addition, over the last month, Barrier Isles LLC, who controls seven (7) slips, has indicated that they would like to renew their lease for another three year (3-yr.) term, but the renewal presents the Committee with the opportunity to negotiate an amendment to the lease in return for the renewal and to take those docks out of the lease, freeing up space for residents or additional dock space. The MCG lease expires at the end of October. The Administrator thought that accommodations could be made with another tenant for boaters to dock at the marina, enjoy a meal at Morgan Creek Grill and return to the water. Currently under consideration is an amendment to their lease eliminating the docks from the lease in exchange for the renewal. The Administrator opined that these docks were under-utilized and that, because they were difficult to

Police; vessels that are not going to the restaurant frequently dock there and bandit boats are there, which is contrary to another tenant's lease.

Councilmember Rice thought this was a "great opportunity" to get docks for residents and to respond to their "outcry" for resident-specific dock space; a caveat would be that they would be the first segment of the population with the right of refusal.

Mayor ProTem Harrington said that he has heard from many people that these docks are under-utilized; therefore, the prudent action of the Committee would be to make the change.

Chair Bergwerf also agreed that to take the docks out of the lease was the right thing to do, and she was confident that an arrangement could be reached between the marina manager and Morgan Creek Grill to serve their boating customers.

Councilmember Rice stated that having boat dockage for the restaurant on Morgan Creek docks would provide easier access to the restaurant and would be easier to control/monitor from the restaurant because based on the line of sight. Mr. Berrigan agreed that the Morgan Creek docks were a more logical location for restaurant patrons.

Jay Clarke commented that he has never thought that the docks assigned to the restaurant were under-utilized, but he said that they were difficult to use due to the configuration and difficult to control due to their proximity to the restaurant. He stated that he will work cooperatively with the City relative to the revitalization plan, but he felt strongly that the restaurant should retain control of the docks specified in the lease because they are a "huge asset" for MCG. He commented that the existence of the restaurant at the marina was essential to have a full service marina and that boaters like to have access to a restaurant.

Chair Bergwerf stated that the Committee agreed that boaters should have access to the restaurant, but they did not think Morgan Creek Grill needed the amount of dock space they have today. The Chair opined that "the citizens of the [island] want more dedicated resident space and use at the marina;" she added that, if the plan does not offer that, the passage of the referendum would be in jeopardy.

Mr. Clarke asked if a transitional, cooperative agreement could be put in place rather than taking the dedicated slips out of the lease. He acknowledged that MCG was late in notifying the City of its intention to renew, but he has been late in the past, was notified by the City, and the City has accepted the renewal. He stated that, if the lease were extended in its present form, MCG would be cooperative with the new plan.

Administrator Tucker stated that the Committee needed to make a decision; if it was prepared to renew the lease as presented without the docks, it should recommend that the amendment go before City Council for its consideration to take the docks out of the Morgan Creek Grill lease. She said that MCG should realize that the Committee was committed to provide some restaurant dockage at the site, but it was not where the current restaurant docks are located. The Administrator continued by noting that the lease is about to expire and that no one has indicated to her that they do not want Morgan Creek Grill at the marina for the next three (3) years. She noted that the management at MCG has heard the comments from the residents that they want

more residential dockage, and this is a way to achieve that goal. She was clear that no one wanted to punish Morgan Creek Grill, but the opportunity was created. She remarked that the City was under no obligation to remind tenants of the components of their lease; she thought that, possibly, since the City had done it in the past, that the tenant expected it to happen. Council may not agree with the Committee, but the issue should be presented to them for their consideration.

Mr. Clarke asked how the City planned to use this dock space.

Chair Bergwerf responded that, at the moment, no decision has been made regarding the use of those docks; therefore, she assumed that they could continue to be used by the restaurant for the time being.

Mr. Clarke conceded that, since dock space would be provided for the restaurant's boating customers, the City's plan to increase dock space for residents was the right thing to do.

Chair Bergwerf repeated that, with the revitalization plan, the marina tenants must give and take and that, if the referendum passes, she anticipates business to improve for all of the tenants.

**MOTION: Mayor ProTem Harrington moved to recommend to Council the approval of a lease amendment with Morgan Creek Grill that removes the dock space assigned to Morgan Creek Grill from the lease and extends the lease for an additional three (3) years; Councilmember Rice seconded.**

Councilmember Rice indicated that she anticipates this to happen imminently and that the City should have access to these docks whenever the need arises and that it should not be contingent upon the result of the referendum.

The Administrator added that, if this amendment is approved by City Council, staff will review the other marina leases for other potential amendments.

**VOTE: The motion PASSED UNANIMOUSLY.**

**E. Update on Beach Restoration Project**

Administrator Tucker announced that a pre-construction conference was scheduled at 8:30 a.m. on September 20<sup>th</sup>; she reported that, according to the Nasdaq, Great Lakes Dredging has approximately eighty-four million dollars (\$84,000,000) of work, including the City's project, in the Charleston area. They have indicated that they would like to start the project the second week of October. In addition, she explained that staff continues to work with its funding partners to try to get some of their funding upfront.

**F. Update on underground storage tank replacements at the IOP Marina**

The Administrator recalled that the City hired a consultant to assist in writing the proposals and they are in the process now.

Assistant Fragoso told the Committee that the request for proposals should be ready next week.

The City will issue two (2) proposals, i.e. one (1) for the replacement of the tanks and one (1) for revamping the entire system. Obviously the cost for revamping the entire system would be higher, but due the age of the system, that might be the best option. Staff is hopeful that work can begin in the fall of this year.

**6. New Business – None**

**7. Miscellaneous Business**

Tenant Rents Report – The past week’s work efforts have all been directed to the cleanup from Hurricane Irma; therefore, there was no report this month.

Michael Fiem of Tidal Wave Watersports asked to speak to the Committee about the proposed relocation of his business shown in the draft marina plan and that he wanted to stay where the business is currently operating. He recalled that he has told the Committee that he would be willing to move.

He asked that the revitalization plan be presented to the public in two (2) ways, i.e. with Tidal Wave staying where they are and with relocating Tidal Wave to the Intracoastal dock and the associated cost to accomplish it. He stated that it costs nothing for them to stay where they are, and he expressed the opinion that the cost to move them could be better spent on replacing the boat ramp.

Since the priority for the revitalization plan is to increase residential use, Chair Bergwerf expressed disagreement. In the draft version of the plan, Tidal Wave’s current location becomes the City dock with a place for residents to launch kayaks and paddleboards, and she believes it is the best plan.

In Councilmember Rice’s mind, it becomes an issue of the best use for residents and how it is most accessible for residents.

Mr. Fiem repeated his position that moving their business closer to the mouth of Morgan Creek creates a safety issue for their business.

**Next Meeting Date: 9:30 a.m., Monday, October 9, 2017 in the City Hall Conference Room**

**8. Executive Session – not needed**

**9. Adjournment**

**MOTION: Councilmember Rice moved to adjourn the meeting at 10:34 a.m.;**  
**Mayor ProTem Harrington seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:  
Marie Copeland, City Clerk