



**Ways & Means Committee Meeting
6:00pm, Tuesday, May 19, 2020
Virtual Meeting via Zoom call due to COVID-19 Pandemic
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>**

MINUTES

1. Call to Order

Present: Council members Pounds, Streetman, Popson, Bell, Buckhannon, Smith, Moye, Ward, and Mayor Carroll

Staff Present: Administrator Fragoso, Treasurer Suggs, various City Department heads

2. Approval of previous meeting's minutes

MOTION: Council Member Streetman made a motion to approve the minutes of the February 18, 2020 meeting and the March 12 and April 16, 2020 Special Meeting/Budget Workshops of the Ways & Means Committee. Council Member Popson seconded the motion. The motion passed unanimously.

3. Citizens' Comments – attached to these minutes

4. Financial Statements – Treasurer Debbie Suggs

A. Financial Reports

Treasurer Suggs reported that revenues are up and expenditures are down from April 2019. The City has \$21 million in cash, up \$1.5 million from the same time last year. She said she does not expect to see a significant impact of the shutdown until May, June, and July. The budget forecast predicts a decrease of \$3.8 million in revenues, but the forecast will be updated in June when more information becomes available.

She said that some tourism revenues are being realized and will continued to be realized now that businesses are allowed to reopen. Projections anticipated no revenues for several months. Monies due to the City like business licenses fees were delayed through Emergency Orders, but those monies will be realized by July.

Administrator Fragoso noted that staff is working on filling the open BSO positions, so they are staffed for the summer.

B. Project Worksheets

Treasurer Suggs noted the Public Safety Building Rehabilitation project is on schedule and on budget. She also stated the only monies spent in April for the Phase III Drainage Project were \$18,000 for engineering and design.

MOTION: Council Member Pounds made a motion to reorder the agenda to allow for the discussion of the IOP Strategic Plan prior to the discussion and consideration of the FY21 budget. Mayor Carroll seconded the motion. The motion passed unanimously.

5. New Business

A. Discussion of IOP Strategic Plan – Presentation of proposal from the Riley Center for Livable Communities

Kendra Stewart and Bob O'Reilly of the Riley Center gave an overview of their process of assisting the City Council with preparing a Strategic Plan. To engage the community in light of current societal conditions, they anticipate incorporating all community input the City has recently collected as well as conduct virtual meetings and surveys. The process should last 4-6 months. Mr. O'Reilly said the final product will also link back to the Comprehensive Plan and budget to keep it connected to all the work of the City. Costs related to the Strategic Plan will be discussed at next week's City Council meeting.

MOTION: Mayor Carroll made a motion to go forward with The Riley Center for Livable Communities with the Strategic Plan at a cost not to exceed \$15,000. Council Member Moye seconded the motion. The motion passed unanimously.

6. Old Business

Discussion and consideration of FY21 Budget Draft #3

Administrator Frago reported that since the General Assembly will not return to Columbia until September, she does not anticipate any extensions to allow for a later deadline in passing a balanced budget. She said the Governor could sign an Executive Order any anytime, but there is no way to know that now. She said the budget could be passed and amended later as additional revenue information is realized.

Council Member Pounds reviewed the budget assumptions and initiatives included in the FY21 budget. Treasurer Suggs said the budget is very conservative, revenues have been underestimated, purchases have been delayed or eliminated, and she only sees an upside to future budget forecasts.

MOTION: Council Member Pounds made a motion to approve the budget as presented and prepare it for First Reading at City Council next week. Council Member Buckhannon seconded the motion.

Council Member Bell expressed concern about projected marina revenues since there may not be an operating restaurant there until the middle of next year. Treasurer Suggs said that the necessary funds will be moved out of ATAX monies, adding that the amount budgeted to be

transferred out is less than the amount transferred out in FY18 and FY19. She also added the effect of the rent abatement is included in the budget.

Discussion briefly ensued about the merit pool versus giving an across-the-board COLA. Council Member Pounds expressed his appreciation to Treasurer Suggs for her work on the budget.

VOTE: The motion passed unanimously.

7. **New Business**

B. **Consideration of expenditure in the amount of \$28,690.68 for mobile radio upgrades**

MOTION: Council Member Pounds made a motion to approve the expenditure for the mobile radio upgrades in the amount of \$28,690.98. Council Member Streetman seconded the motion.

Administrator Fragoso said the pricing on the radios is 25% lower than what is in the FY20 budget. Chief Graham said the upgrade includes over-the-air programming which will save time and money as she will not have to drive to North Charleston to have the radios reprogrammed as frequently. The radios will also now include GPS tracking and allow IOP to be more compatible with the rest of the county.

VOTE: The motion passed unanimously.

C. **Report of BB&T municipal lease for the purchase of the 75' ladder truck**

Administrator Fragoso reported, "The City finalized the municipal lease on March 25th. This is for the purchase of the new 75' ladder truck that was delivered to the City in March. The interest rate we acquired for this municipal lease was 1.83%. The budget included a 4% interest rate so very good news. And the total amount that was budgeted was \$849,500, and the total cost of the truck is \$848,267."

D. **Consideration of rent abatement for MJV due to dock damage and UST project delay**

Treasurer Suggs said further discussion of the rent abatement for the dock damage will come at a later time after more data is collected. The goal is to have that information ready to present to City Council next week. The payout from the contractor on the UST project delay more than covers this portion of the rent abatement.

MOTION: Council Member Bell made a motion to "the amount as stated for the rent abatement" for the UST project. Council Member Buckhannon seconded the motion. The motion passed unanimously.

E. **Consideration of application to the Department of Justice grant for the purchase of a drone**

Chief Cornett explained the draft policy of the use of a drone included in the packet is from MASC along with some verbiage found in the policies of neighboring agencies. He

acknowledged the privacy concerns of drone usage and said he will strictly monitor its use. The draft policy outlines possible uses of the drone in cases of a missing child on the beach, assisting the Fire Department in water rescues, assessing real-time traffic flow, certain search warrant situations, and post-hurricane assessment. He said there is a first-come, first-serve 100% DOJ grant that could allow them to acquire a drone. He also said he has put their name on a list with a California company who is giving them away. Should the City not be able to obtain a free drone, Chief Cornett said he would have approached City Council about the \$4,500 purchase of one.

Chief Cornett explained the certification process for pilots and observers and said the training is part of the cost of the drone.

MOTION: Council Member Pounds made a motion to approve the draft policy as presented and prepare an application to the Department of Justice for the grant for the purchase of a drone. Mayor Carroll seconded the motion.

MOTION: Council Member Bell made a motion to amend adding the purchase a drone should not exceed \$4,500 as an unbudgeted expense in the event a free drone cannot be procured. Mayor Carroll seconded the motion. The amendment passed unanimously.

VOTE: The vote on the motion as amended passed unanimously.

F. Discussion regarding establishing a matching grant program to assist IOP businesses participation in MUSC's "Back to Business" program

Council Member Smith said she sees this initiative as a proactive measure to protect the public health of residents and visitors. Administrator Fragoso said she did not know the costs of the program for smaller spaces, but the cost of the program for the Recreation Department was \$300. She hopes to be able to share more information on Thursday's Zoom meeting with local brick-and-mortar businesses. Visible certification is provided to businesses who complete the program. Council Member Smith suggested that short-term rental and hotel owners could benefit from the program as well. Council Member Moye suggested reaching out to the CVB to see if they would be interested in providing any matching funding to this program. Administrator Fragoso will give an update on this initiative at next week's City Council meeting.

G. Consideration of changing the daily parking rate at the Municipal Parking Lots to \$15 on Saturdays, Sundays, and Holidays and \$2.50 for on street parking along Ocean Boulevard between 10th and 14th Avenues

Council Member Pounds pointed out these price increases are included in the FY21 budget. Administrator Fragoso said that any change in fees requires two readings and a public hearing and provided routes to complete this change before the end of May and before the end of June. Mayor Carroll said he would like to see this passed and in effect by the end of May. Council members briefly discussed how this change should not affect the seasonal parking passes purchased by island employees.

MOTION: Mayor Carroll made a motion to increase the parking rates in the municipal parking lots from \$12 to \$15 and the parking meter rates from \$2/hour to \$2.50/hour for street parking in the expedited process proposed by staff. Council Member Ward seconded the motion. The motion passed unanimously.

Council Member Buckhannon suggested Administrator Fragoso contact the Palms Hotel to let them know the rates would likely be changing in June instead of July.

Administrator Fragoso said, "Going to \$15 on Saturdays, Sundays, and holidays makes it consistent to the fee to park at the municipal lot on those same days."

Council Member Moye said he would like to know "how much tax revenue that is generated off-island is actually coming to the island."

H. Discussion regarding increasing parking fines

Administrator Fragoso said that all fines for illegally parking on the island are \$50. That fine doubles after 30 days of non-payment. Council again discussed Chief Cornett's need for a full staff of BSOs to keep up with the amount of ticketing required across the island. Council Member Smith noted that better controlling the parking issue makes the island safer for everyone, so it is important that pay rates for BSOs be competitive to attract the staff needed. Administrator Fragoso noted the Isle of Palms' parking rates are the highest in the area. Treasurer Suggs reported that parking ticket collection rates are surprisingly good due to the delinquent notices sent out by staff.

MOTION: Mayor Carroll made a motion to recommend a parking fine increase from \$50 to \$100 to City Council for First Reading at the May 26 meeting. Council Member Bell seconded the motion. Council Member Smith offered a friendly amendment to the motion by doubling the parking fines for both street and metered parking. Mayor Carroll and Council Member Bell both accepted the friendly amendment. The amended motion passed unanimously.

I. Discussion about reducing the size of City Council

MOTION: Council Member Pounds made a motion to recommend to City Council to reduce the size of City Council from 9 members to 7 members and "prepare to include a referendum for our residents to have their voice heard on this topic for the November 2020 ballot." Council Member Bell seconded the motion.

Council Member Pounds noted this was originally brought up as a potential way to reduce budgeted expenses. He also said reducing the size of Council could increase efficiency by forcing the rethinking of committee assignments. He referred to information provided to Council members about the size of City Councils from across the state in relation to their populations. He also referred to a proposed timeline to have the measure appear on the 2020 ballot.

Council members discussed whether or not there was a need to reduce the size of City Council and whether or not the issue should be one brought by the citizens via petition. Council Member Smith suggested sending the issue to the Personnel Committee for further study. Based on current community feedback on a number of issues, several Council members said they did not

see this as an area of concern among a wide range of citizens. Council Member Bell said the size of Council did not lend itself to efficiency. Mayor Carroll pointed out that former mayors have said the current organization works and they see no need to change it.

MOTION: Council Member Buckhannon called the question. Mayor Carroll seconded the motion. A vote was taken as follows:

Ayes: Moye, Ward, Smith, Buckhannon, Popson, Pounds, Carroll

Nays: Streetman, Bell

The motion passed 7-2.

VOTE: A vote on the original motion was taken as follows:

Ayes: Streetman, Bell, Moye, Pounds

Nays: Popson, Smith, Buckhannon, Ward, Carroll.

The motion failed 4-5.

8. Miscellaneous Business

The next meeting of the Ways & Means Committee will be Tuesday, June 16, 2020 at 6pm.

9. Executive Session

MOTION: Council Member Pounds made a motion to move into Executive Session according to §30-4-70 of the Freedom of Information Act to receive legal advice regarding pending litigation involving short-term rental online businesses. Council Member Bell seconded the motion. The motion passed unanimously.

City Council entered into Executive Session at 8:43pm.

City Council returned from at 9:06pm.

MOTION: Council Member Buckhannon made a motion to pursue a legal claim against online short-term rental companies as discussed in Executive Session. Mayor Carroll seconded the motion. The motion passed unanimously.

3. Adjournment

Council Member Buckhannon made a motion to adjourn, and Council Member Moye seconded the motion. The meeting was adjourned at 9:08pm.

Respectfully submitted,

Nicole DeNeane

City Clerk