



City Council

6:00 p.m., Tuesday, August 25, 2020

Council Chambers

1207 Palm Boulevard, Isle of Palms, South Carolina

Virtual Meeting Due to COVID-19 Pandemic:

The public may join the virtual meeting by clicking here: <https://www.youtube.com/user/cityofisleofpalms>

Public Comment:

Citizens may provide public comment here:
<https://www.iop.net/public-comment-form>

Agenda

1. **Introduction of meeting** and acknowledgement that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act.
2. **Reading of the Journals of Previous Meetings**
Regular Meeting – July 28, 2020
Emergency Meeting – August 13, 2020
3. **Citizens' Comments** - Citizens may submit written comments here:
<https://www.iop.net/public-comment-form> Comments received prior to the meeting will be entered into the record.

Presentation from the Charleston County Community Development Department to seek community input for 5 year Consolidated Plan – Anna Eskridge

4. **Consent Agenda** – The following items were unanimously approved by Council at the Ways and Means Committee meeting on August 18, 2020.
 - a. Consideration of distribution of FY20 positive net result as follows: 65% for the Capital Projects Fund, 25% for the General Fund and 10% for the Disaster Recovery Fund
 - b. Consideration of three (3) year extension of Eadie's contract for island wide drainage and ditch maintenance [FY21 Budget, Hospitality Tax Fund, Public Works, Drainage, \$198,288, pg. 21, ln.35]
 - c. Consideration of a change order not to exceed \$30,000 for the purchase and installation of a flood resistant door for the Public Safety Building [FY21 Budget, Public Safety Building Rehabilitation Project, City Contingency 15% available = \$788,424]
 - d. Report of approved change order in the amount of \$20,537 for required seismic bracing on existing sprinkler system at the Public Safety Building [FY21 Budget,

Public Safety Building Rehabilitation Project, City Contingency 15% available = \$788,424]

- e. Consideration of the purchase of beach patrol vehicle (ATV) with plow attachment in an amount not to exceed \$20,000 [FY21 Budget, Hospitality Tax Fund, Police Department, Capital Outlay, \$20,000, pg. 21, ln. 21]

5. Reports from Standing Committees

a. Ways and Means Committee

- i. Consideration of recommendation from the Public Safety Committee to implement paid parking on the beach parking areas on Palm Boulevard, 3rd through 9th Avenue and Breach Inlet parking lot, between March 1st through October 31st from 9:00 a.m. to 6:00 p.m.
- ii. Consideration of changes to the 30% of State Accommodations Tax Revenue required for tourism promotion and advertisement currently managed by the Charleston Visitors Bureau [FY21 Budget, State ATAX, Tourism Promotion, \$448,713, pg. 23, ln.7]
- iii. Consideration of proposals for the engagement of a bond attorney for the City's Series 2020 GO Bond

b. Public Safety Committee

c. Public Works Committee

d. Recreation Committee

e. Personnel Committee

f. Real Property Committee

6. Reports from City Officers, Boards and Commissions

- a. **Accommodations Tax Advisory Committee** – no meeting
- b. **Board of Zoning Appeals** – minutes attached
- c. **Planning Commission** – minutes attached

7. Reports from Special or Joint Committees – None

8. Petitions Received, Referred or Disposed of – None

9. Bills Already in Possession of Council

ORDINANCE 2020-04 – An ordinance to reduce the maximum occupancy at a short-term rental to twice the maximum overnight occupancy, not to exceed forty people



ORDINANCE 2020 – 07 – An ordinance to correct the lot coverage limit reduction from 40% to 35% and to 30% for properties on septic

ORDINANCE 2020 – 08 - An ordinance authorizing the issuance of \$16M Water and Sewer System revenue bonds for the decommissioning and relocation of the Wild Dunes Wastewater Treatment Plant

10. Introduction of New Bills, Resolutions and Proclamations

11. Miscellaneous Business

- a. Update on Strategic Planning Process
- b. Discussion and consideration regarding future use of the watersports dock at the IOP Marina to be used as a commercial dock and 10 parking spaces or as a public dock with greenspace and residential parking spaces.
- c. Next meeting date: 6:00 p. m., Tuesday, September 22, 2020

12. Executive Session – If needed. In accordance Section 30-4-70 (a) (2) Discussion of negotiations incident to proposed contractual arrangements related to the marina restaurant lease. Upon returning to open session, Council may take action on matters discussed in Executive Session.

13. Adjournment



CITY COUNCIL MEETING
6:00pm, Tuesday, July 28, 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 Popson, Streetman, Moye, Ward, Buckhannon, Bell, Pounds, and Smith, and Mayor Carroll

Staff Present: Administrator Fragoso, Asst. Administrator Hanna, Treasurer Suggs, Attorney Copeland, various department heads

2. Readings of the Journals of Previous Meetings

MOTION: Council Member Streetman made a motion to approve the minutes of City Council Meeting held on June 23, 2020, the emergency meetings held on June 26 and July 15, 2020, and the Special Meeting held on July 9, 2020. Council Member Pounds seconded the motion.

Council Member Smith asked that the minutes of the July 9, 2020 Special Meeting include a notation of her opposition of the parking restrictions in Emergency Ordinance 2020-11 and subsequent vote in favor of the ordinance in support of the restrictions on bars and nightclubs.

VOTE: The amended minutes passed unanimously.

3. Citizens' Comments – attached to these minutes

Over 150 comments were received prior to the meeting. The City Clerk read the comments for the 30 minutes allotted for Citizens' Comments. Those comments and the remaining unread comments are attached to these minutes.

In response to the comments, Mayor Carroll said, "We are doing what our residents wanted us to do and I hope we can find a solution for this pandemic that is overwhelming the world. But thank everybody for writing to us."

Council Member Moye asked if comments of similar topic could be aggregated last time so that more comments could be read into the record.

4. Reports from Standing Committees

A. Ways and Means Committee

i. **Consideration of engaging First Tryon in the amount of \$15,000 as financial advisor to guide and assist with proposed debt issues related to the Phase III Drainage and Marina Dock Rehabilitation projects.**

MOTION: Council Member Pounds made a motion to approve and Council Member Ward seconded the motion.

David Cheatwood, Managing Director of First Tryon, gave a presentation about the services provided by his company as well as their background, their client reach in North & South Carolina and Georgia, and their approach to working with clients similar to the Isle of Palms.

VOTE: The motion passed unanimously.

ii. **Consideration of request from the IOP Water & Sewer Commission for approval of a \$16M bond issue for the decommissioning and relocation of the Wild Dunes wastewater treatment plant**

MOTION: Council Member Pounds made a motion to approve, and Council Member Ward seconded the motion.

Chris Jordan, General Manager of the Isle of Palms Water & Sewer Commission, gave a shortened version of the PowerPoint presentation given to the Ways & Means Committee last week. Council members Streetman and Bell mentioned their tours of the water treatment plant and spoke of the need for the Wild Dunes plant to be decommissioned. Council Member Bell also spoke with concern about the sewer customers bearing the costs of the bond and the need to provide a financial plan to incentivize customers to join the sewer system.

VOTE: The motion passed unanimously.

iii. **Consideration of engaging Haynsworth Sinkler Boyd as real estate attorney to assist in the development of the marina restaurant lease document**

MOTION: Council Member Pounds made a motion to approve, and Council Member Streetman seconded the motion. The motion passed unanimously.

iv. **Consideration of change order in the amount of \$66,500 to Applied Technology Management (ATM) contract for additional services related to the marina dock rehabilitation project: water/wastewater permitting, pump out grant application, and construction administration services**

MOTION: Council Member Pounds made a motion to approve, and Council Member Streetman seconded the motion. The motion passed unanimously.

v. **Consideration of a change order of the Thomas & Hutton contract in the amount of \$30,000 for bidding and construction services regarding the Phase III small internal drainage project**

MOTION: Council Member Pounds made a motion to approve, and Council Member Streetman seconded the motion.

Council Member Pounds noted this is oversight for the smaller internal drainage projects. The budgeted amount for these projects is \$500,000, and Thomas & Hutton's revised bid for the project is approximately \$464,000, leaving room for this change order. The project should take approximately 8 months to complete and is anticipated to be done in FY21.

VOTE: The motion passed unanimously.

vi. Consideration of a three-year extension of the Eadie's Construction Group contract for island-wide drainage and ditch maintenance

Council Member Pounds said he would like to defer this vote until the Public Works Committee has more time to review the scope of work. Eadie's continues to work in the City on a project basis until the contract is finalized.

vii. Discussion and consideration of marina restaurant lease proposal from the IOP Families Investment Group

This item to be discussed in Executive Session.

Council Member Pounds briefly reviewed the financial statements as presented to the Ways & Means Committee and other items discussed in the minutes.

B. Public Safety Committee

Council Member Buckhannon reviewed the minutes of the July 6, 2020 meeting.

Administrator Fragoso reminded Council members staff needs direction from them regarding the locations, season, and times for paid parking. In order to stay on the implementation timeline for paid parking to be ready for next year's season, decisions will need to be made at the August City Council meeting. She reviewed the recommendations of the Public Safety Committee: to implement paid parking along both sides of Palm Boulevard between 21st and 40th avenues, the land side of Palm Boulevard between 41st and 57th avenues, including the lot at Breach Inlet, and include the areas along Hartnett Boulevard between 27th and 29th avenues in the residential parking district.

Council Member Smith said she supports ways to make the beach financially accessible for neighboring communities and likes the idea of a seasonal pass. Council Member Moye would like to see the larger community involved in finding solutions to the parking concerns.

The Public Safety Committee will refine their recommendations for the next Council meeting.

C. Public Works Committee

Council Member Pounds reviewed the minutes of the July 1, 2020 meeting.

D. Recreation Committee

Council Member Smith reviewed the minutes of the July 13, 2020 meeting.

Director Page reported on the surf lessons initiative. The instructors still need to receive the proper certifications, and she hopes to begin the lessons in late August or early September. She said since signs for Recreation Center Parking Activity Only have been put up there have been no issues with beach parking.

E. **Personnel Committee – no meeting in July**

F. **Real Property Committee**

Council Member Buckhannon reviewed the minutes of the July 14, 2020 meeting.

Administrator Fragoso reported there had been a pre-bid meeting for the dock rehabilitation project earlier in the day. She said many “reputable firms” are interested in the project.

She also shared that Charleston County Council has approved the monies for the 42nd Avenue walkover project. A Zoom meeting about the project is scheduled for Wednesday to discuss the particulars with residents in that area.

5. **Reports from City Officers, Boards, and Commissions**

- A. **Accommodations Tax Advisory Committee** – no meeting
- 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. **Ordinance 2020-04** – An ordinance to reduce the maximum occupancy at a short-term rental to twice the maximum overnight occupancy, not to exceed forty people

The vote on this ordinance will be deferred until the August City Council meeting when a Public Hearing can be held.

- B. **Ordinance 2020-05** – an ordinance to add conditions for the suspension of rental business license, require an owner’s representative to be physically on site within one hour of receiving a complaint and conditions for the advertisement of rentals.

MOTION: Council Member Pounds made a motion to approve, and Council Member Buckhannon seconded the motion. The motion passed unanimously.

- C. **Ordinance 2020-06** – an ordinance to include the use of consent agendas

MOTION: Council Member Streetman made a motion to approve, and Council Member Pounds seconded the motion. The motion passed unanimously.

- D. **Ordinance 2020-07** – an ordinance to correct the lot coverage limit reduction from 40% to 35% and to 30% for property on septic

The vote on this ordinance will be deferred until the August City Council meeting when a Public Hearing can be held.

9. Introduction of New Bills, Resolutions, and Proclamations

Ordinance 2020-08 – An ordinance authorizing the issuance of a \$16M Water & Sewer System revenue bond for the decommissioning and relocation of the Wild Dunes Wastewater Treatment Plan

MOTION: Council Member Pounds made a motion to approve, and Council Member Moya seconded the motion. The motion passed unanimously.

10. Miscellaneous Business

A. Consideration of Memorandum of Understanding between IOP and IOPWSC

Director Kerr reviewed the minor changes to the MOU recommended by the Planning Commission. He said this revised MOU will be followed up a more detailed document outlining the relationship between the City and the Water & Sewer Commission in the next year.

Mayor Carroll said he would like to see a Council member attend each Water & Sewer Commission meeting and hopes to see a member of the WSC at future Council meetings. Administrator Fragoso noted the relationship between the two entities is much better.

B. Discussion of Marina input session

Assistant Administrator Hanna gave a brief presentation of the results of the Marina input session from January. The amenities most requested at the marina area were dining options, a public dock, dedicated kayak and SUP launch, and greenspace (park, family friendly, and kids' playground). Residents said they like the amenity offerings at the Marina, including Tidal Wave Watersports.

The next meeting of the City Council will be Tuesday, August 25, 2020 at 6:00pm.

11. Executive Session

MOTION: Council Member Streetman made a motion to move into Executive Session in accordance with §30-4-70(a)(2) to receive legal advice regarding paid parking along Ocean Boulevard and short-term vacation rentals. Council Member Bell seconded the motion. The motion passed unanimously.

City Council moved into Executive Session at 8:24pm.

City Council returned from Executive Session at 9:44pm.

MOTION: Council Member Buckhannon made a motion to proceed as discussed in Executive Session. Council Member Ward seconded the motion. The motion passed unanimously.

12. Adjournment

Council Member Buckhannon made a motion to adjourn, and Council Member Moye seconded the motion. The meeting was adjourned at 9:45pm.

Respectfully submitted,

Nicole DeNeane
City Clerk



EMERGENCY CITY COUNCIL MEETING
10:00am, Thursday, August 13, 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 Streetman, Moye, Ward, Buckhannon, Bell, Pounds, Popson, and Smith, and Mayor Carroll

Staff Present: Administrator Fragoso, Attorney Copeland, various department heads

2. Discussion and consideration of proposed amendments to Emergency Ordinance 2020–11, which extends the state of emergency, establishes limits on parking on the island, limits live entertainment after 9:00pm, and limits occupancy in bars and restaurants to fifty percent (50%) and other emergency measures proposed for the safety and public health of the City of Isle of Palms.

Council members decided to address each section of the ordinance individually.

MOTION: Council Member Moye made a motion to extend the normal operating procedures of City Council meetings for 61 days. Council Member Bell seconded the motion. The motion passed unanimously.

MOTION: Council Member Smith made a motion to extend the authorization to purchase, use, and distribute containers that do not comply with the City's plastic ban during the state of emergency to October 1, 2020, with a grace period extending to November 1, 2020 allowing businesses to use up their current supply. Council Member Pounds seconded the motion. The motion passed unanimously.

Council Member Smith pointed out that any business may request a hardship waiver from City Council if compliance is not feasible, as outlined in the original ordinance.

MOTION: Council Member Bell made a motion to extend the social distancing requirement on the beach for 61 days. Council Member Streetman seconded the motion. The motion passed unanimously.

MOTION: Council Member Streetman made a motion to extend Emergency Ordinance 2020-10 requiring face coverings in retail and foodservice establishments for 61 days. Council Member Bell seconded the motion.

Council Member Ward asked about a requirement for handwashing and sanitizing. Mayor Carroll offered a friendly amendment of also requiring handwashing and sanitizing in retail

establishments in addition to the face mask requirement. Council Member Ward seconded the motion.

Chief Cornett said the face mask ordinance is difficult to enforce, but some people have been given verbal warnings.

After further discussion of the handwashing requirement, Council Member Ward withdrew his motion requiring handwashing and sanitizing.

VOTE: The original motion passed unanimously.

MOTION: Council Member Bell made a motion extend the Safety Standards and Guidelines required of short-term rentals on the island. Council Member Streetman seconded the motion. The motion passed unanimously.

MOTION: Council Member Ward made a motion to allow restaurants to have outdoor seating directly outside the space of their establishment. Council Member Streetman seconded the motion. The motion passed unanimously.

MOTION: Council Member Ward made a motion to open parking on the oceanside of Palm Boulevard, continue restricting parking on the landside of Palm Boulevard, open parking to 100% capacity in the municipal lots, and open parking on the finger streets of 3rd-9th. Council Member Buckhannon seconded the motion.

Council Member Streetman noted the deep ruts on Palm Boulevard at 37th-39th avenues and suggested limiting parking there. He also asked if parking could be limited to one side of the finger streets.

Administrator Fragoso said they have not received confirmation from SCDOT as to when they will address that area on Palm Boulevard, but City staff has been addressing it all summer. She suggested not limiting parking in that area so that all areas can be fixed when the time comes.

Council members further discussed extending the exception allowing contractors to park along Palm Boulevard from 42nd to 57th avenues.

Council Member Smith offered a friendly amendment to allow for parking along the landside of Palm Boulevard from 42nd to 57th avenues. Council Member Ward and Council Member Buckhannon approved the friendly amendment.

Council members discussed the opening of the municipal lots to full capacity. Council Member Buckhannon noted that employees and patrons of local businesses are having difficulty finding places to park. Council members Moye and Pounds expressed concern about opening the lots to full capacity and creating an environment dense with people

MOTION: Council Member Moye made a motion to amend the motion to keep the parking capacity of the municipal lots at 50%. Council Member Bell seconded the motion.

After further discussion, Council members agreed to vote on each of these areas separately. Council Member Ward withdrew his original motion.

MOTION: Council Member Ward made a motion to allow parking on the oceanside of Palm Boulevard from 21st-40th avenues. Council Member Streetman seconded the motion. The motion passed unanimously.

MOTION: Council Member Streetman made a motion to prohibit parking on the finger streets of 3rd-9th avenues. Council Member Bell seconded the motion.

MOTION: Council Member Buckhannon made a motion to amend to allow for parking along one side of the finger streets of 3rd-9th avenues. Council Member Ward seconded the motion. The side of the street on which parking will be permitted is to be determined by the Police and Fire Departments.

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

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

Nays: Pounds, Bell

The motion passed 7-2.

MOTION: Council Member Smith made a motion to permit parking on the landside of Palm Boulevard from 42nd-57th avenues. Council Member Popson seconded the motion. A vote was taken as follows:

Ayes: Popson, Smith, Buckhannon, Ward, Carroll

Nays: Popson, Bell, Streetman, Moye

The motion failed due to the lack of a supermajority approval required for emergency ordinances.

MOTION: Council Member Ward made a motion to restrict parking along Hartnett Boulevard from 27th and 29th avenues for residential recreation department use only. Council Member Buckhannon seconded the motion. The motion passed unanimously.

MOTION: Council Member Buckhannon made a motion to open parking to 100% capacity in the municipal lots. Council Member Ward seconded the motion.

Council Member Buckhannon noted the number one complaint from local business owners is lack of parking for their patrons. Council Member Smith noted that opening these lots to full capacity does not increase the density of parking that much since some of the spaces in the small lot are taken by the trailers.

Mayor Carroll offered a friendly amendment to stop the paid parking at the parking meters at 6pm. Council Member Buckhannon seconded the motion. Council Member Moye stated that should be a separate issue to vote on. Mayor Carroll and Council Member Buckhannon withdrew the friendly amendment.

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

Ayes: Ward, Buckhannon, Smith, Popson, Streetman, Carroll

Nays: Moye, Bell, Pounds

The motion passed 6-3.

MOTION: Council Member Ward made a motion to amend the hours of payment enforcement at all metered parking spaces from 8am to 6pm through October 31, 2020. Council Member Pounds seconded the motion.

Administrator Fragoso said it may take up to a week to adjust the kiosks to reflect this change.

VOTE: The motion passed unanimously.

MOTION: Council Member Bell made a motion to restrict parking along the landside of Palm Boulevard from 42nd to 57th avenues except for properly identified construction workers, contractors, and members of the Turtle Team. Council Member Pounds seconded the motion. A vote was taken as follows:

Ayes: Pounds, Bell, Streetman, Moye

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

The motion failed.

MOTION: Council Member Moye made a motion to extend the City Administrator's authority to cancel and revoke special events permits for an additional 61 days. Council Member Bell seconded the motion. The motion passed unanimously.

MOTION: Council Member Buckhannon made a motion to allow outdoor music until 10:00pm. Council Member Ward seconded the motion. The motion passed unanimously.

MOTION: Council Member Moye made a motion to extend the State of Emergency, the City Administrator's authority to develop and enact any additional plans in order to ensure the continuity of the delivery of government services in light of the COVID-19 outbreak, and maintain 50% occupancy capacity of businesses for another 61 days. Council Member Streetman seconded the motion. The motion passed unanimously.

MOTION: Council Member Moye made a motion to extend Sections 2, 3, 4, 5, and 6 an additional 61 days. Council Member Pounds seconded the motion. The motion passed unanimously.

Administrator Fragoso said the amended emergency ordinance will go into effect Sunday, August 16, 2020.

3. Adjournment

Council Member Buckhannon made a motion to adjourn, and Council Member Smith seconded the motion. The meeting was adjourned at 11:26am.

Respectfully submitted,

Nicole DeNeane
City Clerk



Community Development Department Consolidated Planning Update

Citizens' Input Needed on Spending Millions of Dollars in Grant Money

Charleston County and the City of North Charleston receive federal funds from the U.S. Department of Housing and Urban Development (HUD).

- Every 5 years, Charleston County prepares a Consolidated Plan to identify and prioritize the community needs for improving **housing, community programs, homelessness services, and infrastructure (water/sewer, well/septic, sidewalks)**.
- Need public input to set quantifiable goals to invest future HUD funding to address the needs of low-to-moderate income individuals in Charleston County.

➡ Survey to Determine 5-Year Goals:

- The survey can be found here: <http://www.charlestoncounty.org/departments/community-development/survey>. You can also call (843) 202-6960 to request a paper survey. **Survey closes September 1, 2020.**
- This survey is one of many tools used to gather public opinion on how staff will use the community feedback along with research to provide HUD a detailed needs assessment. The survey contains 16 questions and should take about 7 - 9 minutes to complete.

➡ Request For Applications (RFA) for Year 1 of the NEW Consolidated Plan

- **APPLICATION RELEASE DATE:** November 2020 here - www.charlestoncounty.org/departments/community-development/
- Special attention and priority given to applicants that successfully align with priorities in the NEW Consolidated Plan (Priorities set by citizen feedback in survey and roundtables as discussed above)
- Priorities will be outlined in the RFA in November 2020

About the Department:

- Each year the County receives 3 types of Housing and Urban Development (HUD) funding:
 - Community Development Block Grant (CDBG) Program
 - Emergency Solutions Grant (HESG)
 - HOME Investment Partnership Program (HOME)
- Funding is intended for **low-to-moderate income individuals**
- New priorities will be set for next 5 years with public input, but priorities in recent years include:
 - Clean water (well/septic, water/sewer connections)
 - Affordable housing (to include new construction and rehabilitation of existing units)
 - Emergency home repairs
- Participating Jurisdictions for the HUD funding: Charleston County (Unincorporated Areas), City of Isle of Palms, City of North Charleston, Town of Awendaw, Town of Hollywood, Town of James Island, Town of Lincolnville, Town of McClellanville, Town of Meggett, Town of Mount Pleasant, Town of Ravenel, Town of Sullivan's Island

Resources:

- CARES Act Funding to help individuals affected by COVID-19: <https://www.charlestoncounty.org/news/2020/4424.pdf>
- Resource Directory: www.charlestoncounty.org/departments/community-development/files/ResourceDirectory.pdf
- Well/Septic/Connection Program Application: <https://www.charlestoncounty.org/departments/community-development/grants.php>
- Monthly Grant Alert (Email Carolyn Smalls at casmalls@charlestoncounty.org to be added)

Consent Agenda

All items on the consent agenda may be collectively approved by one vote without debate. Before the consent agenda is voted upon, any item included can be removed upon the request of any Councilmember. Any item removed from the consent agenda upon request will be handled separately in the same manner as an agenda item. Council will vote on the consent agenda as one item; passage of the consent agenda will be passage of each item included therein. Failure to pass the consent agenda will not defeat each item included therein, in such event, each item will be considered individually.

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

SECOND AGREEMENT EXTENSION

THIS SECOND CONTRACT EXTENSION AGREEMENT (“Agreement”) and AMENDMENT TO AGREEMENT (“Second Amendment”) is made and entered into this _____ day of August, 2020, by and between the City of Isle of Palms, S.C. (“City”) and Eadie’s Construction Company, Inc., a South Carolina corporation (“Contractor”).

WHEREAS, City and Contractor entered into a Contract for storm drainage maintenance services (“Contract”) dated July 28, 2010; and

WHEREAS, the parties entered into the first Contract Extension Agreement on June 10, 2015;

WHEREAS, City and Contractor desire to extend the Agreement a second time as hereinafter set forth.

THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereto agree to amend the Contract as follows:

1. That Section 4, “Initial Term; Renewals,” of the Agreement is hereby amended to extend the term of the Contract to include the period from July 1, 2020 to June 30, 2023. That the following sentence shall also be included: “Unless written notice of either party's desire to terminate the Agreement has been given to the other party prior to the expiration of the Agreement term, it shall automatically renew for an additional three (3) years.
2. That Section 1, (“Scope of Work”) of the Agreement is hereby amended to include a new Exhibit I (proposed maintenance plan dated July 24, 2020), a copy of which is attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, by and through the undersigned officers, as of the date stated above.

WITNESS:

The City of Isle of Palms, S.C.

By: _____
Title: _____

(as to City)

Eadie’s Construction

(as to Contractor)

By:_____

Title:_____

EXHIBIT I

DRAIN/VACUUM - WATER/SEWER

July 24, 2020

Desirée Fragoso
City Administrator
City of Isle of Palms, SC
1207 Palm Boulevard
Isle of Palms, SC 29451
Office: (843) 886 -6428
Cell: (843) 489 - 7327

RE: 3 Year Drainage Maintenance Plan

Proposal

1st Year

- Cut all ditches of **vegetation**, low hanging limbs, remove all debris
 - 23,871' of ditches to be maintained of vegetation and debris
 - Total Cost **\$66,000**
- Renovate **ditches**
 - Estimating 8940' of ditches.
 - Total Cost **\$57,000**
- Clean all **pipes**
 - Estimating 41 Boxes and 32 Pipes
 - Total Cost **\$55,804**

Project Totals:	<i>Vegetation</i>	<i>\$66,000</i>
	<i>Ditches</i>	<i>\$57,000</i>
	<i>Pipe</i>	<i>55,804</i>
	<i>Disposal</i>	<i>19,000</i>
	Total year 1	197,804

2nd Year

- Cut all ditches of **vegetation**, low hanging limbs, remove all debris
 - 23,871' of ditches to be maintained of vegetation and debris
 - Total Cost **\$66,000**
- Renovate **ditches**
 - Estimated 8526' of ditches.
 - Total Cost **\$55,000**
- Clean all **pipes**
 - Estimated 114 Boxes and 66 pipes
 - Total Cost **55,804**

DRAIN/VACUUM - WATER/SEWER

Project Totals:	<i>Vegetation</i>	<i>\$66,000</i>
	<i>Ditches</i>	<i>\$55,000</i>
	<i>Pipe</i>	<i>55,804</i>
	<i>Disposal</i>	<i>19,000</i>
	Total year 2	195,804

3rd Year

- Cut all ditches of **vegetation**, low hanging limbs, remove all debris
 - 23,871' of ditches to be maintained of vegetation and debris
 - Total Cost **\$66,000**
- Renovate **ditches**
 - Estimating 9025' of ditches
 - Total Cost **\$57,000**
- Clean all **pipes**
 - Estimated 87 boxes & 54 pipes
 - Total Cost **\$55,804**

Project Totals:	<i>Vegetation</i>	<i>\$66,000</i>
	<i>Ditches</i>	<i>\$57,864</i>
	<i>Pipe</i>	<i>55,804</i>
	<i>Disposal</i>	<i>19,000</i>
	Total year 3	198,668

Total amount for 3year maintenance plan beginning July 2020 **\$592,276.00**

**automatic renewal upon completion of 3year contract in July 2023, if all parties agree.*

NOTES:

- This agreement is only a tentative schedule, annually we will conduct a visual inspection for recommendations and review with officials to handle all concerns first.
- All Vegetation removal 2 times a year
- City of IOP will be responsible for road side pickup for vegetation.
- A fuel surcharge may apply if pricing exceeds \$2.95/per gallon.

Thank you for this opportunity to submit our proposal. We look forward to doing business with you.

Thank you, Dawn C. Eadie, Vice President

2020 Proposed Isle of Palms Ditch Restructuring Schedule

Year	Ditch Location	Approx Ft	Markers
1	Lauden St. Swale	100	Intersects w/ Chapman ave
1	Hartnett Blvd	150	Hse # 3007 btwn 30th & 31st running along hse to CB & behind hse to CB
1	41st Ave	3000	
1	45th Ave.	510	ending behind Sundial Cir beside bike path
1	Sanddollar Dr.	2000	off 41st Ave. & Live Oak dr including Wildwood dr
1	Forest Trail	180	ditch on Forest Trail beside hse # 264
1	34th Ave	3000	Behind Hse # 244
	Total Footage	8940	
2	Cross Lane	630	ditch on Cross Ln off Forest Trial across from hse #233
2	24th to 25th Ave	330	Btwn #18 & IOP Bap Ch
2	28th Ave	870	on Waterway Blvd across from 28th Ave
2	30th Ave.	2000	Swale @ Wills Way off 30th (Driveway Culvert)
2	31st Ave	150	Hse # 34 off 31st Ave
2	32nd Ave	3906	Ditch runs parallel w/32nd intersecting behind hse #32 & goes to Forest Trail
2	Off 29th Ave	200	#2908 off Hartnett
2	24th Ave.	200	Swales & ditches @ 24th & Harnett in front of IOP Bapt. Church
2	Swale Ditch @ end of 4th Ave.	60	By Hse #415
2	24th Ave to pipe @ bk of lot 17	180	Btwn #15-17
	Total Footage	8526	
3	30th Ave Swale	2000	Both sides of street
3	42nd & Wildwood Rd	150	Swale
3	21st Ave	250	Across from hse #19 & behind #18
3	2nd Ave	180	Btwn #126,128,&130
3	Forest Trail	570	Beside # 268 to 3603 Hartnett Blvd
3	Forest Trail	420	Beside Forest Trail Court
3	Hartnett & 28th	50	Swale
3	20th Ave	850	Across from Hse # 8
3	21st Ave	185	Across from hse #31 btwn #28 & 30
3	Swale @ 4th Ave & Palm	60	Front of Hse # 401
3	Swale @ 7th Ave & Palm	60	
3	25th to 26th Ave	330	Btwn # 16-18

2020 Proposed Isle of Palms Ditch Restructuring Schedule

Year	Ditch Location	Approx Ft	Markers
3	25th to 26th Ave	920	Hse #36 off 25th & intersect ditch running bwtm 25th & 26th
3	25th Ave	545	From Waterway Blvd to Intercoastal Waterway
3	27th Ave	1050	Beside hse #33 runs parallel behind hoses w/ 27th toward Palm
3	Swale @ 28th & Waterway Blvd	0	
3	Swale @ 29th Ave	250	on 29th runs parallel w/29th & ends @ opposite side the rd @ Lavden St.
3	Loaden St. Swale	400	Intersects w/ 30th Ave
3	30th Ave.	50	Swale @ Waterway Blvd. & 30th
3	Forest Trail	705	Beside # 253 cont'd from #268 (above)
	Total Footage	9025	

Vegetation Every year	
	1st Year
	2nd Year
	3rd Year

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
1	Merrit Road	Stormdrain Box
1	Merrit Road	Stormdrain Box
1	24th/Hartnett left-side	Pipe
1	29th Street & Lauden	Stormdrain Box #3
1	44th	Stormdrain Box #4
1	Palm Bwtn 41st & 42nd	Stormdrain Box #5
1	44th	Stormdrain Box #1
1	44th	Stormdrain Box #2
1	44th	Stormdrain Box #3
1	Dunes Blvd	Stormdrain Box #1
1	Palm between 31st & 32nd Streets	Stormdrain Box #1
1	Ocean Blvd	Stormdrain Box #15
1	Ocean Blvd	Stormdrain Box #16
1	Driftwood Lane	Stormdrain Box #2
1	28th Street & Palm	Stormdrain Box #3
1	28th Street & Palm	Stormdrain Box #4
1	28th Street & Palm	Stormdrain Box #5
1	Hartnett under Road	Pipe
1	Lauden Street	Pipe
1	30th Street	Stormdrain Box
1	25th Hartnett between Waterway	Stormdrain Box
1	Under Hartnett Street	Pipe
1	Dunes Blvd	Stormdrain Box #2
1	Waterway & 20th	Stormdrain Box #1
1	23rd Street	Stormdrain Box
1	Under 29th Street Right side	Pipe
1	29th Street & Lauden	Stormdrain Box #1
1	Palm Bwtn 41st & 42nd	Stormdrain Box #5
1	44th	Stormdrain Box #5
1	29th Street & Lauden	Stormdrain Box #2
1	31st Street & Waterway	Pipe
1	Palm Bwtn 41st & 42nd	Stormdrain Box #1
1	Palm Bwtn 41st & 42nd	Stormdrain Box #2
1	Palm & Wildwood	Stormdrain Box

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
1	Ocean Blvd	Stormdrain Box #4
1	Ocean Blvd	Stormdrain Box #13
1	25th Hartnett between Waterway	Stormdrain Box
1	27th Street	Stormdrain Box #1
1	Under 29th Street	Stormdrain Box
1	Palm between 31st & 32nd Streets	Stormdrain Box #2
1	42nd	Stormdrain Box #1
1	43rd	Stormdrain Box #4
1	Ocean Blvd dead end @ culdasac Hs#106	Stormdrain Box #1
1	Ocean Blvd	Stormdrain Box #14
1	24th left side	Stormdrain Box #3
1	Under Palm Street - Bwtn 25th & 26th	Pipe
1	43rd	Stormdrain Box #8
2	Waterway & 20th	Stormdrain Box #2
2	22nd after Hartnett	Stormdrain Box
2	Under Palm Street - Bwtn 25th & 26th	Stormdrain Box
2	Under Palm Street-Left side -Bwtn 25th & 26th	Stormdrain Box
2	25th before Waterway	Pipe
2	28th Street & Palm Right Side	Pipe
2	28th Street & Palm Left Side	Pipe
2	Skinner & Chapman	Stormdrain Box #1
2	Palm Bwtn 41st & 42nd	Stormdrain Box #3
2	Palm Bwtn 41st & 42nd	Stormdrain Box #4
2	43rd	Stormdrain Box #1
2	43rd	Stormdrain Box #6
2	43rd	Stormdrain Box #7
2	Ocean Blvd	Stormdrain Box #7
2	Ocean Blvd	Stormdrain Box #12
2	Palm-Under walkway - Bwtn 25th & 26th	Pipe
2	Under Forest Trail	Pipe
2	43rd	Stormdrain Box #3
2	Palm & Wildwood	Stormdrain Box
2	Carolina Palm & Palm	Stormdrain Box
2	Carolina Palm & Palm	Stormdrain Box

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
2	4th & Merritt	Stormdrain Box
2	4th & Merritt	Stormdrain Box
2	Ocean Blvd	Stormdrain Box #6
2	Ocean Blvd	Stormdrain Box #9
2	Ocean Blvd	Stormdrain Box #12
2	Ocean Blvd	Stormdrain Box #13
2	Ocean Blvd	Stormdrain Box #5
2	Ocean Blvd	Stormdrain Box #6
2	Ocean Blvd	Stormdrain Box #8
2	Ocean Blvd	Stormdrain Box #9
2	Ocean Blvd	Stormdrain Box #10
2	20th Avenue	Stormdrain Box #3
2	21st Street	Stormdrain Box #1
2	22nd after Hartnett	Stormdrain Box #5
2	Under Palm Street-Left side -Bwtn 25th & 26th	Stormdrain Box
2	Under road Hartnett St.	Stormdrain Box #4
2	Under road Hartnett St.	Stormdrain Box #6
2	28th Street & Palm	Stormdrain Box #6
2	Hartnett & 35th toward 37th	Stormdrain Box #4
2	42nd	Stormdrain Box #3
2	42nd	Stormdrain Box #6
2	43rd	Stormdrain Box #2
2	43rd	Stormdrain Box #5
2	2nd Avenue across from the #130	Manhole
2	2nd Avenue	Manhole
2	Charleston Avenue from 2nd Ave.	Stormdrain Box #1
2	Charleston Avenue	Stormdrain Box #4
2	Charleston Avenue	Stormdrain Box #5
2	Charleston Avenue	Stormdrain Box #8
2	Charleston Avenue	Stormdrain Box #9
2	Palm	Stormdrain Box
2	Palm	Stormdrain Box
2	Palm	Stormdrain Box
2	Palm Blvd front of Boat House Rest	Stormdrain Box

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
2	Palm Blvd front of Boat House Rest	Stormdrain Box
2	Palm Blvd front of Carroll Realty	Stormdrain Box
2	Palm Blvd across from Chas. Ave	Stormdrain Box
2	Palm Blvd across from Chas. Ave	Stormdrain Box
2	Palm Blvd across from Chas. Ave	Stormdrain Box
2	Palm Blvd btwn Carolina & Chas Ave	Stormdrain Box
2	Palm Blvd btwn Carolina & Chas Ave	Stormdrain Box
2	Palm Blvd btwn Carolina & Chas Ave	Stormdrain Box
2	Palm Blvd btwn Carolina & Chas Ave	Stormdrain Box
2	Ocean Blvd	Stormdrain Box #3
2	Ocean Blvd	Stormdrain Box #7
2	Ocean Blvd	Stormdrain Box #10
2	Behind the Store	Stormdrain Box
2	10th & Ocean Blvd	Stormdrain Box #1
2	Ocean Blvd	Stormdrain Box #2
2	Ocean Blvd	Stormdrain Box #3
2	Ocean Blvd	Stormdrain Box #4
2	Ocean Blvd	Stormdrain Box #11
2	20th Avenue	Stormdrain Box #2
2	Myrtle Road	Stormdrain Box #1
2	Myrtle Road	Stormdrain Box #2
2	Myrtle Road	Stormdrain Box #3
2	21st Street	Stormdrain Box #2
2	21st Street	Stormdrain Box #8
2	22nd after Hartnett	Stormdrain Box #1
2	22nd after Hartnett	Stormdrain Box #2
2	22nd after Hartnett	Stormdrain Box #3
2	22nd after Hartnett	Stormdrain Box #6
2	22nd after Hartnett	Stormdrain Box #7
2	23rd Street	Stormdrain Box
2	24th right side	Stormdrain Box #2
2	Under Palm Street - Bwtn 25th & 26th	Stormdrain Box
2	Under road Hartnett St.	Stormdrain Box #7
2	28th Street & Palm	Pipe

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
2	Left side of 30th Street	Stormdrain Box
2	Right side 30th & Allie Court	Stormdrain Box
2	30th & Allie Court	Stormdrain Box
2	30th & Allie Court	Stormdrain Box
2	30th & Waterway Right side	Stormdrain Box
2	Allie Court	Stormdrain Box
2	Allie Court	Stormdrain Box
2	Palm between 31st & 32nd Streets	Stormdrain Box #3
2	Palm between 31st & 32nd Streets rt.	Stormdrain Box #5
2	Palm between 31st & 32nd Streets rt	Stormdrain Box #6
2	Palm between 31st & 32nd Streets Lft	Stormdrain Box #7
2	Palm between 31st & 32nd Streets	Stormdrain Box #8
2	Hartnett Blvd before 34th	Stormdrain Box
2	Forest Trail Driveway	Stormdrain Box #1
2	Forest Trail Driveway	Stormdrain Box #3
2	Cross Lane	Stormdrain Box
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #2
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #3
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #4
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #5
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #6
2	From Waterway toward Forest Trail - Sparrow Left Side	Stormdrain Box #7
2	From Waterway toward Forest Trail - Sparrow Right Side	Stormdrain Box #8
2	From Waterway toward Forest Trail - Sparrow Right Side	Stormdrain Box #10
2	Hartnett & 35th toward 37th	Stormdrain Box #1
2	Hartnett & 35th toward 37th	Stormdrain Box #2
2	Hartnett & 35th toward 37th	Stormdrain Box #3
2	Hartnett & 35th toward 37th	Stormdrain Box #5
2	Hartnett & 37th	Stormdrain Box #1
2	Hartnett & 37th	Stormdrain Box #2
2	41st & Palm	Stormdrain Box #1
2	41st & Palm	Stormdrain Box #5
2	41st & Palm	Stormdrain Box #6
2	Right Side 41st & Palm	Stormdrain Box #7

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
2	Right Side 41st & Palm	Stormdrain Box #8
2	Right Side 41st & Palm	Stormdrain Box #9
2	Right Side 41st & Palm	Stormdrain Box #10
2	Right Side 41st & Palm	Stormdrain Box #11
2	42nd	Stormdrain Box #2
2	42nd	Stormdrain Box #4
2	42nd	Stormdrain Box #5
3	2nd Avenue	Drop Box
3	2nd Avenue & Palm	Manhole
3	2nd Avenue in front of house #1	Manhole
3	2nd Avenue & Carolina	Drop Box
3	2nd Avenue behind house 201	Manhole
3	2nd Avenue behind house 201	Manhole
3	2nd Avenue	Manhole
3	Charleston Avenue	Stormdrain Box #2
3	Charleston Avenue	Stormdrain Box #3
3	Charleston Avenue	Stormdrain Box #6
3	Charleston Avenue	Stormdrain Box #7
3	Carolina Palm & Palm	Stormdrain Box
3	Ocean Blvd	Stormdrain Box #2
3	Ocean Blvd	Stormdrain Box #5
3	Ocean Blvd	Stormdrain Box #8
3	Ocean Blvd	Stormdrain Box #11
3	Tenth Street	Stormdrain Box
3	Palm	Stormdrain Box
3	13th Street	Stormdrain Box
3	14th Street	Stormdrain Box #1
3	14th Street	Stormdrain Box #2
3	14th Street	Stormdrain Box #3
3	14th Street	Stormdrain Box #4
3	In front of the store	Stormdrain Box #5
3	20th Avenue	Stormdrain Box #1
3	Waterway & 20th	Pipe
3	21st Street	Stormdrain Box #3

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
3	21st Street	Stormdrain Box #4
3	21st Street-Across from house 31	Stormdrain Box #5
3	21st Street	Stormdrain Box #6
3	21st Street	Stormdrain Box #7
3	22nd after Hartnett	Stormdrain Box #4
3	22nd after Hartnett	Stormdrain Box #8
3	23rd Street	Stormdrain Box
3	23rd Street/Waterway	Stormdrain Box
3	24th Left side	Stormdrain Box #1
3	24th Left side	Stormdrain Box #4
3	24th Left side	Stormdrain Box #5
3	24th Left side	Stormdrain Box #6
3	25th Street	Stormdrain Box
3	23rd/Palm/Hartnett	Pipe
3	23rd/Hartnett	Pipe
3	23rd/Hartnett	Stormdrain Box
3	24th/Hartnett right-side	Pipe
3	24th/Hartnett right-side	Stormdrain Box
3	Palm/25th Street/Lot 170	Pipe
3	Palm/25th Street/Lot 115	Stormdrain Box
3	Under Palm Street - Bwtn 25th & 26th	Stormdrain Box
3	Under Palm Street-Right side -Bwtn 25th & 26th	Stormdrain Box
3	Under Palm Street-Right side -Bwtn 25th & 26th	Stormdrain Box
3	Under Palm Street-Right side -Bwtn 25th & 26th	Stormdrain Box
3	Tabby Lane	Stormdrain Box
3	Tabby Lane	Stormdrain Box
3	26th Street	Pipe
3	27th Street	Pipe
3	27th Street	Stormdrain Box #2
3	Under Hartnett Street	Stormdrain Box #1
3	Under Hartnett Street	Stormdrain Box #2

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
3	Under road Hartnett St.	Stormdrain Box #3
3	Under road Hartnett St.	Stormdrain Box #5
3	Under road Hartnett St.	Stormdrain Box # 8
3	Under road Hartnett St.	Stormdrain Box 9
3	Concrete cover	?
3	Under waterway	Pipe
3	Under 27th street	Pipe
3	Driftwood Lane	Stormdrain Box #1
3	28th Street & Palm	Stormdrain Box #1
3	28th Street & Palm	Stormdrain Box #2
3	28th Street & Palm	Stormdrain Box #7
3	28th Street & Palm	Stormdrain Box #8
3	Under 29th Street	Pipe
3	Under Skinner	Pipe
3	Skinner & Chapman	Stormdrain Box #2
3	Skinner & Chapman	Stormdrain Box #3
3	Skinner & Chapman	Stormdrain Box #4
3	Skinner & Chapman	Stormdrain Box #5
3	Skinner & Chapman	Stormdrain Box #6
3	Lauden Street	Pipe
3	30th Street	Stormdrain Box
3	30th & Lauden	Stormdrain Box
3	30th & Lauden	Stormdrain Box
3	30th & Waterway Left side	Stormdrain Box
3	Willis Court	Stormdrain Box
3	Willis Court	Stormdrain Box
3	Allie Court	Stormdrain Box
3	Allie Court Waterway	Stormdrain Box
3	Allie Court Waterway	Stormdrain Box
3	31st Street & Waterway Left side	Pipe
3	31st Street & Waerway Right side	Pipe
3	Palm between 31st & 32nd Streets	Stormdrain Box #4
3	Palm-31st & 32nd street behind houses	Stormdrain Box
3	Palm-31st & 32nd street behind houses	Stormdrain Box

2020 Proposed Isle Of Palms Storm Box & Pipe Cleaning Schedule

Year	Reference	Item inspected
3	Palm-31st & 32nd street behind houses	Stormdrain Box
3	32nd Street	Stormdrain Box
3	Forest Trail Driveway	Stormdrain Box #2
3	Timber Lane	Stormdrain Box
3	Timber Lane	Stormdrain Box
3	Under Waterway Blvd	Pipe
3	Under Waterway Blvd	Pipe
3	Under Waterway Blvd	Pipe
3	From waterway toward Forest Trail - Sparrow Right Side	Stormdrain Box #1
3	From waterway toward Forest Trail - Sparrow Right Side	Stormdrain Box #9
3	From waterway toward Forest Trail - Sparrow Right Side	Stormdrain Box #11
3	Marginal Rd	Stormdrain Box
3	41st & Palm	Stormdrain Box #2
3	41st & Palm	Stormdrain Box #3
3	41st & Palm	Stormdrain Box #4

1st year
2nd year
3rd year

Flood Glass Vs. Flood Barriers

Flood Barriers

- **Must Be Deployed** – possibility of no personnel, no time
- **Theft** – one missing part = system is not effective
- **Storage Required** – occupies valuable retail / etc. footage
- **Personnel** – training, certifications, yearly deployment, stoppages
- **Initial Cost** – footing labor & install + flood barrier + storefront
- **Long Term Cost** – maintenance storage, yearly training, deployment

Flood Glass

- **No: Install, Theft, Storage, Personnel**
- **Initial Cost**
 - Higher initial cost of storefront
 - Only glass within the DFE needs to be flood glass
- **Long Term Cost - None**

Flood Doors

- Offer utility and great aesthetics
- Many practical applications
- Hybrid laminated technology



Flood Doors Cont.

Categories



Hollow Metal



Aluminum Store Front



High Performance



Sliding

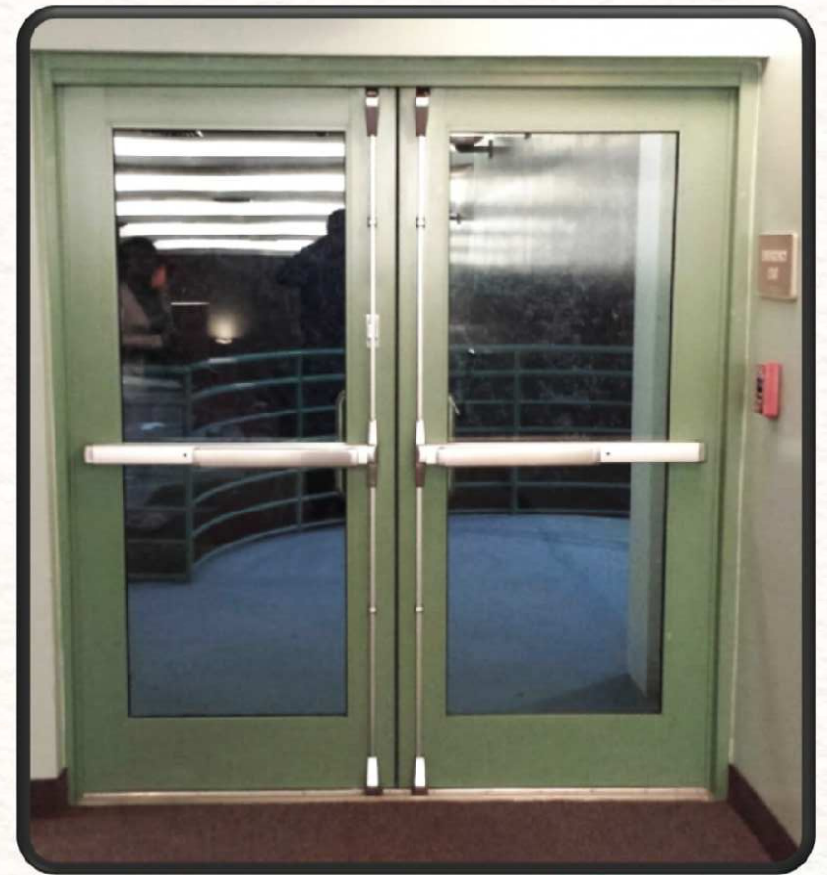
Vault



Pier 6 Brooklyn, NY

Aluminum & Glass Door Offer Utility & Aesthetics

- Flood doors are used when practical
- Glass flood doors are a hybrid laminated product
- Extra heavy, much stronger than ordinary doors



Flood Door Engineering Tests



Figure 1: Water in test chamber, 60" depth



Figure 2: Rear side of door with 60" water depth



Figure 3: Water leakage through pinhole at rear of chamber



Figure 4: Water leakage through pinhole in caulk at front of chamber



Figure 5: Water depth after 1 hour



Figure 6: Water depth dropped 1/4" after 1 hour

Testing of Doors Compliments Floodwall Systems

- Specify tested customized aluminum doors
- Doors are tuned up with the hinge and weather seals
- Doors are waterproofed to 60 in. water depth

NOTE

- Glass flood barriers cannot absorb 'Wave Action Pressures' that are required in the VE Zone and Coastal AE Zone and for exceptional deep water in Zone AE, and perhaps Zone X
- Check with your supplier to see if their system qualifies



Permanent In-Place Panels + Gates

Overview

Large panels needing heavy construction and reinforcement are ready to be swung closed and protect the openings

Suited for high-water protection needs





Isle of Palms Public Service Building Renovation
Added Seismic Bracing for Existing Sprinklers

Description: Detailed Estimate							Date: 8/5/2020
Item #	Work Description:	Vendor Name:	Mat. Cost:	Labor Cost:	Equip Cost:	Sub Cost:	Total Cost:
1	Added Seismic Bracing	VSC				15537.00	15537.00
2	Cut & Patch Drywall where needed for access	TCC				5000.00	5000.00
3							
4							
Direct Cost Total			-	-	-	20537.00	20537.00
						0.00	
Total Value of Item			-	-	-	20537.00	20537.00

**Carolina Powersports LLC**

1502 HWY 9 BYP West
Lancaster, SC 29720
(866) 725-4399

Bill of Sale

Sales Person: James Jackson

Deal # 2589

Date: 08/05/2020

Buyer: Forsythe, Robert
Catawba Tribe, SC (Lancaster) 29720 -
rforsythe@iop.net
(P) 8432565661

Stock#	Year	Make	Model	VIN	Condition	Color	Price
	2020	Polaris	Ranger 1000 EPS		New	Sage Green	\$11,601.00
Total Unit(s) Price:							\$11,601.00

Requested Parts & Accessories:

Part #	Part Description	Qty	Total Sale Amount
2879332	12MM LUG NUT KIT (16) WITH WREN	1.000	\$31.71
2880268	K-BLADE 66 ,G-PRO	1.000	\$323.74
2881348	K-WH/TR,SHACKLE/ATTACK,BLK	1.000	\$997.49
2881533	K-TOOLBAR,TTN	1.000	\$91.87
2882711	K-WINCH,4500 PRO,ZS	1.000	\$715.86
2882911	K-ACCY ROOF POLY,SPORT,ZS	1.000	\$288.74
2882927	K-PLOW FRAME,GHD, FS	1.000	\$411.24
2883266	K-ACCY,WNDSLD,VTD PLT,ZS	1.000	\$473.78
			\$3,334.43

Invoice Summary

Total Unit(s) Price:	\$11,601.00
Total Freight:	\$250.00
Total Set-Up:	\$150.00
Total Other:	\$0.00
Total F&I:	\$0.00
Total Parts:	\$3,334.43
Total Service:	\$0.00
Sales Tax:	\$1,226.84
Doc Fees:	\$199.00
Other Fees:	\$0.00
Total Sale Price:	\$16,761.27
Trade-In Allowance:	\$0.00
Trade-In Payoff:	\$0.00
Trade-In Value:	\$0.00
Cash Back:	\$0.00
Payments:	\$0.00
Balance Due:	\$16,761.27

3571 W. Montague Ave.
North Charleston, SC 29418

Charleston
**POWER
SPORTS**
& Marine

(843) 552-7900

EZGO **SUZUKI** **SEA-DOO** **Kawasaki** **YAMAHA** **can-am** **WATSON**

DESCRIPTION OF PURCHASE

NEW USED	YEAR	MAKE	MODEL	COLOR	DATE	SALESPERSON	STOCK#
	2020	POLARIS	R20RRE99AA		08/05/2020	William Hutchinson	P006545
VEHICLE IDENTIFICATION				KEY	CITY OF ISLE OF PALMS REC. DEPT.		
4XARRE993L8006545				MILES	PURCHASER(S)		
				COLOR	STREET		
					24 28TH AVE		
VEHICLE IDENTIFICATION				KEY	CITY, STATE, ZIP		
					ISLE OF PALMS, SC 29451		
				MILES	HOME PHONE		BUSINESS PHONE
					843.810.1071		
NEW USED				YEAR	MAKE	DRIVER LICENSE (A)	
VEHICLE IDENTIFICATION				KEY	DRIVER LICENSE (B)		

SETTLEMENT

NOTICE
PURCHASER AGREES TO DELIVER SATISFACTORY EVIDENCE OF TITLE TO ANY USED MOTOR VEHICLE TRADED IN PART OF THE CONSIDERATION FOR THE MOTOR VEHICLE ORDERED HERE UNDER AT THE TIME OF DELIVERY OF SUCH USED MOTOR VEHICLE TO DEALER. PURCHASER WARRANTS ANY SUCH USED MOTOR VEHICLE TO BE HIS OR HER PROPERTY FREE AND CLEAR OF ALL LIENS AND ALL ENCUMBRANCES EXCEPT AS OTHERWISE NOTED HEREIN.

DESCRIPTION OF TRADE(S)

YEAR	MAKE	MODEL	CLASS	MILEAGE
COLOR	VIN NO.			
YEAR	MAKE	MODEL	CLASS	MILEAGE
COLOR	VIN NO.			

PAY OFF INFORMATION

LENDER	PHONE
ADDRESS	CITY
AMOUNT \$	GOOD THROUGH / / QUOTED BY
DATE / /	ACCOUNT NO.

COMMENTS:

FREIGHT & DESTINATION CHARGES SEE ADDENDUM 5	\$12,999.00
ACCESSORIES	\$389.00
ASSEMBLY & PREPARATION SEE ADDENDUM 5	\$4,314.23
SERVICE CONTRACT	\$245.00
GAP	\$0.00
LOJACK/FIN	\$0.00
TIRE & WHEEL	\$0.00
PRE-PAID MAINTENANCE	\$0.00
ADMINISTRATIVE FEES SEE ADDENDUM 5	\$199.00
TRADE ALLOWANCE	\$0.00
PAYOFF ON TRADE	\$0.00
GIFT CARDS	\$0.00
SUBTOTAL	\$18,146.23
TAX <input checked="" type="checkbox"/> / IMF <input type="checkbox"/>	\$1,244.88
TOTAL DUE	\$19,391.11
DOWN PAYMENT	\$0.00
CASH ON DELIVERY	\$19,391.11

PLEASE NOTE:

TOTAL PRICE INCLUDES ANY ADVERTISED DISCOUNT/REBATE

Lienholder: none

Address:

Amount: \$19,391.11

Date: 08/05/2020

by accessories sold with this unit are covered by their respective manufacturers warranty and are not warranted by any other party.
Purchaser agrees that this order, including all the terms on both the face and the Addendum to Buyers Order attached hereto, and any retail investment sales contract reflecting the above transaction cancels and supercedes any prior agreement of contract and comprise the complete and exclusive statement of the terms of this transaction. Purchaser further agrees that THIS ORDER SHALL NOT BECOME BINDING UNTIL ACCEPTED BY DEALER OR HIS AUTHORIZED REPRESENTATIVE AND FURTHERMORE (IF EVENT BANK OR RETAIL FINANCING IS INVOLVED, THIS ORDER SHALL NOT BE BINDING UNTIL THE RETAIL INSTALLMENT SALES CONTRACT SIGNED BY PURCHASER HAS BEEN APPROVED AND DEALER HAS BEEN PAID BY SAID BANK OR FINANCE COMPANY) ACCORDING TO THE TERMS AND CONDITIONS OF THE ATTACHED ADDENDUM TO THE BUYERS ORDER AND AGREE TO IT AS PART OF THIS ORDER THE SAME AS IF IT WAS PRINTED ABOVE MY SIGNATURE AND IT COMPRISES THE ENTIRE AGREEMENT.

ACCEPTED BY _____
Date or the Authorized Representative

DATE _____
INITIALS

CASH OR CASHIERS CHECK ONLY

(A) BUYER(S) SIGNATURE _____

(B) BUYER(S) SIGNATURE _____

Do not sign until you receive a bill

Isle of Palms Police

From: Robert Forsythe (rforsythe@iop.net)

To: jenispolaris@yahoo.com

Cc: kcomett@iop.net

Date: Wednesday, August 5, 2020, 04:23 PM EDT

REQUEST INFO

Submitted Date: Wednesday, August 05, 2020

Questions/Comments: <https://ranger.polaris.com/en-us/ranger-1000-spa-sage-green/build?itm=437b433b-7cea-425e-bb7e-51be402c51b8>

VEHICLE INFO

Model Selected: (R20TAE99A1)

Additional Accessories:

2879332 12MM LUG NUT KIT (16) WITH WRE
 2880268 K-BLADE 66 G-PRO
 2881348 K-WH/TR SHACKLE/ATTACK BLK
 2881533 K-TOOLBAR TTN
 2882711 K-WINCH 4500 PRO ZS
 2882911 K-ACCY ROOF POLY SPORT ZS
 2882927 K-PLOW FRAME GHD FS
 2883266 K-ACCY WNDSLD VTD PLT ZS

$$\begin{array}{r}
 13999 \\
 - 1000 \\
 \hline
 \text{Unit} = 12999 \\
 \text{Parts} = 4306.82 \\
 \hline
 17305.82 \\
 \text{Tax} = 1384.47 \\
 \hline
 \$ 18690.29
 \end{array}$$

Thank you,

Detective Robert Forsythe

Isle of Palms Police Department

30 J.C. Long Blvd

Isle of Palms SC 29451

(O)843-886-6522

(C)843-303-4483

(F)843-886-8527

RForsythe@iop.net

Warning All email correspondence to and from this address may be subject to public disclosure under the South Carolina Freedom of Information Act (FOIA)

Emailed @ 520pm

8/5/20 ✓

Item Number	Qty	Description	Qty Available	Estimated Ship Origin	Estimated In Stock Available Date	MSRP	Est MSRP
2879332	1	12MM LUG NUT KIT (16) WITH WRENCH	1	SD(1)		\$34.99	\$34.99
2880768	1	K-BLADE 66.0-PRO ITEM IS EXCLUDED FROM SHIPPING AIR DUE TO WEIGHT AND/OR SIZE. ITEM WILL DEFAULT TO TRUCK FREIGHT ON ALL ORDERS REGARDLESS OF FREIGHT METHOD SELECTED.	1	OH(1)		\$369.99	\$369.99
2881348	1	K-WH/TR,SHACKLE/ATTACK,BLK	0		Currently unavailable, status will be updated within 48 hours once order is placed	\$1,139.99	\$1,139.99
2881533	1	K-TOOLBAR,TTN ITEM IS EXCLUDED FROM SHIPPING AIR FREIGHT WHEN SELECTING A POLARIS FREE PAID OPTION. DEALER PAID FREIGHT ORDERS WILL SHIP BY FREIGHT METHOD SELECTED.	1	SD(1)		\$209.99	\$209.99
2882711	1	K-WINCH,4500 PRO,ZS ITEM IS EXCLUDED FROM SHIPPING AIR FREIGHT WHEN SELECTING A POLARIS FREE PAID OPTION. DEALER PAID FREIGHT ORDERS WILL SHIP BY FREIGHT METHOD SELECTED.	1	SD(1)		\$649.99	\$649.99
2882911	2	K-ACCY ROOF POLY.SPORT,ZS Item was advanced to minimum order quantity ITEM IS EXCLUDED FROM SHIPPING AIR FREIGHT WHEN SELECTING A POLARIS FREE PAID OPTION. DEALER PAID FREIGHT ORDERS WILL SHIP BY FREIGHT METHOD SELECTED.	0		08/25/2020	\$329.99	\$659.98
2882927	1	K-LOW FRAME,GHD,FS ITEM IS EXCLUDED FROM SHIPPING AIR DUE TO WEIGHT AND/OR SIZE. ITEM WILL DEFAULT TO TRUCK FREIGHT ON ALL ORDERS REGARDLESS OF FREIGHT METHOD SELECTED.	1	OH(1)		\$469.99	\$469.99
2883266	1	K-ACCY,WINDSLD,VTD PLT,ZS ITEM IS EXCLUDED FROM SHIPPING AIR FREIGHT WHEN SELECTING A POLARIS FREE PAID OPTION. DEALER PAID FREIGHT ORDERS WILL SHIP BY FREIGHT METHOD SELECTED.	0		09/04/2020	\$569.99	\$569.99

4306.82



Ways & Means Committee Meeting
6:00pm, Tuesday, August 18, 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, Asst. Administrator Hanna, Treasurer Suggs, various City Department heads

2. Approval of previous meeting's minutes – July 21, 2020

Council Member Moye made a motion to approve the minutes and Council Member Streetman seconded the motion. The motion passed unanimously by consent.

3. Citizen's Comments

James Smiley, 16 44th Avenue, wrote expressing concern about the City Council "rubber stamp" approving the CARTA budget and encouraged them not to do so.

Celest O'Brien, Mt. Pleasant, requested that City Council not approve any changes to the parking on the Isle of Palms.

4. Financial Statements – Treasurer Suggs

Treasurer Suggs reviewed the financial reports with Committee members. The statements are not yet audited, but it appears that for the year ending June 30, 2020, the City received \$17M in revenues and spent \$16M. There is a deficit of \$1.5M in expected revenues from the budget, \$1M of which is directly related to COVID. There was also \$6M less in planned spending, but much of that is deferred until FY21. The spending deficit helped create a \$800,000 positive net result, and City Council will need to decide where to direct that.

She briefly reviewed the July financial statement, noting there are three payrolls in the month.

The City currently has \$20M in cash, \$7.5M of which is restricted. Tourism revenues for FY20 ended the year 17% below 2018. The City's FY21 budget assumes a 25% reduction in tourism revenues.

Treasurer Suggs then reviewed the project worksheets. There were large expenditures for the Public Safety Building Rehabilitation project, but the project still remains on budget and ahead

of schedule. The only expenditures for the Phase III Drainage project were related to engineering and design. A new project worksheet for the Marina Dock Rehabilitation project was introduced to the Committee with the only expenses reflecting design, engineering, and permitting.

5. **Old Business** – none

6. **New Business**

A. **Consideration of distribution of FY20 positive net result**

MOTION: Council Member Ward made a motion to distribute the positive net result 65% to Capital Projects, 25% to the General Fund, and 10% to the Disaster Recovery Fund. Council Member Bell seconded the motion.

Council Member Smith asked if less monies could be directed to the Disaster Recovery Fund since most monies spent by the City during a disaster are reimbursed by the Federal government. Council Member Ward noted that these monies can be redirected at any time. Mayor Carroll pointed out that the staff has done a great job of putting money aside so that the City could pay for the Public Safety Rehabilitation project without borrowing. Council Member Pounds noted that the City ended the fiscal year with a positive net after it had projected a \$100,000 deficit.

VOTE: The motion passed unanimously.

B. **Discussion of City of Isle of Palms sources of revenue**

Council Member Pounds gave a brief review of the City's sources of revenue.

C. **Consideration of the proposed FY21 CARTA budget**

Andrea Kozloski, Deputy Director of Operations and Support of the BCDCOG, shared the ways in which CARTA has continued to protect and serve the public during the pandemic. She updated City Council on the status of the ride share project discussed last year. She reported the vans are in place for implementation in 2021, but they are still struggling to find open parking spaces in Mt. Pleasant to support the effort. She did note that the project has taken a long time to bring together due to issues with funding and funding partners.

Treasurer Suggs noted that the \$275,000 contribution from the City of Isle of Palms is not actually from the City's budget but comes from the Transportation Sales Tax and is based on a calculation "guesstimate of the money going to CARTA that was generated by sales on the Isle of Palms."

Committee members expressed concern that Isle of Palms is not receiving value related to the monies CARTA receives on their behalf. Committee members encouraged neighboring communities to provide locations for the ride share programs to help alleviate the traffic and parking congestion.

VOTE: The motion failed unanimously.

D. Consideration of three (3) year extension of Eadie's contract for island-wide drainage and ditch maintenance [FY21 Budget, Hospitality Tax Fund, Public Works, Drainage, \$198,288, p. 21, ln. 35]

MOTION: Council Member Popson made a motion to approve, and Council Member Moye seconded the motion.

Administrator Fragoso reviewed the history of the City's contract with Eadie's Construction. Staff has been pleased with their work and recommends this three-year contract extension. She added that the original and existing contracts have an extension provision. Committee members and Asst. Director Asero noted they do excellent work and there has been much improvement in the drainage as a result of their efforts.

VOTE: The motion passed unanimously.

E. Consideration of recommendation from the Public Safety Committee to implement paid parking on the beach parking areas on Palm Boulevard, 3rd through 9th Avenues, and Breach Inlet parking lot between March 1st and October 31st from 9:00am to 6:00pm

MOTION: Council Member Streetman made a motion to approve, and Council Member Bell seconded the motion.

Committee members discussed the dates and times of paid parking enforcement. Council Member Moye asked if it is possible to implement an incremental approach to these parking changes while encouraging neighboring communities to contribute to the effort.

MOTION: Council Member Moye made a motion to amend the parking recommendation to allow for paid parking to be implemented on holidays and weekends only during the stated dates and hours. Council Member Smith seconded the motion.

Council Member Pounds said they could pull back from full implementation if needed. Council Member Smith said she supports the idea of involvement from the larger community. She also would like to review the daily and hourly parking rates so as to not price people out of coming to the beach. She also asked for estimates of revenue loss and income projections for a variety of situations as they relate to parking.

After further discussion, Council members Moye and Smith withdrew their motion to amend, and Council members Streetman and Bell withdrew their motion to approve. Staff will gather the requested information and the consideration of Public Safety's parking recommendation will be discussed at next week's City Council meeting.

F. Consideration of a change order not to exceed \$30,000 for the purchase and installation of a flood resistant door for the Public Safety Building [FY21 Budget, Public Safety Building Rehabilitation Project, City Contingency 15% available = \$788,424]

MOTION: Council Member Buckhannon made a motion to approve, and Council Member Popson seconded the motion.

Administrator Fragoso explained the need for the panels on the front doors as the Public Safety Building acts as the Emergency Operations Center during a hurricane event. The panels will be embedded in the front doors only, thereby allowing use of the door system during a Category 3 or lesser storm.

VOTE: The motion passed unanimously.

G. Report of approved change order in the amount of \$20,537 for required seismic bracing on existing sprinkler system at the Public Safety Building [FY21 Budget, Public Safety Building Rehabilitation Project, City Contingency 15% available = \$788,424]

MOTION: Council Member Moye made a motion to approve, and Council Member Bell seconded the motion.

Administrator Fragoso pointed out this need was discovered during the rehabilitation process and it is required. She said she approved the expenditure so as to not delay the work schedule but is looking for the Committee's approval.

VOTE: The motion passed unanimously.

H. Consideration of the purchase of beach patrol vehicle (ATV) with plow attachment in an amount not to exceed \$20,000 [FY21 Budget, Hospitality Tax Fund, Police Department, Capital Outlay, \$20,000, pg. 21, ln. 21]

MOTION: Council Member Buckhannon made a motion to approve, and Council Member Streetman seconded the motion.

Administrator Fragoso noted the purchase is included in the budget and all quotes are included in the meeting packet. Chief Cornett explained the use for the multiuse vehicle of monitoring the beach and filling in holes as needed. He also pointed out that the purchase will come in under budget.

VOTE: The motion passed unanimously.

I. Discussion of the 30% of State Accommodations Tax Revenue required for tourism promotion and advertisement currently managed by the Charleston Visitors Bureau [FY21 Budget, State ATAX, Tourism Promotion, \$448,713, pg. 23, ln. 7]

Committee members discussed whether or not the City receives the expected value from the tourism monies currently managed by the Charleston Visitors Bureau. Council Member Moye stated that the City has not been included in any discussions about what they would like to see achieved with that money. Committee members agreed it would be better if the City had more say in how to best use that money to promote the Isle of Palms.

Staff will present to City Council next week options for the use of those monies within the confines of State law.

J. Consideration of recommendation from the Planning Commission for the use of the City's tree fund to improve and beautify areas adjacent to any docks that may be designated for use by the residents of the IOP Marina

Director Kerr shared that the Planning Commission was enthusiastic about coming up with ideas on how best to use the Tree Fund monies to beautify the City. He said they would be open to the idea of annually offering suggestions to the City Council for the use of the money in that fund. They would like those monies to be used to beautify the marina.

MOTION: Council Member Smith made a motion to use \$100,000 of the Tree Fund towards the beautification of the marina. Mayor Carroll seconded the motion.

Committee members discussed the need for a beautification plan at the marina before any monies are allocated. Council Member Smith withdrew her motion until a plan has been developed. Mayor Carroll withdrew his second to the motion.

K. Discussion and consideration of marina restaurant lease proposal from the IOP Families Investment Group

Administrator Fragoso said that the Committee will be discussing the draft lease agreement developed by Haynesworth Sinkler and Boyd during Executive Session.

7. Miscellaneous Business

The next meeting of the Ways & Means Committee will be Tuesday, September 15, 2020 at 6:00pm.

8. Executive Session

MOTION: Council Member Bell made a motion to go into Executive Session in accordance with §30-4-70 of the Freedom of Information Act for discussion of contractual negotiations related to the marina restaurant lease proposal and to receive legal advice. Council Member Buckhannon seconded the motion. The motion passed unanimously.

The Ways & Means Committee moved into Executive Session at 8:15pm.

The Ways & Means Committee returned from Executive Session at 8:47. Council Member Pounds said no decisions were made.

9. Adjournment

Council Member Moye made a motion to adjourn and Council Member Bell seconded the motion. The meeting was adjourned at 8:47pm.

Respectfully submitted,

Nicole DeNeane
City Clerk



PAID BEACH PARKING

CITY OF ISLE OF PALMS, SOUTH CAROLINA

MISSION OF THE MANAGED BEACH PARKING PLAN

The mission of the Managed Beach Parking initiative is to regulate parking on state-controlled, SCDOT, rights-of-way within the residential areas of the City that are severely impacted by nonresident parking.

Managing parking mitigates impacts caused by adjacent beach and commercial uses. The implementation of ordinances and programs, modeled after the cities of Charleston and Columbia, enables safe, orderly beach parking in reasonable proximity to public beach accesses in compliance with the City's Local Comprehensive Beach Management Plan, while at the same time accomplishing the following purposes:

- Reduce hazardous traffic conditions;
- Ensure safe access for police, fire, and other emergency response vehicles responding to emergencies;
- Protect residential areas from polluted air, excessive noise, litter and refuse caused by the entry of vehicles;
- Protect the residents of such areas from unreasonable burdens in gaining access to their residences;
- Preserve the character of such areas as residential districts;
- Promote efficiency in the maintenance of residential streets in a clean and safe condition;
- Preserve the value of the property in such areas; and
- Preserve the safety of children, other pedestrians and traffic, as well as the peace, good order, comfort, convenience and welfare of the inhabitants of the City.

OPERATING EXPENSES OF PARKING MANAGEMENT

Description	ACTUAL FY18	ACTUAL FY19	BUDGET FY20	BUDGET FY21	NOTES
OPERATING EXPENSES					
BEACH SERVICE OFFICER WAGES	81,781	93,912	111,500	90,440	Regular and OT
BEACH SERVICE OFFICER FRINGES	11,344	12,610	14,489	11,747	FICA and Workers Comp
PRINT AND OFFICE SUPPLIES	15,021	17,071	20,800	20,800	Supplies for kiosks & ticketing devices (\$6,000), residential parking decals/hangtags/booklets (\$9,000), enforcement supplies (\$5,000), parking lot annual passes (\$800). Repl kiosk covers in FY21 and FY24 (\$3,500)
BANK SERVICE CHARGES	26,582	35,248	30,000	30,000	Processing fees paid for parking kiosk credit card transactions.
ELECTRIC AND GAS	-	-	-	-	Landscape lighting in Front Beach area
TELEPHONE/CABLE	5,122	5,058	5,736	5,736	Estimated monthly Chas County radio fee and Internet service for 12 BSO enforcement tablets.
WATER AND SEWER	-	-	-	-	Irrigation
NON-CAPITAL TOOLS & EQUIPMENT	5,395	2,120	3,000	3,000	Provision for surveillance camera replacements if needed
MAINT & SERVICE CONTRACTS	19,348	15,377	16,500	16,500	Surveillance camera maint (\$1.5k), tablet/printer maint (\$5k), kiosk internet svc & data downlds (\$10k), monthly radio fee (\$30*12*10=\$3.6k)
MACHINE/EQUIPMENT REPAIR	11,832	2,120	14,000	14,000	Annual Parkeon maintenance contract for 18 kiosks
UNIFORMS	4,432	3,764	5,000	5,000	BSO uniforms
STREET SIGNS	1,813	1,397	5,000	5,000	Replace beach and/or parking signs as needed
INSURANCE	1,477	1,167	1,600	1,600	Property & liability coverage on parking kiosks
PROFESSIONAL SERVICES	32,063	31,358	35,000	35,000	Includes all T2 Parking Enforcement program fees, including residential parking permit mgt (\$33,500) + armored car service for kiosk collections (\$1500)
MISCELLANEOUS	188	8,284	7,500	7,500	Provision for unanticipated costs.
SUBTOTAL OPERATING EXPENSES	216,398	229,486	270,125	246,323	

CAPITAL COSTS

	Purchase Cost	Estimated Years of Useful Life	Annual Cost
18 PARKING KIOSKS	214,943	8	26,868
RADIOS (\$7200 each)	72,000	8	9,000
COMPUTER TABLETS (\$900 each)	9,000	3	3,000
4 LOW SPEED VEHICLES	54,488	7	7,784
1 2016 PICKUP TRUCK	27,611	7	3,944
1 2012 PICKUP TRUCK	19,824	7	2,832
1 ATV (FY21 budgeted cost)	20,000	5	4,000
TOTAL ESTIMATED CAPITAL	417,866		57,428

ESTIMATED ANNUAL COST OF PARKING MANAGEMENT

\$ 303,751

POLICE AND FIRE CALLS FOR SERVICE 2019

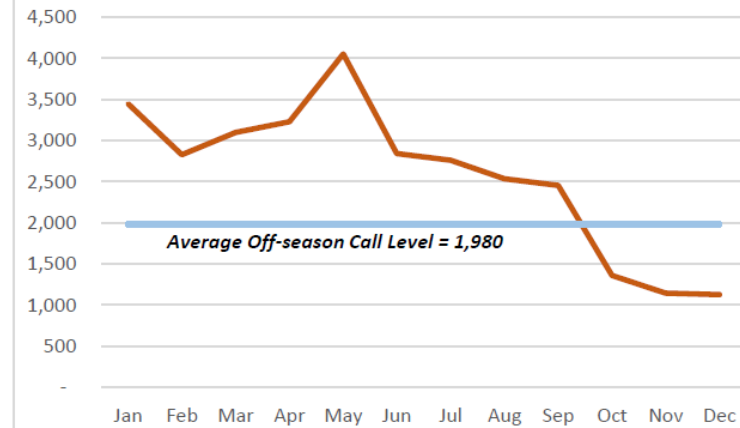
Month	# of Calls
Jan	3,449
Feb	2,827
Mar	3,098
Apr	3,231
May	4,054
Jun	2,842
Jul	2,762
Aug	2,534
Sep	2,453
Oct	1,357
Nov	1,142
Dec	1,125
Total	30,874

POLICE DEPARTMENT

# of Months	Calls	Average Calls Per Month
-------------	-------	-------------------------

Off-season	5	9,900	1,980
In-season	7	20,974	2,996
	12	30,874	

2019 IOP Police Dept Calls for Service



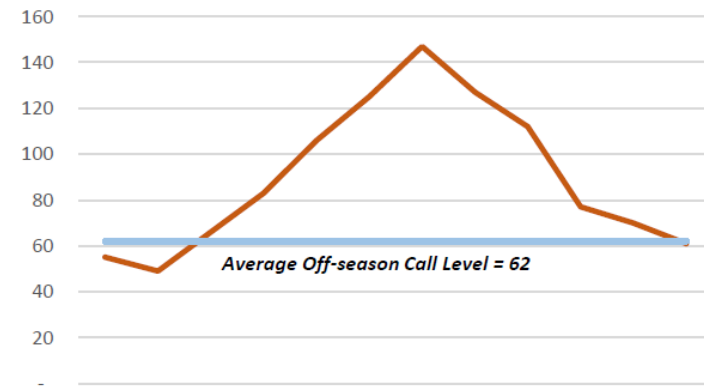
Month	# of Calls
Jan	55
Feb	49
Mar	66
Apr	83
May	106
Jun	125
Jul	147
Aug	127
Sep	112
Oct	77
Nov	70
Dec	61

FIRE DEPARTMENT

# of Months	Calls	Average Calls Per Month
-------------	-------	-------------------------

Off-season	5	312	62
In-season	7	766	109
	12	1,078	

2019 IOP Fire Dept Calls for Service



PAID RIGHT-OF-WAY BEACH PARKING

EXISTING RIGHT-OF-WAY BEACH PARKING ZONES



- Both sides of Palm Boulevard between 21st and 40th Avenue +/- 357 spaces
- Landside of Palm Boulevard between 41st and 57th Avenue +/- 134 spaces
- Sections of 3rd through 9th Avenue +/- 61 spaces

- Breach Inlet parking lot? +/- 20 spaces
- Right of way on Hartnett, 27th and 28th adjacent to the Recreation Center?
- Right-of way adjacent to the Post Office lot?



OTHER AREAS TO CONSIDER

ENFORCEMENT HOURS



TODAY

Residential District:

Year-Round, 9am – 6pm

Front Beach Parking:

May 1st through October 31st

8am – 8pm



THINGS TO CONSIDER

Seasonal or Year-Round?

City could consider continuing to enforce the Residential District parking restrictions year-round from 9am – 6pm

&

Enforce all paid parking areas, including the right-of-way beach parking zones, from

March 1st – October 31st

9am – 6pm

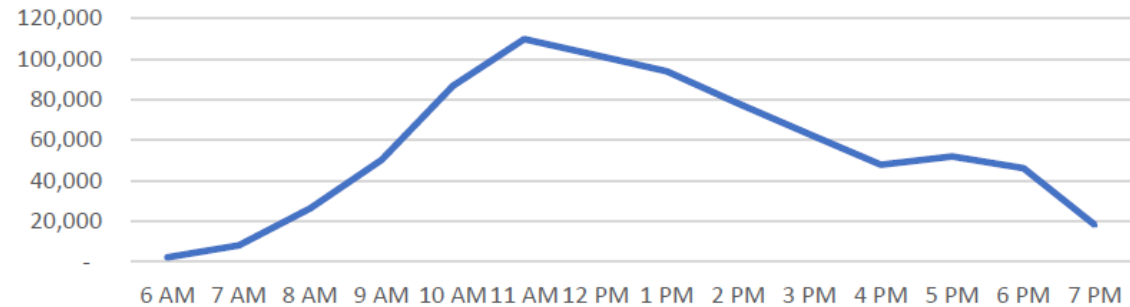
IMPACT OF CHANGING FRONT BEACH ENFORCEMENT HOURS

Calendar Year 2019 Credit Card Transactions

<u>Time</u>	<u>Dollar Amount</u>
6 AM	2,204
7 AM	8,150
8 AM	26,263
9 AM	50,194
10 AM	86,626
11 AM	109,758
12 PM	101,791
1 PM	93,834
2 PM	78,001
3 PM	62,861
4 PM	47,867
5 PM	51,844
6 PM	46,086
7 PM	18,181
Grand Total	783,660

Sum of Amount

Timing of Credit Card Parking Fee Payments for Calendar Year 2019



Hours Minutes Time

Dollars collected prior to 9am	36,617
Dollars collected after 6pm	18,181
Total	54,798
% of All Fees Collected	7%

Estimate revenue loss if Front Beach parking enforcement period is changed from 8am - 8pm to 9am - 6pm

Total FY19 Parking Revenue	932,511
	7%
Estimated parking revenue lost	65,276

PARKING RATES

On-street metered parking on Ocean Boulevard between 10th and 14th Avenue: **\$2.50 per hour**

Municipal Parking Lots on Pavilion Drive:

\$10 Monday – Friday

\$15 Saturday, Sunday & Holidays

\$2 per hour after 4pm

Right-of-Way Beach Parking:

Daily, hourly or both?

Seasonal passes for non-residents?



PARKING RATE COMPARISON

Location	Hourly Rate	Enforcement Hours	Seasonal/Year Round
Folly Beach, SC	\$2	Monday – Sunday 8am – 10pm	Year Round
Surfside Beach, SC	\$2	Monday – Sunday 7am – 7pm	Seasonal
Myrtle Beach, SC	\$2	Monday – Sunday 9am – 12am	Seasonal
North Myrtle Beach, SC	\$2	Monday – Sunday 9am – 5pm	Seasonal
Wrightsville Beach, NC	\$3	Monday – Sunday 9am – 8pm	Seasonal
Carolina Beach, NC	\$2.50	Monday – Sunday 8am – 10pm	Seasonal

PAYMENT SYSTEM

Front Beach Parking:

Pay by App & Kiosks

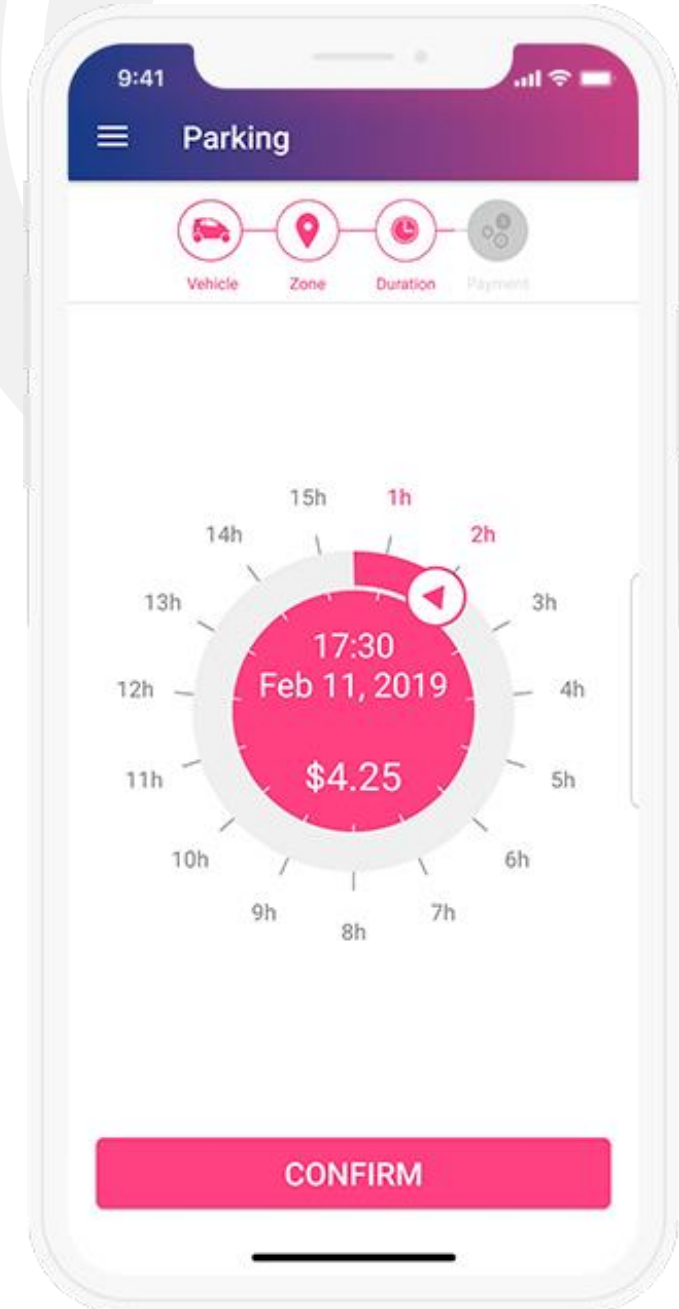
Right-of-Way Beach Parking:

Pay by App Only

Mobile Payment Application:

Flowbird

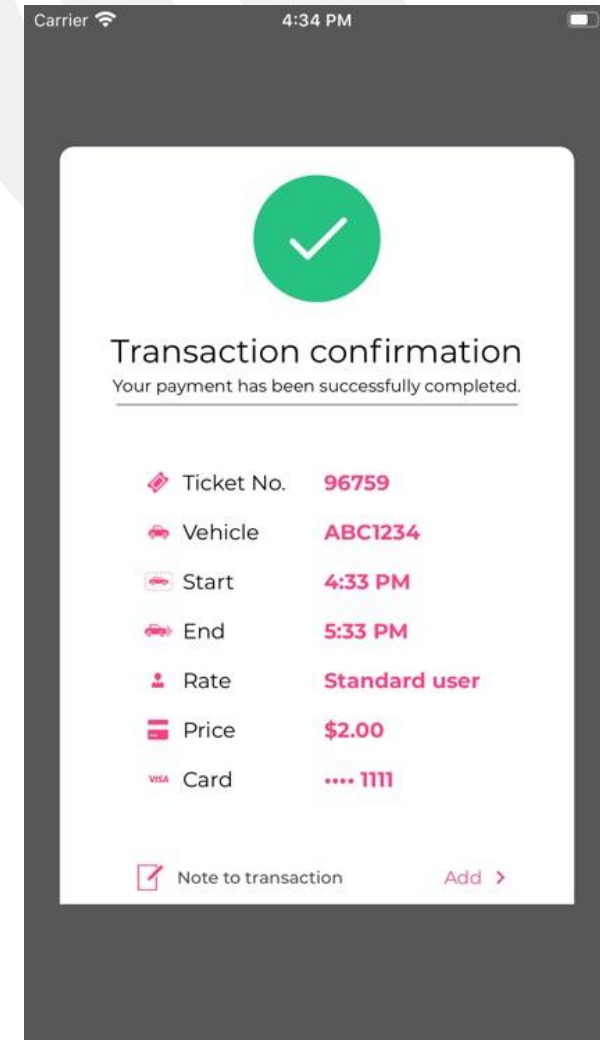
flowbird.



PAY BY APP FEATURES

- No need for kiosks
- Citizens can download the app from Google Play or the App store or by using the QR code in the signage
- Parker enters the zone number, license plate, and identify the time length for their parking session
- Four ways to pay: Mobile app, Mobile web, IVR (telephone) and SMS (text)
- The app provides time expiration reminders and the ability to extend time/payment directly from the phone. The app will soon provide real time parking availability – it will take data from the payment and Flowbird to predict where people may find available parking.

flowbird.



ENFORCEMENT

- Police Department responsible for enforcement
- 10 Beach Services Officers enforce parking violations by zones
- FY21 proposed budget includes \$100K for the purchase of 2 License Plate Readers and 2 additional tablets and printers for tickets
- Replace existing “Beach Parking” signs with “Beach Parking Pay to Park ”
- Flowbird provides additional signage at no cost



RESIDENTIAL PARKING DECAL

City issues annual residential parking decals and daily visitor passes to residents and property owners by showing proof of residency and ownership.

Vehicles and golf carts with a valid residential parking decal may park along the public right-of-way in the Residential and Beach Parking areas during the times when parking is regulated at no extra cost.



SCDOT APPROVAL PROCESS

SCDOT stated they will approve paid parking system in the road right-of-way as long as there is proper pay-to-park signage, there is no more than a 2" drop off from the edge of the road to the shoulder and the City assumes maintenance responsibility of the shoulders, not including existing drainage infrastructure.

Fees must be reasonable and be used to cover the cost of managing the parking plan and maintenance of the shoulders.

City needs to submit an encroachment permit modification request and letter assuming maintenance responsibility of the shoulders. Two-week approval process.



NEXT STEPS



COUNCIL DIRECTION



Locations for implementation



Days and times of enforcement



Parking rates



Responsibility for shoulder of the road maintenance

City of Isle of Palms

Summary of Beach Visitor Support Costs

Description	ACTUAL FY18	ACTUAL FY19	UNAUDITED FY20	BUDGET FY21
PARKING MANAGEMENT				
BEACH SERVICE OFFICER WAGES	81,781	93,912	71,008	90,440
BEACH SERVICE OFFICER FRINGES	11,344	12,610	9,905	11,747
OTHER OPERATING	123,273	122,964	117,558	144,136
AVERAGE ANNUAL CAPITAL COSTS	53,033	53,033	53,033	53,033
SUBTOTAL PARKING MGT	269,431	282,519	251,505	299,356
BEACH CLEANUP*				
EST TOURIST RELATED PORTION (69%)	60,694	60,095	61,952	71,070
PUBLIC RESTROOMS				
UTILITIES	9,962	10,134	10,719	12,700
MAINTENANCE	10,644	10,648	10,153	27,580
INSURANCE	10,659	13,439	6,235	14,500
ATTENDANT/CLEANING	55,158	69,620	61,223	60,000
CAPITAL OUTLAY	392,574	57,410	-	-
	478,997	161,251	88,330	114,780
TOTAL	809,122	503,865	401,788	485,206

* Beach trash cleanup contract provides for approximately 168 trash/litter cleanup runs a year with 1 run per week from Oct-Feb. Assume 116 runs per year (168-52) are tourist related (69%).

City of Isle of Palms

Estimated Revenue From New Paid Parking

	BREACH INLET	3RD - 9TH AVENUES	21st - 40th PALM BLVD OCEAN SIDE	21st - 40th PALM BLVD LAND SIDE	42nd - 57th PALM BLVD LAND SIDE	TOTAL	REMOVE 21st - 40th PALM BLVD LAND SIDE	TOTAL WITHOUT PARKING ON LAND SIDE OF PALM 21ST- 40TH
Available Spaces	10	61	178	178	134	561	(178)	383
Week Days (Mar 1-Oct 31)	175	175	175	175	175			
Weekend Days (Mar 1 - Oct 31)	70	70	70	70	70			
Daily Hours of Paid Parking (9am -6pm)	9	9	9	9	9			
Hourly Rate	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50			
Estimated Utilization - Weekdays*	10%	10%	10%	10%	10%			
Estimated Utilization - Weekends*	30%	30%	30%	30%	30%			
Estimated Weekday Revenue	\$ 3,938	\$ 24,019	\$ 70,088	\$ 70,088	\$ 52,763	\$ 220,894	\$ (70,088)	\$ 150,806
Estimated Weekend Revenue	\$ 4,725	\$ 28,823	\$ 84,105	\$ 84,105	\$ 63,315	\$ 265,073	\$ (84,105)	\$ 180,968
Estimated Full Week/7 Day Revenue	\$ 8,663	\$ 52,841	\$ 154,193	\$ 154,193	\$ 116,078	\$ 485,966	\$ (154,193)	\$ 331,774

POSSIBLE OPTIONS:

7 days/week, all areas including land side of Palm	\$ 485,966
7 Days/week, all areas except land side of Palm from 21st to 40th	\$ 331,774
Weekends only, all areas except land side of Palm from 21st to 40th	\$ 180,968

* Utilization percentages were estimated conservatively to recognize the many unknowns of the first year of implementation. Also parking activity fluctuates early and late in the season and early and late in the day.

South Carolina Code of Laws

Unannotated

Title 6 - Local Government - Provisions Applicable to Special Purpose Districts and Other Political Subdivisions

CHAPTER 4

Allocation of Accommodations Tax Revenues

SECTION 6-4-5. Definitions.

As used in this chapter:

(1) "County area" means a county and municipalities within the geographical boundaries of the county.

(2) "Cultural", as it applies to members of advisory committees in Section 6-4-25, means persons actively involved and familiar with the cultural community of the area including, but not limited to, the arts, historical preservation, museums, and festivals.

(3) "Hospitality", as it applies to members of the committees in item (2), means persons directly involved in the service segment of the travel and tourism industry including, but not limited to, businesses that primarily serve visitors such as lodging facilities, restaurants, attractions, recreational amenities, transportation facilities and services, and travel information and promotion entities.

(4) "Travel" and "tourism" mean the action and activities of people taking trips outside their home communities for any purpose, except daily commuting to and from work.

HISTORY: 1991 Act No. 147, Section 1; 2001 Act No. 74, Section 2; 2002 Act No. 312, Section 2.

SECTION 6-4-10. Allocation to general fund; special fund for tourism; management and use of special fund.

The funds received by a municipality or a county in county areas collecting more than fifty thousand dollars from the local accommodations tax provided in Section 12-36-2630(3) must be allocated in the following manner:

(1) The first twenty-five thousand dollars must be allocated to the general fund of the municipality or county and is exempt from all other requirements of this chapter.

(2) Five percent of the balance must be allocated to the general fund of the municipality or county and is exempt from all other requirements of this chapter.

(3) Thirty percent of the balance must be allocated to a special fund and used only for advertising and promotion of tourism to develop and increase tourist attendance through the generation of publicity. To manage and direct the expenditure of these tourism promotion funds, the municipality or county shall select one or more organizations, such as a chamber of commerce, visitor and convention bureau, or regional tourism commission, which has an existing, ongoing tourist promotion program. If no organization exists, the municipality or county shall create an organization with the same membership standard in Section 6-4-25. To be eligible for selection the organization must be organized as a nonprofit organization and shall demonstrate to the municipality or county that it has an existing, ongoing tourism promotion program or that it can develop an effective tourism promotion program. Immediately upon an allocation to the special fund, a municipality or county shall distribute the tourism promotion funds to the organizations selected or created to receive them. Before the beginning of each fiscal year, an organization receiving funds from the accommodations tax from a municipality or county shall submit for approval a budget of planned expenditures. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the municipality or county which distributed them. Fees allocated pursuant to this subsection must not be used to pledge as security for bonds and to retire bonds. Also, fees allocated pursuant to this subsection must be allocated to a special fund and used only for advertising and promotion of tourism to develop and increase tourist attendance through the generation of publicity, and not used to pledge as security for bonds and to retire bonds.

(4)(a) The remaining balance plus earned interest received by a municipality or county must be allocated to a special fund and used for tourism-related expenditures. This section does not prohibit a municipality or county from using accommodations tax general fund revenues for tourism-related expenditures.

(b) The funds received by a county or municipality which has a high concentration of tourism activity may be used to provide additional county and municipal services including, but not limited to, law enforcement, traffic control, public facilities, and highway and street maintenance, as well as the continual promotion of tourism. The funds must not be used as an additional source of revenue to provide services normally provided by the county or municipality but to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county or municipality to attract and provide for tourists.

"Tourism-related expenditures" include:

(i) advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;

(ii) promotion of the arts and cultural events;

(iii) construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities

for the facilities;

(iv) the criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;

(v) public facilities such as restrooms, dressing rooms, parks, and parking lots;

(vi) tourist shuttle transportation;

(vii) control and repair of waterfront erosion, including beach renourishment;

(viii) operating visitor information centers.

(c)(i) Allocations to the special fund must be spent by the municipality or county within two years of receipt. However, the time limit may be extended upon the recommendation of the local governing body of the county or municipality and approval of the oversight committee established pursuant to Section 6-4-35. An extension must include provisions that funds be committed for a specific project or program.

(ii) Notwithstanding the provisions of subsubitem (i), upon a two-thirds affirmative vote of the membership of the appropriate local governing body, a county or municipality may carry forward unexpended allocations to the special fund beyond two years provided that the county or municipality commits use of the funds exclusively to the control and repair of waterfront erosion, including beach renourishment. The county or municipality annually shall notify the oversight committee, established pursuant to Section 6-4-35, of the basic activity of the committed funds, including beginning balance, deposits, expenditures, and ending balance.

(d) In the expenditure of these funds, counties and municipalities are required to promote tourism and make tourism-related expenditures primarily in the geographical areas of the county or municipality in which the proceeds of the tax are collected where it is practical.

HISTORY: 1990 Act No. 612, Part II, Section 74B; 1991 Act No. 147, Section 1; 2010 Act No. 284, Section 2, eff upon approval (became law without the Governor's signature on June 28, 2010); 2014 Act No. 184 (S.294), Sections 1, 2, eff June 2, 2014.

Effect of Amendment

The 2010 amendment, in item (3), inserted "only" preceding "for advertising" in the first sentence and added the last two sentences.

2014 Act No. 184, Section 1, in subsection (4)(b), changed the paragraph designators from arabic to roman numbers"; and in subsection (4)(b)(vii), inserted ", including beach renourishment".

2014 Act No. 184, Section 2, rewrote subsection (4)(c).

SECTION 6-4-15. Use of revenues to finance bonds.

A municipality or county may issue bonds, enter into other financial obligations, or create reserves to secure obligations to finance all or a portion of the cost of constructing facilities for civic activities, the arts, and cultural events which fulfill the purpose of this chapter. The annual debt service of indebtedness incurred to finance the facilities or lease payments for the use of the facilities may be provided from the funds received by a municipality or county from the accommodations tax in an amount not to exceed the amount received by the municipality or county after deduction of the accommodations tax funds dedicated to the general fund and the advertising and promotion fund. However, none of the revenue received by a municipality or county from the accommodations tax may be used to retire outstanding bonded indebtedness unless accommodations tax revenue was obligated for that purpose when the debt was incurred.

HISTORY: 1991 Act No. 147, Section 1.

SECTION 6-4-20. Administration account established; State Treasurer's duties; distribution of account revenues; exceptions to tourism spending mandate.

(A) An accommodations tax account is created to be administered by the State Treasurer.

(B) At the end of each fiscal year and before August first a percentage, to be determined by the State Treasurer, must be withheld from those county areas collecting four hundred thousand dollars or more from that amount which exceeds four hundred thousand dollars from the tax authorized by Section 12-36-2630(3), and that amount must be distributed to assure that each county area receives a minimum of fifty thousand dollars. The amount withheld from those county areas collecting four hundred thousand dollars or more must be apportioned among the municipalities and the county in the same proportion as those units received quarterly remittances in Section 12-36-2630(3). If the total statewide collections from the local accommodations tax exceeds the statewide collections for the preceding fiscal year then this fifty thousand dollar figure must be increased by a percentage equal to seventy-five percent of the statewide percentage increase in statewide collections for the preceding fiscal year. The difference between the fifty thousand dollars minimum and the actual collections within a county area must be distributed to the eligible units within the county area based on population as determined by the most recent United States census.

(C) At the end of each fiscal year and before August first, the State Treasurer shall distribute to each county area collecting more than fifty thousand dollars but less than four hundred thousand dollars an additional fifteen thousand dollars. If the total statewide collections from the local accommodations tax exceed the statewide

collections for the preceding fiscal year, this fifteen thousand dollar figure must be increased by a percentage equal to seventy-five percent of the statewide percentage increase in statewide collections for the preceding fiscal year. This amount must be distributed in the same manner as the fifty thousand dollars in subsection (B). The amount paid those qualified county areas under this subsection must be paid from the account created under this section.

(D) The amount withheld in excess must be distributed to the county areas whose collections exceed four hundred thousand dollars based on the ratio of the funds available to the collections by each county area.

(E) The accommodations tax funds received by a municipality or county in county areas collecting fifty thousand dollars or less are not subject to the tourism-related provisions of this chapter.

(F) Two percent of the local accommodations tax levied pursuant to Section 12-36-2630(3) must be remitted quarterly and equally to the eleven agencies designated by law and regional organizations to administer multi-county tourism programs in the state tourism regions as identified in the promotional publications of the South Carolina Department of Parks, Recreation and Tourism. This remittance is in addition to other funds that may be allocated to the agencies by local governments.

(G) The State Treasurer may correct misallocations to counties and municipalities from accommodations tax revenues by adjusting subsequent allocations, but these adjustments may be made only in allocations made in the same fiscal year as the misallocation.

HISTORY: 1990 Act No. 612, Part II, Section 74B; 1991 Act No. 147, Section 1; 1991 Act No. 168, Section 2.

Code Commissioner's Note

1991 Act No. 168, Section 2, originally amended this section by adding item "(5)." By direction of the Code Commissioner, the added text was redesignated as subsection "(G)" to conform to the designations in the earlier amendment of this section by 1991 Act No. 147, Section 1.

SECTION 6-4-25. Advisory Committee; guidelines for expenditures; annual reports; reports to Accommodations Tax Oversight Committee.

(A) A municipality or county receiving more than fifty thousand dollars in revenue from the accommodations tax in county areas collecting more than fifty thousand dollars shall appoint an advisory committee to make recommendations on the expenditure of revenue generated from the accommodations tax. The advisory committee consists of seven members with a majority being selected from the hospitality industry of the municipality or county receiving the revenue. At least two of the hospitality industry

members must be from the lodging industry where applicable. One member shall represent the cultural organizations of the municipality or county receiving the revenue. For county advisory committees, members shall represent the geographic area where the majority of the revenue is derived. However, if a county which receives more in distributions of accommodations taxes than it collects in accommodations taxes, the membership of its advisory committee must be representative of all areas of the county with a majority of the membership coming from no one area.

(B) A municipality or county and its advisory committee shall adopt guidelines to fit the needs and time schedules of the area. The guidelines must include the requirements for applications for funds from the special fund used for tourism-related expenditures. A recipient's application must be reviewed by an advisory committee before it receives funds from a county or municipality.

(C) Advisory committees shall submit written recommendations to a municipality or county at least once annually. The recommendations must be considered by the municipality or county in conjunction with the requirements of this chapter.

(D) Municipalities and counties annually shall submit to the South Carolina Accommodations Tax Oversight Committee:

(1) end-of-the-year report detailing advisory committee accommodations tax recommendations;

(2) municipality's or county's action following the recommendations;

(3) list of how funds from the accommodations tax are spent, except for the first twenty-five thousand dollars and five percent of the balance in Section 6-4-10(2) allocated to the general fund. The list is due before October first and must include funds received and dispersed during the previous fiscal year;

(4) list of advisory committee members noting the chairman, business address if applicable, and representation of the hospitality industry including the lodging industry and cultural interests.

(E) The regional tourism agencies in Section 6-4-20 annually shall submit reports on their budgets and annual expenditure of accommodations tax funds pursuant to this chapter to the Accommodations Tax Oversight Committee.

HISTORY: 1991 Act No. 147, Section 1; 2002 Act No. 312, Section 3.

SECTION 6-4-30. Repealed by 2003 Act No. 69, Section 3.MM, eff June 18, 2003.

Editor's Note

Former section was entitled "Department of Revenue's duties regarding

accommodations taxes" and was derived from 1991 Act No. 147, Section 1; 1997 Act No. 87, Section 1; 2001 Act No. 74, Section 3.B.

SECTION 6-4-35. Tourism Expenditure Review Committee.

(A) There is established the Tourism Expenditure Review Committee consisting of eleven members as follows:

- (1) one member appointed by the Speaker of the House;
- (2) one member appointed by the President of the Senate;
- (3) the Director of the South Carolina Department of Parks, Recreation and Tourism, or his designee, ex officio;
- (4) eight members appointed by the Governor as follows:
 - (a) one member on the recommendation of the South Carolina Association of Tourism Regions;
 - (b) one member on the recommendation of the South Carolina Association of Convention and Visitors Bureaus;
 - (c) one member on the recommendation of the South Carolina Travel and Tourism Coalition;
 - (d) one member on the recommendation of the Municipal Association of South Carolina;
 - (e) one member on the recommendation of the South Carolina Association of Counties;
 - (f) one member on the recommendation of the Hospitality Association of South Carolina;
 - (g) one member on the recommendation of the South Carolina Arts Commission; and
 - (h) one member at large.

Appointed members shall serve for terms of four years and until their successors are appointed and qualify, except that of those first appointed by the Governor, four shall serve for a term of two years and the term must be noted on the appointment. Regardless of the date of appointment, all terms expire July first of the applicable year. Members shall serve without compensation but may receive the mileage, subsistence, and per diem allowed by law for members of state boards, committees, and commissions. Vacancies must be filled in the manner of original appointment for the unexpired portion of the term.

(B)(1)(a) The Tourism Expenditure Review Committee shall serve as the oversight

authority on all questionable tourism-related expenditures and to that end, all reports filed pursuant to Section 6-4-25(D)(3) must be forwarded to the committee for review to determine if they are in compliance with this chapter. The municipality or county must be notified if an expenditure is questioned, and the committee may consider any further supporting information the municipality or county may provide. If the committee finds an expenditure to be in noncompliance, it shall certify the noncompliance to the State Treasurer, who shall withhold the amount of the expenditure found in noncompliance from subsequent distributions in accommodations tax revenue otherwise due the municipality or county. An appeal from an action of the committee under this subitem lies with the Administrative Law Judge Division.

(b) If the committee determines that a municipality or county has failed to file the reports required pursuant to Section 6-4-25(D)(3), it may impose a fee of five hundred dollars a month or part of a month for each month the report is not filed, but not more than five thousand dollars. The committee shall certify the penalty to the State Treasurer, who shall withhold the amount of the penalty from subsequent distributions otherwise due the municipality or county. An appeal from an action of the committee under this subitem lies with the Administrative Law Judge Division.

(c) Allocations withheld must be reallocated proportionately to all other recipients.

(2) The committee has jurisdiction to investigate and research facts on written complaints submitted to it with regard to the appropriate tourism-related expenditures and resolve these complaints as provided in item (1) of this subsection.

(3) The committee shall forward copies of information submitted by the local governments and regional tourism agencies pursuant to Section 6-4-25 arising under the tourism provisions of this chapter to the Department of Parks, Recreation and Tourism, which shall publish an annual report on the information submitted.

HISTORY: 2001 Act No. 74, Section 3.A; 2003 Act No. 38, Section 1, eff June 2, 2003; 2019 Act No. 1 (S.2), Section 31, eff January 31, 2019.

Editor's Note

2004 Act No. 202, Section 3, provides as follows:

"Wherever the term 'Administrative Law Judge Division' appears in any provision of law, regulation, or other document, it must be construed to mean the Administrative Law Court established by this act."

Effect of Amendment

The 2003 amendment, in subsection (A) substituted "eleven" for "nine" in the introductory paragraph, substituted "eight" for "six" in paragraph (4), added paragraphs (4)(g) and (4)(h), and made nonsubstantive changes.

VIA EMAIL

August 20, 2020

Desirée Fragoso
City Administrator
City of Isle of Palms, SC
1207 Palm Boulevard
Isle of Palms, SC 29451
Email: desireef@iop.net

RE: *Haynsworth Sinkler Boyd, P.A.'s Fee Proposal for Bond Issue*

Dear Desirée:

Haynsworth Sinkler Boyd, P.A. ("HSB") has one of the oldest and largest public finance and governmental law practices in South Carolina, with 6 public finance attorneys in the Charleston office alone. Jeremy Cook has practiced law with HSB for more than 20 years and is the long-time co-leader of the Firm's public finance and government practice group. If HSB is selected as bond counsel for the City of Isle of Palms, Jeremy will be the attorney who will serve the City in that role. Jeremy has extensive experience working with cities, counties, school districts, special purpose districts, State entities and nonprofit organizations on financing matters. During 2020, Jeremy has served as bond counsel on matters for the following local entities: City of Charleston, Charleston Water System, City of North Charleston, Town of Mount Pleasant, Town of Sullivan's Island, Berkeley County School District, Charleston County Park and Recreation District, the State Ports Authority, and Roper St. Francis. Jeremy is happy to provide references from any of these clients.

For two general obligation bank-placed bond issues in the approximate combined principal amount of \$6 million (including a taxable bond and a tax exempt bond), the total HSB bond counsel fee will be \$24,500. Most of our bond clients engage a municipal advisor to advise them on financing matters, to distribute the requests for proposals to local and regional financial institutions, and to provide various calculations related to tax exempt bonds. Please advise us if the City does not expect to retain a municipal advisor in connection with these bond issues. Additionally, in connection with the closings, the City Attorney will need to provide an opinion that the ordinance has been duly adopted under State law and the City's requirements, and that there is no litigation outstanding related to certain matters, including the approval or the issuance of the bonds or the City's collection of ad valorem taxes. HSB will deliver the required bond counsel opinions to both the City and the purchaser(s) of the bonds at the time of the closings.

All of us at HSB would greatly value the opportunity to assist the City with its financing needs, and we are available to answer any questions you may have about this proposal.

Very truly yours,



Stafford J. McQuillin III

cc: Debbie Suggs, City Treasurer (via email)
Jeremy Cook, Esq. (via email)
Bryan Kitz, Esq. (via email)



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August 20, 2020

(Electronic Distribution Only)

Ms. Desirée Fragoso, City Administrator
City of Isle of Palms
1207 Palm Boulevard
Isle of Palms, SC 29451

Re: City of Isle of Palms, South Carolina – General Obligation Bond, Series 2020

Dear Desirée:

We thank you for engaging Pope Flynn, LLC to serve the City of Isle of Palms (the “City”) as bond counsel (“Bond Counsel”) in connection with the issuance by the City of its General Obligation Bond, Series 2020 (the “Bond”). The following is to establish the terms and scope of our representation. Accordingly we and the City agree as follows:

SCOPE OF ENGAGEMENT

We are advising the City in connection with the issuance and delivery of the Bond. We will act as Bond Counsel and undertake all traditional and customary work necessary to render enforceability and appropriate tax opinions at closing, including the preparation of all documents necessary to provide for the authorization, sale, and issuance of the Bond.

If the City elects to sell the Bond in the public market, obtain ratings, and distribute an Official Statement, our engagement with the City may also include advice and assistance in connection with these activities (such scope of representation, “Disclosure Counsel”), upon request of the City by email, letter, or similar writing. These services as Disclosure Counsel are separate and distinct from those as Bond Counsel.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the City constitutes our client and an attorney-client relationship will exist between us. Our services as counsel are limited to those contracted for in this letter; and the City’s execution of this engagement letter will constitute an acknowledgment of those limitations.

POPE FLYNN IS NOT SERVING AS A MUNICIPAL ADVISOR

Our firm shall not act as a “municipal advisor” or provide “advice” (as those terms are defined in the implementing rules (Rules 15Ba1-1 through 15Ba1-8, and Rule 15Bc4-1) relating to Section 15B of the Securities Exchange Act of 1934, as amended) to the City in connection with the issuance of the Bond. Our services shall be limited to those of a traditional legal nature. Our role as Bond Counsel shall not include verifying the accuracy, completeness or fairness of any representation or information concerning the business or financial condition of the City or the sale and/or purchase of the Bond.

CONFLICTS

As you are aware, we represent many political subdivisions and companies. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. We do not believe any current representation we have undertaken will adversely affect our ability to represent you as provided in this engagement letter, either because such matter is sufficiently different from this matter so as to make such representation not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of this matter. Should a conflict arise, we will immediately bring it to your attention.

FEES AND PAYMENT

Our fee for serving as Bond Counsel in connection with the issuance of the Bond shall be \$20,000, plus expenses.

The payment of our fees is contingent upon the closing of the Bond, and our legal fees are paid from the proceeds of the Bond at closing. At such time, we will provide you with an invoice requesting payment of our Bond Counsel fee. The invoice may detail expenses incurred to date and anticipate, based on similar transactions, expenses to be incurred, not to exceed \$2,000, along with wiring instructions for payment. If you prefer a different format, please let me know. Expenses are more fully explained on the Schedule of Primary Charges, attached to this letter.

TERM OF ENGAGEMENT

As of and after the date of issuance of the Bond, Bond Counsel will not undertake to determine whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel’s attention may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bond or the market value of the Bond. Bond Counsel’s engagement with respect to the Bond ends with the issuance of the Bond, and, unless separately engaged, Bond Counsel is not obligated to defend the City or owner(s) of the Bond in the event of an audit examination by the IRS.

If the foregoing terms are acceptable to you, please so indicate by returning a copy of this engagement letter dated and signed by an authorized officer, retaining a copy for your files.

I look forward to working with you.

Best Regards,



Charles D. Rhodes III

WE AGREE TO THE TERMS OF THIS ENGAGEMENT LETTER FOR LEGAL REPRESENTATION AS STATED ABOVE.

RE: CITY OF ISLE OF PALMS, SOUTH CAROLINA – GENERAL OBLIGATION BOND, SERIES
2020
FILE NO. __. __

**CITY OF ISLE OF PALMS,
SOUTH CAROLINA**

BY: _____
ITS: _____
DATE: _____

SCHEDULE OF PRIMARY CHARGES

Photocopies	10¢ per page.
Travel mileage	At IRS allowable rate – 57.5¢ per mile, effective 01/01/2020.
Other travel (airfare, hotels, lodging, meals, ground transportation)	At cost.
Postage	At cost.
Express courier services (<i>i.e.</i> , <i>FedEx</i>)	At cost.
Out-of-Office messenger costs	\$5 plus mileage charges indicated above.
Electronic legal research	WestLaw electronic legal research: You will be billed \$15.00 per use, unless additional charges are incurred, which will be applied at their actual cost to your file.
Newspaper Publication	At cost – billed at the time of receipt of invoice from newspaper.

M. William Youngblood
wyoungblood@burr.com
Direct Dial: (843) 973-6803
Direct Fax: (843) 805-6557

Burr & Forman, LLP
100 Calhoun Street
Suite 400
Charleston, SC 29401

Mailing Address
Post Office Box 1431
Charleston, SC 29402

Office (843) 723-7831
Fax (843) 722-3227

BURR.COM

April 21, 2020

Ms. Desiree Fragoso
City Administrator
City of Isle of Palms
P.O. Drawer 503
1207 Palm Boulevard
Isle of Palms, SC 29451

Re: Fee Proposal for City of Isle of Palms, South Carolina, General Obligation Bonds – Series 2020

Dear Desiree:

Thank you for your message on August 19, 2020, requesting that we provide a fee proposal for bond counsel services to be rendered in connection with the issuance by the City of \$6 million of general obligation debt to be split between tax-exempt and taxable portions.

In considering a reasonable fee, we understand that your goal is to close the transaction(s) before Thanksgiving and your intention is to use a bank placement, not a public offering. Because these will be general obligations of the City, the bonds must be sold at public sale (See SC Code Section 11-27-40(9)b)) and there are certain prescribed notice of sale provisions. There are certain other prescribed notices which can affect the financing calendar. We can work with the City's financial advisor to determine the feasibility of completing this transaction in the requested timeframe and would make every effort to do so.

We have reviewed the transcripts and run time records for the three most recent general obligation bond issues we completed for the City (2013, 2015 and 2016). Based on the foregoing factors and time constraints we would propose a fee of \$30,000 for this engagement, plus costs and expenses.

Sincerely,



M. William Youngblood

MWY:mpc
Enclosure



Public Safety Committee
9:00am, Monday, August 10, 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 Buckhannon, Ward, and Pounds

Staff Present: Administrator Fragoso, Chief Cornett, Chief Hathaway

Also Present: John Edward Griffith, Trident Construction

2. Approval of previous meeting's minutes – July 6, 2020

Council Member Pounds made a motion to approve, and Council Member Ward seconded the motion. The minutes passed unanimously.

3. Citizens' Comments

The City Clerk read into the record comments submitted to the Public Safety Committee. They can be found on the City's website alongside the agenda for this meeting.

MOTION: Council Member Pounds made a motion to reorder the agenda to allow for the discussion of the change orders to be heard after the update on the Public Safety building. Council Member Buckhannon seconded the motion. The motion passed unanimously.

4. Old/New Business

A. Update on Public Safety Building Rehabilitation Project

John Edward Griffith, Trident Construction, gave an update on the Public Safety rehabilitation project. He said the work is still on schedule to be completed in November and is also on budget.

B. Discussion and consideration of a change order in the amount not to exceed \$30,000 for the purchase and installation of a flood resistant door at the Public Safety Building

Administrator Fragoso said both the architect and the City's owner's representative recommended having the flood-resistant doors installed as part of the project. Mr. Griffith explained the reasoning for the location of the double doors: "Those are your main entry points. With Chief Cornet and Chief Graham and the fire and the police side, those are the community

doors. It is right in the middle of the lobby. It is the easiest and the quickest access for employees and whoever else is coming to visit.”

Mr. Griffith also said the seismic bracing is required. Administrator Fragoso asked Committee members for their approval to move forward on the change orders for these items ahead of the Ways & Means and City Council meetings so as to keep the project on track. She noted these monies will come from the City’s contingency fund, which has not been used to date.

MOTION: Council Member Pounds made a motion to approve the change orders for the double flood doors and the seismic bracing. Council Member Ward seconded the motion. The motion passed unanimously.

5. Old Business

A. Update on Breach Inlet Safety Camera

Chief Cornett reported the project was deferred at the start of the epidemic. However, an additional \$5,000 is now needed for the electrical box for the camera. Further discussion for this additional expense will be held next month after funding can be located in the City budget.

B. Discussion of implementing paid parking on the existing public beach parking zones

Administrator Fragoso said the City has hired Stantec to begin working on changes needed to the sign plan and the ordinance. She also shared with Committee members that changing the times of enforcement (time of year and time of day) could lead to more than \$100,000 in reduced revenue to the City.

After some discussion, Committee members recommended that the time of year in which paid parking is enforced will remain as it is, the times of enforcement at the Front Beach will be 8am - 8pm, and the times of enforcement for the new paid parking areas will be 9am-6pm. The Committee also recommended that parking along 29th Avenue near the Recreation Center be signed as “Recreation Center Parking Only.”

Administrator Fragoso said she and Chief Cornett are still exploring the possibility of residential decals and seasonal passes through the paid parking app. The misuse and illegal reproduction of residential day parking passes was also briefly discussed. Public Safety officers will be looking for illegally reproduced passes more intently.

C. Update and discussion of eliminating parking on the landside of Palm Boulevard between 22nd and 40th avenues due to public safety concerns

Administrator Fragoso said, “We had a meeting with Stantec to identify whether or not eliminating the landside of Palm Boulevard changes the City’s definition of public access parking, and we talked about how the City provides at least three and four times as much parking as it is required by the Beachfront Management Act.” She noted that any changes to the parking on the landside of Palm Boulevard will also prohibit the residents from parking there. Council Member Buckhannon asked if it was possible to see if the setback for parking can be increased in that area.

5. New Business

A. Discussion and consideration of the purchase of beach patrol vehicle (ATV) with plow attachment in an amount not to exceed \$20,000 [FY21 Budget, Hospitality Tax Fund, Police Department, Capital Outlay, \$20,000, pg. 21, ln. 21]

Chief Cornett said this purchase will replace the Bobcat that was used to fill holes on the beach. This new ATV will include a front plow attachment used to fill holes. The quotes included in the meeting packet are all under budget.

MOTION: Council Member Pounds made a motion to approve the request, and Council Member Buckhannon seconded the motion. The motion passed unanimously.

B. Discussion of pedestrian crosswalks and intersection safety

Chief Cornett said that any new signage at the crosswalks and intersection will need to be approved by SCDOT. He said he will reach out to them about that signage and also the inconsistent stop lines at the crosswalks. He will also step up enforcement in the area of 21st Avenue.

C. Discussion of speed limits on side streets

Chief Cornett said that the speed limit in residential areas is 30mph even if unposted as dictated by State law. He will contact SCDOT about the process needed to lower the speed limit on the side streets.

D. Discussion of Front Beach loading zone and parking

Council Member Buckhannon said Front Beach business owners have asked if the loading zone can be designated for after hours parking. Chief Cornett said that if the City owns that road that change can be made with restriping and a sign indicating it is a loading zone during designated hours. He will ask the businesses what times they are receiving deliveries. Administrator Fragoso will look into the cost of restriping.

6. Highlights of Departmental Reports

A. Fire Department – Chief Graham

Chief Hathaway noted there were 20 less calls for service this July than there were last July. He reported their two new employees are doing well so far and that staff participated in a tabletop emergency operations exercise in July.

B. Police Department – Chief Cornett

Chief Cornett reported there were 1,680 calls for service, 1,201 parking tickets written, 115 incident reports, and 145 charges made in July. He reported on a couple of internal personnel changes and continued improvements in Dispatch.

He asked the Committee to consider changes to the alarm ordinance as he is concerned the permit requirement for monitored alarms may result in people not getting alarms installed on their homes.

8. Miscellaneous Business

The next meeting of the Public Safety Committee will be Monday, September 14, 2020 at 9am.

9. Adjournment

Council Member Pounds made a motion to adjourn, and Council Member Buckhannon seconded the motion. The motion passed unanimously. The meeting was adjourned at 10:11am.

Respectfully submitted,

Nicole DeNeane
City Clerk



PUBLIC WORKS COMMITTEE

8:00am, Thursday, August 6, 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, Smith, and Streetman

Staff Present: Administrator Fragoso, Director Pitts, Asst. Director Asero

2. Approval of previous meeting's minutes – July 1, 2020

Council Member Smith made a motion to approve the minutes of the July 1, 2020 meeting, and Council Member Streetman seconded the motion. The minutes passed unanimously.

3. Citizens' Comments

Comments were read into the record by the City Clerk.

Lawrence Milley, 105 Sparrow Drive spoke with concern about the noise and smell issues coming from the wastewater treatment plant. He believes both are problematic for his family's health and wellbeing.

Sally Weisman, 35 Fairway Dunes Lane, had questions about the blue recycle and yellow garbage cans on the beach, asking about the pickup schedule and issues related to overflow.

These comments in their entirety can be found on the City's website alongside the agenda for this meeting.

4. Department Reports – Director Pitts and Assistant Director Asero

Director Pitts said July's garbage collection of 415 tons is a record for his time as Director of Public Works. He said that it may be time to consider having one of the condominium complexes move to a commercial dumpster. He said the individual user would not see any change in service, and if the complex consolidates its pickups, it could save them money.

He also reported that the Public Works staff is nearly caught up on yard debris collection. He said he may need to run into overtime to stay on top of the yard debris and miscellaneous garbage. Administrator Fragoso spoke with concern about the amount of debris (beach chairs, beach toys, tents, etc.) left on the beach. She said staff will brainstorm about how best to handle/manage this issue.

Assistant Director Asero reviewed the activities regarding stormwater and facilities maintenance for the month of July. He said SCDOT has been on the island and worked on pipe cleaning and ditch reconstruction at 21st-25th Palm Boulevard, the installation of ROC at the 25th Avenue beach path drainage pipe, the vacuuming of the ditch at 2206 Hartnett, and ditch reconstruction at 2204 Hartnett. He has also been working with Pleasant Places, helping them to refine their scope of work. He said they have been very responsive.

Facilities work included the installation of an air conditioning line at the Department of Public Works, city-wide elevator inspection, landscape clean up and inspections at Morgan Creek Grill. He said the Front Beach trash and debris is being clean weekly.

Palm tree pruning from 21st Avenue to Breach Inlet will start soon. Director Pitts said this trimming is part of a 2-year cycle and is for aesthetics only. He said the cost of the trimming has not increased in several years since DPW staff picks up the trimmed fronds.

5. Old Business

A. Update on Phase III Drainage Project and small internal projects

Administrator Fragoso reminded Committee members of Council's approval of the change order to have Thomas & Hutton to take over the bidding and construction oversight of the small internal projects. She said the bid packages should be done in 40 days. Construction is expected to take 3 months, and they hope to have it completed by the end of 2020.

With regards to the Phase II Drainage Project, she reported that Thomas & Hutton are working on the mitigation efforts around the 41st Avenue outfall. She said they are analyzing the costs and benefits of various mitigation options as well as identifying other options for the City to pay mitigation credits. Permits for this project are expected by the end of the year.

B. Discussion of outsourcing household garbage collection services

Director Pitts said he was still waiting on more data to complete this study. Treasurer Suggs will attend the next Public Works meeting to go through the assumptions for the study. Administrator Fragoso said they have had trouble getting hard numbers as companies are not inclined to give prices outside of a formal bid process.

6. New Business

A. Discussion of development of a cutting agreement between the City and Dominion Energy ahead of the next tree trimming cycle

Council Member Pounds said it is important for the City to be proactive in its relationship with Dominion Energy. He referred to the sample agreement between Dominion Energy and Charleston County included with the agenda.

Administrator Fragoso said there is time to work with an arborist before the next scheduled cutting. Additionally, there is time to develop a planning document for undergrounding utility lines and how best to use the monies (approximately \$637,000) in the non-standard use fund. Council Member Smith noted that Charleston County created a committee to look into the

undergrounding of utility lines. She also asked about transplanting the palms prior to the next tree cutting, and Administrator Fragoso said the cost of transplanting the trees is three times that of planting a new tree.

Committee members discussed the value of undergrounding in certain areas. Council Member Pounds asked that Administrator Fragoso and Director Pitts come up with a plan about how best to move forward with regards to Dominion Energy and undergrounding utilities, whether that means sending the matter to the Planning Commission, creating an advisory committee, or another option.

Administrator Fragoso mentioned funding options for undergrounding utility lines include use of the monies in the non-standard fund, Dominion Energy, local municipalities, and sometimes resident funding when it is applicable to their neighborhoods.

B. Discussion of Section 3-2-5© of the Code of Ordinances related to Leaves and Grass Clippings

Director Pitts said he had received some complaints from residents who said that the Public Works should be cleaning up what is left behind in yards following yard debris pickup. He said there is not enough staff or staff time to do that for each property. Committee members suggested that staff use social media to communicate the proper way for residents to dispose of leaves and grass clippings.

7. Miscellaneous Business

The next meeting of the Public Works Committee will be Thursday, September 3, 2020 at 8:00am.

8. Adjournment

Council Member Streetman made a motion to adjourn, and Council Member Smith seconded the motion. The meeting was adjourned at 9:09am.

Respectfully submitted,

Nicole DeNeane
City Clerk



**Recreation Committee Meeting
5:00pm, Monday, August 10, 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 Moye, Popson, and Smith

Staff Present: Administrator Fragoso, Director Page

2. Approval of the previous meeting's minutes – July 13, 2020

MOTION: Council Member Moye made a motion to approve and Council Member Popson seconded the motion. The motion passed unanimously.

3. Citizens' Comments – none

4. Departmental Reports – Director Page

Director Page reviewed highlights of her activities report. She said that youth athletics and other sports will begin as usual. Registration is down at the moment, but she expects it to pickup. She reported that while there were no scrimmages held during the youth basketball camp, there were a lot of drills and competitions that were enjoyed by all participants.

The cardio room is still available for limited use. The Half Rubber Tournament to be held on August 22 has five teams registered to date. Dog obedience classes resume September 14. She is continuing to work on the Farmer's Market, adding that she lost some vendors to the City of Charleston's Farmer's Market. Other programs starting soon include tai chi, line dancing, and gymnastics.

She has received two more applications for surf instructor, but certification classes are still not available. As a new initiative, staff has reached out to principals and teachers to see if there is interest in providing tutoring at the Recreation Center after school begins in September.

Special Events discussed included Camp Summer Shine, the Community Yard Sale (set for September 19), Keenagers, Ghostly Tide Tales (October 23), and the Halloween Carnival. Staff is planning on a cart parade and a drive-thru haunted house. After some discussion, it was decided the Halloween Carnival would start at 4pm. Staff continues to discuss the logistics of the Holiday Market.

The Committee briefly discussed the IOP Connector Run, which is currently set for October 5. Committee members felt that it should be cancelled this year.

5. **Old Business**

A. Discussion of beach parking at the Recreation Center

Administrator Fragoso reported, “We had the Public Safety Committee meeting this morning, and their recommendation as of today has been to move forward with the paid parking on the existing beach parking areas on Palm Boulevard and then the avenues. And related to the Recreation Center, their recommendation was to include Harnett between 27th and 29th in the residential district and the other areas including 29th Avenue, just creating a different zone that is called or named Recreation Center Parking Only. So those people visiting the Recreation center, using the Recreation Center facilities would be able to park whether the residents are or not.”

Committee members discussed the recommendation and felt that all of Hartnett from 27th-29th should be included in the Recreation Center Parking Only area. Director Page said that there have been little issues with beach parking in that area especially after designated “Recreation Center Parking Only” signs were erected.

MOTION: Council Member Moye made a motion to recommend to the Public Safety Committee that the areas adjacent to the Recreation Center become designated as Recreation Center Parking. Council Member Popson seconded the motion. The motion passed unanimously.

6. **New Business -- none**

7. **Miscellaneous Business**

The next meeting of the Recreation Committee will be on Monday, September 14, 2020 at 5pm.

8. **Adjournment**

Council Member Popson made a motion to adjourn, and Council Member Moye seconded the motion. The meeting was adjourned at 5:48pm.

Respectfully submitted,

Nicole DeNeane
City Clerk



Personnel Committee
9:00am, Tuesday, August 11, 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 Moye and Streetman, Mayor Carroll

Staff Present: Administrator Fragoso, HR Office DeGroot

2. Approval of previous meeting's minutes – June 8, 2020

Council Member Streetman made a motion to approve the minutes June 8 meeting, and Mayor Carroll seconded the motion. The minutes passed unanimously.

3. Citizen's Comments – none

4. Old Business

Update on Wage and Compensation Study

Administrator Fragoso said she expects a full RFP document to be completed for this initiative in the next 30-45 days. After the proposals are received, staff would like to narrow down the choices to bring before the Committee for interviews prior to final selection. One of the goals is to have the final product available prior to work beginning on the FY22 budget.

Committee members agreed the proposed scope of work seems thorough. HR Office DeGroot has been reaching out to colleagues and companies that do such work for sample final products and implementation plans. Administrator Fragoso said it will be important to include the impact and effects of COVID-19 in the study.

5. New Business -- none

6. Miscellaneous Business

Council Member Moye asked for a status of IOP staff in light of the virus. Administrator Fragoso shared that while the pandemic has created some anxiety, the City's commitment to its staff helped to alleviate some of that stress. She also spoke to the importance of supporting law enforcement in light of the current climate. HR Office DeGroot has been keeping staff aware of the benefits of EAP should they be needed.

Administrator Fragoso said she intends to get feedback from the department heads about an employee appreciation event. Committee members agreed an employee appreciation event would be a good idea.

The next meeting of the Personnel Committee will be on Tuesday, September 15, 2020 at 9am.

7. Adjournment

Mayor Carroll made a motion to adjourn, and Council Member Streetman seconded the motion. The motion passed unanimously. The meeting was adjourned at 9:18am.

Respectfully submitted,

Nicole DeNeane
City Clerk



REAL PROPERTY COMMITTEE
5:00pm, Wednesday, August 12, 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 Buckhannon, Bell, and Popson

Staff Present: Administrator Fragoso

2. Approval of previous meeting's minutes – July 14, 2020

Council Member Bell made a motion to approve the minutes of the July 14 meeting, and Council Member Popson seconded the motion. The minutes passed unanimously.

3. Citizens' Comments

City Clerk DeNeane read the comments received into the record. They can be found in their entirety on the City's website alongside the agenda for this meeting.

4. Marina Tenant Comments -- none

MOTION: Council Member Bell made a motion to reorder the agenda to allow for the discussion of the Intracoastal Waterway dock before Old Business. Council Member Popson seconded the motion. The motion passed unanimously.

6. New Business

A. Discussion and consideration of including as an alternate bid the removal of the existing finger piers and pilings on the Intracoastal Waterway "T" dock as part of the marina rehabilitation project

Administrator Fragoso reported that she and ATM met with Jon Bushnell of the IOP Families Group to discuss the possible extension of the finger piers for more usability or their removal. Kirby Marshall of ATM explained that he reached out to OCRM and ACE about possibly extending the piers, and initial feedback indicates a new permit will be needed to extend them and then another permit to remove them as originally planned.

Administrator Fragoso suggested that since the City is already out for an RFP for the dock work "to include in that bid as an alternate for the contractor who performs the work on Phase 1 and Phase 2 to give us a price and a potential schedule impact of removing those finger piers as part

of this project. Doing it as an alternate would allow the City the opportunity to actually decide whether or not to move forward with it.”

Council Member Bell said this could be a non-binding way to look at the cost of the project and that it makes sense to look at it now instead of later. Administrator Fragoso said that Jon Bushnell and Brian Berrigan are receptive to the removal of the finger piers.

5. Old business

A. Update on marina dock permitting and rehabilitation project

Administrator Fragoso said, “We still have not yet received the Army Corps of Engineers’ permit for the water sports dock. So we are still waiting on that. And then an update on the dock rehabilitation project. As you know, we have been talking about, right now, it is out for bid, we have been receiving lots of questions from contractors, and we will be compiling all that and issuing an addendum after the deadline for questions comes in. We are very excited and eager to see those proposals coming in the first week of September.” She hopes to receive final approval from City Council by the end of September so a Notice to Proceed for construction can be issued by September 30.

She also reported on a meeting with Dominion Energy related to “some changes and relocations of transformers and some panels.”

B. Update on marina restaurant lease proposal

Administrator Fragoso said that negotiations continue with the IOP Families Group. Lease documents are being drafted by the real estate attorney recently engaged by the City following City Council approval. She hopes to present those documents to the Ways & Means Committee next week for discussion.

C Update on proposed ADA-compliant beach walkover and observation deck at 42nd Avenue

Administrator Fragoso reported on the Zoom meeting held recently with residents near that proposed project about the goals for the project and to hear their concerns. The main concern was increased traffic in the area. She also explained the reasoning why that site was selected for the project.

Following the meeting, staff reassessed all the beach access points to determine if another site was equally suitable. She said that the 34A beach access could be usable for this project, but it would require doubling the length of the walkover in addition to needing to create a parking area. Council Member Popson noted the extensive flooding that already happens at 32nd, which may be a similar concern at 34A.

Committee members agreed to requesting a conceptual design for the project at 34A. Keeping the emergency path as well as minimizing the amount of vegetation needing to be cut to accommodate the path were concerns expressed by Committee members.

7. Miscellaneous Business

The next meeting of the Real Property Committee is to be determined.

8. Adjournment

Council Member Bell made a motion to adjourn and Council Member Buckhannon seconded the motion. The meeting was adjourned at 5:41pm.

Respectfully submitted,

Nicole DeNeane
City Clerk



Planning Commission
3:30pm, Wednesday, August 12, 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: Marty Brown, Scott Pierce, Ron Denton, William Mills, Vince DiGangi, Rick Ferencz, and Douglas Kerr, Director of Planning

Absent: Lisa Safford

2. Approval of Previous Meeting's Minutes – July 8, 2020

Mr. Denton made a motion to approve the minutes and Mr. DiGangi seconded the motion. The minutes were approved unanimously.

3. Citizen's Comments -- none

4. New Business

A. Make recommendation on MOU with Water & Sewer Commission

Director Kerr reviewed the changes to the MOU suggested by the Commissioners from the July meeting.

MOTION: Mr. Mills made a motion to approve the MOU as amended and recommend that City Council approve the document. Mr. Denton seconded the motion.

Chairman Ferencz asked about including wording that would require the Water & Sewer Commission to report to the Planning Commission monthly about the decommissioning of the wastewater treatment plant and the construction of the new plant.

MOTION: Mr. Mills made a motion to amend the MOU to include "The Water & Sewer Commission agrees to supply the City at least a monthly report or presentation detailing the forecasted spending versus budget, construction progress versus timetable, and any unexpected events that occur within the project." Mr. Denton seconded the motion.

VOTE: The amended motion passed unanimously.

B. Discussion regarding the implementation of island-wide sewer

Mr. Ferencz mentioned that Mayor Carroll indicated to him the importance of the implementation of island-wide sewer and wondered the role of the Planning Commission in the

process. Director Kerr reminded the Commission that they have agreed to work with the Water & Sewer Commission over the next year to develop a detailed outline of the process needed to outfit the island with sewer. He suggested a meeting with Water & Sewer Commission staff to brainstorm ideas for that plan as well as identifying possible funding sources. Director Kerr also shared that the Water & Sewer Commission is in the beginning stages of discussing how to implement a financial incentive program to encourage homeowners to hook into the sewer system. As this is such a detailed and important process, Director Kerr suggested leaving this discussion until everyone could meet in person.

MOTION: Mr. Pierce made a motion to defer further discussion of implementing island-wide sewer until October or November. Mr. DiGangi seconded the motion. The motion passed unanimously.

4. Old Business

A. Review Comprehensive Plan: review of revisions to Introduction and Natural Resources Element; discussion of rest of Natural Resources Element, and discuss Transportation Element

Director Kerr said the Commission will need to discuss at some point the best way to get the public's input on the Comprehensive Plan. They will also need to decide which sections of the plan will require professional input.

Commissioners discussed the goal and strategies of protecting wildlife and vegetation in the Natural Resources element. They agreed to leave a placeholder in this section addressing Resiliency/Planning for Sea Level Rise until the Strategic Planning process has had a chance to discuss it. Mr. Pierce suggested adding in a general goal about air quality such as, "Pursue development and implementation of ordinances, education and awareness programs to improve air quality such as smoking regulations and support of public transportation."

Commissioners then discussed the Transportation element of the Comprehensive Plan. Topics discussed included pedestrian and driver safety, traffic flow, reduction of traffic congestion, non-resident parking, and data collection related to traffic patterns. Director Kerr suggested speaking with the IOP Police and Fire Departments as well as Stantec before making any large-scale changes to this section. Commissioners did feel that safety should be the number one goal followed by traffic flow and traffic congestion. Director Kerr will schedule representatives from the Police Department, Fire Department, and Stantec to be at the next Planning Commission meeting.

Commissioners discussed the development of the final product of the Comprehensive Plan and the financing of such.

B. Discussion assignment regarding tree fund

Director Kerr reviewed the options under consideration for the use of the tree fund including changing ordinances to allow for tree fund money to be used more freely, creating competitive

grants for residents wanting to beautify private projects, and purchasing greenspace. Mr. Ferencz wondered if the monies could be used to beautify the marina.

MOTION: Mr. Pierce made a motion to recommend to City Council to leave the tree fund ordinance as is and to consider directing money from the tree fund towards beautifying the public space that could come available to residents at the marina adjacent to the dock. Mr. DiGangi seconded the motion. The motion passed unanimously.

5. Miscellaneous Business

A. Update on drainage planning

Director Kerr reported that City Council approved Thomas & Hutton to handle the construction administration and the bidding process of the smaller internal drainage projects. Director Kerr said there may not be an opportunity for the Planning Commission to review the bid packets as those projects are already behind schedule. Any individually submitted comments from the Commissioners will be sent to the engineer. Permits for the smaller projects have been received.

With regards to the Phase III drainage project, City staff continues to work with Wild Dunes on how best to cross the golf course. Requests for the permits have been submitted, but they expect to wait a year before receiving them.

B. Update on short-term rental recommendations

Director Kerr stated there will be a public hearing and Second Reading for the short-term rental recommendations at City Council's August meeting.

C. Update on short-term rental software

Director Kerr said City Council approved the renewal of the software for another year. The City has hired someone who will be focusing on business licenses who will also be handling the follow-up for rental units identified as not operating with a business license.

7. Adjournment

Mr. DiGangi made a motion to adjourn and Mr. Brown seconded the motion. The meeting was adjourned at 5:39pm.

Respectfully submitted,

Nicole DeNeane
City Clerk

ORDINANCE 2020-04

AN ORDINANCE AMENDING TITLE 5, PLANNING AND DEVELOPMENT, CHAPTER 4, ZONING, ARTICLE 9, SHORT-TERM RENTALS, SECTION 5-4-203, MAXIMUM OCCUPANCY AT ANY TIME, OF THE CITY OF ISLE OF PALMS CODE OF ORDINANCES, TO LIMIT THE MAXIMUM OCCUPANCY AT ANY TIME TO FORTY (40) PEOPLE OR TWICE THE MAXIMUM OVERNIGHT OCCUPANCY, WHICHEVER IS LESS.

BE IT ORDAINED AND ENACTED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, IN CITY COUNCIL ASSEMBLED:

SECTION 1. That Section 5-4-203 is hereby amended in its entirety to state as follows:

“Sec. 5-4-203. Maximum occupancy at any time.

Notwithstanding any other provision of this article to the contrary, at no time shall the total number of persons at a residence exceed forty (40) persons, including children, or twice the maximum overnight occupancy as determined by Section 5-4-202, whichever is less.”

SECTION 2. That should any part of this Ordinance be held invalid by a Court of competent jurisdiction, the remaining parts shall be severable therefrom and shall continue to be in full force and effect.

SECTION 3. That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

SECTION 4. That this Ordinance take effect and be in full force immediately.

PASSED AND APPROVED BY THE CITY COUNCIL FOR THE CITY OF ISLE OF PALMS, ON THE _____ DAY OF _____, 2019.

Jimmy Carroll, Mayor

(Seal)

Attest:

City Clerk

First Reading: _____

Public Hearing: _____

Second Reading: _____

Ratification: _____

ARTICLE 9. - SHORT-TERM RENTALS

Sec. 5-4-201. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Short-term rental means the use of any dwelling, including the lot upon which the dwelling is located, anywhere within the City whereby the dwelling is leased or otherwise made available by the owner to another person for a term of three (3) months or less. Any reference in this article to dwelling, residence or rental shall mean a short-term rental.

(Ord. No. 2007-2, § 2(5-4-201), 3-27-2007)

Sec. 5-4-202. - Maximum overnight occupancy.

- a. The maximum overnight occupancy of an existing residence for which the owner is holding a valid short-term rental license on June 22, 2010, shall be limited to the greater of:
 - (1) Two (2) people per bedroom, plus two (2) people.
 - (2) One person per two hundred fifty (250) square feet of gross heated floor area in the entire house.
 - (3) Six (6) people.
- b. The maximum overnight occupancy of an existing residence for which the owner is not holding a valid short-term rental license on June 22, 2010, shall be limited to the greater of:
 - (1) Two (2) people per bedroom, plus two (2) people.
 - (2) Six (6) people.
- c. The maximum overnight occupancy of a residence permitted for new construction after June 22, 2010 shall be the same as prescribed in section 5-4-202(b) or twelve (12) people, whichever is fewer.
- d. The maximum overnight occupancy of an existing residence that is altered or reconstructed after June 22, 2010, shall be prescribed as follows:
 - (1) If the maximum overnight occupancy of the residence prior to alteration or reconstruction was less than twelve (12) people, then the maximum overnight occupancy of the altered or reconstructed residence may be increased to the number of people prescribed in:
 - (a) Section 5-4-202(a) or twelve (12) people, whichever is fewer, if the owner was holding a valid short-term rental license on June 22, 2010.
 - (b) Section 5-4-202(b) or twelve (12) people, whichever is fewer, if the owner was not holding a valid short-term rental license on June 22, 2010.
 - (2) If the maximum overnight occupancy of the residence prior to alteration or reconstruction was twelve (12) people or more, then the maximum overnight occupancy of the altered or reconstructed residence shall not be increased.

Blue and red underlined text edits recommended by the Planning Commission on 11/13/2019

Yellow highlighted stricken text recommended by the Public Safety Committee 7/4/2020

Green highlighted amendments recommended pursuant to legal review

- (3) If the alteration or reconstruction results in a decrease in number of bedrooms or floor area of the residence, then the maximum overnight occupancy shall be reduced as prescribed in:
 - (a) Section 5-4-202(a), if the owner was holding a valid short-term rental license on June 22, 2010.
 - (b) Section 5-4-202(b), if the owner was not holding a valid short-term rental license on June 22, 2010.
- e. Children under two (2) years of age shall not be included in determining the maximum overnight occupancy.

(Ord. No. 2007-2, § 2(5-4-202), 3-27-2007; Ord. No. 2010-08, § 1, 6-22-2010)

Sec. 5-4-203. - Maximum occupancy at any time.

Notwithstanding any other provision of this article to the contrary, at no time shall the total number of persons at a residence exceed forty (40) persons, including children, or twice the maximum overnight occupancy~~forty (40) persons, including children as determined by Section 5-4-202, whichever is less.~~

(Ord. No. 2007-2, § 2(5-4-203), 3-27-2007)

Sec. 5-4-204. - Maximum number of vehicles.

The maximum number of vehicles that may be located at a residence between the hours of 11:00 p.m. to 9:00 a.m. shall be limited to one (1) vehicle per approved bedroom or one (1) vehicle for every two and one-half (2½) people allowed under the maximum overnight occupancy. In no instance shall the number of vehicles allowed be less than two (2).

(Ord. No. 2007-2, § 2(5-4-204), 3-27-2007)

Sec. 5-4-205. - Written notices to be conspicuously posted inside and outside residence; Penalties for removing notices.

A written notice provided by the city which contains information about certain ordinances generally impacting tenants of Short-term Rentals shall be affixed to a conspicuous location inside the residence located within fifteen (15) feet from the main entrance to the residence and maintained at such location by the owner and displayed at all times. A written notice provided by the city which contains information about the city's noise ordinance shall be weatherproofed and affixed to a conspicuous location on any exterior deck, porch, patio, pool or other gathering area of the residence and maintained at such location by the owner and displayed at all times. It shall be unlawful for any person to destroy, hide, obstruct, conceal or remove the notices required by this section.

(Ord. No. 2007-2, § 2(5-4-205), 3-27-2007; Ord. No. 2009-14, § 1, 10-27-2009; Ord. No. 2015-07, § 1, 7-28-2015)

ORDINANCE 2020-07

AN ORDINANCE AMENDING TITLE 5, PLANNING AND DEVELOPMENT, CHAPTER 4, ZONING, ARTICLE 2, DISTRICT REGULATIONS.

WHEREAS, the Isle of Palms Council is empowered with the authority to make substantive amendments to the Isle of Palms Code, including amending Chapters, and now wishes to do so;

WHEREAS, the City of Isle of Palms, like most municipalities in the Lowcountry, have experienced significant increases in flooding associated with tidal and stormwater influences;

WHEREAS, the City of Isle of Palms believes that additional impervious surfacing will contribute to more stormwater runoff and less stormwater absorption and it is necessary reduce the amount of impervious surfacing added to the island;

WHEREAS, the Isle of Palms Council now desires to amend Chapter 4, Zoning of the Isle of Palms Code of Ordinances, specifically Section 5-4-13 (Maximum lot coverage; floor area ratio requirements; additional setback requirements).

BE IT ORDAINED AND ENACTED BY THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, IN CITY COUNCIL ASSEMBLED THAT TITLE 5, PLANNING AND DEVELOPMENT, CHAPTER 4, ZONING, ARTICLE 2, DISTRICT REGULATIONS SUBSECTION 5-4-13(1.)(a) SHALL BE AMENDED TO READ AS FOLLOWS:

- (a) For lots connected to the public sewer system, not more than thirty-five percent (35%) of the area of a lot shall be covered by impervious material, provided that this requirement shall not limit lot coverage to less than three thousand two hundred (3,200) square feet nor allow lot coverage to exceed seven thousand (7,000) square feet. For lots with on-site wastewater disposal systems, this lot coverage requirement shall be reduced from thirty-five (35%) percent to not more than thirty (30%) percent, provided that this requirement shall not limit lot coverage to less than two thousand four hundred (2,400) square feet nor allow lot coverage to exceed five thousand two hundred fifty (5,250) square feet.

SECTION 2. Should any part of this Ordinance be held invalid by a Court of competent jurisdiction, the remaining parts shall be severable therefrom and shall continue to be in full force and effect.

SECTION 3. That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

SECTION 4. That this Ordinance take effect immediately upon approval by Council.

PASSED AND APPROVED BY THE CITY COUNCIL FOR THE CITY OF ISLE OF PALMS, ON THE _____ DAY OF _____, 2020.

Jimmy Carroll, Mayor

(Seal)

Attest:

Nicole DeNeane, City Clerk

First Reading: _____

Public Hearing: _____

Second Reading: _____

Ratification: _____

CITY OF ISLE OF PALMS

South Carolina



DEPARTMENT OF BUILDING, PLANNING AND LICENSING

MEMORANDUM

TO: Desirée Fragoso, City Administrator

FROM: Douglas Kerr, Director of Building and Planning

RE: Lot coverage ordinance amendment

DATE: June 19, 2020

In reviewing the chronology of the events dealing with lot coverage amendments, I believe the limit of impervious surfacing was reduced to 35% and then inadvertently increased back to 40% two months later.

On June 25, 2019, Council adopted Ordinance 2019-11, that reduced the limit of impervious surfacing from 40% to 35%. Subsequently on August 27, 2019, Council reviewed and adopted a series of ordinances related to expanding the public sewer system. Because these ordinances sat fallow for over a year and were focused on sewer, it went unnoticed that the text in Ordinance 2017-09 still included the prior 40% limit.

The record shows that there was no discussion or mention of the issue and, therefore, I believe this was an unintentional scrivener's error and it was not the intent of Council to reinstate the 40% limit that had just been reduced two months prior. However, I would suggest a new ordinance be ratified to provide clarity.

The Planning Commission has reviewed the issue and recommends approval of the attached Ordinance 2020-07. Please let me know if you have any questions.

Sec. 5-4-13. - Maximum lot coverage; floor area ratio requirements; additional setback requirements.

1. The following regulations shall apply to the SR-1, SR-2 and SR-3 zoning districts:

- (a) ~~For lots connected to the public sewer system, n~~Not more than ~~thirty-five forty~~ percent (~~3540~~%) of the area of a lot shall be covered by impervious material, provided that this requirement shall not limit lot coverage to less than three thousand two hundred (3,200) square feet nor allow lot coverage to exceed seven thousand (7,000) square feet. For lots with on-site wastewater disposal systems, this lot coverage requirement shall be reduced from ~~thirty-five forty~~ percent (~~3540~~%) to not more than thirty percent (30%), provided that this requirement shall not limit lot coverage to less than two thousand four hundred (2,400) square feet nor allow lot coverage to exceed five thousand two hundred fifty (5,250) square feet.
- (b) The floor area ratio of a lot shall not be greater than forty percent (40%) of the area of a lot, provided that this requirement shall not limit the enclosed living space of a principal structure to less than three thousand two hundred (3,200) square feet nor allow such enclosed space to exceed seven thousand (7,000) square feet. For lots with on-site wastewater disposal systems, this floor area ratio shall be reduced from forty percent (40%) to not greater than thirty percent (30%), provided that this requirement shall not limit the enclosed living space of a principal structure to less than two thousand four hundred (2,400) square feet nor allow the enclosed living space of a principal structure to exceed five thousand two hundred fifty (5,250) square feet.
- (c) A homeowner or his/her designee may make substantial repairs or replace an existing impervious surface within its original footprint, as long as all work is commenced and substantially completed within six (6) months from the date of removal.
- (d) If the work is not substantially completed within the six-month time frame, the surface will be subject to the current regulations.
- (e) The floor area ratio of a lot shall not be greater than forty percent (40%) of the area of a lot, provided that this requirement shall not limit the enclosed living space of a principal structure to less than three thousand two hundred (3,200) square feet nor allow such enclosed space to exceed seven thousand (7,000) square feet.
- (f) For lots larger than eight thousand (8,000) square feet, with a lot width at the front building line of seventy (70) feet or greater, the combined minimum side yard setback requirement for any portion of the enclosed building at or above twenty-five (25) feet in height as measured pursuant to section 5-4-2(18) shall be thirty (30) feet, with no side yard less than ten (10) feet.
- (g) For lots larger than eight thousand (8,000) square feet, with a lot width at the front building line of at least sixty (60) feet but less than seventy (70) feet, the combined minimum side yard setback requirement for any portion of the enclosed building at or above twenty-five (25) feet in height as measured pursuant to section 5-4-2(18) shall be twenty-five (25) feet, with no one side yard less than ten (10) feet.

2. This section does not prohibit a structure on any City-owned lot which is used for municipal purposes from exceeding seven thousand (7,000) square feet so long as the other requirements of this section which are not inconsistent with this subsection are met.

(Code 1994, § 5-4-13; Ord. No. 2002-17, § 2, 11-26-2002; Ord. No. 2003-6, § 1, 6-24-2003; Ord. No. 2015-15, § 2, 2-23-2016; Ord. No. 2018-13, § 4, 8-28-2018; Ord. No. 2019-11, 6-25-2019; Ord. No. 2017-09, § 3, 8-27-2019)

ORDINANCE 2020-__

SERIES 2020 BOND ORDINANCE

AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$16,000,000 WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2020, OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA; TO PROVIDE FOR THE USE OF THE PROCEEDS; TO PROVIDE FOR THE TERMS AND CONDITIONS UPON WHICH THE SERIES 2020 BONDS WILL BE ISSUED; TO PROVIDE FOR THE REPAYMENT THEREOF AND SECURITY THEREFOR; AND TO PROVIDE FOR OTHER MATTERS IN CONNECTION THEREWITH.

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED, AS FOLLOWS:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall, for all purposes of this Series 2020 Bond Ordinance and of any ordinance, resolution, certificate, opinion, instrument or other document herein or therein mentioned, have the meanings herein specified, with the definitions to be equally applicable to both the singular and plural forms of any of the terms herein defined and vice versa. Certain other terms used as defined terms herein shall have the meanings ascribed to such terms in the General Bond Ordinance. The term:

“Additional Bonds” means any additional parity bonds authorized to be issued by the City pursuant to the terms and conditions of Article III of the General Bond Ordinance.

“Authorized Denomination” means \$5,000 or any integral multiple thereof.

“Business Day” means a day which is not a Saturday, Sunday, legal holiday or day on which banking institutions are authorized by law to close in the State of South Carolina or in the jurisdiction where the designated corporate trust office of the Trustee is located.

“Chairman” means the duly elected Chairman of the Commissioners.

“Clerk” means the City Clerk of the City, or in his or her absence, the acting clerk.

“Code” means the Internal Revenue Code of 1986, as amended, and any successor provision of law.

“Continuing Disclosure Undertaking” shall mean that certain Continuing Disclosure Undertaking substantially in the form of Exhibit C hereto, hereby authorized to be executed by the Mayor on behalf of the City and dated the date of issuance and delivery of the Series 2020 Bonds as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Commissioners” means the Commissioners of Public Works of the City of Isle of Palms, South Carolina, doing business as the Water and Sewer Commission.

“General Bond Ordinance” means Ordinance 2012-06 enacted by the Council on August 28, 2012, which amends and restates Ordinance 1991-1 enacted by the Council on February 11, 1991, authorizing the issuance of Water and Sewer System Revenue Bonds of the City.

“General Manager” means the general manager of the System as appointed by the Commissioners.

“Holder” or “Bondholder” or “Registered Owner” means the person in whose name a Series 2020 Bond is registered in the books maintained for such purpose.

“Interest Payment Date” means June 1 and December 1 of each year, commencing June 1, 2020.

“Mayor” means the mayor of the City or, in his or her absence, the mayor pro tempore of the City.

“Paying Agent” means U.S. Bank National Association.

“Purchaser” means the bidder providing the lowest true interest cost for the Series 2020 Bonds on the day and time designated in the Official Notice of Bond Sale. A form of such Official Notice of Bond Sale is attached hereto as Exhibit B.

“Registrar” means U.S. Bank National Association.

“Series 2020 Bond Ordinance” means this ordinance of the City duly adopted on _____, 2020.

“Series 2020 Bonds” means the City of Isle of Palms, South Carolina, Water and Sewer System Revenue Bonds, Series 2020, authorized to be issued hereunder.

“Series 2020 Project” means (i) providing necessary improvements to the System, including (a) the decommissioning of the Wild Dunes WWTP, and (b) the consolidation and expansion of the Forest Trails WWTP; and (ii) paying certain costs and expenses relating to the issuance of the Series 2020 Bonds.

“Trustee” means U.S. Bank National Association.

Section 1.2. General Rules of Interpretation. (a) Articles, Sections, and paragraphs mentioned by number are the respective Articles, Sections, and paragraphs of this Series 2020 Bond Ordinance so numbered.

(b) Except as otherwise expressly provided or unless the context otherwise requires, words importing persons include firms, associations and corporations and the masculine includes the feminine and the neuter.

(c) Words importing the redemption or redeeming or calling for redemption of the Series 2020 Bonds do not include or connote the payment of such Series 2020 Bonds at its stated maturity or the purchase of such Series 2020 Bonds.

(d) Words importing the singular number include the plural number and vice versa.

ARTICLE II FINDINGS AND DETERMINATIONS

Section 2.1. Findings and Determinations. The Council hereby finds and determines:

(a) The City is an incorporated municipality located in Charleston County, South Carolina, and has by ordinance adopted the Council form of government. The City possesses all general powers granted by the Constitution and Laws of the State of South Carolina to municipal corporations, including the power to possess a water system and a sewer system and the power to establish a commissioners of public works to operate and maintain such system.

(b) Heretofore, pursuant to the favorable results of a special election held on November 27, 1990, and in compliance with the applicable constitutional and statutory provisions, including Section 16 of Article VIII of the Constitution of the State of South Carolina, provision was made for the acquisition of a privately owned water and sewer system (the “System”).

(c) Upon acquisition, the System was initially operated and maintained under the control of Council. Thereafter on May 12, 1992, an election was held and commissioners of public works were elected. On June 23, 1992 pursuant to Ordinance 1992-7, full control and management of the System were transferred to Commissioners. The System furnishes water and sewer service to certain areas of the City.

(d) In order to finance the cost of acquiring and improving the System, the City has heretofore issued seven series of water and sewer system revenue bonds, payable from the Revenues of the System.

(e) On July 15, 2020, the Commissioners adopted a Resolution entitled "A RESOLUTION REQUESTING CITY COUNCIL APPROVAL OF AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING SIXTEEN MILLION DOLLARS (\$16,000,000) WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2020, OF THE CITY OF ISLE OF PALMS, SOUTH CAROLINA; AND OTHER MATTERS RELATING THERETO."

(f) The Series 2020 Bonds will be the eighth issue of Bonds under the General Bond Ordinance.

(g) The period of usefulness of the System is indefinite, but in no case is it less than the term of the Series 2020 Bonds.

ARTICLE III ISSUANCE OF BONDS

Section 3.1. Authorization of Series 2020 Bonds. Pursuant to the General Bond Ordinance, this Series 2020 Bond Ordinance and the Act and in order to provide necessary improvements to the System, there shall be issued Water and Sewer System Revenue Bonds, Series 2020 (the "Series 2020 Bonds"). The Series 2020 Bonds shall be sold to the Purchaser at the purchase price established by the winning bid submitted at the competitive sale for the Series 2020 Bonds, reflecting the lowest true interest cost to the Commissioners. The Series 2020 Bonds shall be dated the date of delivery, or such other date as may be determined by the Chairman and the General Manager; shall be in fully registered form in Authorized Denominations; shall bear interest as herein provided, payable on each Interest Payment Date; and shall mature on December 1 in each of the years and in the principal amounts set forth in the winning bid as awarded by the Chairman and the General Manager.

The Series 2020 Bonds shall bear interest from their dated date. Interest on the Series 2020 Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2020 Bonds will be substantially in the form attached hereto as Exhibit A with such necessary or appropriate variations, omissions and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance and other details thereof or as are otherwise permitted or required by law, by the General Bond Ordinance or by this Series 2020 Bond Ordinance.

Section 3.2. Optional Redemption of Series 2020 Bonds. The Series 2020 Bonds maturing on or after December 1, 2030 shall be subject to redemption prior to maturity at the option of the City, on or after December 1, 2029 in whole or in part, at any time in any order of maturity selected by the City, at the principal amount of Series 2020 Bonds to be redeemed, together with interest accrued to the date fixed for redemption without premium.

Section 3.3. Notice of Redemption. Notice of any redemption of the Series 2020 Bonds shall be given in the manner required by Section 5.3 of the General Bond Ordinance, provided that if, on the date fixed for optional redemption as provided in Section 3.2(a) hereof, there has not been deposited with the Registrar sufficient moneys to pay both the principal amount of and accrued interest on the Series 2020 Bonds called for redemption on such date, the notice of redemption shall be deemed rescinded and of no force and effect. All such affected Series 2020 Bonds shall be returned by the Registrar to the Registered Owners thereof. The notice of redemption may on its face be conditional and subject to receipt of funds in an amount sufficient to pay both the principal amount of and accrued interest on the Series 2020 Bonds.

Section 3.4. Other General Provisions of the Series 2020 Bonds. The provisions of Section 12-2-50 of the Code of Laws of South Carolina, 1976, as amended, shall apply to the Series 2020 Bonds. The other general provisions of the Series 2020 Bonds shall be those set forth in Article IV of the General Bond Ordinance.

Section 3.5. Series 2020 Bonds Constitute Limited Obligation of the City. The full faith, credit and taxing powers of the City are not pledged for the payment of the principal of and interest on the Series 2020 Bonds, and there shall be on the face of the Series 2020 Bonds a statement plainly worded to that effect and stating that the Series 2020 Bonds do not constitute an indebtedness of the City within any State constitutional provisions or statutory limitation. No recourse shall be had for the payment of the Series 2020 Bonds or interest thereon, or any part thereof, against the several funds of the City, except in the manner and to the extent provided in this Series 2020 Bond Ordinance nor shall the credit or taxing power of the City be deemed to be pledged thereto.

Section 3.6. Authorization for Preparing and Selling Series 2020 Bonds. The Mayor is hereby authorized and directed to have the Series 2020 Bonds prepared, and the Mayor and Clerk are hereby authorized and directed to execute and attest the Series 2020 Bonds in form and manner provided herein.

Section 3.7. Book-Entry Form Authorized. The Series 2020 Bonds will be eligible securities for the purposes of the Book-Entry System of transfer maintained by The Depository Trust Company, New York, New York (the "Depository"), and transfers of beneficial ownership of the Series 2020 Bonds shall be made only through the Depository and its participants (the "Participants") in accordance with rules specified by the Depository. Such beneficial ownership must be of a \$5,000 principal amount of the Series 2020 Bonds of the same maturity or any integral multiple of \$5,000.

The Series 2020 Bonds shall be issued in fully registered form, one Certificate for each of the maturities of the Series 2020 Bonds, in the name of Cede & Co., as the nominee of the Depository. When any principal of, premium, if any, or interest on the Series 2020 Bonds becomes due, the City shall transmit or cause the Trustee to transmit to the Depository an amount equal to such installment of principal, premium, if any, and interest. Such payments will be made to Cede & Co. or other nominee of the Depository as long as it is owner of record on the applicable Record Date. Cede & Co. or other nominee of the Depository shall be considered to be the owner of the Series 2020 Bonds so registered for all purposes of this Series 2020 Bond Ordinance, including, without limitation, payments as aforesaid and receipt of notices and exercise of rights of Series 2020 Bondholders (the "Beneficial Owners").

The Paying Agent/Registrar shall notify the Depository of any notice of redemption required to be given pursuant to the General Bond Ordinance or this Series 2020 Bond Ordinance not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption.

The Depository is expected to maintain records of the positions of Participants in the Series 2020 Bonds, and the Participants and persons acting through Participants are expected to maintain records of

the Beneficial Owners of the Series 2020 Bonds. The City and the Trustee make no assurances that the Depository and its Participants will act in accordance with such rules or expectations on a timely basis, and the City and the Trustee shall have no responsibility for any such maintenance of records or transfer of payments by the Depository to its Participants, or by the Participants or persons acting through Participants to the Beneficial Owners.

If (a) the Depository determines not to continue to act as Depository for the Series 2020 Bonds, or (b) the City has advised the Depository and the Trustee of the City's determination that the Depository is incapable of discharging its duties, the City shall attempt to retain another qualified securities depository to replace the Depository. Upon receipt by the City or the Trustee of the Series 2020 Bonds together with an assignment duly executed by the Depository, the City shall execute and deliver to the successor depository, Series 2020 Bonds of the same principal amount, interest rate and maturity.

If the City is unable to retain a qualified successor to the Depository or the City has determined that it is in the best interest of the City not to continue the Book-Entry System of transfer or that the interest of the Beneficial Owners of the Series 2020 Bonds might be adversely affected if the Book-Entry System of transfer is continued (although the City undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Series 2020 Bonds by mailing an appropriate notice to the Depository, then upon receipt by the City of the Series 2020 Bonds together with an assignment duly executed by the Depository, the City shall execute, and cause to be authenticated and delivered pursuant to the instructions of the Depository, Series 2020 Bonds in fully registered form, in substantially the form set forth in this Series 2020 Bond Ordinance, in the denomination of \$5,000 or any integral multiple thereof.

Section 3.8. Debt Service Reserve Requirement. The City determines, as permitted by the Amended and Restated General Bond Ordinance that it is not necessary to fund a Debt Service Reserve Account for the Series 2020 Bonds. Consequently, the Reserve Fund Requirement for the Series 2020 Bonds shall be \$-0-.

ARTICLE IV SALE AND AWARD OF SERIES 2020 BONDS

Section 4.1. Determination of Time to Receive Bids; Form of Official Notice of Bond Sale and Official Bid Form. The City hereby approves the offering of the Series 2020 Bonds at competitive sale on a date to be selected by the Chairman and General Manager in accordance with an Official Notice of Bond Sale in substantially the form attached hereto as Exhibit B.

Section 4.2. Preliminary Official Statement and Official Statement. The City hereby approves the dissemination of a Preliminary Official Statement in connection with the public offering and sale of the Series 2020 Bonds. The City hereby approves a final Official Statement of the City relating to the Series 2020 Bonds which will reflect the results of the competitive sale thereof, and directs that such Preliminary Official Statement and Official Statement be prepared under the supervision of the Chairman and the General Manager, and the City hereby authorizes the use of said Official Statement and the information contained therein.

Section 4.3. Award of Series 2020 Bonds. The Chairman and General Manager shall, and are hereby authorized and empowered to, award the sale of the Series 2020 Bonds to the bidder naming the lowest true interest cost to the Commissioners, which shall be reflected in Exhibit D hereto. The Chairman and General Manager are authorized to complete Exhibit D upon the receipt of bids so that the final details of the Series 2020 Bonds may be made a part of the official record of proceedings.

ARTICLE V
DISPOSITION OF PROCEEDS OF SERIES 2020 BONDS

Section 5.1. Payment of Cost of Issuance. Sufficient proceeds derived from the sale of the Series 2020 Bonds as determined by the Chairman and General Manager shall be set aside to pay Cost of Issuance upon an approved order signed by an authorized officer of the Commissioners.

Section 5.2. Use of Remaining Proceeds. All of the remaining proceeds derived from the sale of the Series 2020 Bonds shall be deposited in a Construction Fund to be established for the Series 2020 Bonds. The Commissioners may act as custodian of such Construction Fund and shall maintain proper records of each withdrawal therefrom.

ARTICLE VI
CONCERNING THE TRUSTEE

Section 6.1. Trustee Protected in Relying Upon Resolutions, Etc. The Trustee shall at all times be protected in acting upon any notice, ordinance, resolution, request, consent, order, certificate, statement, opinion, bond, coupon or other paper or document believed to be genuine and to have been signed by the proper party or parties. The Trustee shall not be under any obligation to perform any act which would involve it in expense, or to institute any suit, or defend the same, or to advance any of its own moneys, unless properly indemnified to its satisfaction. Nor shall the Trustee be liable in connection with the performance of its duties hereunder, except for its own negligence or default.

Section 6.2. Appointment of Successor Trustee. Should the Trustee resign, become incapable of acting, or fail to remain a member of the Federal Deposit Insurance Corporation, the City shall appoint a successor Trustee. Immediately following such appointment, the City shall give written notice of such appointment to the Holders of the Series 2020 Bonds.

ARTICLE VII
CONTINUING DISCLOSURE

Section 7.1. Information to be Provided. The City hereby undertakes, for the benefit of the Holders of the Series 2020 Bonds, to cause the Commissioners to provide:

(a) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the Commissioners, on behalf of the City, have covenanted to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit of the System, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than five percent (5%) of System revenue. The only remedy for failure by the Commissioners, on behalf of the City, to comply with the covenant in this Section shall be an action for specific performance of this covenant. The Commissioners, on behalf of the City, specifically reserve the right to amend this covenant to reflect any change in Section 11-1-85, without the consent of any Bondholder.

(b) In addition, the Commissioners, on behalf of the City, hereby covenant and agree to comply with and carry out all of the provisions of the Continuing Disclosure Undertaking in substantially the form of Exhibit C hereto. Notwithstanding any other provision of this Series 2020 Bond Ordinance, failure of the Commissioners, on behalf of the City, to comply with the Continuing Disclosure Undertaking shall not be considered an event of default; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commissioners, on behalf of the City, to comply with its obligations under this paragraph.

(c) As permitted by Securities Exchange Act of 1934 Rule 15c2-12(f)(10), the Commissioners, on behalf of the City, shall provide the information required by Rule 15c2-12. The Commissioners, on behalf of the City, shall also comply with the provisions of Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended.

ARTICLE VIII MISCELLANEOUS

Section 8.1. Execution of Documents. The Mayor and the Clerk are hereby authorized, empowered and directed to execute in the name of the City and under the seal of the City any and all other documents consistent herewith that may be required by the Purchaser as a condition precedent to the issuance of the Series 2020 Bonds by the City, and the City is hereby authorized and empowered to accept and receive the proceeds of such Series 2020 Bonds.

Section 8.2. Tenor of Obligation. Every covenant, undertaking, and agreement made on behalf of the City set forth in the Series 2020 Bonds and in this Series 2020 Bond Ordinance is made, undertaken, and agreed to for the proper securing of the payment of the principal of and interest on the Series 2020 Bonds. Each shall be deemed to partake of the obligation of the contract between the City and the Holders of the Series 2020 Bonds, and shall be enforceable accordingly.

Section 8.3. Benefits of Series 2020 Bond Ordinance Limited to the City and Holders of the Series 2020 Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from the Series 2020 Bond Ordinance or the Series 2020 Bonds is intended or should be construed to confer upon or give to any person other than the City, the Holders of the Series 2020 Bonds, any legal or equitable right, remedy or claim under or by reason of or in respect to the Series 2020 Bond Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. The Series 2020 Bond Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City and the Holders from time to time of the Series 2020 Bonds as herein and therein provided.

Section 8.4. Series 2020 Bond Ordinance Binding Upon Successors or Assigns of the City. All the terms, provisions, conditions, covenants, warranties and agreements contained in the Series 2020 Bond Ordinance shall be binding upon the successors and assigns of the City and shall inure to the benefit of the Holders of the Series 2020 Bonds.

Section 8.5. No Personal Liability. No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the City contained in this Series 2020 Bond Ordinance or the Series 2020 Bonds, against any council member of the City, any officer or employee, as such, in his or her individual capacity, past, present or future, of the City, either directly or through the City, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Series 2020 Bond Ordinance and the Series 2020 Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such, past, present or future, of the City or the Commissioners, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the City and the Series 2020 Bondholder or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the enactment of this Series 2020 Bond Ordinance and the execution of the Series 2020 Bonds, and as a condition of, and as a part of the consideration for, the enactment of this Series 2020 Bond Ordinance and the execution of the Series 2020 Bonds, expressly waived and

released. The immunity of members, officers and employees of the City and the Commissioners under the provisions contained in this Section 8.5 shall survive the termination of the Ordinance.

Section 8.6. Effect of Saturdays, Sundays and Legal Holidays. Whenever the Ordinance requires any action to be taken on a day that is not a Business Day, such action shall be taken on the first Business Day occurring thereafter.

Section 8.7. Law and Place of Enforcement of the Ordinance. The Series 2020 Bond Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina and all suits and actions arising out of this Series 2020 Bond Ordinance shall be instituted in a court of competent jurisdiction in said State.

Section 8.8. Effect of Article and Section Headings and Table of Contents. The heading or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of the Ordinance.

Section 8.9. Appointment of Paying Agent. U.S. Bank National Association is hereby appointed Paying Agent for the Series 2020 Bonds.

Section 8.10. Savings Provision. If any section, paragraph, clause or provision of this Series 2020 Bond Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Series 2020 Bond Ordinance.

Section 8.11. Repealing Clause. All resolutions, ordinances, or parts thereof inconsistent herewith shall be, and the same are hereby, repealed to the extent of such inconsistencies.

Section 8.12. Effective Date. This Series 2020 Bond Ordinance shall be effective without the necessity of any publication upon the date on which it receives second reading.

Section 8.13. Codification. This Series 2020 Bond Ordinance shall be forthwith codified in the Code of Ordinances in the manner required by law and shall be indexed under the general heading "Water and Sewer System Revenue Bonds, Series 2020."

[Execution on following page.]

DONE IN MEETING DULY ASSEMBLED, this ____ day of _____, 2020.

CITY OF ISLE OF PALMS, SOUTH CAROLINA

Mayor

(SEAL)

ATTEST:

City Clerk

Date of First Reading: _____, 2020

Date of Second Reading: _____, 2020

EXHIBIT A

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF ISLE OF PALMS
WATER AND SEWER SYSTEM REVENUE BOND
SERIES 2020**

Original Issue Date

Maturity Date

Interest Rate

CUSIP

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

The City of Isle of Palms, South Carolina (the “City”), is justly indebted and, for value received, hereby promises to pay to the Registered Owner (named above), or registered assigns, but solely from the revenues hereinafter mentioned and not otherwise, the Principal Amount shown above on the Maturity Date shown above (unless the within Bond shall be subject to prior redemption and shall have been duly called for previous redemption and payment of redemption price made or provided for), upon presentation and surrender of this Series 2020 Bond at the corporate trust office of U.S. Bank National Association in Columbia, South Carolina (the “Paying Agent”), and to pay interest, but solely from the revenues hereinafter mentioned and not otherwise, on such principal amount from the date hereof at the Interest Rate per annum shown above until the City’s obligation with respect to the payment of such principal sum shall be discharged. Interest on this Series 2020 Bond is payable semiannually on June 1 and December 1 of each year commencing December 1, 2020, until this Series 2020 Bond matures, and shall be payable by check or draft mailed to the person in whose name this Series 2020 Bond is registered on the registration books of the City maintained by U.S. Bank National Association in Columbia, South Carolina, as registrar (the “Trustee”) at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal, redemption premium, if any, and interest on this Series 2020 Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully registered Bond shall be paid by check or draft as set forth above.

This Series 2020 Bond is one of an authorized series of Bonds of the aggregate principal amount of _____ Dollars (\$_____) of like date of original issue, tenor and effect, except as to number, date of maturity, principal amount, registered owner, redemption provision and rate of interest, issued by the City for the purpose of (i) providing necessary improvements to the City’s Water and Sewer System (the “System”), and (ii) paying certain Cost of Issuance (terms as defined in the Bond Ordinance referred to below). This Series 2020 Bond and the series of Bonds of which it is one are authorized to be issued and are issued under, pursuant to and in full compliance with the Constitution and statutes of the State of South Carolina, including particularly Title 6, Chapter 21, of the Code of Laws of South Carolina, 1976, as amended (collectively the “Act”). This Series 2020 Bond and the series of Bonds of which it is one are also authorized to be issued and are issued under and pursuant to a General Bond Ordinance enacted on August 28, 2012 (which amends and restates Ordinance 1991-1), and a Series 2020 Bond Ordinance of the City Council of the City duly enacted on _____, 2020 (collectively, the “Bond Ordinance”), under the Act which Bond Ordinance has been duly codified and indexed as prescribed by law.

The Bond Ordinance contains provisions defining terms, including the properties comprising the System; sets forth the revenues pledged for the payment of the principal of and interest on this Series 2020 Bond and the bonds of other series heretofore or hereafter issued on a parity herewith under the Bond Ordinance (together, the "Bonds"); sets forth the nature, extent and manner of enforcement of the security of this Series 2020 Bond and of such pledge, and the rights and remedies of the holder hereof with respect thereto; sets forth the terms and conditions upon which and the extent to which the Bond Ordinance may be altered, modified and amended; sets forth the terms and conditions upon which this Series 2020 Bond is issued, upon which other bonds may be heretofore or hereafter issued payable as to principal, premium, if any, and interest on a parity with this Series 2020 Bond and equally and ratably secured herewith; sets forth the rights, duties and obligations of the City thereunder; and sets forth the terms and conditions upon which the pledge made in the Bond Ordinance for the security of this Series 2020 Bond and upon which the covenants, agreements and other obligations of the City made therein may be discharged at or prior to the maturity or redemption of this Series 2020 Bond with provisions for the payment thereof in the manner set forth in the Bond Ordinance. Reference is hereby made to the Bond Ordinance to all of the provisions of which any holder of this Series 2020 Bond by the acceptance hereof thereby assents. The provisions of the Act and the Bond Ordinance shall be a contract with the holder of this Series 2020 Bond.

The Series 2020 Bonds and the interest thereon are special obligations of the City payable solely from, and secured equally and ratably by a pledge of and lien upon, the Revenues (as defined in the Bond Ordinance) derived by the City from the System after adequate provision for operation and maintenance expenses (defined in the Bond Ordinance as Net Revenues), and on a parity with any Series of Bonds (as defined in the Bond Ordinance) hereafter issued under the Bond Ordinance payable from such Net Revenues on a parity and equally and ratably secured therewith.

The Series 2020 Bonds maturing on or after December 1, 2030 shall be subject to redemption prior to maturity at the option of the City, on or after December 1, 2029 in whole or in part, at any time in any order of maturity selected by the City, at the principal amount of Series 2020 Bonds to be redeemed, together with interest accrued to the date fixed for redemption without premium.

This Series 2020 Bond is transferable, as provided in the Bond Ordinance, only upon the books of the City kept for that purpose at the principal office of the Registrar by the registered owner in person or by his duly authorized attorney upon surrender of this Series 2020 Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same aggregate principal amount, rate of interest and maturity shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The City, the Registrar and the Paying Agent may deem and treat the person in whose name this Series 2020 Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption premium, if any, hereof and interest due hereon and for all other purposes.

To the extent and in the manner permitted by the terms of the Bond Ordinance, the provisions of this Series 2020 Bond or of the Bond Ordinance, or any ordinance amendatory thereof or supplemental thereto, may be amended or modified by the City with the written consent of the holders of at least sixty six and two thirds percent (66 2/3%) in principal amount of the Bonds then outstanding under the Bond Ordinance (including the Bond of the series of which this Series 2020 Bond is one); provided, that no such amendment or modification shall permit a change in the date of maturity of any installment of principal hereof or date of optional or mandatory redemption of any Bond or the date of payment of interest thereon or a reduction in the principal amount or redemption price thereof or rate of interest thereon without the consent of the holder of each such Bond affected thereby, or shall reduce the

percentage of the principal amount of Bonds, the consent of the holders of which is required by the Bond Ordinance to effect such an amendment or modification.

Under the laws of the State of South Carolina, the principal of and interest on this Series 2020 Bond are exempt from any and all State, county, municipal, school district and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and statutes of the State of South Carolina to exist, to happen and to be performed precedent to and in the issuance of this Series 2020 Bond, do exist, have happened and have been performed in due time, form and manner as required by law; that the series of which this Series 2020 Bond is a part does not exceed any constitutional or statutory limitation of indebtedness; and that provision has been made for the payment of the principal of and interest on this Series 2020 Bond and the series of which it is one, as provided in the Bond Ordinance.

This Series 2020 Bond shall not be entitled to any benefit under the Bond Ordinance, nor become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been duly executed by the Trustee.

THIS SERIES 2020 BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 21, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE SOUTH CAROLINA CONSTITUTION AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE). THIS SERIES 2020 BOND AND THE BONDS OF THE SERIES OF WHICH IT IS ONE, INCLUDING INTEREST THEREON, ARE PAYABLE SOLELY FROM THE NET REVENUES HERETOFORE MENTIONED WHICH ARE PLEDGED TO THE PAYMENT THEREOF AND THE CITY IS UNDER NO OBLIGATION TO PAY THE SAME EXCEPT FROM SUCH NET REVENUES. THIS SERIES 2020 BOND AND THE BONDS OF THE SERIES OF WHICH IT IS ONE SHALL NOT CONSTITUTE A DEBT OF THE CITY, NOR A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY OR ON ANY INCOME, RECEIPTS OR REVENUES THEREOF, OTHER THAN THE AFORESAID NET REVENUES OF THE SYSTEM PLEDGED THERETO. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THIS SERIES 2020 BOND OR THE INTEREST THEREON AGAINST THE GENERAL FUND OF THE CITY AND NEITHER THE CREDIT NOR THE TAXING POWER OF THE CITY SHALL BE DEEMED TO BE PLEDGED THERETO. THE FULL FAITH, CREDIT AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS SERIES 2020 BOND.

[Execution of bond on following page.]

IN WITNESS WHEREOF, the City of Isle of Palms, South Carolina, has caused this Series 2020 Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City under the seal of the City impressed, imprinted or reproduced hereon.

CITY OF ISLE OF PALMS,
SOUTH CAROLINA

By: _____
Mayor

(SEAL)

ATTEST:

City Clerk

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Series 2020 Bond is one of the Bonds described in the within-mentioned Bond Ordinance of the City of Isle of Palms, South Carolina.

U.S. BANK NATIONAL ASSOCIATION, Trustee

Dated: _____

By: _____
Authorized Officer

\$16,000,000*

CITY OF ISLE OF PALMS, SOUTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2020

OFFICIAL NOTICE OF BOND SALE

AND

OFFICIAL BID FORM

The Series 2020 Bonds are being offered for sale in accordance with this Official Notice of Bond Sale. Electronic bids for the purchase of the Series 2020 Bonds will be received by the City of Isle of Palms, South Carolina (the “City”), in the Office of the General Manager of the Isle of Palms Water and Sewer Commission, Isle of Palms, South Carolina, on _____, 2020, until _____ local South Carolina time, or on such other date and time as may be established by the General Manager or her designee and communicated by electronic dissemination not less than 20 hours prior to the time the bids are to be received.

_____, 2020

*Preliminary, subject to change.

OFFICIAL NOTICE OF BOND SALE

\$16,000,000*

CITY OF ISLE OF PALMS, SOUTH CAROLINA WATER AND SEWER SYSTEM REVENUE BONDS SERIES 2020

Electronic bids for \$16,000,000* City of Isle of Palms, South Carolina, Water and Sewer System Revenue Bonds, Series 2020 (the “Series 2020 Bonds”), will, at the direction of the City Council of the City of Isle of Palms (the “City”) be received by the Isle of Palms Water and Sewer Commission (the “CPW”), in the Office of the General Manager of the CPW, 1300 Palm Boulevard, Isle of Palms, South Carolina, on _____, 2020, until _____ local South Carolina time, or on such other date and time as may be established by the General Manager or his designee and communicated by electronic dissemination not less than 20 hours prior to the time the bids are to be received.

Electronic bids must be submitted through BiDCOMP/Parity Electronic Bid Submission System (“Parity”). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from IPREO, Municipal Services, telephone (212) 849-5023, or munis@ipreo.com.

SERIES 2020 BOND DETAILS

The Series 2020 Bonds will be issued initially as fully registered bonds and, when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2020 Bonds. Individual purchases of the Series 2020 Bonds may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof. Purchasers of Series 2020 Bonds (the “Beneficial Owners”) will not receive physical delivery of bond certificates. As long as Cede & Co. is the registered owner of the Series 2020 Bonds, as nominee for DTC, payments of principal and interest with respect to the Series 2020 Bonds will be made to such registered owner who will in turn remit such principal and interest payments to DTC participants for subsequent disbursement to the Beneficial Owners.

The Series 2020 Bonds will be dated the date of delivery, or such other date as may be communicated by electronic dissemination not less than 20 hours prior to the time bids are to be received, and shall bear interest from such date and shall be payable semiannually commencing on December 1, 2020, or such other date as may be communicated by electronic dissemination not less than 20 hours prior to the time bids are to be received, and on each June 1 and December 1 until maturity or prior redemption at the rate or rates specified in such proposal as may be accepted. The proposed schedule of maturities and amounts are as follows:

MATURITY SCHEDULE FOR SERIES 2020 BONDS⁽¹⁾

<u>Due December 1</u>	<u>Principal Amount*</u>	<u>Due December 1</u>	<u>Principal Amount*</u>
2022		2031	
2023		2032	
2024		2033	
2025		2034	
2026		2035	
2027		2036	
2028		2037	
2029		2038	
2030		2039	

(NOTE: The CPW reserves the right to modify the maturity schedule shown above. Any such modification will be communicated through electronic dissemination. (See, "Adjustment of Principal Amount" below.)

* Preliminary, subject to change.

⁽¹⁾ Subject to adjustment as provided in this Official Notice of Bond Sale.

Adjustment of Principal Amount. The schedule of maturities set forth above (the "Initial Maturity Schedule") represents an estimate of the principal amounts and maturities of Series 2020 Bonds which will be sold. The CPW reserves the right to change the Initial Maturity Schedule by announcing any such change not later than 3:00 p.m., local South Carolina time, on the date immediately preceding the date set for receipt of bids, through electronic dissemination. If no such change is announced, the Initial Maturity Schedule will be deemed the schedule of principal amounts and maturities for the Official Bid Form.

Furthermore, if after final computation of the bids, the CPW determines in its sole discretion that the funds necessary to accomplish the purposes for issuance, as herein described, are either more or less than the proceeds of the sale of all of the Series 2020 Bonds, the CPW reserves the right either to increase or decrease the principal amount of any maturity of the Series 2020 Bonds (to be rounded to the nearest \$5,000), provided that any such increase shall not, in the aggregate, cause the total amount of Series 2020 Bonds to exceed the maximum principal amount authorized by the CPW.

In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted; and the Series 2020 Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yield as specified immediately after award of the applicable Series 2020 Bonds of that maturity. However, the award will be made to the bidder whose bid produces the lowest true interest cost, calculated as specified, solely on the basis of the Series 2020 Bonds offered, without taking into account any adjustment in the amount of Series 2020 Bonds pursuant to this paragraph.

Optional Redemption Provisions. The Series 2020 Bonds maturing on or after December 1, 2030 shall be subject to redemption prior to maturity at the option of the City, on or after December 1, 2029 in whole or in part, at any time in any order of maturity selected by the City, at the principal amount of Series 2020 Bonds to be redeemed, together with interest accrued to the date fixed for redemption without premium.

AUTHORIZATION

The Series 2020 Bonds are issued under Title 6, Chapter 21, Code of Laws of South Carolina, 1976, as amended (the "Act"), the General Bond Ordinance effective August 28, 2012 (which amends and restates Ordinance 1991-1), and a Series 2020 Bond Ordinance (collectively the "Ordinance"), in order to provide moneys for purposes authorized by the Act.

PURPOSE

Proceeds from the Series 2020 Bonds may be used to (i) provide necessary improvements to the City's Water and Sewer System (the "System"), and (ii) pay the costs of issuance of the Series 2020 Bonds.

SECURITY FOR THE SERIES 2020 BONDS

The payment of the principal of and interest on the Series 2020 Bonds shall be secured equally and ratably by a lien on and pledge of the Revenues, as described more fully in the Preliminary Official Statement dated _____, 2020, in an amount sufficient to pay the principal of and interest on the Series 2020 Bonds and all Bonds issued on a parity therewith, and to make the payments into the Debt Service Fund and all other payments provided for in the General Bond Ordinance.

The Series 2020 Bonds shall not be and shall not constitute a debt or a pledge of the full faith and credit of the City or any political subdivision thereof or the CPW, within the meaning of any constitutional or statutory limitations; but shall be limited obligations of the City, payable by the City solely from the Revenues and the amounts on deposit in the funds and accounts established in accordance with the terms of the General Bond Ordinance, all in the manner provided therein. No Holder or Holders of any Series 2020 Bonds issued thereunder shall ever have the right to compel the exercise of the taxing power of the City, or taxation in any form of any real or personal property therein, or the application of any other funds of the CPW or the City to pay the Series 2020 Bonds or the interest thereon.

There will be no Debt Service Reserve Fund account established for the Series 2020 Bonds.

CONTINUING DISCLOSURE

The City and the CPW have committed to enter into a written Continuing Disclosure Undertaking pursuant to which they will agree to provide certain annual information and notices of material events as required by Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule") and as described in the Preliminary Official Statement.

The obligation of the successful bidder (the "Purchaser") to purchase the Series 2020 Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Series 2020 Bonds, in form and substance reasonably satisfactory to the Purchaser, a copy of the Continuing Disclosure Undertaking, which shall constitute a written agreement for the benefit of the Beneficial Owners of the Series 2020 Bonds as required by the Rule.

PURCHASER'S CERTIFICATION REGARDING INITIAL OFFERING PRICE

The winning bidder shall assist the City in establishing the issue price of the Series 2020 Bonds and shall execute and deliver to the City on the Closing Date an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2020 Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Burr Forman McNair, Bond Counsel for the City. All communications under this Series 2020 Official Notice of Bond Sale relating to issue price of the Series 2020 Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City relating to issue price may be provided to the City's municipal advisor.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2020 Bonds) will apply to the initial sale of the Series 2020 Bonds (the “competitive sale requirements”) because: (i) the City shall disseminate this Series 2020 Official Notice of Bond Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (ii) all bidders shall have an equal opportunity to bid; (iii) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (iv) the City anticipates awarding the sale of the Series 2020 Bonds to the bidder who submits a firm offer to purchase the Series 2020 Bonds at the lowest true interest cost, as set forth in this Series 2020 Official Notice of Bond Sale.

Any bid submitted pursuant to this Series 2020 Official Notice of Bond Sale shall be considered a firm offer for the purchase of the Series 2020 Bonds, as specified in the bid. All bids shall include a representation that the underwriters have established industry reputations for underwriting new issuances of municipal securities.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of a maturity of the Series 2020 Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Series 2020 Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Series 2020 Bonds satisfies the 10% test as of the date and time of the award of the Series 2020 Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Series 2020 Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Series 2020 Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Series 2020 Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Series 2020 Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Series 2020 Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Series 2020 Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Series 2020 Bonds, that the underwriters will neither offer nor sell unsold Series 2020 Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (A) the close of the fifth (5th) business day after the sale date; or (B) the date on which the underwriters have sold at least 10% of that maturity of the Series 2020 Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2020 Bonds to the public at a price that is no higher than the initial offering price to the public.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Series 2020 Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Series 2020 Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Series 2020 Bonds of that maturity have been sold, or (ii) the 10% test has been satisfied as to the Series 2020 Bonds

of that maturity, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel.

The City acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with requirements for establishing issue price of the Series 2020 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020 Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2020 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2020 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020 Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2020 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2020 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Series 2020 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2020 Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2020 Bonds, including but not limited to, its agreement to hold-the-offering-price rule, if applicable to the Series 2020 Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2020 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable: (A) to report the prices at which it sells to the public the unsold Series 2020 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2020 Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Series 2020 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, (B) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (C) to promptly notify the winning bidder of any sales of Series 2020 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2020 Bonds to the public (each such term being used as defined below), and (D) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2020 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2020 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2020 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2020 Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the

10% test has been satisfied as to the Series 2020 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Sales of any Series 2020 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2020 Bonds to the public (each such term being used as defined herein) shall not constitute sales to the public for purposes of this Series 2020 Official Notice of Bond Sale. Further, for purposes of this Series 2020 Official Notice of Bond Sale: (i) "public" means any person other than an underwriter or a related party, (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2020 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2020 Bonds to the public), (iii) a purchaser of any of the Series 2020 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and (iv) "sale date" means the date that the Series 2020 Bonds are awarded by the City to the winning bidder.

By submitting a bid, each bidder represents that it has an established reputation of underwriting new issuances of municipal bonds such as the Series 2020 Bonds.

LEGAL OPINION AND CLOSING CERTIFICATE

The City will furnish, without cost to the Purchaser, typewritten or printed Series 2020 Bonds and the opinion of Burr Forman McNair, Bond Counsel for the City. The opinion of Burr Forman McNair will state that (a) interest on the Series 2020 Bonds is excludable from gross income for federal income tax purposes under the Code; and (b) the Series 2020 Bonds and the interest thereon are exempt from all State, county, municipal, school district and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes. The opinion will further state that the Code establishes certain requirements which must be met subsequent to the issuance and delivery of the Series 2020 Bonds in order that interest on the Series 2020 Bonds remain excludable from gross income for federal income tax purposes. Noncompliance may cause interest on the Series 2020 Bonds to be included in gross income retroactive to the date of issuance of the Series 2020 Bonds, regardless of the date on which such noncompliance occurs or is ascertained. The City has covenanted to comply with the requirements of the Code and, in rendering its opinion, Bond Counsel will assume compliance with such covenants. The opinion of Burr Forman McNair will be delivered with the Series 2020 Bonds.

RATINGS

Moody's Investors Service, Inc. has assigned a rating on the Series 2020 Bonds of "___".

TERMS OF BID AND BASIS OF AWARD

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Series 2020 Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% with no greater difference than two percent (2%) between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Series 2020 Bonds of that maturity from their date to such maturity date. A BID FOR LESS THAN ALL THE SERIES 2020 BONDS, OR A BID AT AN AGGREGATE PURCHASE PRICE (INCLUSIVE OF ORIGINAL ISSUE DISCOUNT (“OID”), ORIGINAL ISSUE PREMIUM (“OIP”) AND UNDERWRITER’S DISCOUNT) LESS THAN 99% OF THE PRINCIPAL AMOUNT OF SERIES 2020 BONDS, WILL NOT BE CONSIDERED.

The Series 2020 Bonds will be awarded to the bidder offering to purchase the Series 2020 Bonds at the lowest annual interest cost computed on a True Interest Cost basis (the “TIC”). The annual TIC will be determined by doubling the semi-annual interest rate necessary to discount the semi-annual debt service payments on the Series 2020 Bonds back to the Net Bond Proceeds (defined as the par amount of the Series 2020 Bonds plus any OIP and accrued interest thereon, less any OID and underwriter’s discount on the Series 2020 Bonds calculated on a 360-day year to the Closing Date). The TIC must be calculated to four (4) decimal places.

ALL ELECTRONIC PROPOSALS SHALL BE DEEMED TO INCORPORATE THE PROVISIONS OF THE OFFICIAL BID FORM. EACH BIDDER MUST SPECIFY IN ITS BID THE INTEREST RATE AND YIELD FOR THE SERIES 2020 BONDS OF EACH MATURITY. ALL SERIES 2020 BONDS MATURING ON THE SAME DATE MUST BEAR INTEREST AT THE SAME RATE. NO BIDS FOR LESS THAN ALL OF THE SERIES 2020 BONDS OFFERED WILL BE ENTERTAINED. THE CITY RESERVES THE RIGHT TO REJECT ALL BIDS OR ANY BID NOT CONFORMING TO THIS OFFICIAL NOTICE OF BOND SALE OR NOT IN THE FORM OF THE OFFICIAL BID FORM. THE CITY ALSO RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE CITY SHALL NOT REJECT ANY CONFORMING BID, UNLESS ALL CONFORMING BIDS ARE REJECTED.

SETTLEMENT OF SERIES 2020 BONDS

It is expected that closing for the Series 2020 Bonds will occur in Charleston, South Carolina, on or about _____, 2020, or such other date or place as determined by the CPW (the “Closing Date”). On such date, the Series 2020 Bonds will be delivered to DTC as securities depository registered in the name of Cede & Co., as nominee of DTC. The Purchaser shall advise the underwriting department of DTC, not less than seven business days prior to the closing date, the interest rates borne by the Series 2020 Bonds and the Closing Date. CUSIP Service Bureau charges for assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser. Any delay, error or omission with respect to the CUSIP numbers shall not constitute cause for failure or refusal by the Purchaser to accept delivery of and pay for the Series 2020 Bonds in accordance with the terms of this Official Notice of Bond Sale.

FULL PAYMENT OF THE PURCHASE PRICE MUST BE MADE TO THE CITY ON THE CLOSING DATE BY THE PURCHASER IN FEDERAL FUNDS OR IMMEDIATELY AVAILABLE FUNDS WITHOUT COST TO THE CITY.

BLUE SKY LAWS

The Purchaser will be responsible for the clearance or exemption with respect to the status of the Series 2020 Bonds for sale under the securities or “Blue Sky” laws of the several states and the preparation of any surveys or memoranda in connection with such sale.

OFFICIAL STATEMENT

A Preliminary Official Statement has been prepared by the City, and such Preliminary Official Statement is deemed final by the City for purposes of the Rule. The only information omitted from the Preliminary Official Statement are those items permitted to be omitted under the Rule. The City designates the Purchaser as its agent for purposes of distributing copies of the final Official Statement. The Purchaser agrees (1) to accept such designation; and (2) to assure proper dissemination of the final Official Statement. The City will prepare and provide to the Purchaser, within seven (7) business days after the sale date, a mutually agreed upon reasonable number of copies of the final Official Statement. The final Official Statement shall be in substantially the same form as the Preliminary Official Statement, subject to any additions, deletions or revisions that the City believes are necessary.

ADDITIONAL INFORMATION

Copies of the Preliminary Official Statement (including the form of the opinion of Bond Counsel), the Official Bid Form and the Official Notice of Bond Sale and any additional information desired, may be obtained from First Tryon Advisors or will be furnished upon request from the Office of the General Manager, Isle of Palms Water and Sewer Commission, 1300 Palm Boulevard, Isle of Palms, South Carolina 29451, contact Chris Jordan (843) 886-6148; or First Tryon Advisors, 1355 Greenwood Cliff, Suite 400, Charlotte, North Carolina 28204, contact Amy Vitner (704) 926-2457, or David Cheatwood (704) 926-2447.

Chris Jordan, General Manager

OFFICIAL BID FORM

\$16,000,000*
CITY OF ISLE OF PALMS, SOUTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2020

_____, 2020

Chairman
Isle of Palms Water and Sewer Commission
1300 Palm Boulevard
Isle of Palms, South Carolina 29451

Ladies and Gentlemen:

On behalf of the undersigned and any underwriting syndicate which we have formed and lead, and in accordance with the terms and conditions of the attached Official Notice of Bond Sale dated _____, 2020 which is hereby made a part of this proposal, we offer to purchase all of the \$16,000,000* City of Isle of Palms, South Carolina, Water and Sewer System Revenue Bonds, Series 2020 (the "Series 2020 Bonds"). We will pay as the purchase price thereof, the aggregate sum of _____ Dollars (\$_____) ⁽¹⁾, in immediately available Federal Funds. The Series 2020 Bonds will be dated the date of their delivery, shall bear interest from such date and shall be payable semiannually commencing on December 1, 2020 and on each June 1 and December 1 until maturity.

The Series 2020 Bonds shall mature in the years and in the amounts, and bear interest at the respective interest rates per annum, all as stated in the following schedule:

Schedule of Maturities ⁽¹⁾

<u>Due</u> <u>December 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Due</u> <u>December 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
2022				2031			
2023				2032			
2024				2033			
2025				2034			
2026				2035			
2027				2036			
2028				2037			
2029				2038			
2030				2039			

* Preliminary, subject to change.

⁽¹⁾ Subject to adjustment as provided in the Official Notice of Bond Sale.

Subject to your acceptance of our Series 2020 Official Bid, we agree to make a bona fide public offering of all the Series 2020 Bonds at yields not lower than those set forth in the above Schedule of Maturities, Principal Payments, Interest Rates and Yields. Our calculation, made as provided in the Official Notice of Bond Sale, of the true interest cost to the CPW is _____. This estimate is for information purposes only and is not binding on the CPW or the undersigned.

It shall be a condition of our obligation as the successful bidder to accept delivery of, and pay for, the Series 2020 Bonds that, contemporaneously with, or before, accepting the Series 2020 Bonds and paying for them, we shall receive the closing documents specified in the Official Notice of Bond Sale.

We hereby acknowledge receipt of the Preliminary Official Statement for the Series 2020 Bonds “deemed final” (except for permitted omissions) by the City of Isle of Palms, South Carolina.

This bid is a firm offer for the purchase of the Series 2020 Bonds identified in the Series 2020 Notice of Sale, on the terms set forth in this bid form and the Series 2020 Notice of Sale, and is not subject to any conditions, except as permitted by the Series 2020 Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds.

We agree to provide a list of all syndicate members by facsimile transmission upon notification of our successful bid. Receipt of such list shall be a condition to award the Series 2020 Bonds.

It is understood and agreed that an award will be made for all but not less than all of the Series 2020 Bonds and that the principal amount of the Series 2020 Bonds and our purchase price as bid may be adjusted as provided in the Official Notice of Bond Sale, the terms of which are incorporated herein by reference.

If the foregoing is acceptable to you, please signify by signing and returning a copy of this Official Bid Form to the undersigned bidder whereupon it will become a binding agreement between us.

Respectfully submitted,

Bidder

Accepted and agreed to
_____, 2020

ISLE OF PALMS WATER AND SEWER
COMMISSION

By: _____

Title: _____

(No addition or alteration, except as provided above, is to be made to this Official Bid Form and it must not be detached from the attached Official Notice of Bond Sale)

**[COMPETITIVE SALE -
AT LEAST THREE (3) BIDS]**

\$ _____*
CITY OF ISLE OF PALMS, SOUTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2020

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (the “Underwriter”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”) issued by the City of Isle of Palms, South Carolina (the “City”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriter are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.

(b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

(d) The Underwriter has an established industry reputation for underwriting new issuances of municipal bonds.

2. Defined Terms.

(a) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(c) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].

(d) Underwriter means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax and Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Burr Forman McNair, as Bond Counsel to the City, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

[Signature Page Follows]

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

EXPECTED OFFERING PRICES

SCHEDULE B

COPY OF UNDERWRITER’S BID

\$ _____ *

CITY OF ISLE OF PALMS, SOUTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2020

CERTIFICATE OF MUNICIPAL ADVISOR

The undersigned, on behalf of First Tryon Advisors (the “Municipal Advisor”), as the municipal advisor to the City of Isle of Palms, South Carolina (the “City”) in connection with the issuance of the above-captioned obligations (the “Bonds”), has assisted the City in soliciting and receiving bids from potential underwriters in connection with the sale of the Bonds in a competitive bidding process in which bids were requested for the purchase of the Bonds at specified written terms, and hereby certifies as set forth below with respect to the bidding process and award of the Bonds.

1. The Bonds were offered for sale at specified written terms more particularly described in the Notice of Sale, which was distributed to potential bidders, a copy of which is attached to this certificate as Attachment 1.

2. The Notice of Sale was disseminated electronically through **[Thomson Municipal Market Monitor]**. The method of distribution of the Notice of Sale is regularly used for purposes of disseminating notices of sale of new issuances of municipal bonds, and notices disseminated in such manner are widely available to potential bidders.

3. To the knowledge of the Municipal Advisor, all bidders were offered an equal opportunity to bid to purchase the Bonds so that, for example, if the bidding process afforded any opportunity for bidders to review other bids before providing a bid, no bidder was given an opportunity to review other bids that was not equally given to all other bidders (that is, no exclusive “last-look”).

4. The City received bids from at least three bidders who represented that they have established industry reputations for underwriting new issuances of municipal bonds. Copies of the bids received are attached to this certificate as Attachment 2.

5. The winning bidder was **[NAME OF UNDERWRITER]** (the “Underwriter”), whose bid was determined to be the best conforming bid in accordance with the terms set forth in the Notice of Sale, as shown in the bid comparison attached as Attachment 3 to this certificate. The City awarded the Bonds to the Underwriter.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Municipal Advisor’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax and Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Burr Forman McNair, as Bond Counsel to the City, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds. No other persons may rely on the representations set forth in this certificate without the prior written consent of the Municipal Advisor.

[Signature Page Follows]

FIRST TRYON ADVISORS

By:_____

Name:_____

Dated: [ISSUE DATE]

ATTACHMENT 1

NOTICE OF SALE

ATTACHMENT 2

BIDS RECEIVED

ATTACHMENT 3

BID COMPARISON

**[COMBINING ACTUAL SALES RULE AND HOLD-THE-OFFERING-PRICE RULE
FEWER THAN THREE (3) BIDS]**

\$ _____*
CITY OF ISLE OF PALMS, SOUTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2020

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (the “Underwriter”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) issued by the City of Isle of Palms, South Carolina (the “City”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Bond Sale and Official Bid Form, the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) The Underwriter has an established industry reputation for underwriting new issuances of municipal bonds.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) ***Holding Period*** means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which the Underwriter has sold at least 10% of such

Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [DATE].

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax and Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Burr Forman McNair, as Bond Counsel to the City, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

[Signature Page Follows]

[UNDERWRITER]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered as of _____, 2020 by the City of Isle of Palms, South Carolina (the “City”), a municipal corporation organized and existing under the laws of the State of South Carolina and by the Commissioners of Public Works of the City, doing business as the Water and Sewer Commission (the “Commissioners”), in connection with the issuance of the \$_____ Water and Sewer System Revenue Bonds, Series 2020, of the City of Isle of Palms, South Carolina (the “Series 2020 Bonds”), issued by the City pursuant to the General Bond Ordinance enacted by the Council on August 28, 2012 (which amends and restates Ordinance 1991-1) (the “General Bond Ordinance”) and as from time to time amended or supplemented by Series or Supplemental Ordinances (collectively, the “Ordinance”). The City and the Commissioners hereby agree:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Holders and Beneficial Owners of the Series 2020 Bonds and in order to assist the Participating Underwriter (defined below) in complying with Rule 15c2-12(b)(5) under the Securities and Exchange Act of 1934.

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or elsewhere in this Disclosure Undertaking, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Commissioners on behalf of the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Series 2020 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2020 Bonds for federal income tax purposes.

“Bondholder” or “Holder” shall mean the registered owner of a Bond and any Beneficial Owner thereof.

“Business Day” shall mean any day which is not a Saturday, Sunday, or legal holiday or bank holiday in the State of South Carolina.

“Disclosure Representative” shall mean, initially, the General Manager of the Commissioners or her or his designee, or such other officer or employee as the City or the Commissioners shall designate in writing from time to time.

“Dissemination Agent” shall mean the City or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through EMMA.

“National Repository” shall mean the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) System at www.emma.msrb.org, or any successor National Repository as determined by the Securities and Exchange Commission.

“Official Statement” shall mean the official statement of the City and the Commissioners dated _____, 2020, prepared in connection with the issuance of the Series 2020 Bonds.

“Participating Underwriter” shall mean _____, the original purchaser of the Series 2020 Bonds required to comply with the Rule in connection with the offering of the Series 2020 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of South Carolina.

SECTION 3. Provision of Annual Reports.

(a) The Commissioners, on behalf of the City, shall, or shall cause the Dissemination Agent to, provide to each Repository, within seven months after the end of the Commission’s fiscal year (presently June 30), commencing with the fiscal year ending June 30, 2020, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Commission may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Commission’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) If the Annual Report has not been provided to the Repositories by the date required in subsection (a) above, the Commissioners shall send a timely notice to each Repository in substantially the form attached hereto as Exhibit A.

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Commission for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (or if not in conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information). If the Commissioners’ audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent such items are not included in the financial statements referred to in subsection (a) above, the financial and statistical data of the Commissioners as of a date not earlier than

the end of the preceding fiscal year for the type of information included in the tables contained in the Official Statement under the headings: “THE WATER AND SEWER SYSTEM—Customer Base” “THE WATER AND SEWER SYSTEM—Use and Demand—Water System”, “THE WATER AND SEWER SYSTEM—Use and Demand—Sewer System”, and “FINANCIAL INFORMATION—Historical Operating Results and Coverage” to the Official Statement for the fiscal year then concluded.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City related to the System, or related public entities, which have been made available to the public on EMMA. The Commissioners shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events. (a) Pursuant to the provisions of this Section 5, the Commissioners shall give, or cause to be given, in a timely manner not in excess of ten business days after the occurrence of any of the following events with respect to the Series 2020 Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TED) or other material notices or determinations with respect to the tax status of the Series 2020 Bonds, or other material events affecting the tax status of the Series 2020 Bonds;
7. Modifications to rights of the holders of the Series 2020 Bonds, if material;
8. Call of any of the Series 2020 Bonds, if material;
9. Tender offers;
10. Defeasances of any of the Series 2020 Bonds;
11. Release, substitution or sale of property securing repayment of the Series 2020 Bonds, if material;
12. Rating changes;
13. Bankruptcy, insolvency, receivership or similar event of any obligated person, which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order

confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;

14. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of an obligated person other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
15. Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
16. incurrence of a “financial obligation” of the Commission, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a “financial obligation” of the Commission any of which affect security holders, if material; or
17. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a “financial obligation” of the Commission, any of which reflect financial difficulties.

(b) If the Commissioners determine that the occurrence of a Listed Event is material under applicable federal securities laws, the Commissioners shall promptly file a notice of such occurrence with the National Repository and with each State Repository, if any. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8), (9) and (10) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Beneficial Owners of affected Bonds pursuant to the Ordinance.

SECTION 6. Termination of Reporting Obligations. The Commissioners’ obligations under this Disclosure Undertaking shall terminate upon the legal defeasance or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Commissioners shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 7. Dissemination Agent. The Commissioners, on behalf of the City, may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out the obligations of the Commissioners under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City or the Commissioners pursuant to this Disclosure Undertaking.

SECTION 8. Amendment and Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Commissioners, on behalf of the City, may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver related to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person (within the meaning of the Rule) with respect to the Series 2020 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2020 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Beneficial Owners of the Series 2020 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Commissioners shall describe such amendment in the next Annual Report, if any, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Commissioners. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given by a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Commissioners, on behalf of the City, from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Commissioners choose to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Commissioners shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

SECTION 10. Default. In the event of a failure of the Commissioners, on behalf of the City, to comply with any provision of this Disclosure Undertaking, the Beneficial Owners of the Series 2020 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Commissioners, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an Event of Default under the Ordinance, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Commissioners to comply with this Disclosure Undertaking shall be an action to compel performance; provided, however, that any such action may be instituted only in the federal or State courts located in Charleston County, South Carolina.

SECTION 11. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Commissioners, the Dissemination Agent, the Participating Underwriter and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Dated: _____, 2020

CITY OF ISLE OF PALMS, SOUTH CAROLINA

By: _____
Mayor

ISLE OF PALMS WATER AND SEWER
COMMISSION

By: _____
Chairman

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of City: City of Isle of Palms, South Carolina

Name of Bond Issue: \$_____ Water and Sewer System Revenue Bonds, Series 2020 of the City
of Isle of Palms, South Carolina

Date of Issuance: _____, 2020

NOTICE IS HEREBY GIVEN that the City of Isle of Palms, South Carolina has not provided an Annual Report with respect to the above-named Series 2020 Bonds as required by Section 3 of the Disclosure Undertaking dated _____, 2020. [The City anticipates that the Annual Report will be filed by _____.]

Dated: _____

CITY OF ISLE OF PALMS, SOUTH CAROLINA

EXHIBIT D**DETAILS OF SERIES 2020 BONDS, REFLECTING SALE AND AWARD**

Purchaser: _____

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
12/01/2022	\$	%	\$	\$
12/01/2023				
12/01/2024				
12/01/2025				
12/01/2026				
12/01/2027				
12/01/2028				
12/01/2029				
12/01/2030				
12/01/2031				
12/01/2032				
12/01/2033				
12/01/2034				
12/01/2035				
12/01/2036				
12/01/2037				
12/01/2038				
12/01/2039	_____		_____	_____
	<u>\$</u>		<u>\$</u>	<u>\$</u>