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 “guestimate of the money going to CARTA that was generated by sales on the Isle of Palms.”

**MOTION:** Mayor Carroll made a motion to approve, and Council Member Ward seconded the motion.

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