



Ways and Means Committee

6:00 p.m., Tuesday, February 16, 2021
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:

All citizens who wish to speak during the meeting must email their first and last name, address and topic to rhanna@iop.net no later than **3:00 p.m. the day of the meeting**. Citizens who sign up to speak will receive an email with instructions to join the meeting via Zoom. All verbal comments will have a time limit of three (3) minutes. Speakers must turn on their video and make sure that their actual name shows up as their Zoom identifier, and mute themselves after their comments.

Citizens may also provide public comment here:

<https://www.iop.net/public-comment-form>

Agenda

1. **Call to order** and acknowledgment that the press and the public have been duly notified of the meeting in accordance with the Freedom of Information Act.
2. **Approval of previous meeting's minutes** – January 19, 2021
3. **Citizens' Comments**
4. **Financial Statements** – Treasurer Debbie Suggs
Financial Reports and Project Worksheets
5. **Old Business**
6. **New Business**
 - a. Consideration of change order in the amount of \$228,505.69 to Salmon's Dredging for the construction of the marina fuel hut, re-engineered fuel hut support flotation and other modifications to fuel dock required for marina dock rehabilitation project
 - b. Discussion and consideration of approval of an amount not to exceed \$20,000 for the development of engineered plans for building permit approvals for the marina fuel hut
 - c. Discussion and consideration of potential Dominion Energy's Non-Standard Service Fund projects
 - d. Discussion of FY22 expenditure assumptions and 10-year Capital Plan
 - e. Discussion and consideration of re-instating the 2020 2.5% merit pool
7. **Miscellaneous Business**
Next meeting date: 6:00 p.m., Tuesday, March 16, 2021
8. **Executive Session** – If needed. Upon returning to open session, the Committee may take action on matters discussed in Executive Session.
9. **Adjournment**



**Ways & Means Committee Meeting
6:00pm, Tuesday, January 19, 2021
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. Election of Chair and Vice Chair

Council Member Popson nominated Council Member Ward as Chair of the Ways and Means Committee. Mayor Carroll seconded the nomination.

Council Member Moye nominated Council Member Pounds as Chair of the Ways and Means Committee. Council Member Streetman seconded the motion.

Votes were taken as follows:

For Council Member Ward as Chair of the Ways and Means Committee:

Ayes: Popson, Ward, Buckhannon, Carroll

Nays: Bell, Pounds, Streetman, Smith, Moye.

The motion failed.

For Council Member Pounds as Chair of the Ways and Means Committee:

Ayes: Bell, Popson, Pounds, Streetman, Smith, Moye, Buckhannon

Nays: Ward, Carroll

The motion passed. Council Member Pounds was elected as Chair of the Ways & Means Committee.

Council Member Buckhannon nominated Council Member Ward as Vice Chair of the Ways & Means Committee. Council Member Popson seconded the motion. The motion passed unanimously. Council Member Ward was elected as Vice Chair of the Ways & Means Committee.

3. Approval of previous meeting's minutes – November 18, 2020

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

3. Citizen's Comments -- none

4. Financial Statements – Treasurer Suggs

Treasurer Suggs reviewed the financial reports with Committee members. She reports that 6 months into the fiscal year the City has fared well despite the COVID lockdowns and restrictions. She forecasts they will beat the budget in many areas. The capital projects fund will be under the expenditure budget by \$2.7M, with most of that being carryover for the Phase III drainage project since most of the work will happen next year.

She added, "There is no forecasted variance in the [tourism fund] budgets on the expenditure side. Digging down into the General Fund revenues, property taxes, local options sales taxes have been running well. We still have some big property tax checks to receive but there is no indication that they will be negatively impacted by COVID."

There could be some impact on business licenses when they renew in the Spring. Rental license revenue has come in over budget. While income from utilities and building permits have also beat the budget, parking revenues have seen a decline.

She reported significant overtime has been posted due to COVID-related illnesses and diagnoses, but the City has received \$72,000 from the CARES Act to help cover those costs. "Year-to-date, we are at 45% versus a target of 50 [percent]."

There is \$3.4M in cash and \$22M in the General Fund versus \$20M at this time last year.

Year-to-date revenues are only \$523,000 less than last year, with \$370,000 of that being the County ATAX pass-through.

Treasurer Suggs reviewed the tourism-related taxes. Municipal ATAX and State ATAX are both coming in over projections, while Hospitality taxes have seen a significant decline.

Some moving and final expenses are still posting on the Public Safety Rehabilitation Project worksheet. The project is expected to come in approximately \$600,000 under budget. There will also be approximately \$250,000 returned to the City from the builder's contingency.

Administrator Fragoso said there are punch list items being tended to by Trident Construction. A new plaque commemorating the updated work done on the Public Safety Building is ready to be placed on the building when all work is complete.

Only engineering-related expenses have been incurred on the Phase III Drainage project to date. Engineering-related expenses and one invoice from Salmon's Dredging have been incurred with regards the Marina Rehabilitation Project.

5. Old Business –none

6. New Business

A. In accordance with §1-10-3(c), report on expenditure of \$15,984 to Berkeley Heating and Air for the replacement of a 15-ton HVAC unit in the Recreation Center Gymnasium [FY21 Budget, Capital Projects Fund, Recreation, Capital Outlay - \$15,984]

Administrator Fragoso reported on the expense of replacing the HVAC unit in the Recreation Center Gymnasium. She said the budget had \$12,000 for this expense, but savings in other areas of the department budget will cover the difference. It was approved as an emergency expense.

B. Consideration of purchase of two (2) Dodge Durango AWS V6 Pursuit SUVs for the Police Department in the amount of \$30,540 each [FY21 Budget, Capital Projects Fund, Police Capital Outlay - \$41,000 and State Accommodations Tax Fund, Police Capital Outlay - \$41,000]

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

Administrator Fragoso said these cars are budgeted expenses and their purchase has been recommended by the Public Safety Committee. Chief Cornett said his goal is to move away from sedan-style vehicles and move to SUVs. He said this Dodge Durango will work better for longer in the beach environment. Even with all the upfitting and markings needed, the vehicle purchases will still come in under budget.

Chief Cornett reported that the vehicles are being treated with SaltAway when they come off the beach to help prolong their lives. He said the addition of another Polaris vehicle will keep the cars and SUVs off the beach. Council Member Buckhannon asked the Public Safety Committee to look into the possibility of adding a washout station to the Public Safety Building, similar to the one at Public Works.

VOTE: The motion passed unanimously.

C. Consideration of proposal from Insight Group to provide construction oversight services during the IOP marina restaurant renovation in the amount of \$14,740 [FY21 Budget, Marina Fund, Professional Services, \$252,000]

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

Administrator Fragoso shared the work done by the Insight Group on behalf of the City during the Public Safety Rehabilitation Project was very successful. She said this proposal reflects a similar number of work hours for the marina restaurant renovation. She said that exterior restaurant construction expected to begin mid-February and finish at the end of May with the interior construction finishing sometime in early July.

Administrator Fragoso said this expense was not spelled out in the project budget. It is suggested this expense come from Marina Fund Professional Services, which is currently over budget for legal expenses related to the ongoing litigation with the former watersports tenant and expenses associated with the development of the real estate contract. Despite this overage, staff

recommends the expenditure to protect the City's interest. Council members agreed it is a worthy and necessary expense.

VOTE: The motion passed unanimously.

D. Discussion of FY22 budget calendar, revenue forecast, and budget assumptions

Administrator Fragoso reviewed the proposed timeline for preparing, discussing, and approving the FY22 budget. Discussion ensued about the relevancy and ratio of revenue sources to the City.

Council Member Pounds reviewed several budget assumptions with Committee members. He said that while coastal communities have fared well despite COVID restrictions and lockdowns, he did not want the budget to assume any more than pre-COVID/FY19 levels. Council Member Ward agreed with this conservative budgeting approach. The proposed budget will include some assumptions regarding the new Wild Dunes hotel and the marina restaurant. Council Member Moye will report on any industry-related projections shared by the CVB at their upcoming meeting.

Mayor Carroll spoke to the need to address the tax assessment situation regarding the 2.3 acre property at the marina.

7. Miscellaneous Business

The next meeting of the Ways & Means Committee will be Tuesday, February 16, 2021 at 6pm.

8. Adjournment

Council Member Streetman made a motion to adjourn and Council Member Moye seconded the motion. The meeting was adjourned at 7:00pm.

Respectfully submitted,

Nicole DeNeane
City Clerk

City of Isle of Palms
Financial Statement Summary as of January 31, 2021
(Dollars in Thousands)

	REVENUES						TRANSFERS IN / (OUT)						EXPENDITURES						YTD Actual Net Rev & Exp
	YTD Actual	Annual Budget	Remaining to Collect	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Transfer	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Spend	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	
General	\$ 6,406	\$ 10,663	\$ 4,257	60%	\$ 11,151	\$ 488	\$ -	\$ 693	\$ (693)	0%	\$ 203	\$ (490)	\$ 6,098	\$ 11,356	\$ 5,258	54%	\$ 11,254	\$ (102)	308
Capital Projects	3,509	3,280	(229)	107%	3,617	337	-	184	(184)	0%	674	490	2,699	7,535	4,836	36%	3,249	(4,286)	810
Muni Accom Tax	625	829	204	75%	1,058	229	-	(291)	291	0%	(291)	-	499	1,384	885	36%	1,525	141	126
Hospitality Tax	280	640	360	44%	445	(195)	-	(218)	218	0%	(218)	-	499	1,058	559	47%	872	(186)	(219)
State Accom Tax	812	1,460	648	56%	1,903	443	-	(584)	584	0%	(584)	-	820	1,655	835	50%	1,565	(90)	(8)
Beach Prserv Fee	628	832	204	75%	1,060	228	-	-	-	-	-	-	7	294	287	2%	294	-	621
Marina	181	297	116	61%	271	(26)	-	216	(216)	0%	216	-	388	1,105	717	35%	999	(106)	(207)
Disaster Recovery	4	52	48	8%	10	(42)	-	-	-	-	-	-	-	10	10	0%	10	-	4
All Other	168	165	(3)	102%	169	4	-	-	-	-	-	-	149	162	13	92%	162	-	19
Total All Funds	\$ 12,613	\$ 18,218	\$ 5,605	69%	\$ 19,684	\$ 1,466	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ 11,159	\$ 24,559	\$ 13,400	45%	\$ 19,930	\$ (4,629)	\$ 1,454

General Fund YTD Revenues							
	FY21 YTD Actual	FY21 Budget	% of FY21 Budget	FY20 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast Above/ (Below) Budget
Prop Tax	\$ 3,055	\$ 4,757	64%	\$ 2,611	117%	\$ 4,806	49
LO Sales Tax	378	641	59%	365	104%	800	159
Business Lic	553	1,012	55%	542	102%	1,012	-
Rental Lic	881	750	117%	950	93%	940	190
Other Lic (Insurnce/Utilities)	118	1,281	9%	121	98%	1,376	95
Build Pmts	321	338	95%	240	134%	450	112
From State	102	215	47%	105	97%	260	45
Parking	567	1,211	47%	540	105%	1,019	(192)
All Other	431	458	94%	373	116%	488	30
Total	\$ 6,406	\$ 10,663	60%	\$ 5,847	110%	\$ 11,151	\$ 488

General Fund YTD Expenditures (YTD target = 58%)							
	FY21 YTD Actual	FY21 Budget	% of FY21 Budget	FY20 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast (Above)/ Below Budget
Mayor/Council	\$ 85	\$ 145	59%	\$ 92	92%	\$ 146	\$ 1
General Govt	677	2,041	33%	657	103%	2,008	(33)
Police	1,525	2,707	56%	1,402	109%	2,654	(53)
Fire	2,048	3,286	62%	2,084	98%	3,367	81
Public Works	798	1,391	57%	814	98%	1,375	(16)
Build & Lic	242	422	57%	255	95%	424	2
Recreation	543	1,038	52%	579	94%	953	(85)
Judicial	136	224	61%	111	123%	225	1
BSOs	44	102	43%	38	116%	102	-
Total	\$ 6,098	\$ 11,356	54%	\$ 6,032	101%	\$ 11,254	\$ (102)

City of Isle of Palms Supplemental Financial Information as of January 31, 2021 (*Dollars in Thousands*)

Cash Balances		
	1/31/2021	1/31/2020
General Fund	5,136	3,706
As a % of GF Exp (target is > 30%)	45%	33%
Capital Projects	6,360	5,587
Disaster Recovery	2,734	2,606
Marina	4,551	623
Tourism Funds	3,983	5,724
Beach Preservation	4,077	3,181
Other Restricted	161	146
Total All Cash	27,002	21,573
Deposits at LGIP (.1542%)	25,072	93%
Deposits at BBT	1,930	7%
RESTRICTED CASH	8,221	30%

Fund Balances				
Fund	6/30/2020 Audited Fund Balance (Note 1)	FY21 YTD Actual Net Revenues & Transfers Less Expenses	Current Actual Fund Balance	6/30/21 Budgeted Fund Balance
General Fund	\$ 3,648	\$ 308	3,956	\$ 3,748
Capital Projects	6,141	810	6,951	7,183
Muni Accom Tax	1,284	126	1,410	526
Hospitality Tax	1,113	(219)	894	468
State Accom Tax	1,681	(8)	1,673	1,435
Beach Funds	3,454	621	4,075	4,220
Marina (See Note 1)	639	(207)	432	127
Disaster Recovery	2,810	4	2,814	2,810
All Other	139	19	158	146
Total All Funds	\$ 20,909	\$ 1,454	\$ 22,363	\$ 20,663

Note 1: The comparable amount for the Marina Enterprise Fund is not Fund Balance, but Net Position. To be consistent with the presentation of the other funds, the amount included here for the Marina is the Unrestricted Net Position, which does not include \$6,000,000 of net fixed assets. Unrestricted net position is approx = cash for the Marina.

January Notes:

- Total City YTD revenues, less one-time bond proceeds, are \$8,663,000 vs \$9,115,000 for the prior year. The \$452,000 decline primarily relates to reductions in Hospitality Taxes (down \$144,000) and the elimination of the Charleston County accommodations tax pass-through (\$370,000), both direct results of Covid-19. Other tourism revenues have recovered from the negative impacts of Covid-19 experienced earlier in the year.
- Total City YTD expenditures are \$11,159,000 vs \$8,117,000 in the prior year. The \$3,042,000 increase in expenditures is more than accounted for by spending on the Public Safety Building repair (\$2,843,000) and the \$600,000 refurbishment of the Fire Department's 95' ladder truck.
- The City's General Fund revenues and expenditures are performing well despite Covid-19. The preliminary forecast indicates General Fund revenues will exceed General Fund expenditures by approximately \$590,000 for the fiscal year ending 6/30/21.

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Municipal Accommodations Fee							
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
JUL	162,862	161,068	139,501	199,724	195,287	172,336	146,465
AUG	191,759	218,620	235,007	209,600	213,067	169,596	159,800
SEPT	150,212	136,141	157,274	152,535	152,561	186,938	114,421
OCT	90,691	77,500	75,353	79,534	75,506	129,033	56,629
NOV	61,918	57,777	64,256	63,444	65,882	66,090	49,412
DEC	33,233	36,937	32,877	40,182	34,301	71,683	25,726
JAN	25,309	28,217	28,859	25,836	32,335		24,251
FEB	20,313	15,332	18,317	13,666	18,596		13,947
MAR	16,918	20,485	21,562	19,983	9,690		14,987
APR	51,082	51,166	53,213	53,685	26,422		40,264
MAY	70,954	92,529	88,875	90,800	7,181		68,100
JUNE	94,270	95,768	94,112	97,999	55,311		73,499
Deduct last July	(162,862)	(161,068)	(139,501)	(199,724)	(195,287)	(172,336)	(146,465)
Add next July	161,068	139,501	199,724	195,287	172,336		146,465
Total Fiscal Year	967,728	969,974	1,069,429	1,042,551	863,187	623,339	787,500
	Incr from FY15 -4%	Incr from FY16 0%	Incr from FY17 10%	Incr from FY18 -3%	Incr from FY19 -17%	Incr from FY20 8%	Incr from FY20 -9%
			Jul-Dec only % Change fr FY19	745,020	736,603 -1%	795,675 7%	

Heads in
Beds in

JUN
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
tourism activity
resumes by July
2021 (FY22)

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

State Accommodations Tax (Tourism-Related Only)							
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
Sept Qtr	518,796	520,784	518,028	546,269	580,306	541,783	435,230
Dec Qtr	179,446	178,830	202,803	203,067	181,550	252,012	136,162
Mar Qtr	66,294	61,586	71,773	103,097	88,638		66,479
June Qtr	364,938	407,460	413,234	445,779	242,893		334,334
Total Fiscal Yr	1,129,474	1,168,660	1,205,838	1,298,212	1,093,387	793,795	972,204
	1.7%	3.5%	3.2%	7.7%	-15.8%	4.2%	-11.1%
	Incr from FY15	Incr from FY16	Incr from FY17	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY20
	Jul-Dec only			749,337	761,856	793,795	
	% Change fr FY19				2%	6%	

Heads in
Beds in

Jun-Aug
Sept-Nov
Dec-Feb
Mar-May

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

Chas County ATax Pass-Through							
	FY16	FY17**	FY18	FY19	FY20	FY21	FY21 BUDGET
1st Payment	276,704	520,000	327,750	381,000	370,500	-	-
2nd Payment	208,390	-	109,250	127,000	-	-	-
Total Fiscal Yr	485,093	520,000	437,000	508,000	370,500	-	-
	1%	7%	-16%	16%	-27%		-100%
	Incr from FY15	Incr from FY16	Incr from FY17	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY20

Charleston County has notified the City that no distributions will be included in the County's budget for the remainder of FY20 or FY21. Staff did commit to revisiting distributions if the County's revenues came in stronger than anticipated.

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Hospitality Tax							Food/Bev Sold in
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
JUL	83,038	85,051	89,309	104,681	88,238	66,947	44,119
AUG	87,110	93,123	98,883	101,031	106,673	59,353	80,005
SEPT	70,725	77,619	81,373	78,014	78,129	49,484	58,597
OCT	66,113	68,348	56,439	69,394	76,033	37,348	57,025
NOV	40,576	46,488	70,905	65,210	66,929	27,609	50,197
DEC	61,052	40,557	41,260	38,440	56,591	46,700	42,443
JAN	24,864	27,883	19,085	31,905	28,058	59,877	21,043
FEB	29,443	27,947	28,826	27,373	27,574		20,681
MAR	27,586	39,785	49,744	40,741	21,853		30,556
APR	50,531	57,961	66,633	66,425	12,956		49,819
MAY	71,297	85,246	79,870	85,134	15,429		63,851
JUNE	79,858	92,137	87,753	100,621	46,102		75,466
Deduct last July	(83,038)	(85,051)	(89,309)	(104,681)	(88,238)	(66,947)	(44,119)
Add next July	85,051	89,309	104,681	88,238	66,947		66,179
Total Fiscal Year	694,206	746,402	785,452	792,527	603,275	280,370	615,860
	Incr fr FY15 1%	Incr fr FY16 8%	Incr fr FY17 5%	Incr fr FY18 1%	Incr fr FY19 -24%	Incr fr FY20 -31%	Incr fr FY20 2%
	Jul-Jan only			488,676	500,651	347,317	
	% Change fr FY19				2%	-29%	
	Assume normal tourism activity resumes by July 2021 (FY22)						
	100% reduction						
	75% reduction						
	50% reduction						
	25% reduction						
	JUN						
	JUL						
	AUG						
	SEPT						
	OCT						
	NOV						
	DEC						
	JAN						
	FEB						
	MAR						
	APR						
	MAY						

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Beach Preservation Fee							
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
JUL	162,228	161,068	192,666	199,724	195,287	172,336	172,336
AUG	191,610	218,620	181,842	209,600	213,067	169,596	159,800
SEPT	149,350	136,141	157,274	152,535	152,561	186,938	114,421
OCT	90,398	77,500	75,353	79,534	75,506	129,033	56,629
NOV	61,647	57,777	64,256	63,444	65,882	66,090	49,412
DEC	33,233	36,937	32,877	40,182	34,301	71,683	25,726
JAN	25,309	28,217	28,859	25,836	32,335		24,251
FEB	20,313	15,332	18,317	13,666	18,596		13,947
MAR	16,918	20,485		19,983	9,690		14,987
APR	51,082	51,166	53,213	53,685	26,422		40,264
MAY	70,954	92,529	88,875	90,800	7,181		68,100
JUNE	94,270	95,768	94,112	97,999	55,311		73,499
Deduct last July	(162,228)	(161,068)	(139,501)	(199,724)	(195,287)	(172,336)	(172,336)
Add next July	161,068	139,501	199,724	195,287	172,336		146,465
Total Fiscal Year	966,152	969,974	1,047,867	1,042,551	863,187	623,339	787,500

Incr from FY16	Incr from FY17	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY20
0%	8%	-1%	-17%	3%	-9%
	Jul-Dec only	745,020	736,603	795,675	
	% Change fr FY19		-1%	7%	

Heads in
Beds in

JUN
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Local Option Sales Tax					
	FY18	FY19	FY20	FY21	FY21 BUDGET
AUG	83,614	88,713	93,221	87,833	69,916
SEPT	73,671	72,557	83,456	83,149	62,592
OCT	61,352	63,829	62,752	71,963	47,064
NOV	61,040	61,435	65,514	68,054	49,135
DEC	49,732	54,748	59,951	57,342	44,964
JAN	55,282	57,483	64,996		48,747
FEB	43,314	48,026	53,263		39,947
MAR	47,589	49,240	50,882		36,930
APR	60,349	65,794	43,070		49,346
MAY	77,153	85,394	56,012		64,046
JUNE	70,879	78,238	74,078		58,678
JULY	88,382	92,504	92,789		69,378
Total Fiscal Year					
	772,357	817,962	799,984	368,341	640,742
	Incr from FY17	Incr from FY18	Decr from FY19	Change from FY20	Incr from FY20
		5.9%	-2.2%	0.9%	-19.9%
	Aug-Dec only	341,283	364,894	368,341	
	% Change fr FY19		7%	8%	

When Sales
Occurred

JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

City of Isle of Palms
Marina Dock Replacement & Bulkhead Recoating

Contracts and Change Orders Received:

9/10/2018	ATM Eng, Design, Permit, Plans & Bid Docs for Marina Dock Rehabilitation (Tasks 1-4)
3/25/2019	ATM Bulkhead recoating - develop maint protocol, bidding and construction svcs
8/5/2019	ATM Chg Order #2 -modification to facilitate additional marina design and bidding services including coastal conditions assessment, dock areas B&C design development, bidding documents, technical specs, bid pkg development & bidding services. (Tasks 6*-9)
7/28/2020	ATM Chg Order #4 DHEC water/wastewater permits, Clean Vessel Act grant app, dock constr admin
9/22/2020	Salmons Dredging Contract (includes \$86k IPE decking and \$804k bulkhead recoating)
10/27/2020	Salmons Change Order #1 - Builders Risk Insurance
11/13/2020	Salmons Change Order #2 - move watersports dock for regulatory compliance
12/11/2020	Salmons Change Order #3 - remove pony float
12/18/2020	Salmons Change Order #4 - eliminate joint sealant requirement
1/7/2121	Salmons Change Order #5 - relocate and install CT cabinet and meter
1/25/2021	Salmons Change Order #6 - relocate transformer

Project Expenditures:

Invoice Date	Payee	Description of Work
2/1/2019	ATM	Design, engineering & permitting
5/29/2019	ATM	Consulting on bulkhead recoating
7/10/2019	SC DHEC - OCRM	marina dock permit application fee
8/1/2019	ATM	Design, engineering & permitting
9/25/2019	ATM	Design, engineering & permitting
12/1/2019	ATM	Design, engineering & permitting
1/1/2020	ATM	Design, engineering & permitting
3/31/2020	ATM	plans, specs & bid documents, Dock B&C design, bid pkg
4/24/2020	Army Corp of Engineers	permit fee
5/6/2020	ATM	plans, specs & bid documents, Dock B&C design
6/30/2020	ATM	plans, specs & bid documents, Dock B&C design, bid pkg
8/7/2020	ATM	bidding services & CVAP grant application
9/11/2020	ATM	bidding, permitting and CVAP grant application
10/14/2020	Salmons Dredging	Pay App #1 - marine structure, performance bond
11/6/2020	ATM	permitting, grant application, construction admin
12/14/2020	ATM	CVAP grant application and construction admin
		Total paid
		Remaining on contracts

FY19 Spending on docks (Total FY19 Budget = \$600k)	24,600
FY20 Spending on docks (Total FY20 Budget = \$147k)	107,257
FY21 Budget (\$2,875k docks + \$334k bulkhead recoat)	3,209,000
Contracts issued + City's contingency	(4,521,508)
Budget Funds Remaining	(1,180,651)

Plan, Design, Permitting & Bidding	Bulkhead Recoating	Dock Construction (+100k fuel hut)	Construction Contingency (incl provision for Builders Risk Insurance)	Total
62,000				62,000
	21,000			21,000
68,000				68,000
66,500				66,500
		3,636,616	667,392	4,304,008
		50,215	(50,215)	-
		23,634	(23,634)	-
		3,195	(3,195)	-
		(37,000)	37,000	-
		3,020	(3,020)	-
		12,288	(12,288)	-
196,500	21,000	3,691,969	612,039	4,521,508

10,100				10,100
	14,500			14,500
250				250
14,958				14,958
5,432				5,432
7,934				7,934
25,037				25,037
39,004				39,004
100				100
4,295				4,295
10,247				10,247
7,722				7,722
6,421				6,421
		250,200		250,200
14,151				14,151
13,524				13,524
159,175	14,500	250,200	-	423,875
37,326	6,500	3,441,769	612,039	4,097,634

IOP NSSF PROJECT ESTIMATES

*IMPORTANT NOTE: ALL INFORMATION IN THIS PROPOSAL IS PRELIMINARY. FURTHER WORK IS NEEDED TO DETERMINE THE FEASIBILITY OF EACH PROJECT. AFTER FURTHER INVESTIGATION, ISSUES MAY BE DISCOVERED THAT WOULD PREVENT DOMINION ENERGY FROM COMPLETING THE WORK AS DESCRIBED. ESTIMATED COSTS ARE ONLY MEANT TO PROVIDE AN IDEA OF THE SCALE OF THE PROJECT COST AS DESCRIBED.

PROJECT #1: CITY MARINA - OVERHEAD to UNDERGROUND CONVERSION

PROJECT #2: 41ST AVENUE - OVERHEAD to UNDERGROUND CONVERSION

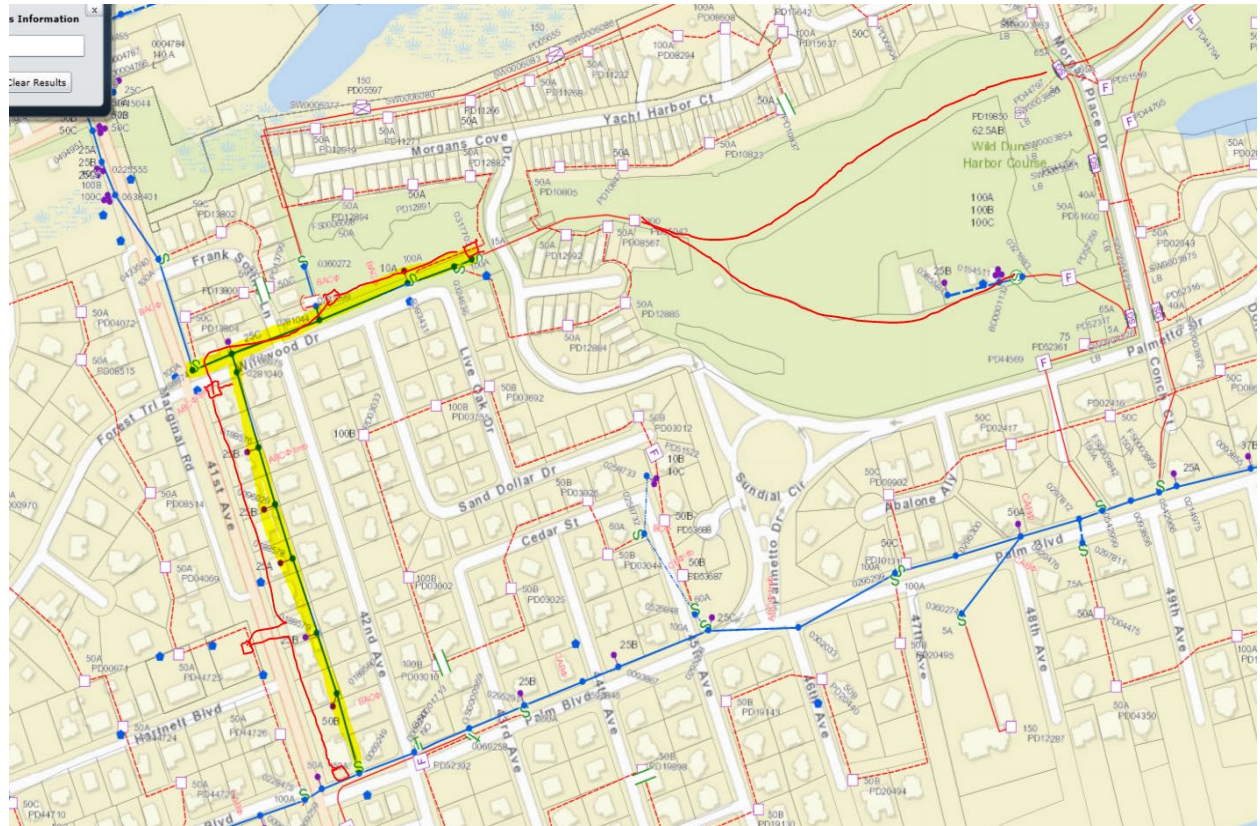
PROJECT #3: 21ST AVENUE - CROSSINGS CONVERSION

PROJECT #4: 14TH AVENUE - OVERHEAD to UNDERGROUND CONVERSION

PROJECT #5: PALM /OAK HARBOR BLVD (11TH- 13TH) - OVERHEAD to UNDERGROUND CONVERSION

- **ESTIMATED COST RANGE: \$150,000-\$250,000**
- CURRENT RENOVATION PROJECTS IN PROGRESS AT THE MARINA RESTAURANT & SLIPS
- COMMUNICATIONS UNDERBUILT ON THIS LINE

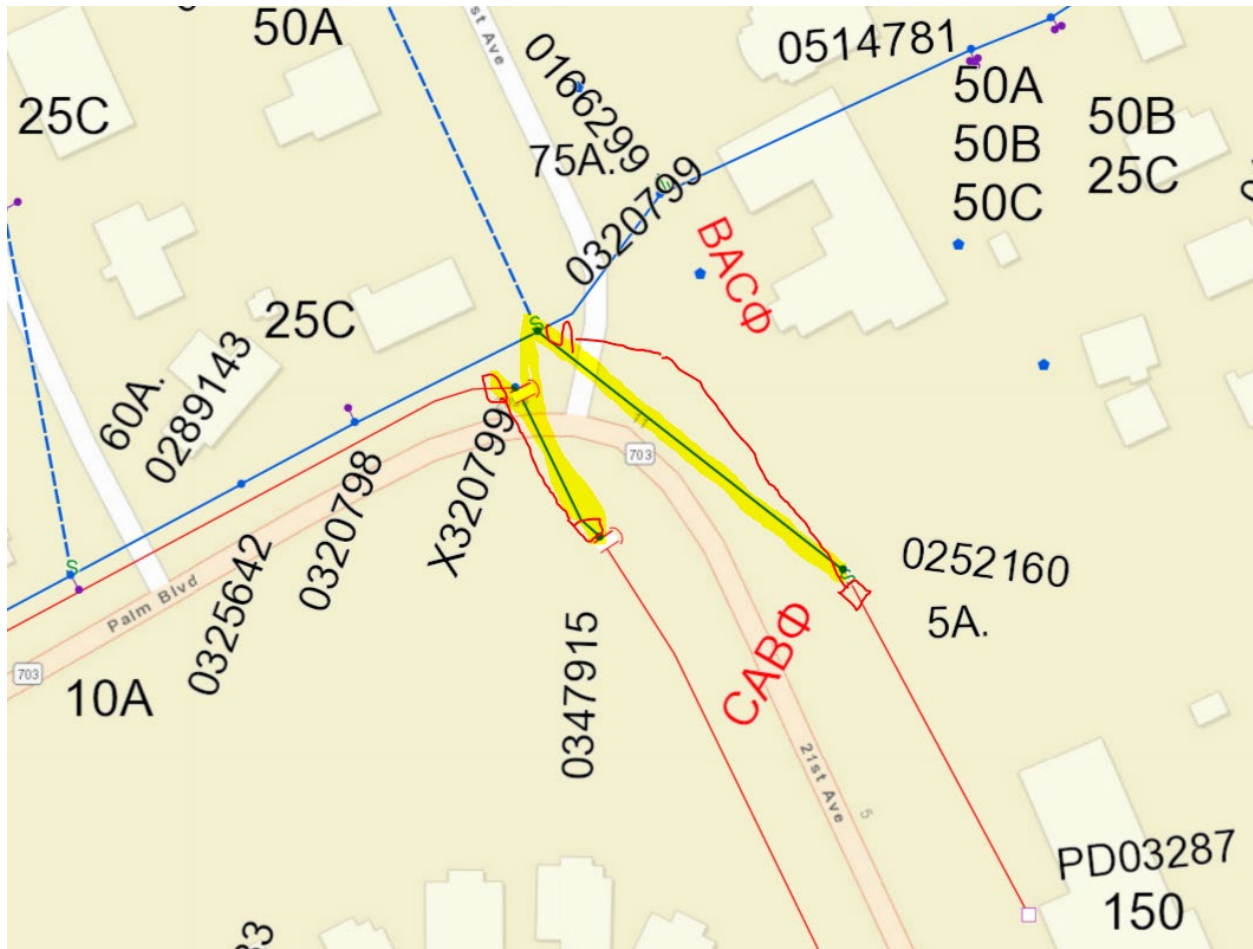
PROJECT #2: 41ST AVENUE – OVERHEAD to UNDERGROUND



PROJECT NOTES

- **ESTIMATED COST RANGE: \$450,000-\$600,000**
- BACK LOT LINE BETWEEN 41ST AND 42ND
- COMMUNICATIONS UNDERBUILT ON THIS LINE
- SCOPE OF WORKS ITEMS: CAN BE BROKEN UP INTO A PHASED APPROACH

PROJECT #3: 21ST AVENUE – CROSSINGS CONVERSION



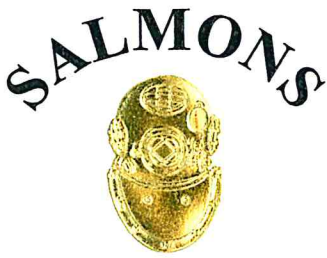
PROJECT NOTES

- **ESTIMATED COST RANGE: \$30,000-\$60,000**
- PALM BLVD & 21ST ARE BOTH DOT ROADS SO DESIGN (AND COST) WOULD BE HEAVILY DEPENDENT ON APPROVAL OF SCDOT PERMIT
- COMMUNICATIONS LINES UNDERBUILT ON EXPRESS FEEDER CROSSING
- SCOPE OF WORK ITEMS: EITHER CROSSING CAN BE CONVERTED INDEPENDENTLY

- **ESTIMATED COST RANGE: \$40,000-\$80,000**
- **COMMUNICATIONS UNDERBUILT ON THIS LINE**

PROJECT #5: PALM /OAK HARBOR BLVD (11TH-13TH) OVERHEAD to UNDERGROUND CONVERSION





SALMONS DREDGING CORPORATION
Marine Contractors Since 1919

Post Office Box 42
Charleston, SC 29402
Tel: (843) 722-2921
Fax: (843) 723-4630
www.salmonsdredging.com

February 11, 2021

City of Isle of Palms
Attn: Ms. Desiree Fragoso
1207 Palm Blvd.
Isle of Palms, SC 29451

Re: IOP Marina – Fuel Hut Value Engineering (VE) Effort and Fuel Dispenser Relocation

Subject: Change Order Proposal 008

C/O ATM – Mr. Kirby Marshall,

Pursuant to our recent discussion, Salmons offers the following information for the City's review and consideration:

Item A – Reference original fuel hut architectural design drawings prepared by Evans & Schmidt Architects dated 11-24-2020, which was the original fuel hut design after the bid.

Reference value engineer (VE) effort to reduce the weight and cost of the original proposed fuel hut design as described in the revised perspective prepared by Evans & Schmidt Architects dated 01-05-2021.

Fee Schedule: This item includes Salmons OH&P, Bonds & Business License
Salmons VE Effort for Fuel Hut - Revised Bid Alt 13 \$166,403.00

Item B – Fuel hut floating dock support re-engineering effort by Structurmarine. This is required to adequately support the size and weight of the redesigned fuel hut on the new floating dock platform. Size of platform increased to 34' x 36' by incorporation of the fuel hut support platform into the main dock and fuel dock.

Fee Schedule:	
Structurmarine:	\$45,668.10
Salmons OH&P:	\$ 6,850.22
Bonds	\$ 525.18
Business License:	\$ 253.80
Total	(Add) \$53,297.30

Item C – Shift/relocate fuel dispenser nearest the fuel hut so as to limit “blast proof” fuel hut construction requirements. Relocate additional dispensers to better serve the marina operations and add additional length of hose to total 120’ in each dispenser, to facilitate coverage to all vessels.

Fee Schedule:

Petroleum Marine Construction, LLC:	\$3,325.95
Salmons OH&P:	\$ 498.89
Bonds	\$ 38.25
<u>Business License:</u>	<u>\$ 18.80</u>
Total	(Add) \$3,881.89

Item D – Provide re-engineering of fuel dock by Structurmarine for changes required with relocation of fuel dispensing equipment. Includes GL layout drawing revision on the fuel dock, revision of preliminary buoyancy calculations & position’s revision for utilities services, anchoring position’s revision, check for revision of compliance of NFPA 70 code, additional materials to extend utility tray under floats to accommodate relocation distance.

Fee Schedule:

Structurmarine:	\$4,218.69
Salmons OH&P:	\$ 633.80
Bonds	\$ 48.51
<u>Business License:</u>	<u>\$ 23.50</u>
Total	(Add) \$4,923.50

Please let me know if you have any question.

Best regards,
Salmons Dredging Corporation


Jack C. Harrelson
Business Development/PM

City of Isle of Palms

Preliminary Expense Assumptions for FY22 Budget Planning

- The major capital project for FY22 is Phase 3 Drainage with a FY22 projected cost of \$2.5 million. Another \$500,000 is included for additional small, high impact projects directed by Thomas & Hutton. Also \$488,000 for ditch maintenance, comprehensive drainage plan and drainage contingency. Total provision for drainage in the FY22 budget is \$3.45 million.
- Large equipment purchases include \$525,000 for a Fire Dept pumper truck and \$290,000 for Fire Dept SCBA replacements. Small vehicle purchases total \$249,000 and include 3 patrol vehicles, 2 pickup trucks, 1 LSV and 1 ATV. No debt related to equipment is contemplated in the current forecast.
- Each department has a provision for facility maintenance, usually 1% of insured building values. Total city-wide provision is \$257,000.
- Total debt service is \$1.65 million. See detail in the 10-Year Capital Plan.
- The FY22 personnel cost projection (wages & fringes) is \$8.2 million. Based on a recommendation from the Personnel Committee, the projection includes reinstatement of the FY20 budgeted merit pool effective 1/1/21. The fully loaded annual cost is \$171,000.
- Personnel cost projections do not currently include a provision for a FY22 merit pool pending the results of the wage and compensation study.

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1		City of Isle of Palms 10-Year Capital Plan												
2		Expenditures for assets or projects > \$5000 **Expenditures less than \$5,000 are included in operating budgets**												
3		DRAFT #1												
4														
5	Total		FY22		FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	
6	Fleet													
7														
8														
68		Fire Department												
69		Past practice was to replace pickup trucks in the 6th year - this budget moves that replacement rotation to 7 years. We will evaluate this practice as time goes by.												
71	1	Repl Pumper Truck purch 5/20/03 (incl's \$51k trade-in of old Ladder Trk)	525,000											
72	1	Replace E-1 Pumper Truck purchased 7/17/09							715,000					
73	1	Replace Rescue Truck purchased in FY16											500,000	
74	1	Replace 95' Ladder Truck refurbished in FY21 (~2036)												
75	1	Replace 75' Ladder Truck purchased in FY20 (~2035)												
76	1	Replace 2010 Ford F-150	42,000								46,000			
77	1	Replace 2008 Ford F-250 with a F-150 (new Chief's truck)	42,000		-						46,000	-		
78	1	Replace 2014 Ford F-150			42,000									
79	1	Replace 2016 Ford F-150				42,000								
80	1	Replace 2019 Ford F-150							45,000					
81		2 Mobile radio repeaters (one per ladder truck)			34,000									
82		One Thermal imaging camera (we have 4) in future repl all at once						60,000					70,000	
83		Replace radios (in-car & walkies)								250,000				
84		Porta-Count machine for SCBA mask fit testing (only with failure)				10,000								
85	1	Replace 10' rubber boat purchased in FY18 and motor						30,000						
86	2	Replace personal watercraft (3 year rotation)	14,000			15,000	15,000		16,000	16,000		17,000	17,000	
87	1	Replace Avon rubber boat and motor purch in FY19							25,000					
88	1	Replace 1995 aluminum boat and motor								35,000				
89		Replace fire pump for boat and marina fires			18,000									
90	1	Replace rescue boat (investigating new marine unit)	-		65,000									
91		RAD-57 medical monitor for carbon monoxide & oxygen			6,000			7,000			8,000			
92		Cutters, spreader, hose and pump for "jaws of life" equip								10,000				
93		Two Ram extrication devices								10,000				
94		Battery operated combination extrication tool for Sta2	15,000								20,000			
95		New airbags and hoses for vehicle accident extrications					10,000						12,000	
96	3	Repl all terrain veh (ATVs) for beach patrol, add ambulatory pkg to 1	25,000		19,000	20,000	26,000	20,000	21,000	27,000	21,000	22,000	28,000	
97		Two (2) portable hydrants to be mounted on ladder trucks				5,000								
98		Two (2) portable deck guns to be mounted on pumper trucks				10,000								
99		Two (2) Battery powered Positive Pressure Ventilaton (PPV) fans	10,500									12,000		
100		Replace light tower on Eng 1001 (Sta1 pumper)	16,500											
		Repl 24 SCBA (self contained breathing apparatus)												
		(Deferred to FY22-Funds have been saved in previous years for this purchase)												
101		Final cost will be offset by trade-in of existing SCBAs. 15 Yr life.	290,000											
102		Replace HVAC units (2 Stations)	20,000			30,000		30,000		30,000		30,000		
104		Subtotal Capital	1,000,000		184,000	132,000	51,000	147,000	822,000	378,000	141,000	81,000	627,000	
106		Facilities Maintenance												
		Building maintenance contingency to proactively address issues as needed - calculated as 1% of Public Safety Building+Fire Sta 2 insured value. PSB split 50/50 Police/Fire. Incr to 2% in FY26	94,305		94,305	94,305	94,305	188,610	188,610	188,610	188,610	188,610	188,610	
107														
108		Subtotal Facilities Maintenance	94,305		94,305	94,305	94,305	188,610	188,610	188,610	188,610	188,610	188,610	
110	19	Grand Total Fire Department	1,094,305		278,305	226,305	145,305	335,610	1,010,610	566,610	329,610	269,610	815,610	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	City of Isle of Palms 10-Year Capital Plan													
2	Expenditures for assets or projects > \$5000 **Expenditures less than \$5,000 are included in operating budgets**													
3	DRAFT #1													
4	Total Fleet		FY22		FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	
5														
6														
7														
8														
111	Public Works Department													
112														
113	1	1998 Mack (PW14) (currently used for miscellaneous work, will not be replaced when it fails)												
114	1	Replace 2006 Mack w/ 20yd Packer (PW2)			170,000									
115	1	Replace 2008 Mack w/ 31yd Loadmaster Packer (PW22)						255,000						
116	1	Replace 2009 Mack w/ 31yd Loadmaster Packer (PW24)								270,000				
117	1	Replace 2014 Mack w/ 30yd Packer (PW26)										280,000		
118	1	Replace 2016 Mack w/ 30yd Packer (PW16)											280,000	
119	1	Replace 2018 Mack w/ 30yd Packer (PW28) (~ FY33)												
120	1	Replace 2006 Caterpillar trash loader				158,000								
122	1	2002 Mack Flatbed (PW 18) (keep as spare to help with yard debris, re-evaluate before replacing)												
123	1	Replace 2003 Mack Flatbed (PW 21) (~ FY36)												
124	1	Replace 2018 Mack Flatbed (PW 27) (~ FY33)												
125	1	Replace 2012 F150 4x4			35,000							38,000		
126	1	Replace 2014 F150 4x4				35,000							39,000	
127	1	Replace 2016 Ford F350 4x4 with hopper					48,000							
128	1	Replace 2017 Ford F250 with hopper						37,000						
129	1	Replace 2019 Dodge Ram 1500 4x4							37,000					
130	1	Replace 2019 Dodge Ram 1500 4x4 w/ 6 ft bed								37,000				
131		Radio Replacements - replace w/ failure using old PD/FD radios												
132		Replace four 4-in flood water pumps as needed				20,000								
133		Replace z-track mower for rights of way	15,000						20,000					
134		Replace Skid Steer purchased in FY16				-	60,000							
135		Replace Fuel management system purchased in FY12				-	40,000							
136		Repl front beach trash compactor purchased in FY15							60,000					
137		Replace HVAC units												
139	17		15,000		205,000	213,000	148,000	292,000	117,000	307,000	-	318,000	319,000	
141		Facilities Maintenance												
142		Building maintenance contingency - per PWD Director, the major components of the Hill Report will be addressed in FY19. Calculated as 1% of Public Wks Building insured value including new wash station. Incr to 2% in FY26	12,607		12,607	12,607	12,607	25,215	25,215	25,215	25,215	25,215	25,215	
143		Subtotal Facilities Maintenance	12,607		12,607	12,607	12,607	25,215	25,215	25,215	25,215	25,215	25,215	
145		Drainage												
146		General drainage contingency for small projects	100,000		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
147		Develop Comprehensive Drainage Plan	192,000											
148		Small drainage projects as prioritized by Thomas & Hutton	500,000		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
149		Repeat drainage work based on 3-year maintenance rotation	195,804		198,668	197,804	195,804	198,668	197,804	195,804	198,668	197,804	195,804	
150		Phase 3 Drainage construction, incl Waterway Blvd multi-use path	2,462,000		913,000									
151		Subtotal Drainage	3,449,804		1,711,668	797,804	795,804	798,668	797,804	795,804	798,668	797,804	795,804	
157		Grand Total Public Works Department	3,477,411		1,929,275	1,023,411	956,411	1,115,883	940,019	1,128,019	823,883	1,141,019	1,140,019	
158														

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1		City of Isle of Palms 10-Year Capital Plan												
2		Expenditures for assets or projects > \$5000 **Expenditures less than \$5,000 are included in operating budgets**												
3		DRAFT #1												
4			FY22		FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	
5	Total													
6	Fleet													
7														
8														
292		Bonded Debt Service- Principal & Interest												
293														
294		2003 Rec Expansion GO Bond - principal	210,000		210,000									
295		2003 Rec Expansion GO Bond - interest	7,056		3,528									
296		2006 Fire Station #2 GO Bond - principal	225,000		240,000	250,000	265,000	275,000						
297		2006 Fire Station #2 GO Bond - interest	23,594		19,364	14,852	10,152	5,170						
298		2008 Public Safety Building GO Bond - principal	375,000		375,000	375,000	375,000	425,000	450,000	450,000				
299		2008 Public Safety Building GO Bond - interest	116,955		101,430	85,905	70,380	54,855	37,260	18,630				
300		2020 75' Ladder Truck Muni Lease - principal (10Yrs @ 1.83%)	79,502		80,957	82,439	83,947	85,483	87,048	88,641	90,263			
301		2020 75' Ladder Truck Muni Lease - interest (10Yrs @ 1.83%)	12,413		10,958	9,476	7,967	6,431	4,867	3,274	1,652			
302		2021 Drainage Ph 3 w/ Waterway Blvd path principal (15 Yrs @ 1.71%)	208,000		211,000	215,000	218,000	222,000	226,000	230,000	234,000	238,000	242,000	
303		2021 Drainage Ph 3 w/ Waterway Blvd path interest (15 Yrs @ 1.71%)	55,626		52,070	48,461	44,785	41,057	37,261	33,396	29,463	25,462	21,392	
304		2020 Marina Dock Replacement Bond - principal (15 Yrs @ 2.16%)	247,000		253,000	258,000	264,000	269,000	275,000	281,000	287,000	293,000	300,000	
305		2020 Marina Dock Replacement Bond - interest (15 Yrs @ 2.16%)	86,227		80,892	75,427	69,854	64,152	58,342	52,402	46,332	40,133	33,804	
306														
307		Debt Totals by Year	1,646,373		1,638,198	1,414,560	1,409,086	1,448,149	1,175,777	1,157,343	688,710	596,595	597,196	
308														
309														
310		SUMMARY BY CATEGORY												
311														
312		Total Capital Items	2,370,000		1,140,000	1,016,000	895,000	2,018,000	2,124,000	1,436,000	4,367,000	802,000	1,424,000	
313		Total Facility Maintenance	256,575		256,575	256,575	256,575	466,899	916,899	466,899	466,899	466,899	466,899	
314		Total Drainage	3,449,804		1,711,668	797,804	795,804	798,668	797,804	795,804	798,668	797,804	795,804	
315		Total Beach Maintenance	110,000		75,252	760,000	60,000	2,660,000	80,000	60,000	60,000	60,000	60,000	
316		Total Assignments of Fund Balance for Future Projects	75,000		75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	
317		Total Bond and Loan Payments	1,646,373		1,638,198	1,414,560	1,409,086	1,448,149	1,175,777	1,157,343	688,710	596,595	597,196	
318		Total all expenditures on this schedule	7,907,752		4,896,693	4,319,939	3,491,465	7,466,716	5,169,480	3,991,046	6,456,277	2,798,298	3,418,899	
319			(0)		(0)	-	0	0	0	-	0	0	0	