



**Ways & Means Committee Meeting  
6:00pm, Tuesday, April 20 2021  
1207 Palm Boulevard, Isle of Palms, SC 29451  
and 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, Ward, and Mayor Carroll

Absent: Council Member Moye

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

**2. Approval of previous meeting's minutes – Regular Meeting of March 16 and Special Meeting of March 25, 2021**

Council Member Buckhannon made a motion to approve the minutes of the March 16, 2021 meeting, and Council Member Bell seconded the motion. The motion passed unanimously.

Council Member Bell made a motion to approve the minutes of the March 25, 2021 meeting, and Council Member Streetman 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 reported that \$15.7M in revenues has been collected of the \$18.2M budgeted. The budget is forecasted to be \$2M over budget expectations. 57% of budget expenditures have been realized to date. Budget expenditures are forecasted below budget which is mostly due to the moving of large expenditures related to the Phase III Drainage Project, savings on the Public Safety Building Rehabilitation project, and the movement of the fire truck purchase to FY22.

The General Fund is performing well and is expected to be \$790,000 over budget. Rental licenses are over budget by 20%. Building permits and licenses are also over budget, but paid parking is under budget. All City departments are at or below their benchmark for this time of the year except for legal expenses and overtime in the Fire Department budget. Additionally, there have been higher than budgeted wages in the Public Works Department due to the filling of a CDL position earlier than anticipated and unbudgeted wages for a restroom attendance since the contract for that service was not renewed. Money for that expense will be transferred in from

State ATAX. Payroll expenses will also be higher than budgeted due to the reinstatement of the FY20 merit pool.

As of the end of March, the City has \$26M in cash of which \$6M is unspent bond proceeds and \$8.3M is restricted.

Municipal Accommodations Tax continues to perform strong despite COVID. It is up 11% over last year and 10% up over FY19. State ATAX also remains above budget, 6% over FY20.

Treasurer Suggs said there is still no indication that the City will receive the County pass-through of the accommodations tax. Council Member Pounds indicated they will reach out to the County to inquire as to where the County has come in with regards to their budget and how that might affect whether or not the City will realize any of that tax money. The County is under no obligation to pay those taxes to the City.

The March figure for Local Option Sales Tax is higher than last year and is seen as an indicator that economic activity is resuming.

Approximately \$1M has been paid out for expenses related to the Marina Dock Rehabilitation project. Engineering costs were the only expenses in the Phase III Drainage project.

Administrator Fragoso said work is still being completed on the flood-proof doors at the Public Safety Building. Additionally, the staff culled another punch list for the contractors. Staff is waiting to receive the maintenance manual. An updated project worksheet on the Public Safety Rehabilitation project will be included in next month's meeting packet.

Administrator Fragoso said she does not anticipate any additional changes to the Marina project that would affect the remaining monies in the City's contingency fund. She is awaiting proposals for some minor aesthetic changes to be made to the restaurant dock. She is also waiting for the cost involved in removing the broken piling on the riverbed near the marina dock.

## 5. **Old Business –none**

### **Discussion and consideration of FY22 Draft Budget**

Council Member Pounds reviewed the changes from Draft 1 to Draft 2 of the budget, including the financing of the pumper truck, the merit adjustments, a placeholder for the outcome of the Wage & Compensation Study, and transfers from the General Fund, tourism fund, and capital projects fund.

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

Administrator Fragoso noted that there is \$200,000 in the budget for repairs to the multiuse path, but following the presentation from Thomas & Hutton, she will be looking to the Committee for direction on how to move forward with that expense.

Council Member Ward would like to see the Marina Maintenance Fund be returned to 1%. Council Member Pounds explained that fund as well as the Public Safety Building Maintenance Fund are both at 0.5% for the first year following construction.

Administrator Fragoso reported that while the City was not successful with one grant for partial funding of the Phase III Drainage Project, they are continuing to pursue other grants.

Council Member Pounds said that following First Reading of the budget at next week's City Council Meeting, a Public Hearing and Second Reading will follow in May. There are some "minor tweaks and adjustments" that need to be made. The possible effects of the revenues from the recent stimulus bill will be discussed later in the meeting.

**VOTE: The motion passed unanimously.**

**6. New Business**

**A. Presentation of update on the Phase 3 Drainage Project, small internal projects, and Waterway Boulevard multiuse path elevation project**

Hilary Aton of Thomas & Hutton gave an overview of the work completed to date on Phase III Drainage Project, similar to the presentation given to the Public Works Committee on April 7. The designs for each of the outfalls is complete and each outfall is at various stages of permitting. She also shared potential mitigation efforts that are being explored.

With regards to the permitting process, Ms. Aton reported, "For Forest Trail, we are pretty far along. We have had some back and forth because their concern is the work in those channels which are their critical area. There are impacts to fish habitations and so on, so there has been a lot of back and forth. We have to be very detailed on what construction methods are used, but we have made a lot of progress with Forest Trail. We split up those outfalls into two permits each for Forest Trail and 30<sup>th</sup> Avenue because once you hit a certain impact threshold you are required to mitigate for it. So what we did was we broke out the infrastructure and the channel work into two separate permits, and that allowed us to stay below that impact threshold so we won't have to mitigate for the Forest Trail and 30<sup>th</sup> Avenue outfalls. So that permit process is going to be much quicker."

Additional drainage concerns mentioned by Committee members will likely be addressed in the Master Drainage Plan that is currently out for bid.

Ms. Aton also gave an overview of the Waterway Boulevard Pathway Study. Following data collection, review, and an engineering analysis, Thomas & Hutton recommends a 6' elevation to the path which will significantly reduce flooding chances in that area. The path will also be widened from 5' to 8'. The cost, which includes some needed drainage infrastructure, is approximately \$615,000. The effects of the changes to Waterway Boulevard assume all the work from the Phase III Drainage project to be in place.

Committee members discussed the need to fix the path as it is a public safety issue both in its actual use and possible damage to septic systems.

**B. Consideration of recommendation from the Public Works Committee to approve the change order to the Thomas & Hutton contract in the amount of \$43,300 for additional permitting efforts for the Phase 3 Drainage Project**

Administrator Fragoso asked that further discussion and consideration on this item be deferred until the City Council meets next week so that proper documentation can be distributed to Council members. She noted the request has been recommended by the Public Works Committee.

Ms. Aton explained this expense “is going to cover the additional permitting efforts. We had a total of five critical area permits when originally because we had three individual outfalls, we assumed three critical area permits. And as we got further through the design process, we realized that splitting those into separate permits would help us in the long run. We also developed or will be developing a mitigation plan, which was not included in the original contract at also. So since we identified the need for mitigation that is included in the change order as well as additional funding assistance. We have already applied for two RA grants. We are going to apply for a third later this year, and we are going to continue to investigate other funding opportunities.”

**C. Discussion and consideration of FY22 CTC “C” request of eligible new construction projects**

Administrator Fragoso reported that staff recommends submitting funding applications for repairs to the Waterway Boulevard Path and the Forest Trail Outfall project. The City received approximately \$200,000 in funding from this source in the past for the Phase II Drainage Project. The deadline for submittal is the end of May.

**MOTION: Council Member Bell made a motion to approve the application for funds for the Waterway Boulevard Elevation project and the Forest Trail Outfall as part of the Phase III Drainage project. Council Member Streetman seconded the motion. The motion passed unanimously.**

**D. Consideration of recommendation from the Public Works Committee to replace a 2003 Mack Flatbed in the amount of \$97,260 [FY21 Budget, Public Works, Capital Projects Fund, \$40,000; Hospitality Tax Fund, \$40,000, and State Accommodations Fund, \$40,000]**

Administrator Fragoso noted this request is coming in under budget.

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

**E. Consideration of recommendation from the Public Safety Committee to replace the tables and chairs from the Public Safety Building’s Training Room/Emergency Operations Center in the amount of \$21,816 [PSB Rehabilitation Project, Contingency, \$692,947]**

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

**F. Consideration of recommendation from the ATAX Advisory Committee to approve application for funding for the MUSC Hollings Cancer Center’s LOWVELO bike ride event in the amount of \$10,000 [FY22 Budget, State Accommodations Tax Fund, General Government, Programs/Sponsorships, \$25,000]**

Mayor Carroll challenged staff and City Council members to participate in this event.

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

**G. Discussion and consideration of engaging a traffic engineer to review the recent modifications to the IOP Connector and represent the City in discussion with SCDOT and other stakeholders regarding potential solutions to address traffic congestion**

**MOTION: Council Member Bell made a motion to go forward with engaging a traffic engineer. Council Member Buckhannon seconded the motion.**

Following City Council’s vote to oppose the changes SCDOT made to the IOP Connector, two letters were sent to SCDOT “opposing and requesting additional study and additional discussion not only with us and our Public Safety personnel, but also Charleston County EMS and other stakeholders that would be impacted as well.” Administrator Fragoso noted that Secretary Hall has committed to hiring an outside expert to conduct a traffic study “to not only look at the modification to the IOP Connector but also look at other potential solutions to the traffic issues that we are seeing on the Connector during peak season and evaluate potential solutions” like reversible lanes and roundabouts.

Committee members agreed it would be prudent to have someone representing the City in these efforts.

**MOTION: Council Member Bell made a motion to amend the hiring of the traffic engineer to not exceed \$15,000. Council Member Buckhannon seconded the motion. The motion passed unanimously.**

**MOTION: The vote on the amended motion passed unanimously.**

**H. Update and discussion of the American Rescue Plan and impact to municipal governments**

Council Member Pounds reported that as part of the recent \$1.9T stimulus package, \$65B is slated for municipal governments. He believes the City will receive approximately \$1.6M in two installments, with the first installment coming 60 days from the signing of the bill which was March 11, 2021. The money will be given to the State who will be responsible for dispersing the funds. He reviewed the ways in which the monies could be used as outlined by MASC.

Administrator Fragoso noted that additional grant monies from a variety of government agencies will also be available from that the same stimulus package. The City will be actively pursuing those funds.

Council Member Pounds said spending options will be brought to the Committee and Council.

**7. Miscellaneous Business**

The next meeting of the Ways & Means Committee will be Tuesday, May 18, 2021 at 6pm.

**8. Adjournment**

Council Member Buckhannon made a motion to adjourn and Council Member Bell seconded the motion. The meeting was adjourned at 7:47pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk