



**Ways & Means Committee Meeting
6:00pm, Tuesday, May 18, 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, Moye, and Mayor Carroll

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

Also Present: Kirby Marshall, Jack Harrelson

2. Approval of previous meeting's minutes

Mayor Carroll made a motion to approve the minutes of the April 20, 2021 meeting, and Council Member Bell seconded the motion. The motion passed unanimously.

3. Citizen's Comments

Council Member Ward thanked everyone who reached out to him during his recent stay in the hospital. He said he was glad to be at the meeting.

4. Financial Statements – Treasurer Suggs

Treasurer Suggs reviewed the financial reports with Committee members. She said, "The forecast predicts above budget revenues and below budget expenses." She stated that she adjusted the forecast for property taxes down slightly but went up on the forecasted numbers for business licenses and building permits. Parking revenues are still forecasted to come in below budget.

The forecast for General Fund expenditures remains unchanged from last month. Revenues are at 93% of the budget, and Treasurer Suggs anticipates ending the fiscal year \$2.5M ahead of the budget. Expenditures are at 63% of budget with the forecast projecting to end the year at \$20M. The current forecast predicts that the General Fund will have excess revenues over expenses of \$990,000. City Council will decide after the audit is complete how that overage is to be split.

Accommodations Tax revenues are strong, 16% ahead of FY20 and 11% ahead of FY19. The third quarter State Accommodations Tax payment received was 10% ahead of FY19 and FY20.

Treasurer Suggs reported that Charleston County expects to reinstate the County Accommodations Tax pass-through to the Isle of Palms in the amount of \$508,000 for this fiscal year. None of those monies have been received to date, and it has not been included in the forecast. She added, “The County also advises they have included \$385,000 in their budget for FY22, but they also said disbursements will be based on 20% of actual collections on the Isle of Palms.” The County also stated they are interested in a contract that would lay out the “20% arrangement” with the City.

Hospitality Tax is strong, but not yet back to pre-COVID levels, likely due to the lack of a marina restaurant and the closure of Wild Dunes. Local Option Sales Tax continues to perform strongly as compared to FY19 and FY20.

A review of the Drainage Phase 3 project worksheet shows payments to Thomas & Hutton as well as two payments to Gulfstream in the amount of \$330,000. The Public Safety Building Rehabilitation project worksheet details change order credits, unspent contingency monies, and materials savings reductions resulting in \$881,000 remaining unspent. Monies for the training room furniture and parking lot gate repair will be taken from this amount when invoiced.

Updating the Committee on the status of the smaller internal drainage projects, Administrator Fragoso reported that one component of the work at 41st Avenue will likely be delayed until after the season since it will require two weeks of road closures. Council Member Bell would like to see that work completed prior to the restaurant opening.

Council Member Pounds reviewed the legal expenses summary.

5. Old Business –none

A. Discussion and consideration of FY22 Draft Budget

Council Member Pounds no changes have been made to the budget since the last meeting. There will be a Public Hearing for the budget ahead of the City Council meeting next week when a Second Reading of the FY22 Budget will be considered.

B. Update on Marina Dock Rehabilitation Project

Kirby Marshall of ATM and Jack Harrelson of Salmons Dredging gave a brief update on the Marina Rehabilitation Project. He reported that the demolition of the restaurant and face docks went well. The new docks for that area will begin their trip towards the island next week. The gangway construction company is behind schedule. They expect those to be ready at the end of June. He shared a slide detailing the updated construction schedule. The goal is to have the restaurant and face docks completed by the July 4th weekend and the Charter docks completed by mid-August. Construction on the fuel dock will be done following Labor Day. Full project completion is anticipated for mid-November.

Mr. Marshall reported there are no significant lapses in the bulkhead coating. Reports detailing the required testing and thickness will be part of the final reports to the City upon project completion. Mr. Harrelson noted the contractors in charge of the bulkhead recoating have been

very diligent in their work and he feels confident about the work they have done. He also said that marine life affixing to the bulkhead also provides protection.

Council Member Popson stated that he met and spoke with the project manager for the marina rehabilitation and it is “clear they know what they are doing.” He believes the right company is doing the work at the marina.

Committee members briefly discussed the need for a bathymetric study of the marina.

Mr. Marshall and Mr. Harrelson described the process by which the fallen piling will need to be assessed and removed from the floor of Morgan Creek. The higher-than-anticipated cost for this particular project is as a result of the need for a three-person dive team and multiple sets of tools to complete the work.

C. Discussion and consideration of paid parking in 2022

Committee members discussed the need for continued work with SCDOT to resolve issues concerning paid parking. Council Member Moye said it will be necessary to be explicit in the goals and purpose of paid parking and “being very proactive in engaging both SCDOT as well as the broader community.” Mayor Carroll said all local communities need to engage in this conversation to make it easier for everyone to enjoy the beach in a “controlled and safe way.”

Committee members discussed the need to speak in opposition of S40 while it remains unsigned on Governor McMaster’s desk.

MOTION: Council Member Bell made a motion to direct City Administration “to work proactively with SCDOT to advance the City’s overall parking plan inclusive of potential paid parking and agreeable solutions that works for both our community and visitors to the island.” The matter will be remanded back to the Public Safety Committee for further guidance and discussion. Mayor Carroll seconded the motion. The motion passed unanimously.

6. New Business

A. Consideration of proposal from Salmons Dredging for the removal and disposal of pile laying on the seafloor adjacent to Dock C in the amount of \$17,230 [Marina Rehabilitation Project, Available Contingency \$372,635]

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

B. Consideration of recommendation from the Public Safety Committee of the purchase of a 2021 Ford Ranger in the amount not to exceed \$35,000 [State contract base price \$22,253] for the Fire Inspector [FY21 Budget, Capital Projects, Fire Department, Capital Outlay, \$1,994,687]

Administrator Fragoso noted this expense has been deferred many times and the truck needs to be replaced.

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

C. Consideration of recommendation from the Public Works Committee of award of a contract in the amount of \$18,850 to Truluck Construction, Inc. to install drainage infrastructure and grading to address drainage issue at the intersection of 34th and Hartnett Boulevard [FY21 Budget, Capital Projects Fund, Public Works, Drainage Contingency, \$320,000, pg. 18, ln. 54]

Administrator Fragoso said this is the low bid for this project has been recommended by staff. Director Kerr said the project will be completed within 60 days of the company receiving the Notice to Proceed.

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

D. Consideration of proposals for marina parking lot improvements and approval of an amount not to exceed \$50,000 for improvements per marina restaurant lease.

As more information is needed, discussion on this matter is deferred and will be discussed at the next City Council meeting.

E. Consideration of proposal from IPW for the installation of Mr. Boardwalk along the 42nd avenue beach access path in the amount of \$111,108 to be offset by Greenbelt Program funding [FY21 Budget, Beach Preservation Free Fund, Capital Outlay, Repair/Replace/Add Beach Walkovers, \$120,000]

As more information is needed, discussion on this matter is deferred and will be discussed at the next City Council meeting.

7. Miscellaneous Business

The next meeting of the Ways & Means Committee will be Tuesday, June 15, 2021 at 6pm.

8. Executive Session

MOTION: Council Member Pounds made a motion to move into Executive Session in accordance with Section 30-4-70(a)(1) to discuss personnel matters related to the City Administrator. Council Member Streetman seconded the motion. The motion passed unanimously.

The Ways & Means Committee moved into Executive Session at 7:28pm.

The Ways & Means Committee returned from Executive Session at 7:44pm. Council Member Pounds said no decisions were made.

Council Member Moye spoke highly of City Administrator Fragoso's "dedication, work, skill, and tact" over the past 18 months.

MOTION: Council Member Moye made a motion “to provide a compensation increase above and beyond the budgeted approval in the amount of 6% to the City Administrator retroactive to” January 1, 2021. Council Member Ward seconded the motion. The motion passed unanimously.

9. Adjournment

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

Respectfully submitted,

Nicole DeNeane
City Clerk