



## **REAL PROPERTY COMMITTEE**

**1:30pm, Monday, July 12, 2021**

**1207 Palm Boulevard, Isle of Palms, SC 29451**

**and broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>**

### **MINUTES**

**1. Call to order**

Present: Council members Moye, Popson, and Streetman

Staff Present: Administrator Fragoso, Director Kerr

**2. Approval of previous meeting's minutes – June 7, 2021**

**MOTION: Council Member Moye made a motion to approve the minutes of the June 7, 2021 meeting and Council Member Popson seconded the motion. The motion passed unanimously.**

**3. Citizens' Comments -- none**

**4. Marina Tenant Comments -- none**

**5. Old business**

**A. Update on marina dock rehabilitation project**

Administrator Fragoso reported that Salmon's Dredging has begun to remobilize this week to install the gangways, which they anticipate will take a week. The electrical installation of the restaurant and face docks is proceeding according to plan. They will be secured to the support trays that are attached to the underside of the permanent gangways once they are in place.

Connections for fire and water are at a standstill as materials are delayed. Salmon's will install a temporary boat dock as they demolish Dock Area B.

She also reported that the recent change orders approved by City Council are being executed today. The expected completion date is now November 19, 2021.

Administrator Fragoso shared with Committee members the potential costs of insuring the new docks upon completion. Premiums are approximately 9-10% of the dock's replacement cost. City Council will need to discuss whether to pay the nearly \$500,000 annual premium or self-insure. It was noted that the claims paid out on the docks over the previous 20 years have been less than \$500,000.

**B. Update on marina restaurant renovation by Marker 116, LLC**

Mr. Dave Lorenz of Marker 116, LLC gave an update on the renovations at the marina restaurant. He reported that all demolition work has been completed and they are in the process of replacing all ductwork and have begun the installation of new electrical and plumbing infrastructure. He said materials delays have been a constant problem. After meeting with the contractor last weekend, they are projecting a late fall opening for the entire restaurant.

**C. Update on proposed ADA-compliant dual-purpose beach boardwalk at 42<sup>nd</sup> Avenue**

Administrator Fragoso and Director Kerr asked for clarification from the Committee as to where to focus their efforts on enhancing ADA access to the beach. Director Kerr noted that Beach Access 34A is a site to consider for an ADA-compliant walkover, but it will not allow for vehicular access to the beach. He also stated that it will take 5-6 weeks before a surveyor is available to come review the site. Additionally, a plan to deal with the standing water in that area will need to be considered. While ADA-access at 34A is possible, the turnaround time could be a few years while the plan for 42<sup>nd</sup> Avenue is ready to proceed.

Council Member Moye asked why other beaches in the state have deeper access to the beach than IOP has been permitted to have. Director Kerr said the City has been denied access beyond the soft sand by OCRM for years and cannot speak to why other cities have beach pathways that extend that far into the sand. In response to the City's request to move further into the sand, he reported that OCRM said, "Not only is the answer still no, but we have actually clarified in our permit request application that we will not be permitting that activity and it has to stop as soon as you get over the dune."

Director Kerr reminded Committee members of the efforts of one resident who has partnered with a State legislator to introduce legislation that will change the restrictions of OCRM.

Director Kerr and Administrator Fragoso detailed the ADA-accessible areas along the Front Beach areas.

Further discussion concluded that the City should work to better maintain the MobiMat at 42<sup>nd</sup> Avenue while pursuing ADA-compliant beach access at 34A. In addition, the City should assist in pressuring the State to pass legislation amending the Beachfront Management Act to allow for the extension of the MobiMats to hard sand.

**D. Update the proposed public dock and greenspace at the IOP Marina**

Administrator Fragoso said there are no updates to this project as last week's jury trial with the former Marina tenant ended in a mistrial and will have to be tried again. She reported that they have received three proposals from design firms who could formalize plans designed by Kelly Messier. While no money has been spent yet and won't be until the case is adjudicated, she anticipates the cost of designs to be about \$15,000.

**E. Discussion and consideration of noise agreement with Marker116, LLC**

Administrator Fragoso said she would like to delay discussion on this agreement for another month to allow Marker 116, LLC time to review proposed changes with their attorney.

**6. New Business**

**A. Discussion and consideration of Ordinance 2021-10 – an ordinance to authorize the temporary use of new or additional space for outdoor dining services**

Administrator Fragoso reminded Committee members that Ordinance 2021-10 passed First Reading last month. The ordinance will go to the Planning Commission this week for their input, but the Committee needs to recommend an expiration date for the ordinance.

**MOTION: Council Member Moye made a motion to add January 31, 2023 as the expiration date of the temporary suspension of regulations governing outdoor dining areas. Council Member Streetman seconded the motion. The motion passed unanimously.**

**B. Discussion of installing electrical car charging stations at the Municipal Parking Lots**

Administrator Fragoso reported on a pilot program being offered by Dominion Energy who will install electric car charging stations. Dominion Energy would cover the installation, replacement, and maintenance costs of the charging stations. The City would set up a user fee with the intent of covering the cost of the energy consumed and the monthly facility fees, which are \$200-\$250 per month.

Committee members expressed concern about signing a 10-year agreement on an initiative that lacks widespread interest at the moment. Council Member Moye said that while it could be a win-win proposition, he would like to see where it fits in the Strategic Plan. He would also like to see usage data on these stations from Dominion Energy.

**C. Consideration of change order to ATM contract for additional construction administration services for the marina dock rehabilitation project in the amount of \$40,000**

Administrator Fragoso said the new proposal from ATM is for services expected over the next six months since completion of the marina dock rehabilitation project has been extended. She noted that ATM has extended a fair amount of work on the City's behalf that has been outside of the scope of their work including the transformer relocation, the issues with the floating dock, and the review of 7 proposals. She expressed her belief in the necessity of having ATM's continued oversight on the project.

Committee members agreed that their continued oversight is needed for the project. However, they would like to see more clarification regarding "the services that were covered on the previous agreement that are being recovered again now in this new one and how we are going to button up and make sure that we are covered in all circumstances."

**MOTION: Council Member Moye made a motion to approve the change order in the amount of \$40,000 with the additional clarification as noted. Council Member Streetman seconded the motion. The motion passed unanimously.**

Council Member Moye said, “I acknowledge they’ve [ATM] done a lot of out-of-scope work, so there is a spirit of cooperation, and I appreciate that and understand that. Looking for more clarity moving forward.”

**D. Discussion and consideration of amendments to Marker 116 lease to allow for overnight docking in unforeseen circumstances to protect the health and welfare of patrons and to delay payment of base rent for 2021 due to delays in construction and extended completion schedule**

Administrator Fragoso said the current lease agreement does not allow for the overnight parking of a boat other than the one intended for shuttling customers. Restaurant owners expressed concern about the potential for a customer who has arrived by boat being unable to drive their boat after consuming too much alcohol. Mr. Lorenz said a log of owner information would be kept should the need arise.

**MOTION: Council Member Poposon made a motion to approve the amendment provided by Marker 116, LLC’s attorney pursuant to approval of the City’s attorney. Council Member Moye seconded the motion. The motion passed unanimously.**

Administrator Fragoso said Marker 116, LLC is also requesting a delay in the base rent due for 2021 due to construction delays. Alternative payment options will be brought before the full City Council at the end of the month. Committee members expressed support for the idea as they want the restaurant to be a success. Administrator Fragoso said the delay will affect the budget.

**MOTION: Council Member Streetman made a motion to delay payment of the base rent for 2021 and to further discuss the matter with City Council. Council Member Moye seconded the motion. The motion passed unanimously.**

**E. Discussion of shared parking in marina site**

After a brief discussion about the ambiguity of the language regarding the shared parking area at the Marina, it was determined that Administrator Fragoso will set up a meeting with all stakeholders to gain some alignment on the issue before asking attorneys to draft the necessary documentation.

**7. Miscellaneous Business**

The next meeting of the Real Property Committee will be held on Monday, August 2, 2021 at 1:30pm.

8. **Adjournment**

Council Member Popson made a motion to adjourn and Council Member Moye seconded the motion. The meeting was adjourned at 3:03pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk