



REAL PROPERTY COMMITTEE

1:30pm, Monday, August 2, 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

2. Approval of previous meeting's minutes – July 12, 2021

MOTION: Council Member Moye made a motion to approve the minutes of the July 12, 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 electrical work on the face and restaurant docks is 98% complete. Cable for the charter dock will be pulled this week. She said, "Dominion Energy needs to come back and put plugs on secondary transformers so that the new transformer that was replaced can go live sometime this week." Water has been connected to two of the pedestals.

Additionally, she said, "They are still waiting on some hose to connect the fire lines as well as some of the standpipe risers that are installed in the docks. Salmon's is still waiting on some parts from Structure Marine, particularly the cover plates for some of the utility tray." She is awaiting feedback from a meeting held earlier today on estimated time of arrival of those materials.

A turnover to the Marina Manager of the first two docks is still planned for mid-August. There will be a walk-through and sign off as each phase is completed.

She is waiting on the confirmation of the design of the fuel hut. The final as-builts have been received from Structure Marine but are still being reviewed. She anticipates knowing more about this by the August Ways & Means Committee meeting. She will confirm that the City will receive as-builts for all portions of the project.

Council Member Moye asked about a maintenance schedule for the new docks. Administrator Fragoso said that is not included in the contract as it was for the Public Safety Building, but she will ask the Marina Manager to put together a schedule and add it to next month's meeting agenda.

Council Member Streetman asked about maintenance and ADA compliance of the remaining docks. Administrator Fragoso said there is a placeholder in the budget to work on those docks in 2024. The permits for that work are already in place. The work for that area can be moved to an earlier year at City Council's direction.

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

Administrator Fragoso read from a report provided by Chrissy Lorenz regarding the work being done at the restaurant. The 16' columns have been installed. The second floor porch framing and the exterior dining room wall connecting to the second floor porch have been completed. The replacement of the metal roof over the dining room has begun. Replacement of the HVAC units and the roof holding those units is anticipated to be soon.

There will be a meeting with Insight Group this week. They have already submitted a report that has been shared with the restaurant contractor. Insight Group expects to receive the final drawings of mechanical, electrical, and plumbing in the restaurant soon so they can be closely reviewed.

C. Update on the proposed public dock and greenspace at the IOP Marina

Administrator Fragoso said this project remains on hold until the case with the holdover tenant is adjudicated. They hope to hear from the judge regarding the Motion for Summary Judgement soon.

D. Update on ADA beach access improvements

Administrator Fragoso said it will be another 3-4 weeks before the 34A beach access can be properly surveyed. She has been working with the Public Works department on a more consistent and deliberate maintenance schedule for those beach access paths that include a MobiMat.

Council Member Streetman stated that he has met with Representative Bustos about draft language for legislation allowing OCRM to extend MobiMat placement. Council Member Moye suggested that City Council pass a resolution supporting these changes in the legislation which could in turn generate some publicity and grassroots support for the effort. Council Member Streetman would like for the City to look into the acquisition of big-wheeled beach wheelchairs for public use. Administrator Fragoso said that staff had looked into the chairs a few years ago. While the cost is not a concern, the storage of the chairs is. There had been some discussion about partnering with a local vendor to provide these chairs. Committee members would like to "exhaust every avenue" to make the beach more ADA accessible and accommodating.

6. New Business

A. Discussion and consideration of property insurance options for the new marina docks

Administrator Fragoso provided Committee members with a spreadsheet of coverages and costs of insuring the new docks. The City already spends \$35,000 annually to insure the two docks that are not part of the current rehabilitation project.

Costs of insuring the new docks are approximately 4-6% of the replacement value, which would be approximately \$225-\$260,000 per year. Administrator Fragoso said it would be prudent for City Council to put money aside each year to create a fund that would allow the City to self-insure the docks at some point in the future. She does not think that is an option at this time. The placeholder for dock insurance in the FY22 budget is \$150,000.

One option would be for the City to have insurance for all other perils outside of named storms, hail, earthquake, and flood. A possible premium for such insurance through MASC could cost approximately \$23,000. Another option being researched is the costs of premiums if the deductibles are raised to \$500,000 or \$1M.

Council Member Moye said that whatever the Committee recommends to Ways & Means should include long and short-term plans for insurance coverage.

Administrator Fragoso said that a decision on some level of insurance needs to happen in short order as the first portion of the dock project will be complete by mid-August and will no longer be covered under the Builder's Risk policy once turned over to the Marina Manager. She clarified that the City and the Marina Manager both carry general liability insurance for the docks, but this discussion focuses on property insurance.

7. Miscellaneous Business

The next meeting of the Real Property Committee will be held on Monday, September 13, 2021 at 1:30pm.

8. Adjournment

Council Member Moye made a motion to adjourn and Council Member Popson seconded the motion. The meeting was adjourned at 2:14pm.

Respectfully submitted,

Nicole DeNeane
City Clerk