



**Ways & Means Committee Meeting  
5:00pm, Wednesday, November 17, 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 Pounds, Streetman, Popson, Bell, Moye, Smith, Buckhannon, Ward, and Mayor Carroll

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

**2. Approval of previous meeting's minutes**

Mayor Carroll made a motion to approve the minutes of the October 19, 2021 meeting, and Council Member Bell seconded the motion. The motion passed unanimously.

**3. Citizen's Comments -- none**

**4. Financial Statements – Treasurer Suggs**

Treasurer Suggs stated the year-to-date revenues are \$6M and year-to-date expenses are \$4.5M. The General Fund is slightly below what it was last year at this same time which is mainly due to the change in rental license renewals and late payments from the State. Expenses are running 5% ahead of FY21, but they are within budget. Cash deposits total \$28.8M, \$14M of which are restricted or bond proceeds.

Municipal ATAX was over \$124,000 for October, which is 50% ahead of FY21 and above the previous two years. The City received \$300,000 from Charleston County this month, representing 20% of ATAX collected for FY22. Hospitality taxes are also indicating strong economic activity, being 117% ahead of FY21 and 30% ahead of FY19 and FY20. No LOST payment has been received as of yet.

Payouts were made to Gulfstream and Thomas & Hutton from the drainage account.

Administrator Fragoso said, "For the small projects, the budget included \$500,000. You all recall that the contract for that work was around \$621,000, and the decision at the time was made that we were going to take the overage from our NPDES fund. A couple years ago, Council increased it from 48 to 72 to have more money in that fund balance for drainage projects. So we will be making the accounting and requesting that of the County so we can make ourselves whole, if you will, on that project."

No payments were made from the Marina Dock Rehabilitation account. She noted that legal expenses for the City are significantly less now than they were last year.

## **5. Capital Projects Report**

### **A. Marina Restaurant Renovation**

Administrator Fragoso gave an overview of the work that has been completed at the Marina restaurant. A slide detailing all of the work done there can be seen in the YouTube recording of this meeting linked on the City's website. The siding on the building has been completed. Roof and AC installation was to begin this week. Sprinkler and HVAC duct work was to be completed this week, and the spray foam is about 70% complete. The kitchen wall covering installation is in process. Discussions continue between the City, Marina Manager and the restaurant tenants regarding the location of a consolidated enclosed dumpster area. The dock improvements in that area are complete.

### **B. Marina Docks Rehabilitation**

Administrator Fragoso gave an overview of the work being done on the Marina Docks Rehabilitation Project. A slide detailing all of the work done there can be seen in the YouTube recording of this meeting linked on the City's website. There have been no changes to the work schedule since last month. Supplemental floats to fix the freeboard issue on the restaurant dock are expected to arrive in the next few weeks. The City is evaluating the timing of the potable water hookup for the charter docks. She said, "The original contract we had had the utility portion for the charter docks and fuel dock to happen at the same time. So we can do that and have the potable water hookup for the charter docks to happen when the fuel docks are install in January. If we want to go ahead and start that process for the charter docks, it would be approximately \$10,000. We are hoping that the potable water, we get the permit from DHEC on the restaurant on the face dock, we are hoping to get that this week, and that will allow maybe the vessels that require water, that operate on the charter docks, to have access to potable water on that other side and we don't have to go into the expense of having the utility folks come in at two different times."

Salmon's is waiting on two additional loads from Structure Marine which includes the remaining parts of the fuel docks and the angel bracket for the corner of the charter dock down by the boat ramp. Those are enroute to the City via truck. The second load includes the fuel dock platform and will be shipped next week.

### **C. Phase III Drainage**

Administrator Fragoso gave an overview of the work being done on the Phase III Drainage Project. A slide detailing all of the work done on this project can be seen in the YouTube recording of this meeting linked on the City's website. Administrator Fragoso reported that the low bid for the 30<sup>th</sup> and 36<sup>th</sup> avenues outfalls project was received from Quality Enterprises for \$2.27M. This is the same group that recently completed the water main project between Sullivan's Island and Mt. Pleasant. She intends to issue a notice to proceed on December 1 but does not expect any onsite work to begin until after the holidays.

Administrator Fragoso reported that the City has submitted three grant applications for the work at 41<sup>st</sup> Avenue and Waterway Boulevard.

**D. Phase III Drainage Small Internal Projects**

Administrator Fragoso gave an overview of the work being done on the Phase III Drainage Small Internal Projects. A slide detailing all of the work done on this project can be seen in the YouTube recording of this meeting linked on the City's website. All portions of this project are complete and a final walk through is being scheduled. Mayor Carroll said he has received numerous positive comments about the effectiveness of the small internal projects.

**E. Overhead to Underground Conversion**

There was no update on this project.

**6. Old Business**

**A. Consideration and approval of wage and compensation adjustments effective 1/1/2022**

Council Member Pounds reviewed City Council's decisions regarding the implementation of the Wage & Compensation analysis. Starting salaries for Public Safety will be the highest in the Lowcountry with exception of fire salaries on Hilton Head Island. 98% of employees will receive a 5%+ pay increase upon implementation. He reviewed the funding options for these increases for FY23 and beyond. He said the final piece of adjusting the leave policy will be dealt with next year.

Council Member Smith said she was happy to see the increase in pay for Public Safety and would like to see the City stay competitive when it comes to salaries.

**MOTION: Council Member Bell made a motion to approve the implementation of the Wage & Compensation analysis as presented effective 1/1/2022. Council Member Moye seconded the motion. The motion passed unanimously.**

Administrator Fragoso said, "I just want to say thank you on behalf of the staff. We really appreciate you all embracing this process and hopefully setting up a comprehensive philosophy moving forward that will take the guessing away, and I think it really reflects how much you all admire and how much you expect of the City staff. So just thank you."

**7. New Business -- none**

**A. Consideration of purchase of (1) Ford F-150 Police Responder in an amount not to exceed \$44,000 [FY22 Budget, Capital Projects Fund, Police Department - \$41,000]**

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

Administrator Fragoso said this cost of this vehicle is higher than anticipated but the additional \$3,000 buffer should cover the final cost.

**VOTE: The motion passed unanimously.**

**B. Consideration of purchase of Polaris GEM Low Speed Vehicle (LSV) in an amount not to exceed \$19,000 [FY22 Budget, State ATAX Fund, Police Department - \$17,000]**

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

Administrator Fragoso said that this budgeted expense also came in higher than expected. The expense was recommended by the Public Safety Committee.

**VOTE: The motion passed unanimously.**

**C. Consideration of replacement of 2010 Ford F-150 and 2008 Ford F-250 in an amount not to exceed \$44,000 per vehicle [FY22 Budget, Muni ATAX Fund, Fire Department - \$42,000 and State ATAX, Fire Department, \$42,000]**

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

Administrator Fragoso said these trucks replace Chief Graham's truck and the Deputy Fire Chief's truck. The expense was recommended by the Public Safety Committee.

**VOTE: The motion passed unanimously.**

**D. Consideration of approval of a contract to Quality Enterprises in the amount of \$2.27 million for the construction of Phase 3 Outfalls at 30<sup>th</sup> and 36<sup>th</sup> avenues [FY22 budget, Capital Projects Bond Proceeds, Public Works - \$2,462,000]**

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

Council Member Moye asked if the project on Sullivan's Island recently completed by Quality Enterprises was within budget and if there were change orders. Administrator Fragoso said she could have that information prior to executing the contract. Director Kerr and Thomas & Hutton reviewed both bids and indicated no areas of concern over the differences in pricing.

Administrator Fragoso said this bid does not include the 20% contingency that will be managed by the City. Even with the 20% contingency, the final amount will be below the Gulf Stream bid.

Administrator Fragoso said, "The low bid for Quality Enterprises is right on point with the revised budget that we got from Thomas & Hutton earlier this year. So that was another gauge we used to measure how reasonable this one would be."

**VOTE: The motion passed unanimously.**

**E. Discussion and consideration of providing City cellphones to all council members**

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

Council Member Pounds said that Council members having separate phones for City business will help with processing any future FOIA requests. The cost is \$350/month of ten lines. He would like to implement the program for a year and reevaluate.

**VOTE:** The motion passed unanimously.

**8. Miscellaneous Business**

The next meeting of the Ways & Means Committee will be Tuesday, January 18, 2022 at 6pm.

**9. Adjournment**

Council Member Streetman made a motion to adjourn and Council Member Moye seconded the motion. The meeting was adjourned at 5:43pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk