



**Ways & Means Committee Meeting
5:00pm, Tuesday, March 15, 2022
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 Anderson, Hahn, Bogosian, Miars, Ward, Streetman, Popson, and Mayor Pounds

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

2. Approval of previous meeting's minutes

Council Member Ward made a motion to approve the minutes of the February 15, 2022 meeting, and Council Member Miars seconded the motion. The motion passed unanimously.

4. Citizen's Comments -- none

5. Financial Statements – Treasurer Suggs

Treasurer Suggs said revenues are “flowing well,” and tourism revenues are ahead of pre-Covid levels. 71% of the General Fund revenues have been collected for the year, including \$1.5M in property taxes last month. She expects strong revenues for business and rental license renewals in March and April. Building permits are at 154% of the budget.

She does not anticipate changing the budget forecast and believes the City will beat the budget by approximately \$1.25M.

All major departments are at or below budget in the General Fund. The City has \$30M in cash, \$17M of which is restricted.

Treasurer Suggs reported that all tourism revenues continue to run well ahead of budget.

Construction administration and transformer relocation costs were paid out of the Marina fund. The final application for payment to Gulfstream for the smaller internal drainage projects was received. There were no significant changes to the legal expenses' worksheet. \$128,000 has been budgeted for legal expenses in FY23 in anticipation of a more “normal” 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 restaurant is expected to open in early April. Power has been connected to the building. Pavers have been installed in the sandpit area. The floors in the back dining room are to be installed this week. Kitchen equipment is being installed as it arrives. Conversation with Director Kerr continues about the location of the dumpster and whether or not a compactor will be used.

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. This project is also expected to be complete at the beginning of April "with the exception of some of the DHEC water certifications and the as-builts." The fuel dock is almost complete. Interior work on the fuel hut continues. Electrical issues with the power and the electrical panel have been resolved.

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. Work on 30th and 36th avenues is expected to begin in early April. The golf course portion of the project should be completed by June. Road closures are expected for the work on both outfalls. The dates for the closures have been provided.

The joint wetlands permit from OCRM and the Army Corps of Engineers is still pending for the 41st Avenue outfall project. Thomas & Hutton has requested additional information from DHEC on when that permit is expected. Discussions about the design of section between Waterway and the end of 41st Avenue for parking spaces will be part of budget discussions.

D. Master Drainage Plan

Administrator Fragoso said work on the Master Drainage Plan is going well and is on schedule to be completed by the end of the year. Staff meets regularly with Davis & Floyd. The inventory of the current conditions and the 2D and 3D modeling is underway. They are beginning to identify potential projects that will be part of the capital drainage plan. There is some money in the FY23 budget to begin work on some of those projects.

E. Overhead to Underground Conversion

Administrator Fragoso reported that the bore profiles have been received. A Dominion Energy manager to review the packet so they can release the cost estimates to be sure the City has estimated the right amount in the budget for the 50% they are responsible to pay. Dominion

Energy will be submitting the report to SCDOT to request the encroachment permit. The contractor has provided a plan for lane closure, and they are working on a traffic control plan that will need to be approved before it goes to SCDOT for the encroachment permit. This project is anticipated for fall of FY23.

6. Old Business

A. Consideration of FY22 budget of proposed expenditures by the Charleston Visitor's Bureau

Mayor Pounds said this item will be considered after Executive Session at the end of the meeting.

B. Consideration of approval of an amount not to exceed \$15,000 to hire an expert to develop a report that identifies potential violations and safety issues with the modifications to the IOP Connector [Strategic Plan Priority 1, Goal b]

Mayor Pounds reported there was a kickoff meeting on March 4 about the study of the IOP Connector. The meeting was attended by SCDOT staff and their consultant, City staff and Jennifer Bihl, the City's consultant, and the Mayor. Discussion centered around the first scope of the study and "some low-hanging fruit to help with the season traffic this year." A follow-up meeting in Columbia with the City's lobbyist and SCDOT is planned for March 29th "to continue the conversations around that as well as other strategic items. He feels "decent progress" has been made in the last 30 days.

MOTION: Council Member Hahn made a motion to approve, and Council Member Miars seconded the motion.

Council Member Hahn urged the Committee to approve this expense. He feels the views of an independent expert are necessary in dealing with SCDOT. Council Member Anderson believes SCDOT is "showing good faith in that they've acknowledged the fact that they want to revisit the way the Isle of Palms Connector was striped and is open to changes." Adding that the City has hired a consultant to review what is happening and provide guidance, she suggested postponing further consideration of this motion until "we're satisfied with what we have now."

Mayor Pounds reported that additional meetings are taking place with Mt. Pleasant, Sullivan's Island, and Charleston County Parks regarding planning for summer traffic. Results for the first scope of the study with SCDOT are not expected until after the summer season.

Council Member Bogosian said that while going through another summer season in the same situation, he believes SCDOT is likely aware of the violations they have made, but they are committed to making changes. He said the timing of such a letter could be detrimental to the progress being made by the current discussions.

Council Member Hahn said, "From my perspective, they have not dealt with us in good faith. Everybody knows that they came down here and did this basically, they had admitted that they did not do a study. They just did it, and we need in our toolbox an expert to tell us the violations, whatever they may be." Council Member Miars agreed that such a letter could provide the City

with knowledge they need in their discussions with SCDOT. She believes such a letter could guide future decisions.

Mayor Pounds said he did not feel the expense for this letter will bring what SCDOT will provide in the fall.

Council Member Anderson said that while she agrees that SCDOT did not behave well at the beginning of the process, they are cooperating with the City now. The City's consultant has been hired to tell the City what their needs are in this situation. Phase 1 of the study is already underway and SCDOT has already agreed to conduct a study of the entire corridor so traffic can be moved on and off the island better. "The reason why we are worried about emergency access is because of traffic congestion. So if we can improve traffic congestion, then the others will fall into place. It is not going to eliminate traffic congestion, but it will make it better." She does not want to put on hold the work that is being done and is planned to be done.

Council Member Hahn said there are "safety issues on the Connector" and he believes the City should openly speak about these issues without worrying someone will be offended.

Mayor Pounds said he is not in favor of this expense at this time. He said, "We heard from our own Public Safety personnel that it has not affected our response times at all, and we've hired a consultant to sit around the table with us. SCDOT has hired an independent consultant to sit around the table with us. I think we are making significant progress personally."

VOTE: A vote was taken as follows:

Ayes: Hahn, Miars

Nays: Anderson, Bogosian, Popson, Streetman, Ward, Pounds

The motion failed 2-6.

7. New Business

A. Discussion and consideration proposed option for redevelopment of the new public dock and the intracoastal dock at the Marina

Kirby Marshall of ATM presented an assessment of the condition of the public and T-docks at the Marina and detailed ways in which to adapt those structures to meet their intended use. Three options for each dock were presented: repair, replace, and middle ground.

For the public dock, the repair option would cost approximately \$500,000; the replace option approximately \$1.7M, and the middle ground option \$700,000.

For the T-docks, the repair option would cost approximately \$1.3M; the replace option approximately \$1.7M, and the middle ground option \$1.4M.

Committee members briefly discussed the how the improvements to the T-docks could potentially generate more revenue for the Marina Manager, which "trickles down" to the City. Administrator Fragoso added that under the terms of the lease, the City is responsible to repair the dock but not improve it.

Council Member Ward reminded the Committee that there is a fund for repairs at the Marina set aside in the budget based on insured value. He also shared that residents defeated a referendum in 2018 that would have authorized spending several million dollars to repair the marina docks. He suggested leaving the docks as they are and seeing how much use they get out of them before expending any money.

Mayor Pounds said that monies for the repair option on both docks are included in the first draft of the budget. Council Member Streetman said that the docks need to be made ADA compliant at the very least.

Council Member Miars said, "I think it is interesting that we are not open all of a sudden, talking about not spending any more money. We just spent the lion's share of the money at the Marina has already been spent and done, and now we're suddenly talking about something for the public, the people of this City, and now we don't want to spend any money. I think that's a shame. So I would certainly hope that we would put something into that public dock."

Mr. Marshall also reviewed the current permit status for each dock and the required permitting for each option for each dock.

B. Discussion of celebration of 70th Anniversary of the City's incorporation

Council Member Streetman said this idea was inspired by an email from former Mayor Carroll who asked City Council to recognize the 50th Anniversary of the Windjammer.

Mayor Pounds said he thinks that celebrating the 75th Anniversary would be more monumental. He also pointed out that this celebration is slated for January, which could be too short of a time for proper planning.

The Committee decided the issue should be further discussed by the Recreation Committee.

C. FY23 Budget Workshop – 1:00pm, Wednesday, March 16, 2022, Recreation Center

8. Miscellaneous Business

The next regular meeting of the Ways & Means Committee will be Tuesday, April 19, 2022 at 5pm.

9. Executive Session

MOTION: Council Member Anderson made a motion in accordance with §30-4-70(a)(2) of SC Code to move into Executive Session to receive legal advice regarding the review of the FY22 budget of the Charleston Visitor's Bureau. Council Member Hahn seconded the motion. The motion passed unanimously.

The Ways & Means Committee moved into Executive Session at 6:26pm.

The Ways & Means Committee returned from Executive at 7:05pm. Mayor Pounds said no decisions were made.

MOTION: Council Member Streetman made a motion to approve the FY22 Charleston Visitor's Bureau FY22 budget. Council Member Ward seconded the motion. A vote was taken as follows:

Ayes: Anderson, Miars, Popson, Streetman, Ward, Pounds

Nays: Bogosian, Hahn

The motion passed 6-2.

10. Adjournment

Council Member Ward made a motion to adjourn and Council Member Streetman seconded the motion. The meeting was adjourned at 7:06pm.

Respectfully submitted,

Nicole DeNeane
City Clerk