

CITY COUNCIL

6:00 p.m., Tuesday, July 18, 2017

The regular meeting of City Council was held at 6:00 p.m., Tuesday, July 18, 2017 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Carroll, Ferencz, Kinghorn, Rice and Ward, Mayor Cronin, Mayor ProTem Harrington, Administrator Tucker, Attorney Halversen, Assistant Administrator Fragoso and City Clerk Copeland; a quorum was present to conduct business.

1. Mayor Cronin called the meeting to order and acknowledged that the press and public were duly notified of the meeting in accordance with the Freedom of Information Act. Following a brief invocation and the Pledge of Allegiance, Clerk Copeland called the roll.

2. Reading of the Journals of Previous Meetings

MOTION: Mayor Cronin moved to approve the minutes of the regular meeting of June 20, 2017 and the Special Meeting of July 6, 2017 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

3. Appointment and Administration of Oath to New Employees

MOTION: Mayor Cronin moved to accept Nicole Morris, Stephanie Tucker, Joshua Phillips, Thomas Molina, Jonathan Ayer, Robert Forsythe, Robert Boss, Ross Graves and Josh Dahl as employees of the City; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

The Mayor administered the oath to each new employee and welcomed them to the City family.

4. Citizens' Comments

The Mayor reported that the group of volunteers who were researching the feasibility of holding a farmers' market on the island have presented their proposal and Council approved a farmers' market as a City-sponsored event. The first will be held on August 31st from 4:00 p.m. to 7:00 p.m. at the County Park; parking will be free in the City's municipal parking lot. Additional markets will be held on Thursdays through October, weather permitting. Fruits, vegetables and arts and crafts will be offered as well as music.

Council also granted City-sponsored event status to a charity swim event for SEALKids, leaving from the beach in front of the Windjammer. The race will be followed in the evening with a concert at the Windjammer. The date of September 9th was selected due to its being the Saturday closest to September 11th.

The Mayor announced that for the fifth year in a row, Charleston has been awarded the first position in "Travel and Leisure" magazine.

Randy Bell, 22-41st Avenue, stated that there has been a lot of chatter on social media about the marina and the upcoming referendum, and he wanted to inform residents about some of the finances behind the marina and express his concerns about the referendum to Council. Mr. Bell's comments are attached to the historical record of the meeting.

Mr. Bell reported studying the lease documents for the City's tenants of the marina and presented his interpretation of them; he concluded his review with a question to Council about the amount of income the City has derived from the leases with Marina Joint Ventures and Marina Outpost. He asked for the statistics related to the usage of the marina by IOP residents versus off-islanders. He stated that "The continued commercialization of the City marina for the primary purpose of non-residents and commercial interests is simply unacceptable to many of the residents," and "the citizens should put a stop to the further commercialization of this precious City asset without accounting for the marina's original purchase intent."

Phillip Smith, 8 Intracoastal Court, distributed a handout with the key point of his comments to Council and photographs taken from his back yard; a copy is attached to the historical record of the meeting. He reminded Council that a jet-ski business is located next door to his residence, which he defined as a nuisance; he stated that he has been asking the City to address his problem since 2012. He commented that, if the referendum passes, the completion of the redevelopment plan could be four to five years (4-5 yrs.) in the future, and he does not want to wait that long before he sees any change. He stated that "the marina was permitted under a GC-1 Special Exemption which requires that adequate provision be made to protect adjacent residential properties from a nuisance." Mr. Smith remarked that, two (2) years ago, the City changed the Tidal Wave WaterSport lease from a year-to-year lease to a lease of five (5) years with three (3) automatic renewals, meaning they could be at the marina until 2030. In the most recent version of the marina redevelopment plan, Tidal Wave Watersports is moved to the Intracoastal docks. He stated that the purpose of his comments was to ask the City "to allocate the funds to design, permit and temporarily relocate the watersports dock this winter to abate this nuisance as quickly as possible."

Michael Fiem, owner of Tidal Wave Watersports, spoke to defend his business against Mr. Smith's comments. In 1992, the jet-ski business opened in its existing location at the IOP Marina; the name was changed in 1996 to Tidal Wave Watersports. Mr. Smith moved into his house between 1998 or 2000; Mr. Fiem recalled that the original developer had not planned to develop this property but to leave it as a buffer against the marina. He reported that Mr. Smith had taken dinners to the workers at Tidal Wave for several years and his daughters had worked at Tidal Wave. In Mr. Fiem's opinion, the business became a nuisance after one (1) of his daughters was terminated from Tidal Wave, and he assured Council that he could not pay his monthly rent on one (1) hours' business. He concluded stating that, in 1996, the jet-ski business was operating from the IOP Marina with sixteen (16) jet-skis and a parasail boat yet Mr. Smith chose to build his home next door.

Don Thompson, Goat Island resident, stated that he was aware of the problems between Tidal Wave Watersports and Mr. Smith and he was sympathetic to both. He said that he would like to think that Goat Island could help resolve the problem, and he offered for Goat Island to be a part of the discussion and part of the solution, if possible.

MOTION: Mayor Cronin moved to reorder the Agenda to go to Item 8, Bills Already in Possession of Council; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

MOTION: Mayor Cronin moved to go into Executive Session at 6:38 p.m. to receive legal advice; Councilmember Carroll seconded and the motion PASSED UNANIMOUSLY.

When Council returned to regular session at 7:00 p.m., Mayor Cronin announced that Council had taken no action and no vote in Executive Session.

8. Bills Already in Possession of Council

Second Reading of Ordinance 2017-05 – An Ordinance to set an Advisory Referendum at the next General Election on the question of whether the electors approve the issuance of General Obligation Bonds in an amount not to exceed \$5,500,000 by the City Council of the City of Isle of Palms, South Carolina for the purpose of constructing a Marina Redevelopment Project at the Isle of Palms Marina.

MOTION: Mayor Cronin moved to waive the reading and to approve Ordinance 2017-05 for Second Reading; Councilmember Ward seconded.

Councilmember Carroll stated that he would prefer that the referendum be a binding one.

The Mayor explained that, if the referendum is binding, it will not go against the City's borrowing capacity and it is consistent with the prior referendum.

Attorney Halversen stated that a non-binding or advisory referendum would offer more flexibility in some sense, but she does not believe the City is losing much with a binding referendum. She added that she does like the consistency of a binding referendum and is leaning toward recommending a binding referendum.

Councilmember Bergwerf commented that the referendum is to allow the City to borrow up to five point five million dollars (\$5,500,000); it is not for or against the marina.

Attorney Halversen recommended referring the ordinance to the bond attorneys to ensure that the appropriate language is included.

Therefore, Administrator Tucker said that the best option would be to withdraw the motion and second, take no action and defer Second Reading.

Mayor Cronin withdrew his motion and Councilmember Ward withdrew his second.

MOTION: Mayor Cronin moved to defer action on the Second Reading of Ordinance 2017-05 for the Ordinance to be re-drafted as a binding referendum; Councilmember Carroll seconded and the motion PASSED on a vote of 7 to 2 with Mayor ProTem Harrington and Councilmember Kinghorn casting the dissenting votes.

The Mayor stated that Council would hold a Special Meeting for Second Reading, and he hoped it would be before the end of the month.

5. Reports from Standing Committees

A. Ways and Means Committee

At the meeting held earlier in the evening, the Mayor reported that Council was presented with the preliminary and unaudited figures for June 30, 2017 that showed General Fund revenue at one hundred one percent (101%) of budget and General Fund expenditures at ninety-five percent (95%) of budget. Additional revenues to be received are Local Option Sales Taxes, State Accommodations Taxes, State Aid to Subdivisions, one (1) more month of Property Taxes, as well as Hospitality Taxes, Municipal Accommodations Taxes and others. General Fund cash was at three point four million dollars (\$3,400,000); total cash at year end was seventeen point four million dollars (\$17,400,000) without stakeholder funds the City is holding, while it was fourteen point two million (\$14,200,000) at the end of FY16.

In the tourism funds, Municipal Accommodations Taxes and Beach Preservations fees were two percent (2%) greater than in FY16, and Hospitality Taxes collections were seven percent (7%) greater than in FY16.

On the subject of the City's projects, the Mayor reported that the wash-down project at the Public Works' site was continuing into FY18, and Council would take action on a change order shortly. The RFB for the beach renourishment has been advertised; and a pre-bid meeting is scheduled for August 1st with the bid opening on August 15th.

Once a year, the City receives a check for the franchise fees collected by SCE&G for the Isle of Palms; when the check was less than anticipated, Treasurer Suggs contacted them and was told that SCE&G revenues declined of the past year. They attributed the reduction to a mild winter and to the energy efficiency of new construction.

1. Approval of an advertising sponsorship in the amount of \$1,000 for the Carolina Coast Surf Club

MOTION: Mayor Cronin moved to approve the \$1,000 sponsorship for the Carolina Coat Surf Club; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

2. Approval of ATAX over-budget expenditures

- a. Beach trash removal - \$6,019**
- b. Thermal imaging camera with accessories - \$215**
- c. Easter Egg Hunt - \$12**

MOTION: Mayor Cronin moved to approve the three (3) over-budget expenditures detailed above; Councilmember Carroll seconded and the motion PASSED UNANIMOUSLY.

3. Assignment of Series 2008 GO Bond for the Public Safety Building

Mayor Cronin explained that BB&T has sold the City's GO Bond to Stirling National Bank in New York; therefore, the City must assign the bond to them. The legal fees incurred will be reimbursed by BB&T. The necessary paperwork will be executed when available.

4. Report on RFB2017-03 – Drainage Improvements 45th to 52nd Avenues

Administrator Tucker reported that no action will be taken to award a contract at this meeting; all of the bids received for construction were higher than the amount of funds budgeted for the project. The contract award will occur after the City has assembled all of the funds; a plan to bridge the gap is in place that requires additional participation by Charleston County with TST funds and the use of fund balance.

5. Report on RFP 2017-04 – Rebid of Professional Services related to removal and replacement of underground storage tanks

MOTION: Mayor Cronin moved to award the contract for project management to Summit ELT in the amount of \$21,737; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

6. Consideration and selection of accounting software system

MOTION: Mayor Cronin moved to award a contract to BS&A for accounting software; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

The Mayor stated that staff decided that BS&A offered the most complete package to meet the needs of all departments of the City.

7. Discussion related to Beachfront Farmers' Market

The Mayor reported that staff had been meeting with the volunteers to work out the details of the farmers' market; the first market will be held on Thursday, August 31st and follow for the next nine (9) Thursdays through October from 4:00 p.m. to 7:00 p.m. Parking will be free in the municipal parking lot for the markets, resulting in some loss of revenue to the City.

8. Consideration of Public Works' wash-down Change Order #5

MOTION: Councilmember Ward moved to approve Change Order #5 from Hitt Construction in the amount of \$21,401; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

9. Report in accordance with Chapter 20, Purchasing, Section 1-10-3(c), less than \$25,000 and in the budget

- Award of a contract to Fire Penny for one CET 55hp Tohatsu V82-2D fire-fighting pump in the amount of \$14,622

B. Public Safety Committee

From the meeting of June 26th, Councilmember Bettelli reported that he was out of town and not in attendance. The purpose of the meeting was to consider the Swim for SEALKids as a City-sponsored event, and it was unanimously approved.

The next Public Safety Committee meeting will be Monday, August 7 at 2:00 p.m.

C. Public Works Committee

The Committee met on Monday, July 17th and was told by Director Pitts that the focus for June had been keeping the beach clear of debris. Both yard debris and garbage collections were down for the month, and the Department would run a shift on Saturday to catch up with debris collections. The Committee unanimously approved the payment of Hitt Change Order #5. Brett Jones, owner of The Dinghy, attended the meeting to again discuss the possibility of relocating the City's trash compactor. The discussion ended with a decision to continue exploration of the best solution for the problem and to do whatever was necessary to clean up and maintain the existing area to eliminate the current problems. Drainage problems on Hartnett between 29th and 30th Avenues were also discussed; Director Pitts stated that the residents do not want the ditch re-opened despite it being the best solution. If the City were to decide to pipe the ditch, it would be a costly endeavor and would have to be delayed until the next budget cycle. Director Pitts reported that he has received complaints about the Eadies' vacuum truck being parked in the SCDOT right-of-way, but too close to the tables for Harris Teeter's employees. The Director stated that the trucks would be on the island only through the end of July and he would arrange for them to be pulled more into the right-of-way and away from their tables. Based on Councilmember Kinghorn's observation that the Public Works Agendas tended to lean more toward oversight than to policy, Councilmember Ferencz stated that she would discuss the issue with the Administrator going forward. A brief discussion was also held regarding the attendance at IOP Water and Sewer Commission meetings by a member of the Committee or of Council; opinions both pro and con were expressed, but the Committee voted against taking that action.

Mary Zervos attended the meeting but arrived after Citizens' Comments was passed on the Agenda; she voiced concern over dumping at 5th Avenue and Ocean Boulevard and was asked to attend the August meeting.

Mayor Cronin indicated that the dumping issue should be referred to the Public Safety Committee, and he asked that staff report the matter to Chief Buckhannon although he knows that it is difficult to find someone in the act of dumping.

The next meeting of the Public Works Committee will be at 11:00 a.m., Wednesday, August 2 in the Conference Room at City Hall.

D. Recreation Committee – no meeting in July

The next Recreation Committee meeting will be at 9:00 a.m., Wednesday, August 2nd in the Conference Room.

E. Personnel Committee – no meeting in July

June Safety Sweepstakes Winners

Recreation – Holly Norton

Fire – Capt. J. T. Hall

Police – Capt. Jeff Swain

Public Works – Joseph Washington

Job openings in the City include five (5) BSOs, one (1) part-time Animal Control Officer and one (1) Building License Clerk effective August 31st.

Since summer is half over, Councilmember Carroll questioned the need to fill five (5) BSO positions. Mayor Pro-Tem Harrington said that Chief Buckhannon had told him that, in reality, they would not hire all five (5), but he thought they were missing a lot of enforcement opportunities by being understaffed. Administrator Tucker added that she receives a large number of calls from residents complaining about visitors parking in residential neighborhoods and the lack of enforcement on residential streets.

The next Personnel Committee meeting will be at 2:00 p.m., Wednesday, August 2nd in the Conference Room.

F. Real Property Committee

Councilmember Bergwerf, reporting on the meeting held earlier in the day, stated that the marina Manager Brian Berrigan told the Committee about some of the work going on at the marina, i.e. more golf cart and bike parking, the addition of a new ice machine, and a new playground for children. The marina has been participating in the “adopt a highway” program along Waterway Boulevard and were awarded for their efforts. A new deck has been constructed at the store for additional shaded seating; they are participating in the “Strawless Summer” and will soon be converting all Styrofoam to paper. Tidal Wave Watersports has also installed a new bike rack and converted to paper from plastic straws. Councilmember Bergwerf stated her belief that all marina tenants work to be good island citizens; one (1) example is that the Coast Guard called on Tidal Wave to assist with a rescue and being the first on-scene. Over the years, Tidal Wave has been first on-scene in thirty-two (32) incidents and first or second fifty-six (56) times. The bid for the renovations to the public restrooms will be opened at 2:00 p.m. on Thursday, August 3rd. ATM delivered the most recent iteration of the marina redevelopment plan which has been distributed to Council; in this plan, the current Tidal Wave dock becomes the City dock where residents can launch kayaks and paddleboards or simply sit and enjoy the water. In addition, the path from the marina entrance to the City dock will be asphalt rather than gravel. The new price sheet has also been distributed.

Dr. Jean Ellis of the University of South Carolina attended the meeting seeking permission for IOP participation in a study about dune recovery after a hurricane; she wants to place small placards on a few existing beach access signs asking that the beach-goers take a photograph of the sign and email it to them. She hopes for a lot of participation from residents and other beach-goers since they will be unable to gather the information daily as they want to have over the course of a year. In the fall, she would like to make a presentation to island residents at the rec Center.

MOTION: Councilmember Bergwerf moved to endorse Dr. Ellis' beach dune recovery program on the island; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

In addition to the presentation, they also will produce a story map that may prove to be very interesting to residents and visitors.

The Administrator reported that all tenant rents were current.

The real Property Committee will hold its next meeting at 2:00 p.m., Thursday, August 3rd.

Attention was now directed to the new marina conceptual drawing, and the Mayor noted that Tidal Wave has now been re-located to the Intracoastal dock. The revised cost estimate is five million seventy-two thousand six hundred seventy dollars (\$5,072,670).

When Councilmember Ferencz was told that the square marked with an X on the Intracoastal dock was to be the operations hut for Tidal Wave, she asked if the City was obligated to construct the hut for them despite the fact that they currently have a hut. The Councilmember asked if a hut was included in their lease, and the Administrator answered that she would have to check. She questioned that, if Tidal Wave was going to have a hut, should not Coastal Expeditions also have a hut? Administrator Tucker recalled that Coastal Expeditions was not a tenant of the City.

Councilmember Bergwerf reminded Council that this is a plan and that nothing was "chiseled in stone" at this point.

Councilmember Ferencz asked how many parking spaces Tidal Wave and Coastal Expeditions needed to operate their businesses. Councilmember Bergwerf referred the answer to Mr. Berrigan for Coastal Expeditions and replied that the number of parking spaces for Tidal Wave was spelled out in their lease.

On parking at the marina in general, Councilmember Bergwerf stated that this plan provides for more parking for cars, more parking for trailers and safer parking for all; more parking is available for golf carts and bicycles and safer access for pedestrian.

Councilmember Ferencz said that she does not want to see the referendum fail because there are things about the plan the residents do not understand.

5. Reports from City Officers, Boards and Commissions

- A. Accommodations Tax Advisory Committee** – minutes in process
- B. Board of Zoning Appeals** – minutes in process
- C. Planning Commission** – minutes in process

6. Reports from Special or Joint Committees – None

7. Petitions Received, Referred or Disposed of – None

8. Bills Already in Possession of Council – earlier in the meeting

9. Introduction of New Bills, Resolutions and Proclamations
Resolution Authorizing a Farmers' Market for the 2017 Season

Since decisions regarding the farmers' market are included in the resolution, Administrator Tucker said that it should be read into the minutes of the meeting should Council want to make any changes; the resolution is attached to the historical record of the meeting.

The following conditions and fees are defined in the resolution:

- The farmers' market will be held in the Charleston County Park;
- The farmers' market will operate under a farmers' market manager;
- The farmers' market will occur on Thursdays beginning August 31st and ending October 26th, 2017, between the hours of 4:00 p.m. and 7:00 p.m.;
- Vendor fees are established \$145 per season or \$20 per week plus a \$25 administrative fee per season;
- The administrative fee will be waived for vendors holding an IOP business license and
- Parking will be free in the City parking lots for patrons of the farmers' market.

MOTION: Councilmember Ward moved to approve the resolution as presented; Councilmember Bergwerf seconded.

Councilmember Ferencz asked if the position of farmers' market manager was a paid position, and the Administrator stated that not as currently defined. The Councilmember's next question was how the fees collected would be spent; to which the Administrator replied that the fees would be collected by the Building and Licensing Department and would be used to provide music for the events. Councilmember Ferencz also asked how the City would handle a situation when the farmers' market expenses exceed the fees collected.

Administrator Tucker explained that the first year of the market will provide the City valuable data about the actual costs of insurance, advertising, the investment of staff time, etc. on which to base decisions for future farmers' markets.

VOTE: The motion PASSED UNANIMOUSLY.

10. Miscellaneous Business – None

Next meeting date: 6:00 p.m., Tuesday, August 22, 2017 in Council Chambers

11. Executive Session – not needed

12. Conclusion/Adjournment

MOTION: Councilmember Carroll moved to adjourn the meeting at 7:58 p.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk