

CITY COUNCIL

6:00 p.m., Tuesday, August 22, 2017

The regular meeting of City Council was called to order at 6:03 p.m. on Tuesday, August 22, 2017 in Council Chambers of City Council, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Carroll, Ferencz, Kinghorn, Rice and Ward, Mayor ProTem Harrington, Mayor Cronin, 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: Councilmember Bettelli moved to approve the minutes of the regular meeting of July 19, 2017 and the Special Meetings of July 18 and August 7, 2017 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. Appointment and Administration of Oath to New Employee

MOTION: Councilmember Bettelli moved to accept William “Tony” Sease as an employee of the City; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

After administering the oath, the Mayor welcomed Mr. Sease to the Isle of Palms family.

4. Citizens' Comments

Randy Bell, 22 – 41st Avenue, stated that, some members of the community might think that he is “vehemently opposed” to the marina revitalization, but, in fact, he was opposed to assuming debt without understanding what that debt means. He reported that he sent a FOIA request to the City asking who was using the marina; he assumed that it was primarily off-islanders. He indicated that he asked for that information on a daily basis and also about slip rentals, i.e. resident versus non-resident, that he thought would be readily available since the wait list consists of sixty (60) boaters. He stated that the responses from the City were that the City does not collect that type of data and that the marina manager was not required to provide that data. In his opinion, it was the responsibility of Council, because the information was vital to the understanding the marina for residents; he stated that he did not want to vote for something he did not understand. Mr. Bell opined that the statistical data he wanted should be readily available via a point of sale report on a monthly basis and that it was simple data to collect and should be made available to the public “to see where the marina is headed.” If the referendum passes, he did not believe that anyone thought that the revitalization would reduce “the parking issues or the conflicts within the marina property, construction traffic, etc.” He requested the statistical data once again and commented that he did not think it should be his responsibility to go to the marina manager to get the requested information, but he did think Council should ask for information that was relevant to a public vote. He suggested raising the launch fees for off-islanders, adding that the marina

manager would earn the same amount of money with half the people; he voiced the opinion that to increase the fees would impact traffic volumes over the island. Another question posed by Mr. Bell was how the manager could suspend the sale of annual launch passes? The response he received from the City was that the language of the lease did not state that he could not suspend the sale of passes. He concluded stating that he wanted Council to be consistent in handling matters and to start addressing the residents' concerns. In his opinion, the only thing he got from the City was "a bill for one hundred twelve dollars (\$112) for research and not an answer to a single question," he added that he did not think he "should be charged for information that should be readily available."

5. Reports from Standing Committees

A. Ways and Means Committee

From the meeting of August 15th, Mayor Cronin reported that the Treasurer had computed preliminary and unaudited year-end results for FY17 that indicate the City's budget will have a positive net result of approximately eight hundred ninety-seven thousand two hundred fifty-four dollars (\$897,254). One (1) category where revenues were significantly greater than budget was Court Revenues, and the City received approximately one hundred fifty two thousand dollars (\$152,000) in grants that was not budgeted for that was reimbursement for personnel and equipment operating costs related to Hurricane Matthew. Two (2) categories ended the year significantly under budget, and they were salaries where the Police Department operated much of the year understaffed and legal services that are influenced by outside and unpredictable catalysts. The auditors will be on-site soon to make the final tweaks needed to close out FY17, and City Council will decide how to best use the year's positive net result. The Treasurer reported that the conversion to the financial software has begun and their schedule is "very ambitious." They will be on the island at the end of the month on a discovery mission; they plan to convert ten (10) years of data and to train members of staff in October and the "go-live" date is scheduled for mid-November. Through one (1) month of the new fiscal year, expenditures in the General Fund were at six percent (6%) of budget, and, as usual, revenues were low because much reflects activity prior to June 30, 2017. Because Municipal Accommodations Tax collections were lower than the same period in FY16, the Treasurer will perform forensics on the report to determine if a major tax payer(s) was delinquent. State Accommodations Taxes for FY17 were three and a half percent (3.5%) higher than FY16 at approximately one million one hundred seventy thousand dollars (\$1,170,000). As has been reported previously, the Charleston County Accommodations Tax Pass-through was paid to the City in a lump sum and was seven percent greater than FY16. The City ended FY17 with very strong months for Hospitality Tax Collections, and the year ended with an eight percent (8%) increase over FY16. Reflecting Municipal Accommodations Taxes, Beach Preservation Fees saw only a negligible increase over FY16. Mayor Cronin noted that the Vehicle Wash-down project continues, and a completion date has yet to be announced. For Phase II Drainage, the Mayor noted that the bids came in more than was budgeted, and to bridge the funding gap, the City applied for additional TST funding from Charleston County that was awarded last week in the amount of one hundred ninety-three thousand dollars (\$193,000) and change. With the money in-hand for the project, the contract can be awarded. The decision was also made to re-bid the Front Beach restrooms and boardwalk since the bids came in one hundred thousand dollars (\$100,000) more than budgeted. The need for a wider and as much sturdier

boardwalk than usual has driven the costs up; therefore, City staff has gone back to the design engineers asking for modifications that would reduce the price yet meet the needs of the City – the boardwalk must be strong enough to support two (2) ATVs. The City is also considering dividing the project into two (2), execute one (1) and consider how to fund the second.

1. Award of a contract to Vic Bailey Ford for one F-150 pickup in the amount of \$31,834, state contract pricing (State ATAX Fund, pg. 29, In. 299 – Recreation Department, Capital Outlay - \$32,000)

MOTION: Mayor Cronin moved to award a contract to Vic Bailey Ford for one F-150 pickup in the amount of \$31,834; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

2. Award of a contract to Hunter Powersports LLC for 2 Kawasaki Mules Pro-FX EPS LE (ATVs) in the amount of \$26,434.96, including sales taxes, registration fee, accessories, assembly, delivery and 3-year warranty (Hospitality Tax Fund, ps. 27, In. 188, Fire Department Capital Outlay, \$34,000)

MOTION: Mayor Cronin moved to award a contract for \$26,434.96 for two ATVs as described above; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. Award of a contract to Great Lakes Dredge & Dock for beach renourishment in the amount of \$11,875,000 (pg. 30, In 341 – Beach Restoration Fund, Beach Renourishment - \$15,004,000)

MOTION: Mayor Cronin moved to award the contract for Beach Restoration to Great Lakes Dredge & Dock Co. in the amount of \$11,875,000; Councilmember Carroll seconded.

The Mayor recalled that the City received three (3) bids from competent bidders; one (1) bidder indicated that they would not be available to begin work until 2018, which took them out of consideration, and Weeks Marine was the contractor for the 2008 project. He commented that Weeks and Great Lakes were the two (2) biggest dredging companies in the country. Included in the meeting packet was a recommendation from Coastal Science and Engineering (CSE) to award the contract to Great Lakes Dredge and Dock for the low bid of eleven million eight hundred seventy-five dollars (\$11,875,000); CSE reports that they have worked with Great Lakes in the past at Edisto and Kiawah. The Mayor explained that, although the City received a favorable bid, funding for the project has many pieces, and the FEMA grant and funds from Parks, Recreation and Tourism (PRT) contain stipulations relative to the project, such as the amount of sand and where it is placed. In addition, the PRT grant will not pay for engineering leading up to the project; therefore, that expense has to be eliminated from the calculations when they determine what they will pay. One stipulation of the contract is that, if the project is stopped for any reason by the City leaving the equipment idle, the City must pay Great Lakes one hundred thousand twenty-one thousand dollars (\$121,000) per day; the Mayor added that the City did not stop the work on the 2008 project. In the Mayor's opinion, the City was in a good position to award the contract and he looks forward to a successful project.

Administrator Tucker repeated that the project has multiple funding components and the City is planning to spend grant funds first since they have time tables associated with them. She also reminded Council that the FEMA and PRT grants have match requirements as well; she noted that this project has a lot of unknowns that the City did not face in the 2008 project. Coordinating the grants and ensuring that the City complies with the requirements of each will demand paying close attention to all facets of the project, and cash flow will be tight throughout the project. The Administrator explained that the PRT grant requires that the City pay back fifty percent (50%) of any federal money expended for the project and has stated that they will only fund forty-eight point eight percent (48.8%) of fifty percent (50%) of the eligible costs.

According to the Mayor, the contract to be awarded generates one million four hundred thousand cubic yards (1,400,000 cu. yds.) of sand unlike original discussions of one million cubic yards (1,000,000) of sand; the City stretched the permit limits to be able to put the one point four million cubic yards (1,400,000 cu. yds.) of sand on the beach. He continued that, if the City were to realize a funding shortfall, it could suspend the project at a lesser amount of sand; he stated that each one hundred thousand cubic yards (100,000 cu. yds.) of sand reduces the project cost by six hundred thousand dollars (\$600,000), meaning that the City will have a degree of flexibility in executing the project.

On the subject of cash flow, Mayor Cronin recalled a conference call with representatives of Edisto Beach to understand how they had managed their project which had some of the same funding sources. In the course of the conversation, the Mayor and Administrator learned that Edisto requested that FEMA and PRT provide the funding up front rather than the City expending its funds and having to wait for reimbursement. The City has reached out to these agencies and asked for the same consideration to avoid issues with cash flow during the project; the Mayor noted that he expects the request to be honored since FEMA and PRT have already set the precedent.

The Administrator commented that she and the Treasurer had generated a "worst case" financial scenario and found that the City could execute the project by using nine hundred thousand dollars (\$900,000) of the project contingency. She added that, if the scope of the project was reduced, the amount of grant funds would also be reduced.

Repeating his question from the Ways and Means Committee meeting, Councilmember Ward asked for confirmation that the City was not going to borrow money for the renourishment project which was the impression Council was given at that meeting.

Mayor Cronin answered that the budget for the project calls for the City to borrow one million two hundred thousand dollars (\$1,200,000) and that, "with all of the moving parts," he could not commit to not borrowing some amount of money to fund the project. He added that the City has committed to contribute one point two million dollars (\$1,200,000) to the project, but a funding source has not yet been identified.

Administrator Tucker stated that the FY18 budget was approved including the borrowing of this amount of money for the project and that the City's money would be spent last in hopes of avoiding the need to borrow. Although she thought the financial picture for the project looked promising,

she was not comfortable saying, at this point in time, that the City would not borrow money to complete the project.

Councilmember Ferencz stated that the stakeholders contributed approximately five million dollars (\$5,000,000), or about one third ($\frac{1}{3}$), toward a fifteen million dollar (\$15,000,000) renourishment project, but, now that the project will be approximately eleven million nine hundred thousand dollars (\$11,900,000), she asked whether the same percentages applied.

The Mayor explained that Councilmember Ferencz' numbers did not include the engineering and permitting costs necessary for the project. The contract of eleven plus million dollars (\$11,000,000+) only covers mobilization and demobilization of equipment and dredging sand, but also included in the total project cost are eight hundred thousand dollars (\$800,000) for engineering and project management and post project monitoring. Mayor Cronin stated that the total project cost was approximately fourteen million two hundred thousand dollars (\$14,200,000).

For the City's commitment of one point six million dollars (\$1,600,000), the Mayor recalled that the City planned to use a portion of the Beach Preservation Fee Fund, but now that fund has another year's collections of approximately one million dollars (\$1,000,000). Council must decide how much of that amount the City will expend for the renourishment project; additionally the post-project monitoring will be spread over a couple of years. At the time of the monitoring, the City can decide if those costs were fundable with future revenue in the Beach Preservation Fee Fund.

Councilmember Ferencz urged the Mayor to state that the City was going to have to borrow one point two million dollars (\$1,200,000) for this project, but the Mayor repeated that the amount of money the City might have to borrow could be less than that figure. In the Councilmember's opinion, not doing so would mean that the City was not being financially transparent.

Administrator Tucker stated that the City's plan was to borrow one point two million dollars (\$1,200,000) and, as currently budgeted, the need to borrow the money is still a reality. But, as the project and cash flow progress, she stated that she would like to bring news to Council that the City did not have to borrow the money as originally thought.

VOTE: The motion PASSED on a vote of 7 to 2 with Councilmembers Ferencz and Ward casting dissenting votes.

- 4. 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 Charleston Power Sports in the amount of \$12,500 for 1 – 2017 Sea Doo GTI 155 jet ski (State ATAX Fund, pg. 29, In. 286 – Fire Department Capital Outlay, \$13,000)**

Mayor Cronin reported that, during the conversation with Edisto Beach, he had inquired about how they were impacted financially by Hurricane Matthew and was told that, considering what they have and expect to receive from FEMA and the Department of Transportation and others, the total full recovery cost to the City was in approximately two hundred fifty thousand dollars (\$250,000). In addition, they also saw a reduction in accommodations taxes for a period of about six (6) weeks; they said that only a couple of residences remain in disrepair. Their

accommodations taxes are stronger this year than in prior years despite the effects of Hurricane Matthew.

As Vice Chair of the Ways and Means Committee, Councilmember Kinghorn thanked his fellow Council members in their efforts over the past year to reduce the number of committee meetings and tightening up of agendas; he stated that there is a real cost in staff time – he took note of the fact that, in addition to the nine (9) members of Council present at this meeting, at least nine (9) staff members were also present. In his opinion, there was also the lost opportunity cost for department managers in their attendance at Committee meetings that precluded their doing other things. He also said that, after reviewing committee agendas, he saw a lot of oversight and less policy-making. The Councilmember then reads a statement about meetings that concluded by the writer asking “Have you ever seen a monument erected to the memory of a committee?”

B. Public Safety Committee

From the meeting of August 7th, Councilmember Bettelli reported that the first item of business was the request by Cosmic Pictures to film from the beach an IMAX video of the eclipse as it exits the country as a City-sponsored event; the Committee approved the request. An island resident spoke to the Committee about encroachments in the right-of-way and his opinion that enforcement should begin in the construction phase. Chief Buckhannon reported that all of the overgrown lots originally identified have been cleared and that letters have been sent to property owners on Cameron and Wills Way. Also discussed were the banning of balloons from the beach and parking at the Rec Center that will be a part of the after-action discussions at the end of the season. Councilmember Bettelli praised the staff for their excellent planning and execution of the event held around the eclipse on Monday; he described the activities as “an excellent family event.” From the Fire Department report, he stated that the Department responded to two hundred (200) calls in July; this was the highest call volume on record. For the Police Department, officers responded to a call for the discharge of a gun in a local establishment; the subject was arrested by Mount Pleasant police after barricading himself in his vehicle. Officers Molina and Hardy attended the IOP Recreation Department’s Local Heroes Week at summer camp. Communication Specialists responded to six thousand five hundred thirty-three (6,533) calls in July; of that number, five thousand seventy-nine (5,079) were for the IOP Police Department. Traffic stops totaled three hundred ninety-eight (398), and eighty-two (82) of them received tickets. Fifteen (15) noise complaints were lodged in the month; Three (3) received citations, four (4) received warnings and eight (8) were determined to be unfounded. Councilmember Bettelli commended the Police Department on the “Family Night Out” held in conjunction with the Recreation Department; it was another family-friendly event.

The Public Safety Committee will hold its next meeting at 2:00 p.m., Monday, September 11th in the Conference Room.

Referring to the parking problems at the Rec Center, Councilmember Ferencz asked if “NO PARKING OVERNIGHT” signs could be installed as Councilmember Bergwerf suggested before the end of the season; she stated that the one (1) piece of heavy equipment parked there has not moved all summer.

Administrator Tucker stated that her understanding was that no one knew the identity of the heavy equipment owner, and the equipment had no identifying markings and was not licensed.

C. Public Works Committee

From the regular meeting of August 2nd, Councilmember Ferencz reported that Jim Burke presented his case for piping the ditch at the rear of his property, and he ultimately convinced the Committee that something must be done. The Administrator was authorized to request that David Stevens provide the Committee with his recommendation and a proposal for piping the ditch. For the time of year, Public Works monthly report indicated what one would expect, i.e. beach cleanups were numerous, garbage collections were high and trash collections were lower. The Committee continued its discussions about the City's compactor located behind The Dinghy relative to short and long-term solutions to the problems cited at the July meeting; Councilmember Ferencz thanked Directors Kerr and Pitts and the City Administrator for taking action immediately and for the time necessary to develop the solutions. Councilmember Ward told the Committee that Brett Jones, owner of The Dinghy, had emailed his thanks to the Committee and the City for their work in handling the problems associated with the compactor. According to Mr. Jones, Director Kerr was looking into adding tracks to guide the truck and insure that it is always put in the proper location when it is returned to the island; Councilmember Ward said that one (1) thing that needed to be done as soon as possible was to replace the wall around the compactor since the existing fence is falling apart. The Committee was told that once the final piece of funding for the Phase II drainage project is in place, the City will award the contract; awarding the contract will start a ten-day period for public comments. Bill Schupp of Schupp Enterprises informed the Committee that, after seventeen years, he was interested in selling his business with the equipment and that he has found a buyer. The Administrator stated that an assignment of the contract must be approved by City Council, and the Committee asked that Mr. Schupp bring the potential buyer to the September meeting to insure that he is fully aware of the City's expectations and challenges in keeping the beach clean. Additionally, the Committee looked at the impact of beach chairs being left in the dunes; they were told that this problem comes up every year. Typically when the City receives a complaint, Director Kerr contacts the chair rental company and reports the situation to them; they then work with their employees to stop any reoccurrences. Unless the issue becomes chronic, the Committee agreed that staff should continue handling the incidents as they occur in the same manner. The Committee approved a proposal from Bucky Buckhannon's company to do a cleanup of the Breach Inlet parking area and beach path. Undergrowth around the sign at the Carmen R. Bunch Park was discussed as it creates a blind spot for drivers of golf cart drivers as they travel from 20th Avenue toward Harris Teeter and maneuver around the sign. Administrator Tucker assured the Committee that she would look into the situation; she also reported that a picnic table and benches have been added to the park. Councilmember Ward added that the undergrowth continues to create a safety hazard

The next Public Works Committee meeting will be at 11:00 a.m., Wednesday, September 6th in the Conference Room.

When the Mayor asked how much garbage had been removed from the beach after the eclipse event on Monday, Director Pitts stated that Mr. Schupp finished garbage removal at 5:00 a.m.

Councilmember Ferencz noted that Mr. Schupp has been amazingly responsive.

Councilmember Carroll commented that Mr. Schupp has done a “fabulous job” for the City over the years.

Councilmember Ferencz stated that Mr. Schupp, as an island resident, has been always accessible and “amazingly responsive,” and she thought it was unlikely that the City would be as fortunate in the future. The same time, the Committee is being given the opportunity to look into the future to consider what the City’s needs will be in ten (10) years; she added that the Isle of Palms is one of few beach communities who have trash receptacles on the beach.

D. Recreation Committee

Councilmember Rice stated that Susan Smith attended the August 2nd meeting and voiced her concern over beach cleanup after the eclipse event; therefore, she has organized The Wild Dunes swim team and their parents to do a beach sweep. Having seen pictures of them at work, she stated that they removed a large quantity of trash from the beach; Councilmember Rice thanked them profusely. In the monthly report, Director Page stated that the summer camp season had been very successful and that staff has been particularly busy with their demanding summer schedules combined with special events planning and execution, like the eclipse event and 19th Annual Halfrubber Tournament, and planning for upcoming events, like the Wellness Fair, Ghostly Tide Tales, the Halloween carnival and the Holiday Street Festival. In addition, the Committee reviewed the recommendation from the Recreation Director naming Robert Asero and Ricky Daugherty as Employees of the Month; Director Page acknowledged the many services they had performed for the City over and above their regular job responsibilities. Under Old Business the Committee reviewed and made some recommendations about the architectural renderings of the proposed fitness room. They also discussed the estimated costs and conservative estimates of potential revenue from charging for memberships and use by visitors. She noted that the eclipse event had been “amazing” one for all who attended; she was very proud – she described it as “a feel-good, wonderful, powerful event.” She noted that the City had received positive exposure from CNN and Channel 2; she stated that she could not say “Good job!” enough to the entire City staff. Parking at the Rec was also a topic of discussion, and the decision was to address it in the after-action discussions in the fall. Councilmember Rice reported that the City has not been successful in locating the owner of the backhoe that has been parked at the Rec all summer.

The Recreation Committee will meet again at 9:00 a.m. on Wednesday, October 4th in the Conference Room.

Mayor Cronin added his voice to those singing the praises of the Recreation Department that took the lead in organizing the eclipse event; he noted that the various news agencies on the island for the eclipse were impressed with the care they were shown while here. He described the eclipse as “an amazing, once-in-a-lifetime experience.”

Councilmember Ferencz expressed the opinion that the calculations of revenue to be generated by a fitness room were incorrect and over-estimated revenues from memberships. The calculations were based on the responses to a survey the Recreation Department generated to determine the interest of the community in having a fitness room on the island, and Director Page had use the number of responses in each category against a possible charge to develop the estimated revenue. Councilmember Ferencz stated that each category was counted as one

hundred percent (100%); she contended that responses to the categories of “likely” and “sort of likely” should not be counted at one hundred percent (100%), but a more realistic percentage.

Councilmember Kinghorn stated that not only do the revenue figures need to be studied, but the cost of day-to-day expenses was absent; he noted that staff was working on a more comprehensive budget for the proposed space.

Councilmember Ferencz also asked if the Director had compared the income and the cost of a cardio-fitness space to the cost of a pool, which could provide cardio as well as other healthy activities and serve a much larger portion of constituents than a fitness room.

E. Personnel Committee

Mayor ProTem Harrington remarked that the activities surrounding the eclipse were a great example of coordination and cooperation of City employees; he noted that the City was blessed with a remarkable staff. He also noted that the Personnel Committee was pleased to support Director Page’s recognition of Robert Asero, Parks and Maintenance Supervisor, and Ricky Daugherty, Parks and Facilities Specialist, for their outstanding work over the entire island and for assisting other Departments over the summer season. Based on negative comments on social media posted by residents and Councilmembers, Mayor ProTem Harrington introduced a Code of Contact for elected and appointed officials; the need and purpose were debated by Committee member. The City Attorney is drafting a Code of Conduct for IOP councilmembers and appointed officials that is to include repercussions for those who do not follow the code; Mayor ProTem Harrington plans to introduce the document to City Council at its September meeting. The only unfilled position in the City was a part-time Animal Control Officer for the Police Department. Safety Sweepstakes winners for July were Amy Lee of the Courts Department, Kenneth Carroll of the Fire Department, Sgt. Kraig Thompson of the Police Department and John (Rob) Graham of the Public Works Department.

The next meeting of the Personnel Committee will be at 3:00 p.m., Wednesday, September 6th in the Conference Room.

Councilmember Ward asked why Mayor ProTem Harrington felt that a Code of Conduct was needed.

Mayor ProTem Harrington responded that he believed that members of City Council should be held to a higher standard and that inappropriate comments made by Councilmembers on social media have prodded him to investigate a Code of Conduct.

Councilmember Carroll asked the Mayor ProTem Harrington to research such comments and that he forward these “inappropriate” comments to him; he said that he has not seen anything that would be in that category. He added that he would be interested to see who was sending such messages.

Councilmember Kinghorn thought that a Code of Conduct could also serve as a preventative measure.

Councilmember Ward stated that he would like to see “just one” posting by any Councilmember that would constitute a violation of a Code of Conduct. He added that City Council could not control what residents are posting and that politics was a very hot topic on the island currently.

Councilmember Bettelli said that the Personnel Committee was referring to derogatory comments against other people, and, since he does not engage in such behavior, he has no issues with signing a Code of Conduct.

Mayor Cronin urged Councilmembers to withhold judgment until they see what the document says.

Councilmember Ward stated that would have preferred that this subject had been discussed by Council before incurring legal expenses.

Councilmember Carroll commented that Council talks about saving money and at the same time is spending money on this kind of research.

Councilmember Kinghorn asked Councilmember Carroll if he was against a Code of Conduct for social media; he stated that both he and the Mayor suggested that it could be a preventative measure for things that have or have not happened.

F. Real Property Committee

Reporting on the meeting of August 3rd, Councilmember Bergwerf reported that Administrator Tucker announced that the City had a consultant under contract to write the bid specifications; currently he was studying the City’s procurement code in anticipation of bidding the removal and replacement of the underground storage tanks. On the subject of the marina bond referendum, the Committee discussed the need for public education; she commented that staff has looked back on the information provided to citizens for the original referendum as a guide to preparing information for the funding of the marina revitalization project. Current plans include a mailing to island citizens with the relevant factual information and two (2) public meetings, one (1) at the marina and one (1) at the Rec Center. Two (2) pieces of information important for residents to understand are the benefits to the residents of the marina improvements and that the bonds will be paid without using property tax revenue paid by the citizens. Residents should also understand that the City must maintain its asset in the best way possible; some of the docks are thirty (30) years old and must be replaced. Councilmember Bergwerf reported that the only bidder on the project for public restroom renovations and replacement of the boardwalk came in one hundred thousand dollars (\$100,000) over budget. Consideration of separating the bid into separate pieces for the restrooms and the boardwalk and making design modifications to the boardwalk to make them more affordable. With the maintenance and improvements made to the restrooms before the season, the renovations to the building could be postponed for a year if necessary. The Committee agreed that the painter of the restroom floors needs to come back to re-do the job since the paint is peeling and to combine two (2) stalls into one (1) on each side to accommodate a parent and small child. Under New Business, Assistant Fragoso informed the Committee of a MASC Hometown Economic Development grant to be used for downtown revitalization; staff was suggesting that the City apply for a grant to revitalize Leola Hanbury Park since it is the gateway to the City. The Committee also discussed that the residential neighbor of Tidal

Wave Watersports has asked the City for years to relocate the business farther from his property; one (1) possible solution would be for Tidal Wave Watersports move to the Morgan Creek Grill docks and vice versa for next season to give the resident relief. A permanent solution will be a part of the marina revitalization that is several years in the future, and the Committee will continue to look for the best location. While the Committee was in Executive Session, Dr. Jim Smiley suggested to Marina Manager Berrigan that plans for the marina revitalization should include a storage facility for paddleboards and kayaks belonging to island residents; Mr. Berrigan and the Committee endorsed the concept.

The Real Property Committee will meet again at 9:30 a.m., Thursday, September 7th in the Conference Room.

Discussion related to future of marina leases

Mayor Cronin stated that he understood that there was an open issue with the Morgan Creek Grill lease; he asked that staff open a dialogue with Morgan Creek Grill to understand their intentions based on the condition of the lease as it stands today. After the discussion has started, he suggested that staff return to Committee to determine if any changes to the lease are warranted at this time.

MOTION: Mayor Cronin moved for staff to compose a letter to Morgan Creek Grill concerning the condition of the lease and action in that regard; Councilmember Bettelli seconded.

Councilmember Rice asked if the subject of the docks could also be introduced in the letter and that parking be included in future discussions.

VOTE: The motion PASSED UNANIMOUSLY.

Councilmember Bergwerf commented that the Committee also discussed the TidalWave Watersports lease that expires in 2020. She stated that they have been the recipient of some bad press recently and that Council should make a decision and notify them; if the decision is not to renew because they have outgrown the IOP Marina, the Committee agreed that Council should also notify them as soon as possible allowing them three (3) years to make other arrangements.

Administrator Tucker noted that the Committee and Council have heard concerns expressed about the business from the adjacent residential neighbor, and they have heard from others in the community who are concerned that the business has outgrown that location, as well as whether that type of business should remain at the marina. Having heard those comments, she believes that, if Council does not plan to renew the lease, the best course of action would be to inform the business now, giving them the maximum amount of notice to find an alternate location.

Councilmember Kinghorn suggested having additional dialogue with them to determine what their plans are and to temporarily relocate them and see how that evolves; he suggested that they may be willing to reduce their footprint at the marina or make other compromises.

Councilmember Bergwerf explained that, in her opinion, this decision should be made by full Council and not by the Committee, but she did want to know Council's positions. She said that the City is looking at a whole revitalization project with an intent of making it more resident-friendly, which she interpreted to mean more dock space for residents on a limited footprint.

When the discussion went to the use of the dock space assuming the lease was not renewed and to traffic and parking, Councilmember Bettelli called "point of order" that the discussion had digressed from the subject of marina leases.

MOTION: Mayor Cronin moved to notify TidalWave Watersports that the City does not intend to renew their lease; Councilmember Carroll seconded.

Councilmember Carroll opined that the City has "a marina that has outgrown itself" in that it now has so many businesses that the parking is overflowing into the neighborhoods.

Councilmember Kinghorn asked if the City has any economic impact data regarding what the business brings to the island. He pointed out that people come to the island to enjoy activities provided by TidalWave and might go into the other businesses or they might go to Front Beach to enjoy a meal. He described Tidal Wave as an economic driver and that, if the City was considering terminating their lease and creating an opportunity for another business to come in, it should know what economic impact it will have on the City.

Councilmember Rice said that found this to be a "painful" discussion because TidalWave has been such a good tenant and have provided an opportunity for residents and visitors alike to experience parasailing and jet skiing, but at the same time, she agreed that they have outgrown the marina. She expressed confidence that, in three (3) years, they would be able to find another location where they would be as successful as they have been at the IOP Marina. The Councilmember suggested that the City reach out to them to determine if they would be interested in operating a scaled-down version of their current business.

Based on the Council discussion, the Mayor withdrew his motion to allow for further discussion between the tenant and City staff. Councilmember Carroll also withdrew his second.

Councilmember Carroll stated that contact information for Councilmembers is on the City's website and, with one (1) click, someone can contact all of Council.

5. Reports from City Officers, Boards and Commissions

- A. Accommodations Tax Advisory Committee** – no meeting in August
- B. Board of Zoning Appeals** – minutes attached
- C. Planning Commission** – minutes attached

6. Reports from Special or Joint Committees – None

7. Petitions Received, Referred or Disposed of – None

8. Bills Already in Possession of Council – None

9. Introduction of New Bills, Resolutions and Proclamations

Resolution to Support and Approve CARTA FY18 Budget

MOTION: Councilmember Bettelli moved to approve the Resolution to Support and Approve the CARTA FY18 Budget; Councilmember Rice seconded.

Councilmember Ferencz asked if Council was satisfied with the CARTA service on the island, and Councilmember Bettelli recalled that, about three (3) years ago, CARTA tested a route from Mount Pleasant to the Isle of Palms and then to Sullivan's Island. The ridership was very low, less than five (5) people, and CARTA determined that the ridership was insufficient to support the route. Councilmember Bettelli informed Council that seventy percent (70%) of the CARTA budget came from the federal government and that ridership only contributed thirty percent (30%). He reported that CARTA was in the process of acquiring land in North Charleston for parking that would create the first park-and-ride for the area; he also noted that the groundbreaking for the Intermodal Terminal would be on Thursday, August 27th and the public was invited.

VOTE: The motion PASSED UNANIMOUSLY.

10. Miscellaneous Business

Mayor Cronin reminded everyone that the first IOP Farmer's Market would take place at the County Park from 4:00 p.m. until 7:00 p.m. on Thursday, August 31st.

Next Meeting Date: 6:00 p.m., Tuesday, September 26, 2017

11. Executive Session