

CITY COUNCIL

7:00 p.m., Tuesday, October 23, 2012

The regular meeting of the City Council for the City of Isle of Palms was held at 7:00 p.m. on Tuesday, October 23, 2012 in Council chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Present for the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Loftus, Stone, Thomas and Ward, Mayor Cronin, City Administrator Tucker, Attorney Halversen 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 had been duly notified of the meeting in accordance with the Freedom of Information Act. Clerk Copeland called the roll after a brief invocation and the Pledge of Allegiance.

2. Reading of the Journals of Previous Meetings

MOTION: Councilmember Bettelli moved to approve the minutes of the Public Workshop of July 17, 2012 and the regular meeting of September 25, 2012 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. Appointment of Administration of Oath to New Employees

MOTION: Councilmember Buckhannon moved to appoint Chad King and Matt Storen to the Police Department; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

Mayor Cronin administered the oath to the two (2) patrol officers and welcomed them to the Isle of Palms' family.

MOTION: Councilmember Bettelli moved to re-order the Agenda to consider Item 9, Bills Already in Possession of Council at this point in the meeting; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

9. Bills Already in Possession of Council

A. **Second Reading of Ordinance 2012-07 – An Ordinance Amending Title 8, Motor Vehicles and Traffic, Chapter 1, Traffic Regulations, Article C, Stopping, Standing, and Parking of Vehicles, Section 8-1-32, General Prohibitions, of the City of Isle of Palms Code of Ordinances to Prohibit Parking on the Street Pavement on Streets Where There is no Street Curb.**

MOTION: Councilmember Bettelli moved to waive the reading and to approve Ordinance 2012-07 for Second Reading; Councilmember Bergwerf seconded.

Councilmember Ward asked whether moving vans or delivery trucks parked in the street loading or unloading would be ticketed; Mayor Cronin said that an officer would be expected to use his judgment in a circumstance like that. Any vehicle that impedes traffic or creates a safety issue would be ticketed in the opinion of the Mayor. Councilmember Buckhannon noted that patrol officers use discretion now in moving vehicles that are legally parked in the road but are

obstructing traffic; in addition, he commented that this ordinance serves to ensure that “the whole island is painted with the same brush.”

VOTE: The motion PASSED on a vote of 8 to 1 with Councilmember Ward casting the dissenting vote.

B. Second Reading of Ordinance 2012-08 – An Ordinance Amending Title 5, Planning and Development, Chapter 4, Zoning, Article 2, District Regulations, of the City of Isle of Palms Code of Ordinances to Prohibit Tourist Homes, Rooming Houses and Boarding Houses in Commercial Districts, to Increase the Minimum Lot Size in the LC Limited Commercial District and to Amend Other Clerical Errors and Omissions Within the Commercial District Regulations.

MOTION: Councilmember Ward moved to waive the reading and to approve Ordinance 2012-08 for Second Reading; Councilmember Bergwerf seconded.

Councilmember Stone asked whether any lots of less than six thousand square feet (6,000 sq. ft.) existed in the LC Zoning District, and, if so, would they be grandfathered. Director Kerr responded that no lots are smaller than eight thousand square feet (8,000 sq. ft.) in this district.

VOTE: The motion PASSED UNANIMOUSLY.

4. Citizens' Comments

Presentation of FY12 Financial Audit by David Phillips and Genia Kornegay of Greene, Finney and Horton

A copy of the PowerPoint presentation, a copy of the completed audit and the audit report are attached to the historical record of the meeting.

After the presentation was complete, Councilmember Ward remarked that the vast majority of the opinions provided by auditing firms are “unqualified” opinions which mean that the entity’s “financial house is in order.” He queried Mr. Phillips whether, for those entities who do not warrant an unqualified opinion one year, his firm makes recommendations for that firm or municipality to get an unqualified opinion the following year(s). Councilmember Ward also noted that the City does “a very good job with internal controls and (Treasurer Suggs) does an outstanding job.” He continued that an improved bond rating is just as important an indication of the financial health of the City as an unqualified opinion from an independent auditor. Agreeing with the Councilmember, Mr. Phillips commented that the City has been wise to keep its fund balances in line and consistent; the financial advisers and bond people like to see entities that meet their targets – it builds their confidence allowing for the City to get better interest rates.

One (1) of the recommendations made by the auditors for the City in the future was to transition to a fully integrated accounting software package. Councilmember Carroll asked how many surrounding municipalities have such systems; Mr. Phillips answer that most of them do, but he said the City should research to find a program that fits the way the City operates.

Mayor Cronin thanked Mr. Phillips for the insight into the machinations that are required from staff to produce the financial information for Council every month and for the auditors annually; Council is only aware of asking for information and having it provided to them in a timely manner.

Before proceeding with the business of the meeting, the Mayor thanked Treasurer Suggs and Administrator Tucker's team for their work in concluding the audit promptly; he also thanked Mr. Phillips and Ms. Kornegay for their efforts on behalf of the City. The Mayor commented that Council was appreciative of the information, both financial and operational, that was presented to them for consideration.

5. Reports from Standing Committees

A. Ways and Means Committee

At the meeting of October 16th, the financial statement presented was for the first quarter of the year, meaning that the targets for revenue and expenditures were twenty-five percent (25%). The City received a second, and likely final, refund from SCLGAG in the amount of one hundred twenty-five thousand dollars (\$125,000); with that payment, revenues are at twelve percent (12%) of annual budget and fifteen percent (15%) ahead of FY12. All departments are at or below budget, and overall expenditures for the City are at twenty-one percent of annual budget. Cash on-hand totals an excess of two and a half million dollars (\$2,500,000) deposited at BB&T and the Local Government Investment Pool. Tourism revenues are also greater than budgeted; Municipal Accommodations Fees are eight percent (8%) higher than the same period in FY12, and Hospitality Taxes are eighteen and six tenths percent (18.6%) higher than FY12. The Mayor reported that the City and Charleston County have requested a proper accounting for tourism money sent to Charleston County and returned to the State that should be distributed to the local governments within the County.

Pursuant to discussion related to the FY12 year-end gain, the following actions are to be taken:

MOTION: Mayor Cronin moved to increase the Disaster Recovery Fund to \$2,000,000 using \$156,000 from the FY12 General Fund Gain from the Unrestricted Capital Projects Fund; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

MOTION: Mayor Cronin moved to pay off the four (4) remaining capital leases totaling \$126,426 from the Unrestricted Capital Projects Fund; Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.

MOTION: Mayor Cronin moved to pay off the capital lease balances totaling \$69,180 each from Municipal Accommodations Taxes and State Accommodations Taxes; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

With these leases paid off, Mayor Cronin expressed hope that Council will set up a sinking fund reserve for future capital purchases.

In addition, the Real Property Committee recommended the following:

MOTION: Mayor Cronin moved to reimburse Mr. & Mrs. Phillip Smith \$4,833.20 contingent upon their signing a waiver releasing the City of any future financial claims relative to the 2012 dredging project; Councilmember Loftus seconded.

The Mayor noted that these are funds that the City probably would have spent were it not for miscommunications between the City, the Phillips, the engineer and the dredger.

VOTE: The motion PASSED UNANIMOUSLY.

In line with recommendations from the auditors and continuing efforts from staff to establish policies and procedures,

MOTION: Mayor Cronin moved to adopt a policy to prevent fraud; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

The next Ways and Means Committee meeting will Tuesday, November 27, 2012, to be followed by the monthly City Council meeting.

B. Public Safety Committee

From the meeting of October 4, Councilmember Bettelli reported that the Committee had received an update on the ongoing issues with the Public Safety Building; the next step is for Cole+Russell to craft a document issuing the directives to Mashburn Construction which should include a timeline. Mayor Cronin interrupted the report to say that Council will go into Executive Session later.

The City has received SCDOT approval for NO PARKING signs for 42nd to 57th Avenues, but they have not yet been installed. Since Council authorized the second phase of work for Stantec that incorporates beach access parking with the non-traditional signage, the Stantec beach access team has reported that they have completed their study of the materials generated by the City. Council budgeted funds for a new sign in front of City Hall which will not require SCDOT approval; staff want to fabricate that sign as an initial demonstration of the non-traditional style that has been approved. In continuing discussions about the transition to consolidated dispatch, Administrator Tucker offered a preliminary budget for the costs the City expects to incur related to keeping a skeleton dispatch team on the island to monitor calls to the Consolidated Dispatch Center in an effort to ensure that Isle of Palms does not experience the problems that Folly Beach had when it transitioned. Highlights of the Fire Department report for September included responding to a medical call on 55th Avenue where personnel found a man in cardiac arrest; after staff worked on the man for some time, he was breathing on his own and is doing well today. The Fire Inspector conducted thirteen (13) fire inspections during the month; he is working with Wild Dunes to resolve problems with a major alarm system. Dispatchers responded to thirty-nine hundred seven (3,907) calls in September, and two hundred eighty-five (285) traffic stops resulted in seventy-seven (77) citations being issued. The Police Department held three (3) "meet and greets" with island residents. Chief

Buckhannon reported that fear of crime on the island is very low resulting in people letting their guard down; he stressed that residents and visitors should lock their cars and homes.

The next meeting of the Public Safety Committee will be at 5:00 p.m., Wednesday, November 7 in the City Hall Conference Room.

C. Public Works Committee

At the regular meeting of October 4th, Director Pitts reported that beach sweeps had slowed and were now being done on an as-needed basis, but personnel have focused on cleaning the beach access paths. In addition, he noted that Eadie's has completed cleaning vegetation from the drainage ditches and will be cleaning the collection boxes. Charleston County Public Works was on the island to camera the 21st Avenue stormwater system; they found a couple of problems that they will repair using the City's stormwater funds. The Director reported that, with the introduction of single-stream recycling to the island, garbage tonnage continues to go down; the northern end of the island will be receiving the single-stream recycling bins by the end of the month. At the request of the City, Charleston County has developed a package of educational materials for vacation rental agencies that includes an explanatory cover letter, magnets for the interior of the property, a brochure and a flyer. The City will follow-up with the County about when they will have materials ready for residents. City streets that are scheduled to be re-surfaced are Charleston Boulevard from Carolina to 4th Avenue, 5th through 13th Avenues, Oak Harbor and Hartnett Boulevard from 34th to 41st Avenue.

D. Recreation Committee

Councilmember Bergwerf reported from the regular meeting of October 11th that Assistant Director Ferrell had reported that the Department has been in transition from summer camps and activities to the start of fall programs. The adult table tennis league has ten (10) participants; the new 6-vs-6 adult soccer league has six (6) teams playing, and soccer, in general, continues to draw youths of all ages. Another program that always thrives is dog obedience. The first Keenagers meeting attracted sixty (60) seniors to play Bingo, and the first Middle School Dance was attended by three hundred twenty (320) young people. Tiny Tennis for children three to five (3-5) years of age had so many children enrolled that a second class had to be formed. Thirty-six (36) employees and more than two hundred (200) residents took advantage of the annual Community Wellness Fair. The annual Halloween Carnival will occur from 5:00 to 8:00 p.m. on Wednesday, October 31; over eight hundred (800) children are expected. Taking on a new look, the annual tree lighting will feature a street festival on Saturday, December 8th from 3:00 to 7:00 p.m.; activities will include a Ferris wheel, climbing wall and a big slide for children and adults to enjoy. The new lights have been installed at the ball fields. Councilmember Buckhannon described the effect of the new lights as "phenomenal; the lights are pointed directly onto the field and there is no bleed." The Committee discussed the purchase of electronic message boards for Breach Inlet and the foot of the Connector; benefits to be gained from electronic boards are that changes can be made in-house and updating them would be more efficient and timely, including on the weekends. One company that provided a proposal indicated that the City could use the existing frame to install the electronic board to keep the costs down. The Recreation Department was asked to get additional information for the Committee's next meeting.

Councilmember Loftus remarked that the subject of electronic message boards was discussed during budget preparation last year, and he understood that Council's position was not to move forward. Councilmember Bergwerf agreed that the item had been taken out of the FY13 budget, but the Committee was forward thinking to the FY14 budget process. She added that the costs have improved along with the ease of electronics.

Councilmember Ward commented that electronic message boards could not be vandalized or rearranged like the existing message boards.

Councilmember Carroll thanked Director Page and her staff for the fun had by all participants in the round of Wellness Wacky Golf.

The Recreation Committee will meet again at 4 p.m. on Wednesday, November 7 in the Conference Room of City Hall.

E. Personnel Committee

According to Councilmember Thomas, the focus of the October 9th meeting was the 2013 appointments to boards and commissions; the appointments that will be submitted to Council at the special meeting in December are as follows:

ATAX Committee	re-appoint Margaret Miller
Board of Zoning Appeals	re-appoint Arnold Karig appoint Glenn Thornburg
Code Board of Appeals	re-appoint Brian Garner
Planning Commission	re-appoint Bev Ballow and Don Smith appoint Richard Ferencz and Penny Lewis

Assistant Dziuban reported on progress revising the City Personnel Manual; she stated that the goal is to get the revised manual adopted by the end of 2012. The Assistant explained that this revision was a meshing of the most recent handbook model from the Municipal Association of South Carolina and the existing IOP Personnel Manual. The City hopes to have the legal review completed to make the recommendation to Council at the November meeting.

Additionally the Personnel Committee unanimously voted to appoint Lawrence Duffy as Associate Municipal Judge to serve in Judge Molony's absence.

MOTION: Councilmember Thomas moved to appoint Lawrence Duffy as Associate Judge effective November 15, 2012; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Mayor Cronin noted that Lawrence Duffy is the sitting municipal judge for Sullivan's Island.

The September Safety Sweepstakes winners are as follows:

Recreation – Will McElheny	Public Works – John Graham
Police Department – Chris Quinn	Fire Department – Tywan Heyward

Councilmember Thomas announced that Detective Sergeant Gary Erickson and Detective Diane Tarr have been named as Employees of the Month for their exemplary work in solving a string of burglaries on the island, as well as assisting with closing burglary cases in Mount Pleasant, Summerville and Charleston County. The recommendation from Chief Buckhannon is attached to the historical record of the meeting.

The Personnel Committee will meet again at 9:30 a.m. on Monday, November 5 in the City Hall Conference Room.

F. Real Property Committee

Councilmember Loftus reported from the meeting of October 8th that the Committee decided to go forward with an RFP for the City parking lots with a minimum acceptable base rent of one hundred thousand dollars (\$100,000), additional rent of thirty percent (30%) of the excess of one hundred thousand dollars (\$100,000) and an increase in the daily rate to six dollars (\$6.00). The Committee made the recommendation which was acted upon earlier in the meeting to reimburse the Phillip Smiths for additional dredging at their property that was needed to remove the silting that had built up from the 41st Avenue drainage ditch. All City tenants are current with their financial obligations to the City.

The next meeting of the Real Property Committee will be at 5:00 p.m. on Wednesday, November 13 in the Conference Room.

6. Reports from City Officers, Boards and Commissions

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

7. Reports from Special or Joint Committees – None

8. Petitions Received, Referred or Disposed of – None

9. Petitions Already in Possession of Council – Handled earlier in the meeting.

10. Introduction of New Bills, Resolutions and Proclamations

First Reading, by title only, of Ordinance 2012-09 – An Ordinance Amending Title 7, Licensing and Regulation, Chapter 71, Business Licenses, Article A, General Provisions, of the City of Isle of Palms Code of Ordinances, to Change the Provisions for Insurance Companies to Conform with State Law

MOTION: Mayor Cronin moved to approve, by title only, the First Reading of Ordinance 2012-09; Councilmember Bettelli seconded.

Administrator Tucker explained that this ordinance is the result of a change in state law enacted in June 2012 that establishes a requirement for a blended broker's premium tax rate that states

the blended rate can be six percent (6%) composed of a four percent (4%) state rate and up to two percent (2%) municipal rate. In addition there were language changes necessary to be in compliance with the new law. The Municipal Association provided a model ordinance for the City which the City Attorney has adapted the City's business licenses ordinance to conform to the model. The Municipal Association collects the insurance business license component on behalf of the City, as well as telecommunications licenses; the agreement attached is the City's renewal of that association with the Municipal Association under the new terms.

VOTE: The motion PASSED on a vote of 8 to 1; Councilmember Stone casting the nay vote.

11. Miscellaneous Business

Consideration of Open House and Customer Appreciation Goodbye at the Red & White as a City-sponsored Event to be held from 5:00 to 8:00 p.m. on Friday, November 16, 2012.

Mayor Cronin related that the City wanted to express appreciation to the Red & White and the Red & White wanted to appreciate the residents of the island for having given them the business for so many years. The Mayor has suggested that it be a City-sponsored event so that the City can provide police protection and whatever else can be provided to make the event festive.

Mayor Cronin added that the identity of the new tenant remains a mystery; however, Pastime Amusement has submitted permit requests to the Building Department for the construction of the smaller outbuilding.

MOTION: Councilmember Bergwerf moved to have the Red & White celebration on November 16, 2012 as a City-sponsored event; Councilmember Bettelli seconded.

Councilmember Carroll commented that he expects the attendance to be great; he therefore, suggested that the City offer whatever assistance it could, such as seating for the older residents, a sound system, etc. Mayor Cronin stated that Mr. Moseley was extremely sensitive to the other tenants of Island Center and did not want to disrupt their business flow.

VOTE: The motion PASSED UNANIMOUSLY.

Next Meeting Date: 7:00 p.m., Tuesday, November 27, 2012.

12. Executive Session

MOTION: Councilmember Ward moved to go into Executive Session at 8:23 p.m. to receive legal advice regarding potential legal claim.

Council returned to regular session at 8:48 p.m.; the Mayor announced that no action and no votes had been taken in Executive Session.

13. Conclusion/Adjournment

MOTION: Mayor Cronin moved to adjourn the meeting at 8:49 p.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.