

CITY COUNCIL

7:00 p.m., Tuesday, October 22, 2013

The regular City Council meeting was held at 7:00 p.m. on Tuesday, October 22, 2013 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Loftus, Thomas and Ward, Mayor Cronin, Administrator Tucker, Attorney Halversen and Assistant to the Administrator Dziuban. Councilmember Stone's absence was excused, and 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. Assistant Dziuban called the roll following a brief invocation and the Pledge of Allegiance.

2. Reading of the Journals of Previous Meetings

MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of September 24, 2013 as submitted; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Presentation of FY13 Financial Audit by Emily Sobczak and Genia Kornegay of Greene, Finney and Horton

Ms. Sobczak explained that she is the manager for Greene, Finney and Horton in the Charleston area; the PowerPoint presentation, the management letter and the audit report are attached to the historical record of the meeting.

Unlike previous years, the FY13 audit received an unmodified opinion, a new term adopted by the General Accounting Standards Board (GASB), which is the same as the unqualified opinion the City has received in the past – the best opinion the City can receive. The Government Finance Officers Association (GFOA) recommends having a minimum of two (2) months' general fund budgeted expenditures on-hand at year end, or sixteen and seven tenths percent (16.7%); the City had twenty eight percent (28%) of FY14 budgeted expenditures on-hand at year-end. General Fund revenues for FY13 were seven percent (7%) over budget, or five hundred seventy-three thousand dollars (\$573,000); General Fund expenditures were three and a half percent (3.5%) under budget, or three hundred one thousand dollars (\$301,000). Following the presentation of information on the City's other funds, the auditors concluded that the City is in a "strong financial position as of June 30, 2013."

Relative to future changes in GASB requirements, Ms. Sobczak reported that GASB 68 will go into effect in 2015 and will require that the City report the portion of the state pension systems' net liability allocated to the City. This new reporting requirement will significantly decrease the City's unrestricted net position.

Addressing the auditor's recommendation that the City have formalized and documented policies and procedures, Mayor Cronin held up the City's first accounting policies and procedures manual which has been finalized.

Councilmember Ward referred to Page 8 of the audit and asked whether the figure for “interest on long-term obligations” included the current obligations on the bonds; Ms. Sobczak confirmed that it does. He then asked for her to explain the other types of opinions that an auditor could give; she stated that the other types are modified, adverse and disclaimer opinion. Responding to the Councilmember’s question, Ms. Sobczak stated that Greene, Finney and Horton audits approximately twenty (20) municipalities in South Carolina and the majority of opinions they give are unmodified.

Councilmember Carroll asked how many local municipalities have integrated accounting systems, and Ms. Sobczak responded that most do not.

Mayor Cronin thanked the financial staff and balance of personnel for the work that goes into not only the annual audit, but the work done every day.

4. Reports from Standing Committees

A. Ways and Means Committee

At the Ways and Means Committee meeting of October 15, Treasurer Suggs reported on the City’s finances at September 30 or one quarter (¼) of the way into the FY14 fiscal year. With a target of twenty-five percent (25%), all departments are at or below the target, with the exception of BSOs which is a cyclical expenditure that will even out in the months to come; overall the City is at twenty percent (20%) of budgeted expenditures. Revenues from property taxes, business licenses, building permits, parking and Local Option Sales Taxes are running ahead of FY13. Parking revenue is also ahead of the previous year; the change year-over-year of approximately fifty-seven thousand dollars (\$57,000) is made up of a timing difference accounting for eighteen thousand dollars (\$18,000), twelve thousand eight hundred fifty-eight dollars (\$12,858) from the increase in the monthly payment, one thousand dollars (\$1,000) for the rental of space in the lot during the rehabilitation of the water tower and twenty-four thousand dollars (\$24,000) in parking meter revenues partially due to the increased hours. For the tourism funds, the Municipal Accommodations Fee September payment was one hundred thirty-seven thousand six hundred eighty-six dollars (\$137,686), making collections year-to-date twelve percent (12%) ahead of last year; the City collected approximately sixty-six thousand eight hundred dollars (\$66,800) in Hospitality Taxes from twenty-six (26) payers. There was little activity in the City’s on-going projects; the addition of a one hundred thousand dollar (\$100,000) grant from the Charleston County Transportation Committee for Phase II Drainage was reported in September. A lengthy discussion related to the Front Beach restrooms was held in order to decide whether to rehabilitate the existing structure or to replace it. With the FEMA fifty percent (50%) rule applied to the new appraised value of two hundred fifty-three thousand dollars (\$253,000), staff concluded that the maximum amount available for renovations was less than one hundred six thousand dollars (\$106,000); a contractor estimated the cost of repairs immediately necessary as one hundred fifty thousand dollars (\$150,000). As currently situated, the Front Beach restrooms are in a V flood zone; to replace the structure in its current location would require that it be elevated nineteen feet (19 ft.). The possibility of constructing new restrooms in the municipal parking lot was also discussed, but Administrator Tucker advised Council that the parking lot is deed restricted to always be available public parking for beach access and would require legal action to allow for restrooms. The Committee

unanimously moved to develop an RFP for the engineering scope of building a new facility. Discussions on permanently extending the kiosk and parking lot hours from 8:00 a.m. to 8:00 p.m. resulted in the matter being sent back to the Public Safety Committee for further review and a request for a legal opinion on exempting island residents from the parking fees after 6:00 p.m. The discussion on staffing in the Fire Department was also lengthy; a key request is to hire one (1) additional firefighter per shift, a total of three (3) employees, to enable Station 2 to mirror the response from Station 1. Other requests would seek to make the City more competitive with other local departments in the area after a high degree of turnover in 2013. Since any kind of wage increase for the Fire Department would be an out-of-budget expense, staff was asked to determine how the City could afford to take an action prior to the new budget year and to put the matter back on the Ways and Means agenda for November. The Mayor praised the Fire Department for making a very comprehensive and professional presentation to the Committee.

MOTION: Mayor Cronin moved to approve a change order to the Coastal Science and Engineering contract in the amount of \$20,880 to increase the frequency of monitoring to a quarterly basis in the area of Breach Inlet; Councilmember Bettelli seconded.

Councilmember Ward sought confirmation that the cost of the additional monitoring would be funded from the Beach Maintenance Fund that had a balance of approximately four hundred thousand dollars (\$400,000) at the beginning of the fiscal year. Administrator Tucker stated that monitoring had been included in the FY14 budget, but that this change order was an expansion of the scope, therefore, not included in the budget.

VOTE: The motion PASSED UNANIMOUSLY.

Although the replacement of the Tidal Wave docks was in the FY14 budget, the management of Tidal Wave Watersports has decided to forgo replacement of the dock in favor of making necessary safety repairs at this time.

The next meeting of Ways and Means will be Tuesday, November 19th at 5:45 p.m.; the regular monthly Council meeting will follow.

Councilmember Loftus recalled that members of the Ways and Means Committee had requested more information on the pay scales of the other local Fire Departments in the area and noted that he has not yet received that information. Administrator Tucker reported that staff continues to gather and refine information on both salaries and benefits.

B. Public Safety Committee

From the meeting of October 7th, Councilmember Bettelli reported that Fire Department personnel made a similar presentation relative to staffing in the department. The Committee also discussed the extension of the parking lot and kiosk hours to 8:00 p.m.; based on discussions at the Ways and Means Committee meeting, the Committee will discuss the matter further next month.

On September 2nd, Fire Department personnel responded to an area near Awendaw where people had jumped off their boat, and it floated away; they were rescued just prior to a major lightning event. On September 10th, personnel responded to the 1100 block of Ocean Boulevard to a person in full cardiac arrest; he was transported. On September 22nd, personnel responded to a possible fire that turned out to be a grill on the back porch, and, on the 27th, personnel responded to the docks at the Boathouse Restaurant for a boat on fire. Of ninety-five (95) incidents, fifty-one (51) were medical calls.

On September 26th, the Police Department held a "Meet and Greet" in the parking lot of the Citadel Beach House; eight (8) residents attended. The next meeting is scheduled for October 25, 2013, and the location can be found on the City's website.

In September, dispatchers responded to a total of thirty-nine hundred five (3,905) calls; of that number three thousand eighty-five (3,085) were for the IOP Police Department. There were three hundred forty-six (346) traffic stops that produced eighty-seven (87) tickets. Officers wrote one hundred thirty-five (135) reports and had twenty-four (24) arrests; fourteen (14) were for liquor law violations. In September, officers received twenty-five (25) noise complaints and issued eighteen (18) citations. Two (2) officers began their training at the South Carolina Criminal Justice Academy in Columbia; they will begin their field training in December.

The Barrier Island Ecothon will be held on Sunday, October 27th; this is a very low impact event for the island. The IOP Connector Run was a huge success as usual; Councilmember Bettelli thanked the City's public safety personnel for their assistance in the event. He reported that there is a problem with certain GPS systems as one navigates into Wild Dunes; some people are being directed to turn right on 46th Avenue towards the ocean. The City and Wild Dunes are working with the navigational systems to correct the problem. The Coast Guard will be training off the coast of the Isle of Palms and Sullivan's Island in October, November, December and into 2014. The Committee also discussed the virus-infected dolphins that moving down the coast; people are urged not to touch a dead dolphin if they encounter one on the beach since the virus can be transmitted to humans.

The next meeting of the Public Safety Committee will be at 5:00 p.m. on Monday, November 11 in the City Hall Conference Room.

Based on the low attendance at the Police Department "Meet and Greets," Councilmember Carroll asked if there might be a better way to generate interaction between the island's residents and Police Department personnel. Councilmember Bettelli explained that officers are going door-to-door in the neighborhoods to encourage residents to attend.

C. Public Works Committee

Councilmember Buckhannon, reporting on the meeting of October 2, noted that the island had returned to once-a-week garbage collections in September and that the focus of work for the month had been starting the fall beach-path maintenance. Four (4) beach sweeps were done in the month and pumping had been done for 46th and 52nd Avenues after the Labor Day rain event. Yard debris in September increased twenty to twenty five (20-25) tons, and garbage collections were flat. Administrator Tucker will provide the Committee with information on what

other local municipalities are doing with regards to requiring landscape companies to remove the yard debris they create. The Committee received an update on the issues relative to the Front Beach restrooms and the sink hole on Seahorse Court; efforts are being made to determine the cause of the sink hole. The City only received one (1) bid for the 1999 Mack garbage truck which was less than the salvage value of the truck; in an effort to get a better price, the City will advertise the sale on MUNICIPAL BID.

The Public Works Committee will hold its next meeting at 5:30 p.m. on Wednesday, November 6 in the City Hall Conference Room.

D. Recreation Committee

Councilmember Bergwerf reported that, although the Committee did not meet in October, there are still activities going on at the Recreation Center on which to report, for instance, twelve hundred six (1,260) people participated in the Connector Run. The automatic handicap access door has been installed and is now operational to facilitate parents with strollers and persons using wheelchairs. Events not to be missed are Ghostly Tide Tales on the beach at the 28th Avenue beach access on Friday, October 25th at 7:00 p.m. and the annual Halloween Carnival beginning at 5:00 p.m. on Thursday, October 31st – the costume contests begin at 5:30 p.m.

The next Recreation Committee meeting will be Monday, November 4th at 4:00 p.m. in the Conference Room of City Hall.

E. Personnel Committee

From the meeting of October 3rd, Councilmember Thomas reported that the Committee had also heard the Fire Department presentation from Chief Graham and Battalion Chief Smith. The Committee also made the following recommendations for 2014 boards and commissions:

- ATAX – reappoint Malcolm Burgis, Jim Covington and David Nelson and to appoint Carol Rice and Susan Haynie;
- Board of Zoning Appeals – appoint Carolyn Holscher and Jay Leigh;
- Code Board of Appeals – reappoint Ann Sherrill and Alan Shoultz;
- Planning Commission – reappoint Ron Denton and Noel Scott and to appoint Lisa Safford.

The next Personnel Committee will hold its next meeting at 9:00 a.m. on Monday, November 4th in the Conference Room.

October Safety Sweepstakes Winners were Cathy Kennedy of the Building Department, Willie Powell of the Public Works Department, Kraig Thompson of the Police Department and Chris Rouse from the Fire Department.

F. Real Property Committee

In Councilmember Stone's absence, Councilmember Buckhannon gave the report on the meeting of October 3rd. Jay Clarke of Morgan Creek Grill asked to be placed on the agenda for the November meeting to discuss issues related to the docks that fall under the restaurant's purview. At this meeting a consensus decision was reached to delay the replacement of the Tidal Wave Watersports dock and to only address the safety issues of the existing dock in this fiscal year. As voted on earlier, the Committee unanimously moved to increase the beach monitoring at Breach Inlet. Based on public comments at the September Council meeting, the Real Property Committee discussed what and how items are to be stored in the public parking lots; Councilmember Buckhannon reminded Council that the "COWS" (cells on wheels) will be erected to temporarily house the antennae from the water tower while the tower is being rehabilitated. The work on the tower is expected to be completed and the "COWs" should be removed in March for the 2014 beach season.

The next Real Property Committee meeting will be at 5:30 p.m. on Monday, November 4th in the Conference Room.

Councilmember Buckhannon noted that Charleston County Council is expected to award the contract for improvements to the Rifle Range Road intersection with the Connector and the widening of the Connector on the Mount Pleasant side to facilitate easier egress from the island. He voiced concern over the fact that the construction has a one hundred eighty (180) day window, but Mayor Cronin indicated that he has spoken with the County and that they are confident that the work can be accomplished before the next beach season.

Councilmember Loftus asked for an update on the repairs to the dock and piling seriously damaged by a large boat at the marina. Administrator Tucker explained that the City will be filing an insurance claim against the boat captain's insurance company; the marina manager has been asked to get three (3) estimates for the cost of repairs to facilitate the filing of the claim. If there is a problem with the boat captain's insurance, the Administrator commented that the cost of repairs will fall on the City's insurance which has a twelve thousand five hundred dollar (\$12,500) deductible.

5. Reports from City Officers, Boards and Commissions

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

Second Reading of Ordinance 2013-11 – An Ordinance Amending Title 1, Government and Administration, Chapter 10, Purchasing Procedures, Section 1-10-10, Financial Interest of City Officials and Employees Prohibited, of the City of Isle of Palms Code of Ordinances to permit the award of contracts to City employees at public auction for the sale of City personal property or surplus supplies under certain conditions.

MOTION: Mayor Cronin moved to waive the reading and to approve Ordinance 2013-11 for Second Reading; Councilmember Bettelli seconded.

The Mayor explained that this ordinance will allow City employees to bid on surplus City property; Administrator Tucker added that the Code, up to now, has been silent on the issue. The Administrator noted that there are times when the best bids have come from City employees, and now it will be clear that the City is acting properly when one of those bids is accepted. In addition to this ordinance, the City will adopt a new procedure that will outline the circumstances when it is allowed.

VOTE: The motion PASSED UNANIMOUSLY.

9. Introduction of New Bills, Resolutions and Proclamations

A. First Reading, by title only, of Ordinance 2013-10 – An Ordinance Amending Title 5, Planning and Development, Chapter 4, Zoning, Article 1, General Provisions, and Article 3, Landscaping and Tree Removal Regulations, of the City of Isle of Palms Code of Ordinances to Permit Removal of Hazardous Trees Causing Structural Damage or Posing a Clear and Imminent Threat of Structural Damage to Permanent Accessory Structures that Require a Building Permit.

MOTION: Mayor Cronin moved to approve for First Reading, by title only, of Ordinance 2013-10; Councilmember Loftus seconded.

The change in this amendment allows for hazardous tree removal creating structural a permanent accessory structure that requires a building permit.

VOTE: The motion PASSED UNANIMOUSLY.

B. Resolution on Biggert-Waters Act

Mayor Cronin asked Administrator Tucker to read the resolution into the minutes; a copy of the resolution is attached to the historical record of the meeting.

MOTION: Mayor Cronin moved to adopt the resolution; Councilmember Carroll seconded.

Mayor Cronin stated that letters have been sent to congressional representatives on behalf of the City, and Representatives Sanford and Scott have responded that they are working on the issue in Washington.

VOTE: The motion PASSED UNANIMOUSLY.

C. A Proclamation declaring November as National Pancreatic Cancer Month

Administrator Tucker read the proclamation into the minutes of the meeting; a copy of the proclamation is attached to the historical record of the meeting.

MOTION: Mayor Cronin moved to adopt the proclamation; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

10. Miscellaneous Business

Reconsideration of City-sponsored Event

Mayor Cronin recalled that the City had approved an event as City-sponsored that is to occur Friday, November 1 in Wild Dunes.

MOTION: Mayor Cronin moved to remove City-sponsorship from the November 1 event; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

Next Meeting Date: 7:00 p.m., Tuesday, November 19th, 2013 in Council Chambers.

11. Executive Session – not needed

12. Conclusion/Adjournment

MOTION: Councilmember Bettelli moved to adjourn the meeting at 8:16 p.m.; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk