

CITY COUNCIL MEETING
6:00 p.m., Tuesday, October 28, 2014

The regular meeting of City Council was held at 6:00 p.m., Tuesday, October 28, 2014 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Ferencz, Harrington, Loftus and Ward, Mayor Cronin, Administrator Tucker, Attorney Halversen, Assistant to the Administrator Dziuban 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. After 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 September 30, 2014 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments**

A. Consideration of Johnson and Johnson Event as City-sponsored

Kenda Sweet of Kenda Sweet Events, Inc. and Jeffery Payne, Director of Event Management at the Wild Dunes Resort, were present to answer any questions the Committee may have.

Administrator Tucker reminded the Committee that Johnson and Johnson had held its annual employee meeting on the island for the past several years; it is always a spectacular event and this year will be no exception. Since a portion of the event will take place on the beach in front of Grand Pavilion, the event must have City-sponsored status. Permission was also necessary from OCRM and that has been obtained under a special permit status. The event will not be at the waterline on the beach and will not inhibit access to the beach, but will be in the dry sand area adjacent to the Grand Pavilion boardwalk.

Councilmember Bettelli stated that the details of the event were discussed at the Public Safety Committee and it was unanimously approved.

MOTION: Mayor Cronin moved to approve the Johnson and Johnson event as a City-sponsored event; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

B. Consideration of Polar Plunge on February 28th to Benefit Special Olympics

Bobby Ross and Mount Pleasant Deputy Chief of Police Stan Gragg attended the meeting to support the event.

Administrator Tucker stated that this event will operate similarly to the event on Sullivan's Island but will be lower key than at Sullivan's Island. The event at the Isle of Palms will be at a different time of year and the proceeds will go to the benefit Special Olympics; it will be billed as a family-friendly event and will take place in front of the *Windjammer*. Since this event will also

be on the beach, it must be given City-sponsored status; the sponsors have agreed to abide by all of the City's rules and to provide the City with the appropriate insurance.

Councilmember Bettelli reported that this event received unanimously approval from the Public Safety Committee.

MOTION: Councilmember Bettelli moved to approve a Polar Plunge benefitting Special Olympics on February 28th as a City-sponsored event; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. Presentation of FY14 Financial Audit by David Phillips and Genia Kornegay of Greene Finney & Horton

A copy of the PowerPoint presentation is attached to the historical record of the meeting along with copies of the management letter and the financial audit.

Mr. Phillips stated that the audit was completed in late September and early October. Before getting into the presentation, he thanked the IOP staff, particularly Administrator Tucker and Treasurer Suggs, stating that his firm could not get the audit ready as early or as well as it has without their help. He noted that he works with many municipalities across the state and that the City is blessed with the quality of staff for the size of the City.

He stated that a couple of years ago the best opinion an auditor could bestow was an unqualified opinion; today that unqualified opinion has been changed to an unmodified opinion and that is what the City was issued.

After the presentation, Councilmember Ward referred to the statement at the beginning of the presentation as follows:

"The City's responsibility: effective internal controls:"

He asked whether those internal controls are tested as a part of the audit process. Mr. Phillips responded that the auditors do walk-throughs, but they do not test all controls to reduce substantive testing costs. He noted that an auditor can test controls and not test as much of the account balances; he explained that the firm's auditors test more transactions to ensure that they were handled properly.

Councilmember Ward stated that, if there were discrepancies in certain funds, the auditors would not be testing those controls.

The Councilmember then referred to page 49 of the financial statements to the section headed "Litigation" and quoted that:

"The City is periodically the subject of litigation by a variety of plaintiffs. The City management believes that such amounts claimed by these plaintiffs, net of the applicable insurance coverage, are immaterial."

Mr. Phillips reported that every year they talk with management and to the City Attorney to determine whether there are potential risks; they also determine whether the insurance will

cover claims. He noted that management evaluates, and, based on what they see today, they do not see anything with significant exposure for the City; he added that the auditors confirm with lawyers who are working on the case with a legal letter asking the status of the claim and the size of risk to the City. The lawyers typically respond if that risk is significant. Mr. Phillips stated that the legal letters are sent to any attorney who is handling litigation, claims or assessment; anything that is being worked on is relevant.

Councilmember Carroll asked Mr. Phillips how many municipalities of similar size he audits across South Carolina; Mr. Phillips replied that the number is about ten (10). In follow-up, the Councilmember asked how the Isle of Palms “stacked up” with the others. Mr. Phillips said that, based on management and on how well the City’s records are done, the Isle of Palms is at the top in the sense of the information that is being given to Council. He said that there are many smaller municipalities that do not have the resources or a CPA, like Treasurer Suggs, requiring much more assistance from the auditors; they may receive an unmodified opinion, but the auditors will have a lot of findings where IOP has no findings.

Councilmember Carroll’s final question was, do cities of similar size with enterprise funds, marinas, he continued that the City has future visions for the marina, but they cost money. Mr. Phillips responded that IOP is the only client with a marina.

Responding to the Mayor’s inquiry, Mr. Phillips stated that what he has been told by Standard & Poors and Moody’s is that, as long as the state plan is about-average funded, the City will not be affected or down-graded by its proportionate share of the retirement systems’ underfunding which must be reflected in the FY15 audit.

4. Reports from Standing Committees

A. Ways and Means Committee

From the meeting of September 30, the Mayor related that the Treasurer had reported that the City was one-third ($\frac{1}{3}$) of the way through FY15, making the target for revenue and expenses to the General Funds to be about twenty-five percent (25%) of the FY15 budget. In the General Fund, revenues are at twelve percent (12%) of budget through September 20, 2014, and expenditures were at twenty-one percent (21%) of budget. In the tourism funds, Municipal Accommodations Taxes are running two percent (2%) ahead of the same period in FY14, and Hospitality Taxes are thirteen percent (13%) greater than the same period in FY14. At this meeting, Mayor Cronin acknowledged that Conde Nast readers have voted Charleston as the Number One city to visit to visit for the fourth year in a row, and the Isle of Palms has been voted one (1) of the best islands in the world – number twenty-eight (28) on the list. The Isle of Palms is also in the top ten (10) for best islands in the United States.

1. Award of a Sole Source Contract to Carolina Waste in the Amount of \$30,000 for the Replacement of the Trash Compactor budgeted at \$30,000

MOTION: Mayor Cronin moved to award a sole source contract to Carolina Waste as detailed above; Councilmember Ward seconded.

Councilmember Ward asked when the new compactor would be installed and was told by Director Pitts that the unit would be delivered in four to six (4-6) weeks.

VOTE: The motion PASSED UNANIMOUSLY.

2. Award of a Sole Source Contract to VC3 for Master Services Agreement

The Mayor stated that VC3 is the City's provider for the internet base and security back-up system; this agreement is a framework agreement that establishes the terms and conditions under which all subsequent relationships with VC3 will be governed.

MOTION: Mayor Cronin moved to approve the Master Services Agreement with VC3; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. Award of a Sole Source Contract to Chris Jones in an Amount not to exceed \$20,000 for the Update to the Local Comprehensive Beach Management Plan

MOTION: Mayor Cronin moved to award the sole source contract Chris Jones for an amount not to exceed \$20,000; Councilmember Loftus seconded.

The Mayor noted that Mr. Jones had produced the original plan and is quite involved with FEMA and other regulatory agencies that are involved with the beach management plan.

Councilmember Carroll asked whether Mr. Jones would consider the proposed beach access parking plan, and the Mayor assured him that parking would be an integral part of the plan.

VOTE: The motion PASSED UNANIMOUSLY.

4. Recommendation from the Public Safety Committee to Mutually Terminate Zambelli's Contract to Re-bid the Fireworks Contract

MOTION: Councilmember Ward moved to mutually terminate Zambelli's contract and to re-bid the fireworks contract; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

5. Recommendation for Assignment of Baker Infrastructure Group to R.B. Baker, a Division of Reeves for 2014 Shoal Management Plan and Award of a Change Order in the Amount of \$810,500

MOTION: Mayor Cronin moved to assign the Baker Infrastructure Group contract to R.B. Baker, a division of Reeves; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

MOTION: Mayor Cronin moved to award a change order in the amount of \$810,500; Councilmember Loftus seconded.

Councilmember Ward sought confirmation that the project would be under-budget, and the Mayor stated that it would. To be paid from the balance of funds would be engineering costs and personnel expense for the monitoring and counting of the trucks and for security at the site.

The Mayor stated that, if approved at this meeting, work on the project will begin Monday, November 3rd.

VOTE: The motion PASSED UNANIMOUSLY.

6. Consideration of Charleston County Making Repairs to Seahorse Court in the amount of \$4,634.86

MOTION: Mayor Cronin moved to approve \$4,634.86 for Charleston County to make the repairs to Seahorse Court; Councilmember Bettelli seconded.

Councilmember Bergwerf noted that this will be an un-budgeted expense.

Administrator Tucker explained that the generator cost less than was budgeted and staff will use those excess funds to pay for this repair.

VOTE: The motion PASSED UNANIMOUSLY.

The Mayor reported that the Committee had a short discussion about the Isle of Palms serving as host city for the winter meeting of the South Carolina City/County Managers Association.

Mayor Cronin announced that a special meeting of Council has been set for 5:30 p.m., Monday, November 3rd to specifically discuss the beach access parking management plan. The Mayor said that the City has some support on the legislative level if SCDOT will not work with the City to make accommodations for residents. When pushed for details, the Mayor replied that the discussion was about every resident with a vehicle registered on the island may receive a free parking permit for anywhere on the island. Councilmember Ward then asked if accommodations would also be made for their guests; to which the Mayor responded that the conversation did not get that far.

The Mayor indicated that a lively discussion occurred relative to golf carts and their movement on the island; if necessary, the City could seek legislation to effect changes for the island.

The next Ways and Means Committee meeting will be at 5:45 p.m. on November 18th.

B. Public Safety Committee

From the meeting of October 9, Councilmember Bettelli reported that three (3) attendees spoke during Citizens' Comments; each was seeking City approval to hold events on the island. The first was John Kane of Race 13.1; he wanted to hold a race event that could draw as many as fifteen hundred (1,500) participants. The Committee agreed that this event would disrupt the island's traffic and have a negative impact on parking; they chose not to recommend it as a City-sponsored event. The Committee unanimously agreed to recommend the Johnson and

Johnson event to Council as a City-sponsored event, as well as the Polar Plunge to benefit Special Olympics. Parking on the land-side of Palm Boulevard between 21st and 41st Avenues was discussed, and the Committee agreed to pursue parking four-feet (4 ft.) from the pavement on the land-side of Palm Boulevard. Covered previously in the Ways and Means Committee report, the Committee voted unanimously to mutually terminate the fireworks contract between the City and Zambelli's and to re-bid the contract.

Councilmember Bettelli asked Chief Buckhannon and Captain Usry to give their presentation of a new service the Police Department will provide; this software program allows citizens to get information on criminal and non-criminal reports written by officers for a period of twelve (12) years. A resident can look generally at what is happening on the island or key into a specific area or a particular type of crime; hot spots on the island will appear on the map as a cluster of markers.

The Committee reviewed the state golf cart law; the Committee indicated that they would like to legally get from one end of the island to the other. The Administrator voiced her understanding that there are two (2) ways to accomplish this, i.e. first a change in state law that could take as much as two (2) years and second taking a portion of the right-of-way between 18th and 20th Avenues out of the state system. When the Committee reviewed the updated job descriptions for the Police Department, Chair Bettelli noted that the changes to the job descriptions were primarily reflective of the title changes in the department as well as the addition of the statement:

“Refers to policy and procedures manuals, computer manuals codes/laws/ordinances/ regulations, publications and reference tests, etc.”

After discussion, the Committee unanimously approved the job descriptions as presented.

From the Fire Department's monthly report, Councilmember Bettelli stated that personnel responded to a variety of calls, for instance:

- Swimmers were stranded on a sandbar by a circling shark and prohibiting their return to shore; a jet ski was sent to return them to shore;
- A traumatic injury on Capers Island where personnel loaded and transported the patient to the Dewees Island helicopter landing area and took the husband to the IOP marina so he could go to the hospital;
- A report of a golf cart on fire on the golf course; fire was out when personnel arrived, but they advised owner to have the cart checked by an authorized repair facility.

In September, personnel responded to a total of sixty-six (66) calls with thirty-four (34) for EMS; four (4) pre-incident surveys were done. Several response times for Charleston County EMS were longer than preferred, but the Chief noted that Charleston County EMS has recently changed its staffing patterns, which may account for the times. Thirty-five (35) fire inspections were conducted that produced a total of one hundred fourteen (114) violations. Five (5) members of the Department completed the instructor training program.

From the Police Department report, Councilmember Bettelli noted that in September, personnel responded to two (2) incidents when golf carts had been stolen and returned with serious damage; the Councilmember again asked residents to secure golf carts with more than the key.

Department personnel held a "Coffee with a Cop" at Harris Teeter on Wednesday, September 10th; various topics were discussed with thirty to forty (30-40) residents and visitors. A total of four thousand seven hundred sixty-one (4,761) calls were received by the Charleston County Dispatch for service to the Isle of Palms, Sullivan's Island or the National Park Service; four thousand forty-two (4,042) calls were for the IOP Police Department. A total of three hundred sixty (360) traffic stops were made in September, and one hundred four (104) stops resulted in a ticket being issued. Forty-one (41) arrests were made in the month and again the majority was for alcohol violations. Officers responded to twenty-three (23) noise complaints; twenty (20) received warnings, two (2) were unfounded, and one (1) citation was issued.

The next Public Safety Committee meeting will be at 10:00 a.m., Thursday, November 6th in the Conference Room.

C. Public Works Committee

At the meeting of October 8th, Director Pitts reported that the main focus of work for the month of September had been pumping water at 46th Avenue through 52nd Avenue. When discussing Seahorse Court, Administrator Tucker said that the City has not received the intergovernmental agreement from Charleston Court; she added that, in the past, the County has not required such an agreement for each project. For previous projects with the County, the City has paid for all materials while the County provided the labor and equipment at no charge. Director Pitts indicated that the problem on Seahorse County was not stormwater related, but some portion might qualify for NPDES funds. The Administrator reported that SCE&G has been given the "go ahead" for the Front Beach lighting project with some portion installed by Christmas. The Committee discussed the City trash compactor on JC Long Boulevard; the purchase was approved earlier in the meeting.

The next meeting of the Public Works Committee will be at 5:30 p.m. on Wednesday, November 5th in the Conference Room.

D. Recreation Committee

Councilmember Carroll reported that the September rains had played havoc with game schedules and delayed work on the ball fields, but everything seems to be getting back on track. The work on the ball fields has nearly been completed, just in time for the softball season. Registration for youth basketball has started, and the fall programs and activities have resumed. Some members of the Keenagers group have formed a walking group; their goal is walk for thirty (30) minutes. Classes offered to City employees at no charge are BOSU, Semi-personal Training, Total Body Challenge, Pilates, Yoga and Zumba. The Community Wellness Fair held September 25th was a big success with eighty-five (85) residents and forty-seven (47) employees participating. The IOP Connector Run had approximately fifteen hundred (1,500) participants; Director Page complemented the Fire and Police personnel for their assistance and support. For the Ghostly Tide Tales on Friday, October 24th, "the weather was perfect and the

tales were scary” according to the Councilmember; approximately three hundred (300) people attended. Again the Police Department did a great job in getting everyone safely across the street. The annual Halloween Carnival was held at the Rec Center on Friday, October 31st from 5 to 7 p.m. The always-popular Holiday Street Festival is scheduled for Saturday, December 6th from 2 p.m. until 7 p.m. on Front Beach. As budgeted, Shelia Redmon is getting quotes to re-line the gym floor and to paint the posts and ceiling on the extension porch.

The Recreation Committee will hold its next meeting at 9:00 a.m., Wednesday, November 4 in the Conference Room.

F. Personnel Committee

Councilmember Ferencz reported that the Personnel Committee held its regular meeting and two (2) special meetings in October, i.e., October 8th, October 22nd and October 23rd, respectively; she then reported on the results of the meetings. The first order of business for the meetings of October 8th and 22nd was the revisions of the job description and evaluation tool for the position of City Administrator; pursuant to discussions, the job description as revised was unanimously approved at the October 22nd meeting. The job descriptions for the City Treasurer and Assistant Administrator were re-considered; with the title change to Assistant City Administrator, the Committee tasked Administrator Tucker and Assistant Dziuban to develop a job description that would focus more on the decision-making responsibilities of the Assistant Administrator and less on the social media responsibilities. The Committee agreed that the changes proposed by staff fully described the job functions that the City Treasurer performs. The newly developed Assistant City Administrator’s job description was presented at the Special Meeting of October 23rd and unanimously approved by the Committee. The approval at the October 23rd meeting meant that all updated/revised job descriptions for the Police Department, General Government and the Public Works Department would be presented to City Council for approval at the October 28th meeting.

MOTION: Councilmember Ferencz moved to adopt the job descriptions presented for the City Administrator, Assistant City Administrator, City Treasurer, Public Works Assistant Director and thirteen (13) job descriptions from the Police Department, including Communications Specialist; Councilmember Harrington seconded.

Councilmember Ward asked about the job evaluation form for the City Administrator, and Councilmember Ferencz said that it would be presented to Council at its November meeting. He thanked the Personnel Committee for their hard work on the job descriptions and added that a new evaluation tool for the City Administrator was his main focus.

Councilmember Bettelli indicated that the Public Works Committee had not acted on the job description for the Public Works Assistant Director.

AMENDMENT: Mayor Cronin amended the motion not to approve the job description for the Public Works Assistant Director; Councilmember Bettelli seconded.

Councilmember Loftus suggested that the amendment and original motion be withdrawn since all of the job descriptions could not be approved at this meeting; both Councilmembers Bettelli and Harrington, members of the Personnel Committee, disagreed, stating that the job descriptions were unanimously approved at the committee level.

AMENDMENT: The amendment PASSED UNANIMOUSLY.

The Mayor remarked that, if a material change was made to a job description in the coming month, it could be approved at the November meeting.

VOTE ON MAIN MOTION: The motion PASSED on a vote of 8 to 1; Councilmember Carroll cast the dissenting vote.

Councilmember Bettelli explained that the reason he had not wanted to discuss or make a recommendation from the meeting of October 8th was that the full Committee was not present; he was of the opinion that an issue of this importance should be acted upon by the full Committee.

Councilmember Ferencz commented that the job evaluations for supervisory and non-supervisory employees were approved by the Committee in September.

MOTION: Councilmember Ferencz moved to approve the evaluation tools for supervisory and non-supervisory employees; Councilmember Bergwerf seconded.

Councilmember Ferencz reminded Council that the evaluation tool for the City Administrator was not included.

Councilmember Loftus asked for confirmation from the Committee that the evaluation for the City Administrator would be complete by the end of the year; Councilmember Ferencz stated that the plan was for the Committee to present that evaluation to Council at the November meeting.

VOTE: The motion PASSED UNANIMOUSLY.

On the topic of appointments to boards and commissions for 2015, Councilmember Ferencz reported that the interviews have been completed and that one (1) candidate removed herself from consideration. At the meeting of November 5th, the Committee will compile its recommendations for Council's consideration.

There have been no staffing changes in October and the City is fully staffed.

The Safety Sweepstakes winners for September are Cathy Kennedy from the Building Department, Melissa Dawson from the Police Department, Charles Williams from Public Works and David Mello from the Fire Department.

The next meeting of the Personnel Committee will be at 10:00 a.m., Wednesday, November 5th in Council Chambers.

F. Real Property Committee

From the regular meeting of October 14th, Councilmember Loftus noted that Jay Clarke from Morgan Creek Grill was present to inform the Committee that all of the restaurant's financial obligations with the City were current. Lengthy discussions followed on the Marina Outpost and Marina Joint Ventures (MJV) leases at the marina; Brian Berrigan, lessee, proposed removing the annual CPI adjustment to the lease and the additional rent provision of the leases be eliminated and for MJV to assume responsibility for the replacement of the walk-in freezer. In these most recent versions, Mr. Berrigan made no mention of a dry stack operation in the future that has been discussed previously. Councilmember Bergwerf added that parking is such an issue and making the marina a bigger and bigger business would only push more cars onto Waterway Boulevard, and residents there are unhappy now. She noted that she does not trust anything that is not in writing. Administrator Tucker noted that these lease amendments do not specifically address where the fiscal responsibility for the "big ticket" items at the marina fall. Councilmember Buckhannon recalled that the intent of the extended term lease was that the tenant would take responsibility for the repair/replacement of those assets. Mr. Berrigan commented that, if he and others invest three to four million dollars (\$3,000,000 – 4,000,000) to construct a dry-stack, it would take some time to recuperate the investment; he added that a dry-stack would be a fixed asset that would belong to the City with no financial outlay.

Director Kerr attended the meeting to update the Committee on its endeavor to provide additional handicap access to the beach; at the 9th Avenue beach access, the City could put in a road-bed of sand shell from the road to the beach after re-aligning the path to its rightful place, and then add a four (4) inch base of sand shell and have it compacted to be like road. This plan has gotten OCRM approval and the City has been quoted thirty-six hundred dollars (\$3,600) for the work. Directors Pitts and Kerr identified 42nd Avenue as the best beach access for handicap improvements; to accomplish this goal, the City would need an encroachment permit from SCDOT, the development of plans and to go through the competitive bid process; the estimated cost is ninety-five thousand dollars (\$95,000). Anticipating negative feedback from the neighbors and the cost, the Committee agreed to delay action on 42nd Avenue to a future date. Also discussed were the contract assignment and change order for R.B. Baker and the contract to Chris Jones to update the Comprehensive Local Beach Management Plan.

The Committee agreed to a Special Meeting at 5:30 p.m., Wednesday, October 29th to discuss the marina leases.

The Committee will hold its next meeting at 5:30 p.m. on Thursday, November 6th in the Conference Room.

Referring to the walk-in freezer and the additional rent included in the leases, Councilmember Bettelli asked whether the replacement cost of the walk-in freezer was known; Councilmember Loftus replied that the details have not yet been discussed.

Councilmember Buckhannon explained that the City was looking for a way that the lessee could absorb the costs of the replacement of the assets of furniture and fixtures; Mr. Berrigan had stated that he could not invest thousands on a five-year (5 yr.) lease. The plan was to extend the term of the leases to allow him to take on everything except the bulkhead, the fuel station and the docks.

Councilmember Ferencz asked how a thirty-year (30 yr.) lease fit into the long-range plan for the marina site as a whole. Administrator Tucker noted that the Planning Commission will now interview the people who submitted proposals; each has outlined the actions they would take. But, as Councilmember Buckhannon has stated, there are millions of dollars' worth of possible work that could be done at the marina site, and there are no reserves in City funds to fund those kinds of things, and the City has had not recent appetite for borrowing the money to do that work. Therefore, it becomes apparent by that process that, if the work is going to be done in other than a piecemeal fashion, there will need to be the infusion of private money and that will only happen with a longer term lease.

Councilmember Ferencz' final question was whether or not this action would set a precedent, i.e. would other tenants look for extended term leases? Administrator Tucker responded that other tenants may request it, but the City would not be obligated to do grant it.

Councilmember Buckhannon added that the current lessee has consistently been timely with his financial responsibilities to the City and the history established with the City would be major contributing factors.

5. Reports from City Officers, Boards and Commissions

- A. Accommodations Tax Advisory Committee** – no meeting in October
- 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 2014-05 – An Ordinance Authorizing the Transfer of all Right, Title and Interest that the City of Isle of Palms may have in the Properties Identified as TMS #568-12-00-301, TMS #571-07-00-029, TMS #568-12-00-004, TMS #568-09-00-042, TMS #571-05-00-175, and TMS #571-07-00-030, and Water and Sewer System Appurtenances and Easements, by QuitClaim Deed to the Isle of Palms Water and Sewer Commission.

MOTION: Mayor Cronin moved waive the reading and to approve for Second Reading Ordinance 2014-05; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

9. Introduction of New Bills, Resolutions and Proclamations

First Reading, by title only, of Ordinance 2014-11 – An Ordinance to Amend Section 8(A) of Ordinance No. 1999-20 of the City of Isle of Palms, South Carolina (The “Franchise Ordinance”) to Increase the Franchise Fee Payments from the South Carolina Electric and Gas Company (The “Company”) to the City of Isle of Palms (The “City”) from Three Percent to Five Percent of the Gross Sales Revenue from all Residential and Commercial Sales of Electricity; to Provide New Conditions and an Effective Date for Changing the Franchise Fee Percentage Rate; and to Provide a new Maximum Franchise Fee Percentage Rate.

MOTION: Mayor Cronin moved to approve for First Reading, by title only, Ordinance 2014-11; Councilmember Carroll seconded.

Mayor Cronin stated that this ordinance followed the decision made by Council in the budgeting process to increase the franchise fee from three percent (3%) to five percent (5%).

Councilmember Ward asked whether SCE&G would pass this increase to its customers and the Mayor said that they would. Councilmember Ward stated that the City’s residents would be paying more.

Mayor Cronin added that the surrounding local governments are already charging five percent (5%).

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

10. MISCELLANEOUS BUSINESS

Special Meeting Date: 5:30 p.m., Monday, November 3, 2014
Special Meeting Date: 5:30 p.m., Tuesday, November 11, 2014 (if needed)
Next Meeting Date: 6:00 p.m., Tuesday, November 18, 2014

11. EXECUTIVE SESSION – not needed

12. CONCLUSION/ADJOURNMENT

MOTION: Councilmember Ward moved to adjourn the meeting at 7:40 p.m.; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk