



SPECIAL CITY COUNCIL MEETING -- WORKSHOP

5:00pm, Tuesday, March 11, 2025

City Hall Council Chambers

1207 Palm Boulevard, Isle of Palms, SC

MINUTES

1. Call to Order

Present: Council members Bogosian, Streetman, Anderson (via Zoom), Ward, Hahn, and Pierce, Mayor Pounds

Absent: Council members Carroll and Miars

Staff Present: Director Kerr, various department heads

2. Citizens' Comments – none

Due to technical difficulties, the order of the agenda was changed without objection.

3. Procurement

a. Discussion of purchase of Public Works Director Truck, \$43,444, Ford of Spartanburg, State Contract [FY25 Budget, Hospitality Tax, \$38,000]

Director Kerr said this truck, which has come in over budget, will be paid for with Hospitality Tax funds.

b. Discussion of purchase of 1100 roll out carts, \$74,809.09, Amick Equipment, sole source contract [FY25 Budget, General Fund, \$100,000]

c. Discussion of purchase of 1100 roll out cart assembly and delivery, \$14,025, Container Pros [FY25 Budget, \$100,000]

Director Kerr said items B and C are the first in a series of three purchases as part of the preparations for the transition to side-loaders for trash pickup. The purchase of the carts is sole source as the truck requires these carts. The carts have serial numbers and have a 30-year lifespan.

d. Discussion of award of contract for palm tree trimming - \$28,080, Planet Green Landscaping [FY25 Budget, Municipal ATAX, \$34,000]

Director Kerr said this budgeted expense is being paid for with Municipal ATAX funds. Concern had been raised previously about the palm trees being over-pruned, so the amount of the contract reflects less pruning. The cost is for pruning trees across the island.

4. Special Presentations – Sea Level Rise Adaptation Plan, Seamon Whiteside

Aaron Akin and Colleen Williams of Seamon Whiteside shared an adaptation plan that outlines the risk the Isle of Palms faces over the next decade from sea level rise. Mr. Akin explained to the Council their process for collecting information and data including meetings with a variety of city stakeholders and a community survey for which there were 233 respondents.

Mr. Akin said their analysis includes what the City should be prepared for in 2050 and what they can reasonably try to mitigate by 2050. He pointed out the largest impact of water inundation is projected to happen around 2040. He said the island is most vulnerable to sea level rise concerns on the back side of the island.

Ms. Williams reviewed proposed policies, projects, and strategies for the Council's consideration.

Director Kerr said the Planning Commission will review this plan and look for areas of overlap between it, the Comprehensive Plan, and the Community Enrichment Plan. They will group like recommendations, assign them to appropriate committees who will then suggest recommended action items to City Council. He also pointed out that the sea level rise adaptation plan does not assume any erosion to the front side of the island.

5. Dashboard of City Operations and Short-Term Rental Report

Director Kerr said there is one Police Department vacancy and two in the Fire Department.

The number of short-term rental licenses increase slightly over the past month to 1788. The license renewal process for the new licensing year has begun.

6. Departmental Reports

7. Financial Review

A. Financial Statements and project worksheets

Director Hamilton said the City is forecasting an overage of \$2.3 million in revenues when the \$1.1 million from AirBNB is included. 59% of revenues have been received, which tracks closely with the budget. Building licenses and permits are performing better than anticipated, at 62% and 73% respectively higher than prior year.

She pointed out areas in the budget where overages are anticipated including insurance for the public dock, elections, legal fees, and maintenance for Public Works vehicles.

Council members Bogosian and Pierce noted some numerical discrepancies that Director Hamilton said she would review. If necessary, the proposed budget will be reposted on the City's website.

The City received \$51,474 in Municipal ATAX funds, which is 5% ahead of prior year. State Accommodations Tax came in at \$396,649, which is 8% ahead of prior year. The City received \$100,769 from the County ATAX pass-through, which is also 8% higher than prior year.

\$55,450 were received in Hospitality taxes, which is 5% higher than prior year. Local Option Sales Tax receipts were \$89,113, which is flat over last years.

She noted an error on the sheets regarding the remaining balance of the Marina drainage project, where the actual balance is \$72,431. All sheets will be updated by the budget workshop.

8. Capital Projects Update

Director Kerr reported a change on the Waterway Boulevard project: “We have unfortunately heard from the Wild Dunes staff. We initially heard that they were willing to participate with us, with that project, and you’ll recall that this is a project to go from 6’ of protection to 7’ of protection. The only way that can realistically happen is to do it within the limits of the golf course. The golf course is being worked on now. It’s already been kind of torn up. We were kind of marching forward with trying to enter into an agreement with Wild Dunes to pay for that work and pay their contractor through Wild Dunes. That led to a legal review as to how the money should flow from the City to Wild Dunes to the contractor. I think, as best as I can tell, that legal review put the ownership in an uneasy position. So they came back to me and said unfortunately, we have to back out in our cooperation on this project. We have tried, the City has been trying to work to appease their concerns. We think that us hiring the contractor directly will help. We also think that if we could create new drainage easements, label those easements as having improvements that we solely take credit for, that we can potentially work through their concerns. But at this point, we’re very much trying to salvage that project unfortunately.”

He added, “It is my understanding that they feel like if they were to do a stormwater project and anything kind of ever happens to a property adjacent to that, and as you know, the nor’easter put 3-4’ of water into some of those houses, I think their ownership feels like if it’s their contractor, their property, it is going to be seen as their project, and that there is additional liability they are assuming by participating with us. I think it’s just purely an exercise in reducing liability wherever they can.”

Director Kerr said the first option is to continue working to salvage the original plan and work directly with the contractor, “then trying to clearly delineate that the property, that the improvement going on is our project, not their golf course and assume any liability that’s taking on by that project.” If that does not work, the other option is to return to the 6’ protection model, which puts additional properties back in harm’s way. He hopes to have a final outcome in a month.

He reported that the USACE is delivering sand to the south end of the island. The additional 50,000 cubic yards of sand dredged from the intracoastal floor has been placed. To create the new protective berm, the City will need to remove the sandbags. Those bags that can be salvaged will be moved to the north end of the island.

He added, “The Army Corps is not going to let us do it immediately because they have to survey in all of the material that is moved, quantify it, be sure they have record of what got moved before we scrape it up. So we are a little bit contingent on them giving us the go ahead to start to

do that. But we think it could be within the next two or three weeks that we could get that green light to be able to start doing that.”

Council Member Pierce requested regular communication be pushed out to the public about the status of the beach restoration projects. Director Kerr noted that the City only has control over the supplemental work and the shoal management projects, and can therefore, share updates about those projects. They will be unable to update any information about the USACE project.

Regarding the shoal management project, Director Kerr said he believes they will have one of the permits in hand in the next week. He added that he and Mr. Traynum are putting the bid packages and contracts together to solicit bids for that work. They are waiting for the environmental conditions from the environmental agencies to add to the bid packages. He hopes to open the bids the morning of March 25 so that he can bring a contract for Council’s consideration to the Council meeting that evening. If all of this aligns properly, he hopes to begin work in April and have the project completed in June.

He added, “You’ll recall that that project is budgeted for us to participate at a 25% share, Wild Dunes to participate at a 75% share. We have been having conversations with the Community Association, and they will also have their process of going through to get the 75% share approved, but they anticipate being able to do that pretty quickly.”

The marina tenants and the designer will attend the April workshop to discuss the greenspace. Good progress is being made on the emergency beach access path. The boardwalks at 26A and 36A are nearly complete. The County said the project at 21st Avenue is on schedule to be completed by the end of May.

9. Strategic Plan Policy Initiatives and Priorities

A. Livability

Review of the scope of the walkability study

Director Kerr shared that the cost of this study, between \$25-35,000, will be paid for from the funds sent to the CVB.

B. Environmental

C. Public Services

i. Discussion of MOU with Charleston County PRC for future maintenance of emergency beach access path

Director Kerr said the City Attorney is still working on the final form of this MOU as there is an issue with maintenance of the clatter bridge. He expects it will be ready for a vote at the March 25 City Council meeting.

ii. Discussion of Ordinance 2025-02 (parking)

Director Kerr explained, “This is changing the section of the code that specifically called out the parking rates at the Front Beach area. This will be on your agenda for Second Reading, and there

would be also a little bit of housekeeping item there where we would re-approve the same resolution that you approved, I believe, at the end of January just to have the timing sync up with that approval happening after the ordinance gets ratified, which was some of the way Mac wanted to handle that.”

iii. **Discussion of mutual aid agreement with the Aviation Authority**

Director Kerr said this is a stand mutual aid agreement that needs to be approved.

D. **Personnel**

E. **Other items for discussion**

i. **Update on search for federal lobbyist**

Council Member Bogosian said the Administration Committee along with General Manager Chris Jordan and Linda Tucker interviewed two firms – The Ferguson Group and Thorn Run Partners – for the federal lobbyist opening. He said the Thorn Run Partners are associated with the City’s State lobbyist and has connections to the South Carolina legislative delegation.

Director Kerr added that their proposals did differ significantly with regards to price and a slight difference in their offering with regards to grant writing. He said the City uses its own grant writer who has a very good rate of success. One firm had included up to \$36,000 of grant writing in their proposal. An adjustment has been made in one proposal such that the bids are nearly matching.

General Manager Jordan said he believes both firms are qualified and well connected. He said he is fine with either firm. Council Member Bogosian added that both firms noted it will likely be two years before the City and the Water & Sewer Commission see any return on their investment.

The contract will be on the City Council agenda for March 25.

ii. **Discussion of surfing instruction applications**

Director Kerr said the staff is still vetting the surfing instruction applications for complete insurance documents.

10. **Legislative Report**

Mayor Pounds said the liquor liability legislation has passed the house and now goes to the Senate. He added that the House has started on its budget process and the City’s requests have been submitted.

11. **Adjournment**

The next City Council Workshop will be held on Tuesday, April 8, 2025 at 5pm.

Council Member Ward made a motion to adjourn the meeting, and Council Member Hahn seconded the motion. The meeting was adjourned at 6:44pm.

Respectfully submitted,

Nicole DeNeane

City Clerk