



## **City Council**

6:00 p.m., Tuesday, May 27, 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, Miars, Pierce, and Carroll, Mayor Pounds

Staff Present: Administrator Kerr, City Attorney McQuillin, various department heads

#### **2. Citizens' Comments**

Sondra Hines, 624 Carolina Boulevard, presented a list of resident supporters for the Plant-a-Palm 2.0 program aimed at planting palm trees in the front beach parking lot. A more detailed plan will be presented at committee meetings. Fall installation is planned. They are asking for the City's approval for the project and then for the City to continue to irrigate and maintain the trees. Multiple audience members stood in support of the proposed project.

Sara Vega, 104 Sparrow Drive, thanked the IOP Police Department for active participation in Operation Safe Stop. She explained how the program is aimed at increasing awareness of driver responsibility regarding school buses.

Susan Smith, 20 23<sup>rd</sup> Avenue, said she is supportive of the Plant-a-Palm program. She suggested the planting of other native trees around the island. She thanked Council for the inclusion of a resiliency staff position in the FY26 budget and hopes Council can be flexible with the salary. She also thanked them for their resolution to decrease the afternoon parking rates in the City lots.

Zachary Lary, IOP Chamber of Commerce, said he would like to withdraw the Chamber's request for ATAX funds. He said the award amount will not be effective in helping them with their plans and would like the opportunity to rethink the plans.

#### **3. Approval of previous meetings' minutes**

A. City Council Meeting – April 22, 2025

B. Special City Council Meeting Workshop – May 13, 2025

**MOTION: Council Member Streetman made a motion to approve, and Council Member Hahn seconded the motion. The motion passed unanimously.**

#### **4. Old Business – none**

#### **5. New Business**

**A. Consideration of Tide valve purchase - \$67,845.34 + \$11,800 installation Truluck – FY25 Budget, Capital Projects Fund, \$1.03M**

**MOTION:** Council Member Pierce made a motion to approve, and Council Member Streetman seconded the motion. The motion passed unanimously.

**B. Consideration of purchase of Office 365 Migration, \$34,019.40 one-time, \$2,564 recurring monthly – VC3, FY25 Budget, General Fund, \$30,000**

**MOTION:** Council Member Hahn made a motion to approve, and Council Member Bogosian seconded the motion. The motion passed unanimously.

Administrator Kerr said the \$2600 monthly fee is replacing a slightly higher monthly fee. He also shared that Council Member Pierce is working with VC3 to make sure older emails are preserved through the migration.

**C. Mutual Aid Agreement with North Charleston Police Department**

**MOTION:** Council Member Pierce made a motion to approve. Council Member Miars seconded the motion. The motion passed unanimously.

Administrator Kerr said this agreement will replace the existing agreement.

**D. Approval of ATAX Sponsorships**

**i. YWCA Martin Luther King, Jr. Event - \$5,000**

**MOTION:** Council Member Pierce made a motion to approve, and Council Member Miars seconded the motion.

**MOTION:** Council Member Streetman made a motion to amend the award to \$10,000. Council Member Anderson seconded the motion.

When asked why the award was only \$5,000, Administrator Kerr said the ATAX Committee did not feel the event generated the “heads in beds” needed for such an award after its third year. Council Member Pierce suggested awarding \$5,000 and ask the ATAX Committee for additional feedback on their reasoning. Council Member Anderson said the YWCA is actively working to increase the number of people who stay overnight on the island following the event.

**VOTE:** A vote was taken on the amended award amount as follows:

Ayes: Streetman, Anderson

Nays: Carroll, Miars, Pierce, Bogosian, Ward, Hahn, Pounds

**The motion failed.**

**VOTE:** A vote was taken on the original motion with all in favor.

Administrator Kerr said the ATAX Committee plans to work with the YWCA to increase their “heads in bed” ratio for the next event.

**ii. IOP Chamber of Commerce - \$15,000 (withdrawn from consideration per the**

request of the applicant)

**iii. Mary Alice Monroe Authors' Event - \$35,000**

**MOTION:** Council Member Pierce made a motion to approve. Council Member Bogosian seconded the motion.

Council Member Ward asked for confirmation that the check given for this event is made out to the 501(c)(3).

**VOTE:** A vote was taken with all in favor.

**E. Consideration of LENS request for signage at island entrance**

Administrator Kerr said LENS is open to discussing other locations for their signage. The issue will go back to the Committee for further development.

**6. Boards and Commissions Report**

- A. Board of Zoning Appeals – minutes attached
- B. Planning Commission – minutes attached
- C. Accommodations Tax Advisory Committee – minutes attached
- D. Environmental Advisory Committee – minutes attached

**7. Ordinances, Resolutions, Proclamations, and Petitions**

**A. Second Reading**

- i. **Ordinance 2025-03** – an ordinance to adopt a budget for Fiscal Year beginning July 1, 2025 and ending June 30, 2026

**MOTION:** Council Member Ward made a motion to approve, and Council Member Streetman seconded the motion.

Mayor Pounds noted that this budget does not include a tax increase, pays off the debt of Fire Station 2, and increases cash reserves.

Council Member Pierce's comments regarding the budget are attached to these minutes.

**VOTE:** A vote was taken as follows:

Ayes: Carroll, Miars, Bogosian, Ward, Hahn, Streetman, Anderson, Pounds  
Nays: Pierce

**The motion passed 8-1.**

- ii. **Ordinance 2025-04** – an ordinance to adopt business license fees

**MOTION:** Council Member Bogosian made a motion to approve. Council Member Miars seconded the motion. A vote was taken as follows:

Ayes: Carroll, Miars, Bogosian, Pierce, Hahn, Streetman, Anderson, Pounds  
Nays: Ward

**The motion passed 8-1.**

**B. First Reading**

- i. **Ordinance 2025-05-** an ordinance to amend the revocation trigger from a calendar year to a 365-day rolling period and stipulate that two garbage can violations are equivalent to one founded complaint for revocation purposes

**MOTION: Council Member Bogosian made a motion to approve. Council Member Pierce seconded the motion. A vote was taken as follows:**

Ayes: Miars, Pierce, Bogosian, Hahn, Streetman, Anderson, Pounds  
Nays: Carroll, Ward

**The motion passed 7-2.**

- ii. **Ordinance 2025-06 – an ordinance prohibiting pools seaward of the maximum building line**

**MOTION: Council Member Miars made a motion to approve. Council Member Hahn seconded the motion. The motion passed unanimously.**

- C. **Resolution 2025-02 – creating hourly afternoon parking rates and seasonal parking passes**

**MOTION: Council Member Pierce made a motion to approve and waive the reading. Council Member Bogosian seconded the motion. The motion passed unanimously.**

**9. Executive Session**

**MOTION: Council Member Ward made a motion to go into Executive Session in accordance with Section 30-4-70(a)(2) to receive legal advice regarding Quality Enterprises, Inc v. City of Isle of Palms complaint. Council Member Hahn seconded the motion. The motion passed unanimously.**

City Council entered into Executive Session at 6:35pm.

City Council returned from Executive Session at 6:53pm. Mayor Pounds said no decisions were made.

**MOTION: Council Member Hahn made a motion “that our City Attorney proceed in accordance with the discussions we had in Executive Session in the litigation of Quality Enterprises versus. IOP.” Council Member Ward seconded the motion. The motion passed unanimously.**

**10. Miscellaneous**

**11. Adjournment**

Council Member Ward made a motion to adjourn, and Council Member Streetman seconded the motion. The meeting was adjourned at 6:53pm.

*City Council, 5/27/2025*

Respectfully submitted,

Nicole DeNeane

City Clerk

Council Member Pierce's Comments related to the FY26 budget:

Thank you, Debra, Douglas, and staff for your work on the budget.

In recent years, the Isle of Palms has benefited from a post-COVID surge in tourism-driven revenues—fueled by the rise in short-term rental units, increasing rental rates, inflation-related interest income, and a local building and hospitality boom. Like many governments that receive windfalls, the city has been increasing operating expense growth rates at a pace exceeding projected revenue growth.

IOP reported over \$51 million in cash accounts, and our auditors have commended the city's operating expense coverage. All positive—but it's one side of the ledger and based on a snapshot in time. Most of the cash is already committed to projects, or restricted, with over \$20M for the FY2027 beach nourishment project.

Some recent trends and this year's budget:

- Payroll and benefit-related expenses have grown 48% in just four years from \$8.3M (55%) of the General Fund revenue to \$12.1M (74%) this year. In another 4 years, these costs consume 84% of General Fund revenue. This trajectory is unsustainable.
- While we acknowledged the need to better align revenue with operating cost growth, like when we added the unbudgeted paramedic team a couple years ago —actions have lagged. This year's revenue budget does include two overdue market-based increases in parking rates and business license fees, plus \$4.8M in one-time grants.
- IOP's share of the next major beach nourishment project is estimated at over \$20M of the nearly \$30M total project cost. Costs are twice the 2018 nourishment project and IOP's contribution has increased tenfold from prior contributions. Historically, IOP paid ~16% of the cost, with State, FEMA, and private entities covering the rest. This time, nearly all costs will fall to us. The State allocated only \$1.5M in the current budget for all South Carolina beach nourishment. To fund this project, IOP will deplete the \$10M Beach Fund and require the remaining millions of dollars from the ATAX, Hospitality and other funds. We'll get through the upcoming project, but unlike other municipalities, we have not acted upon securing sustainable funding sources for the next, more costly 8-year nourishment cycle.

As a consequence, and as reflected in future year projections, there is limited investment in infrastructure, beach management and resilience projects.

**We also have structural deficiencies in the budgeting process.** Despite last year's brief discussion to reconstitute the Ways & Means Committee and modernize budgeting tools, neither has occurred. Our staff still relies on decade-old spreadsheets with hard-coded values, manual entry, and no integrated planning tools. This is a clear risk.

For example, \$4.4M in manual entry errors impacting fund balances—a mistake I found in a cursory review—should be a wake-up call. Several more errors were discovered during the budget preparation. Staff shouldn't be making critical calculations without adequate planning tools. There's little to no integration between payroll models, the 10-year capital plan, or the budget files themselves, which creates opportunity for inconsistencies and increases the risk of compounding errors. Basic AI tools reviewing our files immediately flags pervasive logic errors

and recommend restructuring. If we don't modernize, we are setting up both staff and future councils for failure.

**Recommendations to consider:**

- Reinststate the **Ways & Means Committee** to enhance financial oversight and planning.
- Provide staff with modernized, integrated budgeting and planning tools.
- Aggressively pursue **sustainable revenue sources** for long-term beach management, and new resilience projects— as peer communities have done.

While I'm confident IOP will make it through another funding year, I cannot support a budget that continues the trend of increasing financial risk and missed opportunities. Without action, future councils will inherit uncertainty and constrained options to address the long-term financial needs of the community.

To the City of Isle of Palms:

We, the undersigned property owners of the Isle of Palms, respectfully request the City's approval to initiate the Plant A Palm 2.0 project.

Plant A Palm 2.0 is a community-driven initiative aimed at planting palm trees in the vicinity of the second row parking lot in the Front Beach Commercial District. This project is designed to enhance the natural beauty of the area while fostering a stronger sense of civic pride and community engagement among residents.

Upon receiving approval, Plant A Palm 2.0 will launch a contribution program through which property owners and friends of the island may sponsor the planting of a palm tree for \$300. In support of this effort, we kindly ask that the City provide ongoing irrigation for the trees once they are planted on municipal property.

We are enthusiastic about the opportunity to collaborate with the City on this meaningful initiative and are confident it will contribute positively to the Isle of Palms as a place to live, work, and enjoy.

Respectfully,

Bobby Simmons  
Jimmy Carroll  
Jennifer Baldinger  
Patsy Hindman  
Monica Pelletier  
Nick and Josh Hooser  
Sarah Parker  
Frank & Sondra Hines  
Dudley Spangler  
Jimmy III, Winslow, Capers  
Carroll  
Lisa Parr-Smith  
Benj Farmery  
Keith McMeans  
Amy K. Rich  
Tracy Moses  
Hugh Swingle  
Craig & Julie Eddy  
Katherine Huskey  
Christi Kunkle  
Scott & Marcy Thompson

Susan & Todd Farrell  
Andrew Vega  
The Belforte Family  
Chuck and Cindy Hughes  
Scott Couchenour  
Heather & Tom Witheford  
Terry & Ellen McGowan  
Angela D. Jones  
Paul King  
William Skeens  
Sue Cotton  
Darcia Grady  
Lisa Sullivan  
Dudley Spangler  
Kris Stein  
Dan and Nancy Harvey  
Mark Oleary  
Randy & Melissa Stucky  
Stacey Streetman Johnson  
Sharie Dale & Marc Settin  
Judi Cohen

Dimi Matouchev  
Drew Waddell  
Cynthia Kemper Rocha  
Family Vacation Rental  
Cindy Williams  
Just Beachy IOP  
Grady Marsh  
Robin & Daniel Baylis  
The Refuge  
Melissa Martin  
Ron & Lisa Hooser  
Joe Gandy  
Bryan & Emily Walton  
Meg Elam  
Jen McConnell  
Jim & Mary Butler  
Char Niemczura & Ginger Gilles  
Greg & Rhonda Force  
Florence Medlin