



**Public Services & Facilities Committee Meeting
9:00am, Monday, February 9, 2026
1207 Palm Boulevard, Isle of Palms, SC and
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>**

MINUTES

1. Call to Order

Present: Council members Miars, Pierce, and Streetman

Staff Present: Administrator Kerr, Director Pitts, Asst. Director Asero, Director Ferrell,
Director Hamilton

2. Citizen's Comments – none

3. Approval of Previous Meeting's Minutes – January 14, 2026

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

MOTION: Council Member Pierce made a motion to reorder the agenda to allow for the discussion with Thorn Run Partners and ATM at the start of the meeting. Council Member Streetman seconded the motion. The motion passed unanimously.

4. Marina Tenant's Comments – none

5. Presentations – none

6. New Business

A. Discussion with Thorn Run Partners – Federal Water Project Authorization

Jim Davenport spoke to the Committee via Zoom about the Federal government's Water Resources Development Act project (WRDA) and how the City could participate in it. Thorn Run Partners has filed a request for authorization on behalf of the City and the Isle of Palms Water & Sewer Commission. This program allows local governments to partner with USACE to offer assistance for sewers, drinking water, and stormwater projects.

Mr. Davenport explained that his group is working with Senator Graham and Congresswoman Mace's offices to secure this authorization at the end of 2026. If approved, USACE would handle bidding for all projects. The cost share is 75% Federal government/25% local entities. He said Senator Graham is very supportive of their request. Any additional details the City or Water & Sewer Commission can provide will be helpful.

Mr. Chris Jordan, General Manager of the IOP Water & Sewer Commission, said that the Commission is securing updated cost estimates for sewer-related projects.

Mr. Davenport mentioned a separate EPA program, the State & Tribal Assistance Program, that could provide assistance for water and sewer project without an authorization.

Administrator Kerr will send additional supporting information to Mr. Davenport.

B. Discussion with Philip Slagle, ATM – Marina Dredging Project

Administrator Kerr said staff is seeking direction from City Council on how to move forward with the marina dredging project – specifically, would the City like to wait for the marina neighbors to be a partner in the program or does the City wish to move forward with their part of the project now?

The City's permits to dredge have been issued and they have received a \$1 million earmark from the State for the project. The property owners may not be ready to move forward on the project for 1-2 years.

The Committee discussed the pros and cons of going it alone versus waiting with Mr. Philip Slagle of ATM. Mr. Slagle said the marina requires dredging every 8-10 years, and it is that time now. He reported that the property owners are optimistic they can be ready in a year. Waiting for them will help reduce mobilization costs. Their collective permit is currently under review.

Administrator Kerr said the USACE agrees that the City's portion of the dredging is so small that they can use the recently cleared spoils site under the IOP Connector. That site cannot hold all the material, so the remaining material must go to Goat Island.

Mr. Slagle said he is drafting the bid now and will have more firm costs to report by the Committee's April meeting. Administrator Kerr pointed out that the City has never committed to waiting for the property owners to be ready, but there is an implied cost savings for both parties if the City waits.

Administrator Kerr said he will speak with the Marina tenants prior to the April meeting to see if they have any concerns about the project.

7. Old Business

A. Update on Waterway Boulevard Project

Administrator Kerr reported that staff and the Bastian Group have met to organize the project. Bastian's first submittals are under review by Thomas & Hutton. A pre-construction meeting will be held on February 10.

He will speak with Bastian about the possibility of extending the path to the marina as previously suggested by Council Member Miars.

B. Update on beach projects

Administrator Kerr said Foth/Olsen has begun work on the alternatives analysis following City Council’s award of the project to them.

The Beach Preservation Committee will look into recent concerns about Hamlin Creek. Administrator Kerr said the area needs to be surveyed and samples need to be taken to see if the material is beach-compatible sand.

C. Review of methodology of determining financial sharing arrangement

The Committee briefly reviewed the schedule verifying the 47/53 financial sharing arrangement for the Wild Dunes portion of the project. Council Member Pierce suggested clarifying the numbers in the agreement and including the allocation methodology in the MOU.

D. Discussion and consideration of agreement with Wild Dunes Community Association

Administrator Kerr said the basis for this agreement is “the escrow agreement that the City used in 2018 with Wild Dunes.” After Council review, it will be sent to Mr. Schumacher and the WDCA Board for review.

He added, “We wanted to include soft costs but not those that were already agreed to by the City outside of the purview of this major renourishment project.”

After some discussion, edits to the draft document will include attaching a financial schedule that shows the allocation methodology; clarifying that the costs are spread across the share of sand; that all costs are based on cubic yard allocations; adding detail, if necessary, to clarify pre-project sand allocation versus a verified post-project allocation; detailing a method for change orders; and a schedule of what the \$22 million includes.

Administrator Kerr said the agreement includes flexibility that allows both parties to scale back the project if the bids come in higher than anticipated.

Council Member Pierce also suggested clarifying dispute resolution and a definition of project completion.

The revised document will be available for Council review at their February 24 meeting.

E. Discussion of funding options for beach renourishment

Director Hamilton shared two borrowing scenarios with Committee members: borrowing \$10 million for 5, 7, or 10 years, and borrowing \$5.5 million for 5, 7, or 10 years. These scenarios included a payment schedule and the annual effect on tax bills per \$1 million of assessed value.

The Committee discussed the pros and cons of borrowing versus paying cash for the shortfall in the Beach Preservation Fund. Director Hamilton said the City will still have \$22 million of borrowing power if they opt to borrow \$10 million for the project. Council Member Pierce noted that paying cash for the entire project will deplete the City’s funds and prevent the City from completing other projects in the near future.

Council Member Miars expressed concern about justification for borrowing money when the City has such large amounts in reserve. Council Member Pierce noted that much of the City's money is restricted, adding that the City does not have revenue streams to replenish the funds to pay for another renourishment project in 8 years.

Later in the meeting, Mr. David Cheatwood, in an email to Director Hamilton, clarified that "pledging is if we need to increase the millage, but we don't have to increase the millage if there is another source of revenue. And the interest rate is not based on whether we increase millage or not. The 8% for future years, that's all driven based on the assessed value of property taxes;" meaning the City's borrowing power will not be adversely affected.

For future discussions, Administrator Kerr will include the \$100,000 underwriting costs, the impact on the City's borrowing power, a schedule of when current debt is retired, and the annual and total tax impact per \$1 million of assessed value over the life of the loan.

The Committee also agreed that they would like to see the numbers for a possible 8-year loan since that is the projected life of this renourishment project.

8. **New Business**

C. **Review of 10-year Capital Plan for Public Works Department, Recreation Department, Drainage, Front Beach, Beach and Marina**

The Public Works Department is asking for \$220,000 to replace an 11-year-old rear loader. They have deferred other requests in order to replace this truck.

Drainage requests include \$100,000 for design work for a project at 19th and Myrtle avenues.

The Committee engaged in a lengthy discussion about the costs of the project planned for Palm Boulevard and 38th-41st Avenues. The placeholder amount (\$1.8 million) was severely less than the recent cost estimate from Thomas & Hutton (approximately \$5 million). The City has received money from the State for the project that has a sunset. However, Director Hamilton noted that the State has been generous when asking for extensions in the past. Thomas & Hutton has suggested the project can easily be done in phases. It was decided that if the City will lose the money before the entire project can be done, then the City will ask Thomas & Hutton what can be done for \$1.85 million. Administrator Kerr noted that the budget for the project is contingent upon the City's request for it to be included as a Community Enhancement Project by the State.

Other drainage requests include \$198,000 for routine maintenance and Phase 3 of Waterway Boulevard.

The Building Department requested a replacement truck as the other has become expensive to repair.

Requests from the Recreation Department include a new scoreboard in the event of failure, \$60,000 for livestreaming capability in the Magnolia and Palmetto Rooms (for larger City meetings), replacing the four outdoor basketball goals, the construction and design of a picnic

shelter, exterior lighting upgrades, and fixing leaky areas and general maintenance of the roof on the Recreation Center.

\$500,000 will be added to the Marina capital request for the parking lot and greenspace work.

Director Hamilton will add in two-thirds of the renourishment project to FY27 and the funds for sand retention methods.

9. Miscellaneous Business

The next regular meeting of the Public Services & Facilities Committee will be Tuesday, March 3, 2026 at 9am.

10. Adjournment

Council Member Miars made a motion to adjourn and Council Member Streetman seconded the motion. The meeting was adjourned at 11:53am.

Respectfully submitted,
Nicole DeNeane
City Clerk