



**SPECIAL CITY COUNCIL MEETING  
5:00pm, Tuesday, February 10, 2026  
City Hall Council Chambers  
1207 Palm Boulevard, Isle of Palms, SC**

**MINUTES**

**1. Call to Order**

Present: Council members Streetman, Miller, Bogosian, Ward, Carroll, Pierce, Miars, Cohen, and Mayor Pounds

Staff Present: Administrator Kerr, Deputy Administrator Kuester, various department heads

**2. Citizens' Comments -- none**

**3. Special Presentations –Charleston County, Transportation Sales Tax Future Infrastructure Projects**

Alexander Owskiak, Capital Programs Manager, Charleston County Public Works, gave a presentation about the ½-cent sales tax and the need for continued support of the measure to allow the County to continue work on infrastructure projects. The tax will be on the ballot in November should it pass County Council. Mr. Osiak said that the list of projects funded by a renewed tax is fairly well set, but new projects can be added later.

**4. Dashboard of City Operations and Short-Term Rental Report**

Administrator Kerr reported that the HR Officer is retiring and an offer has been extended to a candidate. There are three openings for paramedics and one in the Police Department.

The Council engaged in a lengthy conversation with Administrator Kerr and Director Hamilton on the way short-term licenses are reported. An additional column will be added to the report to reflect hotel rooms.

**5. Departmental Reports**

**6. Financial Review**

**Financial Statements and project worksheets**

Director Hamilton provided a brief explanation of each of the City's funds for the benefit of the new Council members.

She said expenses are at \$14.8 million against a budget of \$30 million. She detailed projected overages and deferred expenses. She explained the monthly YTD statement as well as the cash and fund balances sheets, noting that \$51 million of the City's \$55 million is invested and earning interest at 3.9%.

Council Member Pierce requested an additional column explaining the reconciliation between the cash balances versus the fund balances. Director Hamilton will also provide a reconciliation of the Marina Fund to City Council.

Council Member Pierce would like to see the impact of large capital expenditures on later years. He said, "I want to see where our fund balances are projected, not just a month from now or 3 months from now but into the future." Director Hamilton said those balances can be shown 10 years out similar to what is presented during the budget cycle.

Administrator Kerr shared that the cost estimate for the project at Palm Boulevard from 38<sup>th</sup> to 41<sup>st</sup> Avenues has more than doubled than the placeholder in the budget. He said, "We need for you all to tell us how to treat that. The financial people cannot project that until you all make policy decisions on how to deal with that. The same is true for the beach."

Council Member Pierce said such decisions cannot be made until a review of the financial impacts can be seen over a longer period of time. He would like staff to provide the impacts of various scenarios.

Council Member Miars would like more explanation as to why borrowing money and or raising taxes may be necessary when the City has money in the bank. Director Hamilton is in the process of revising the future cash needs sheet to improve clarity and usability. She noted that City Council decides what the target balance is in each fund. Staff will provide information on borrowing and City Council will need to decide how to move forward.

Council Member Bogosian would like to see more forecasting. Director Hamilton pointed out the difficulty in forecasting is because much of the City's income comes in May and into the summer.

Director Hamilton reviewed the tourism schedules. Municipal ATAX and Beach Preservation Funds were 6% over last year. The City received \$396,000 from State ATAX, which is 3% higher than last year. The County pass-through was 8% higher than last year. Hospitality taxes are 1% less than last year and LOST is 5% higher than last year.

Council Member Pierce noted an errant number on the Waterway Boulevard project worksheet. Director Hamilton will review the sheet to reconcile the numbers.

## 7. Procurement

Administrator Kerr noted the list of reported budget expenditures in the packet, adding an emergency expenditure for work on the Public Works truck.

## 8. **Capital Projects Update**

Administrator Kerr stated a preconstruction meeting was held today with the Bastian Group for the next phase of the Waterway Boulevard project. A work schedule will be available shortly.

As mentioned earlier in the meeting, the estimate for Phase 4 Drainage (Palm Boulevard and 38<sup>th</sup>-41<sup>st</sup> avenues) came in at \$4.9 million. The City has received a \$1 million allocation for the State for this project. The City's State lobbyists are also working to secure funding for the project. Administrator Kerr said the project can be done in phases, capped, or delayed.

The lease amendments are underway for the marina parking lot. The Public Services & Facilities Committee is studying the marina dredging project and will make recommendations to City Council. The City has been issued permits for their portion of the project, but the surrounding property owners may not be ready to move forward for 1-2 years. Additionally, USACE is agreeable to receiving the City's sediment from the marina, but not that of the property owners.

Regarding beach maintenance and restoration, Administrator Kerr said, "We have on the agenda tonight the next kind of hurdle there. The next two hurdles to be addressed. Borrowing versus direct expenditure question that we have for the staff. And then we want to talk to the Council about the issue of acquiring easements."

He added Council will need to "talk through the bidding documents for that project and if we want to divide the two projects, the two ends based on a guess of success rate. We're facing a question there as to whether or not if we think we're going to be 100% successful and planning on doing the south end, we would want to include that in the bidding document as part of the base bid. If we think there's the possibility that we would not be successful in doing that, we would put the south end as a bid alternate and then see what our success rate is. I talked to Steven about whether or not he felt like that would have cost implications He says he doesn't think that it would. He thinks that the bid alternate would be the same price as what we're expecting."

## 9. **Old Business – none**

## 10. **New Business**

### A. **Discussion on wage and compensation study**

Administrator Kerr said staff has received an executive summary of the wage and compensation study. Evergreen is still waiting for data from three other municipalities, one of which is a municipality the City has lost employees to. The Administration Committee will meet with Evergreen in March and it will be on the March workshop agenda.

### B. **Discussion on beach nourishment financing: borrowing vs. direct expenditure**

Council reviewed financing options for borrowing \$5 million and \$10 million for 5, 7, and 10 years and the corresponding tax implications on property owners. The City will know shortly about whether or not they will receive a \$1.5 million grant from SCPRT.

Council Member Bogosian would like to see a matrix that shows “what is does to the fund balances at different levels including with and without a mil.”

Council Member Pierce asked for borrowing scenarios for 8 years for \$5 million and \$10 million with and without a millage increase.

Council Member Cohen offered some options using State and Municipal ATAX funds to borrow less money. Council Member Ward pointed out that the ATAX funds are used to fund numerous City functions.

Mayor Pounds asked to see a sheet showing future projects (drainage projects, the fire truck, etc.) that will be affecting the Capital Projects fund or some other fund balance.

### **C. Discussion on beach renourishment easements**

Administrator Kerr said to “avoid basically having the project shut down with injunctions or some other method, that probably the only reasonable path forward” is to secure easements from property owners on the south end of the island. Property owners are concerned about the placement of the designed sand dune. He said, “There is concern that Steven’s current drawings are showing the proposed dune being right on the backside of the escarpment. That escarpment in some places is very close to a pool. In some places, it’s far inland from the OCRM setback and baseline. And I think we’ve heard from residents concern over putting it that far landward of OCRM’s lines and that close to structures or pools.”

He explained they are trying to solve for the area closest to the inlet. He said, “We think the rest of the area is pretty manageable and we can kind of commit to putting the berm at BCM’s jurisdictional line without much issue. And I think the question for these parcels is would they be okay without the dune. We could just do the berm, add the sand. The dune, I think, is what is of concern with setting future jurisdictional lines. If you have a dune there, the thought is that the dune will be located by the BCM staff and become the new jurisdictional line. So maybe it’s such that if we don’t include a dune there, it would satisfy everybody.”

The City would like to secure easements from everyone affected by the renourishment. But City Council will need to decide what to do if they cannot get all easements in place before sand goes on the beach.

Council Member Pierce would like an updated aerial photo of the south end with the lines.

Administrator Kerr will share the agreement with Council if it is ready before the February 24 meeting. It will be a modified version of the previous easement document. He will provide an update at the next meeting.

Administrator Kerr added, “there’s some concern, too, about the change in volume that we can talk about.” Surveys are being done to document how much of that Army Corps sand is staying there” to “determine the quantities based on erosion rates and planned replenishment, kind of do the math backwards, and they’re going to develop an amount for the bid.”

**D. Discussion on setting date for March budget workshop**

The March Budget Workshop will be held on Wednesday, March 11 at 1pm in Council Chambers.

**E. Discussion on the formation of a standing Council Finance Committee**

Administrator Kerr referenced the proposed ordinance change establishing a Finance Committee in the packet. This text will get worked into an ordinance and will go through two readings. The first meeting of this new committee will be in April.

**F. Discussion on City Calendar for 2026**

Administrator Kerr said going forward if two people are present for a committee meeting, the meeting will be held or canceled rather than rescheduled to lessen impact on staff and the public.

**11. Legislative Report**

Mayor Pounds referenced the page in the meeting packet, stating that this is on the record as the City's request to the State lobbyists.

**12. Adjournment**

Council Member Ward made a motion to adjourn the meeting, and Council Member Carroll seconded the motion. The meeting was adjourned at 7:42pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk

Randy Bell 22 41<sup>st</sup> Avenue

Citizen comments for 9/8/2025 IOP Council Workshop

Conflicts of Interest and required Recusal sourced from S.C. Code and the Municipal Association of S.C.

A key requirement of South Carolina's ethics laws is that public officials, members of public bodies and public employees must not use their offices in a way that provides themselves, members of their family, or businesses with which they are associated with financial gain.

To prevent officials from taking acts that benefit them financially, state law addresses situations where they must recuse themselves from voting on an issue, or even deliberating on an issue as represented in SC Code Section 8-13-700.

Yet, in the wrong venue, two members (Ward and Carroll) of the Administrative Committee with an orchestrated 2-1 vote introduced tonight's agenda item (9.a.iii) Discussion of license strikes being citations instead of founded complaints thus allowing Councilmember Carroll to blatantly violate S.C. state ethics law. For Ms. Carroll, owner of Carroll Realty, the discussion and subsequent vote could not be more clear. Mayoral "leadership" should not have placed this item on the agenda and zero debate should take place that includes Councilmember Carroll.

A reminder to Council, and particularly those advocating enforcement over numerical limitations on short-term rentals, you did finally take an appropriate step by passing the ordinance now unpopular with the "Family Vacation Rental Group" which Councilmember Carroll openly states she is representing, and "meets regularly to discuss these types of things..."

*"We're proposing"* is Councilmember Carroll's exact quote from the committee meeting. I'll repeat, *"We're proposing....."* as clear representation of commercial interest, not the elected position on Council

Recusal from a vote involves several steps.

Step 1: Prepare a written statement.

The law requires them to make a written statement describing the matter requiring action and the nature of the conflict.

Step 2: Submit the statement by providing it to the Mayor as presiding officer

Step 3: Place into public record

Step 4: Avoid taking any further action.

Avoiding any official action means not voting and not deliberating. The member is not required to leave the meeting, but the SC Ethics Commission advises that members of public bodies who recuse themselves physically leave the room for the portion of the meeting concerning the conflict of interest to avoid any perception of undue influence.

### **Ethics Commission Sanctions**

- Public reprimand,

- A civil fine of up to **\$2,000 per violation**
- A cease-and-desist order

Should there be any confusion on this topic I would advise going into Executive Session for advice from the city attorney.

S.C. Code Section 8-13-700 is not optional, and all elected officials are required to comply

You may all recall Councilman Buchanon recused himself a few years back simply for owning one STR. As for any long-serving Council member, you should certainly know better than violating the ethics laws.