

PUBLIC WORKS COMMITTEE
5:30 p.m., Thursday, March 7, 2013

The regular meeting of the Public Works Committee was held at 5:30 p.m., Thursday, March 7, 2013 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Loftus and Ward, Chair Buckhannon, City Administrator Tucker, Public Works Director Pitts and City Clerk Copeland; a quorum was present to conduct business.

1. Chair Buckhannon 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.

2. Approval of Previous Meeting's Minutes

MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of February 6, 2013 as submitted; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. Departmental Report for February – Director Pitts

The unscheduled emphasis for the month was the pumping of water from 46th, 50th and 51st Avenues from February 23rd through February 27th; the work generated seventeen and a half (17½) hours of overtime for the month. Charleston County Public Works assisted with the cleaning of beach access paths through 13th Avenue, and Public Works personnel are continuing the effort. In addition, a major house cleaning of the Public Works site was completed.

Councilmember Loftus stated that the pooper-scooper station at 41st Avenue runs out of bags between scheduled servicing; he questioned that a second station was needed at this access path. Director Pitts explained that, in the off-season, the stations are service twice a month and that he could increase the frequency at this station.

In February, vehicle maintenance came back in line with the budget. When the caterpillar had its five hundred hour (500 hr.) preventative maintenance, the mechanic thought he heard a knocking in the engine, but subsequent oil samples have been negative and there is no evidence of deterioration of the motor.

Charleston County has been on the island repaving roads according to their repaving cycle.

Garbage collection was down in February, but yard debris was up for a second month.

5. Old Business

Review of Capital Budget, Long-range Plan and Estimated Reserve Requirements for FY14

The following review of capital budgets will highlight those line items that have changed from the FY13 budget; copies of all budgets discussed are attached to the historical record of the meeting.

Administrator Tucker initiated the discussion by announcing that all capital leases for the Public Works Department have been paid off.

Capital Projects Fund Expenditures

Capital outlay	277,500
$\frac{1}{3}$ cost of garbage packer, replace 2005 Ford F150, replace privacy fence, access and safety improvements, required improvements for stormwater compliance to include a stormwater plan design and construction cost (Stormwater improvements should be offset by residential storm-water fee from Charleston County)	
Drainage – Eadies	80,100
Yr4 of 5Yr drainage maintenance schedule	

Councilmember Ward questioned the forty-four thousand dollars (\$44,000) earmarked in line 52 for improvements to the Public Works site and 1301 Palm; Administrator Tucker stated that this was a re-budget from FY13. She confirmed that the amount represented the tasks itemized for the site that staff had not been authorized to proceed with at that time; at this point, much depends on what is required to be in compliance with NPDES regulations. Once SCE&G completes their work, the plan remains to turn 1301 Palm into additional parking.

Chair Buckhannon recalled forty-two thousand dollars (\$42,000) from another budget related to improvements to 1207 and 1301 Palm, creating the budget rejected last year of eighty-six thousand dollars (\$86,000).

The Administrator agreed that the long-term plan for 1301 Palm Boulevard was improvements to the lot that would encourage parking. Certain elements are included in the FY14 budget as re-budgeted items, because, at this moment, it is unclear how much of a given project can be completed before the end of the fiscal year. Administrator Tucker noted that only the improvements to 1207 Palm have been approved and are proceeding.

Chair Buckhannon commented Council wanted to scale back from an eighty-six thousand dollar (\$86,000) project, and progress stopped when SCE&G came to the City about the new line and the need for an easement across 1301 Palm Boulevard.

Municipal Accommodations Fee Fund Expenditures

Capital outlay	63,000
$\frac{1}{3}$ cost to replace garbage packer truck	

When asked about the possibility of lowering the fifty thousand dollars (\$50,000) for island-wide dumpster service, Director Pitts said that the number of dumps fluctuates between summer and winter; Carolina Waste charged eight dollars (\$8.00) per dump of a six yard (6 yd.) slanted container. The new vendor has a lower price, but there is not enough data on the new contractor to know if reducing the budget is justified. Director Pitts reminded the Committee that this is

commercial garbage, not residential; he added that he uses the business owners as “his eyes” to inform him when the number of dumps needs to increase or decrease.

Hospitality Tax Fund Expenditures

Capital Outlay	25,000
Mobi Mat material to stabilize sand beach accesses	

State Accommodations Tax Fund Expenditures

Miscellaneous and contingency	11,600
50 cases of pooper scoops, replacement of pooper-scooper stations, beach trash barrels	

Director Pitts informed the Committee that he is in the midst of an experiment with heavy-duty plastic barrels to replace the metal drums which tend to rust out annually; the plastic drums would have a small increase up front, but a savings in the end because their life span is four to five (4-5) years. The Committee agreed that the painted yellow barrels are a landmark on the island.

Capital outlay	158,000
Re-budget dune walkover at Front Beach restroom and 1/3 cost of new garbage packer	

Administrator Tucker announced that the City appears to have worked out the permit issues for the Front Beach restroom beach access, and the cost has increased based on the bids received for the access being replaced. The Administrator stated that prices have increased because material is being shipped to the areas impacted to Hurricane Sandy.

Responding to Councilmember Loftus’ query, the Administrator responded that treated pine was material to be used.

Councilmember Ward noted that the dune walkover being replaced currently was priced at sixty-three thousand dollars (\$63,000) and was curious why the second access was so much more expensive; Administrator Tucker explained that the Front Beach restroom access is much longer and will be wider; the City has decided not to fight for the new material, but to negotiate for a wider walkover since the existing one is too narrow for two-way traffic.

On the schedule that spreads the capital expenditures and special projects across the City’s funding sources, staff has added two hundred thousand dollars (\$200,000) to the savings for future expenditures for Phase II of the City’s drainage project; staff is hopeful that putting City funds aside for the project will “tip the scales” in favor of the City when requests submitted to the Charleston Transportation Committee and/or Transportation Sales Tax Committee are considered.

Administrator Tucker directed attention to the schedule entitled *Estimated Reserve Requirements – Large Fire Trucks and Garbage Packers only*; the schedule addresses large fire apparatus for the Fire Department and garbage packers in the Public Works Department and the savings needed to be budgeted each year to purchase these pieces of equipment in full when the time comes without using municipal leases.

Administrator Tucker explained that Option 1, the lines highlighted in yellow, represents the pure method that is spreading the replacement cost of each vehicle equally over the year remaining until the scheduled purchase; this method results in huge peaks and valleys in cash on-hand. In Option 2, the lines highlighted in peach, the amount of annual savings is more level year-to-year, eliminating the extreme peaks and valleys. The numbers in blue represent the annual reserve to be budgeted each year for each department and combined; for FY14 for the Fire Department, the budgeted reserve needs to be three hundred fifty thousand dollars (\$350,000). The red numbers represent the years when money needs to be spent on those assets.

Factors not considered in the schedule are the interest earned on money held, the proceeds from the sale of assets as they are replaced and the savings in interest paid on equipment leases. The schedule does include a two percent (2%) annual inflation rate on replacement costs.

Councilmember Ward voiced concern over the impact this savings reserve was going to have on tourism fund balances and asked to see the tourism budgets for a better understanding of how they would be affected.

6. New Business

A. Construction Necessary at Public Works site for NPDES Compliance

Administrator Tucker introduced Chuck Jarman of Charleston County Public Works and noted that Charleston County handles all aspects of compliance with stormwater regulations for the City. In addition, Charleston County bills, collects and manages the annual stormwater fees from island residents.

Mr. Jarman stated that the County has reached the element of the NPDES regulations referred to as housekeeping, whereby staffers from the County are making on-site inspections of all public works facilities under the County's jurisdiction to ensure that the facilities are in compliance to "the maximum extent practicable." In his recent visit to the Isle of Palms' facility, he found three (3) issues of concern; they are as follows:

- The overall site needed a major cleaning;
- Illicit discharge from the wash rack situation; and
- No stormwater infrastructure for filtration.

As noted earlier in the meeting, the cleaning of the site has been accomplished, and Mr. Jarman was very complimentary of the job done; a first step to resolve the wash rack problem is to switch to bio-degradable soap.

Responding to the question of what is the next step, Administrator Tucker stated that the underground storage tank must be replaced by 2017 and that the plan to resolve the compliance at the site will determine the best location for the fuel tank. As to a time frame, Mr. Jarman indicated that a five year plan is acceptable as long as the plan is being worked and progress is being made over the course of years. The first step is a survey of the space, and Mr. Jarman indicated that his team at the County has people who can do the survey and develop the conceptual plan.

The City will be able to apply for reimbursement from the stormwater fees that Charleston County is holding for the City. The work will include a wash rack, a filtration system for drainage and white good container until goods have accumulated to be taken off island.

Responding to Councilmember Ward's question about estimates for the work to be done at the Public Works site, the Administrator answered that one hundred forty thousand dollars (\$140,000) is in the FY14 budget for design and construction.

B. Discussion of Fuel Tank Replacement

Councilmember Ward asked how often the fuel tanks had to be replaced, and Administrator Tucker explained that the City's tanks were being replaced as a result of legislation mandating that all single-lined, underground tanks be replaced by double-walled tanks by 2017. The plan is to replace the two (2) fuel tanks in FY16 at an estimated cost of one hundred fifty thousand dollars (\$150,000).

C. Review of FY14 Operating Budget

Items being highlighted are those that differ from FY13; all budgets discussed are attached to the historical record of the meeting.

Changes that are universal to all departments are a three percent (3%) performance-based merit pool for employees, a six percent (6%) rate increase for health insurance and a five percent (5%) increase for property and liability insurance.

Based on the amount year-to-date, Councilmember Loftus thought that the overtime number was high; Director Pitts stated that the amount of overtime is impacted by several factors, including the weather, i.e. the late week rains that required that pumps be set up on Saturday and Sunday, or extra pickups on a Saturday due to holidays or special events. Councilmember Loftus praised the Director for running a "tight ship" and asked the past three (3) years' actual overtime be studied in determining whether the budgeted figure could be lowered.

Another line item that drew attention from Councilmember Loftus was the increase of nearly nine thousand dollars (\$9,000) to Workers Compensation. Administrator Tucker said she would investigate, but she opined that the risk level for public works personnel has been adjusted.

Operating Budget

Telephone and cable	9,634
Includes 12 months of increased Charleston County radio fee; increase based on actual	
Water and sewer	3,500
Added \$1,000 to cover new sewer treatment for truck washing runoff	
Non-capital tools and equipment	2,500
Increased to purchase additional small tools for on-site equipment and facility repairs by staff	
Machinery and equipment repair	4,000
Decreased based on actual	
Employee training	400
Reduced based on actual	

Contracted services	10,000
Fee paid for yard debris taken to 4B dumpsite in Mount Pleasant	

The Public Works Department operating budget increases by two percent (2%) for FY14.

Based on expense year-to-date for vehicle maintenance, Councilmember Loftus thought that eighty-five thousand dollars (\$85,000) was too high, but Director Pitts explained that the mechanic he relied on last year has taken full-time employment and is unable to devote the time to the island he once did. The Director now must use other services to maintain the fleet that are considerably more expensive; he would prefer not to reduce the budget in this line.

Noting that hoodies had been replaced for personnel in FY13, Councilmember Loftus supported reducing the uniforms line by two thousand dollars (\$2,000).

Councilmember Loftus also questioned the need to continue purchasing the large rollout carts with the introduction of single-stream recycling for the entire island. Director Pitts stated that he only has seventeen (17) carts in inventory, and he must purchase in lots of one hundred (100).

D. Status of City-wide Landscaping RFB

The bid was published today; questions are due by Wednesday, March 13th and bids are due on Thursday, March 28th; a recommendation for award should be made at the April meeting.

E. Contracts in Excess of \$10,000

Award of a contract for MobiMat for budgeted beach access mats.

The City has found this product very useful in providing stable footing over soft sand for walking, cycling or guiding wheelchairs to the beach. This is a sole source purchase from the manufacturer for four (4) fifty foot (50 ft.) sections that cost thirty-nine hundred forty-nine dollars (\$3,949) each.

MOTION: Councilmember Ward moved to approve the budgeted expenditure; Councilmember Buckhannon seconded.

Councilmember Loftus asked how much had been budgeted for this purchase and was told that the budget was twenty-five thousand dollars (\$25,000).

VOTE: The motion PASSED UNANIMOUSLY.

7. Miscellaneous Business

Next Meeting Date: 5:30 p.m., Wednesday, April 3, 2013 in the Conference Room.

8. Adjourn

MOTION: Councilmember Ward moved to adjourn the meeting at 7:28 p.m.; Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk