

REAL PROPERTY COMMITTEE
8:30 a.m., Thursday, November 11, 2010

The regular meeting of the Real Property Committee was held at 8:30 a.m., Thursday, November 11, 2011 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmember Stone, Mayor Cronin, Chair Loftus, City Administrator Tucker, Marina Manager Berrigan, Carla Pope of Operations Manager of Morgan Creek Grill, Assistant to the Administrator Dziuban, the Fiem brother representing Tidal Wave Water Sports, Bill Schupp representing Schupp Enterprises and City Clerk Copeland. A quorum was present to conduct business.

1. Chair Loftus called the meeting to order and acknowledged that the press and public had been notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of Previous Meeting's Minutes**

MOTION: Mayor Cronin moved to approve the minutes of the regular meeting of October 5, 2010 as submitted; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. **Marina Manager's Report – Brian Berrigan**

Manager Berrigan was pleased to announce that the marina continues to be busy and that the numbers are up considerably for the same period last year. Concerning the gate installation that was approved at the previous meeting, Manager Berrigan said he was going to wait until the transient season had ended, probably January 2011, to install the gate. He expressed his appreciation to the City for proceeding with the dredging project.

Manager Berrigan introduced John Tarkany as the person he has been working with for several months in developing a conceptual master plan for the IOP Marina property; the plan that will be presented is the result of a series of design charettes held since the spring. Mr. Tarkany stated that work began by looking at what exists at the marina today, and then trying to decide what the best use of the property would be; he went through a slide presentation looking at both the existing marina and the proposal for the future.

In looking at the present marina site, Mr. Tarkany pointed out that so many signs are at the marina site that people visiting the marina for the first time would find it very confusing. Mr. Berrigan commented that one of the first sights one sees approaching the marina is a "Do Not Enter" sign with trash dumpsters just ahead. In a depiction of the marina layout, Mr. Tarkany commented that the boat ramp was awkwardly placed in the middle of the property creating "conflict and chaos." The existing situation generates a great deal of runoff from the parking area into the Intracoastal Waterway.

The next step in the process was to look at successful, mixed-use marinas that see year-round use.

Among the elements that would to be included in a new design are the following:

- Establish an authentic sense of place;
- Create family-oriented, safe and diversified environment;
- Make inclusive, not exclusive;
- Make eco-friendly and green;
- Build high standard of quality;
- Create jobs;
- Maintain low-key atmosphere; and
- Protect environment and marine life.

As Mr. Tarkany explained the functional diagram, he pointed to the area where Morgan Creek Grill is located as a feature element of the marina with no structure, but an area providing an open vista. Generally, the idea of the proposed new plan was make the marina more accessible to the community by increasing pedestrian connectivity for bicycles and golf carts thereby putting an emphasis on serving the community, not just boaters.

Another diagram was the Conceptual Master Plan for the marina that includes a true sense of arrival, dry-stack storage for the marina users, a playground with a gazebo and fishing dock on the water, and a focal point where the restaurant is now. Also included is an inn or hotel, restaurant, yacht club, a re-located ramp, re-located fueling station and store; all of the venues would be elevated with a promenade on the interior and a continuous walkway along the water's edge. The parking area would have permeable pavers that would keep ninety percent (90%) of the rainfall on-site dramatically reducing the runoff into the Waterway. The marina signage would be simple, and the lighting would be low-key, down lighting. The inclusion of an inn, hotel, condos, or office space gives life and vitality to the marina throughout the year. Mr. Tarkany suggested decking over the old ramp making it an entertainment area with tables and chairs for people to gather. The conceptual Master Plan also provides for reconfiguration of the docks.

Based on the magnitude of the project and the cost involved, Mr. Tarkany suggested phasing the project and, possibly, beginning with the entrance and the construction of dry storage.

In discussing the entrance to the marina, Mr. Tarkany commented that the entirety of 41st Avenue constitutes the gateway to the marina; he suggested that thinning and clearing out the existing vegetation would be a great improvement and set the tone for the marina. He and Mr. Berrigan proposed piping the ditch along 41st Avenue to the Intracoastal Waterway in order to provide for much-needed parking along 41st Avenue.

As the subject of parking was discussed, Mr. Tarkany suggested using cross parking, which he described as one business entity uses a space during the daytime hours and another entity at night; the existence of the dry stack for boats provides more vehicular parking since there would be fewer trailers to accommodate. Parking would also be available under the businesses since all would be elevated to meet code.

Other concepts being discussed for the revitalization are rain water harvesting to recycle the rain from the roofs and use the harvested rain for irrigation, washing boats or flushing toilets. He suggested solar panels for charging golf carts and electric vehicles.

In conclusion, Mr. Tarkany stated that the goal was to convert the marina from a seasonal location for people from off the island to a year-round destination for people living in the community with a park, increased connectivity to the neighborhoods offering a sense of ownership to the community and making the site economically more viable and visually appealing.

Mr. Berrigan commented that the playground is proposed by the space presently occupied by Tidal Wave Water Sports, who has no objections to relocating; the existing Tidal Wave dock would be given to the community to be used as a community fishing dock.

Mr. Berrigan explained that a complaint that he frequently gets is that people want to go fishing in their boats in the morning, come back to the marina to have lunch and go back out in the boat for a family outing later in the day. At this time, the marina does not have dock space for leaving a boat like this without charging the boater a fee; in Mr. Berrigan's opinion, having a community dock with temporary space would eliminate that problem.

Chair Loftus asked where tenants like Tidal Wave would perform repairs to their equipment; Mr. Berrigan responded that functional areas would exist under the structures and out of sight of visitors. A similar space would be provided for EcoTours, maybe in the yacht club, where they could give instruction or informational presentations.

Responding to questions about piping the 41st Avenue ditch, Mr. Tarkany noted that the undeveloped strip has a substantial depression that, if piped, could become on-street parking for the marina. He added that he has spoken with engineers at GEL Engineering who have assured him that a permit could be obtained to pipe the ditch all the way to the Intracoastal Waterway; he noted that the permitting process would likely take fourteen (14) months.

Administrator Tucker congratulated Mr. Berrigan for spending his resources and taking the initiative to generate a master plan; she commented that the City has always had a vision of a marina enhancement project. Since the marina has continued to be profitable and because other more pressing issues intervened, that vision has been postponed repeatedly. Among the features included in the proposal that are consistent with the City's vision are the following:

- Public space on the water accessible for residents of the community;
- The project begins at the intersection of 41st Avenue and Palm Boulevard continuing the gateway effect;
- The dry-stack storage is needed and would keep the revenue on the island;
- The adherence to flood requirement thus capturing ground space for utility functions required at the marina and to increase the vista; and
- The "green" innovations contemplated.

Additionally, the Administrator voiced concerns about the proposed master plan as follows:

- Current zoning would not allow for an inn or hotel to be on the property;
- The ingress/egress must allow for emergency vehicles to enter and leave the area quickly, safely and efficiently because the City and DNR operate water missions from the marina;
- The point space, currently occupied by Morgan Creek Grill, appears to be at grade as presented and, with the structures on either side, the full vista appears to be impaired; the point space might need to be elevated as well.

Assistant Dziuban added that another point of concern was the twenty-foot (20 ft.) setback from the critical line must be taken into consideration. Mr. Tarkany indicated that he had been made aware of that concern and the red line on the drawing marks the setback and all structures have been re-positioned to take it into consideration.

Mr. Berrigan responded to Chair Loftus' query regarding the number of Goat Island parking spaces by stating that zero parking spaces are allocated for Goat Island residents; currently four (4) Goat Island residents pay a fee to the marina for vehicular parking.

Councilmember Stone asked what the City's financial involvement would be in the proposed Master Plan; Administrator Tucker explained that the City would be minimally involved, but City Council would make the decision about investing City resources into piping 41st Avenue or participating in another aspect. The FY11 budget includes funds for permitting and engineering to dredge the marina in anticipation of inclusion in the FY12 budget of funds for a dredging project.

Mayor Cronin explained that the next step would be to get City Council approval for the Marina Manager to proceed; Mr. Berrigan expressed a desire to go forward with the construction of dry-stack storage as a part of Phase 1. Mr. Berrigan added that he would be seeking private funding for that initiative.

Mr. Berrigan explained that he anticipated Phase I beginning in front of Fire Station 2 and including the new entry, with a fountain or sculpture, costing approximately fifty thousand dollars (\$50,000). He inquired about the availability of funds for replacing sidewalks and adding lighting along 41st Avenue; Mr. Berrigan expressed the opinion that tenants at the marina would donate funds to buy trees to be planted along the street.

MOTION: Councilmember Stone moved to recommend to City Council to approve the initial phase of a marina enhancement project to include construction of dry-stack storage and a new entrance and to be funded by the marina manager; Mayor Cronin seconded.

Mr. Berrigan explained that relocating the boat ramp may be cost prohibitive at this time; that one (1) item is estimated to cost three hundred thousand dollars (\$300,000). He added that, without City Council support and approval, he has not approached potential investors.

Chair Loftus asked for a clarification on what elements would be included in Phase 1 of the project; Mr. Berrigan indicated that Phase 1 would have multiple phases. Originally Phase 1

included piping the 41st Avenue ditch, re-configuring the docks, re-locating the boat ramp, installing permeable pavers, installing the drop-well for the lift, moving the fuel island and the new entrance with fountain or sculpture. After discussing the project with the Administrator, he agreed that re-doing 41st Avenue should be last due to the wear it would receive from construction vehicles as the other work was done.

Chair Loftus expressed the opinion that the plan should be viewed as long-range and that the individual pieces should be attainable in the time frame allotted.

Administrator Tucker suggested that Director Kerr be consulted about the code requirements for dry-stack storage. The Director reviewed correspondence from FEMA, dating back fifteen to twenty (15-20) years, that stated the bottom of boats must be above flood, which eliminates a row of storage; he questions that the same regulation is in place today based on other storage facilities in the area. Director Kerr stated that he has inquired of FEMA about their present position, but has not received a response. The issue of the setback and buffer adjacent to the Dewees' parking lot have been met. Some discussion has taken place regarding an office space adjoining the dry-stack storage with code implications about separation, i.e. sprinklers in each room and firewall. The Director indicated that there were no code issues that could not be met.

Mr. Tarkany explained that, in his research, he has learned that the entire dry-stack structural system can be considered to be equipment; he indicated that the dry-stack system is built first and the housing added later and the foundation is composed of the footing for the rack system.

Mr. Berrigan commented that the office space would be provide for three (3) offices of approximately two hundred square feet (200 sq. ft.) each, and they would be leased to low-impact businesses. He reminded the Committee that the presentation they have seen was conceptual and that the offices may or may not be included in the final product.

VOTE: The motion PASSED UNANIMOUSLY.

The Committee and Mr. Berrigan agreed that the presentation they had just viewed would be presented to City Council at the January or February 2011 meeting.

5. Morgan Creek Grill Report – Carla Pope, Operations Manager

Ms. Pope reported that the restaurant had a “great summer” and was continuing a variety of promotions, including the oyster roasts through November, a wine tasting and the football package.

6. Old Business

A. Update on Beach Restoration

Assistant Dziuban reported that the permit application was submitted on October 6, 2010 and is in-process. The next stage is the thirty-day (30-day) period for public comment; after checking the website, the City's permit is not in the group to be noticed tomorrow, but, hopefully, that will

occur Friday, November 19. Steven Traynham with Coastal Science and Engineering is working closely with Mary Hope Glen, project manager with the Corps of Engineers; Ms. Glen has requested certain revisions to the application that Mr. Traynham intends to return tomorrow. Ms. Glen has also requested the mailing labels for public comment that will be mailed directly to the adjacent property owners.

Administrator Tucker made the Committee aware that one (1) resident is waiting for the public notice period to begin.

B. Update on Dredging – Request for Proposal

The Administrator commented that she possesses a completed draft of the RFP that only needs dates inserted, and City Attorney Halversen is drafting the accompanying contract. Once the paperwork is complete, it will be posted on the City's website, a teaser ad will appear in *The Post and Courier* directing engineering firms to the website, and the RFP will be mailed to firms that do the type work needed. The dredging project is expected to be completed by March 2012.

C. Recommendation for Contract Award for Front Beach Lighting

Administrator Tucker recounted that the City has received a federal energy grant to assist the City to become "greener;" the City proposes to use the funds to replace the center aisle up-lighting at Front Beach with more energy-efficient lighting and to make some maintenance improvements that will be more resistant to the wear and tear to fixtures in areas of Front Beach.

Director Kerr spread out the specifications for the Front Beach area and displayed photographs of the type of issues this project will address. A copy of the photographs is attached to the historical record of the meeting as Exhibit 2.

Director Kerr pointed to the photograph that depicts the lighting fixtures in the tree-wells in the center aisle that are broken; the replacement of these lights and the electrical outlets make-up the bulk of the project.

The Director explained that the base bid included just the work in the tree-wells in the center aisle, but pricing was also requested for the electrical outlets, lights and the blocks that are outside the center aisle.

The existing configuration in the tree-wells consists of two (2) lights, an electrical outlet and a granite marker. The lights originally selected were unsealed with a large bulb and a hood that create a tripping hazard to walkers. The existing outlets have also presented problems in that the code required a weather-proof cap that could be in place when in use; Director Kerr commented that he did not think any of the outlets have the cap today. On the ocean-side, the tree-wells only contain the granite markers; the tree-wells on the inland side have been less problematic because they have more space and receive less traffic.

Another picture included in Exhibit 2 shows the new configuration with the granite marker out of the tree-well and embedded in the sidewalk improving the appearance and stability. The picture of the sample lighting shows that it is also removed from the tree-well, embedded in the concrete reducing the tripping hazard, improving the appearance, and providing maintenance and electrical efficiency. The lighting unit is a sealed, high-efficiency LED that is warranted for a much longer period than the original units.

The final page of the exhibit shows the proposed electrical covers that collapse when not in use; for the eleven months that the outlets are not used, they can be completely closed.

Director Kerr related that the City had received two (2) bids for the work and one (1) contractor had been lower in all aspects of the bid, the base price and price per fixture. The Director stated that the staff is proposing approval of the base bid to remove the granite blocks from the tree-wells, replace the outlet covers on the outlets and add two (2) lights to each tree-well for a total of forty-six thousand seven hundred fifty-five dollars and thirty-one cents (\$46,755.31). In addition, staff is proposing to replace the lights outside the center aisle, totaling twenty-nine (29), at a cost of ten thousand one hundred fifty dollars (\$10,150.00). If this request is approved, the granite blocks on the ocean and inland side would remain in the tree-wells. The total amount being requested is fifty-six thousand nine hundred five dollars and thirty-one cents (\$56,905.31). The budget for the project is fifty-two thousand two hundred eighty dollars (\$52,280.00).

Administrator Tucker indicated that staff is proposing to award the base contract in accordance with the budget and add an expenditure of ten thousand one hundred fifty dollars (\$10,150) to come from the Aisle of Palms Fund; this expenditure would deplete the Aisle of Palms Fund.

Chair Loftus suggested that, with the approach of the holiday season, the City place an ad in *The Island Eye* promoting the sale of bricks; Administrator Tucker commented that the information is on the City website, and Assistant Dziuban stated that she would add the information to the next City newsletter.

MOTION: Mayor Cronin moved to recommend to Ways and Means to award a contract to W.E. DeLonge Electrical LLC in the amount of \$56,905.31 from the FY11 budget and the Aisle of Palms Fund to replace the lighting and electrical outlet caps in the center aisle of Front Beach, to embed the granite markers in the concrete and to replace the lights on the inland and ocean sides in the Front Beach area; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

D. Update on Tidal Wave Request Regarding Lease Options

Administrator Tucker explained the Mark and Michael Fiem have received a draft copy of the lease amendment, that was also distributed to Committee members, and are anxious to sign. The Administrator commented that, in addition to the increased term of the lease, other housekeeping issues were also handled; they include the following:

- Inclusion of language the Tidal Wave would have space at the marina to operate their business, but that the space might not always be where they are currently located;
- Clarification of the language pertaining to the City's insurance requirements;
- Addition of language allowing Tidal Wave to pay the rent seasonally; and
- Addition of language on reporting requirements that match other leases at the marina.

MOTION: Mayor Cronin moved to approve the lease amendment for Tidal Wave Water Sports as drafted; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

7. New Business – None

8. Miscellaneous Business

Marina Rents Report – The Administrator reported that all tenants were current.

Administrator Tucker reminded the Committee that they had requested information from Mr. Schupp at the October meeting and the he was present to provide it.

Mr. Schupp reported that the parking lots generated revenue in the amount of two hundred twenty-one thousand two hundred sixty-three dollars (\$221,263.). The base amount for the lease is eighty-five thousand dollars (\$85,000) annually with additional rent of fifteen percent (15%) for revenue in excess of the base, or, for 2010, twenty thousand three hundred ninety-nine dollars and forty-five cents (\$20,399.45); the City received a total of one hundred five thousand three hundred ninety-nine dollars and forty-five cents (\$105,399.45) in 2010 from the parking lots.

On the subject of additional signage directing visitors to the island to the City lots, the Committee agreed that they would request the typical blue public parking signs from SCDOT; the Administrator asked Mr. Schupp to make a City map with the locations where he wanted the signs placed.

Mr. Schupp presented the City with a letter requesting an extension of the parking lots lease through September of 2015; he was seeking to have the parking lot lease coincide with the term of the trash contract.

MOTION: Mayor Cronin moved to authorize the City Administrator to amend the parking lot lease with Schupp Enterprises; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Next Meeting Date: 8:30 a.m., Thursday, January 6, 2011.

9. Executive Session, not needed.

10. Adjourn

MOTION: Mayor Cronin moved to adjourn the meeting at 10:15 a.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:
Marie Copeland
City Clerk