

REAL PROPERTY COMMITTEE
2nd Floor Conference, City Hall
8:30 a.m., Wednesday, October 12, 2011

The regular meeting of the Real Property Committee was held at 8:30 a.m., Wednesday, October 12, 2011. Attending the meeting were Councilmember Stone, Mayor Cronin, Chair Loftus, City Administrator Tucker, Assistant to the Administrator Dziuban 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 duly 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 September 8, 2011 as submitted; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments** – None

4. **Comments from City Tenants** – None

5. **Old Business**

A. Update on Beach Restoration

Administrator Tucker reported that the City has not received the Corps of Engineers permit; based on assurances from Mary Hope Green of the Corps office, the City should be in receipt of written information from the Corps soon. Assuming a proper understanding of the process, the Administrator explained that Ms. Green reviews the comments from the various agencies and, based on those comments, puts stipulations on the permit. The Administrator recounted that some rather stiff comments had been made, but Coastal Science and Engineering (CSE) has dialogued with the Corps, and the City is hopeful that the more expensive stipulations will be avoided. Mayor Cronin added that Ms. Green has a copy of the OCRM permit to be aware of the limitations it contains.

The report from CSE on the last beach monitoring should be available soon; the Administrator related that the report will indicate moderate erosion, which is more than the previous report had reflected. An area exists within the project scope now meets the toggles outlined in the permit application that trigger the City's ability to initiate a project – assuming that the City receives the Corps permit with reasonable stipulations.

Administrator Tucker reminded the Committee that the project involves harvesting sand from the shoal with land-based equipment and putting it in the areas that have lost too much sand. In monitoring the shoal, it has sufficient sand now to supply the project, but, with the way the shoal is migrating, it will have less sand in a year. In addition, no new shoal is developing behind it to re-supply it. As a result of this information, CSE is recommending that the City consider proceeding with a focused erosion project sooner rather than later.

The Administrator stated that she supported CSE's recommendation for the following reasons:

- If the City is issued a permit that is acceptable, the City should act on while it is fresh in everyone's mind;
- Action would show to the stakeholders that the City is living up to what it said it was going to do; and
- If several years pass between getting the permit and acting on the permit, people will not remember the terms of the permit, thereby, generating unnecessary discussion.

In general, the Administrator views action as a positive demonstration that the City is going to continue to do what it has committed to do. A first step is to generate a budget worksheet to ensure that the funds are available to pursue the project.

Assuming that the Committee supports this recommendation, the City needs to request for CSE develop the engineering proposal steps for moving forward.

Mayor Cronin noted that the monitoring was done before Hurricane Irene, and Irene had a negative impact all along the island's beaches. In addition, Hurricane Irene may have affected the amount of available sand on the shoal. The Mayor expressed support for project at this time assuming that it is cost effective.

Assistant Dziuban reported that seven hundred fifty (750) linear feet of beach met the toggle at the last monitoring, and the current shoal attachment offers approximately one hundred fifty to one hundred eighty thousand (150,000-180,000) cubic yards of available sand to move.

MOTION: Mayor Cronin moved to ask CSE to develop the engineering proposal for a focused erosion project once the City receives the Corps of Engineers permit; Councilmember Stone seconded.

Chair Loftus questioned how long the project would take; the Administrator responded that instinctually she thought, once the permit was in place and the contractor mobilized, the construction work would be done rather rapidly. The Mayor affirmed the Chair's thoughts that the project could be completed before the 2012 tourist season begins.

Administrator Tucker related to the Committee that she had received a call from Dave Kynoski of the Wild Dunes Community Association that Bo Petersen of *The Post and Courier* was working on an article related to beach renourishment, and Mr. Kynoski was seeking approval to volley Mr. Petersen to the City for more comments.

Councilmember Stone asked for clarification on the permit that Destination Wild Dunes has received; Mayor Cronin stated that he understood that they had been issued an emergency permit to restore the dune condition along the golf course that had been washed out by Irene.

Additionally, Councilmember Stone asked how many cubic yards of sand the City would be allowed to move; Administrator Tucker responded that an exact number would not be known until the engineering has been completed. Mayor Cronin recalled that the permit allowed for as many as three hundred cubic yards (300,000) in the permit period.

VOTE: The motion PASSED UNANIMOUSLY.

B. Update on Dredging

1. Project Worksheet

Administrator Tucker noted that Jack Walker of GEL Engineering was present and that a lot of progress had occurred over the last month. The Administrator directed attention to the financial worksheet that had been included in meeting packets; she stated that the schedule had been generated collaboratively among City staff and with input from GEL. Expenses to-date have primarily been related to permitting and engineering, but will be moving to construction expenses in the next couple of months. Administrator Tucker explained that the estimates included in this schedule are based on twenty-six thousand (26,000) cubic yards, although the permit calls allows for a greater volume so that the City will not risk violating the terms of the permit should the actual volume be greater than the estimates.

Mayor Cronin questioned Mr. Walker about the cost per cubic yard; Mr. Walker explained that larger dredges move more material at a faster rate and cost six to seven dollars (\$6-7) per yard. One reason this particular project will be more costly is the fact that the contractor will need to use a booster, which will increase the price by approximately sixty percent (60%) by consuming as much fuel as a typical dredge.

2. Project Status

Since the last meeting, following activities have occurred:

- The City has received the fully executed Consent Agreement from the Corps of Engineers;
- the City is in the process of reviewing the bid package and the contract documents;
- The engineers have been released to pre-qualify the bidders, and the criteria for pre-qualification have been established; and
- Mr. Walker has developed project schedule.

Administrator Tucker recounted a message she had sent to Committee members about issues that are affecting the project expense; they are as follows:

- Originally, the City thought that it would have participation by other entities, but is now going solo;
- The City is going to a different spoil site further away rather than deal with the issues related to the Goat Island spoil site – the longer distance increases the costs;
- The dredge depth will be twelve (12) feet and will get closer to the bulkhead increasing the volume; and
- The sediment analysis for the Corps of Engineers is a new cost.

These four (4) factors reflect a change in scope that affect the expense of the project.

Mayor Cronin asked how long the dredging project would last since it is going to a depth of twelve (12) feet.

Mr. Walker said that the question was difficult to answer because the project would change the dynamics of the existing system; he stated that the only way to know for sure would be to do a monitoring project every year. He recalled that the last project had been a depth of minus seven feet (-7 ft.) in the slips, a depth of minus 8 feet (-8 ft.) between the slips in the channel, and a depth of minus 9 feet (-9 ft.) in the channel; with a depth of twelve feet (12 ft.), the project should last considerably longer. Mr. Walker reluctantly estimated the project would last ten to fifteen years (10-15 yrs.).

Chair Loftus questioned the effect of the areas not being dredged since they were the responsibility of other entities; Mr. Walker related that a lot of the material in Morgan Creek and in the Intracoastal was sand and that sand tends not to move a great deal with boat traffic. The migration from outside of the dredge area should not be significant.

Mr. Walker commented that he had calculated the costs to go the additional distance to Little Goat Island and determined that the City's costs are considerably less doing that than paying half of the costs to repair the spoil site on Goat Island which were estimated at three hundred eighty-five thousand dollars (\$386,000).

3. Schedule

Referring to the time schedule Mr. Walker developed, Administrator Tucker said that work activity would begin in December 2011, assuming everything continues to fall into place.

Administrator Tucker foreshadowed that, since this project will get started at a time when the City typically slows down, special meetings may need to be called to deal with the award of contracts, etc.

C. Update on 1301 Palm Boulevard

Administrator Tucker recounted that the tasks needing to be done before the building can be demolished are relocating the electric power for the privacy gate and the computer fiber optics for the Public Works Building. The issue has been getting vendors interested in this small project when they also work on big projects. The decision on vendors was made yesterday and the purchase orders are being generated with specific time limits to ensure that the work is done timely. Progress has also been made on the asbestos and lead survey that is required to be done as part of the demolition permit; the City did get "hot" samples, which was not unexpected. The City has done a demotion in the past with "hot" samples, so the situation is not foreign.

Once the results of the final samples are received and the electrical and fiber optics moved, the City will be ready to get bids for the demolition of the building.

The Administrator did inform the Committee that she had not renewed the flood insurance on the building since the decision was made to demolish the structure.

6. New Business

Consideration of Award of Contracts in Excess of \$10,000 – None

7. Miscellaneous Business

Chair Loftus inquired about the status of marina tenant rents; Administrator Tucker said she did not that information. Chair Loftus asked that the information be provided at the Ways and Means Committee meeting.

Administrator Tucker reminded those present of the Fire Prevention Parade at 4:30 p.m. this afternoon.

Next Meeting Date: 8:30 a.m., Wednesday, November 2, 2011 in the 2nd Floor Conference Room of City Hall.

8. Executive Session – Not needed

9. Adjourn

MOTION: Mayor Cronin moved to adjourn the meeting at 9:05 a.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk