

REAL PROPERTY COMMITTEE
8:30 a.m., Wednesday, May 11, 2011

The regular meeting of the Real Property Committee was held at 8:30 a.m. on Wednesday, May 11 in the second floor Conference Room of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Mayor Cronin, Chair Loftus, City Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland. The absence of Councilmember Stone was excused; 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 April 7, 2011 as submitted; Chair Loftus seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments**

Phillip Smith of 8 Intracoastal Court stated that he had sent a letter to the City accompanied by pictures of a problem for which he is seeking the City's assistance; a copy of the letter and pictures accompany the historical record of the meeting. Mr. Smith expressed his understanding that the City was aware of the problem, i.e. sediment from the drainage outflow along 41st Avenue has filled in the area under his dock; in his letter, he stated that he would like for the City to evaluate the situation and to include his property in the planned dredging project.

Administrator Tucker stated that she has reminded Jack Walker with GEL that the scope of the City's dredging project does go around the opening of the drainage ditch in question, and she has sent Mr. Walker the information and documentation Mr. Smith had sent to the City. The Administrator noted that Mr. Walker plans to go to the area today at low tide to determine what can be done in terms of the City's dredging or propose another option for Mr. Smith.

The Administrator commented that this ditch is the outfall for a lot of the island's drainage; she also noted that, when the City looked at doing something with the ditch in the recent past, the question had arisen about possibly damaging wetlands.

Administrator Tucker explained that the City could not use City assets or City funds to do work on what would be considered private property or to the benefit of a private property owner. In her opinion, much of the area in question is within the public purview; work within the public easement would be within the public scope.

The Administrator stated that, typically, when the City has areas that are being dredged adjacent to private property, the City has had private participation in the dredging expense and has amended the permit to change the scope of the project. Mr. Smith stated that to request a change in scope for the dredging project was the reason for the letter and his attendance today.

Mr. Smith questioned why he would be expected to pay to correct the problem on his property if the City recognizes that it created his problem; Administrator Tucker responded that the City's being responsible for the problem would be debatable.

Mr. Smith then asked what determinations would have to be made for his problem to be included in the scope of the City's project; the Administrator answered that it would take Mr. Smith's financial participation in the project – assuming that the City could modify the permit to change the scope to include the area.

Mayor Cronin commented that the problem is the result of managing storm water, and the City had federal permitting for storm water management. The Mayor then queried that, if a consequence is created from storm water management, how is it to be resolved.

Administrator Tucker suggested that Mr. Walker be given the time to look at the conditions at low tide and to arrive at a "justifiable, non-precedent-setting means by which to accomplish the goal."

Chair Loftus invited Mr. Smith to the June meeting for the results of Mr. Walker's work and more discussion.

4. Comments from City Tenants – None

5. Old Business

A. Update on Beach Restoration

According to the City Administrator, the only piece of business related to beach restoration was the information included in meeting packets regarding Coastal Science and Engineering's request for a non-monetary re-allocation of funds within the scope of the project; the Administrator explained that this type situation arises when one area of the work costs less than anticipated while another costs more. Since the request is simply a re-allocation of their budget, the Administrator recommended approval.

MOTION: Mayor Cronin moved to recommend to Council to permit the reallocation of funds as requested by Coastal Science and Engineering; Chair Loftus seconded.

Chair Loftus asked for clarification of the word "photogrammetry;" Mr. Walker stated that he understood it to have something to do with erosion and accretion. {Photogrammetry is the science of making measurements from photographs.}

VOTE: The motion PASSED UNANIMOUSLY.

B. Update on Dredging

Mr. Walker recounted the discussion at the April meeting explaining that the Corps of Engineers has replaced their fees with in-kind services; he reported at the April meeting that the list of acceptable in-kind services had been requested from the Corps. Since that meeting, GEL has received the list of four to five (4-5) items; one (1) of the services was the stockpiling of rocks at the disposal basin to be used for future erosion projects, particularly the three (3) disposal sites adjacent to the Isle of Palms. With that information, GEL approached Salmons Dredging for a quote to stockpile approximately thirty-five (35) tons of rock at each site. The Corps of Engineers said that the City could expect approximately one dollar and a half (\$1.50) per cubic yard of

disposal fees; the marina project is for eighteen to nineteen cubic yards (18-19 cu. yds.), or twenty-eight thousand six hundred sixty-one dollars (\$28,661). Mr. Walker stated that he then, informally, submitted that quote to the Corps of Engineers and inquired whether this would be acceptable for the disposal basin underneath the Connector; he is waiting for their response. Upon receipt, the next step is to modify the permit identifying the disposal site under the Connector. From GEL's perspective and for the City, GEL believes the stockpiling of rock to be the easiest logistically and the least expensive.

Administrator Tucker asked whether Mr. Walker had discussed the permit modification to increase the dredging depth to twelve feet (12 ft.). He responded that he had not, but that he did not expect that to be an issue; the depth can be addressed in the modification along with the change in disposal basins.

If the Morgan Creek Harbor Association (MCHA) decides to participate in the project, approximately eighty-five thousand yards (85,000 yds.) of material will be generated with a disposal fee of one hundred thirty thousand dollars (\$130,000). Once the present proposal is accepted, Mr. Walker said that he plans to generate a proposal for the Morgan Creek Harbor Association in case they decide to join.

Chair Loftus asked the Administrator if she had been contacted by the MCHA; she said she had not, but she also has not been told that they positively will not participate.

The Chair suggested that the information regarding the change in disposal sites and fees should be shared with MCHA in an effort to persuade them to join the City.

Mayor Cronin commented that the MCHA has a new board president who, apparently, travels a great deal; the Mayor has made attempts to contact him to explain how the dredging activities are progressing. The Mayor reported that he had heard that dredging discussions took place at the annual meeting of the MCHA, and it was stated that they were planning to "draft behind the City."

Administrator Tucker remarked that MCHA must have their own permit. Mr. Walker stated that he was involved with a couple of other projects with multiple partners on one (1) permit: some are ready to proceed and some are not. He expects the result to be that a second permit will not be issued for the same project area, and the parties will be told to work out their differences.

C. Discussion of Front Beach Restroom Maintenance – Fan Installation

The Administrator recounted that a request had been made to the Committee in the fall of 2010 for better ventilation in the restrooms, and the Committee decided to address the subject at the beginning of the 2011 tourist season; the Director reported that she had asked Director Pitts to attend the meeting for this discussion.

Director Pitts explained that he had asked Laird Services, who has done work at the restrooms in the past, for a proposal, but the electrician had not come back to them with the installation costs. The fan Laird is proposing is stainless steel and costs three hundred dollars (\$300); the Director was told that, with the environment in the restrooms, the motors will only last two to three (2-3) years.

Chair Loftus and Mayor Cronin agreed that whether the blades were plastic or metal seemed immaterial if the life of the motor was so limited.

Mayor Cronin asked if the Director planned to mount fans on the walls; Director Pitts responded that the original idea had been to install exhaust fans. The problems are that the fan would be pulling salt water that could not be exhausted toward the ocean because of the showers underneath.

Responding to Chair Loftus, Director Pitts said he would install two (2) fans in each bathroom. The Directors stated that he expected the total cost to be approximately three thousand dollars (\$3,000) for the total project.

Mr. Phillip Smith, remaining in attendance following his citizen comments to the Committee, offered to do the job for two thousand dollars (\$2,000); he suggested one (1) remote blower in the attic to access both bathrooms with a single vent that would come on with the light. He indicated that the motor would be protected from the salt by being in the attic and discharged through the soffit or the roof.

In an effort to get the job done, since the season has begun, Administrator Tucker suggested that the Committee approve an "up-to" amount.

MOTION: Mayor Cronin moved to approve up to \$3,500 to install ventilation in the Front Beach restrooms; Chair Loftus seconded and the motion PASSED UNANIMOUSLY.

D. Discussion of Tribute to Former Elected Officials

Administrator Tucker noted that Director Kerr had been involved in the initial phases of the commemorative bricks program, and, with the demands on the General Government staff, she has asked the Building Department to assume responsibility for the program. The Administrator requested that the Building Department staff recommend where the tribute would be and what form it would take.

A key factor in determining an area is how far back the City wanted to go to recognize former officials; the Administrator suggested that the recognitions go back to the date of the original project and come forward from there. Mayor Cronin recommended starting there to see what the scope of the project would be.

Director Kerr sought confirmation that the Committee wanted to pursue the engraved brick concept, and the Committee agreed that it was. The Director suggested that the bricks be laid in the corner at the Sea Cabins and go to the entrance to the County Park; the area could be referred to as Council Walk.

Administrator Tucker charged the Director with determining the cost to implement and to continue into the future.

E. Discussion of 1301 Palm Boulevard Followed by Tour at end of Meeting

The Administrator reminded the Committee that a walk-through of the building would follow the meeting. In a previous meeting, Administrator Tucker recalled that some analysis of the mold in the building had occurred in the past, but she has learned that mold testing was not done when other City buildings were tested. Pricing was obtained for lead and asbestos surveys, but the work was never done because the plan, at the time, was to demolish the building. Therefore, no assessment has been done related to the fact that the building was inundated during Hurricane Hugo and had been restored. When the building is inspected after the meeting, Administrator Tucker said she would be looking for the Committee to give her direction; a small amount of money has been earmarked in the FY12 budget for renovations to this building. The questions to which she will be seeking answers are

- 1) Does the City want to lease the building "as is" and represent in the lease that the City has no intention of doing anything to the structure leaving the tenant to be responsible for any and all remediation? Or
- 2) Does the City want to do some rehabilitation work and, if so, the scope of that work?

Administrator Tucker stated that, in her opinion, the best thing about the building today is its outer appearance.

Mayor Cronin asked what the City's legal obligation would be if it leased the building "as is" and a tenant were to become ill from exposure to something in the building. The Administrator stated that, if the answer is that the City would continue to be responsible, she would strongly recommend demolition of the building.

Chair Loftus commented that he was not of a mind to invest a large sum of money into rehabilitating the building. He added that he expected any tenant to do renovations to make the interior suit the needs of his business.

The Mayor countered that a renter was not likely to invest fifty thousand dollars (\$50,000) in renovations.

Administrator Tucker reminded the Committee that limits exist on what can be done to the building, i.e. the City would have to stipulate in the lease that renovations in excess of fifty percent (50%) of the value of the building would require that the building be elevated/flood-proofed in order to remain in compliance with FEMA requirements.

F. Review of the FY12 Applicable Operating and Capital Budgets

The Administrator stated that no changes have been made to the budgets that fall under the purview of this Committee; she did report that the ATAX Committee had unanimously supported the FY12 budget.

6. New Business

B. Discussion of Method to Track Vehicles Ingressing City Parking Lots

Mr. Schupp of Schupp Enterprises, the lessee for the parking lots, joined the discussion. He stated that to get a hard-count of the number of cars entering the lot on any given day was difficult because, once a ticket is purchased for the day, a vehicle can enter and exit the lot at will; a season pass holder can also come and go at will.

Mayor Cronin asked whether the tickets were numbered and, if so, were records kept of how many are issued each day; Mr. Schupp answered "yes" to each question. Therefore, he does have a record of what the revenue should be each day; this is the information from which he generates the annual report to the City.

Mr. Schupp remarked that the lots had made more money the past couple of years than they have in a while, but he is uncertain what the impact of four dollars (\$4.00) per gallon gasoline will have on beach-going.

Chair Loftus expressed the opinion that one (1) anticipated result of the parking management plan being compiled by the Planning Commission is to drive vehicles off the streets and into the parking lots. Mr. Schupp added that some visitors to the island will never use the parking lots because they come here to surf and the best surfing is not at Front Beach.

Some brief discussion took place relative to some type of magnetic reader, but Mr. Schupp stated that no one who might rent the lots from the City would invest the amount of money necessary for such a device.

On the subject of increasing the daily rate in the parking lots, Chair Loftus opined that an increase to the daily rate would be an extension of the pay-to-park concept being discussed by the Planning Commission.

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

7. Miscellaneous Business

Next Meeting Date: 8:30 a.m. Thursday, June 2, 2011

8. Adjourn

MOTION: Mayor Cronin moved to adjourn the meeting at 9:20 a.m.; Chair Loftus seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk