

Real Property Committee Special Meeting

4:00 p.m., Friday, December 2, 2011
Conference Room, City Hall

The Real Property Committee held a Special Meeting at 4:00 p.m. on Friday, December 2, 2011 in the second floor Conference Room of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmember Stone, Mayor Cronin and Chair Loftus, City Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland; Jack Walker of GEL Engineering was also present. 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 November 2, 2011 as submitted; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

3. Recommendation for Award of Contract to Marcol Dredging for Dredging of the Isle of Palms Marina

Assistant Dziuban noted that the bid opening for the marina dredging project had been on Monday, November 28, 2011 at 2 p.m.; three (3) companies submitted bids for the project, and there was great disparity between them. Jack Walker and Larry Setzler of GEL Engineering checked the bids for compliance with the terms of the bid and for accuracy in the calculations in order to make the recommendation on award of the contract. Assistant Dziuban reported that the City has received only one (1) of the two (2) permits required to commence work on the project; although staff is optimistic about receiving the Corps of Engineers' permit by the Special Council meeting of December 6, any motion for award of a contract should be contingent upon receipt of the Corps' permit.

At this time, Jack Walker reviewed the three (3) bids as follows:

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| 1. Con-Mar Ltd, dba Marcol Dredging
North Charleston, South Carolina | \$ 423,510.00 |
| 2. Mobile Dredging and Pumping Company
Chester, Pennsylvania | \$ 1,566,084.00 |
| 3. Orion Dredging Services, LLC
Tampa, Florida | \$ 1,251,486.90 |

Mr. Walker pointed out that not only had the per-unit prices been quite different, but the mobilization and demobilization costs for the out-of-state bidders made a significant difference in the bids. He also reminded the members of the Committee that the GEL's estimate for the project had been between four hundred twenty-five thousand and four hundred forty thousand dollars (\$425,000-440,000). Mr. Walker informed the Committee members that Marcol had one

(1) qualifier in their bid, and it is a guarantee of twenty-eight thousand (28,000) cubic yards of material to be dredged. Mr. Walker explained that the City will pay Marcol for this quantity of spoil at a minimum; he commented that he and the City Administrator had done multiple calculations indicating that, at Marcol's per unit price, the City still comes out ahead paying for the guaranteed minimum.

In addition, Mr. Walker indicated that a qualifier for all three (3) contractors was that they "would dredge to the capabilities of [their] equipment," which means that the equipment used has limitations based on the mass of the material being dredged. He stated that the City could choose to allow a dredger to stay in a particular location and to take smaller cuts to dig deeper by paying an hourly rate to cut through particularly dense material. He stated that the typical swipe of a ten to twelve (10-12) inch dredge is about a foot and a half deep, but the cutter head can be raised to take six (6) inch cuts if necessary to get through dense material. The area where the City could encounter dense materials is in the Waterway, not Morgan Creek.

Mayor Cronin inquired about how much material the City would be allowed to take to the spoil site; Mr. Walker responded that the cover letter for the consent agreement states seventeen thousand (17,000) cubic yards, while the actual agreement states twenty-two thousand (22,000). With the discrepancy, Mr. Walker called the Corps office in Savannah who told him that the City can dredge as much as it is willing to pay for; therefore, the City could deliver as much as twenty-eight thousand (28,000) cubic yards of spoil material. Mr. Walker reminded members of the Committee that the in-kind charge for the spoil site is one dollar fifty-one cents (\$1.51) per cubic yard.

Mr. Walker explained that the calculation of the volume of spoil material delivered to the spoil site is based on the difference in the hydrographic surveys taken by GEL Engineering a couple of months ago and the hydrographic survey taken within fourteen (14) days of project completion. He reported that they have computer graphics that model the topography of the bottom before and after the dredging to compute the volume of material removed; these calculations are very accurate according to Mr. Walker. Based on this data, GEL has calculated that the dredging will remove approximately twenty-two thousand (22,000) cubic yards of material. The Corps of Engineers will accept the measurements and calculations from GEL and will not perform additional hydrographic surveys.

Chair Loftus asked Mr. Walker if the dredging project could exceed twenty-eight thousand (28,000) cubic yards of spoil material; Mr. Walker responded that he thought it was very unlikely. The area to be dredged has been surveyed three (3) times in the past five to six (5-6) years, and the engineers are very familiar with the erosion and secretion cycles that occur there.

Chair Loftus commented that add-ons are typically very expensive; Mr. Walker noted that, in the apparent low bidder's proposal, stand-by charges are quoted at three hundred seventy-five dollars (\$375) per hour. Mr. Walker explained that stand-by charges are, for example, if a medical boat were to have to enter and depart the marina forcing the dredging to cease for a period of time – these charges come into play for the time spent idling.

Administrator Tucker noted that Marcol is the company that dredged the last time for the City.

Mr. Walker recalled that, when the marina was dredged previously, the dredging did not go close to the bulkhead because of concerns that it might fail; Marcol is aware that the dredging will get as close to the bulkhead as it can safely do so. The material closer to the bulkhead is expected to be denser since it has not been dredged for some time.

Mayor Cronin asked whether the apparent low bidder Marcol could meet the schedule GEL has prepared; Mr. Walker assured him that Marcol could meet it since they have a plant in town now.

MOTION: Mayor Cronin moved to recommend to City Council the award of a contract to dredge the Isle of Palms Marina to Con-Mar Ltd., dba Marcol Dredging, subject to receipt of the necessary permits, in the amount of \$423,510.00; Chair Loftus seconded.

Chair Loftus asked what would happen if the City has not received the Corps permit by December 6 when Council is expected to award the contract. Mayor Cronin indicated that Council would award contingent upon the receipt of the permit; Mr. Walker added that the City would not issue the Notice to Proceed until the permit is received.

VOTE: The motion PASSED UNANIMOUSLY.

4. Discussion of Proposals for 1301 Palm Boulevard and City Hall/Public Works Parking

Administrator Tucker stated that this item was placed on the agenda to acquire a consensus of agreement from the Committee on the way to proceed with these tasks; she reported that everything has been done to proceed with the demolition of the building except for issuing the RFP and awarding a contract. The Administrator voiced her concerns about the eyesore that will result from the demolition "right in the center of town" and the need for something to be done immediately to screen Public Works.

In the FY12 budget, funds were included for the reconfiguration of the City Hall parking lot and for landscaping as well as funds for rehabilitation of 1301 Palm Boulevard. The Administrator reported that she has discussed with the City's Department Managers the best way to proceed to accomplish the goal and cause the least amount of an undesirable visual; the staff agreed that the first step should be to hire a landscape architect to review the surveys of 1301 Palm and the ingress/egresses to Public Works and City Hall to generate the best configurations for parking, ingress/egress to Public Works, fencing and buffering. Administrator Tucker explained that this course of action would not delay the demolition of the building; immediately after the demolition, the installation of temporary chain link fencing will secure the Public Works area and mask the area from view.

Since the landscape architect would be working at the same time that the RFP and bidding process are happening for the building demolition, the bidding process for the landscaping could proceed shortly thereafter in tandem with the budgeted expense of the City Hall landscaping. The Administrator indicated that, through this process, another goal is to eliminate the ingress to Public Works from Palm Boulevard, which is a safety hazard.

Administrator Tucker asked the committee for authorization for herself, Director Kerr, Director Pitts and Assistant Dziuban to select a landscape architect; since the contract should be approximately four thousand dollars (\$4,000) for the landscape architect and the topographic survey, it would not require Council approval.

In addition, the Administrator reported that the budget is being revised for this entire project to include the funds identified in the FY12 budget for City Hall landscaping and parking lot renovation and the funds identified for 1301 Palm site renovations to represent one (1) project. Until the City enters into the bidding process, whether or not sufficient funds have been earmarked is unknown.

Included in meeting packets were estimates from two (2) landscape architects with whom the City is familiar and who frequently work on the island. The Administrator noted that these two (2) people are often called upon to develop plans related to the NPDES stormwater program. In a side note, Administrator Tucker stated that she particularly liked the work outline and goals of the work Kelly Messier included with her proposal – they more closely match the tasks the Administrator expected to be included. The Administrator added that the prices were comparable, and she thought both persons could do the work to the City's satisfaction.

MOTION: Councilmember Stone moved to authorize the staff to proceed with hiring a landscape architect to develop a landscaping and parking renovation plan for City Hall and 1301 Palm Boulevard; Mayor Cronin seconded.

Chair Loftus stated that one idea from the parking plan was to install a drive-through kiosk, similar to an ATM, at this location where visitors to the island could purchase parking passes; he, therefore, was hesitant to see the site rehabilitated outside the scope of the island-wide parking plan.

Councilmember Stone commented to the value to the City of the economy of scale to be gained with one (1) larger project over two (2) small projects. He stated that he does not envision a large paving project that would be problematic to revise at a later date.

VOTE: The motion PASSED UNANIMOUSLY.

5. Adjourn

MOTION: Mayor Cronin moved to adjourn the meeting at 4:35 p.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk