

Real Property Advisory Committee
City of Isle of Palms

The regular meeting of the Real Property Advisory Committee was held at 1:00 p.m. on Monday, February 11, 2008, in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Present were Chairperson Carol Rice, Councilman Dick Cronin and Jim Raih, as well as Chris Moore and Mike Kirby of Jon Guerry Taylor, Marina Manager Brian Berrigan, City Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland.

1. **Call to Order** and acknowledgment that the press and the public had been duly notified of the meeting in accordance with the Freedom of Information Act.
2. **Approval of Previous Meeting's Minutes.**

MOTION: Councilman Cronin moved to approve the minutes of the regular meeting of January 10, 2008 and the Special Meeting of January 23, 2008 as submitted; Jim Raih seconded.

Mr. Raih asked that clarification be inserted into the minutes of the Special Meeting on page 2, the first paragraph stating that the Real Property Advisory Committee had, in the past, unanimously approved five thousand dollars (\$5,000.00) for a parking study at the marina. The request did not receive approval from the Ways and Means Committee because it would be one section of an overall marina enhancement plan.

Call for the Question: The motion PASSED UNANIMOUSLY to approve the minutes of January 10, 2008 as submitted and the minutes of January 23, 2008 as amended.

3. **Citizens' Comments.** None
4. **Old Business:**

A. Marina Manager's Report for January 2008 – Brian Berrigan

Mr. Berrigan's report is attached to these minutes. He asked that the Committee focus its attention on "Future Projects" because they were items with which he was going to seek assistance. He reminded the Committee that he had stated at the last meeting that he could continue with the existing docks for some years to come with repair along the way; he asked the Committee to approve up to five thousand dollars (\$5,000.00) for materials to replace dock planking; he will provide the labor.

MOTION: Jim Raih moved to approve up to \$5,000 for materials to replace dock planking, assuming proper documentation is presented for payment; Councilman Cronin seconded and the motion PASSED UNANIMOUSLY.

Mr. Berrigan had made suggestions to the Committee at the last meeting regarding railings for the marina. He suggested that the Committee members view the railings at the following addresses because he thought any of them would be suitable:

11 Fourth Avenue

813 Ocean Boulevard

3702 Palm

Referencing last month's meeting, Chairwoman Rice asked if there had been improvement in the graffiti problems at the marina; Mr. Berrigan stated that there have been no new incidents. He also related that he had been given the name of a possible suspect in the matter and had spoken with the young person's father.

Mr. Berrigan stated that the solar lighting research has not been completed, but he will have the information for the next meeting.

Since the public restrooms have been newly renovated, Mr. Raih suggested that they be locked when the marina store is closed. Mr. Berrigan responded that this would be an unpopular move and that he has considered asking Chief Buckhannon to put the marina on a rotation where the police will lock the bathrooms at 11 p.m. to midnight.

Mr. Berrigan reported that six (6) security cameras are being installed, but that none of them are to be located outside the store. The security system that is being installed has the capacity for eight (8) cameras.

The Committee made no decision on locking the public restrooms in order to wait to see how things go once the tourist season begins.

Councilman Cronin again brought forward the subject of a parking study at the marina to be independent of the marina enhancement project. He expressed the need to fully utilize the space and to free up access.

MOTION: Councilman Cronin moved to approve up to \$5,000 for a parking study to maximize utilization of the parking space at the marina; Chairwoman Rice seconded and the motion PASSED UNANIMOUSLY.

B. Update on Bulkhead Replacement – Chris Moore and Mike Kirby of Jon Guerry Taylor and Associates

Mr. Kirby had prepared handouts detailing the scope of the project, the estimated cost of each and four (4) options for the bulkhead replacement project; a complete copy is attached. Mr. Moore commented that the options assume the replacement of the bulkhead, a high percentage possibility that dredging will take place and the docks being "untouched," the docks being replaced using the same configuration or the docks

being replaced using a new configuration. The one facet of the project that is a fixed event is the dredging because OCRM allows dredging only between November and March of the year; other time-consuming issues related to dredging are obtaining all of the consent agreements from the Corps of Engineers and the property owner for use of the spoil site. Based on these facts, Mr. Kirby and Mr. Moore expressed their opinions that the earliest window for dredging might be November 2009 to March 2010.

Mr. Kirby briefly reviewed the differences between the four (4) options as follows:

- Option 1 adds a step to the other options in that it suggests building a temporary bulkhead, that represents only “throw away” costs in its installation and removal; this option also includes dredging and the construction of new docks.
- Option 2 offers the bulkhead replacement, dredging and dock replacement.
- Option 3 proposes the same as Option 2, but offers the phasing of the dock construction.
- Option 4 suggests the bulkhead replacement, dredging and postponement of dock replacement until the funding is available.

Based on the cost estimates in the report, the cost of Option 2 would be \$4,884,707 and the cost of Option 4 would be \$2,853,573.

The Corps of Engineers has a spoil area beneath the Connector and it was suggested that location is expected to be used. The quantity of spoil is estimated at 5,175 cubic yards for Isle of Palms and 4,600 cubic yards for Dewees Island.

Mr. Moore explained that the \$60,000 to \$75,000 for their firm’s consulting fees includes design for the docks and permitting that could be very costly if the regulatory agencies are very stringent in the water quality they require. On the other hand, he is confident that there will not be as many restrictions if the docks were to be replaced in the same location as they are today.

Mr. Kirby informed the Committee that he has been told that the City’s prior dredging permit will be extended until June 2010. If the dredging takes place the season after the bulkhead is replaced, the docks will not be detached, but to do both the bulkhead replacement and the dredging in the same season would be ideal. The dredging would be much more effective if the docks are not attached. Brian Berrigan, as the Managing Partner of Marina Market, and Carla Pope of Morgan Creek Grill were enthusiastic about the idea

of bulkhead replacement and dredging in one (1) season rather than impacting their businesses for two (2) seasons.

If the old docks are re-used, there will be no electrical work other than splicing wires; the new electrical will be put in place when new docks are installed.

In the discussions on dredging, the possibility of a third partner was announced; that third partner could be Morgan Creek Marina. If Morgan Creek Marina were to participate, the dredging costs would be reduced, as well as the consulting fees.

The Committee was in agreement that the City should pursue Option 4, replacement of the bulkhead and dredging only, due to the two (2) other large financial obligations the City has currently. As stated earlier, to exercise Option 4 would cost \$2,853,753; in the FY 2007-2008 budget there is \$1,200,000 earmarked for this project.

For the work to begin in November 2008, Mr. Kirby stated that the bid package could go out as early as July 2008. Councilman Cronin asked Mr. Moore and Mr. Kirby if the dredging could be done in the November 2008 to March 2009 window as the bulkhead is being replaced; both gentlemen expressed their doubts that the consent agreements with the Corps of Engineers could be obtained for a November 2008 start, but they were willing to try.

Administrator Tucker asked if the engineering construction oversight costs were included in the \$2,624,815 figure; Mr. Moore said they were not, but he estimated those costs to be approximately ten thousand dollars (\$10,000). She also expressed her concern that the dredging costs were low; she asked if mobilization costs had been omitted. Mr. Moore assured her that the mobilization costs were included, but had been split three (3) ways based on three (3) participating entities.

The Administrator stated that, since this would be a public project, the City could act as the dredging permittee with the other entities assuming the financial responsibilities and the spoils could go to a Corps site. This is a position that the City has taken before.

MOTION: Councilman Cronin moved to approve the construction of a new bulkhead and the dredging operations at the Isle of Palms Marina for an estimated \$2,624,815; Mr. Raih seconded.

Administrator Tucker suggested that the Committee also recommend an alternative to Ways and Means since there was a gap of \$1.6 million between what the City had available and the cost of the project. Treasurer Suggs stated that the City could consider a short-term Revenue Bond or note pledging future marina revenues to cover the shortfall.

Call for the Question: The motion PASSED UNANIMOUSLY.

By way of clarification, Administrator Tucker recounted her understanding of the Committee's plan that the bulkhead replacement begin in November 2008 with the dredging and the bulkhead replacement to run somewhat concurrently. Councilman Cronin added that the scenario was correct assuming the permits and agreements can be acquired to do it.

Councilman Cronin referred to an estimate for bulkhead replacement that Jon Guerry Taylor and Associates had provided in December 2007 (copy attached) with a detail breakdown of the costs involved. He asked that a similar breakdown be provided for the Ways and Means meeting (Tuesday, February 19, 2008) where this motion will be presented for approval before going before the City Council.

Administrator Tucker asked that Mr. Moore and Mr. Kirby stay for the budget discussion to follow due to the decisions made by the Committee at this meeting.

C. Prioritization from Morgan Creek Grill

Carla Pope of Morgan Creek Grill reported that Jay Clarke, the owner, had been out of town for three (3) weeks; therefore, the list was not ready for today, but would be presented at the next meeting. Since this is the budget preparation time, Chairwoman Rice asked if the list could be available to the staff by the afternoon on Friday, February 15, 2008; Ms. Pope concurred.

Administrator Tucker conveyed from the Mayor that he did not think the City could invest more money on the restaurant property because of the City's huge commitment to beach renourishment, which had not been planned.

6. New Business

A. Capital Budget for FY 2008-2009

The Marina Capital Budget for FY 2008-2009 included the following as presented:

Marina Waverunner dock repair	65,000
Marina bulkhead replacement only	2,614,815
Marina bulkhead replacement only-engineering & construction oversight	170,531
Marina bulkhead replacement-code requirements for electrical	382,950
Marina bulkhead replacement-electrical engineering & const. oversight	24,975
Design and Permit for marina dock reconfiguration	50,000
Construction of reconfigured docks	1,473,927
Construction of reconfigured docks-engineering & construction oversight	96,126
Marina Operations fuel dock pumping system upgrade	48,000

Marina Restaurant improvements	???
TOTAL	<u>4,926,325</u>

Discussion results were that the Waverunner dock repair was moved to FY 2009-2010; the four (4) items related to the bulkhead replacement will be refined by Jon Guerry Taylor and Associates; and the three (3) sets of figures for the docks replacement will be removed from the budget. The estimates for the dredging must be added; they are

JGT estimate for Morgan Creek dredging	365,431
Less Dewees estimate	(126,673)
Legal fees	???

Chairwoman Rice remarked that these figures could be lower depending on the degree of involvement from the Morgan Creek Marina.

B. Request for Alternate Fencing for Large Parking Lot

The Oceanside Villas Owners Association Board has requested that the City replace the fencing at the municipal parking lot on Ocean Boulevard. Since the existing fence is chain link, sand and debris blow on to the fence then on to their property, but the bulk of the trash remains on the City side of the fence. The Committee agreed that to install a wooden fence would be quite expensive. The Committee asked that the staff get quotes on solid fencing of both four (4) feet and six (6) feet in height.

6. Miscellaneous

Next meeting date: 8:30 a.m. on Thursday, March 6, 2008

Status of Marina Market

Mr. Berrigan, Managing Partner of Marina Market, reported that, overall, they are doing more repairs and renovations than they had originally planned because of the state of the building once they acquired possession. The public restrooms that have been revamped will be open tomorrow morning - Tuesday, February 12. He stated that the plan is for The Market to be open to the public by mid-March. Replacing the ceiling and lowering the windows on the front of the store are additional changes for the structure. Marina Market has been received its beer and wine license.

Administrator Tucker informed the Committee that the exhibits on two (2) of the leases will have to be changed because they contain drawings. Mr. Berrigan was allowed to release some space he occupied as Marina Manager to incorporate into the store; the change gave the store an additional eight hundred fifty (850) feet of retail space. Mr. Raih asked if the Building Department had gotten the appraisal on the building's value; it could be critical information since more renovations are occurring. Councilman Cronin

Real Property Advisory Committee
February 11, 2008
Page 7 of 7

asked that the Committee be notified of the firm opening date so that the City could use its advertising avenues, especially the website, for the store's benefit.

MOTION: Councilman Cronin moved to adjourn at 2:33 p.m.; Mr. Raih seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland, City Clerk