

REAL PROPERTY COMMITTEE
7:30 a.m., Wednesday, February 11, 2009

The regular meeting of the Real Property Committee was held at 7:30 a.m. on Wednesday, February 11, 2009 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Chairman Cronin, Committee members Rice and Taylor, City Administrator Tucker, Marina Manager Berrigan, Morgan Creek Grill representative Carla Pope, Assistant to the Administrator Dziuban and City Clerk Copeland. Also present for the meeting were Mike Kirby and Craig Pawlyk of Jon Guerry Taylor, Tony Landry of Misener Marine and Jay Adams of TransWorld Electric.

1. Chairman Cronin 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: Councilman Taylor moved to approve the minutes of the regular meeting of January 15, 2009 as submitted; Chairwoman Rice seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments - None

Chairman Cronin asked to amend the agenda by placing *Old and New Business* before the reports,

MOTION: Councilman Taylor moved to amend the agenda as requested by the Chair; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

6. Old Business

A. Bulkhead Replacement Project

1. Consideration of Change Orders

Administrator Tucker reported that the Committee has before it Change Order #2 and others related to the bulkhead construction; she commented that the Committee members had visited the site to see some of the issues. She announced that Mike Kirby and Craig Pawlyk were present from Jon Guerry Taylor, Tony Landry of Misener Construction and Jay Adams of TransWorld Electric; these gentlemen were invited to answer whatever questions the Committee members might have.

Councilwoman Rice asked that the guests each tell their job function before they started their presentation. Craig Pawlyk stated that he was a Certified Planner and Landscape

Architect, as well as Vice-President with Jon Guerry Taylor and that he handled permitting; Mike Kirby explained that he was the Associate Engineer and had assisted with the bulkhead design and the administration of the project with Chris Moore.

The gentlemen from Jon Guerry Taylor had brought an enlarged aerial view of the marina in order to point out the areas involved in the change orders; the areas of concern are the fuel dock access, the face dock access and the area behind Morgan Creek Grill.

In reviewing Change Order #2, Mr. Kirby explained that, when Misener prepared to splice the electrical cables and water lines, they determined that the cables and lines were in poor condition and to splice them would create a safety hazard; therefore, Change Order #2, sections A, B and C recommend replacement of the lines. The total of the three (3) sections would be \$15,931.00. Section D of Change Order #2 states that a portion of restaurant dock must be relocated out approximately three feet (3 ft.) so that it will not interfere with the new bulkhead; the cost of this section is \$5,426. Mr. Kirby informed the Committee that, as the work had progressed, they had found that there were various locations between the two (2) original timber bulkheads that were eleven feet (11 ft.) deep; he also reported that the estimate of two hundred twenty (220) cubic yards of sand was inaccurate; the most accurate estimate is six hundred nineteen (619) cubic yard. The increase in the number of cubic yards increases the cost of Section E to \$32,522 based on the unit price of the sand quoted in the original bid.

The members of the Committee were in a quandary as they tried to understand how such an error could have been made.

The Committee members were assured that the cables and lines being replaced through this change order would not have to be replaced when the City decided to reconfigure the docks. When the dock work is done, the cables and lines would be disconnected, pulled to shore, then reconnected and run to the new docks. Marina Manager Berrigan noted that the cables and lines would be mounted to the gangway to the docks so that they will move with the ramp and not be in the water all of the time.

Mr. Kirby announced that the revised total for Change Order #2, including all sections, was \$53,879.26, and twelve (12) days would be added to the contract in order to do this work. When asked why additional days were cumulative, Tony Landry of Misener explained that, basically, the change order represented additional work and, if the approval process were to take three to four (3-4) weeks, the Misener contract could end; therefore, they were protecting themselves by adding contract days. With the addition of these days, the contract end date becomes March 30, 2009.

According to Mr. Kirby, Change Order #3 is to provide and install an aluminum hatch over existing utilities located behind the bulkhead; the cost is \$6,543 and there is an addition of one (1) day to the contract. The utilities are located behind the fuel dock access and, up to this point, have been covered by a piece of plywood. With the installation of this hatch, there will be easy access in the future. According to the original plans, Mr. Kirby stated that this utility location was to be covered by the sidewalk. When asked by Councilwoman Rice if eliminating access to these utilities in the original plan was a mistake, Mr. Kirby acknowledged that it was a technical oversight.

The fuel dock access is also the location for the work proposed in Change Order #4 that involves removing and replacing fuel lines, electric supply lines, sewer pumpout line and water lines at the fuel dock. Mr. Kirby stated that the lines had last been replaced after Hurricane Hugo, or approximately twenty (20) years ago; this work can be postponed until the bulkhead replacement is completed, or longer, since the lines are still functional. The total cost for Change Order #4 is \$62,543 and the work will add sixteen (16) days to the contract.

Councilwoman Rice asked why Jon Guerry Taylor was not recommending the replacement of the junction box when two (2) other junction boxes around the bulkhead were being replaced. Mr. Kirby deferred to Jay Adams with TransWorld Electric to respond; Mr. Adams stated that this junction box is inside the fuel dock his crew had chosen not to damage the dock when they saw through the deck boards that the box was in reasonably good condition. Mr. Adams offered a second reason to believe that this junction box was in good shape, i.e. this box had G cable attached to it that could flex with the ebb and flow of the water rather than the rigid cables that were attached to the other two (2) boxes that pulled against the boxes.

There was also a good amount of time spent in discussions of the walkway around the marina that required clarifications from Chris Moore at Jon Guerry Taylor who was not present for this meeting. The conclusion reached on the repairs of sidewalks with Misener Marine was the City would repair all broken sidewalk areas at the marina and, in return, Misener would fix the section of sidewalk running beside Morgan Creek Grill to the face docks and the areas of sidewalk that Misener equipment damaged. Misener also agreed to remove the sidewalk leading from Morgan Creek Grill to the sidewalk beside the boat ramp and to fill and grade level with the bulkhead sidewalk the area between Morgan Creek Grill and the boat ramp.

Referring to the amount of fill needed between the two (2) timber bulkheads (Change Order #2, Item E), Tony Landry of Misener Marine assured the Committee that the City would only be required to pay for the amount of fill actually used.

MOTION: Councilman Taylor moved to approve and recommend to Ways and Means Change Order #2 for the Marina Bulkhead project in the amount of \$53,879.26 that adds twelve (12) days to the contract; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

MOTION: Councilman Taylor moved to approve and recommend to Ways and Means Change Order #3 for the Marina Bulkhead project in the amount of \$6,543.00 that adds one (1) day to the contract; Councilwoman Rice seconded for discussion purposes.

Councilwoman Rice expressed her opinion that this Change Order was the result of an error in design on Jon Guerry Taylor's part; therefore, she had a problem paying for it. Agreeing with Councilwoman Rice, Administrator Tucker asked Mr. Pawlyk if Jon Guerry would consider cost sharing on Change Order #3 although he expressed his opinion that to install the hatch would represent an upgrade to the present situation. Councilman Taylor withdrew his motion on Change Order #3 until the Administrator had learned the degree of participation from Jon Guerry Taylor.

The Motion on Change Order was left unresolved.

MOTION: Councilman Taylor moved to reserve sixty thousand dollars (\$60,000) for removing and replacing fuel lines; removing, relocating and replacing two (2) electric supply lines that feed the fuel dock; removing and replacing the existing sewer pumpout line; and removing and replacing the water line that feeds the fuel and charter dock; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

Administrator Tucker said she would have liked to have the following added to the motion stated above:

Authorize the Marina Manager to move forward with getting the tasks accomplished within the budget subject to reimbursement based on invoices up to sixty thousand dollars (\$60,000); all work will be according to code using licensed contractors who hold City of Isle of Palms business licenses.

Manager Berrigan stated that he did not believe that every item that Jon Guerry Taylor had listed in Change Order #4 needed to be done; therefore, he was confident that he could get the jobs done for less than budgeted and by July 1, 2009.

MOTION: Councilman Taylor moved to authorize Marina Manager Berrigan to serve as Project Manager for the tasks described in Change Order #4, to present all invoices to City Administrator for reimbursement not to exceed \$60,000, to complete the work by July 1, 2009, to use only licensed contractors with City of Isle of Palms business licenses; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

Administrator Tucker asked that *Dredging* under *New Business* be taken out of order and discussed now due to its relevance to the marina; there were no objections from the Committee.

7. New Business
B. Dredging

By way of updating, the Administrator reminded the Committee that the City had partnered with the Morgan Creek Harbor Association when the last dredging was done. At the time, in return for the City being the permittee thus making it a public purpose project, the dredge spoil material was deposited on Goat Island and the Morgan Creek Association paid for all of the expenses the City experienced related to the project. She reported that the City's permit expires in June of 2010 and the dredging window runs from November through March. Administrator Tucker explained that if the dredging were not done in the next off-season, the City must apply for a new permit, which would be an additional expense, and there are new requirements that would be included in a new permit. If the City wanted to get the dredging done under the existing permit expired, the behind the scenes work must start. As she continued, the Administrator informed the Committee that there was another problem in that private property near the spoil site on Goat Island had experienced some damage when the work was done previously. The Corps of Engineers has stated that, in order for the site to be used again, repairs need to be made to the diking system and a new ditch run before the City would be allowed to use the site; Administrator Tucker noted that she did not know how much the repairs would cost. The Administrator stated that Laurie Shuler, representing the Morgan Creek Harbor Association, was present and reported that she had met with the Association the prior week on dredging. The Morgan Creek Association was not aware that the City's permit expired in 2010 and were planning to dredge in the next off-season (2010-2011). With the fact before them, Administrator Tucker asked for direction from the Committee whether to scurry to dredge in the coming off-season or to postpone dredging until the next off-season.

Chairman Cronin asked if there was another spoil site available to the City; Craig Pawlyk of Jon Guerry Taylor responded that there was another site under the Connector, but its use would be more costly to the City due to the distance from the dredging site. Mr. Landry of Misener Marine interjected that his firm also did dredging

and that, if details of the repairs were available, Misener could work with the City to get costs estimates. Administrator Tucker quoted from the Corps of Engineers letter that

“a seepage interceptor ditch needs to be cut along the outside toe of the dike in the area of potential seepage (a distance of about 1000 feet). In order to do this, the dike will probably need to be realigned in this area first. Coordination with the homeowners of Goat Island will be necessary.”

She related that the following sentence from the letter concerned her the most:

“. . . an oppportunity for IOP to make necessary improvements to the disposal area on Goat island, in exchange for consent to use the site after the improvements are completed, approved and accepted by this office.”

Administrator Tucker interpreted this statement to say that the City could well go to the expense of repairing the site and then not be allowed to use the disposal site. In addition, Mr. Pawlyk remarked that there was a possibility that the repairs could not be completed in time for this dredging season.

The Administrator informed the Committee that, based on the meeting she had with the Morgan Creek Harbor Association, they had proceeded with surveying to determine the exact need for dredging in both their area and the marina. The results of the survey are anticipated imminently. Should the City decide to proceed with dredging under its existing permit and when the Morgan Creek Association does not have funding, then they would face a cost escalation because they do not have anywhere to go with their spoil material; without the City, their options would be offshore or Clouder Creek adding significant cost to the project.

Chairman Cronin was clear that he wanted to proceed with dredging under the current permit if at all possible. Mr. Pawlyk noted that the City could spend forty to fifty thousand dollars (\$40,000-50,000) to get a new permit because of the more stringent requirements. The City is not eligible for an extension because it has already gotten the one (1) allowed permit extension.

Councilwoman Rice summarized that Jon Guerry Taylor would determine the cost for repairs at the Goat Island spoil site and the cost of taking the spoil material to the location under the Connector. Mr. Pawlyk said that they would contact the Corps of Engineers and attempt to get the Corps to quantify what they mean by repair the ditch in order to determine a cost and, simultaneously, pursue use of the basin under the Connector.

Councilman Taylor reminded the members of Committee that the City had to have “hard” numbers for dredging by May for budget purposes; he also expressed his opinion that the City had enough projects in progress at this time to take on another. He also inquired how dredging coordinated with the future dock replacements. He stated that the City needed to devise a ten-year plan for the marina

C. Discussion of Marina Improvements Financing

Administrator Tucker explained that, if the City were going to have to pay for the dredging of the marina, it could include the dredging cost in the bond issue that will pay a portion of the bulkhead replacement. She stated that her recommendation to the Committee would be not to include the dredging because there were too many unanswered questions. The consensus of the Committee was to exclude dredging from the bond issue.

6. Old Business

B. Date Change in Parking Lot Contract

Administrator Tucker explained that the prior vendor’s contract had the first payment due one (1) month later than what was stated in the new contract; when the contract with Schupp Enterprises was signed an initial change was made making the first payment due May through November, rather than April through October. The change allows the contractor to collect than pay. Due to the difficult approval process for this contract, she wanted the Committee to be aware of the change.

7. New Business

D. Award of Contracts in Excess of \$10,000

Beach Restoration – Consideration of Engineering Proposals for Post Project Monitoring and Sand Fencing and Planting.

The Administrator recalled that she had sent an email to Council several months ago stating the tasks facing the City related to post project, namely the sand fencing and the post project monitoring of the project area, the balance of the island’s beach and the harvest area. Included in the meeting packets were proposals in excess of three hundred thousand dollars (\$300,000) from Coastal Science and Engineering (CSE). One (1) component was the sand fencing and vegetation totaling eighty-three thousand dollars (\$83,000); the Committee would be authorizing CSE to move forward with the permitting and the bidding of the sand fencing at a cost of ninety-one hundred dollars (\$9,100). The second component was the monitoring totaling two hundred ninety-eight

thousand dollars (\$298,000). She was seeking the approval to move forward with the engineering pieces of the two (2) activities that total approximately three hundred ten thousand dollars (\$310,000) with a caveat stating that either the ongoing dispute between one of CSE's subcontractors and US Fish and Wildlife be resolved or, if it cannot be resolved, a different subcontractor for this contract. The Administrator informed the Committee that the contract for on-going beach monitoring would continue for three (3) years and the monitorings would be paid for as they occurred. She also stated that some of the work being awarded had to be completed before turtle season begins on May 1.

MOTION: Councilwoman Rice moved to approve the award of contracts for permitting and bidding for sand fencing and the engineering for monitoring the restored beach, the balance of the island's beach and the harvest area not to exceed \$310,000 contingent upon resolution on the dispute between a subcontractor with US Fish and Wildlife or assurance that the subcontractor involved in the dispute not work on this contract; Councilman Taylor seconded and the motion PASSED UNANIMOUSLY.

A. Capital Budgets for FY 2009-2010

Administrator Tucker had noticed that "Tilling" had been omitted from the Beach Restoration Budget and would need to be added. She also mentioned that the handicap accessible elevator for Morgan Creek Grill had been added to FY11, but that Assistant Dziuban hoped to apply for a grant to cover that expense. The discussion was abbreviated due to time constraints.

4. Marina Manager's Report

Marina Manager Berrigan stated that the tenants at the marina had decided to postpone setting a date for the anniversary celebration until the bulkhead project was completed and the contractors had left the site. He stated that he was going to make an application to the Accommodations Tax Committee to assist with funding the event.

8. Miscellaneous

Administrator Tucker informed Manager Berrigan that, related to the Ben Sawyer Bridge restoration, during the seven-day closure period in November, the Intercoastal Waterway would also be closed to marine traffic just as the bridge would be closed to vehicular traffic.

A special meeting was set for 4:30 p.m. on Tuesday, February 17, 2009 to discuss the budget before the Ways and Means Meeting.

Next Meeting Date: 8:30 a.m., Friday, March 6, 2009.

9. Adjourn

**MOTION: Councilwoman Rice moved to adjourn at 10:02 a.m.;
Councilman Taylor seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland
City Clerk