

REAL PROPERTY ADVISORY COMMITTEE

June 7, 2007

Isle of Palms, South Carolina

The regular meeting of the Real Property Advisory Committee was held at 10:00 a.m on Thursday, June 7, 2007 in City Council Chambers, 1207 Palm Boulevard, Isle of Palms, South Carolina. Present were Chairman Bettelli, Committee member James Raih, Councilwoman Jane McMackin, City Administrator Tucker, City Clerk Copeland and Chris Moore of Zande Jon Guerry Taylor; due to a family emergency, Marina Manager Brian Berrigan was excused. Chief Graham and Treasurer Suggs had been asked to attend the meeting as well.

1. Call to Order. Councilman Bettelli called the meeting to order and stated that all members of the press and the public had been duly notified in accordance with State and Federal law.

Chairman Bettelli decided to move immediately to Item 3C so that Mr. Moore would not have to sit through the business of the Committee that was not relevant to him.

3. Citizens' Comments – Chris Moore, Zande Jon Guerry Taylor

To preface Mr. Moore's comments, Administrator Tucker related that, in the budget process, there had been considerable discussion on whether to proceed with the bulkhead replacement in the fall of 2007 or to postpone it until the fall of 2008. The upcoming second reading of the budget includes the decision of Council to begin the bulkhead replacement in 2007, but she stated that this committee has not officially given Mr. Moore that instruction. She also voiced concern (1) for cash flow in this project, (2) for the impact of having Fire Station 2 under construction in the same area and (3) for the reality of the bulkhead replacement being completed for the 2008 season.

Chris Moore presented the Committee with an updated Bidding and Construction Schedule for the project, which he reviewed with the group. He noted that he has allowed 45 days for review of the bids and approval of the contractor since he was unaware of the Council process. Shortening that time frame should ultimately move the completion date back; the completion date according to this updated schedule is the end of June 2008. Administrator Tucker asked about the amount of space the contractor would need to store materials in the marina parking lot; Chris Moore answered that he expected the contractor to store the bulk of his materials on the barge from which he will work rather than on land. Her second inquiry was whether the marina would be totally shutdown for a period of time; he responded that the schedule could be worked out where the marina will not be totally inaccessible. Councilman Bettelli asked if the docks were going to have to be moved; Chris Moore answered that most of them would have to be, but that particular cost would be included in the cost of the project. Chris Moore informed the Committee that, earlier in the week, they had gone to the marina to do soil tests for the earth anchors they plan to use; the results were very good, in fact, had exceeded the limits of the machine testing the soil before giving way. It was Chris Moore's opinion that, by proceeding with the replacement now, there was no need to continue the bulkhead monitoring that GEL has been doing.

On the subject of cash flow, Administrator Tucker asked if this would be the typical progress payment type of contract, as well as for an estimate for the initial materials' payment. He indicated that the contractor would probably order all of the steel sheets at one time and the cost may run as high as \$500,000. Based on 850 linear feet, the total estimated cost is \$2 to \$2.2 million; Treasurer Suggs commented that, with \$1 million on hand, the balance would need to be financed. If the Council were to decide to phase the project over two years, Chris Moore stated that, by starting at Dewees Island and going to the boat ramp, the project is very nearly halved.

A cost-saving suggestion put forth by Chris Moore was for the City to purchase the materials directly from the manufacturer saving the 15% markup from the contractor, if the contractor will allow this since he loses the 15%.

Chairman Bettelli noted that another cost-saving measure that the Council has discussed is not going all the way to the new dock. Chris Moore agreed that to go just past the placement of the treated wood would be safe and would reduce the distance by 100 to 125 linear feet.

The one hundred twenty (120) day construction estimate is a "worst case" scenario; Chris Moore believes that the contractor should be able to complete 15 to 20 feet per day whereas the estimate is based on 7 feet per day.

Chris Moore commented that delaying the project until 2008 presents the possibility of a problem occurring that would demand emergency work, where the cost would be greater; plus, such work would only be a band-aid until the project were started.

During the course of the replacement, Chief Graham asked about the possibility of pounding taking place in one area that would undermine another place resulting in a collapse. Chris Moore reassured her that there will be little or no pounding, but instead the contractor will use a vibratory hammer. Of course, a collapse is still a possibility.

Chris Moore also had concerns to be addressed to the Committee; they were as follows:

1) Status of discussions on increasing the thickness of the steel sheets and using a larger sheet to increase life span.

Chris Moore reminded the Committee that there is an AZ sheet and a PZ sheet, which is larger - both will work. There is a \$300,000 difference in cost, but also a 50% greater thickness. Since the smaller sheet is to be coated, the corrosion rate is not a significant factor. He reported that an uncoated sheet had been used at Sullivan's Island, and it had lasted forty (40) years. The coating process costs \$1.75 per linear foot for a total of \$80,000.

The consensus in the Committee was to stay with the coated steel sheets.

2. Electrical engineers assessment reported an issue with the Morgan Creek Grill where there is 3-phase power, which is not suitable for the situation.

The electrical pad and control panel need to be replaced; this presents a problem with the docks in that switching from 3-phase to single phase will require modifications to the docks. He added that the actual electrical lines are not suited to be changed over to single phase, which means that all of the electrical on those docks will have to be replaced to go with single phase. Chris Moore added that, at some point, this issue must be dealt with since there are bad connections and short-circuiting throughout this area of the marina.

In response to Administrator Tucker's question about the cost, Mr. Moore stated that he did not remember the cost for the electrical work. Treasurer Suggs asked if this work could be done as an alternate to the bid, which would result in delaying the decision until the money is on-hand.

He related that the engineer's assessment reported that Morgan Creek's docks are fed by 120/208 volts, yet the receptacles on the docks are rated at 120/40 volts. According to the National Electric Code, "each single receptacle that supplies shore power to boats shall be supplied with a marine power outlet by an individual branch circuit of the voltage class and rating of the receptacle. . . Supplying receptacles at voltage other than the voltages marked on the receptacles may cause overheating or malfunctioning of connected equipment, for example supplying single phase power from a three phase source." The engineering recommendations are "the pad mounted transformer feeding the main and Morgan Creek docks be replaced with a single phase 120/240 pad; the existing panels and docking conductors will also need to be replaced to accommodate the new voltage."

Treasurer Suggs then asked if this project would come under the purview of the Building Department, and, if so, is this something they would allow? The response was a resounding "NO."

The one downside that Chris Moore pointed out is that, when the docks are replaced, all of this electrical work would be discarded. Administrator Tucker stated that two (2) docks would need to be replaced, and she believes that such a replacement could add another one million dollars to the project. To replace those docks, Chris Moore added, would probably create a permitting issue as well, if they are not put back exactly as they are now. Administrator Tucker asked Chris Moore to get an estimate for the total project as adjusted in order for her and the City Treasurer to study its financing.

When asked if the electrical work would add to the timeline, Chris Moore replied that the electrical work would be done in tandem with the bulkhead replacement.

Motion: Councilwoman McMackin moved that Zande Jon Guerry Taylor is authorized to go forward with the design specifications and bid preparation for replacement of the marina bulkhead in the fall of 2007; Chairman Bettelli seconded and the MOTION PASSED UNANIMOUSLY.

2. Approval of Previous Month's Minutes – May 3, 2007

Motion: Chairman Bettelli moved for the approval of the May 3, 2007 meeting as presented; the minutes were APPROVED UNANIMOUSLY.

4. Old Business:

A. Marina Manager's Report – May 2007

Although Marina Manager Berrigan was not present, the report was made available to the Committee for their review.

Marina Manager Berrigan had listed issues associated with barges at the boat ramp on his report and had supplied the Committee with pictures to illustrate the issues with which he is dealing. Councilwoman McMackin stated that she was most interested in what Manager Berrigan would have to say on this subject. Councilwoman McMackin asked if the City or the barge owner had paid for the repairs; Administrator Tucker stated that she was unsure who had paid.

Related to the information in the Manager's report about the new gate, it was agreed that the Committee is within its purview to request to see the design of the gate at the new docks before it is installed.

Related to the information in the Manager's report about the new sign, the Committee perceived that Manager Berrigan would like a new sign at the marina's entrance, which they would also like to see and approve before its being placed.

There has been no change in the status of the store lease since the last meeting. Councilwoman McMackin wanted to know if the store was selling fishing gear or if Manager Berrigan was selling it since he had been authorized to do so.

B. Commercial Use of Boat Ramp

Administrator Tucker commented that Manager Berrigan's concerns over the damage the barges are causing and the amount of time they are tying up the boat ramp are very valid. She reminded the Committee that the recommendation they had sent to Council was not approved in May. Administrator Tucker informed the Committee that the Public Safety Committee has been dealing with a complaint related to the use of the end of 25th as a loading/unloading zone for boats going to Goat Island. Should the Council decide to be more restrictive in the commercial use of the marina's boat ramp, she expressed her belief that corresponding restrictions may need to be put in place to avoid shifting the problem to another location on the island. She explained that the need to get supplies and commercial materials to Dewees and Goat Island is not going to change. Administrator Tucker stated that, in her mind, the best options were better regulation to include an increased fee for use of the boat ramp and limiting the hours of the day when

Bettelli believes that one option to solve the problem is to privatize the street since there is already a barrier in place. Councilwoman McMackin stated that, if the Committee were going to continue to advocate regulation, an addition should be made for a penalty to pay for damages. Administrator Tucker replied that this process is already in place assuming that everything is done on a timely basis. Ideally, when something like this happens, the police should be called, a report should be written and the City should be notified so that its insurance company contacts the offender's insurance company for settlement. But there are times when incidents occur and all of those steps do not, so it is more difficult to track the incident back to make people accountable. Councilwoman McMackin asked that Administrator Tucker find out who had ultimately paid for the repairs to the boat ramp, shown in the marina manager's pictures, that were caused by the barge.

Chairman Bettelli stated that this subject will need to be discussed again at the next meeting when the Committee can get direct input from Marina Manager Berrigan. As for reporting to Council, Chairman Bettelli stated that he thought an appropriate statement was that the Committee is still studying the issue and seeking additional information from the marina manager; the 25th Avenue issue should be included.

Councilwoman McMackin asked if the marina manager was setting any time parameters on the barge use of the boat ramp. Administrator Tucker stated that, since the recommendation did not receive City Council approval, she believed that he was not doing more than he had in the past. Councilwoman McMackin then asked if it were within the scope of this Committee to authorize Marina Manager Berrigan, at his discretion, to set limited hours of use for barges at the marina. Such an action should not impact the problems at 25th Avenue since barges are not the issue there. The Committee's concensus was to delay any action until the next meeting.

C. Bulkhead Replacement – discussed earlier in meeting

5. New Business

6. Miscellaneous

July will be a busy month for the Committee members, so it was decided that a special meeting will be called if the information the Committee is seeking is made available.

Next scheduled meeting: 10:00 a.m., Thursday, August 9, 2007.

7. On a motion from Committee member Raih and a second from Councilwoman McMackin, the meeting was duly adjourned at 11:27 a.m.

Respectfully submitted,
Marty Bettelli, Chairman