

REAL PROPERTY COMMITTEE
5:30 p.m., Monday, November 4, 2013

The regular meeting of the Real Property Committee was held at 5:30 p.m. on Monday, November 4, 2013 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmember Loftus and Chair Stone, City Administrator Tucker and City Clerk Copeland; Councilmember Buckhannon was excused, but a quorum was present to conduct business.

1. Chair Stone 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: Councilmember Loftus moved to approve the minutes of the regular meeting of October 3, 2013 as submitted; Chair Stone seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. **Comments from Marina Tenants**

Discussion of Boat Slips Assigned to Morgan Creek Grill – Jay Clarke

Carla Pope of Morgan Creek Grill contacted Administrator Tucker earlier in the day to inform her that Mr. Clarke was out of town and would not be able to attend the meeting.

5. **Old Business**

A. Consideration of Focused Erosion Project during Winter 2014 Conditional upon Receiving Permit Modification – Steven Traynum, Coastal Science and Engineering (CSE)

Mr. Traynum announced that the City has received the permit modification that allows the City to do four (4) events rather than two (2) for a total of two hundred fifty thousand cubic yards (250,000 cy) per event, and distributed information relevant to a decision on a winter 2014 project on the northeast end of the island; a copy is attached to the historical record of the meeting. If the City were to decide to pursue a project in February or March 2014, decisions need to be made by the City in November since committees typically do not meet in December. Based on the first page of the handout, the City is now in permit Window 2, extending from November 2013 through April 2014, of the five-year (5 yr.) federal permit that will expire in March of 2017.

Mr. Traynum explained that the state permit expires in 2021 due to a legislative action that extended all DHEC permits for five (5) years; the City has the opportunity to seek an extension of the federal permit for a couple of years assuming that the City has available events and available sand to use.

The ideal situation is to harvest sand from the off shore shoal once it attaches rather than harvesting sand that is already on the beach. When surveyed in July, the shoal was roughly six

hundred feet (600 ft.) from the beach; Mr. Traynum added that the shoal did move six hundred feet (600 ft.) the previous year. Mr. Traynum voiced guarded optimism that the shoal would be close enough to be harvested in Window 3.

The options before the City are to do a small scale project in the winter of 2014 or wait to do a larger project in the winter of 2015 and allow the affected areas to maintain their own structures with the temporary sandbags. Mr. Traynum reported that CSE has been in contact with Beth Colley with the Ocean Club regime; she would prefer to leave the sandbags in place as long as possible because they offer more of a guaranteed protection from winter storms. According to Mr. Traynum, if the City does a small project in the spring, there are no guarantees that the sand will be in place by the end of the summer or next winter for a larger project.

Administrator Tucker asked whether Ocean Club would be required to remove the sandbags if the City did a small project in 2014; Mr. Traynum responded that in theory that is true, but in reality he was unsure. Since the City and Ocean Club are two (2) separate entities, he questioned that the City's actions would require their removal.

Councilmember Loftus voiced doubt that the City would be allowed to bury the sandbags; Mr. Traynum agreed that it would not be in the best interest of the City to bury them or to put sand in front of them. Unless the City could work out an agreement with OCRM to bury the sandbags deep enough that turtles could nest on top of them, burying them would not be allowed.

Mr. Traynum reported that, since the 2008 project, the area between Port o'Call and the end of the golf course has lost approximately one hundred sixty-five thousand cubic yards (165,000 cy) of sand and retains seventy-five thousand cubic yards (75,000 cy) of sand. To get back to the post-project levels, the one hundred sixty-five thousand cubic yards (165,000 cy) needs to be replaced

Responding to Chair Stone's query, Mr. Traynum stated that the 2012 project moved eighty-seven thousand cubic yards (87,000 cy) of sand.

Possible future borrow sites include the beach around 53rd Avenue which had approximately one hundred seven thousand cubic yards (107,000 cy) and the beach between Beach Club Villas and Summer House which had about seventy-two thousand cubic yards (72,000 cy) as of the July 2013 survey. Due to some confusion with the agencies based on the language of the permit, Mr. Traynum stated that he is less than confident that the City will be allowed to borrow sand from the 53rd Avenue beach. If the City were allowed to use the 53rd Avenue beach, the trucks would be traveling a longer distance and that will increase the cost per cubic yard of the project.

The cost estimate for a project with a volume of seventy-five thousand cubic yards (75,000 cy) is three hundred sixty-one thousand two hundred fifty dollars (\$361,250), and the cost of a larger project with a volume of one hundred seventy-five thousand cubic yards (175,000 cy) would be eight hundred eighty-seven thousand five hundred dollars (\$887,500). The engineering costs included in the estimates provide planning, construction drawings, pre- and post-construction surveys, construction observation and the summary report.

Mr. Traynum stated that Ms. Colley had told him that Ocean Club is seeking an extension to keep the sandbags as long as the erosion threat exists.

Administrator Tucker indicated that staff is looking for direction of whether to pursue a small project in this window or to hold back longer in hopes of delaying a project until the winter of 2015. The Administrator added that the eight hundred eighty-seven thousand dollars (\$887,000) was more money than the City has available at this time for beach renourishment; if the City were to decide to pursue the larger project, it would have to reach out to the stakeholders to re-capitalize the fund.

Mr. Traynum stated that a smaller scale project would not provide the golf course sufficient protection; they would continue to want the sandbags to remain in place to maintain the middle part of the fairway.

Councilmember Stone asked if the golf course was able to truck-in sand; Administrator Tucker responded that both the golf course and Ocean Club have spent a significant amount of money trucking-in sand.

Administrator Tucker asked Mr. Traynum to express an opinion about the City's delaying a project for the 2014 window yet the erosion becoming so severe that a project had to be done; did he think that the City could get special regulatory permission for a project out of the normal window of approved projects. He responded positively and indicated that it could be useful to keep the communication lines open with the regulatory agencies.

Administrator Tucker explained that the City must maintain a delicate balance in that the entities being affected by the erosion now are having to spend money while the City is holding their money; they are voicing the opinion that they are spending money while the City is holding their money and not doing anything.

MOTION: Councilmember Loftus moved recommend to Council to delay a project for the winter of 2014, but be prepared to act should the situation become critical; Chair Stone seconded and the motion PASSED UNANIMOUSLY.

B. Update on Repairs to Piling and Finger Pier

Administrator Tucker recounted that a captain operating one of the larger vessels at the marina damaged a piling and a finger pier, and staff is working to get the insurance claim settled; the issue is that the insurance company is out of state, and they do not have a local investigator. The investigator was at the site on Friday. The City has authorization from the adjuster to approve the repairs; the City is in discussions with the three (3) bidders – R.L. Morrison & Son, Salmons Dredging and Bill Mitchell – because there is a huge disparity in the estimates. Two (2) of the bids are consistent and in the thirty-five thousand dollar (\$35,000) range and the third is exceedingly low at eleven thousand five hundred dollars (\$11,500); staff has the fear that, if the work is not done properly, the City will be left to bear the expense of the repairs.

Marina Manager Berrigan stated that he had been led to believe the Morrison would not be in a position to mobilize for several weeks; the Administrator said he had not said the same to her.

C. Review of Revised Engineering Scope of Work Related to Rehabilitation of TidalWave Watersports Dock

Administrator Tucker recalled that the plan had been to replace the TidalWave dock, but this Committee and Council have decided that the existing dock will be rehabilitated at this time. As a result of the change of direction, the scope of work for Ocean and Coastal Consultants has had to be changed; in addition, staff has taken this opportunity to look forward to the planning for the future of the docks.

John Shaffer explained that the new scope of work includes Task 2 Regulatory Permitting, Task 3 Rehabilitation Bid Documents and Task 4 Bidding and Construction Support; each task is appropriately described to fit the rehabilitation of the dock. The scope is focused on correcting the safety issues with the dock, i.e. the handrail, the electrical system and a half-day site visit to identify any visible defects associated with the fixed pier structure. The fee for this type or design effort is reduced by approximately fifty percent (50%) and the fee for bidding construction and support was reduced by six hundred fifty dollars (\$650). The reductions resulted in a total of available fees of seven thousand two hundred fifty dollars (\$7,250) which can be dedicated to a preliminary marina redevelopment plan based on the momentum generated by the communication between the stakeholders; Mr. Shaffer stated that he plans to take a consensus-based approach to figure some of the use space allocations and getting a master plan for the redevelopment of the marina.

Chair Stone asked if Mr. Shaffer has spoken with Marina Manager Berrigan and whether Mr. Berrigan had offered to share some of the work that has already been done and possibly incorporate it. Mr. Shaffer confirmed that he and Mr. Berrigan had conferred and added that he has reviewed the conceptual plan that Mr. Berrigan had developed as they worked on the Boating Infrastructure Grant. He voice confidence that Mr. Berrigan would share that work because he had been positive about starting the process.

Administrator Tucker noted that this work did not require any additional money, but was a re-allocation of money already identified and awarded.

Councilmember Loftus voiced his opinion that these items should be treated as two (2) separate projects; he added that the City was in no position financially to consider moving forward with the redevelopment of the marina site and that to do this preliminary design work now was premature. He stated that he would be more inclined to consider a marina redevelopment plan in a couple of years when reserve funds for the marina had grown and a project could be considered.

Mr. Shaffer commented that he understood the budgetary restraints, but to do the preliminary design now would lay out a road map and a budget.

Chair Stone stated that he sees this effort as bringing all stakeholders to the same table and it would result in something that the public can comment on. If the City gets an overall buy-in, then Council can begin looking at the budget in FY15 and FY16 for a phased-in project.

The Administrator noted that there were elements in the previous master plan that are not likely to go forward, and seventy-three hundred dollars (\$7,300) is nowhere near the amount needed to go forward with a project that would require total engineering/design that would be much more expensive and comprehensive than what this plan would be.

Mark Fiem of TidalWave Watersports stated that the marina leaseholders will not be able to participate in stakeholder meetings in the summer months; they would prefer to keep the energy going and move forward. The leaseholders are excited about putting a plan together knowing that it will be several years before any work begins.

MOTION: Councilmember Loftus moved to separate the tasks relative to the rehabilitation of the TidalWave Watersports dock from the preliminary marina redevelopment plan and to recommend to Council the change in scope presented for the dock rehabilitation up to \$25,000; Chair Stone seconded and the motion PASSED UNANIMOUSLY.

6. New Business

A. Consideration of 18th Avenue Access Improvements

As part of the acquisition of the Mayor Carmen R. Bunch Park and the associated negotiation, Pastime Amusement was required to improve 18th Avenue as part of their overall site improvements. In so doing, they were obligated to meet NPDES requirements which meant that had to put a swail along the roadway on 18th Avenue; therefore, the park has no access other than on foot and the City is required to provide access. The City has asked Charleston County to provide an estimate to put in a culvert to gain access from 18th Avenue close to Palm Boulevard.

Per the grant agreement, Charleston County did a monitoring site visit on November 1; the City explained its plan for the park and informed them that the name has been changed and that a contract has been awarded for the identification of native species that are to be preserved.

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

7. Miscellaneous Business

Tenant Rents Report

Administrator Tucker reported that all tenants are current with their rents through October and November rents are due by the 10th. Morgan Creek Grill has paid its monthly rent through December, but still owes thirty thousand dollars (\$30,000) in additional rent for the fiscal year ending June 30, 2013. The annual financial statement and any additional rent from Marina Joint Ventures is due this month.

Next Meeting Date: 5:30 p.m., Thursday, November 9, 2014 in the Conference Room.

8. Adjourn

**MOTION: Chair Stone moved to adjourn the meeting at 6:25 p.m.;
Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland
City Clerk