

**REAL PROPERTY COMMITTEE**  
5:30 p.m., Wednesday, January 8, 2014

The regular meeting of the Real Property Committee was held at 5:30 p.m., Wednesday, January 8, 2014 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Committee members Bergwerf, Buckhannon and Loftus, City Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland; a quorum was present to conduct business.

1. Administrator Tucker 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. Election of Chair and Vice Chair**

Administrator Tucker opened the floor to nominations for Chair, and Councilmember Bergwerf nominated Councilmember Loftus as Chair. Councilmember Buckhannon seconded, and the vote was unanimous for Councilmember Loftus as Chair of the Committee.

Councilmember Bergwerf then nominated Councilmember Buckhannon for Vice Chair, and Chair Loftus seconded the nomination. The vote was unanimous for Councilmember Buckhannon to serve as Vice Chair.

**3. Approval of Previous Meeting's Minutes**

**MOTION: Councilmember Buckhannon moved to approve the minutes of the regular meeting of November 4, 2013 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.**

**4. Citizens' Comments**

Jim Raih, 3904 Cameron Boulevard, referred to page 3 of the November 4<sup>th</sup> meeting minutes that state:

“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.”

Mr. Raih stated that the City must be careful from a liability standpoint because the City is doing all that it can and agrees that a delicate balance is necessary.

**5. Comments from Marina Tenants**

**Consideration of Marina Improvements Using Balance of Funds from Watersports Dock Replacement – Jay Clarke and Brian Berrigan**

Mr. Berrigan introduced John Tarkany, who has worked with Mr. Berrigan for several years in developing a plan for the future of the Isle of Palms' marina; in addition, he explained that Mr. Clarke was not present because he had experienced a death in his family. The three (3) gentlemen have met a couple of times in recent weeks, and they want to discuss keeping any

balance remaining from the funds budgeted for the TidalWave dock replacement dedicated for use at the marina and their not being absorbed back into the City's funds. In an effort to make that happen, they have a couple of ideas to present to the Committee for which those funds could be used.

At this time, Mr. Tarkany produced a conceptual drawing of an enhanced entry and re-developed area forward to the TidalWave Watersports location. The drawing shows organized parking for both vehicles and boat trailers, as well as landscaping and new lighting. Mr. Tarkany, Mr. Berrigan and Mr. Clarke believe that this work would not only improve the aesthetics, but also enhance all the businesses at the marina. Mr. Tarkany noted that this plan could be Phase I of the future marina enhancement plan as work is done to have a more organized layout for the marina with a sustainable design; this project would also be a step toward meeting clean marina standards.

Mr. Berrigan stated that this was one (1) of several plans that they discussed and are bringing it forward because this project would require the least amount of permitting and gives visitors a good first impression of the marina.

Chair Loftus asked what would be done with the dumpsters that are in the area now and how would Tidal Wave be accommodated since they use parts of the area for storage and staging. The number of parking spaces would be increased and provides for better utilization of the space dedicated to employee parking.

Councilmember Bergwerf asked where employees would be relegated to park. Mr. Berrigan responded that the majority of the Morgan Creek employees park off-site in season.

Mr. Berrigan repeated that the goal is to keep the funds budgeted for the Tidal Wave dock committed to the marina; he would like to meet with all of the marina tenants to arrive at a plan that they and the Committee will agree upon.

Administrator Tucker clarified that the funds budgeted for the watersports dock were not from the General Fund, but were from the marina fund and State ATAX funds; money from the marina fund would return to the marina fund, but State ATAX funds could revert back if not carried forward into the new fiscal year.

The Administrator cautioned that the City has not bid or gone to construction on the Tidal Wave dock renovations; therefore, discussions for the use of any leftover funds are premature. Administrator Tucker added that, as will be discussed later in the meeting, there are issues with the electrical at the Tidal Wave dock, which may adversely affect the project.

Councilmember Buckhannon related that he, too, has heard comments from both residents and marina tenants that something needs to be done to improve the entrance to the marina. He also commented that the City is well-aware of the fact that a marina enhancement project will have to be accomplished in phases, and stated that he likes the concept as presented and the idea of moving forward with improvements to the marina.

Mr. Tarkany stated that he thought this phase would cost in the neighborhood of two hundred fifty thousand dollars (\$250,000). He added that he would like to be involved in any lighting changes that will accompany the Tidal Wave dock rehabilitation; he noted that lighting technology has taken giant steps in providing better lighting for less money.

Chair Loftus summarized that the Committee appreciated that this was one of multiple ideas and that the tenants needed to work together on a plan that would benefit all, and he cautioned that they needed to be mindful of the specific needs of each tenant, the placement of the dumpsters and recycling containers and the lighting needs. The Chair assured Mr. Berrigan that the Committee supported the efforts being put forth for improving the marina, but the Committee would prefer to have a specific plan with cost estimates.

Chair Loftus asked Mr. Tarkany how many phases he thought would be required to complete an overall marina enhancement project; Mr. Tarkany responded that, depending on funds, he thought the project could be completed in three to five (3-5) years.

## **6. Old Business**

### **A. Update on Repairs to Piling and Finger Pier**

Administrator Tucker reported that the repairs had been completed and that the City has received the insurance reimbursement from the party that damaged them.

### **B. Update on Tidal Waver Dock Rehabilitation**

The Committee welcomed John Shaffer of Ocean and Coastal Consultants; by way of an update, he reported that the bid package addressed the safety issues, primarily the replacement of the handrail, some corrections to a few structural deficiencies beneath the pier and re-doing the electrical system. Mr. Shaffer stated that the pier needs electric service; when he began to work toward a solution with SCE&G on a re-do, there was not a solution with which Administrator Tucker was ready to move forward. In order to get the repair project moving, the decision was made to separate the marine construction from the electrical work, and the RFB was advertised yesterday.

Original cost estimates for the electrical upgrades was around fifteen thousand dollars (\$15,000) which included two hundred (200) amp service. Administrator Tucker stated that the proposals from SCE&G had too many poles for a site that is congested already, and their recommendations would not be consistent with Mr. Tarkany's conceptual plans – to take those plans into consideration, the new line needs to be run underground.

Chair Loftus recalled that the City has matching funds from SCE&G to put lines underground and asked if they could be used here. Administrator Tucker stated that was the reason that the electrical was taken out of the RFB; she did not want the structural repairs to be held up while the City was working through the details with SCE&G, which is the next step.

Mr. Tarkany stated that he would like to work with Mr. Shaffer on the lighting fixtures to ensure that what is done now can be incorporated into any future lighting plan for the marina site.

Assistant Dziuban confirmed that the RFB addressing the safety issues for the Tidal Wave dock was due at 2:00 p.m. on Thursday, January 30<sup>th</sup>.

Councilmember Buckhannon noted that seventy-five thousand dollars (\$75,000) had been included in the FY14 budget for the undergrounding of lines; Administrator Tucker added that the balance in the City's Non-standard Service Clause is much greater.

In Councilmember Buckhannon's opinion, the important issue is having the tenant's business up and running in March.

## **7. New Business**

### **A. Discussion of Sea Cabins' Pier**

Administrator Tucker stated that, at the request of Councilmember Ward, the agenda included the subject of the City's purchase of the Sea Cabins' pier or that it be made open to the public in some way; the Administrator remarked that this subject has come up in the past, and she is aware of an unsubstantiated rumor that the Sea Cabins would like to be rid of the pier. The Administrator indicated that she had pondered over Charleston County Parks and Recreation Commission (PRC) taking ownership of the pier since they already have experience in operating a pier at Folly Beach.

Responding to Councilmember Bergwerf's query, Administrator Tucker stated that she has only heard rumors that the Sea Cabins is interested in giving up possession of the pier and that she has not taken any steps to confirm the rumors without knowing if Council is interested in moving forward.

Reporting that she has no idea what Sea Cabins would ask for the pier or what maintenance it might require, the Administrator suggested that the acquisition could be added to the City's list of projects greater than two hundred fifty thousand dollars (\$250,000).

Councilmember Bergwerf said that she thought making the pier public would cause problems for Sea Cabins residents, such as people looking to park in their parking area to access the pier. She asked if the Sea Cabins was looking to sell it because it is in poor condition. She indicated that she thought it made sense for Charleston County to take control of the pier.

Councilmember Buckhannon said that answers could be obtained from former Councilmember Stone.

### **B. Report on Silting Situation in Atlantic Intracoastal Waterway**

Administrator Tucker stated that this was on the agenda to make the Committee aware of a joint appeal from the City and Sullivan's Island going to the area's representatives in Washington and the Corps of Engineers for dredging the Waterway between the Ben Sawyer Bridge and the Isle of Palms Connector to correct a serious silting problem. As a result of the silting, boats have run aground, and there is much chatter on mariners' blogs about the problem; in one instance, a large vessel hit this area and a passenger who was climbing stairs fell and broke her back. The

appeal is for funds to be re-directed from another project to this one or to identify a small project that could be done here to dredge that area.

Chair Loftus asked whether any thought had been given to including Mount Pleasant since the opposite side of the Intracoastal Waterway is Mount Pleasant; Councilmember Buckhannon suggested including Charleston County since Goat Island falls under their jurisdiction. Chair Loftus thought that adding other entities would garner more attention and action.

The Administrator voiced the need to act due to the facts that the problem is getting worse and the boating season is picking up. Chair Loftus indicated that there could be a financial impact to the City if boaters bypass the City's marina to avoid the problem altogether.

#### **C. Report on Public Restrooms RFP**

The RFP for architectural design is "on the street" and is due on Wednesday, January 15<sup>th</sup>. The RFP is posted on the City's website and contains a great deal of detail covering the history of the building and the complications involved with rehabilitating or replacing it.

#### **D. Status of Fuel Dispenser Replacement**

Assistant Dziuban reported that the fuel dispensers were installed on Monday, and one (1) component is not synching up with the point-of-sale system.

Marina Manager Berrigan acknowledged that, from the beginning, there was anxiety over whether new equipment would interface with the old point-of-sale system, and the replacement of the point-of-sale system was not included in the FY14 budget. Mr. Berrigan explained that one of the point-of-sale systems is not operational now because the printer will not interface with the fuel pump; the business is operating with only one (1) point-of-sale system at the moment. Mr. Berrigan has been told that he must purchase a new printer in order to get the point-of-sale system functioning once again.

Councilmember Buckhannon recalled that a budget of thirty thousand dollars (\$30,000) was established for the fuel dispenser purchase, and the bids came in substantially lower than anticipated. With the savings on the dispensers, the Committee would be able to replace the point-of-sale system if there was a problem with the two (2) systems synching up as necessary.

The cost of the printer is estimated to eighteen hundred dollars (\$1,800) plus any additional for installation.

**MOTION: Councilmember Buckhannon moved to approve up to \$2,500 for the printer and installation of a printer for the point-of-sale system at the marina; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.**

#### **E. Discussion of FY15 Budget Process**

Administrator Tucker explained that, over the course of the budget process in prior years, staff has gotten the impression that Council would like to approach the budget in a different manner; the Administrator then reviewed the process as follows:

- Updating the ten-year capital plan by determining what items on the list need to be replaced, which can be deferred and what needs to be added to create the Capital Projects Budget;
- Reviewing the operating budgets while refining projections for revenues; and
- Matching up projected revenues with the Capital Projects and operating budgets.

One approach considered by staff has been to present revenue projections and expenses that have gone through the process for Council and the committees to determine what sources of funds should be allocated to the various elements of the budget and what expenses need to be reduced, eliminated or added.

Staff wants to make the process one that everyone is comfortable with and is easier for everyone.

Councilmember Buckhannon commented to the fact that the City's budgeting process is backwards from a home budget or a private business where revenues are projected and expenses made to fit. The Councilmember remarked that staff has a good idea what level of growth there will be in order to foreshadow revenues, and the process could be changed.

Chair Loftus agreed and indicated that the revenues would be refined as the months pass and changes are made accordingly.

Councilmember Bergwerf stated that she finds it frustrating to discuss the same issues over and over again month after month.

Administrator Tucker thanked the Committee for its comments and indicated that she thought some of their ideas could be incorporated into the upcoming process.

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

**8. Miscellaneous Business**

**Tenant Rents Report**

Administrator Tucker reported that all tenants are current with their monthly rents and that Tidal Wave has paid ahead; Morgan Creek Grill still owes on its additional rent. Ms. Pope of Morgan Creek Grill indicated that she has a check for the City tonight; the total balance due is thirty-one thousand dollars (\$31,000).

Next Meeting Date: 5:30 p.m., Tuesday, February 4<sup>th</sup> in Council Chambers.

**9. Executive Session - not needed**

**10. Adjourn**

**MOTION: Councilmember Bergwerf moved to adjourn the meeting at 6:45 p.m.; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk