

WAYS AND MEANS COMMITTEE
5:45 p.m., Tuesday, February 16, 2010

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Tuesday, February 16, 2010 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Duffy, Loftus, Piening and Thomas, Chair Cronin, City Administrator Tucker, City Treasurer Suggs, Assistant to the Administrator Dziuban and City Clerk Copeland. Councilmember Stone was attending training in Columbia, therefore, was excused from the meeting, but there was a quorum present to conduct business.

1. Chair 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: Councilmember Loftus moved to approve the minutes of the regular meeting of January 19, 2010 as submitted; Councilmember Duffy seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments**

Siebelt Gerdes, 1100 Pavilion Boulevard, spoke on behalf of the Ocean Inn regarding the proposed changes to the dog licensing policy. He stated that many guests at the Ocean Inn bring their dogs when they come to the island; therefore, efforts had been made to notify parties with reservations that the City required them to license their dog for a fee of twenty-five dollars (\$25.00) and that they must provide proof of inoculations at the time. He stated that the fee had been two dollars (\$2.00) for years and charging twenty-five dollars (\$25.00) was just a way for the City to increase revenues. He was especially interested in knowing how the change was going to be enforced, particularly regarding daytrippers – how would they know that their dog was now required to have a license? He asked that the Committee reconsider this change in policy.

Patsy Hindman, 7 Barnacle Row, explained that she had learned of the proposed change from a Wild Dunes email questioned how this legislative change had occurred with little input from residents. She did not want the City to dictate to her the type of collar that her dog was to wear; she stated that only a rounded, nylon collar protected her dog's coat and skin. Considering the many varieties of dogs that are on the island, she questioned how the City could provide one (1) collar that would be suitable for all. She noted that she had heard "through the grapevine" that the collars would not be implemented this year; to which she announced that she would have the same objections next year or the next. As for the collar providing easy validation that a dog was registered, she commented that Animal Control officers across the country have been able to perform their duties with simple dog tags. In addition, Mrs. Hindman indicated that she has five children, grandchildren and great-grandchildren for whom she thought it would be a burden to have to license their dogs. She explained that she takes her dog along with her when she visits each of those five children and indicated that it would be costly to her if she had to license her dog in each of their communities. She expressed her support for dog licensing, but she asked that the Council reconsider this particular process.

4. **Financial Statement – City Treasurer Suggs**

Treasurer Suggs stated that she would be presenting the financial statements through January 2010 and that she wanted to focus her comments on General Fund Revenue; she, therefore, directed the Committee's attention to page 17 of the financial statement. She commented on the major revenue sources as follows;

- Property Taxes – She reminded the Committee that Charleston County bills and collects property taxes for the City, and, through January 31, 2010, the City has received one million four hundred fifty thousand dollars (\$1,450,000), which is substantially below collections for the same period last year. She contacted the County and learned that it was behind in remittances to the City; adding what they have collected, but not remitted, the City has collected ninety-one percent (91%) of budget. Based on this information, she projected that the City would meet the budgeted revenue.
- Local Option Sales Taxes – The Treasurer annualized collections to-date and is confident that this revenue source will also meet the budget expectations.
- Business Licenses – The City's Business Licenses were due by January 31; collections to-date are two hundred thousand dollars (\$200,000) short of budget. From conversations with the Building Department, Treasurer Suggs learned that there are delinquencies, but she does not know if there is enough to make up the shortfall.
- Insurance Licenses and Public Utilities – Although the City does not have a good data on these sources until the end of the year, she is confident that both budget lines will be met.
- Residential Rental Licenses – This line item has already exceeded budget.

The seven-month target for General Fund expenditures is fifty-eight percent (58%), and all departments are at or under budget except the Fire Department. Factors contributing to the over-budget state of the Fire Department are as follows:

- Higher than expected vehicle maintenance contributed to the vehicles' exposure to the elements during the construction of the Public Safety Building;
- Two (2) injuries that kept firefighters on light duty for several months requiring additional staffing to fill their positions; and
- One (1) staff member has been on active-duty military for the entire year.

Councilmember Buckhannon recalled that the personnel issues had been foreshadowed in October, as well as the toll the weather was taking on the equipment.

In response to Councilmember Loftus' question about reigning in the costs, Treasurer Suggs answered that all efforts were being made to contain costs, and Administrator Tucker commented that all non-essential purchase orders were being denied.

Projects Status – Treasurer Suggs reported that there has been minimal activity on either project in the past month; the schedules were provided for information purposes.

Councilmember Loftus asked about the status of the replacement plantings in the beach restoration area; Assistant Dziuban responded that the work had been completed and that Chris Jones, the City's coastal engineer, had been satisfied with the results when he went to the project area last week.

Tourism Schedules

State Accommodations Taxes – no change since last report.

Municipal Accommodations Fees – still a slight increase of last year.

Hospitality Taxes – Figures currently show an eleven percent (11%) decrease from last month. Upon researching the decrease, Treasurer Suggs learned that one (1) sizable payment is three (3) months delinquent; when collected, the revenue will only be down five percent (5%) from last year.

5. Old Business

A. Discussion of Fees and Licenses Related to Animal Control

Administrator Tucker reported that it was clear from community feedback that the dog collars were not wanted, and that an implementation date of March 1, 2010 was unlikely to be met. She recommended that the City not implement the dog collars in 2010 and that the subject go back to the Public Safety Committee for further consideration. She indicated that residents had proposed discounts for senior citizens, for owners of multiple dogs and/or for dogs that had completed obedience training. The Administrator also suggested that the Committee contemplate a different fee schedule, possibly five dollars (\$5.00) for residents and ten to fifteen dollars (\$10.00 – 15.00) for visitors.

Councilmember Bettelli commented that Council had not only heard the residents but also had listened to them. He reported that the decision was based on information that Sullivan's Island was increasing its fee to thirty-five dollars (\$35.00) for visiting dogs and concern that people from Sullivan's Island would descend on the Isle of Palms in numbers to escape the fees for their dogs.

MOTION: Councilmember Bettelli moved to increase the dog license fee from \$2.00 to \$5.00 for residents and propertyowners under the existing policy and that the Public Safety Committee re-consider any changes related to dogs of visitors in the City's dog licensing policy; Councilmember Buckhannon seconded.

Councilmember Loftus remarked that City Council had thought the dog collars were a good idea and had voted unanimously in favor of the policy; it has turned out to be bad idea, and Council will fix it. He stated that, as long as he serves on City Council, he would not support dog collars.

Call for the Question: The motion PASSED UNANIMOUSLY.

Administrator Tucker announced that the Public Safety Committee will meet at 5:30 p.m. on Wednesday, March 10, 2010 in the Public Safety Building; Councilmember Loftus wanted the meeting broadcast to island residents as the forum to express their concerns relative to dog licensing.

B. Update on Posting of Council Meeting Videos on City Website

Assistant Dziuban explained that this initiative had come about as a result of residents requesting information prior to the approval of meeting minutes, typically thirty (30) days later. By only executing one step of the two step process, Mr. Wilmer had reduced his fee to thirty-five dollars (\$35.00) per meeting; therefore, the total cost for twelve meetings per year is four hundred twenty dollars (\$420.00) including the sixty-dollar (\$60.00) subscription fee. The second step will be executed by staff. Ms. Dziuban indicated that she would continue to pursue ways to reduce the costs to the City.

MOTION: Councilmember Bergwerf moved to approve \$420 for posting City Council meeting videos on the City website; Councilmember Bettelli seconded.

Councilmember Buckhannon asked what the response from the Community had been, and both Chair Cronin and Administrator Tucker reported that the response had been very positive.

Call for the Question: The motion PASSED UNANIMOUSLY.

Assistant Dziuban responded to Chair Cronin, that the host website did have a counter to know how many people were looking at the videos.

6. New Business:

A. Recommendation from Public Works to award a sole source contract to Amick Equipment for Loadmaster Model Excel 31S packer body mounted on a Mack Model GU713 because of reliability and the issuance of a letter of intent with the understanding that, if the purchase does not pass in the budget, the City is not under any obligation to purchase the equipment.

Administrator Tucker explained that methods like the "letter of intent" have been used in the past by the City when desirable equipment has been located during the budgeting process. Through the letter of intent, the City seals in a price and a piece of equipment in anticipation of budget approval for the purchase, but the City does not lock itself into the purchase. Should the item of equipment be sold, the City is back in the position to look for what it wants or buy the new model. The Loadmaster described is similar technology and equipment that the City currently owns; the newer technology has not been proven to be reliable.

Councilman Loftus noticed that there is no mention of the price of the equipment; Director Pitts replied that the cost is one hundred sixty-six thousand dollars (\$166,000).

Councilmember Duffy reported that the packer has a greater capacity than the one it is replacing, and this would hopefully allow for the elimination of one (1) vehicle from the Public Works fleet in future years. Councilmember Buckhannon asked for a schedule of the Public Works fleet.

MOTION: Councilmember Duffy moved to award a sole source contract to Amick Equipment for Loadmaster Model Excel 31S packer body mounted on a Mack Model GU713 and the issuance of a letter of intent to purchase if the acquisition is approved in the budget process; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

B. Review of FY 2010-2011 Capital Budgets

Administrator Tucker explained that the various City Committees had reviewed the budget(s) that fall under their purview and made changes, deferrals or additions; those changes are indicated in bold on the budgets. A copy of these revised capital budgets is attached to the historic record of the meeting, and a review of the bolded changes follows.

General Government

- The replacement of the message boards at Breach Inlet and the Connector were deferred to FY12, amount \$30,000.
- Undergrounding of power lines was deferred to FY12, amount \$75,000.

Police Department – no changes to proposed budget.

Fire Department

- Firecom communication system components for Engine 1, amount increased to \$3,500.

Public Works

- Addition of two (2) line items of \$80,000 each for the replacement of the dune walkovers at the public restroom and at 41st Avenue; originally put on General Government budget.

Building Department – no changes to proposed budget.

Recreation Department

- Replacement of the scoreboard in the gymnasium was deferred to FY12, but should it fail, the funds would come from additional/replacement playground equipment, amount \$4,000.
- Sound system for Low Tide/High Tide Rooms, deferred to FY 12, amount \$5,000.
- Acoustical panels for gymnasium, deferred to FY12, amount \$30,000.
- Replace golf cart, reduced to \$3,600.
- Replace computers servers for RecTrac or security cameras, reduced to \$5,000.

Front Beach Area, including public restrooms, parking meters and parking lots

- Replace 3 and add 1 parking ticket devices purchased in FY05 reduced to \$18,500.

Beach Restoration and Monitoring

- Address focused erosion in 2008 Project area (est. City portion 20%), reduced to \$140,000.

Isle of Palms Marina

- Add handicapped accessible elevator to restaurant, deferred to FY13, amount \$75,000.
- Design and permitting of new watersports/waverunner dock, amount \$25,000.
- Construction of new watersports/waverunner dock, deferred to FY12, amount \$75,000.

In discussions, it was agreed to remove the 41st Avenue roundabout from the capital projects schedules.

At this review, totals for FY11 are as follows:

Capital Items	836,466
Special projects	1,614,070
Facilities maintenance	122,650
Lease payments	255,981
Bond & loan payments	<u>1,836,361</u>
Grand Total	\$4,665,528

Chair Cronin noted that committees would review operating budgets in March and make recommendations to the Ways and Means Committee; in April the revenue budgets will be available for comparison to the capital and operating budgets.

C. Review of Ranking Results on Projects over \$250,000

Assistant Dziuban reviewed the summary of results for the Committees' priority rankings of projects in excess of two hundred fifty thousand dollars (\$250,000) as follows:

1. Drainage project at 54th-57th Avenues;
2. Marina dredging;
3. Disaster Recovery Fund increase; and
4. Recreation ball field reconfiguration, scaled back version.

Suggested deletions from the list were as follows:

- Roundabout at 41st Avenue;
- Public safety beachfront outpost;
- Solid waste transfer station; and
- Remove restrooms and concessions from Recreation ball field reconfiguration.

Added to the list were the following:

- Handicapped accessible elevator at marina restaurant;
- Identify smaller components of "Drainage projects outside Wild Dunes;" and
- Indicate existing reserves/amounts available for project.

Administrator Tucker asked the Chair's permission to advise the Ways and Means Committee of items that had inadvertently been omitted from the Capital Budgets; she added the following items:

- a) Wireless audio for the Fire Department, amount \$1,674;
- b) Emergency fuel shutoff at Public Works, amount \$2,500;
- c) Heavy duty paper shredder for General Government, amount \$2,500;

- d) Key fob system for City Hall, amount \$1,500;
- e) Ability to accept credit card payments, amount \$75,000.

Due to the cost, the ability to accept credit card payments was added to the capital budget, but deferred to FY12.

7. Miscellaneous Business

Next Meeting Date: 5:45 p.m., Tuesday, March 16, 2010

8. Adjourn

MOTION: Councilmember Duffy moved to adjourn the meeting at 7:45 p.m.;
Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk