

Ways & Means Committee

5:45 p.m., Tuesday, February 15, 2011

The regular meeting of the Ways and Means Committee was held at 5:45 p.m., Tuesday, February 15, 2011 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bettelli, Buckhannon, Duffy, Piening and Thomas, Mayor Cronin, City Administrator Tucker, City Treasurer Suggs, Assistant to the Administrator Dziuban and City Clerk Copeland. The absences of Councilmembers Bergwerf, Loftus and Stone were excused, and a quorum was present to conduct business.

Mayor 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.

Approval of Previous Meeting's Minutes

MOTION: Councilmember Bettelli moved to approve the minutes of the regular meeting of January 18, 2011 as submitted; Councilmember Duffy seconded and the motion PASSED UNANIMOUSLY.

Councilmember Bettelli moved to re-order the agenda to allow for the presentation of the Financial Statements prior to Citizens' Comments; Councilmember Duffy seconded and the motion PASSED UNANIMOUSLY.

4. Financial Statement – Treasurer Suggs

A. January Financial Statement

Through the month of January, the target is fifty-eight percent (58%); revenues are forty-four percent (44%) collected to budgeted revenue in the General Fund, and expenditures in the General Fund are at fifty-two percent (52%) of budget. Since the first of February, the City has received two (2) property tax payments from Charleston County totaling one million three hundred twenty thousand dollars (\$1,320,000); adding that to the January 31 balance of one million eight hundred ninety-four thousand dollars (\$1,894,000) is a good indication that the City will meet the budgeted revenue in Property Taxes for FY11. All departments are under budget with the exception of Mayor and Council that is skewed because annual compensation was paid in November 2010. Cash in the bank of one million nine hundred eight thousand dollars (\$1,908,000) at the end of January is twenty-three percent (23%) of annual General Fund expenditures. Since the interest rate with the Local Government Investment Pool (LGIP) is slightly higher than BB&T, additional funds were transferred into it today.

Mayor Cronin reminded the Treasurer that the City has received a semi-annual franchise fee payment from Comcast in the amount of forty-one thousand four hundred three dollars (\$41,403), which is higher than in FY10.

Treasurer Suggs reported that the City is investigating the possibility of contracting with an armored car service to count the large volume of coins and bills that are collected from the parking meters on Front Beach. In the past, City staff has been responsible for counting the bills and rolling the coins, which is a very labor-intensive task; the bank has requested that the City make

a change because the delivery of this large amount of coins and bills puts a strain on the bank branches' staff as well.

Mayor Cronin commented that the City's auditors have also expressed concern about the risk to City employees who are responsible for the large amount of cash from the meters.

The Treasurer stated that she plans to have more information about the cost for this service to present at the March meeting.

B. Tourism Schedules

State Accommodations Taxes – In February, the City received the December quarter's payment of one hundred nineteen thousand two hundred fifty dollars (\$119,250); year-to-date, State ATAX is trending up nine and a half percent (9.5) higher than in FY10.

Municipal Accommodations Fees – Municipal fees are running nineteen percent (19%) higher than in FY10.

Charleston County Pass-Through – The City has not received a payment in FY11. Mayor Cronin recalled that, two (2) years ago, the County reduced the payout of local governments by half; in FY11, tourism-related income is "up" throughout the County. The City has requested that the re-distribution of funds return to its original level; the subject is on the County's agenda for later in the month, and Mayor Cronin has scheduled a meeting with the City's representative Dickie Schweers to ensure that he accurately presents the City's position.

Hospitality Taxes – Although collections are down for February, collections year-to-date have increased nine percent (9%) over FY10.

C. Projects Status

Beach Restoration – Expenditures in January were for permitting for the new project and post-project monitoring of the original project.

53rd-57th Avenue Drainage Project – The most recent expenditures were for advertising the RFP in *The Post and Courier*.

Administrator Tucker reported that sixteen (16) prospective bidders had attended the mandatory pre-bid conference on February 4th; seven (7) companies submitted bids that were opened earlier today. The bids ranged from seven hundred ninety-seven thousand dollars (\$797,000) to one million one hundred seventy four thousand dollars (\$1,174,000); the civil engineers are reviewing the bids and a recommendation is expected at the Council meeting of February 22.

City Hall Renovations – Two (2) construction payments were made in January; the remaining balance for the project is one hundred ninety-two thousand seven hundred seventy-six dollars (\$192,776).

Councilmember Duffy asked when the renovations were to be completed; Administrator Tucker responded that the Building Department has planned to move early in March.

The Administrator took a moment to introduced Doug Worster, who is a graduate student at the College of Charleston in Public Administration; a requirement of the program is that he shadow a working administrator, and he chose Administrator Tucker. Additionally, Mr. Worster works in the Revenue Collections Department for Charleston County.

3. Citizens' Comments

Presentation by CSE Regarding Results of Most Recent Monitoring and Status of Shoal Management Project

Mayor Cronin introduced Dr. Tim Kana and Steven Traynum of Coastal Science and Engineering. Dr. Kana explained that the booklets at Councilmembers' seats were the second edition of the publication, Coastal Erosion and Solutions – A Primer, and twelve pages have been added. The book has been designed to give property owners along the coast a clearer understanding of what causes and what can be done about coastal erosion.

Mr. Traynum reviewed the PowerPoint presentation of the 2010 monitoring results for the IOP Beach Restoration Project; a copy of the report is included with the historical record of the meeting. The presentation focused on the March and September 2010 monitorings and the changes that took place between the two (2), as well as the post-project conditions.

Mr. Traynum explained that the island has been divided into seven (7) monitoring "reaches" with over one hundred twenty (120) monitoring stations and two hundred twenty (220) miles of survey lines. Reaches 5, 6 and 7 represent the 2008 Restoration Project areas, and the monitoring results for the reaches are as follows:

<u>Area Monitored</u>	<u>Change between 9/09 and 9/10</u>
Reach 7, Dewees Inlet	Unit volume has increased by 5.3 cy/ft
Reach 6, north end of IOP	Unit volume has decreased by 19.7 cy/ft
Reach 5, 32 nd to 53 rd Avenue	Unit volume has decreased by 7.7 cy/ft
Reaches 1-4, Breach Inlet to 52 nd Avenue	Unit volume has increased by 9.6 cy/ft

The results of the monitorings in the project area indicate that the overall project areas have retained seventy-two percent (72%) of the volume gain and eighty-six percent (86%) of the design volume. In summary, the studies indicate that, in the period between March and September 2010, most areas north of 53rd Avenue, the 2008 Project area, were stable or accretional.

Mr. Traynum reported that the environmental documents for the focused-erosion project were submitted last week and that the permitting agencies, DNR and the Corps of Engineers, have received comments from the public and resource agencies. The agencies are compiling comments and will see the City's responses to the concerns noted.

Mayor Cronin commented that the Ocean Course had trucked in sand last year and was planning to do the same in 2011; the Mayor explained that this project belongs to the golf course and is not related to the City's project.

5. Old Business – None

6. New Business

- A. Recommendation from the Real Property Committee to Award a Contract to GEL Engineering in the amount of \$50,865, not inclusive of sediment testing or disposal fee, for the Engineering Design and Permitting for Marina Dredging.**

MOTION: Mayor Cronin moved to award a contract to GEL Engineering in the amount of \$50,865 for Engineering Design and Permitting for Marina Dredging; Councilmember Thomas seconded.

Mayor Cronin stated that the City had received three (3) very comprehensive and detailed bids.

Vote: The motion PASSED UNANIMOUSLY.

- B. Approval of \$2,750 to replace the air conditioning in the Cardio Room.**

MOTION: Mayor Cronin moved to approve \$2,750 to replace the air conditioning in the Cardio Room; Councilmember Bettelli seconded.

Mayor Cronin said that the unit had been replaced; Administrator Tucker noted that the City had received three (3) bids, and the other bids had been for thirty-five hundred dollars (\$3,500) and forty-two hundred fifty dollars (\$4,250).

VOTE: The motion PASSED UNANIMOUSLY.

C. Review of FY 2011-2012 Capital Budgets and Long-Range Capital Plans

The Administrator explained that the Committees had reviewed the capital budget(s) for the City departments under their purview and that the versions before the Committee at this meeting have been refined based on changes at the Committee level or additional research done by the department heads.

As requested, the mileage, purchase dates and recent maintenance information for vehicles are attached as the last page of the Capital Budgets.

General Government

Court software upgrade

50,000

Administrator Tucker explained that the current software program is an old DOS-based program with a single individual providing support.

Replace Connector message board (possibly with computerized model) 15,000
Replace Breach Inlet message board (possibly with computerized model) 15,000
The Administrator suggested that these two (2) items be deferred to FY15 and refurbish the existing boards in FY12. The Administrator still contends that computerized message boards would be advantageous to the City, but her research has not located a model that will accommodate the volume of information that would be necessary. Administrator Tucker added that Recreation employees had spent seventy-one (71) hours updating the message boards over the past eleven (11) months. Mayor Cronin noted that a large percentage of the community uses the message boards as their information source.

Replace HVAC equipment (FY12 expense for Council Chambers) 12,000
The HVAC for Council Chambers is the oldest in the building, and the staff believes a placeholder is warranted because the vendor cannot locate parts should the unit fail.

Replace staff computers (6 computers/4 yr. average life = approx. 1.5/year) 900
This item appears in every department for routine annual replacement. Staff is compiling the comprehensive list of computers by department.

Administrator Tucker drew attention to FY13 and the 41st Avenue roundabout, stating that she would like for Council to continue thinking about this possibility, but defer it to FY16.

Special Projects

Underground of utility lines 75,000
The Administrator stated that the City had routinely set aside this amount of money to use as a match with the SCE&G Non-standard Service Clause funds for small projects.

Digitize historical records 7,500
Funds were authorized in the FY11 budget to begin the process of digitizing City records; thus allocation is to continue that process.

Create City-wide intranet for employees and Council 10,000
Presently, not all City employees have City-email addresses; therefore, the only way to communicate with all employees is through the bi-weekly payroll. Assistant Dziuban explained that this endeavor would provide a means to communicating to all employees and City Council about any policy changes, general City-information, emergency conditions and/or actions, etc. in a secure environment; an intranet would also be a step toward the paperless initiative for the City.

Councilmember Buckhannon commented that GOOGLE has an application available that would serve the same purpose, can accommodate up to five hundred (500) email addresses and is free; Assistant Dziuban expressed concerns about security.

Implement on-street parking management program 30,000
Although a need has not been stated, the staff thinks it prudent to have some funds available for a study, surveying, etc.

Facility Maintenance

Replace Council chairs 3,000
Councilmembers agreed that their chairs did not need to be replaced and should be deferred.

Elevator maintenance	2,700
Administrator Tucker stated that the costs of elevator maintenance was brought up at the Public Safety Committee and that, as a result, the staff is researching the status of warranties and looking into putting out an RFP to possibly have all in the City under one (1) contract.	
Improve parking lot (parking stops, driveway, sod, irrigation repairs)	15,000
Related to the City Hall lot that has experienced unusual wear and tear due to the construction vehicles, the improvements would define the ingress/egress and dress-up the area around the building.	

Total General Government Capital Budget for FY12 \$203,100

Councilmember Bettelli remarked that one budget he had seen referenced the privacy fence at City Hall; he stated that the fence was in relatively good condition and suggested that the City consider pressure washing it along with the exterior of City Hall.

Police Department

Replace patrol cars (3 in FY12 – these were purchase in FY06)	69,000
The Administrator reminded the Committee that the specifics about the vehicles to be replaced is on the back page. Routine rotation.	
Replace VHS in-car camera systems with digital (4 in FY12)	13,600
This represents the City's continuing effort to get away from the VHS cameras.	
Replace mobile data terminals (patrol laptops) (2 per year)	4,500
Routine annual replacement.	
Replace body armor (4 or 5 sets per year)	3,125
Routine annual replacement.	
Replace staff computers (9 computers/4 yr. average life=approx. 2/year)	1,800
Replace computer servers (3 year replacement) w/backup system	6,500
Replace Animal Control 4 WD truck	24,000
Administrator Tucker commented that this item was deferred last year.	

Councilmember Piening questioned why this vehicle had so many more miles than the patrol cars purchased the same year; Chief Buckhannon replied that this vehicle is used seven (7) days per week, unlike the patrol cars, and that this vehicle is the vehicle used for running errands in addition to trips to the SPCA.

Councilmember Duffy noted that the patrol vehicles have ninety thousand to ninety-nine thousand (90,000-99,000); he asked Chief Buckhannon how many of those miles were on-island miles. The Chief said that he did not keep that kind of information, but that the bulk of the miles were either on-island or back and forth to the jail in North Charleston. He added that the vehicles average twenty to twenty-five thousand (20,000-25,000) miles per year.

Replace radar unit (approx. 2)	5,000
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Facility Maintenance

Pressure wash exterior (50% of PSB)	1,000
Elevator maintenance (1.5 of 2 elevators in PSB)	3,330
Generator maintenance (50% of PSB generator)	750
HVAC maintenance (50% of annual contract)	1,500

All of the above are routine annual expenditures.

Total Police Department Capital Budgets \$134,105

Fire Department

Capital Leases:

'03 95ft ladder truck (10 yrs.)	82,113
75 ft ladder truck (cost \$500k) (10 yrs.)	55,210
'09 E-1 pumper (10 yrs.)	40,383

Administrator Tucker pointed out that two (2) leases are paid off in FY13.

Regular Recurring:

Replace SCBA air packs and cylinders	27,020
Replace 10 sets of bunker gear	15,000
Replace fire hose and appliances	11,000

Councilmember Piening asked how long a set of bunker gear would last, and Chief Graham stated that the shelf life is seven to ten (7-10) years. The Chief responded that the City owns approximately forty-five (45) sets because they are sized to fit each member of the department. As for the budget for ten (10) sets, Chief Graham said the determining factors for replacement were wear-and-tear and turnover.

Replace Boston Whaler rescue boat (City has owned since 1989)	50,000
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As a result of the Public Safety Committee meeting, Chief Graham has been investigating other vendors who can provide a like-boat at a reduced price to the Boston Whaler. Councilmember Buckhannon questioned whether the purchase could be made through state purchasing. Chief Graham has learned that Key West and Pioneer both manufacture a similar boat, and she has gotten very favorable reports from DNR about the Key West boat they purchased – the Key West boat has a ten (10) year hull warranty.

3 mobile radio repeaters (this will allow 1 repeater per big truck)	36,000
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These items are a re-budget from FY11. Councilmember Piening questioned the need for the repeaters with the new radio tower on the island; Chief Graham said that the Fire Department would need the repeaters for in-building coverage even with the tower upgrade.

8 mobile data terminals (computers in vehicles) needed for Consolidated Dispatch	18,000
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Administrator Tucker explained that information will be transmitted via data terminals once the City joins the County's Consolidated Dispatch system; therefore, each truck will need a terminal. The County is trying to get a grant for the local governments making the transition, but the grant funds are not a guarantee, so the money here is a placeholder for that possibility.

Councilmember Bettelli asked when the City would be making the move to the Consolidated Dispatch Center; Chief Buckhannon said that the move would be at the end of 2012 or early in 2013.

Thermal Imaging Camera (have 3 – goal is to have 1 for each truck)	11,000
The Administrator stated that the thermal imaging camera detected fire behind a wall at the most recent fire on Ocean Boulevard. In response to Councilmember Piening’s question about the life-span of the cameras, Administrator Tucker said that it was six (6) years due to technology changes. Chief Graham said that she is hoping to get ten (10) years out of the cameras.	
Safety harness system (10 individual sets – goal to outfit entire staff)	5,500
Replace staff computers (7 computers/4 yr. average life=approx. 1.75/year)	1,800
Vent saw for cutting roofs (have 1 want 2 for both engines)	2,200
Councilmember Piening asked how often a vent saw was used; Chief Graham stated that the saw must start when it is needed and that a backup should be available when the first does not start.	
Two 4-gas meters w/calibration (test for dangerous gases)	3,400
Administrator Tucker explained that this is a device that tests for dangerous gases; the City does not have one at this time.	

Facility Maintenance

Generator Maintenance (50% of PSB generator)	750
Generator Maintenance – Station 2	1,100
Contribution to SIFD training facility maintenance	1,000
This contribution is being made for the use the City gets from the SI facility.	

Councilmember Piening asked whether Sullivan’s Island personnel ever came to assist IOP personnel; he noted that the monthly police reports did not indicate that to be the case. He queried whether Sullivan’s Island was able to keep its personnel to a minimum because personnel at IOP would back them up.

Elevator maintenance – Station 2	2,200
Elevator maintenance (50% of 1 elevator in PSB)	1,100
HVAC maintenance (50% of PSB annual contract)	2,500
HVAC maintenance – Station 2	2,000
Pressure wash exterior (Station 2 plus 50% of PSB)	1,800

Total Fire Department Capital Budget \$371,076

Public Works Department

<u>Capital Leases:</u>	
2006 Mack truck (PW2)	15,720
Caterpillar trash loader	15,560
2008 Mack w/30 yd. packer (PW22)	22,996
2009 Mack w/30 yd. packer (PW24)	22,624

Administrator Tucker pointed out that one (1) lease will drop off in FY13 and a second will drop off in FY14.

Replace garbage shuttle 2002 Ford F150 4x4 (will reuse current hopper)	28,000
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Replace z-track mower for rights-of-way	13,500
Replace Island II Fleet Fuel Pump System & Software	30,000
Like the court software, this is a DOS-based program; Director Pitts has problems now when the computer and the fuel island do not communicate. The Director is seeking prices from the current vendor and from Jones & Frank.	

Special Projects

Design, engineering and construction – 53 rd to 57 th Avenue Drainage Project	200,000
This assumes that the work is not completed in FY11 and overlaps into FY12.	

Design and engineering for 46 th -52 nd Avenue Drainage Project	86,000
This anticipates the initiation of the next phase.	

Councilmember Bettelli sought confirmation from Mayor Cronin that the new project would need full Council approval before any funds were expended; the Mayor agreed.

Replace dune walkover at public restroom	80,000
Replace dune walkover at 41 st Avenue	80,000
Replace dune walkover at Sea Cabins & 1140 Ocean Condos	80,000
Administrator Tucker suggested that the City decide on an amount for routine dune walkover replacement each year and allow a staff-level determination to be made of the walkover in most need of repair or replacement. Councilmember Bettelli asked whether the City would have to meet Americans with Disabilities (ADA) requirements; the City Administrator responded that the certain provisions, such as height, railings, guards along the edges, etc., would need to be met. In the next version of the Capital Budget, only one (1) line will appear for dune walkover repair or replacement.	

Facility Maintenance

Garbage cart replacement (approximately 100 cans/year)	6,600
Routine annual expenditure	

Drainage contingency	25,000
Set aside of funds for smaller drainage problems that arise throughout the year.	

Repeat drainage work based on 5 yr. maintenance schedule	76,800
Eadie's contract	

Contingency for right-of-way maintenance	3,000
This line is new to the budget and would be used to stabilize the rights-of-way around heavily used beach accesses, for example, the addition of shell sand on the 21 st Avenue curve.	

<u>Total Public Works Capital Budget</u>	\$626,800
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Building Department

Replace staff computers (4 computers/4 yr. average life=approximately 1/year) 900

Facility Maintenance

Generator maintenance (City Hall generator) 1,500

Preparation of old building to serve as a rental property 15,000

Staff recommends a placeholder for any repairs that might be necessary to ready the building for rental. Administrator Tucker noted that Councilmember Buckhannon had suggested that this expense might be more appropriately referenced in the City Hall renovation project budget using the funds originally designated for the demolition of the Building Department.

Councilmember Buckhannon reminded the Committee that, on April 20, 2010, it had voted to eliminate thirty-three thousand two hundred dollars (\$33,200) from the FY11 Capital Budget; the minutes of the meeting of May 18, 2010 indicate that the project budget was reduced by twenty-eight thousand two hundred dollars (\$28,200) with the elimination of the demotion of the building and parking lot rehabilitation.

Total Building Department Capital Budget \$17,400

Recreation Department

Administrator Tucker related that, after conferring with the Mount Pleasant Recreation Department, Director Page has deferred the Rec Trac software upgrade for a card-swipe system to FY13 to allow for further study. The Director has also removed the purchase of additional portable stages.

Additional/replacement playground or scoreboard equipment 10,000
 Annual expenditure for equipment or the scoreboard to be replaced as needed.

Replace staff computers (6 computers/4 yr. average life=approximately 1.5/yr.) 900

Replace/add water fountains (outside) (Youth baseball field in FY12) 6,000

PARD grant to offset recreation expenses (2,000)

Special Projects

Reserve funds to reconfigure baseball/softball fields and replace lights 150,000

Facility Maintenance

Topdress playground 5,000

Sand/clay mix for athletic fields 2,000

Replace metal doors on gymnasium 5,000

Like the City Hall exterior doors, these doors are badly rusted.

Total Recreation Department Capital Budget \$176,900

Front Beach Area, including Public Restrooms, Parking Meters and Parking Lots

Replace/refurbish benches, trash receptacles, information kiosks Routine annual expenditure	2,000
Add 1 parking kiosk in high volume area at Sea Cabins (used model)	6,700

Facility Maintenance

Replace street signs, parking signs, poles (approximately 75 signs)	2,500
Maintain public restrooms, plumbing, electrical, etc.	7,500
Annual parking lot maintenance (fill material, grading)	1,000
Maintain irrigation system for parking lots and Front Beach green spaces	2,500
Maintain electrical systems, landscape lighting, etc.	2,000
Resurfacing (patching) City-owned portion of Ocean Boulevard	5,000
Sidewalks and brick repair on City-owned portion of Ocean Boulevard	5,000
Re-sod and refurbish green spaces	5,000

All of the above are routine annual expenditures.

<u>Total Front Beach Capital Budget</u>	<u>\$ 39,200</u>
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Beach Restoration and Monitoring

2008 Project post-project monitoring (each January & July through July 2011)	65,331
2008 Project administration	5,000
2008 Project sand fencing maintenance	5,000
2008 Project escarpment grading (4 times/year)	1,800
Address focused erosion as it occurs (FY12 project is underway) According to Administrator Tucker, the timing for this is an unanswered question; as long as the shoreline remains stable, the need does not exist.	600,000
Ongoing monitoring of shoreline/long-term beach management	50,000
Establish reserve for future beach restoration projects	100,000

<u>Total Beach Restoration and Monitoring</u>	<u>\$827,131</u>
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Isle of Palms Marina

Design and permitting of new watersports/waverunner dock This item is a re-budget from FY11; with dredging on the horizon, this has been rolled to FY12.	25,000
Design and Permitting for new docks (permit process takes up to 1 yr.)	50,000

Special Projects

Dredging (engineering, permitting in FY11, construction in FY12) 300,000
Administrator Tucker commented that the City does not know whether it will be the single participant in the project; therefore, having a placeholder in the FY12 budget is necessary.

Total Marina Capital Budget \$375,000

Mayor Cronin stated that the Morgan Creek Harbor Association (MCHA) knows where the City is in the process; for financial reasons, the MCHA was hoping to wait another year. To join with the City, the MCHA would have to assess their members to finance dredging.

Councilmember Buckhannon stated that he would like to see a proposal for the dock configuration before any money is spent; he indicated that he wanted to see how many spaces would be opened up by a reconfiguration to get an indication on what the return on investment would be.

Mayor Cronin commented that Marina Manager Berrigan has been working on a master plan for the marina, but he is not yet ready to present that plan to the full Council. Of key importance to a plan will be who is responsible for what, and Manager Berrigan is in the process of calculating how much of an investment he can make and when he can make it.

Referring to page 14 of the Capital Budgets, Administrator Tucker stated this page details the City's bonded debt service; she pointed out that the Beach Restoration project debt will be paid in FY14.

The Administrator noted that in March, Committees will get their first look at the operating budgets, and the changes discussed tonight will be reflected in the next version of the capital budgets.

Councilmember Duffy asked for information on any debt that can be paid off early without a penalty for the next meeting.

7. Miscellaneous Business

Mayor Cronin stated that Comcast has announced a rate increase effective April 1, 2011.

Next Meeting Date: 5:45 p.m., Tuesday, March 15, 2011.

8. Adjourn

MOTION: Councilmember Bettelli moved to adjourn the meeting at 7:43 p.m.; Councilmember Duffy seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:
Marie Copeland
City Clerk