

WAYS and MEANS COMMITTEE
5:45 p.m., Wednesday, March 20, 2013

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Wednesday, March 20, 2013 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Loftus, Stone, Thomas and Ward, Mayor Cronin, City Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland; a quorum was present to conduct business.

1. 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.

2. Approval of Previous Meeting's Minutes

MOTION: Councilmember Bettelli moved to approve the minutes of the regular meeting of February 19, 2013 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Jim Raih of 3904 Cameron Boulevard addressed the Committee stating his support for bike lanes and bike paths to be constructed on the island; he expressed the opinion that the island should be premier location for cyclists. He voiced his disagreement with attempts by the City to direct cyclists to specific streets and away from others. Mr. Raih stated that the City should do whatever is necessary to provide the necessary infrastructure in the right-of-way for safe cycling.

4. Financial Statement – Treasurer Suggs

A. Financial Statement

The February financial statements being reviewed at this meeting represent activity through two-thirds ($\frac{2}{3}$) of the FY13 fiscal year; therefore, the target for revenue and expenditures is sixty-six percent (66%). Revenues for all funds combined are at sixty-eight percent (68%) of budget, and General Fund revenue is at sixty-six (66%) of budget. General Fund expenditures for all departments are at fifty-eight percent (58%) of budget; the only department over budget is Judicial, and the reasons behind that have been discussed at the past several Committee meetings.

Cash on-hand exceeds three million dollars (\$3,000,000) and is relatively evenly split between BB&T and the Local Government Investment Pool (LGIP). Although the interest rate at BB&T is zero percent (0.00%), the City maintains a certain balance there to avoid incurring service charges.

B. Tourism Schedules

Municipal Accommodations Fee is eight percent (8%) ahead of the same time period in FY12.

The Charleston County Accommodations Pass-through and State Accommodations Taxes have not changed since the last meeting.

Hospitality Taxes are running sixteen and eight tenths percent (16.8%) higher than FY12; the Treasurer reported that there were no caterers included in February, and the closings of Huck's and Red & White have affected collections. There was one (1) late payer and one (1) payer that is behind and owes the City seven thousand dollars (\$7,000).

C. Projects Status

February activity on the beach restoration project is attributable to Coastal Science and Engineering; six hundred thirty-eight thousand dollars (\$638,000) is the remaining balance.

For Phase II Drainage, one (1) invoice was paid to Civil Site Environmental for engineering, surveying and drawings; approximately forty thousand dollars (\$40,000) remains available.

Assistant Dziuban introduced the worksheet developed for the wayfinding signs and parking management initiatives. The Assistant recalled that the wayfinding sign project was initiated after the budget was adopted for FY13, but staff identified fifty-four thousand dollars (\$54,000) in the FY13 budget to reallocate to this program; in addition, City Council approved twelve thousand four hundred fifty dollars (\$12,450) at the February 2013 meeting for design, bidding and construction and installation oversight for an FY13 total of over sixty-six thousand dollars (\$66,000). Of that total, spending in the amount of approximately sixty-five thousand five hundred dollars (\$65,500) has been approved by Council, leaving a balance of less than one thousand dollars (\$1,000).

Funds identified as *Proposed Additional Services and Costs* are included in the FY14 budget that has not yet been approved; the total is thirty-three thousand forty dollars (\$33,040).

Assistant Dziuban noted that the twenty thousand dollars (\$20,000) approved in July 2012 for signs is item D under *New Business* on this meeting's agenda for the fabrication and installation of wayfinding signs.

5. Old Business

Councilmember Ward recalled that he had asked Administrator Tucker for a report from the Building Department relative to changing the due date of business licenses.

Administrator Tucker recounted that, at the last Ways and Means Committee meeting, staff had been tasked with developing a schedule illustrating how this change would affect the flow of revenue. The work is in process on a chart showing the two (2) business licenses (commercial and vacation rental) timeline windows and a second chart indicating how the revenue flows for each. Staff's plan is to propose a couple of alternatives for movement of the deadlines for each license and showing the impact on revenues of each change.

The Administrator pointed out that the FY14 operating budget includes the expense of additional mailings should Council decide to proceed with the deadline change.

The schedules will be presented to Council as soon as they are complete.

6. New Business

A. Award of a contract to Ocean and Coastal Consultants Inc. in the amount of \$26,600 for design and engineering of the watersports dock.

Administrator Tucker introduced John Shaffer of Ocean and Coastal Consultants Inc. to the Committee and stated that he was present to answer any questions the Committee might have.

The Administrator reported that the design and engineering for the watersports dock was included in the FY13 budget for twenty five thousand dollars (\$25,000); the City received six (6) bids for the work, and Ocean and Coastal Consultants was the lowest bid. The Real Property Committee considered the proposals and moved to award the contract to the lowest bidder assuming that the concerns the vendor expressed about the contract were resolved; if the concerns could not be resolved, the award was to be made to the second low bidder. The contract issues were resolved; therefore, the recommendation for award is Ocean and Coastal Consultants in the amount of twenty-six thousand six hundred dollars (\$26,600).

Assistant Dziuban commented that all of the firms responding to the bid indicated a degree of uncertainty about what amount of geotechnical data would be required; Ocean and Coastal's bid stated that, if geotechnical data had to be obtained, up to an additional six thousand dollars (\$6,000) would be required. The geotechnical data determines the quality of the sediment materials below and how hard the pilings must be driven.

MOTION: Councilmember Stone moved to award the contract to Ocean and Coastal Consultants, Inc. as stated above; Councilmember Bergwerf seconded.

Councilmember Carroll asked what indications they would be looking for that would cause geotechnical work; Mr. Shaffer explained that his firm believes that the City may have in its possession the necessary geotechnical information in the construction documents for the bulkhead replacement. The purpose of the geotechnical is to determine the elevation of the marl, the actual load-bearing material below the silt into which to drive the piles so that they have vertical and axial capacity. If it is determined that the information is insufficient on which to base the design, then the geotechnical investigation will be necessary.

VOTE: The motion PASSED UNANIMOUSLY.

B. Award of a sole source contract to MobiMat for budgeted beach access mats.

Administrator Tucker stated that the award was for fifteen thousand seven hundred thirty-six dollars (\$15,736) for four (4) fifty-foot (50 ft.) lengths of mat; the budget for this product is twenty-five thousand dollars (\$25,000). This mat is in use at both the 42nd and 9th Avenue beach accesses and was put at the 41st Avenue path last week; it is used at soft-sand and heavily trafficked beach accesses. MobiMat is the only vendor for the product.

MOTION: Councilmember Loftus moved to award the contract to MobiMat as stated; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

C. Award of a sole source contract to CSDC Systems Inc. for budgeted ticket-writing software, 5 readers, installation and training in the amount of \$18,675.

Assistant Dziuban noted that these items are the second component of the updated court administration software communicating with the Police Department. The readers have the capability of scanning a driver's license ensuring accuracy and efficiency to be downloaded into the court system. The purchase is sole source to ensure compatibility with the court software; it is in the FY13 budget for twenty-two thousand five hundred dollars (\$22,500).

MOTION: Councilmember Bettelli moved to award the contract to CSDC Systems as stated; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

D. Award of a contract to Turnkey Creative in the amount of \$14,274.18 for construction/installation of wayfinding signs

Assistant Dziuban stated that three (3) bids had been received for the wayfinding sign fabrication that was approved in July 2012 for twenty-thousand dollars (\$20,000); the Stantec recommendation is to use a material called high density eurothane foam that has a longer life, will withstand the coastal weather conditions, looks like wood and is less expensive than wood. Stantec recommends awarding the contract to the low bidder Turnkey Creative in the amount of fourteen thousand two hundred seventy-four dollars and eighteen cents (\$14,274.18).

Assistant Dziuban introduced Marie Langlois of Stantec who has samples of the material for the Committee to examine; Ms. Langlois distributed a photograph of signs using this material that replicate a sand-blasted wood sign. She stated that the vendors had said that more and more people are turning to this material because it is long-lasting and is impenetrable to water. In addition, Ms. Langlois had an interior sign that demonstrates how the lettering would be cut into the material.

Councilmember Carroll inquired as to the life span of this material and was told that the material has a ten-year (10 yr.) warranty, while the redwood only has three to five (3-5) years.

Mayor Cronin asked what the warranty covered; Ms. Langlois responded that the warranty covers color and warping. She stated that the material was originally developed to insulate refrigeration units, and it is also used in the hull of boats.

Councilmember Loftus asked how long the product had been used for signs; Ms. Langlois learned from the sign vendors that it has been used for several years. He then asked what other locations have signs made from this material and was told that there are signs in the City of Charleston and on Hilton Head Island; the large WELCOME sign in North Charleston is fabricated from this material and has been in place for years.

Mayor Cronin asked how susceptible the material was to vandalism, and Ms. Langlois indicated that, if someone was set on damaging the sign, they could do so, but, if seriously damaged, replacement was less expensive. She also said that there is a product on the market that removes graffiti from the signs.

When asked about how the foam sign is attached to the posts, Ms. Langlois stated that it would be attached the same way that a wooden sign is attached. She indicated that the vendor would produce shop drawings for the Stantec engineers to see how they propose attaching the panel to the post before anything is approved for production.

Mayor Cronin asked whether Turnkey Creative had been in business for a while; he was told that she contacted them as a result of contact with Director Pitts. She learned that she has worked with the company with which the owner of Turnkey previously worked and she had been very happy with their work.

Councilmember Loftus asked how the signs would be installed; Ms. Langlois said that they panels would be attached to break-away wooden posts to meet SCDOT requirements. She reported that SCDOT has reviewed all of the permit drawings about how these posts will be installed in the ground and how they will be manufactured as part of the permit package.

Administrator Tucker asked whether SCDOT had taken issue with the change in materials; Ms. Langlois responded that SCDOT was interested in knowing whether the posts were break-away, whether the white paint is reflective and whether the text height was appropriate for the use.

Responding to Councilmember Carroll's question, Ms. Langlois indicated that each vendor had recommended the high density foam over redwood for the signs. Since the foam was a relatively new product, the vendors had submitted bids for redwood as well, and the same vendor was the low bidder for each material; Ms. Langlois offered to make those bid tabulations available to the Committee.

Mayor Cronin commented that the actual cost is two hundred fifty dollars (\$250) higher than stated on the agenda; the vendor did not include the cost of the Isle of Palms business license; the corrected total is fourteen thousand five hundred twenty-four dollars and eighteen cents (\$14,524.18)

MOTION: Councilmember Bergwerf moved to award the contract for construction and installation of wayfinding signs to Turnkey Creative in the amount of \$14,524.18; Councilmember Bettelli seconded.

Councilmember Ward questioned that the City was subsidizing the cost of the City's business license.

VOTE: The motion PASSED on a vote of 8 to 1 with Councilmember Ward casting the dissenting vote.

E. Consideration of actions related to Greenbelt Property at 1801 Palm Boulevard

Mayor Cronin noted that the City has received some input from residents, but, as Council progresses through the budget cycle, decisions need to be made about what will be done with the park and what the costs are going to be relative to that before deciding about signage.

Councilmember Bettelli said that some cleanup was needed to remove trash or anything harmful and clear the underbrush so that people can walk safely.

Mayor Cronin said that he had gotten a report from a citizen who has walked through and reported seeing trash, auto tires, discarded yard waste and piles of sand. The Mayor agreed that the lot should be cleaned up and trimmed up removing poisonous vegetation; he suggested asking the Public Works Committee to look into finding a vendor who would put the property into "respectable" condition and the associated cost to do so.

Councilmember Buckhannon stated that by lifting the ground up to discourage people from dumping on the lot.

Councilmember Stone asked whether the City or any of the vendors hired by the City was responsible for the piles of dirt/sand on the property; Director Pitts stated that the three (3) loads of dirt are of unknown origin.

Seeking direction, Administrator Tucker recounted how 3206 Palm had been limbed up and asked whether that was what they wanted at 1801 Palm. Councilmember Bettelli said he did not think they wanted the lot to be quite so cleared; Councilmember Bergwerf said the biggest concern was to make it safe.

Councilmember Buckhannon agreed that the Public Works Committee would find a contractor, establish the cost and bring the information back to the Ways and Means Committee.

F. Review of FY14 Operating Budgets and Estimated Reserve Requirements

Administrator Tucker first commented on the issues that are universal to departmental operating budgets that are as follows:

- An increase to the State Health Plan rates of 13.05%, not the 6% originally budgeted;
- A 3% merit pool for employees deemed worthy;
- A full year's application of the Charleston County radio user fees;
- Expenses associated with FY14 being a CALEA reaccreditation year and attending the certification hearings;
- The potential re-financing of GO bonds for the Recreation Center and the marina and the possible need to buy-down on the principal to get the best rates;
- An increase in Workers Compensation insurance based on experience rating.

Councilmember Loftus inquired about who would be attending the CALEA hearing; the Administrator responded that typically the attendees are the Mayor, City Administrator, Police Chief, City's accreditation manager and the Chair of the Public Safety Committee.

Councilmember Loftus asked if there was a way to reduce expenses in that line of the *Mayor and Council* budget to decrease. Mayor Cronin stated that he thought the budgeted amount was generous and could be reduced to nine thousand dollars (\$9,000).

Councilmember Loftus also suggested that the *Citizens and Employee Services* line could be reduced to twenty-five hundred dollars (\$2,500) based on the FY12 actual expenditure; Mayor Cronin agreed.

The Administrator stated that she would only be addressing those line items that have increased from the FY13 budget.

General Government

Overtime wages	9,524
A function of the 3% merit pool	
Debt service - principal	421,000
Debt service – interest	309,957
These 2 amounts come from the debt amortization schedules	
Meetings and seminars	7,800
CALEA attendance generates the increase	
Maintenance and service contracts	32,185
Increased for software maintenance and cloud backup system	
Insurance	19,467
5% increase to property and liability insurance	
Professional services	31,630
Increased due to increased number of background checks for prospective employees	

Administrator Tucker noted that the *Professional Services* line does not account for additional auditing expense should the City apply for and be awarded a Boating Infrastructure Grant in excess of six hundred thousand dollars (\$600,000), which is the trigger for the Single Audit Act of the federal government. From discussions initiated with the possibility of the water tank being replaced by a monopole, the questions that came up relative to asset ownership remain to be answered, and the answer may dictate a change to the City’s audit, making the IOP Water and Sewer Commission a component unit.

Councilmember Carroll asked whether the City “shopped” its property and liability insurance periodically; the Administrator responded that the City’s insurance is through an arm of the Municipal Association of South Carolina, whose rates are much lower than a commercial company’s would be. The only insurance that is purchased outside is the flood and dock insurance.

Miscellaneous and contingency	22,350
An increase of \$1,000 for the holiday party based on 2012 actual expenses.	

The General Government budget has an increase of four tenths of a percent (0.4%) for FY14.

Police Department

Printing and office supplies	16,000
Additional copies and mailings associated with CALEA on-site assessment	
Meetings and seminars	9,100
CALEA attendance at re-accreditation hearing	
Vehicle maintenance	30,000
Based on actual due to loss of on-site mechanic	
Telephone and cable	58,008
Increase due to 12 months of Charleston County radio user fee	
Maintenance and service contracts	49,436
Added annual maintenance for in-car radio equipment and increased annual maintenance on console	
Machinery and equipment	9,300
Increased based on actual. Repairs to in-car cameras, radar units and portable radio batteries originally purchased in 2007	
Insurance	65,857
Anticipated 5% increase in property and liability	
Professional services	8,200
CALEA compliance; added \$2,700 for required CALEA assessment 3 yr. software license	
Contracted services	291,503
Consolidated Dispatch personnel expense allocation less 22% paid by Sullivan's Island	

Administrator Tucker recalled that the City will maintain a presence in the dispatch center in the Public Safety Building to respond to the "ten-minute hits," the time period to determine if the person the officer is dealing with is wanted in another jurisdiction, answer the non-emergency lines and "ghost" calls made to the Consolidated Dispatch Center to intercede in a call if necessary. If the expense for Consolidated Dispatch were pulled out of the Police Department FY14 budget, the department would be looking at a decrease from the FY13 budget.

Councilmember Ward noted that personnel who leave the Isle of Palms to work at the Consolidated Dispatch Center will become Charleston County employees and that, beginning in FY16, the City will begin to see a substantial reduction in personnel and all related costs.

Administrator Tucker stated that the Isle of Palms City Council entered into the agreement with Charleston County six (6) years ago to join the Charleston County Consolidated Dispatch Center.

Councilmember Ward asked what savings in personnel costs would be in FY17 on a percentage basis. Councilmember Loftus followed up by asking how many employees was the City going to lose; Treasurer Suggs answered that the Police Department has eight (8) dispatchers and a total employment of thirty-one (31).

Councilmember Buckhannon questioned the amount being budgeted for six (6) people to attend the CALEA hearing. Administrator Tucker stated that much of the budgeted cost depends on where the meeting is; the next one will be in Garden City, California according to Chief Buckhannon. The Administrator suggested that staff prepare a CALEA budget of projected expenses to be reviewed at the budget workshop to be held in April.

Councilmember Ward commented that he had seen that two (2) Public Safety officers were being added in the FY14 budget. Administrator Tucker explained that last year the City had received a grant from Charleston County to add two (2) Beach Services Officers (BSO) which enabled the City to expand from four to six (4 to 6) once the grant was authorized. The purpose for added personnel was to have larger presence for beach access parking and compliance on the beach. As of yet, the approach has not been made to Charleston County for a similar grant in FY14, but, as the revenues are being compiled, a call will be made.

Councilmember Buckhannon did not recall that the number of BSOs was to be increased in perpetuity or as long as the City got the grant from Charleston County. The Administrator commented that, if the grant is not be made again, Council will need to decide whether to have four or six (4 or 6) BSOs.

Councilmember Bettelli noted that the added number of BSOs meant that they covered a broader range of the island and were not confined to Front Beach.

Councilmember Loftus recalled that he had asked at the Real Property Committee meeting whether the City had seen additional ticket revenue from having more bodies on the street; the Administrator stated that there had not been in increase in the number of tickets written, therefore no increase in revenue, but their presence meant better compliance.

Councilmember Loftus stated that he got a number of complaints from residents who saw vehicles parked illegally along Palm Boulevard that did not get tickets. Administrator Tucker commented that could have been true before the City had the additional officers.

Fire Department

Part-time wages	48,682
30 hrs/weekend x 26 weekends, April through September; offset with State ATAX; keeps down overtime in the department	
Vehicle maintenance	50,000
Increase again attributable to having lost on-site mechanic	
Telephone and cable	46,740
12 months radio user fee increase and 8 additional wireless cards for mobile data terminals	
Cleaning and sanitary	4,000
Increased based on actual	
Insurance	79,153
5% increase in property and liability	
Professional services	3,500
Increased based on actual	

With these increases, the Fire Department FY14 budget increases four percent (4%) over the FY13 budget.

Public Works Department

Telephone and cable	9,634
12 months radio user fee	

Administrator Tucker explained that the City has learned of a stormwater compliance issue at the Public Works site related to the runoff from washing the Public Works' apparatus that will require site modifications. The *Water and Sewer* line has been increased by one thousand dollars (\$1,000) to cover new sewer treatment for truck washing runoff.

Non-capital tools and equipment	2,500
Increased to purchase small tools for onsite equipment and facility repairs by staff	
Uniforms	6,000
Replacement t-shirts and hats, weekly uniform service; reduced by Committee	

Based on the changes discussed, the Public Works Budget increases by one percent (1%) over FY13.

Building and Planning Department

Printing and office supplies	16,500
Increased based on changes to due dates, additional printing and mailing	
Meetings and seminars	900
Increased based on actual	
Insurance	8,447
5% increase in property and liability	
Professional services	11,000
Re-appropriated annual legal orientation for BOZA and Planning Commission - \$4,000	

Councilmember Loftus suggested that the City attorney tape the orientation for BOZA and the Planning Commission to be used year after year. Councilmember Bergwerf noted that the down-side to that was the viewer cannot get questions answered.

Councilmember Bergwerf also asked if the City was required to provide a legal orientation for BOZA and the Planning Commission; the Administrator said that she would have to research to answer that question, but the City has made it a practice in order to protect both the City and the members of those committees.

Recreation Department

Administrator Tucker noted that the majority of lines in the Recreation Department remain the same and the lines that have increases are primarily based on actual expenses incurred. In the budget preparation, staff discovered that one (1) employee consistently works a minimum of thirty (30) hours each week which qualifies him for health insurance coverage; therefore, the *Group Health Insurance* line has been increased to reflect both the health insurance rate increase and cost to cover another employee.

Maintenance and service contracts	29,558
Based on actual	
Rents and leases	3,700
Based on actual	
Youth sports	30,000
Increase corresponds to increased participation; will also see revenue increase	

Overall the percentage increase for the Recreation Department is six percent (6%).

Councilmember Ward commented that part-time wages are projected to increase twelve percent (12%); the Administrator explained that the increase reflects more program offerings that will also generate additional revenue.

Councilmember Stone noted that the Recreation Center is not built to flood standards for elevation purposes and reported that the current flood program has been extended for five (5) years. Administrator Tucker responded that the building is flood proof, and Councilmember Buckhannon stated that it was one (1) foot about elevation.

Administrator Tucker said that she understood the implication that the City could receive a substantial increase in the cost of flood insurance and she would look into the matter.

Councilmember Loftus asked if there was a possibility to reduce the estimate for *Special Activities/Events* since year-to-date the expenditure is less than fifteen hundred dollars (\$1,500). Administrator Tucker said that staff would look into the makeup of the line.

Judicial and Legal

Professional services	57,291
Based on actual; increased utilization of City Prosecutor, bond attorneys and City Attorney	

Councilmember Ward asked what the City Attorney's hourly billing rate was; the Administrator stated that the rate is very competitive, but she would have to check the actual rate.

Parking Meter Department

Part-time wages	58,500
6 full-time Beach Service Officers, April through September, 3 funded from Municipal ATAX and 3 funded with Hospitality Taxes	

Administrator Tucker re-stated that, if Charleston County does not make the grant available again; Council would need to decide whether to employ four (4) or six (6) BSOs in the future. Councilmember Bergwerf asked when the City would know whether the grant would be offered again, and the Administrator stated that staff would initiate the dialogue as the revenue budgets are being developed.

Councilmember Loftus asked if April would be the start date for six (6) BSOs; Administrator Tucker stated that it would depend on applications for the positions. She turned to Chief Buckhannon for information, and he stated that he has hired one (1), two (2) are being processed and does not expect to have six (6) hired by May 1.

Councilmember Stone stated that the beach officers are critically important for many different reasons; the City had a lot of different situations that crept into the Front Beach area. He would prefer to see six (6) officers available to protect the public and to keep the beaches safe.

Focused was now directed to the schedule entitled *Estimated Reserve Requirements*, which represents staff's effort to execute City Council's assignment to save money, rather than to enter into municipal leases, to purchase large apparatus for the Fire and Public Works Departments. The schedule was developed based on the capital plan and looked at the replacement cycles of City assets to compute how much must be set aside each year in order to purchase the equipment with cash in the assigned year. The schedule will be reviewed and updated each year as the equipment is evaluated for continued use or replacement.

Administrator Tucker explained that Option 1, the lines highlighted in yellow, represents the pure method that is spreading the replacement cost of each vehicle equally over the year remaining until the scheduled purchase; this method results in huge peaks and valleys in cash on-hand. In Option 2, the lines highlighted in peach, the amount of annual savings is more level year-to-year, eliminating the extreme peaks and valleys. The numbers in blue represent the annual reserve to be budgeted each year for each department and combined; for FY14 for the Fire Department, the budgeted reserve needs to be three hundred fifty thousand dollars (\$350,000). The red numbers represent the years when money needs to be spent on those assets.

Across the bottom is the annual savings requirement distributed over the funding sources – Capital Projects Fund, Municipal Accommodations Taxes and State Accommodations Taxes – on the same percentage basis that has historically been paying the municipal leases.

Factors not considered in the schedule are the interest earned on money held, the proceeds from the sale of assets as they are replaced and the savings in interest paid on equipment leases. The schedule does include a two percent (2%) annual inflation rate on replacement costs.

The Administrator explained that, until revenues are projected and review the fund balance schedule, staff does not know whether this schedule will need to be tweaked further to make sure that the City has some degree of comfort with being able to afford the level of savings proposed for each fund.

Councilmember Carroll asked how the useful life of equipment on the Isle of Palms measured up to the useful life projected in E-1 schedule. Chief Graham stated that the twenty-year (20 yr.) useful life is based on past experience, but part of the concern today is the expanded use of electrical and computer components. Although the City's goal is twenty years (20 yrs.), she is not comfortable in saying that the City will reach that goal; she indicated that the City is looking into the cost to refurbish existing equipment in hopes of getting possibly another five years (5 yrs.) of use. She reminded the Committee that two (2) of the City's trucks sat outside for about five year (5 yrs.) with very little protection. The Chief assured the Committee that she will continue to use equipment as long as it can safely be done.

Councilmember Buckhannon asked how the replacement costs had been determined for this schedule; Treasurer Suggs explained that, for the purchases that are in the near future, she had gotten actual quotes from department managers, and that, otherwise, she had computed the two percent (2%) inflation rate to the original purchase price for the number of years to replacement.

Councilmember Ward noted that Mount Pleasant has changed the way that they respond to medical calls in an effort to extend the life of their apparatus. Administrator Tucker reported that Chief Graham and her staff have been tasked with studying the Mount Pleasant plan to determine whether it can be implemented at the Isle of Palms.

Mayor Cronin stated that the biggest issue for the City would be having sufficient staffing to respond to a fire when the medical assist team was also on a call.

Concluding her remarks, the Administrator asked that, if any member has questions or concerns after reviewing the other financial documents, to contact her and she would be happy to discuss issues in further detail. She also noted that Chief Buckhannon is proposing a change that affects their operation and that is going to tazers and body video cameras for officers.

7. Miscellaneous Business

Next Meeting Date: 5:45 p.m., Tuesday, April 16, 2013.

Mayor Cronin indicated that the annual budget workshop would be incorporated into the Ways and Means Committee meeting of April 16th.

8. Executive Session – not needed

9. Adjourn

MOTION: Councilmember Stone moved to adjourn the meeting at 7:53 p.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk