

WAYS and MEANS COMMITTEE

5:45 p.m., Tuesday, April 16, 2013

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Tuesday, April 16, 2013 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Buckhannon, Carroll, Loftus, Stone, Thomas and Ward, Mayor Cronin, Administrator Tucker, Assistant to the Administrator Dziuban and City Clerk Copeland; a quorum was present to conduct business. Councilmember Bettelli's absence was excused.

1. Mayor Cronin called the meeting to order and acknowledged that the press and public had been duly notified in accordance with the Freedom of Information Act.

2. Approval of Previous Meeting's Minutes

MOTION: Councilmember Stone moved to approve the minutes of the regular meeting of March 20, 2013 as written; Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments** – None

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

A. Financial Statement

Treasurer Suggs stated that the financial statements to be reviewed were through March 31, 2013, three-quarters through the fiscal year. General Fund revenues are at seventy-two percent (72%) of budget; General Fund expenditures are at sixty-nine percent (69%) of budget. Earlier today the City received notice of wires from Charleston County in the amounts of three hundred fifty-five thousand (\$355,000 and one hundred twenty-five thousand dollars (\$125,000) in property taxes, which make total property taxes revenue three million eight hundred eighty-four thousand dollars (\$3,884,000), or ninety-nine percent (99%) of budget.

Mayor Cronin asked whether these receipts were advances or actual month-end closings; the Treasurer responded that they were final payments from January, 2013.

Local Option Sales Taxes are showing at forty-two percent (42%) of budget, but that does not include twenty-nine thousand dollars (\$29,000) received in April, taking collections to forty-seven percent (47%) of budget and one hundred percent (100%) of the prior year.

Treasurer Suggs reported that progress has been made on credit card processing which was budgeted at thirty-five thousand dollars (\$35,000) in FY13, which should be offset by thirty-five thousand dollars (\$35,000) in fees collected from the City's customers who use credit cards. The City has been working with sc.gov that holds the state contract related to the internet and acceptance of credit cards and plans to move forward; this endeavor will be revenue neutral to the City. The credit card user will be charged a processing fee equal to one and seven tenths percent (1.7%) of the transaction amount plus a one dollar (\$1) transaction fee. The Treasurer noted that each transaction will require employee involvement, whether the user pays by phone or in person.

Mayor Cronin asked if this service would be available City-wide; Treasurer Suggs stated that the City can be selective in the types of payments it will take, but she could not think of any payments the City receives that would not qualify.

Administrator Tucker stated that the City will be signing a contract with sc.gov for this service; therefore, it would be appropriate for there to be a motion to award a contract to sc.gov.

MOTION: Mayor Cronin moved to enter into a contract with sc.gov to allow for credit card processing in the City of Isle of Palms; Councilmember Carroll seconded.

Councilmember Loftus pointed out that, when one typically uses a credit card, any transaction fees are built into the price of the item being purchased, not added on above the item costs. He voiced concern about how this fee would be communicated to credit card users; he wants this service to be revenue neutral to the City.

Mayor Cronin stated that the City employee taking the credit card would simply explain the process to the customer, allowing him/her to make the decision on the type of payment to be made.

Councilmember Buckhannon stated that, in his business, a notice is posted on the door that the business charges the finance fees associated with credit cards to the customer; he state that he understood that was a requirement under state law.

VOTE: The motion PASSED UNANIMOUSLY.

Returning to the financial statement review, Treasurer Suggs noted that all departments were below the targeted seventy-five percent (75%) in expenditures except for General Government and Judicial; the annual debt service payment on the Public Safety Building has been made and the reasons for the Judicial Department's over-budget relates to legal services which have been discussed at multiple meetings.

Cash on-hand is at thirty-two percent (32%) of annual budget and is relatively equally divided between BB&T and the Local Government Investment Pool.

B. Tourism Schedules

Municipal Accommodations Fee collections for the month of March are typical of its being a low point in the year, but collections are nine percent (9%) greater than the same period last year.

The City has had no new receipts of State ATAX or the Charleston County ATAX Pass-through.

Hospitality Taxes have been low for the last three (3) months, so Treasurer Suggs looked back to the detail for the same three (3) months last year and learned that several delinquent taxpayers were catching up with taxes due that inflated those collection months. She noted that the City currently has one (1) taxpayer that is behind; Director Kerr reported that this taxpayer is

on a weekly payment plan. Overall Hospitality Tax Collections have increased by ten percent (10%) over last year.

C. Projects Status

For the Beach Restoration project, the only expenditures in March were for legal services and bank service charges.

There were no expenditures from the Phase II Drainage project in March.

Consulting services to Stantec were the only expenses in the Wayfinding Sign/Parking Management project.

5. Old Business – None

6. New Business

A. Discussion of deployment of quick response vehicles for medical calls

Administrator Tucker explained that the goal in researching the use of quick response vehicles (QRVs) was to determine whether moving to them would allow the City to extend the life of large fire apparatus thereby reducing the annual amount going into the reserve for future purchases.

Chief Graham distributed a handout detailing the impact of having a QRV in service on the island; a copy is attached to the historical record of the meeting.

The Chief indicated that her initial reaction was that the Department does not have enough personnel in existing staff to take someone off a truck to staff a QRV; the presentation will show that a QRV will help the City, but more personnel will be required.

Among the things the use of a QRV would do are reduce mileage and maintenance costs on fire apparatus and increase flexibility and maneuverability in congested areas that frequently require the assistance of a police officer when using current, larger apparatus. After explaining how staff are deployed today at each station, the Chief reviewed the equipment assigned to each station to explain that the Department does not have sufficient personnel for a QRV. Deploying one (1) QRV would require two (2) additional firefighters per shift for a total of six (6) people.

Chief Graham stated that Mount Pleasant has one (1) QRV that responds to twenty-five percent (25%) of all medical calls and has produced fuel savings of eighteen thousand dollars (\$18,000). North Charleston has three (3) QRVs that respond to fifty percent (50%) of all medical calls in fifty percent (50%) of the City.

Administrator Tucker explained that North Charleston uses off-duty firefighters to work on the QRVs; therefore, North Charleston has not added personnel, but is paying overtime to current firefighters for working more hours on their days off. According to Chief Graham, Mount Pleasant is hiring additional personnel for the QRVs.

The Chief noted that there are three (3) categories of medical calls ranging from Category 1 as the most serious to Category 3 as the least serious – a broken bone, a jelly fish sting, minor falls, etc.; the majority of medicals calls IOP personnel respond to are Category 3. In Chief Graham's opinion, a QRV could respond to most of the Category 3 calls without assistance, but, if assistance were needed, it would likely be the battalion chief in a pickup truck or one (1) engine, not an engine and a ladder truck.

In addition, Chief Graham explained that the addition of two (2) personnel assigned to the QRV responding to a fire would assist the City with meeting OSHA mandates and bring the Department more in-line with NFPA 1710 National Standards and Accreditation requirements of fifteen (15) personnel on the initial response.

The island is divided into two (2) districts; District 1 is from Breach Inlet to 32nd Avenue, and District 2 is from 32nd Avenue to the north east end of the island. The majority of Category 3 calls are in District 1; if the City were to have a QRV, it would be assigned to the Public Service Building to serve District 1.

Savings anticipated from the use of one (1) QRV are the following:

- Reduce road miles on each ladder truck by approximately fourteen hundred forty (1,440) per year;
- Reduce fuel expense by approximately four thousand one hundred eighty dollars (\$4,180) annually;
- Extend estimated replacement schedule by one (1) year to seventeen (17) years;
- Extend tire replacement frequency by six (6) months and assuming average tire cost at six hundred fifty dollars (\$650);
- Reduce the estimated savings reserve by adding one (1) year to each apparatus is approximately ninety-five thousand dollars (\$95,000) over a six (6) year period.

The first year costs attributed to add one (1) QRV and two (2) personnel are as follows:

One 4-wheel vehicle fully equipped	50,000
2 firefighters/shift x 3 shifts	244,261
6 sets of gear, uniforms, physicals, etc.	<u>18,000</u>
TOTAL	\$312,261

For the benefit of new Councilmembers, Captain Tetor joined Chief Graham to describe how IOP firefighters respond to a basic structure fire on the island in a residence elevated ten to fourteen (10-14) feet with multiple stories. Captain Tetor described the Battalion Chief as the duty sergeant for the Fire Department in that he supervises the firefighters through the day.

In the event of a structure fire, the Battalion Chief is first on-scene and looks at the size of the structure, the volume of fire that is discharging from the house and how much fire is visible; from these observations, the fire attack plan is established. If the Chief is unavailable, the Battalion Chief will act in her stead as the incident commander, safety officer and accountability officer, who is responsible for knowing that all fire personnel can be accounted for.

Administrator Tucker commented that, in other departments, these three (3) functions are performed by three (3) different personnel.

Captain Tetor explained that, once the City transitions to Consolidated Dispatch, dispatchers will initiate a PAR (personnel accountability report) every twenty (20) minutes that the crew is on the scene of a fire.

The most versatile piece of equipment in the Fire Department is the ladder truck, and it is next to arrive at the truck. That truck has bigger pumps and generates an elevated master stream to attack the fire high. The engine company is used as the supply company; one (1) firefighter must attach the hose to the hydrant. Upon arrival, the ladder truck driver engages the parking brake and engages the pump; the firefighter with him pulls the tack line, the hose right behind the cab on the truck, to the front door of the residence. The driver must stay with the truck at all times to monitor the gauges on the truck; the engineer who came in truck one has to get dressed out, put on the air pack, grab a pike pull and backup the firefighter on the hose line. The firefighter who has charged the hydrant turning on the water must then jog back to the street to pull a secondary line. Usually the response time from the unit on the other side of the island is five to six (5-6) minutes; exposures to neighboring properties has not been assessed at this time. When Station 2 arrives, they too are in a ladder truck and setup a supply line; once again there is an operator on the ladder truck to pull more hose lines. For every firefighter inside a fire, there must be two (2) firefighters on the outside. A third line is now being pulled. The firefighter in the passenger seat of Engine 2 becomes the incident commander's "eyes and ears" on the fire scene performing the same duties as a firefighter, charging the hydrant and laying a supply line. To increase the survivability of occupants trapped inside a structure, the firefighters must ventilate the heat and gases from the structure; if the heat is not ventilated, as firefighters enter the structure, there is a great chance for a flashover. At this time, all firefighters are engaged and there is no one to put exposure protection lines in place; there is also no one to operate the ladders – the situation would be improved with the addition of two (2) firefighters from the QRV.

Councilmember Bergwerf asked how the volunteers fit into the scene; Chief Graham stated that they are seldom available to respond with unit.

Councilmember Carroll asked whether the fire rating would be lowered if the City had a QRV; Chief Graham and Captain Tetor agreed that, at best, it would not get higher and would help the City to maintain its current rating. Captain Tetor explained that ISO ratings were based on how many pieces of equipment the department had, how many people were employed and how much water could flow; they still want that information, but they also want specifications of the trucks, the number of firefighters who can be put at the fire scene and the amount of water on the initial alarm.

Councilmember Ward recalled that, in years past, the City had pursued the idea of requesting that Charleston County station an EMT and ambulance on the island in the summer months. The Chief reported that Charleston County had that presence on the island last summer, but the unit is not assigned to the island; if they get a call in Mount Pleasant, they go and may be off the island for several hours. Mayor Cronin added that the City had arranged to augment the power at Station 1 to accommodate the Charleston County unit.

Mayor Cronin thanked Chief Graham and Captain Tetor for the time and work put into gathering and disseminating the information of quick response vehicles; it had been very informative. The Mayor indicated that the City was not in a position to make a three hundred dollar (\$300,000) investment at this time, but he did see the benefit of added protection to both people and structures.

Mayor Cronin indicated that for some members of Council this presentation had been a first taste of what personnel do as they attack a structure fire, and it shows where the City has deficiencies.

B. Award of a sole source contract for consistency of equipment, not to exceed \$10,500, to Charleston Powersports for the budgeted purchase of a wave-runner

MOTION: Mayor Cronin moved to award the sole source contract to Charleston Powersports as stated above; Councilmember Bergwerf seconded.

Mayor Cronin explained that Chief Graham planned to attend an in-water boat show and to get a demonstration of the waverunner and that, by doing so, the City will receive a minimum discount of five hundred dollars (\$500) and an extension of the warranty from one (1) year to four (4) years.

Councilmember Ward asked the age of the equipment being replaced; Chief Graham stated that it had been purchased in 2009. She added that it has been the Department's policy to replace these units before they become unreliable since they are considered quick response vehicles. The Mayor commented that the City typically sells its used waverunners; the Chief said that City has gotten as much as five thousand dollars (\$5,000) with a trailer included and as little as one thousand dollars (\$1,000) without a trailer.

VOTE: The motion PASSED UNANIMOUSLY.

C. Award of a contract to Berkeley Heating and Air in the amount of \$39,303 for the budgeted purchase of HVAC for the Recreation Center gym

Mayor Cronin noted that the bid tabulation was included in meeting packets; he then inquired about the difference between the base bid and the alternate. Administrator Tucker responded that the alternate includes customization of the frame on which the equipment will be mounted; the base bid would have mounted the new equipment on the existing frame in whatever fashion necessary.

MOTION: Mayor Cronin moved to award a contract to Berkeley Heating and Air in the amount of \$39,303 for HVAC in the Recreation Center gym; Councilmember Bergwerf seconded.

Councilmember Loftus asked whether the equipment had failed, and Director Page reported that the equipment has failed – the gas burners have rusted out. The equipment was purchased in 2000.

VOTE: The motion PASSED UNANIMOUSLY.

D. Consideration of change in business license due dates

Administrator Tucker recalled that this topic had been discussed at the March Ways and Means Committee meeting, and staff had examined whether the due dates could be changed using only existing personnel. Although there is an expense associated with altering the due date, it could be moved to the end of April without additional personnel; a one-time expense of approximately five thousand dollars (\$5,000) is attributed to software changes and the cost of mailing out notices of the change.

Mayor Cronin said that he hoped that the programming expense will be less than estimated.

Councilmember Loftus asked how many requests the City had received to make this change; the Administrator stated that she was not aware of any requests being made to the Building Department, but the subject was brought to the City's attention from Councilmember Ward's representing some of his commercial clients. Administrator Tucker noted that the change will not have an adverse impact on the City's cash flow.

MOTION: Councilmember Ward moved to change the due date for business licenses from January 31st to April 30th; Councilmember Buckhannon seconded.

Treasurer Suggs stated that business licenses due April 30, 2014 will be based on business in calendar year 2013.

Councilmember Ward commented that ten (10) island businesses pay a total of ninety-nine thousand six hundred five dollars (\$99,605) a year; he added that he knows of businesses on the island that borrow money to pay for the business licenses and other obligations due in January.

Councilmember Loftus stated that, in theory, he thinks this is a good idea, but he cannot support the expense that the change will create. He indicated that he will not support the motion.

VOTE: The motion PASSED on a vote of 7 to 1 with Councilmember Loftus casting the dissenting vote.

E. Consideration of using the balance of the budget for wayfinding sign fabrication to purchase "No Parking on Pavement" signs for northeast end of island

Administrator Tucker explained that she was reminded when Barb Gobien spoke that the "No Parking on Pavement" signs have not been installed on her street; the Administrator indicated that City has been transitioning to the wayfinding signs, and, in the interim, the City awarded a contract for sign fabrication. The budget for the new wayfinding signs was twenty thousand dollars (\$20,000), and the bid came in under fifteen thousand dollars (\$15,000). The Administrator is suggesting that the balance of that budget be used to purchase as many "No Parking on Pavement" signs as possible. The goal of the wayfinding sign initiative is to have

them replace every sign on the island eventually, and this action will show the City's commitment to the initiative to SCDOT. The City will still need to get an encroachment permit from SCDOT to install the signs.

MOTION: Councilmember Stone moved to use the remaining balance to fabricate "No Parking on Pavement" signs in the genre agreed upon for wayfinding signs; Councilmember Ward seconded.

Councilmember Stone asked who would be responsible for installing the signs, and he was told that it would be a cooperative effort between the sign fabricator and the Public Works Department.

Councilmember Carroll asked if these signs would be made from the same high density foam as the signs approved previously; Administrator Tucker said that the plan was to use the same vendor following the same color and design.

VOTE: The motion PASSED UNANIMOUSLY.

At the Mayor's suggestion, the Committee took a break before proceeding with the budget workshop.

F. Budget Workshop for FY14 Operating and Capital Budgets

Administrator Tucker opened the workshop with global comments as follows:

- An increase to the State Health Plan greater than 13%;
- A 3% merit pool for those employees whose performance warrants an increase;
- Expenses for the CALEA conference and related other items for re-accreditation;
- A full 12 months of the increased Charleston County radio users fee; and
- Expenses related to the transition to Consolidated Dispatch and maintaining a presence in the City's dispatch center.

This budget includes two (2) items that are different from previous budgets: (1) the savings reserve for debt avoidance and (2) the increase in the capital threshold to five thousand dollars (\$5,000).

General Fund Revenues

The property tax estimate is consistent with the FY12 actual showing stability, and the figure also includes an amount for new construction. Local Option Sales Taxes are based on the past twelve (12) months actual. Telecommunications License Fees show a decline based on the fact that texts are not taxed. Business License Fees show a slight increase based on an uptick in the economy. Insurance License Fees have an increase based on the past twelve (12) months actual. Public Utility Fees are from Comcast and SCE&G and show a nominal increase. Like Business License Fees, Building Permits are projected to increase based on the increase in construction on the island. Residential Business Licenses also show a small increase, but stable amount. Court Generated Revenue is expected to decrease based on the past twelve

(12) months. Intergovernmental Transfers is the money the City will receive from Sullivan's Island for their portion of the transition to Consolidated Dispatch, as well as their share of the City maintaining a dispatch presence on the island. Grant income is the money the City has been told is in the Charleston County budget for additional BSOs in the summer months. State Shared Funds is funding from the state that currently is at nineteen thousand dollars (\$19,000) per quarter; State Shared Funds – Alcohol Permits is three thousand dollars (\$3,000) per year for the twelve (12) businesses on the island who have permits for Sunday alcohol sales. Miscellaneous Revenue is thirty-five thousand dollars (\$35,000) for credit card acceptance fees. Parking Lot Revenue is based on the new contract for one hundred thirty thousand dollars (\$130,000) rent per year plus thirty percent (30%) of gross collections and an increase in the daily rate to six dollars (\$6). The Recreation Instructor Income and Recreation Program Income have been increased based on increased activity and additional programs. State ATAX Transfer is the portion the City can transfer to the General Fund based on a formula prescribed by the state. Based on the past twelve (12) months actual, an increase in Parking Meter Revenue is expected.

Other items included in the total revenue number of eight million nine hundred thousand dollars (\$8,900,000) are transfers in from the tourism funds that will cover the salaries for two (2) patrol officers, two (2) BSOs, the Livability Officer, three (3) firefighters, one-half of the cost for fuel and temporary labor in the Public Works Department and additional part-time firefighters in the summer months.

Responding to Councilmember Ward's question about decreased Court generated income, Administrator Tucker stated that the income is a function of how cases are adjudicated, and Treasurer Suggs added that the present judge gives a lot of community service, which generates no income for the City.

The Administrator noted that the budget as presented does not contemplate a tax increase.

Councilmember Buckhannon commented that, from 2006 when BSOs were first paid from tourism funds, the amount being transferred has increased one thousand percent (1,000%).

Administrator Tucker explained that the City has the ability to increase the millage rate by the CPI each year to increase Property Tax Revenue, and the City has never chosen to do that. The result is that expenses are going up and property taxes and other revenue items staying relatively level.

The Administrator commented that one (1) of her personal goals was to include the narratives with the budget, and she stated that she has not completed that task at this point. The goal for the narratives was to provide a tool to the community to read them and find the budget more meaningful.

Councilmember Loftus expressed his opinion that the narratives were excellent and that they added a lot of insight into the other Committees. As the narratives are completed and the budget is published on the website, the Administrator indicated that she would be pleased to hear any comments from residents.

Capital and Special Projects

General Government

On the subject of electronic message boards, Administrator Tucker stated that some vendors have said that they could retro-fit the existing signs with the necessary electronics and eliminating the worry about a sign not in keeping with the appropriate impression of the island.

Councilmember Ward asked for details of the land improvements planned for 1207 and 1301 Palm Boulevard; he stated that, under capital projects for the Public Works Department, a figure of forty-four thousand dollars (\$44,000) appears for land improvements at 1303 Palm and five thousand dollars (\$5,000) for a privacy fence. Administrator Tucker responded that the status is that certain components of each of the elements have been approved; the only component currently approved is the resurfacing of the parking lot for City Hall and the replacement of the parking stops. Kelly Messier did develop a design for parking improvements at both 1207 and 1301 Palm Boulevard; also included in the design is a reconfiguration of the ingress/egress for the Public Works site. The numbers referred to are simply placeholders for, if and when, any of the components are approved by Council.

Councilmember Ward asked how staff derived the numbers, and the Administrator responded that telephone calls were made to vendors, input was gotten from the landscape architect Kelly Messier and some input from the Methodist Church.

Councilmember Carroll asked whether the poles recently erected by SCE&G on 1301 Palm were permanent or temporary since one (1) access to the property is now blocked. Director Kerr has been working with SCE&G since one (1) pole is actually in the driveway, and they are going to move it.

Councilmember Loftus stated that he was pleased that there will be no tax increase, but he did question certain allocations. On the subject of the electronic message boards, Councilmember Loftus stated that he has not gotten any positive feedback from residents for electronic message boards. He remarked that he was not in favor of twenty-five thousand dollars (\$25,000) for holiday light displays, but would support the concept of having light displays sponsored by island businesses. He asked for an explanation of Phases III and IV of the wayfinding/parking management; Assistant Dziuban has spearheaded this project and went to her office to retrieve the documentation. Treasurer Suggs referred the Committee to the project worksheets that were discussed earlier; according to that schedule and Assistant Dziuban, Phase III includes a sign classification system, generation of a draft parking management plan, conducting a public forum and designing a parking management program; Phase IV includes a signage plan costs, a phasing plan, generating a bid package for sign fabrication and the actual sign fabrication. Councilmember Carroll voiced his agreement with Councilmember Loftus and added that he had not been impressed with the recent Stantec presentation.

Administrator Tucker noted that the presentation was not a final version; it was intended to be informational to give the Committee an idea of where they were with their work; they were looking for the Committee to eliminate things when they appear to be on the wrong path.

Councilmember Loftus voiced his understanding that spending eight-one thousand dollars (\$81,000) would complete the contract with Stantec and purchase wayfinding signs for the island. Assistant Dziuban stated that the fabrication of the signs was not included in the number; Treasurer Suggs referred to the schedule and stated that fifty thousand dollars (\$50,000) was for sign fabrication. Assistant Dziuban doubted that fifty thousand dollars (\$50,000) would pay for wayfinding signs for the entire island when a fifteen (15) or so signs had cost over fourteen thousand dollars (\$14,000).

Mayor Cronin commented that any figure could be left in the budget as a placeholder in case a detailed project were to come forward or removed from the budget and, if a project comes forward, it could be handled as an unbudgeted expense.

Councilmember Ward voiced his understanding that the generator is twenty-one (21) years old and that it is started weekly; he asked whether anything was wrong with the generator. Director Kerr stated he had been told that the mechanics of the generator are good and have low hours, but the frame that supports it is failing; he has also been told that the generator cannot be taken apart to have the engine and generator portion put into a new frame. He has been told that, because of the rust inside the frame, it must be replaced.

Police Department

Included in this budget is three hundred thousand dollars (\$300,000), equally funded from Municipal Accommodation Fee, Hospitality taxes and State ATAX, for the implementation of a parking management project. If Stantec makes a recommendation that Council deems to be a positive action toward parking management, this would be the source of funds to implement that action.

Councilmember Carroll asked if this was trying to create parking rather than control parking; Administrator Tucker assured him that the money would be used for an alternative that will improve the parking situation the currently exists on the island.

The Administrator indicated that staff had thought that three hundred thousand dollars (\$300,000) was a reasonable amount to have available; the amount could be anything the Committee wanted it to be, but having funds available for an activity indicates to the residents that the City is dedicated to doing something for them.

Councilmember Ward reiterated his concern for the degree the tourism fund balances are being drawn down to balance this budget. Mayor Cronin reminded him that the money would only be spent if a project is identified.

Councilmember Stone expressed his opinion that taking this placeholder out of the budget would be irresponsible.

Based on this discussion, the Committee agreed to reduce the total to one hundred fifty thousand dollars (\$150,000) spread across the tourism funds as shown.

Councilmember Loftus questioned the need for maintaining the recording equipment when the City is transitioning to Consolidated Dispatch in October. Chief Buckhannon said that the equipment would be needed as long as the City maintains a dispatch presence on the island and this equipment records all in-coming calls and radio transmissions for both the Fire and Police Departments. In the past, the equipment and maintenance were paid from 911 funds, but, with the move to Consolidated Dispatch, the City will no longer receive them. The City could get recordings of radio transmissions from the County, but the recording of phone conversations is not part of their system. When asked whether the recording equipment was a want or a need, the Chief said that answer depends on how long the City plans to maintain a dispatch function after the initial year. The system is fourteen to fifteen (14-15) years old and could survive another year.

Mayor Cronin commented that, until the City goes through a summer season with Consolidated Dispatch, the City cannot make a decision on how long dispatchers will be on the island.

Consolidated Dispatch

Councilmember Loftus questioned that more of the expense associated with Consolidated Dispatch could be funded from tourism funds rather than the General Fund since a small percentage of both the Police and Fire Department expenses are funded from them.

Mayor Cronin remarked that he did not think the tourism funds could absorb more expenses than are already assigned to them, and that will become evident when the fund balance schedules are reviewed.

Fire Department

This department is the first to have substantial assigned fund balances for future expenditures; they are three hundred fifty thousand dollars (\$350,000) for the future replacement of one (1) rescue truck, two (2) ladder trucks and two (2) pumper trucks and one hundred thirty-three thousand dollars (\$133,000) for anticipated radio replacements in FY17.

Public Works

This department also has funds assigned to the reserve for future expenditures; they are one hundred ninety-five thousand dollars (\$195,000) to eventually replace seven (7) garbage packer trucks and two hundred thousand dollars (\$200,000) toward Phase II of the drainage project.

This budget also includes one hundred forty thousand dollars (\$140,000) for the stormwater improvements needed at the Public Works site to get into compliance with NPDES regulations. The City expects this expense to be offset by NPDES revenue from Charleston County.

Recreation

The largest single expense for the Recreation Department is the replacement of the fencing at the softball field; the replacement of the Rec's vehicle is also in the budget. Administrator

Tucker noted that replacing this vehicle has been deferred four (4) times, and it is beginning to have some mechanical problems.

Councilmember Buckhannon asked which scoreboard was to be replaced; Assistant Ferrell said that the soccer field scoreboard was the oldest.

Councilmember Carroll asked that the Committee be given more information on the softball field fencing. Assistant Ferrell distributed several photographs, including an aerial shot of the Recreation Department showing where the fencing would be installed and pictures of the fence to show its condition, rusted and bowing out. (A set of photographs is attached to the historical record of the meeting.) The fence will be moved in to the first base line and seven to nine (7-9) trees will be planted outside the fence.

Councilmember Carroll added that this fencing can be paid for from funds remaining from the new lighting.

Councilmember Ward asked about the condition of the vehicle proposed to be replaced. Administrator Tucker stated that the vehicle looks good, but is beginning to have mechanical problems; some things had to be fixed, but other repairs are on hold awaiting the budget approval.

Assistant Ferrell indicated that the ball joints still need to be replaced at a cost of six hundred fifty dollars (\$650); there is also an inspection list of things to come for a vehicle with ninety thousand (90,000) miles on it that includes drive belts, PVC valves, engine coolant, etc.

Councilmember Ward asked what amount had been allocated for the repairs; Treasurer Suggs referred him to the vehicle maintenance line in the Recreation Department budget.

According to Assistant Ferrell, the Kelly Blue Book value of the vehicle is twenty-seven hundred dollars (\$2,700).

The Treasurer noted that larger departments have more vehicles, therefore, more flexibility; whereas in the Recreation Department, the vehicle is used every day.

Councilmember Carroll asked whether island residents ever ride in the vehicle; Assistant Ferrell said that there have been times that Keenagers have been ridden in it to an outing.

Councilmember Ward then asked if it was "absolutely necessary to replace this vehicle at this time;" Mayor Cronin responded that, any time a decision is made on a vehicle, it is always what are the future maintenance costs on the vehicle versus the cash out for a new one (1). He concluded that a new vehicle seems prudent.

Beach Restoration and Monitoring

The budget anticipates a focus erosion project in FY14 at six hundred thousand dollars (\$600,000), post-project monitoring of the FY12 project at forty-five thousand dollars (\$45,000)

and the second year of a three year (3 yr.) contract for on-going monitoring of the entire shoreline at forty-nine thousand six hundred dollars (\$49,600).

As in prior years, this budget assigns one hundred thousand dollars (\$100,000) for future beach restoration projects; it is funded equally from Municipal Accommodations and State Accommodations taxes.

Isle of Palms Marina

The only items that remain in this version of the budget are the replacement of the fuel dispensers at the store at thirty thousand dollars (\$30,000), the design and permitting for the new watersports dock at thirty-two thousand six hundred dollars (\$32,600). This contract was signed after the March Ways and Means meeting, and the construction of docks at three hundred twenty-nine thousand dollars (\$329,000).

The Administrator explained that, after reviewing the fund balance schedule for the Marina fund, staff was reminded that the dredging project had cost significantly more than budgeted; therefore, the marina fund does not have the resources in it to use for the items previously considered. With that information, the decision was made to eliminate the items from the marina capital budget that were included in previous versions of the budget.

Bonded Debt Service – Principal and Interest

Good news included in this schedule is that final payment on the beach restoration loan will be made in FY14. Administrator Tucker reiterated that staff has initiated dialogue with bond attorneys associated with the possible refinancing of the GO bonds, but the figures in the budget do not reflect any changes reflective of those conversations.

Operating Budgets

Mayor and Council

Councilmember Carroll expressed thanks to staff for investigating the possibility of converting from printed meeting packets to electronic ones, but the expense associated with such a change is too great to move forward at this time.

Mayor Cronin noted that larger municipalities that have adopted such an initiative have larger staffs, including information technology departments; the Mayor indicated that he was certain that, at some point in the future, the City will make the move to go paperless.

With a consensus, the iPad initiative was removed from the FY14 budget.

Councilmember Ward asked how many people the City typically sent to the CALEA conference; Administrator Tucker referred the Committee to the CALEA schedule included in meeting packets and indicated that, up until last re-accreditation, the City has sent five (5) representatives to the CALEA conference – the Chief of Police, the CALEA manager, the Mayor, the Chair of the Public Safety Committee and the City Administrator. Three (3) years

ago, staff determined that money for five (5) attendees had not been budgeted; therefore, the City Administrator did not attend the conference.

When asked if the "head count" could be reduced, the Mayor stated that the number could be whatever Council wanted it to be. Mayor Cronin added that it has proven to be advantageous to have elected officials in attendance.

MOTION: Councilmember Bergwerf moved to reduce the number of attendees by sending two (2) members of the Police Department, the City Administrator and one (1) elected official: Councilmember Loftus seconded.

In responding to Councilmember Ward's question about why the City Administrator should attend, the Administrator explained that she works with the Police Department on the CALEA reaccreditation as they are preparing to go, and there is some crossover on Police Department policies that are also City policies. Administrator Tucker stated that her presence will not be a deciding factor on whether or not the department is reaccredited, but a member of the Accreditation Committee is a representative of the International City Management Association, so they see City Administrator's attendance as a show of support for the accreditation process.

Chief Buckhannon indicated that eight (8) of the ten (10) agencies in Charleston County are accredited.

Councilmembers Bergwerf and Loftus, respectfully, withdrew the previous motion and second.

MOTION: Councilmember Ward moved to send up to 4 people to the CALEA conference; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

General Government

Councilmember Ward asked Administrator Tucker what made up her compensation package; she said that she receives a salary plus an automobile allowance for the use of her personal vehicle and one (1) tank of gas per week. The Councilmember said he has heard that the Administrator receives a bonus based on the budget; the Administrator said that is incorrect.

Mayor Cronin explained that one (1) component of the Administrator's performance evaluation was tied to the execution of the budget.

Councilmember Ward then asked if there was a monetary incentive tied to the budget for the Administrator. Administrator Tucker responded that, if her performance evaluation is meritorious, she is eligible for the same percentage increase as other City personnel.

Councilmember Buckhannon asked whether the fifteen thousand dollars (\$15,000) from the Tree Fund in the Maintenance and Service Contract's line is for 1207 Palm Boulevard or for island-wide planting. Treasurer Suggs stated that the money could be used for any City-owned

property; Administrator Tucker said that no plan exists to use that money other than what Council might approve.

Police Department

The Administrator reminded the Committee that the Police Department has two (2) new initiatives for FY14; they are tasers and body-worn digital cameras.

On the body-worn cameras, Councilmember Carroll asked if there were any civil liberty issues related to their use. Chief Buckhannon said there were none; he further explained that the average citizen can have a camera on the street taking pictures. The biggest issue is to give the island's citizens the sense that members of the Police Department are doing what they are supposed to be doing; these cameras will provide supporting documentation for any incident.

Fire Department – no questions

Public Works Department – no questions

Building Department – no questions

Recreation Department

Councilmember Loftus queried that the new programs would be revenue neutral or revenue producing and whether there would be a need to add additional part-time personnel for these new programs.

Councilmember Buckhannon stated that the costs of the instructors come from the program revenues; he added that, when he was on the Recreation Committee, it usually ended up being "a wash." The instructors are not paid a set fee for a class, but a percentage of the participation fee – a 70/30 split.

Administrator Tucker agreed that part-time wages were increased for the FY14 budget. Treasurer Suggs added that the expense line includes the instructors, camp counselors, part-time help in the Department that work year-round.

Councilmember Loftus asked again whether the Recreation Department was growing its part-time staff; Assistant Ferrell answered that the Department would continue to operate with the same part-time staff.

Judicial and Legal

Administrator Tucker recalled that the legal training of BOZA and the Planning Commission had been discussed at a previous meeting and noted that the amount has been refined; the training component is only fifteen hundred dollars (\$1,500) of the total. The balance of three thousand dollars (\$3,000) in the Building Department is for legal work relative to initiatives coming from the Planning Commission.

Councilmember Loftus reiterated the efficacy of having a video presentation that members of the Commission could review at their leisure. In discussing this with the City Attorney and Director Kerr, both of them related that each time the presentation is made something new and different is brought up for clarification; the use of a video eliminates the opportunity to respond to those questions.

Councilmember Loftus stated that he is advocating having a set presentation that is taped and could be reviewed by all members of the Planning Commission and BOZA followed by, what should be, a much shorter meeting to answer questions and save the City in legal fees.

Parking Meter Department – no questions

Capital Projects Revenue

The Grant Income is the one hundred forty-thousand dollars (\$140,000) from Charleston County NPDES funds to offset the expenditures for the rehabilitation of the Public Works sites.

Councilmember Ward voiced concern over the fact that the Disaster Recover Fund has increased only six and a half percent (6.5%) over the past five (5) years; he was pleased that a significant contribution was done last year, but this year anticipates no increase, but takes sixty-nine thousand dollars (\$69,000) away.

Mayor Cronin commented that money was added last year as the result of a budget surplus, and he will propose doing the same thing this year. Since the fund now contains two million dollars (\$2,000,000), he would never propose that the fund balance go below that mark; based on previous years, he hopes to add as much as two hundred thousand dollars (\$200,000).

Councilmember Loftus asked how much money the City had spent for Katrina relief; the Administrator replied that she does not have those figure handy tonight. Administrator Tucker noted that the amount to fund hurricane assistance depends on where the tragedy hits; the Sandy initiative was funded at a higher level because accommodations were expected to be quite high. In researching the City's response over the years to other hurricanes, the Administrator learned that the City has spent between fifteen and forty thousand dollars (\$15,000-40,000). Administrator Tucker explained that she understood the allocation of these funds was to be able to respond immediately.

Mayor Cronin suggested that the number be reduced to thirty thousand dollars (\$30,000) and that it not come from the Disaster Recovery Fund; the Committee agreed.

Councilmember Buckhannon noted that six thousand dollars (\$6,000) had been allocated for new hurricane stickers, and he questioned the effectiveness of the system. He thought that residents should be able to show identification to gain access to the island after a storm; Councilmember Stone asked what a property owner from Michigan was to do to gain access to his second home on the island. According the Councilmember Loftus, island residents gain a sense of security from the stickers that they can get back on the island.

Administrator Tucker reminded the Committee that they could make changes to the budget at the Council meeting where the budget will have its First Reading.

7. Miscellaneous Business

Next Meeting Date: 5:45 p.m., Tuesday, May 21, 2013

8. Executive Session – not needed

9. Adjourn

MOTION: Councilmember Loftus moved to adjourn the meeting at 9:05 p.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk