

WAYS and MEANS COMMITTEE
5:45 p.m., Tuesday, January 21, 2015

The regular meeting of the Ways and Means Committee was called to order at 5:45 p.m., Tuesday, January 21, 2015 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Ferencz, Harrington, Loftus, and Ward, Mayor Cronin, Administrator Tucker, Assistant Administrator Dziuban and Clerk Copeland; a quorum was present to conduct business.

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

2. Election of Chair and Vice Chair

Councilmember Bergwerf nominated Mayor Cronin as Chair; Councilmember Bettelli seconded. Councilmember Carroll nominated Councilmember Ward, and Councilmember Ferencz seconded. Mayor Cronin was elected Chair of the Ways and Means Committee on a vote of 5 to 4; Councilmembers Buckhannon, Carroll, Ferencz and Ward cast dissenting votes.

Councilmember Bergwerf nominated Councilmember Buckhannon as Vice Chair, and Councilmember Bettelli seconded. Councilmember Ferencz nominated Councilmember Loftus, and Councilmember Bergwerf seconded. Councilmember Buckhannon was unanimously voted to serve as Vice Chair.

3. Approval of Previous Meeting's Minutes

MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of November 18, 2014 as submitted; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

4. **Citizens' Comments** – None

5. **Financial Statement** – Treasurer Suggs

A. Financial Statement

The Treasurer began her review noting that the financial data is for December 31, 2014, meaning that the City is half-way through the fiscal year and the target for revenue and expenses is fifty percent (50%). General Fund revenue is at twenty-five percent (25%) of budget; this figure is considerably behind FY15 because, by December 31, 2014, the City had received the November final and December advances of property taxes, and that is not true for FY15. All departments are below budget with the exception of Mayor/Council which is a timing issue that will even out as the months pass.

Cash in the General Fund is approximately one and a half million dollars (\$1,500,000), or sixteen percent (16%) of General Fund expenses.

B. Tourism Schedules

The November collections of Municipal Accommodations Taxes continue to be on an upward trend; the fund is six percent (6%) ahead for the same period in FY14.

State Accommodations Taxes are unchanged from last month, and the City has not received a payment for Charleston County Accommodations Tax Pass-through. With twenty-two (22) payers, December was a strong month for Hospitality Taxes; collections are running nine percent (9%) ahead the same period last year.

C. Projects Status

For the past month, the City paid no invoices on the wayfinding signs project, but did pay an invoice to Stantec for the parking management program implementation.

For the Shoal Management Project, the second pay application was made to Baker Infrastructure Group and to Coastal Science and Engineering for professional services.

Noting that the City was halfway through the fiscal year, Councilmember Bettelli asked that City Staff provide a review of other projects for this year that are in excess of fifty thousand dollars (\$50,000).

Councilmember Harrington asked for an update on the Shoal Management Project. The Mayor responded that crews are working every day when the tides are favorable and that they are harvesting from the shoal. In the Mayor's opinion, the fact that they are harvesting solely from the shoal does not appear to have diminished the shoal. At this point in the project, he estimated that between one hundred ninety and two hundred thousand cubic yards (190,000 – 200,000 cu. yds.) of sand have been placed on the beach, and the goal of two hundred fifty thousand cubic yards (250,000 cu. yds.) should be attained in three to four (3-4) weeks.

In addition, he reported that some of the stakeholders have communicated with the City Administrator, stating that they hope to see the two hundred fifty thousand cubic yards (250,000 cu. yds.) reached with money to spare for a permit modification to move even more sand while the contractor is still mobilized.

Councilmember Harrington reflected on the erosion at the south end of the island and recalled that Mr. Traynum had said that, once the shoal attaches, it will begin to spread down the beach to renourish the south end.

Mayor Cronin agreed, but added that the unknown is the time frame for the full attachment of the shoal; once it attaches, it may be a year before it begins to spread southward.

Administrator Tucker reminded Council that the City is posting the updates from the engineers on the City's website regularly.

6. Old Business

Discussion of Managed Beach Access Parking Implementation Steps

Mayor Cronin called attention to the list of implementation steps that was included in meeting packets; he noted that the list is not in sequential order or order by priority level and possibly is incomplete.

Councilmember Carroll commented that staff had met with three (3) vendors; the Administrator clarified that staff had met with one (1) vendor in person and telephonically with two (2) others. The Administrator reported that these meetings had been more of an introduction with information on what work they had done and for whom, as well as their capabilities; they were not meetings to address the City's specific needs.

In addition, the Administrator referred back to the parking management financial schedule that indicates that the City had approximately sixty-nine hundred dollars (\$6,900) remaining for work toward the implementation from Stantec and about fifty-three hundred thirty dollars (\$5,330) for signage. The City has the schedule of tasks remaining for Stantec; the City also needs Stantec's analysis of the list to know what they have finished versus what the City feels they have finished. Once a budget is established, the City must figure out what the charge will be for the passes in order for the initiative to be self-sufficient.

Mayor Cronin stated that the City will need several hundred signs, but he does not know that there is enough money remaining in the FY15 budget to cover the cost of the signs that will meet SCDOT standards, but the signs must be in place before the program can be initiated.

Councilmember Loftus remarked that some tasks cannot be done until others are completed and that the City has no idea how long it will take the software vendor to develop the program that the City needs. He voiced the opinion that the items that will take the longest to complete should be the first tackled.

The Mayor said that he stated that he would like to have the tasks divided into two (2) buckets – what the City has to do to implement the property owner/resident restricted parking only areas and what the City has to do to execute the pay-to-park areas.

In Councilmember Harrington's opinion, refinements remain to be made to the plan the City adopted before any signs are installed.

The Mayor suggested that staff to put together a timeline and resources that will be devoted to these tasks. Mayor Cronin commented that the cost may be so high that the City has to implement the program in phases.

Administrator Tucker agreed that Sullivan's Island may beat the City in implementing a pay-to-park system because, at one time, they were considering posting some pay-to-park signs and subbing out to a contractor to collect fees and enforce the program's regulations. Their plan is

similar to the plan at Folly Beach using the honor system. And it could come sooner than the City's because it is simpler and does not make distinctions between residents and non-residents.

The Administrator noted that many of the lots on Sullivan's Island are extremely large, so the ability for residents to park on their own property without any kind of a permit is greater. In some cases on the Isle of Palms, residents must park their own vehicles in the right-of-way.

Councilmember Loftus asked that updates on the parking management plan take place in the Council meetings since they are televised and put on the website in an effort to keep people informed.

7. New Business

A. Review of Historical Summary of Fund Balances

Mayor Cronin commented that he had spent some time over the holiday compiling this information; he thought it would prove to be valuable to other members of Council.

B. Award of a Sole Source Contract in the Amount of \$14,000 to T2 Systems to Develop a Program for the Online Payment of Parking Tickets

MOTION: Mayor Cronin moved to award the sole source contract to T2 Systems as described above; Councilmember Bergwerf seconded.

Councilmember Carroll was interested in the reason for this being a sole source contract; he thought other companies could provide the same service.

Administrator Tucker held up one (1) of the City's handheld ticket writing devices noting that these devices work using T2 software. She explained that an officer keys in the data when he sees an illegally parked vehicle; the machine generates the ticket that is printed out for placement on the vehicle. In addition, the unit sends the data to the T2 "cloud" and becomes available to the court system. The City does not have the ability currently for people to be able to pay parking tickets online with a credit card.

Last year the City partnered with SC.gov to be able to accept credit card payments at the walk-up window; the expense associated with the transactions is passed along to the user. This component would allow the City to provide people the ability to pay parking tickets online with a credit card. In order to do that, the T2 software must be able to talk to the SC.gov software.

If the City were not to do this work as a sole source, the City would have to start over and go to a totally different system and replace the existing equipment at a considerably higher expense.

Councilmember Buckhannon asked whether the payments would be made through the IOP.net site or a third party site; Treasurer Suggs replied that there would be a link on the City's website.

Councilmember Loftus asked how this would tie in with the parking management plan and the handheld license recognition equipment.

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The Mayor explained that the officer would have two (2) separate pieces of equipment; one (1) the size of a credit card for the license recognition and the handheld ticket writing device.

Chief Buckhannon reported that the useful life of the handhelds is three to five (3-5) years.

Councilmember Loftus inquired about the age of the City's units, and the Chief said that three (3) of the handhelds were a little older, but four (4) were purchased in the last couple of years.

Chief Buckhannon said that he did not know of a company that has both license recognition and ticket writing in one (1) device; T2 Systems does have a parking management system that allows two (2) devices to be linked by T2 software.

The Chief commented that the request tonight is simply for the software to allow the payment of tickets online using a credit card.

VOTE: The motion PASSED UNANIMOUSLY.

C. Consideration of Recommendation from the ATAX Committee to Fund the 2015 Dunlop Junior Tennis Championship in the Amount of \$3,500.

MOTION: Councilmember Loftus moved to approve the request from the ATAX Committee stated above; Councilmember Bergwerf seconded.

Councilmember Loftus asked whether the City had done the same in prior years, and the Mayor agreed that to be true.

Councilmember Bettelli suggested that the application be changed to add to the top of the request the dollar amount being requested and a second line indicating whether the request had been awarded previously and the amount.

VOTE: The motion PASSED UNANIMOUSLY.

7. Miscellaneous Business

Recalling the budget process last year, Councilmember Loftus asked what changes were being made as far as timing issues and how the process would move.

Mayor Cronin commented that the budget calendar will be presented to Council next week at the regular meeting.

The Administrator said that the plan was to follow the same calendar in terms of the ways in which the budget was developed last year beginning with revenues.

Councilmember Loftus saw that as a problem last year that the real discussions were in May, meaning that the budget was approved at the last minute in June. He suggested that the

Committee process begin with a discussion of expenses at the same time it looks at revenue;
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voiced the opinion that Council needed more time as a unit to “hash out” different issues and to avoid a late June approval.

Responding to Councilmember Loftus’ second question, Administrator Tucker stated that staff would repeat the wage increase of six percent (6%), but the amount of increase included in the budget is the will of Council.

Councilmember Loftus remarked that the City has had a pool of three percent (3%) for several years; therefore, that should be the recommendation coming to Council. If there is extra money, an upward adjustment could be made.

The Administrator recalled that this was part of the way the City into a situation where it was lagging behind other local governments in wages.

Mayor Cronin suggested that the Personnel Committee look into the issue.

Next Meeting Date: 5:45 p.m., Tuesday, February 17, 2015

8. Executive Session – not needed

9. Adjourn

MOTION: Councilmember Bettelli moved to adjourn the meeting at 6:35 p.m.; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk