

WAYS and MEANS COMMITTEE
5:45 p.m., Tuesday, February 17, 2015

The regular meeting of the Ways and Means Committee was held at 5:45 p.m., Tuesday, February 17, 2015 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palm, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Ferencz, Harrington, Loftus and Ward, Mayor Cronin, City Administrator Tucker, Attorney Halversen, Assistant 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 were duly notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of Previous Meeting's Minutes**

MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of January 20, 2015 as submitted; Councilmember Carroll seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens Comments** – None

4. **Financial Statements** – Treasurer Suggs

A. Monthly Financial Statement

Treasurer Suggs reported that the City had successfully issued an invitation to bid on the Recreation Center Bond; two (2) bidders responded, Bank of America and First Tennessee Bank. The low bidder was First Tennessee Bank with a rate of 1.68% - the original bond was at 5.5%; once the fees associated with the attorneys are paid, the savings are expected to be one hundred thirty-three dollars (\$133,000) over the remaining term of the bond.

The financial statement for January 2015 is seven (7) months into the fiscal year, making the target for expenses fifty-eight percent (58%). The City has received the final December payment and an advance for January Property Taxes; Council voted for an increase in business licenses for off-island business which it is represented on the report. Cash balances are slightly ahead of last year, representing thirty-five percent (35%) of annual General Fund expenses. For expenditures, all operating departments are at or below budget and slightly higher than FY14.

B. Tourism Schedules

A new box has been added to the tourism schedules that show the FY15 budget for comparison.

The December quarter of State ATAX funds was received; receipts are two point eight percent (2.8%) greater than FY14. The City has not yet received the December funds from the Charleston

County Accommodations Tax Pass-through. Hospitality Taxes had a strong January and are running thirteen percent (13%) ahead of the same period in FY14. Year-to-date, Municipal Accommodations Taxes are six percent (6%) ahead of FY14.

C. Project Status

For the Beach Restoration Project, payments to CSE, Attorney Halversen, Baker Infrastructure Group and to the City, as reimbursement for wages for the truck counters, were made in January. The project is expected to be completed on Friday, February 20th.

For the parking management and wayfinding sign initiatives, the schedule shows the activity on the two (2) contracts with Stantec. The balance remaining on the two (2) contracts is fourteen thousand four hundred seventy-two dollars (\$14,472) which could pay for the Stantec Change Order.

Treasurer Suggs reported that the FY15 budget also contains one hundred thousand dollars (\$100,000) in the Police Department budget for implementation of the parking plan.

Councilmember Bettelli recalled that he had requested a status report on all projects in excess of fifty thousand dollars (\$50,000) that have not yet started.

5. Old Business

A. Consideration of Change Order to Stantec Contract to Re-direct Remaining Contract to Implementation of Managed Beach Parking and the Addition of \$1,795

Administrator Tucker recalled that the City engaged Stantec to do data collection to quantify the nature of the problems with parking and traffic on the island. When that process was completed, Stantec presented a recommendation for a managed parking plan for the City to consider. After discussions by Council, the subject was taken to a public hearing in October 2014 where Stantec and Council presented the plan to the public. At the hearing, Council heard over and over that some residents were not affected by beach parking, and, therefore, did not want their area regulated; based on that public input, Council worked to further refine the plan. One of the over-arching models for the plan was the City of Charleston's parking management plan that has been successfully implemented without challenge to manage parking in congested areas where it is unsafe and where there is pollution from vehicles circling to find a parking space. Using the comments from IOP residents and the residential parking permit models from both the City of Charleston and the City of Columbia, Council held a series of workshops to discuss how to best use the models, the data collection from Stantec and the citizens' comments. A hybrid version was devised that might work to manage beach access parking and traffic for the City's residents. Another factor that figured in the discussions was the City's approved Beach Management Plan, which was adopted in 2007; that plan details where there is beach access parking. Councilmembers looked at what parking was claimed in the Beach Management Plan and what changes have occurred since 2007 that affect parking, i.e. NO PARKING HERE TO CORNER, NO PARKING ON PAVEMENT, etc. The Administrator noted that Stantec had provided information to the Council on the number of parking spaces available in the areas claimed for beach access parking in the Beach Management Plan.

Council then considered parking plans designated A and B; the only difference between the two (2) was the size of the regulated area on the island. After a number of meetings, Council adopted Parking Plan B, with areas of non-regulated parking, and the concepts in that plan were submitted to SCDOT for their approval.

On January 9, 2015, the City received a favorable response from SCDOT to implement Plan B and other modifications the City asked for, such as golf cart parking, in some of the same area. Since that time, the City has been working to implement the managed beach access parking program.

Director Kerr stated that beach visitor parking would be relegated to those streets designated in the approved Beach Management Plan; the basis for counting those spaces was that they were within five hundred feet (500 ft.) of the end of a beach access path. The areas marked in red on the maps will be the roads with parking spaces identified in the Beach Management Plan and the rights-of-way to be identified as beach visitor parking. Visitors parking in those areas will be required to buy a parking pass.

The areas in green on the maps will be designated as regulated, resident-only parking; these are areas close to the paid parking spaces. Residents in these areas will be expected to register with the City, with proper identification, and will be allowed to park in the rights-of-way adjacent to their homes. These areas will be between five hundred and one thousand feet (500-1,000 ft.) from the end of a beach access path. For instance, one living on Hartnett Boulevard would be in the regulated, resident-only parking area.

Beyond one thousand feet (1,000 ft.) from the end of a beach access path will be an area without regulation, just as it is today; the residents here do not have to register their cars and will be allowed to park freely in the rights-of-way inside that area.

Councilmember Carroll expressed his understanding that the streets from 42nd to 53rd Avenues were to be no parking since they are dead-end streets.

Administrator Tucker replied that the information sent in the City's request to SCDOT covered questions asked in the minutes relative to those streets. She reported that some of the streets have very little space to park now and the changes of NO PARKING HERE TO CORNER and NO PARKING have eliminated parking on some of those streets. Detailed in the letter was parking on Palm Boulevard from roughly 57th Avenue upward to where people park in the Palm Boulevard right-of-way and a couple of other areas were noted as parking areas.

Administrator Tucker explained that both the parking plan for the City of Charleston and the proposed parking plan for the Isle of Palms include the provision for expansion of the residential regulated, resident-only parking in the future if needed. Citizens could petition to be included or the City could find that an area was becoming very congested and add it to the regulated, resident-only parking. The Administrator added that she has been approached already by groups of residents requesting inclusion in the regulated area, which is the opposite of what Council heard at the October public hearing. Since a quantifiable reason must accompany the request, the Administrator has been advising those people to take a wait-and-see attitude.

Councilmember Loftus asked the Administrator to explain who would pay for beach parking and who would not.

According to the Administrator, persons parking in the red areas would pay to park there with either a daily, weekly or seasonal permit during the hours and season it is enforced; outside of

those hours, 9:00 a.m. and 6:00 p.m., and the season, Memorial Day to Labor Day, people would have free access to park on the rights-of-way. People who live in the green areas, resident-only parking, will be allowed to park on the rights-of-way in that area; those who live in the unregulated yellow area must buy a permit to park at the beach, unless they go to the beach in a golf cart.

Since Council has identified a plan and gotten permission to implement that plan, the City must look at the steps necessary to implement the plan. There was some money in the Stantec contract allocated to do one (1) thing, but the City needs help immediately to procure a software vendor and to get encroachment permits from SCDOT for numerous signs. Staff has begun to develop a budget, but key components, i.e. how many passes will be sold, the kind of revenue that could be expected, and the cost of implementation, must come from a software vendor. Until the RFP is advertised and bids received, staff does not know what that cost might be and cannot move forward with a budget.

Rick Day reported that Stantec has identified six (6) tasks to be done in order to implement the beach access managed parking plan; they are as follows:

1. Preparation of the RFP and selection of the software vendor;
2. Recommendation on the number of passes in each category and fees for parking passes to generate proposed revenue budget;
3. Preparation of preliminary signage plans and acquisition of encroachment permits;
4. Modification of City Code to include parking plan;
5. Establishment of a public outreach program; and
6. Assistance with parking enforcement element of the plan.

The Change Order to the Stantec contract is to develop the RFP for a software vendor, to assist with a revenue budget and to assist with signage.

MOTION: Mayor Cronin moved to approve the Change Order to the Stantec contract and to reallocate of budgeted funds in the amount of \$1,795; Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.

Councilmember Ferencz asked why the seventeen hundred ninety-five dollars (\$1,795) was needed when the amount remaining on the contract was fourteen thousand four hundred seventy-two dollars (\$14,472).

Treasurer Suggs explained that the total for the Change Order is fourteen thousand dollars (\$14,000); according to Mr. Day, the remaining balance on the original Parking Permit Program agreement is six-eight hundred seventy-five dollars (\$6,875), the remaining balance on the Wayfinding Sign Program agreement is fifty-three hundred thirty dollars (\$5,330), leaving a funding gap of seventeen hundred ninety-five dollars (\$1,795). In the City's internal accounting, the City increased the Stantec contract by two percent (2%) for reimbursables which have not been spent and could be assigned to complete the Change Order funding.

Councilmember Carroll recalled targeting Memorial Day to implement the managed parking program, but the Stantec Gantt chart indicates implementation must wait until July 27th, which would leave only two or three (2-3) weeks in the summer season.

Mayor Cronin agreed that the City would miss most of the summer of 2015, but, if actions were not taken now, the City could also miss the summer of 2016.

Councilmember Ward commented that, with this motion, the City would be stepping forward to proceed with the managed parking plan as presented; he also asked whether the City or an outside vendor was going to design, implement and maintain the parking program.

The Mayor noted that the City did not have personnel who could design the software.

Councilmember Ward continued by asking whether the City was going to be hiring the personnel, taking on the police officers to enforce the program, i.e., will this parking plan will be operated by the City and not an outside agency?

Mayor Cronin stated that the critical step that had not been taken was selecting a software vendor, and, without that vendor, the City could not move forward on a budget or a timeframe. He commented that the other things on the list would wait until the City has a vendor and learns what the program is going to cost and could the City implement based on the number of permits.

Responding to Councilmember Ferencz' question, the Mayor stated that the City needs a software vendor who can design a system that will allow an application, by computer or Smartphone, for someone to obtain a parking pass. The software and electronics must communicate so that, when an officer or another person with an electronic device reads a license plate, the device can tell the officer whether or not the driver purchased a permit. He indicated that the necessary equipment might be provided by the same or another vendor. Once that package is identified, Council will be asked to make a commitment that this is the vendor that can meet all of the City's requirements. At that point Council will also make the commitment of time and money for implementation.

Councilmember Ward reiterated the question he has asked from the initial discussions of a managed parking plan concerning the cost of implementation of the actual system; he also asked who would be employed to write the tickets and to maintain the system.

The Mayor explained that the decision was made by Council that City employees, possibly BSOs, in the Police Department would be in charge of enforcement; in the future, if the City was to decide to contract out the management of the parking plan, it could do so.

Councilmember Ward reported that Wrightsville Beach has a private contractor that runs the parking program and they have been very happy with it. City personnel did not even answer questions. The Councilmember commented that, with the private contractor, the City would not be burdened with the overhead associated with the system.

Mayor Cronin added that Wrightsville has meters, while the City will deal with electronic applications.

Referencing November and December Council discussions of the managed parking plan, Administrator Tucker stated that this issue was discussed, and the direction staff was given was that there would be City enforcement. In addition, the letter that went to SCDOT said that the City would do enforcement. The City would always have the option to hire a private contractor to do enforcement or to handle the entire process.

The Administrator stated that she does not know exactly what Sullivan's Island is considering relative to parking, but a vendor has reached out to her that is one of the same vendors with whom staff had informal conversations and has spoken with Sullivan's Island. Based on her perceptions of what he said and information received in an email, the Administrator opined that Sullivan's Island was considering using a private contractor. In the Administrator's opinion, the difference between the two (2) islands is that Sullivan's Island has a procurement ordinance that would allow them to move forward with a vendor without going through a process like the City has. She added that Sullivan's Island does not already have a core group of enforcement which the City does have; she noted that they may hire a couple of BSOs, but they primarily patrol the beach or assist animal control.

VOTE: The motion PASSED UNANIMOUSLY.

B. Review of Gantt Chart Related to Managed Beach Parking

Mayor Cronin stated that the City was not going to be prepared to implement the parking program until this summer is nearly gone, but he does not want to lose the time and energy that has already been put in. The Mayor voiced the opinion that the City needs to get the software vendor identified and on-board and, in order to commit to the program, Council needs to see the budget for implementation of the parking plan. The Mayor envisions the full implementation of the managed beach access parking plan to start in the spring of 2016.

The Administrator advised Council that the Gantt Chart was marked as DRAFT so that Council could modify or change it; the final version would indicate the City's assignment of tasks and the deprioritizing of other tasks in order to get the implementation completed.

Councilmember Loftus recalled discussing things the City could do to get a jumpstart on the implementation at last month's meeting; he said that he thought that the RFP would have already been prepared to be issued when the SCDOT approval arrived. From reviewing the Gantt Chart, the Councilmember believes that the implementation date could be moved up to the first of July 2015. He commented that no vendor would be writing new software for the City, but would take an existing package and modify it to fit the City's needs; he also opined that the training cycle could be moved up.

The Mayor said that installing the signs could be a cue, a communication tool, to alert residents, for instance, where the regulated, resident-only parking area would be; he explained that the software would tie everything together. He suggested putting the signage up in early July, and that the installation of three hundred plus (300+) signs was not going to be a small task.

Stantec must submit an encroachment application for the signs identifying where each one will be placed.

Councilmember Bettelli commented that it was important to proceed with the plan, but the key was that the system works properly. In his opinion, if time is compressed to implement the program sooner, the risk of not having it right the first time increases.

Councilmember Loftus noted that restaurants have “soft openings;” for Mayor Cronin, a “soft opening” would be to get to July with the software and equipment ready and officers could train by scanning licenses and putting warning stickers on those vehicles that will be required to buy a parking pass.

Councilmember Ferencz stated that she was disturbed that the City would be installing over three hundred (300) signs on the island; in her opinion; she expressed the opinion that the island lifestyle was not one that said “don’t,” “can’t,” or “won’t”.

The Mayor explained that there would be no way to enforce the plan regulations if the public was not made aware of them.

Councilmember Carroll asked whether signs designating the areas where parking would be allowed could be installed rather than the NO PARKING signs.

Councilmember Ferencz suggested that, when people bought a parking pass, they also receive a map of the permit parking areas on the island, rather than installing so many signs.

If the City was not to put up appropriate signage, the first thing people would say when in court would be that there was no sign in Councilmember Bergwerf’s opinion; she added that the City has no managed parking plan without proper signage.

Councilmember Carroll said that he was very surprised to see that, according to the Gantt Chart, the parking plan could not be implemented until late July; he was under the impression that the target for implementing the plan was Memorial Day.

Administrator Tucker recalled that she has repeatedly said that staff was working as fast as it could to implement the plan as soon as possible, but she did not think staff had indicated that it would be feasible to implement this season. She stated that, until the City received SCDOT approval, any work done could have been wasted work at a time when there were other priority projects to be done for the City. Since receiving approval, all other work was deprioritized to put implementation of the parking plan as THE work priority, and, to that end, everyone is working hard and as quickly as possible with the goal of not making any mistakes in the process. From the Administrator’s point of view, the Gantt Chart presented was very aggressive in terms of some of the activities. As this chart was developed, one (1) thing considered was that special meetings of Council could be needed because Council must pass the ordinance and must authorize certain elements of the budget.

Councilmember Carroll agreed that the best course of action was to postpone full implementation until Memorial Day 2016 and to take the time now to ensure that the program is the best the City can develop.

Councilmember Buckhannon recounted that, when the City has tried to expedite projects in the past, the costs dramatically increased; with the tasks remaining to be done, he also favored delaying implementation until 2016. After quoting the population growth in surrounding areas, the source of many island visitors, he emphasized that the plan cannot become a burden to island residents and must be cost neutral.

Councilmember Ferencz pointed out that there were no dependencies on the Gantt Chart as presented, and she would hope to see them on the next version.

Mayor Cronin asked that staff move forward with the vendor RFP, and, that, once Council knew what the implementation number would be, they could prioritize the remaining steps. The Mayor reiterated that once a vendor was selected, Council must decide whether to put them to work immediately to design the software or to delay the software design to 2016. He explained that, once the contract to proceed was signed, Council would know the software design costs, know the numbers about what it will cost and the schedule for implementation.

Councilmember Bergwerf liked the Mayor's concept of a "soft opening;" it could serve as a testing period to find out what the problems were.

6. New Business

A. Award of a Contract to Sign Design in an amount not to exceed \$7,000 for 2 message boards

The Mayor noted that there was a picture of what the new signs would look like included in meeting packets.

MOTION: Mayor Cronin moved to award a contract to Sign Design as detailed above; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.

Responding to Councilmember Loftus' question, Administrator Tucker stated that the signs will closely match the existing signs with the wayfinding sign motif on the top.

VOTE: The motion PASSED UNANIMOUSLY.

B. Award of a contract to Emergency One in the amount of \$352,528 for a rescue truck with pump

Mayor Cronin reported that the bid numbers included in meeting packets were the results of a re-bid for the contract award.

MOTION: Mayor Cronin moved to award a contract to Emergency One in the amount of \$352,528 for 1 rescue truck with pump; Councilmember Bergwerf seconded.

Councilmember Ward asked if this truck was to replace the rescue truck the City currently has, and he was told that it is; the Councilmember then asked for the mileage on the truck and was told the mileage is just under forty-thousand (40,000) miles.

Councilmember Ferencz asked when the purchase went from being a rescue truck to a pumper.

According to Chief Graham, when staff learned that the City would pay as much to refurbish the existing truck as to buy new and determined the existing truck no longer met the Department's needs today, the decision was made to purchase what the Department needed today. The Chief reported that inclusion of the pump would increase the price by approximately twenty-four thousand dollars (\$24,000). Chief Graham stated that the amount in the budget was mis-budgeted; the cost of the truck purchased in 1999 was used as the basis for the cost of a new rescue truck and that they had not had a good number for the rate of inflation.

Councilmember Ferencz recalled that purchasing a new rescue truck had garnered a lot of debate when the budget was developed for FY15, but Chief Graham had not brought up adding a pump, and no evidence was presented that a pump should be added to the rescue truck. The question of "why do we need a pump?" was asked again.

Chief Graham stated that a pump would make the truck more versatile. Currently, if a truck breaks down, putting the existing rescue truck in service means that personnel can go to a call, operate for medical calls or wrecks, operate with hazardous materials, and/or fill air tanks, but there was no water.

Councilmember Ferencz commented that none of this information was presented to Council when discussing the purchase of a new rescue truck.

When "spec-ing" out the new truck in the RFP, the discussions centered on what does the Department need today, and one (1) thing that can make the truck more versatile and more useful to the citizens of the island was the ability to pump water.

As Councilmember Ward repeated that this truck was one hundred thousand dollars (\$100,000) over budget. Chief Graham commented that there were a couple of factors affecting the price that were overlooked, i.e. major EPA and NFPA changes that went into effect in 2009 and had increased prices considerably. Other changes have occurred since 2009, but they have not been as significant.

Councilmember Carroll asked the Chief what would happen now to make the rescue truck roll out instead of a pumper.

Chief Graham explained that the City's rescue truck is in reserve status and has been in reserve status since 2009. A key factor in that decision was that it did not pump water; therefore, it would not be taken to a fire call. The existing rescue truck rolls when the City has a HAZ-MAT

call or when a fire occurs requiring the air tanks to be refilled. The equipment in the truck gives the City points toward its ISO rating.

Mayor Cronin asked whether having the pump on the new truck would improve the City's ISO rating; Chief Graham responded that she did not think that to be the case.

The Mayor asked how long before the truck could be delivered; the Chief replied three hundred ten (310) days after the pre-construction conference.

Administrator Tucker commented that the only way to execute the purchase would be to enter into the contract now, agree to re-budget the two hundred twenty-nine thousand dollars (\$229,000) from the FY15 budget and to budget for the overage in FY16.

Chief Graham announced that there was a price-lock on the truck through February 2015; if negotiated after that, the price would increase; and several NFPA changes will occur in June 2015 as well as significant price increases in aluminum in 2015.

Councilmember Loftus asked for a roll-call vote.

VOTE: The vote was as follows: Councilmember Bergwerf – yes; Councilmember Bettelli – yes; Councilmember Buckhannon – yes; Councilmember Carroll – no; Councilmember Ferencz – no; Councilmember Harrington – yes; Councilmember Loftus – yes; Councilmember Ward – no and Mayor Cronin – yes. The motion PASSED on a vote of 6 to 3.

C. Award of a Contract to East Coast Pyrotechnics in the amount of \$14,500 for the July 4th Fireworks Display

MOTION: Mayor Cronin moved to award a contract to East Coast Pyrotechnics as detailed above; Councilmember Loftus seconded.

Councilmember Buckhannon indicated that he was very surprised by the low price and asked whether the City would have a display very similar to prior years.

Chief Graham referred to the information on the recommendation memo and noted that East Coast Pyrotechnics proposed using more small shells and fewer large shells; she added that the person with this company has worked with Zambelli's in the past, therefore, was familiar with the show.

Councilmember Loftus asked whether the display would have the same WOW factor as in previous years.

Chief Graham recommended going with the low bidder and negotiating an increased price for more large shells, which would still leave money in the budget.

Amendment: Mayor Cronin moved to amend the motion for an amount not to exceed \$17,000; Councilmember Loftus seconded and the amendment **PASSED UNANIMOUSLY**.

VOTE on the AMENDED MOTION: The amended motion **PASSED UNANIMOUSLY**.

D. Award of a Sole Source Contract to Hughes Motors, Inc. in the amount of \$194,000 for one 2016 Mack GUI13, a 30-yard Garbage Truck

MOTION: Mayor Cronin moved to award a sole source contract to Hughes Motors, Inc. in the amount of \$194,000 for a Mack 30-yard garbage truck; Councilmember Ward seconded.

Administrator Tucker reported that this purchase had successfully gone through the Public Works Committee; she also explained that, for the sake of consistency, the City has used Mack products over the years. The Administrator noted that the price is one thousand dollars (\$1,000) over-budget.

VOTE: The motion **PASSED UNANIMOUSLY**.

E. Approval of the Over-budget Price of \$449.38 for the Mobile Radio Repeater Paid from State ATAX Funds

MOTION: Councilmember Bettelli moved to approve the over-budget price; Councilmember Carroll seconded.

When Councilmember Ward asked why the item was over-budget, Chief Graham replied that the programming for the "walkies" and the radios was greater than anticipated.

VOTE: The motion **PASSED UNANIMOUSLY**.

F. Review of FY16 Revenue Projections

Since the FY16 revenue projections have been reviewed by all Committees of Council, Administrator Tucker reviewed the highlights for this meeting; General Fund revenues include some items that increase and others that remain flat. The Administrator voiced her concerns about Business License and Residential Rental License Fees; adding the two (2) together, they represent a substantial amount of revenue for the City. She reminded Council that two (2) bills are before the Legislature now that could dramatically reduce this revenue stream; the first bill could eliminate entirely municipal business fees, and the second could limit the amount a municipality could charge for business licenses. The Administrator again urged Councilmembers to follow closely as the bills go through the legislative process and to advocate against them. State Shared Funds again are a frequent target for the Legislature, and cries to reduce the amount municipalities receive or to change the formula used to compute the amount they receive are being considered. Although not a significant part of the City's revenues, if it

was to be eliminated, the City would have to adjust the revenue budget. If all three (3) line items were reduced, the City would be forced to reduce services provided to residents. Figures appearing as Transfers-In in the lower half of the page are the same as last year and will likely change as expense budgets are prepared. The Administrator pointed out the increase in the Public Utilities line is the result of an action of Council for the FY15 budget to increase the franchise fees for SCE&G from three percent (3%) to five percent (5%).

Councilmember Ward confirmed that this increase is paid by the residents of the island.

Councilmember Carroll commented that the City now charges the same SCE&G franchise fee as Sullivan's Island and Mount Pleasant.

Mayor Cronin noted that some people behind these bills have confused the business license application process and the amount charged for the business license; unlike the Isle of Palms, some municipalities have a long and odious application process.

The Administrator reminded Council that the source of funds for the Capital Projects Fund primarily come from year-end positive net results of the City's annual budget or the addition of a Transfer-In from the General Fund as a line item. Grant Income is a re-budget of the funds the City anticipates receiving from Charleston County to bring the Public Works site into compliance with stormwater regulations.

Municipal Accommodations Fees are expected to increase in FY16; the City will receive an increased allocation from County Accommodations Taxes in FY16. Hospitality Taxes has also been increased based on the previous twelve (12) month's collections. A modest increase has been budgeted State ATAX funds, also based on the past four (4) quarterly payments; the Administrator advised the Committee that the second line should be changed to five hundred thousand dollars (\$500,000).

Councilmember Loftus questioned the drop in sponsorships for the holiday light displays; Treasurer Suggs recalled that some of the sponsorships were for multiple years. Administrator Tucker added that, if Council was to decide to buy more light displays, sponsorships would be sought out.

The increase in the Beach Restoration Fund can be attributed to the new Beach Preservation fees of one percent (1%) and added to State Accommodations Taxes; no transfer-in from the Beach Maintenance Fund is contemplated for FY16. As the expense budgets are generated and future restoration projects are discussed, Council may decide to transfer-in funds from the Beach Maintenance Fund.

For the Beach Maintenance Fund, no activity is shown; revenues for the Marina Fund are the rent from the marina tenants plus fifty thousand dollars (\$50,000) of additional rent from Morgan Creek Grill. The rent from Marina Joint Ventures and the Marina Outpost are based on the amendments that will have their Second Reading at the next Council Meeting.

Only Interest Income is shown for the Disaster Recovery Fund; if the City ends the year favorably, Council often transfers money to this fund.

The Federal Narcotics Fund is being zeroed out; and minimal Interest Income is expected for the State Narcotics Fund. The Victim's Assistance Fund is budgeted based on FY15's actual court assessments.

The ongoing sale of commemorative bricks on Front Beach go into the Plant-a-Palm Fund; sources of revenue for the Recreation Building Fund are from the Connector Run and registration fees for the Beach Run, as well as a sponsorship from the State ATAX Fund to support the Beach Run and, at times, public contributions.

Reminding Council that the City is only the custodian of the fund, the Volunteer's 1% Fund is projected to see an increase; the money going into this fund represents a percentage of the fire insurance premium people pay to protect their homes.

Councilmember Ward asked what the chances were for a budget amendment once the parking plan is implemented.

Administrator Tucker replied that staff hopes to have that number before the FY16 budget is passed.

Councilmember Ward asked whether Council could anticipate having sound revenue and expense numbers for the implementation of the parking plan by the Second Reading of the FY16 budget.

Neither the Administrator nor the Treasurer wanted to commit to that. Administrator Tucker noted that staff tries to budget to avoid having a budget amendment later in the fiscal year.

Councilmember Ward agreed that Council and the staff would prefer not to have an amendment, but, if it was to happen, this could be the year.

Mayor Cronin noted that predicting a revenue number will be tricky; people could opt not buy the passes and pay a ticket instead.

7. Miscellaneous Business

Next Meeting Date: 5:45 p.m., Tuesday, March 24, 2015

8. Executive Session – not needed

9. Adjourn

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

Respectfully submitted:
Marie Copeland
City Clerk