

REAL PROPERTY COMMITTEE
5:00 p.m., Tuesday, August 14, 2012

The regular meeting of the Real Property Committee was held at 5:00 p.m., Tuesday, August 14 in the Conference Room of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Buckhannon and Stone, Chair Loftus, Administrator Tucker and Assistant to the Administrator Dziuban; a quorum was present to conduct business.

1. Chair Loftus 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 Stone moved to approve the minutes of the regular meeting of July 10, 2012 as submitted; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Will Millman, 408 Ocean Boulevard, came to the meeting to speak about parking on Ocean Boulevard; he reminded the Committee that, at a recent public forum, those residents who addressed parking on Ocean Boulevard were against the idea of opening Ocean Boulevard to right-of-way parking. He also recalled reading in a local newspaper that the Isle of Palms has more parking available for day-visitors than any of the other local barrier islands. Therefore, he questioned why additional parking for day-visitors was being considered; he voiced his opinion that, if more parking was being discussed, the discussion should be limited to the business district of the island. Mr. Millman quoted regulations from SCDOT regarding the uses of rights-of-way and iterated the fact that parking is not mentioned in them. He repeated the fact that he is opposed to parking on Ocean Boulevard.

Charlie Jones, 813 Ocean Boulevard, stated that he, too, is opposed to parking on the ocean side of Ocean Boulevard. He reported that, since the recent incident at Folly Beach and subsequent action to prohibit the consumption of alcohol on the Folly's beach, he has noticed many more cars parked on 9th Avenue with beach-goers carrying coolers to the beach. He stated that opening up Ocean Boulevard to more vehicles will mean "more drunks on the beach."

Phillip Smith, Intracoastal Court, stated that his objection to parking outside the business district is that there are no public facilities for visitors to use and that create a problem for residents in his opinion. Public facilities should go along with parking.

Ronnie Heron, 815 Ocean Boulevard, stated that he was "dead set against parking" on the ocean side of Ocean Boulevard. He also pointed out that a trolley is running throughout the day to bring people to the island and take them home; people do not have to drive over. He stated that the City should not "try to satisfy the world."

4. Comments from Marina Tenants, if necessary – Items addressed later on Agenda

5. Old Business

A. Discussion of Charges to Committee from Joint Meeting

- 1. Parking on the Ocean-side of Ocean Boulevard**
- 2. Areas for Visitor Parking**

Administrator Tucker reported that nothing new has been added to this discussion. For those who spoke earlier, the Administrator explained that the recommendations from the February joint meeting of the Planning Commission and City Council were divided among the Committees of Council, and, until such time as the City is beginning to implement some of them, they will remain on monthly agendas. Parking on the ocean-side of Ocean Boulevard has been on the Real Property agenda every month beginning in March.

The Administrator continued that Council has endorsed an endeavor to implement wayfinding signs in an effort to direct day-visitors to the island to the public parking lots or the County Park and away from neighborhoods. The first step in the process has been approved by Council, but implementation is waiting on an encroachment permit from SCDOT.

Chair Loftus voiced surprise at having people speak to the Committee tonight regarding parking on Ocean Boulevard when no actions have been put before Council from the Committee on that topic; he explained that consideration of parking on the ocean-side of Ocean Boulevard is a single piece of a much larger and complex issue for the entire island. The Chair assured the concerned citizens present that, when Council decides on a direction, a meetings will be held to get input from residents before any plan is implemented.

MOTION: Councilmember Stone moved to remove this item from the meeting's agenda; Councilmember Buckhannon seconded.

Councilmember Stone stated that he thought the continued inclusion on the agendas was like "waving a red flag in citizen's faces" and that the subject can be added back to the agenda at any time that there is something of substance to discuss. In addition, the Councilmember reported hearing from citizens all over the island that they do not want any more of the island opened for parking for daily visitors to the beach; he added that he "will not be voting for opening up any additional parking" unless residents tell him that they want it.

VOTE: The motion PASSED UNANIMOUSLY.

B. Report on Status of Use of City Lots in the Off-season

Administrator Tucker noted that the Committee had tasked City staff with determining what opportunities might be available to allow the City parking lots to be revenue generating twelve (12) months a year, and one (1) suggestion the Committee was interested in pursuing was renting spaces in the larger lot for RVs in the off-season. A staff committee of Directors Kerr and Pitts and Chief Buckhannon were charged with researching the feasibility, determining what improvements would be required in the lot and the costs of those improvements.

The Administrator commented on the fact that the current lessee's contract expires at the end of September 2012, so an RFP for the management of the lots will be generated. With the introduction of an off-season use of the lots, the question is whether the RFP will be one (1) contract for twelve months or two (2) contracts, i.e. one for managing in-season parking and one for managing an RV park in the off-season.

Director Kerr was asked to review the information that was included in the meeting packet relative to RV parking which does indicate that the parking lot can be transformed into an RV parking lot in the off-season. (A copy of the report is attached to the historical record of the meeting.) The Director related that members of staff met with contractors, the Water and Sewer Commission and power provider, and management of the KOA campground on Highway 17 to arrive at the conclusion that the lot can be setup to handle RV parking. An initial investment of approximately one hundred twenty-five thousand dollars (\$125,000) would allow for the infrastructure to be put into place for ten (10) spaces along the fence perpendicular to Ocean Boulevard near the Water and Sewer Commission and Oceanside Condominiums. Each space would measure thirty feet by sixty feet (30 ft. x 60 ft.) which would accommodate even the larger sized RV; each site would have an electrical and plumbing hookup and a common sewer connection at the exit of the lot. Constructing a sewer line in the same area as the RV parking would mean impact fees and significantly more construction costs; as someone with RV experience, Chief Buckhannon said that a common sewer connection is quite common.

The staff committee also researched typical charges for RV parking; KOA charges forty dollars (\$40.00) per night. Based on the KOA winter occupancy rate of fifty percent (50%) and charging less than KOA per night, revenue of twenty-eight thousand dollars (\$28,000) per year is projected; with an estimated annual expense of twenty thousand dollars (\$20,000), annual income of eighty-five hundred dollars (\$8,500) is expected.

Administrator Tucker remarked that the general opinion has been that a market does exist for RV rental space on the island and that using the municipal lot would bring business to the Front Beach area in the off-season.

If City Council decides to pursue this activity, several changes must be made to the City Code. These changes include allowing people to sleep in vehicles overnight in the City's parking lots and permitting this activity in the zoning district; if the lot is leased in the off-season, the Council will not need to address the issue of alcohol on leased City property.

When asked how the location in the parking lot was selected, Director Kerr explained that the use of this area would require the least disruption to the lot and was most convenient to the water line.

After considerable discussion on various issues related to RV parking, Councilmember Buckhannon remarked that a return on investment would take fifteen (15) years and, by that time, the infrastructure would need to be upgraded, according to Director Kerr. With this information, the Committee chose to take no action on the subject.

Chair Loftus summarized that, while the idea had merit, it was not cost effective to pursue.

C. Discussion of Marina Joint Ventures Request for Support for the Dry Stack Boat Storage Element of the Conceptual Plan for the Marina

Iterating that this issue was sent back to Committee from City Council, Administrator Tucker asked whether the Committee wanted to postpone this discussion since a representative from the marina was not present. At Councilmember Stone's recommendation, the topic will be on the agenda for the September meeting.

D. Update on the City's Request for Special Exception for the Temporary Placement of Antennae in the Municipal Parking Lot

Administrator Tucker reported that the Special Exception was granted by the Board of Zoning Appeals; the City is in the process of working through the agreement between the City and the IOP Water and Sewer Commission for use of the municipal lot. City staff has also put the City's 911 carrier through Consolidated Dispatch in contact with the communications providers, who will relocate to the antennae, to ensure that the City does not experience disruptions in 911 service when the antennae are switched to the temporary locations. Another agreement relating to the rent to be charged to the Water and Sewer Commission for the use of City property is being created; according to the Administrator, this would only be of concern if there was a catastrophe requiring the antennae to be in place for a considerable amount of time impacting space available in the parking lot.

E. Status of Modifications to Marina Outpost Lease

The Administrator explained the City has completed the draft of the elements of the lease that were approved at the July City Council meeting; they are the following:

- Giving the store the authority to establish hours of operation;
- Cleaning up the language reference to "adult use products" ensuring no prohibition against selling beer or tobacco products;
- Allowing a maximum of twelve (12) chairs for indoor seating at the deli; and
- Synchronizing the lease terms between the store and Marina Joint Ventures.

Communication has been made with the tenant that the draft is available for their review.

In following-up on the concerns expressed by Morgan Creek Grill, the leases were examined again and no language was found in either lease that would inhibit the City from giving permission for indoor seating in the deli located in the marina store.

Jay Clarke of Morgan Creek Grill stated that he would like to see a copy of the draft lease to see the language in the changes before commenting.

6. New Business

A. Discussion of 41st Avenue Ditch – Smith's Request

Administrator Tucker explained that this item relates to the recent marina dredging project when Mr. Smith requested that the City investigate whether the drainage ditch between the marina and his property could be contributing to the silting underneath his dock, and, if that proved to be the case, requested that the City also dredge underneath his dock. The evaluation by the City's engineer was that the drainage ditch was contributing to the silting of Mr. Smith's dock, and, upon approval from this Committee, Ways and Means and City Council, additional funding was approved to expand the scope of dredging to include the area around Mr. Smith's dock.

After the additional dredging time approved by the City was completed, Mr. Smith believed that more material needed to be removed, and he asked that the dredger and engineer do the extra dredging. At that time, the Administrator informed Mr. Smith that the extra work would be at his expense, that he would also be responsible for the expense of disposal of the spoil materials and that he would have to assume liability if something happened to his dock; this additional dredging did occur. The request before the Committee at this meeting is from Mr. Smith seeking reimbursement for the expense he incurred with this additional work and the related disposal fees. (A copy of Mr. Smith's written request is attached to the historical record of the meeting.)

Mr. Smith explained that the Real Property Committee in March approved dredging from the City's property line to his southern property line. Between the time that this approval was given and the dredging took place, Mr. Smith was informed that the area of his property that had been approved for dredging had been removed from the permit, therefore, would not be dredged. Staff explained to Mr. Smith that, as owner of the property, his wife was contacted about the dredging and had voiced concern about the dredging undermining the dock; therefore, the decision was made not to dredge around and under the Smith's property.

Upon learning that his property was not included in the permit, Mr. Smith attended another City meeting; at that meeting, twelve (12) hours of dredging was approved. According to Mr. Smith, six (6) hours were spent getting from the area twenty feet (20 ft.) into the IntraCoastal Waterway to his dock and another six (6) hours to dredge around his dock; this is the point where Mr. Smith was allowed to approve more dredging of his property at his own expense and at his own risk. He, therefore, agreed to pay for work that he understood had been approved at the first meeting he attended. The exhibits attached to Mr. Smith's letter show the area originally included in the permit and the area that was re-permitted omitting his property.

Mr. Smith was asking for the City to reimburse him for the dredging he got which had originally been a part of the City's scope of work in his opinion, approximately five thousand dollars (\$5,000).

Councilmember Stone asked whether the Corps of Engineers had billed the City for the spoil site; Administrator Tucker responded that the City has paid all expenses related to the dredging project.

Being the newest member of the Committee, Councilmember Buckhannon stated that he would need to familiarize himself with the history via the meetings' minutes.

Relying on the explanation of the City's engineer, Jack Walker, between the time he did the first drawings and the final instruction to the dredger, he backed off dredging around the Smith's property based on the dialogue with Mrs. Smith and the concerns that their dock would be undermined in the dredging process. In the Administrator's understanding, the problem is a difference in Mr. Smith's expectations and what was executed in the field; as with the SCE&G line, it is not uncommon for there to be decisions in the course of dredging that alter exactly what happens.

Chair Loftus asked that the Administrator to produce a timeline for the Committee from the time of the request from the Smiths to the conclusion of the project.

Councilmember Stone recalled that the City had scheduled to dredge under Mr. Smith's dock and, inadvertently, the decision was made to remove that area from the permitted dredging area, but he is of the opinion that does not relieve the City from the liability for the impairment caused and Mr. Smith is due the cost to dredge around and under his dock. The Councilmember's lingering question was whether there were remaining funds available from the dredging budget.

Administrator Tucker thought that the project had ended with some money remaining; that balance would have been added back to fund balance at year-end.

MOTION: Councilmember Stone moved to reimburse Mr. Smith the cost of dredging his dock area, \$4,833.20.

Both Chair Loftus and Councilmember Buckhannon wanted more information before making a decision; therefore, the motion died for lack of a second.

B. Discussion of Overflow Parking at Isle of Palms Marina

Administrator Tucker referred the Committee members to a letter of complaint from Richard O'Connell on Intracoastal Court regarding the parking of Morgan Creek Grill employees on Waterway Boulevard that block the line of sight as one leaves Intracoastal Court onto Waterway Boulevard. Carla Pope, of Morgan Creek Grill, was provided a copy of the letter and has made some adaptations with their employees parking along Waterway to improve the line of sight. In addition, SCDOT has looked at the intersection for potential signage that might remind drivers not to park too close to the intersection.

This complaint leads to a bigger issue with multiple tenants at the marina all of whom are trying to satisfy the parking needs for their customers – a general overflow parking problem does exist on the marina site during the peak season, which will become more and more acute during the peak season.

Councilmember Buckhannon stated that he had become more aware of car traffic at the marina this year, but he questioned employees parking on Waterway Boulevard rather than on marina property.

Jay Clarke of Morgan Creek Grill stated that he has employees parking along Waterway and on 41st Avenue to provide additional customer parking for the restaurant, primarily in the evenings.

Mr. Clarke noted that the corner of Waterway and 41st Avenue floods rather severely several times a month; he suggested that signs be installed preventing parking of approximately two (2) car lengths from the corner on both streets. He also indicated that he and Ms. Pope had encouraged restaurant employees to park further up on 41st Avenue and not on Waterway.

C. Discussion of Replacement of TidalWave Docks and Engineering/Design for Reconfiguration of Marina Docks

Administrator Tucker explained that these two (2) tasks are included in the FY13 Capital Budget, i.e. the replacement of the TidalWave dock and the engineering/design for the reconfiguration of the marina docks. The Administrator stated that she thought the City should proceed with the replacement of the TidalWave dock, and, despite the need to reconfigure the balance of the marina docks, the engineering/design phase is a fairly massive project in itself and will be a significant engineering contract to let. The Administrator indicated that possibly Marina Manager Berrigan could provide insights into how critical it might be to move forward with the design and engineering for dock reconfiguration.

Councilmember Buckhannon questioned that the engineering/design for the reconfiguration would include the entire marina waterfront, therefore, the space occupied by the TidalWave dock. He expressed concern that the TidalWave dock could be replaced only to learn in the engineering/design phase for the reconfiguration that the TidalWave dock should be relocated.

The Administrator noted that she was looking for input from the Committee about the best way to tackle these two (2) projects. In terms of condition, the Committee agreed that the Tidal Wave dock was the oldest and had needed emergency repairs in the last fiscal year; therefore, it is probably in the most critical need of replacement.

Councilmember Buckhannon expressed the opinion that the reconfiguration of the marina docks should be addressed as if it were a blank canvas.

Chair Loftus stated his opinion that there should be input from the marina management relative to what is wanted and what is needed. Administrator Tucker assured the Chair that the City would not embark on this project without solid input from the marina management and marina tenants and without marrying this project with the long-range marina plan.

Administrator Tucker listed the following components to the reconfiguration: environmental impact assessments, buffer zones, water quality, flushing in the basin, general basin problems, design wave and water level analysis, wave attenuation systems, navigation feasibilities, etc.

Chair Loftus suggested that Mr. Berrigan return with his conceptual plan to use as a starting point.

In addition, Administrator Tucker noted that, in discussing this project with the City's beach restoration engineer, who also does this type of work, the suggestion was made that, when the

City is ready to proceed, to do so as a design/build project, rather than a design project and bid the construction of the project. The Administrator pointed out that Fire Station 2 had been a design/build project and that it has been the project with the fewest problems.

Chair Loftus suggested that the Administrator get the stakeholders together to discuss the project and to have Mr. Berrigan attend an upcoming meeting with some concrete ideas. The Chair added that he was looking at maximizing the space to maximize revenue to the City.

Administrator Tucker remarked that TidalWave was anxious to move forward with replacing their dock; she stated that the tenants have provided her with input and done some rough sketches of changes they would like to make when the replacement is done.

D. Consideration of Award of Contracts in Excess of \$10,000 - None

7. Miscellaneous Business

Marina Rent Report

The Administrator reported that one (1) tenant owes slightly more than ten thousand dollars (\$10,000) in additional rent; all other tenants are current.

Next Meeting Date: 5:00 p.m., Thursday, September 13, 2013 in the Conference Room.

8. Executive Session – not necessary

9. Adjourn

MOTION: Councilmember Buckhannon moved to adjourn the meeting at 6:22 p.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk