

## Ways and Means Committee

5:45 p.m., Tuesday, July 15, 2014

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Tuesday, July 15, 2014 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 to the Administrator Dziuban and City Clerk Copeland; a quorum was present to conduct business. Invited guests present were Rick Bousquet and Seth Cantley of Liollo Architecture.

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

**MOTION: Mayor Cronin moved to re-order the *Agenda* to move item A under New Business to this time in the meeting; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

### 6. New Business

#### **A. PRESENTATION FROM LIOLLO AND Associates Relative to the Replacement of the Front Beach Restrooms**

Administrator Tucker stated that Liollo was tasked with evaluating sites within the Front Beach area for replacing the Public restrooms; the following presentation will be similar to the one (1) given to the Real Property Committee earlier in the month.

Mr. Bousquet and Mr. Cantley reviewed the sites they were asked to evaluate, they are

- 1118 Ocean Boulevard, the location of the existing restrooms,
- 30 JC Long Boulevard behind the Public Safety Building,
- 1116 Pavilion Drive in the municipal parking lot and the intersection of Ocean Boulevard and JC Long Boulevard.

Factors considered at each site were

- flood zones,
- ADA regulations,
- proximity to the beach,
- pedestrian safety,
- traffic patterns,
- construction costs and
- durability in a harsh environment.

After assigning scales to these factors, the sites ranked from first to last were as follows:

- the municipal parking lot at 1116 Pavilion Drive,
- 30 JC Long Boulevard,
- the existing site at 1118 Ocean Boulevard and
- the intersection of Ocean Boulevard and JC Long Boulevard.

Other considerations in the study were

- the impact on businesses,
- the best use of property,
- familiarity to the site and
- aesthetics.

After applying these considerations to the possibilities, the options were reduced to two (2), i.e. the municipal parking lot at 1116 Pavilion Drive and the existing site at 1118 Ocean Boulevard. One major benefit to the municipal parking lot is that it offers more space than the other sites allowing the building to be larger to serve more stalls, a less compact feeling when inside and space for future growth; other advantages are detailed in the evaluation attached to the historical record of the meeting. Re-building in the same location was decidedly the choice for merchants along Front Beach; the site has an inherent and integral function due to its location along the beach. Although both sites would give the City a good product, Liollo stated that they feel that a more intuitive approach and potential enhanced visual appearance of the existing site is the best choice.

In the presentation, Mr. Cantley discussed construction issues that would impact the costs such as follows:

The existing space at 1118 Ocean Boulevard:

- more material would be required for the elevation change;
- the need for special equipment for the limitations of the narrow site;
- greater overall cost due to minimal access and restricted contractor laydown space; and
- additional labor cost for the tight site.

The municipal parking lot at 1116 Pavilion Drive:

- no requirement for elevation;
- no vertical pedestrian transition required;
- less cost due to simpler construction style; and
- less overhead for easier access, laydown space and labor costs since less elevated work.

One (1) significant negative factor created by sites other than the existing site would be pedestrian safety as pedestrians must cross back and forth on Ocean Boulevard to access them.

Mr. Cantley commented that, to maximize space on the existing site, the new structure would extend above the beach access some seven to eight feet (7-8 ft.).

When asked by Councilmember Carroll about the elevation required at Front Beach, Director Kerr stated that the elevation would be one (1) foot higher than the adjacent buildings; the underside must be elevated twenty (20) feet or eight (8) feet high from the existing slab.

On the subject of the length of the ramp, Mr. Cantley stated that the ramp at the County Park was two hundred (200) linear feet; he added that the goal is to make the ramp not appear challenging.

Councilmember Harrington asked about the feasibility of having an elevator; Director Kerr answered that staff had decided not to pursue an elevator due primarily to the effect of the elements on the mechanisms. Mr. Bousquet stated that maintenance was difficult and that elevators have proven to be unsuccessful in this harsh environment.

Councilmember Loftus asked if any of the materials from the existing structure could be re-used; Director Kerr responded that in a V zone, solid walls were not allowed on the ground floor.

From the Real Property Committee meeting, Administrator Tucker reported that the Committee had requested that Liollo prepare a clear cost estimate of the construction costs associated with the existing site and the municipal parking lot on Pavilion Drive. Liollo was given only a few days to generate an estimate of the costs to generate that information, and the Administrator received their proposal late in the day today. The estimate totals ten thousand two hundred ninety dollars (\$10,290) and includes programming from the full design, defining the construction impacts on the municipal parking lot and generating separate cost estimates, as well as two (2) additional meetings with the City. The forty-nine thousand two hundred twenty dollars (\$49,220) included in the FY15 budget was intended to cover all phases of Liollo's work up to construction management and could be the source of funds for this work.

**MOTION: Councilmember Carroll moved to award a contract to Liollo in the amount of \$10,290 for work described above; Councilmember Bergwerf seconded.**

The Administrator recalled that the original proposal from Liollo had multiple phases and totaled approximately sixty thousand dollars (\$60,000), with ten thousand six hundred ten dollars (\$10,610) for construction administration.

Mayor Cronin reiterated earlier statements that the City will approach Charleston County for funding for the construction of new public restrooms because the people who use them are not island residents, but residents from all over Charleston County who come to enjoy the beach. The Mayor stated that the City of Isle of Palms accounts for six and a half to seven percent (6.5-7%) of the County's property tax collections but composes only one percent (1%) of the County's population.

Administrator Tucker commented that the FY16 budget would include actual construction.

Councilmember Ferencz asked whether anything was included in the City's Comprehensive Plan that anticipated another use for the municipal parking lot in the future; she stated that the City should not contemplate relocating the public restrooms there if they would be destroyed in the future to accommodate another use for the space.

**VOTE: The motion PASSED UNANIMOUSLY.**

**3. Citizens' Comments – None**

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

**A. Monthly Financial Statement**

Treasurer Suggs emphasized that the June 30, 2014 financial statements to be reviewed were preliminary and un-audited; the audit should be in August. In General Fund, revenues were ninety-nine percent (99%) collected and expenditures were at ninety-eight percent (98%). Revenue yet to be collected include one (1) month's property taxes, three (3) months' Local Option Sales Taxes, brokers' tax, the second payment of Comcast franchise fees and the fourth quarter's state ATAX; the City continued to receive invoices for June. The Treasurer pointed to the center box on the lower half of the page where, at Councilmember Ward's request, the cash balances for other major funds have been added. The City departments that have ended the year over-budget are Mayor/Council, Fire (based on the mid-year wage adjustments) and Judicial (based on unusual legal requirements in this fiscal year).

Councilmember Loftus asked the Administrator whether she had been able to get more information from Charleston County relative to boat taxes; she has reached out and was assured that the work continued, but the information was not yet available.

Treasurer Suggs stated that she had been reassured that similar issues to those identified on boat taxes were not a factor for property or vehicle taxes.

On the subject of resident business owners reporting Local Option Sales Taxes incorrectly, Treasurer Suggs noted that she had spoken with Director Kerr about an explanatory mailing from the City.

**B. Tourism Schedules**

Municipal Accommodations Taxes were running ten percent (10%) ahead of FY13 with the month of June yet to be added. As stated earlier, the City has not received the fourth quarter's State ATAX collections or the second installment from the Charleston County Accommodations Tax Pass-through. Hospitality Taxes were running thirteen percent (13%) higher than FY13 with one (1) month to add.

**C. Projects Status**

In June, the City had no activity in the Phase II Drainage project; the Treasurer has added the "Available to Spend" box to the schedule. The City paid an invoice to Stantec for planning and design on the wayfinding/parking management projects. One (1) small invoice was paid to Ocean and Coastal Consultants for design and engineering.

**5. Old Business – None**

**6. New Business**

**B. Consideration of Contracts in Excess of \$10,000**

**1. Sole Source Engineering Proposal from Coastal Science and Engineering for Shoal Management Project Engineering in the amount of \$107,000**

Administrator Tucker advised Council that this was the first step forward on the shoal management project planned for the fall. As the engineering work occurs, the Administrator reported that she will prepare and send letters to the stakeholders relative to the funding gap that remains. The Administrator recalled that the City had met with the stakeholders in April to explain the funding plan; the stakeholders have also been told that the City has contributed two hundred thousand dollars (\$200,000) toward the project.

**MOTION: Councilmember Loftus moved to award a sole source contract to Coastal Science and Engineering for shoal management engineering in the amount of \$107,000; Councilmember Carroll seconded.**

Councilmember Bettelli commented that the actual cost was one hundred seven thousand six hundred sixty-two dollars (\$107,662).

Councilmember Loftus changed his motion to reflect the correction.

**VOTE: The motion PASSED UNANIMOUSLY.**

**2. Award of a contract to Bobcat of Charleston for the budgeted replacement of 1 ATV for the Police Department in the amount of \$17,055.94, state contract pricing**

**MOTION: Councilmember Bettelli moved to award a contract to Bobcat of Charleston for the purpose stated above; Councilmember Bergwerf seconded.**

Councilmember Ward asked how much money was in the budget for this purchase and was told that the budget was seventeen thousand five hundred (\$17,500),

**VOTE: The motion PASSED UNANIMOUSLY.**

**C. Discussion of Referendum Relative to Roads**

Mayor Cronin initiated the discussion asking what would be the source of funds for the one million dollars (\$1,000,000) a year computed as the maintenance expense for one (1) year; he commented that the City collected four million dollars (\$4,000,000) in property taxes in FY14; the maintenance requirement would require twenty-five percent (25%) of that. An analysis of funding, prepared by staff was distributed to the Committee members, and a copy is attached to the historical record of the meeting.

Councilmember Ferencz recalled that the City had been told by SCDOT that any parking management system had to be revenue neutral, but noted, if the City took over the roads, a parking management system could generate revenue for the City.

Mayor Cronin said that a parking management system would have to be revenue neutral only if the City did not take over the roads.

Administrator Tucker stated that she had sent an e-mail to Robert Clarke of SCDOT for confirmation about whether the City could take Highway 703 from the state road system; as of this meeting, he has not responded. The Administrator remarked that, if the City could not control parking on Palm Boulevard, the problem at that location would worsen.

Councilmember Loftus asked whether there was a deadline for a referendum, and the Mayor said it could be held anytime. If the City were to hold a referendum separate from the general election in November, it would cost the City several thousand dollars.

The Mayor reminded the Committee that property tax increases were limited by the amount of the CPI and population growth each year and that a millage increase would not be an allowed reason within the law to exceed that cap to fund roads.

Councilmember Harrington commented that he thought the City could get a measuring stick for the annual maintenance costs from Wild Dunes.

Administrator Tucker stated that the estimate of one million dollars (\$1,000,000) per year is the best estimate from experts. The Administrator also noted that she had reached out to Dave Kynoski who had provided Wild Dunes' road maintenance plan through 2022, which showed that their plan is to spend four million dollars (\$4,000,000) between 2018 and 2023 on the roads within the gates.

Mayor Cronin reported that Folly Beach owns its roads and is not setting aside funds to maintain the infrastructure.

The Mayor suggested that Council and staff continue to work on this, but not to set a deadline for the referendum for the November general election.

When asked about other sources of funds, the Administrator said that the City could continue to get assistance from Charleston County Transportation Committee (CTC) and Transportation Sales Taxes for the maintenance and improvement of public roads.

Councilmember Harrington stated that the City should confirm that it can take over the roads before expending too much effort.

Councilmember Ward stated that he wanted to continue to pursue this; he said that, in his conversations with residents, they do not support the proposed parking pass system, but they do want something done about parking.

Councilmember Buckhannon commented that the island has been very busy and the summer is only half over. He stated that one only has to look at the development on the other side of the bridge to know that the island's parking problems are going to get worse in the future; he urged the Committee to continue to pursue taking over the roads.

**7. Miscellaneous Business**

**Next Meeting Date: 5:45 p.m., Tuesday, August 19, 2014.**

Before adjourning, Administrator Tucker stated that the Mayor has called a Special Meeting for Tuesday, July 29<sup>th</sup> at 6:30 to have Second Reading on the ordinance for the Beach Preservation Fee referendum. First Reading is scheduled for the Council meeting on July 22<sup>nd</sup>, and the required seven (7) days between readings allows Second Reading on July 29<sup>th</sup>.

**8. Executive Session – not needed**

**9. Adjourn**

**MOTION: Councilmember Ward moved to adjourn the meeting at 7:18 p.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk