

## WAYS and MEANS COMMITTEE

5:45 p.m., Tuesday, April 21, 2015

The regular meeting of the Ways and Means Committee was held at 5:45 p.m., Tuesday, April 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, Treasurer Suggs, 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 Bergwerf moved to approve the minutes of the regular meeting of March 24, 2015 as submitted; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

### 3. Citizens' Comments

Laverne Smith, a resident of Waterway Boulevard, reported that she had taken an informal poll of island residents regarding the parking plan and found only two (2) persons who thought it was sustainable and affordable. She suggested that the parking plan be taken to the residents in a referendum for them to make the final decision; she opined that a referendum would make residents happy because they would feel that they have a say in what happens on the island.

Ms. Smith also recommended that the City mimic Sullivan's Island's process about dog licensing with brightly colored collars to identify the dogs and would garner a bit of income for the City.

### 4. Financial Statements – Treasurer Suggs

#### A. Financial Statement

The Treasurer announced that the City was three-quarters ( $\frac{3}{4}$ ) through the fiscal year; with a target of seventy-five percent (75%), she reported that General Fund revenues were at seventy-five percent (75%) of budget and that General Fund expenditures were at seventy-two percent (72%) of budget overall.

Treasurer Suggs pointed out that the Beach Preservation Fee Fund has been added to the summary page in the list of revenue sources; after one (1) month, the balance was fourteen thousand dollars (\$14,000).

When looking at total revenues, the City was four percent (4%) ahead of FY14. Property Tax revenues included receipts through the February final payment; based on collections, the Treasurer stated that the Property Tax revenue budget for FY16 has been lowered. The only other revenue sources falling below last year's collections were Other Licenses and All Other. The Treasurer explained that the reason Other Licenses is behind last year was that fees that accompany land-lines are declining.

Cash balances for March total slightly more than three million dollars (\$3,000,000) which was thirty-four percent (34%) of General Fund expenditures. The General Fund was trending higher than FY14 while the tourism funds were trending lower; this time last year, no transfers-out had been made from tourism funds into the General Fund – the swing was actually a timing difference.

#### Discussion of Investment Earnings

The Treasurer recalled from the last meeting that Councilmember Loftus had attended the annual meeting for the Wind Dunes Community Association where he learned that they were getting higher interest income from their investments than the City has been getting. As a result, she spoke with Dave Kynoski of Wild Dunes who told her that they invest in longer-term CDs, like two (2) years, and get a point six percent (0.6%) interest rate; some of their funds were locally placed and others were in a brokerage account where they can invest in CDs all across the country. By spreading the money in multiple banks, they can take advantage of FDIC insurance of funds up to two hundred fifty thousand dollars (\$250,000) so that they would not have a loss. The issue for the City becomes: what if a hurricane came and the City's money was tied up in two-year (2 yr.) CDs. For a local CD, there was the early payment withdrawal penalty, which could be one hundred eighty (180) days of interest or some other portion of the interest. With brokered CDs, there was no early withdrawal penalty, but, if the City needed to get its money out, it would have to find a buyer for the CD. Typically the brokerage firm assisted with finding a buyer, depending on the rate of the CD and how far in the future the maturity date was, the City might not get out of the CD what it had originally invested; the City might have to discount it below the face value of the CD. In conclusion, she said that there were certain monies that the City could invest in this manner to make additional interest income, but she needed to know whether Council was interested and how far into the future they were willing to go.

Councilmember Ward stated that he did not want to risk any principal with public funds; to do so would not be good fiduciary policy.

Mayor Cronin agreed that Council must protect the taxpayers' money.

When asked by Councilmember Ferencz if other municipalities invested in CDs, Administrator Tucker responded that they do and that the City has had CDs in the past.

The Mayor commented that he thought the City should stay the course; he also noted that managing a brokerage account took a great deal of time.

Councilmember Buckhannon suggested that possibly the assigned fund balances with long term needs could be invested in longer term CDs, but the consensus of the Committee was not to change City policy at this time.

#### B. Tourism Funds

Having inserted the most recent collections of Municipal Accommodations Taxes, Treasurer Suggs reviewed the last twelve (12) months' activity, and, based on that computation, has increased the FY16 budget estimate to nine hundred twenty-nine thousand dollars (\$929,000),

and since the amounts should be the same, she has increased the Beach Preservation Fee accordingly.

In the shaded area of the schedule, the Treasurer has estimated the Beach Preservation Fee Fund balance would be prior to the November 2015 shoal management project, and, based on the budget workshop, has computed the City's contribution to the project.

The Treasurer noted that the City still has not received its share of the Charleston County Accommodations Tax Pass-through, so she contacted the County and was told that the check had never been sent, but they would sent it out immediately. The check will be for two hundred sixty-four thousand three hundred thirty-five dollars (\$264,335); the Mayor reminded the Committee that this was the first check to include the additional five percent (5%).

For State Accommodations Taxes, Treasurer Suggs reviewed the most recent twelve (12) months' collections and, based on the result, increased the FY16 budget to one million ninety-seven thousand dollars (\$1,097,000). For FY15, the increase from the same period a year ago was two and eight tenths percent (2.8%).

As on the other tourism funds, the Treasurer looked back over the past twelve (12) months Hospitality Tax payments to find that total collections have been approximately six hundred fifty-eight thousand dollars (\$658,000), or an increase of eight percent (8%); therefore, the FY16 budget was increased accordingly.

#### C. Projects Schedules

The schedule indicated very little activity in the shoal management project.

**MOTION: Councilmember Bergwerf moved to reorder the *Agenda* to discuss Items 6.A and 6.B at this point in the meeting; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

### 6. New Business

#### A. Discussion of Allocation of Beach Preservation Fee

As stated previously, the City is anticipating another shoal management project in the fall of 2015, and, based on discussion at the budget workshop, a new schedule has been developed with three (3) options – Option 2 is included in the blue version of the budget.

Option 2 includes fifty percent (50%) of the funds collected from the Beach Preservation Fee through October 2015, the balance of stakeholder funds, half (½) of the year-end balance in the Beach Maintenance Fund, and a substantial contribution from the stakeholders of eight hundred ninety-one thousand dollars (\$891,000). In terms of percentages, the City would contribute thirty-six percent (36%) and the stakeholders sixty-four percent (64%).

Of the other options, one (1) puts more responsibility on the private stakeholders, i.e. one million one hundred five thousand dollars (\$1,105,000); the second option has the City contributing

almost half ( $\frac{1}{2}$ ) of the project and reducing the stakeholders to contribution to six hundred seventy-seven thousand dollars (\$677,000).

According to the Administrator, the question is there is the ability to secure eight hundred ninety-one thousand dollars (\$891,000) from the stakeholders so soon after going through a project. She noted that there were residents who participated last time who were struggling right now; Beachwood East was struggling, particularly, because most of the sand placed there for them is gone and they have sandbags. In addition, Ocean Club again has sandbags. Administrator Tucker referred to correspondence to the City that was an appeal for City participation in some of their erosion mitigation efforts, i.e. sand bags and wave dissipation devices.

Mayor Cronin supported Option 2 and thought it was fair, and he added that the City cannot protect private property.

A unanimous vote was taken supporting Option 2, where the City contributes half ( $\frac{1}{2}$ ) of the Beach Preservation Fee collections through October 31, 2015 to the 2015 shoal management project.

#### **B. Discussion of Managed Beach Parking Budget**

Administrator Tucker directed the Committee to turn to the last page of the handout where the variables in the worksheets are explained. The variables are summarized as follows:

- As depicted, net \$69,304 cumulative loss over first ten (10) years; revenue or loss impacted by price of permits, number of permits sold, cost of fines; permit costs includes credit card and processing fees;
- Expense estimates based on staff and Stantec predictions; refined as process moves forward;
- Typically entities requiring parking permits have a designated parking management person; this budget only contemplates additional BSOs;
- Parking vendors vary on how customer service issues are resolved related to customer use of purchasing system;
- Assets purchased for the first season of Managed Beach Parking would have applications if parking system was abandoned; and
- The number of weekly permits was estimated without analysis of short-term rentals or input from rental management.

Councilmember Ward asked how much a dedicated parking management person would be paid, and the Administrator responded that the amount varies based on the type of entity.

Councilmember Bergwerf asked whether Council wanted to rebid the project.

Administrator Tucker stated that, if Council wanted to proceed with a managed beach parking vendor, the RFB should be re-crafted and rebid.

Since Council's intention has been to implement the managed parking plan in the spring of 2016, Councilmember Buckhannon voiced the opinion that the RFB had been expedited, and he thought that, if vendors had had more time, possibly, the City would have received more than one (1) bid.

The Administrator commented that staff was trying to prepare a budget, and they needed the information that a bid would provide to do that.

Since the Beach Management Plan states that the City has three hundred eighty four (384) parking spaces along Palm Boulevard, Councilmember Carroll questioned where the number of permits had come from.

Administrator Tucker explained that the information in the Beach Management Plan was no longer accurate; the number was based on Stantec taking the areas in red on the City's parking plan and overlaying that on their Memorial Day aerial parking photos and counting the number of vehicles in the red spaces which ended up being seven hundred thirty-four (734) spaces. Staff used Stantec's data for ratcheting down the number. Staff went low because they thought many permits would sell right away and that the only way to impact the number was to only sell a smaller number since the goal is for the island to be calmer, safer and better managed. Staff was also conscious that the number could increase the next season. They also thought that, if the number was too high, it would appear that the program had been put in place, money had been spent and the City had only created a maze for visitors to get through to park, so residents would say that they saw no improvement. As stated earlier, the numbers could be tweaked upward if Council chose to do so.

Councilmember Buckhannon voiced concern that the revenue for the program was based on fines that would end up creating a quota system for the City's officers.

The same concern had been discussed by staff, and a budget was created omitting the fines with the caveat that the number would be lower with the parking fines included. Again, that is another reason that the number was kept low.

Councilmember Buckhannon stated that he understood that the program had to be revenue neutral, but he was under the impression the revenue should be the sale of the permits, not the ancillary fees – the tickets. He remarked that July 4<sup>th</sup> falls on a Saturday this year and selling only four hundred ten (410) permits would not work. The Councilmember stated that the number of permits should not be limited and that the City needs a way to spread the cars out from Breach Inlet to 57<sup>th</sup> Avenue. Mayor Cronin questioned that the City wanted to sell more permits than the island has parking spaces.

Councilmember Loftus said doing that would be very unfair; a family that has driven from Goose Creek or Summerville only to learn that they have a purchased permit online but there is nowhere to park would be upset. Despite opposing selling more permits than parking spaces, but he did think the number of four hundred thirty (430) was too low and that selling a weekly pass for twenty dollars (\$20) was entirely too low.

Councilmember Carroll said that he was taken aback seeing a net loss at the end of ten (10) years, so he thought of allowing parking on the avenues between Carolina and Ocean and only on Palm Boulevard from 21<sup>st</sup> to 57<sup>th</sup> Avenue for free, and the rest of the island would be NO PARKING. He noted that this plan would not cost the City any money, and it would promote goodwill toward the City.

Councilmember Bergwerf countered that there would be the cost of additional BSOs to keep beach-goers from parking in the neighborhoods; to which Councilmember Loftus responded that the BSOs could be paid from the fines collected.

The Mayor noted that signs would also be needed to identify residential parking; he stated that he was not in favor of going forward with the software-based parking plan.

Councilmember Buckhannon was of the opinion that enforcement would be easy in that any vehicle not parked on Palm Boulevard should get a ticket.

To identify resident vehicles, the City would provide a sticker to go on a window of a vehicle.

Councilmember Bergwerf reminded the Committee that residents who live on the back of the island made it very clear at the parking forum at the Recreation Center that they do not want to be required to do anything.

Requiring residents to obtain a booklet of permits for their guests would still be necessary if their family and guests wanted or needed to park in the right-of-way at their home; the booklets of guest passes would be reasonably priced for residents.

Councilmember Bergwerf voiced concern that the cost of the parking plan was being shifted to the residents.

Councilmember Buckhannon asked whether parking permits could be priced high enough or enough could be sold to offset the costs of the program. He noted that no parking plan would stop people from coming to the beach; in his opinion, education of the public would take several years.

Councilmember Loftus did not think that enforcement of the new plan would be a problem if every resident vehicle had an identifying tag or sticker and if passes were sold to allow guests to park in the right-of-way of residential streets. Any other vehicles parked on residential streets would be ticketed.

Again referring to the parking forum at the Recreation Center, Administrator Tucker reiterated that residents who do not go to the beach and who were not impacted by visitor parking did not want to do anything, including registering their vehicles.

Mayor Cronin again asked how resident-only parking would be enforced.

Councilmember Ferencz stated that, with a three hundred eighty-two thousand dollar (\$382,000) price tag, residents might be more amenable to placing stickers on their vehicles.

Councilmember Bergwerf supported the pay-to-park plan because it would limit the number of people coming to the island and give relief to residents on Carolina, for example, which Councilmember Carroll's concept does not.

Councilmember Ferencz remarked that a managed parking plan would not stop people from coming to the island, and she supported giving Councilmember Carroll's idea serious consideration.

If the ticket price was raised from twenty-five dollars (\$25) to fifty dollars (\$50), paying a ticket might cause people to rethink coming to the Isle of Palms for a day at the beach in Councilmember Bergwerf's view.

Answering Councilmember Bergwerf's question, the Administrator stated that, according to Stantec, the island has seven hundred thirty-four (734) parking spaced on Palm Boulevard alone.

Councilmember Loftus stated that he would like to see signs at each corner that would show visitors the parking schematic for the island.

One advantage to Councilmember Carroll's proposal was that residents on the back of the island would not be required to pay if they choose to drive to the beach according to Councilmember Buckhannon.

Councilmember Ferencz thought beach-goers should be educated that, if they choose to park illegally, they would be issued a ticket with a hefty fine.

**MOTION: Councilmember Loftus moved to increase the parking fines to fifty dollars (\$50); Councilmember Bergwerf seconded.**

Councilmember Bergwerf expressed her opinion that the fine increase should go through the Public Safety Committee.

Councilmember Buckhannon repeated his belief that parking fines should not be viewed as revenue for the City; it should be a deterrent. He indicated that he did think the twenty-five dollar (\$25) fine was too low.

Councilmember Ward stated that Councilmember Carroll has come up with a parking management plan that would not cost the City hundreds of thousands of dollars. He commented that the City has spent a large amount of money to learn that the best plan would not cost a lot of money, and he advised keeping the fixed costs to a minimum.

Administrator Tucker stated that staff was trying to generate a budget and plan implementation for the managed parking plan adopted by City Council and approved by SCDOT.

From the Mayor's point of view, the new plan does not conflict with the SCDOT approved plan; it should be a plan that they would support. Since the City already has the approval for resident-only, permitted parking, the Mayor saw no reason to go back to SCDOT.

Mayor Cronin did indicate that he thought another budget for the new plan should be developed.

In Councilmember Bettelli's mind, people who want to do nothing would have nothing to do if they park in their driveway; the sticker would be needed only to park in the rights-of-way.

In looking at the maps developed for the managed parking plan, Councilmember Carroll pointed out that clarification should be made to on 42<sup>nd</sup> down to 53<sup>rd</sup> Avenues to note that parking would only be allowed for three or four (3-4) cars at the ends of the streets.

The Administrator reminded the Committee that, under the Beach Management Plan, the City was to provide meaningful and complete access to the beach. She explained to the Committee that they must provide that meaningful access to the beach or choose to have no parking on those streets with the knowledge that the City would not be able to apply for state or federal funds for that area of the beach if ever needed.

According to Councilmember Bergwerf, the parking fine on Sullivan's Island was fifty dollars (\$50).

Administrator Tucker quoted Chief Buckhannon that the City Code allows for a fine up to five hundred dollars (\$500). She informed the Committee that, if the parking fine was defined in the City Code, an ordinance would be required to change it; if it was not in the code, a motion would suffice.

**AMENDMENT: Mayor Cronin amended the motion to include that the fine would apply to being illegally parked in the resident-only areas; Councilmember Bergwerf seconded.**

When Councilmember Bergwerf questioned that an egregious act on Palm Boulevard would get a twenty-five dollar (\$25) fine, but someone parked in the resident-only area would be a fine of fifty dollars (\$50) – she did not think that was fair; the egregious act could be a safety issue for other drivers or pedestrians.

Councilmember Loftus offered to further amend the motion to have the twenty-five dollar (\$25) fines apply only to Front Beach.

Both the amendment and the primary motion were withdrawn.

**MOTION: Councilmember Ward moved for the City to move forward with Councilmember Carroll's plan to allow free parking on both sides of Palm Boulevard from 21<sup>st</sup> to 57<sup>th</sup> Avenues and on the numbered avenues between Breach Inlet and 10<sup>th</sup> Avenue and between Ocean and Carolina with all other areas of the island resident-only parking; Councilmember Carroll seconded.**

Again Administrator Tucker stated that, with no parking on 42<sup>nd</sup> to 57<sup>th</sup> Avenues, the City would lose complete and meaningful access for that area of the island, meaning no state or federal funds for beach restoration. FEMA funds would continue to be available.



The consensus of the Committee was to lose compliance credit with the Beach Management Plan from 42<sup>nd</sup> to 57<sup>th</sup> Avenues by allowing parking only on Palm Boulevard.

**VOTE: The motion PASSED UNANIMOUSLY.**

**MOTION: Councilmember Buckhannon moved for the City to reject all bids for a software vendor for the managed beach parking plan; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

Treasurer Suggs wanted the Committee to understand that the new parking plan would have expenses associated with it but no offsetting revenue. The Treasurer explained that this plan would need more BSOs for enforcement because the existing BSOs would continue to be needed at or on Front Beach.

With the original managed beach parking plan, four (4) additional BSOs would be needed, and the Treasurer thought the City would need the same number with this plan.

Like last year, the City continues to have problems hiring BSOs; Chief Buckhannon said that, with the economy picking up, the City was competing in a market that was reducing the part-time work force. He commented that people were lining up for full-time positions but not for part-time jobs; with schools breaking for the summer, he hopes to get some viable applicants. He agreed with the Treasurer that the City would need additional BSOs, but he did not know exactly how many. The Department has been very busy of late, and, assuming that trend continues, police officers will not have the time to assist with parking violations; in addition, he opined that, if residents see cars parked in front of their homes, he believes they will call the Police Department to report it.

Referring to the expenses noted in the Managed Beach Parking Analysis Tool, Treasurer Suggs listed the expenses and estimated costs that the City would still incur under the new plan; the annual expenses included public education, additional BSO hours, supplies and maintenance for devices, fuel and vehicle maintenance, and BSO uniforms. One-time expenses included were signs and peripherals, a pickup truck, low-speed vehicles, walkie and mobile radios, and handheld ticket writing devices.

The Committee agreed to give the Chief, the Administrator and the Treasurer time to confer and come back to Council with a revised budget for the Council meeting next week.

**MOTION: Councilmember Loftus moved to reorder the Agenda to discuss item E under New Business; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

## **6. New Business**

**E. Recommendation from the Public Works Committee to extend the contract terms for five (5) years for Schupp Enterprises for collection of beach and roadside containers (expiration September 2020)**

**MOTION:** Councilmember Carroll moved to extend the Schupp Enterprise contract for the collection of beach and roadside containers as requested; Councilmember Bettelli seconded.

**AMENDMENT:** Mayor Cronin offered an amendment to the motion making the contract extension subject to refinements to the agreement from the City's Attorney; Councilmember Ward seconded and the amendment **PASSED UNANIMOUSLY.**

**VOTE:** The amended motion **PASSED UNANIMOUSLY.**

**5. Old Business**

**Discussion of FY16 Budget in anticipation of First Reading at the City Council meeting of April 28, 2015**

Mayor Cronin noted that the blue version of the FY16 budget incorporated the changes that were made at the Budget Workshop.

Administrator Tucker commented that the tourism revenues increased as discussed by the Treasurer earlier and Property Tax Revenue was decreased based on actual collections. Wages show a five percent (5%) increase with combined COLA and merit increases. With another month's data for analysis, the Professional Services line in the Judicial and Legal budget increased by thirty-two thousand dollars (\$32,000). With all of the changes made, the estimated year-end net result would be five hundred sixteen thousand dollars (\$516,000) to be transferred-in to the Capital Projects fund. The Administrator commented that the replacement of the Breach Inlet boat ramp gate was deferred, and an expense of seven thousand dollars (\$7,000) was added to the Aisle of Palms fund for Front Beach artwork.

**MOTION:** Mayor Cronin moved to recommend moving this version of the FY16 budget to City Council for First Reading; Councilmember Bettelli seconded.

Councilmember Ward stated that he was pleased that the budget as proposed only uses about seventeen thousand dollars (\$17,000) of tourism-related funds.

Mayor Cronin noted that the budget does not reflect the fifty-two thousand dollars (\$52,000) in tourism funds expected from the settlement with the online travel companies.

Treasurer Suggs cautioned that the expenses for the parking management plan were expected to come from the tourism funds.

**VOTE:** The motion **PASSED UNANIMOUSLY.**

Councilmember Carroll asked how far away a person must live to be considered a tourist.

Administrator Tucker stated that day-visitors were considered tourists, but the rule of thumb for State ATAX funds was that the money should be used for "heads in beds,." Local governments

that net more than nine hundred thousand dollars (\$900,000) have more latitude to spend for police and fire, etc.

Councilmember Ferencz reported that the State ATAX website defines a tourist as someone who lives fifty (50) miles away.

**C. Recommendation from the Recreation Committee to award a contract to Carolina Sports Surfaces, Inc. in the amount of \$19,700 for the re-surfacing of the basketball and tennis courts**

**MOTION:** Mayor Cronin moved to award a contract to Carolina Sports Surfaces, Inc. as detailed above; Councilmember Carroll seconded and the motion PASSED UNANIMOUSLY.

**D. Recommendation from the Public Safety Committee to award a contract to Vic Bailey Ford in the amount of \$26,557 for one 2014 Ford Interceptor utility vehicle to replace vehicle totaled in collision of March 22**

**MOTION:** Mayor Cronin moved to award a contract to Vic Bailey Ford as stated above; Councilmember Bergwerf seconded.

Responding to Councilmember Carroll, the Administrator said that the City has received the proceeds from insurance for both the vehicle and the equipment. In addition, the Administrator explained that this purchase would span two (2) fiscal years because the insurance proceeds were recorded in FY15, but the vehicle will likely arrive in FY16.

**VOTE:** The motion PASSED UNANIMOUSLY.

**F. Consideration of moving forward with the website upgrade in FY15**

Assistant Dziuban recalled that one of the provisions of the agreement with the Department of Justice (DOJ) was for the City to make its website ADA compliant; the City then spoke with VC3 about bringing only the employment section, the employment web page, into ADA compliance. To bring the entire site into ADA compliance was an expensive and labor-intensive project. The City entered the agreement with DOJ in January, which stipulated that the City had ninety (90) days to meet the terms of the agreement. The DOJ agreement did not allow the City to wait for the FY16 budget year to come into compliance on the employment section. The City has made the necessary upgrades and the DOJ is reviewing the website to make sure it meets their standards.

The upgrade has created inconsistencies on the City's website which was built before the Assistant Administrator joined the City in 2007. The website is not mobile device friendly, the page does not fill the screen, etc. The upgrade was built on a 2015 platform since that is the year the City is in; when looking at the website now, there appear to be many "buggy" things and inconsistencies. Rather than spend time chasing bugs, the Assistant Administrator asked to start on the website re-design now instead of waiting until FY16, assuming it stays in the budget. In the State ATAX line in the FY15 budget, thirteen thousand dollars (\$13,000) is allocated for

website maintenance, and staff does not plan to spend fifty-seven hundred (\$5,700) of it.

Assistant Dziuban suggested using that money to start the website upgrade and to eliminate the “buggy” effects that currently exist; the FY16 budgeted number would be reduced somewhat for the amount completed.

**MOTION: Councilmember Carroll moved to use unexpended funds from the FY15 budget to begin the website upgrade; Councilmember Ward seconded and the motion PASSED UNANIMOUSLY.**

**7. Miscellaneous Business**

**A. Consideration of Amendment to the City’s Procurement Procedures**

Administrator Tucker reported that this issue had come up in the Recreation Committee meeting. She noted that the City’s current procedure requires that all contracts in excess of ten thousand dollars (\$10,000) be awarded by Council; the discussion at the Committee meeting was about whether or not that limit could be increased because award by Council means a minimum of thirty (30) days to solidify any purchase.

In addition, the Administrator noted that the City Attorney has mentioned, on many occasions, that there were other things about the purchasing procedures that thought should be modified as well.

The question before the Committee was whether to proceed with the modifications the attorney would make to comply with changes in state law, and to consider raising the threshold on contracts awarded by City Council.

In Councilmember Ward’s opinion, the City should get the auditor’s opinion about raising the threshold first, and then bring it to Council.

The Administrator stated that, as long as the City stays in compliance with state purchasing procedures, the City should be alright, but she assured the Councilmember that staff would speak with the auditors.

Councilmember Buckhannon explained that the issue came up related to the sports services and that initiating a contract was prolonged despite the bids coming in several thousand dollars under the amount budgeted with Ways and Means and City Council still two and three (2-3) weeks away.

The Mayor offered that, if a budgeted project came in several thousand dollars under budget and was approved at the Committee level, the project did not have to go before Ways and Means and City Council for final approval; the project could begin and would be reported to Council in the monthly meeting report.

Councilmember Loftus voiced concern about raising the monetary level requiring Council approval; he commented that a capital expenditure was seldom not approved. He stated that he liked the Council discussion since circumstances change during the year.

The Mayor indicated that he would like for the City Attorney to proceed with the ordinance changes to present to City Council for consideration.

**B. Discussion of Fiscal Support for CARTA**

Councilmember Bettelli, the City's representative on the CARTA Board, stated that, at the last meeting, the CARTA Board had passed a resolution asking member municipalities for a fiscal contribution. He noted that the only bus service on the island was through Teleride.

Mayor Cronin noted that the City sends a lot of money to Charleston County; they have a huge budget and support the City's needs, no matter how meager those needs might be at times. In addition, the Mayor stated the largest number of riders come from other areas of Charleston County and North Charleston. Since this was an appeal for funds, he suggested that CARTA look to Charleston County.

Next Meeting Date: 5:45 p.m., Tuesday, May 19, 2015.

**8. Executive Session – not necessary**

**9. Adjourn**

**MOTION: Councilmember Carroll moved to adjourn the meeting at 8:17 p.m.; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk