

REAL PROPERTY COMMITTEE
8:30 a.m., Thursday, September 9, 2010

The regular meeting of the Real Property Committee was held at 8:30 a.m., Thursday, September 9, 2010 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Mayor Cronin, Councilmember Stone, Chair Loftus, City Administrator Tucker, Marina Manager Berrigan, Morgan Creek Grill's Operations Manager Carla Pope, Assistant to the Administrator Dziuban and City Clerk Copeland. A quorum was present to conduct business.

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

2. Approval of Previous Meeting's Minutes

MOTION: Mayor Cronin moved to approve the minutes of the regular meeting of July 9, 2010 as submitted; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Diane Oltorik, 15 Ocean Park Court, stated that she was coming before the Committee to plant an idea regarding the newly acquired property adjacent to the post office; she suggested that the space be used for a limited farmers' market. She thought the market could be held from April to October with ten to twelve (10-12) vendors and feature special events on a weekly basis, such as a book-off between island restaurants the final week. In her opinion, such a market would send "a wonderful message about the island community" and could possibly be a source of revenue for the City.

4. Marina Manager's Report – Brian Berrigan

Manager Berrigan reported that the marina had experienced a decent season – better than 2009, but not up to 2007 or 2008; the marina did have the best Labor Day weekend ever. The Manager reported that, when the marina experiences extreme tides, the docks are again sitting in the mud; he remarked that dredging is needed to correct this type issue and that he has lost one (1) tenant over this problem with the docks. In addition, he has been having pedestal problems which could possibly be attributed to the docks sitting in the mud and kinking at low tide. Mr. Berrigan voiced his opinion that the electrical panel containing the restaurant's circuit breakers should have been replaced when the bulkhead was replaced; it sits at a forty-five degree (45°) angle.

Mr. Berrigan related the Jim Raih had been to the marina referring to a radio tower and the possibility that it could be constructed at the marina; Mr. Berrigan asked for clarification. Administrator Tucker related the history of the City's radio communications and the City's involvement with Charleston County on the radio communications upgrades to digital technology. The Administrator commented on the fact that the digital radio system has not performed as anticipated for the City and that Charleston County and Motorola are of the opinion that a one hundred eighty to two hundred thirty foot (180-230 ft.) tower is needed on the island to provide the level of service that the City requires. She and Chair Loftus informed Mr. Berrigan that a tower would not be erected on the marina site.

Mr. Berrigan related that the license agreement his tenants sign states that boats will be removed from the marina when a hurricane warning is issued. In an effort to remind tenants of this and to update the marina's records, tenants have been contacted to determine that each had a plan and what that plan was. Mr. Berrigan has learned, through this process, that many of his tenants do not plan to move their boats from the IOP Marina. He informed the Committee that he plans to contact a lawyer to determine his legal standing should a hurricane head for the Isle of Palms.

Mr. Berrigan asked the Committee for an update on The Citadel parking analysis of the marina parking lot. Mayor Cronin indicated that he has corresponded with The Citadel and been told that they are still engaged in the project that was started some eighteen (18) months ago. Mr. Berrigan stated that he was interested in their findings because he has been working with a consultant on a master plan for the marina. Mayor Cronin stated that he would contact them again in hope of getting their work product, and, if they have abandoned the project, they should get the counters that remain at the marina.

Problems with thefts from boats continues, especially on the face docks behind the restaurant; Mr. Berrigan repeated that he has lost two (2) tenants as a direct result of the thefts. He stated that he would like for the Committee to reconsider the installation of a locking gate at that particular dock at Mr. Berrigan's expense; locking gates are used at many of the local marinas. He will provide the Committee with pricing and a visual of the gate he is proposing at the October meeting. Mr. Berrigan explained that people are getting on boats, partying and taking safety equipment, VHF radios, fishing rods and depth finders – there has been an instance when people found the keys to a boat, took it out for a ride and returned it to a different spot. Mr. Berrigan added that Mr. Clarke and Ms. Pope of Morgan Creek Grill agree that installing a gate is warranted.

On the subject of Marina Market, Mr. Berrigan asked the Committee's permission to close the store from January 10-13, 2011 to strip and re-do the floors and to perform other general store repairs.

MOTION: Councilmember Stone moved to approve closing The Marina Market from January 10-13, 2011 for general maintenance; Chair Loftus seconded and the motion PASSED UNANIMOUSLY.

Mr. Berrigan commented that this past season had been the best the deli has ever had, and he intends to continue the store's relationship with Ted's Butcher Block, dba Ted's Dockside Deli. He indicated that, in the off-season, the deli will close on Mondays and begin closing daily at 3 p.m.

Administrator Tucker recalled that SCE&G had looked at the transformer box and had determined that it was safe, despite the fact that it sits at an angle; she questioned that the problem was one of aesthetics rather than functionality. Mr. Berrigan explained that the box in question was not the transformer box, but the electrical panel/breaker box that is the City's responsibility; he stated that the box not only looks bad, but it also appears to be a hazard. Ms. Pope noted that the box does not closed and that it is presently taped shut.

Mr. Berrigan agreed to get three (3) bids for the repair or replacement of the box to present to the Committee at the next meeting,

Mayor Cronin asked Mr. Berrigan if he were reporting the thefts to the Police Department. Mr. Berrigan responded that not all of problems have been reported, but recently the problems are being reported.

5. Morgan Creek Grill Report – Carla Pope, Operations Manager

Ms. Pope reported that the restaurant had “a very good summer” trending three to four percent (3-4%) higher than 2009; she indicated that the volume had been good, but spending was different in that people were spending ten dollars (\$10.00) for a burger on the upper deck rather than having a dinner in the dining room. The Saturday oyster roasts on the grounds would resume for the fall to draw the locals, and a football package was beginning on the upper deck. Unlike previous years, the restaurant was not planning to be closing the first week of December because funds were not available for any major projects and minor repairs were being made as they were encountered.

6. Old Business

A. Update on Beach Restoration

Assistant Dziuban reported that she and Steven Traynham of Coastal Science and Engineering had attended an interagency meeting at the offices of the Corps of Engineers to review the planned project before submitting the permit application to allow the agencies to give feedback and to ask questions; the end result is that the City submits a strong permit application. Agencies represented at the meeting included the Department of Natural Resources, the Bureau of Water Quality from DHEC, OCRM and the Department of Fish and Wildlife. Mr. Traynham reviewed the history of the project and explained the City’s intentions with the new permit application. Issues that were brought up were a consensus from the community, support from the stakeholders of the previous project and plans to protect the wildlife; the agency representatives did not offer comments or information contrary to the City’s purpose. The next steps are to complete and to submit the permit application.

Administrator Tucker added that, during the period of extreme high tides and the threat of storms, the Wild Dunes resort had requested that the City issue an emergency order to allow them to renourish at Ocean Club and the Links Course. The City responded that it has historically taken the position that OCRM should issues those orders on OCRM jurisdictional areas, so the resort was referred to that agency. Administrator Tucker stated that she has not been notified of outcome.

Chair Loftus asked if the island’s beach had suffered any serious erosion as a result of the recent high tides; Administrator Tucker reported that the entire beach was patrolled and she had not been informed of any disturbing reports despite the fact that overwash of the dunes had occurred in the renourishment area.

The Administrator informed the Committee that the City was a member and sponsor of the upcoming American Shore and Beach Preservation Organization meeting to be held in Charleston October 13-16. The City's 2008 renourishment project will be showcased during the meeting and a fieldtrip to the island is on the meeting's agenda. Tim Kana of Coastal Science and Engineering was the lead engineer on that project and is a member of the organization's board.

B. Update on Dredging

Administrator Tucker reported that another meeting has taken place where the potential stakeholders were given copies of a draft agreement; the participants were asked to review the agreement and offer feedback on it. Discussion did occur on restructuring the agreement to provide for phasing of the project. The Administrator commented that members of the Committee should have received a copy of a letter sent to the Corps of Engineers asking about the status of the Goat Island disposal site and about the possibility of using another site should it prove to be too costly or too complicated to use the Goat Island site.

In addition, Administrator Tucker announced that the residents of 26th Avenue have submitted their permit intending to proceed with the dredging of their canal. They did express interest in being a part of dredging endeavors ten to fifteen (10-15) years in the future.

The next meeting will be held at the end of September to allow the Morgan Creek Harbor Association board members an opportunity to review the agreement at their regular meeting.

C. Discussion of New Street Light at Tidal Wave Dock

Since the last meeting, SCE&G has identified all of the lights at the marina with their responsible party, and only one (1) light is the responsibility of the City. That being the case, the issue of adding lights becomes a tenant issue, not a City issue. Administrator Tucker stated that, if Morgan Creek Grill wants additional security lighting that would not disturb the neighbors and that would be their expense, SCE&G will install it and bill the responsible party.

D. Discussion of Front Beach Restroom Maintenance – Fan Installation

In the course of performing regular and routine maintenance on the Front Beach restrooms, the City has spent approximately twenty-five hundred dollars (\$2,500) in budgeted funds; part of that work involved installing a window air conditioning unit. The person managing the restrooms has requested that a ceiling fans be installed to keep the air circulating. After discussing the types of fans and maintenance to the fans, the Committee decided to postpone action until the beginning of the season in 2011; in the interim, Director Pitts was asked to look into other types of fans that are available and possibly less maintenance intense.

7. New Business

Request from Tidal Wave Watersports Concerning Lease Options

Mark Fiem introduced himself and distributed a letter to the members of the Committee explaining what Tidal Wave was seeking in terms of a lease and the reasons for the request. The business currently has a one (1) year lease that renews automatically for a like period; either party has the option to terminate the lease with ninety (90) days' written notice. Mr. Fiem stated that he and his brother wanted to grow their business, but to do so, they need to upgrade some of their equipment. Mr. Fiem commented that they are having difficulty finding investors or to obtain financing with the present lease situation; therefore, they were requesting that the City consider a twenty-year (20 yr.) lease with Tidal Wave WaterSports.

Administrator Tucker stated that her initial reaction was that, if the City were to consider a longer term lease, a provision would be needed to stating that leasable dock space would always be provided for Tidal Wave, but that it may not always be in the location occupied presently. Mr. Fiem stated that he did not foresee that as being a problem; they are more concerned with being a long-term tenant at the IOP marina.

MOTION: Chair Loftus moved for the City Administrator to being work with the City Attorney for options related to the Tidal Wave Watersports lease; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

8. Miscellaneous Business

Councilmember Stone voiced interest in seeing financial reports from the parking lots like the Committee sees on the restaurant and marina businesses. Administrator Tucker confirmed that the City receives such reports from Schupp Enterprises, the lessee of the Front Beach parking lots, and that the information could be provided in the future.

The Administrator added that the tenant rent report was not available for this meeting, because the auditors were on-site and the Treasurer's time was consumed with meeting their needs.

Mayor Cronin suggested that Mr. Schupp be invited to attend the next meeting to provide an end-of-season report on both the parking lots and the beach cleaning contracts.

Next Meeting Date: 8:30 a.m., Tuesday, October 5.

9. Executive Session – not necessary

10. Adjourn

MOTION: Mayor Cronin moved to adjourn the meeting at 9:30 a.m.; Councilmember Stone seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:
Marie Copeland, City Clerk