

REAL PROPERTY COMMITTEE

9:00 a.m., Thursday, May 5, 2016

The Real Property Committee was called to order at 9:00 a.m., Thursday, May 5, 2016 in the City Hall Conference Room, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Harrington and Rice, Chair Bergwerf, Administrator Tucker, Assistant Administrator Fragoso and Clerk Copeland; a quorum was present to conduct business.

1. Chair Bergwerf 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 Harrington moved to approve the minutes of the regular meeting of April 6, 2016 as submitted; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

3. Citizens' Comments

Jim Raih of 3904 Cameron Boulevard stated that he had served on both the Planning Commission and the Real Property Committee before it became a standing committee of Council and that he has been in commercial development for twenty-five (25) years. He stated that he thought the City would make a mistake to allow parking to cross Waterway into the IOP Water and Sewer Commission's lot because he described it as "a Band-Aid fix." A key component in commercial development is to keep the activities on-site. He opined that there is a problem at the marina, and parking does not belong on Waterway or on the Water and Sewer Commission's property. He stated that he has been a long-time advocate to have something done there, and he quoted from the February 8, 2007 Real Property Committee minutes that ". . . Mr. Raih submitted that the future plans for the entire marina site should be moved to the forefront for Council's consideration." On May 3rd of the same year, he quoted from the Real Property Committee minutes that ". . . Committee member Raih made a motion to authorize up to \$5,000 for a land planner to do a parking configuration to maximize parking and flow. . ." From the Real Property minutes of September 6, 2007, he quoted "Mr. Raih again referred to the previous meeting's discussion on the parking area and the number of trailers that can be in the area of the buildings that have been removed from the marina site." He continued "Marina Manager Berrigan agreed that the key function of that space should be employee parking, but he added that there remains room for overflow parking and trailers, with the vehicle attached." He wanted to voice his concern to the Committee about taking parking and the situation down there with all that has been added to the site since the City purchased the property. He questioned how so many activities got approval to operate from the marina. Mr. Raih said that he would support "fixing the problem," but moving the employee parking across the street is not the solution to the problem.

4. Comments from Marina Tenants

Michael Fiem, representing Tidal Wave Watersports, told the Committee that he had found the marina workshop to be very frustrating because decisions were made without asking the businesses that operate there what they thought or how they would be affected. He indicated that he was very concerned about safety with the relocation of his business to Morgan Creek next to the Dewees Island ferry. He commented that his business has operated out of the marina since 1996 and that he is very aware of how many inexperienced boaters are on the water. With

the issues that these boaters bring to the boat ramp, he has always been thankful that his business was on the other side of the marina. He explained that his customers would still be expected to park on the far side of the property and contend with the traffic and cars with trailers lined up for the land-side fuel or the boat ramp. With the boat rental at the marina, some renters are experienced, but many are not and there is a bit of a learning curve about operating the boat and navigating from the dock to the Intracoastal Waterway. With all of the activities now concentrated on Morgan Creek with the ferry, the eco-tours, the offshore charters, no one has the space to overcome the learning curve; that boater is immediately contending with boats all around him. He agreed with the consensus opinion that the Number One problem at the marina is parking with the overflow up 41st Avenue and down Waterway Boulevard. Mr. Fiem stated that he has always wanted off the Intracoastal Waterway because of the traffic, people who do not respect the no wake zone and saving his equipment and dock.

Chair Bergwerf said that she had many of the same thoughts, but had not thought about any issues with the landside, only in and around Morgan Creek.

Councilmember Rice reported that she had a conversation with Kirby Marshal of ATM the day before and that he had agreed that Concept C was not the best solution.

Mr. Fiem noted that last year the kayaks were launching off the boat ramp creating issues at the ramp and in the water. The kayakers and paddle-boarders are low to the water, and, with the larger boats where the drivers cannot see over the front, it is a real safety issue. That business is working very well where it is on the Intracoastal and should remain there.

When Councilmember Harrington asked about the tenants' involvement in the most recent ATM concept, Administrator Tucker explained that they had not been; Concept C came out of a Planning Commission meeting, and it happened very quickly. The Planning Commission wanted to see what the marina would look like with the boat ramp moved, and Council approved the money for ATM to do the work.

Marina Manager Berrigan said that he had intended to report only on the "no smoking" on the deck of the store, which is going very well; he has received only one (1) complaint. As to the workshop, he thought it important that the marina tenants keep in mind that it was a workshop, but he acknowledged that the marina tenants got very frustrated. Since the Mayor stated at the very beginning that no action was going to take place at the workshop, he felt that they had plenty of time to make their opinions known by City Council. He stated that he has no desire to have Tidal Wave move from their present location; they are in the best place for the type of business they operate. He expressed the opinion that the landside of the plan might work, but he did not like the location of the fueling station. That location would create a backup in front of the store; people would not be able to back out of parking spaces; delivery trucks would have a hard time making their deliveries.

Mr. Berrigan said that he had made three (3) requests of ATM relative to the redevelopment of the marina; they were (1) reception gate, (2) better access for pedestrians and (3) isolation of the boat traffic. He noted that none of those things was included in this most recent concept. The area designated for boat storage should have diagonal parking, not perpendicular.

When asked for his opinion on moving the boat ramp, Mr. Berrigan stated he did not think it was a good idea. He did not want his boating customers to deal with the Dewees Island ferry or the barges that are out of control at times. His recommendation was to fix the existing boat ramp because it is too steep and has a drop-off at the end. Although the boat ramp needs work, it will likely last another twenty-five or thirty (25-30) years. He indicated that Chief Graham had issues with this plan related to emergency access and rapid deployment.

In recent years, Mr. Berrigan had a future concept of the marina done that also moved the boat ramp; in his concept the boat ramp was moved closer to the store at the handicap ramp for the store. He said that he too does not like the way the boat ramp bisects the property, but he thought it could work if the parking was corrected.

Councilmember Rice inquired about the manager's feelings about the two (2) lane ramp with the ground-out dock, and Mr. Berrigan said he was not opposed to that concept, but he found it hard to understand why a three (3) lane dock should be reduced to a two (2) lane dock. He liked a ground-out dock but it would not work at the existing ramp.

Jay Clarke, Morgan Creek Grill, initially indicated that he agreed with Mr. Berrigan on several points. He said that he would like to see the isolation of the commercial docking from the traffic flow as much as possible. He agreed that Tidal Wave is in the right spot on the property, and he pointed out that Phillip Smith bought an empty lot next to the marina and built a home on it. He thought that balancing parking with public space was critical, particularly along the Intracoastal Waterway; the attraction for visitors and residents is the water. He also wanted to maximize the parking to a reasonable degree, but he was opposed "to close off parking where there has been public parking in the past." He really liked the promenade, but space for the public to park should be limited. One (1) thing he thought had been overlooked in this plan was public restrooms; there was a public restroom at the marina before, and a sewer line runs under the restaurant's sound stage. If the restrooms were located closer to Morgan Creek Grill, Mr. Clarke said that he would be willing to assume the responsibility for the maintenance. He also said that he thought there was space under the restaurant for public restrooms, and he thought it could be cost effective to do that. He would like to see more research done on the issue of filling in the ditch that runs between the marina and Mr. Smith's home to have a vegetative buffer along that side of the property. He also said there was a need for more golf cart and bicycle parking at the store and the restaurant. Mr. Clarke said that he would follow up with the IOP Water and Sewer about parking employees on their property on Waterway Boulevard and learn how many vehicles it could hold.

With Mr. Raih's comments in mind, Administrator Tucker said that, in pursuing the parking at the IOP Water and Sewer property, the City was looking for it to be a temporary solution until the City can undertake some of the redevelopment because, at some time in the future, the Water and Sewer Commission is going to expand on that site.

5. Old Business

A. Discussion of Marina Redevelopment

1. Bulkhead

Administrator Tucker noted that Mr. Berrigan had sent the City an assessment of the concerns he has with the bulkhead; therefore, the Administrator is preparing a RFP for engineering for the cost of an assessment to determine the nature of the problem there, how severe it is and a recommendation for what should be done in the way of corrective action. John Shaffer has been very helpful in giving the Administrator a list of consultants he thought had the necessary credentials to do the job. The goal is to get the RFP advertised in the next two (2) weeks and to allow three (3) weeks for responses.

When asked about discussing this matter with Kirby Marshall of ATM, the Administrator thought that ATM was aware of the issue and that, in conversations with others, she was led to believe that ATM may not have the level of expertise needed for this problem.

Without the investigative work being done, it is hard to know the seriousness of the problem, or whether it has to do with weeping or erosion. The Administrator said that her primary concern was the weight of the structures that are on the area between the new bulkhead and the old one; she commented that, when the new bulkhead was installed, it was built water-ward of the old wooden bulkhead leaving a space between.

2. Parking

Administrator Tucker said that anything major that is done toward the redevelopment is going to be a long process, is going to be done in stages over multiple years and, likely, is going to require a bond issue; therefore, there will be no immediate relief to some things. In her opinion, what has prompted some of the problems has been the overflow parking and the congestion and lack of organization on the site.

For the overflow parking, the temporary solution on the IOP Water and Sewer property would give the residents some relief. Whether the City wants to consider it, maybe the City should pay for landside parking modifications knowing that it will likely all be changed when a marina redevelopment plan is put in place. If the City can make some short term improvement by some plan that, perhaps, Scott Parker does, knowing that the City is not taking into account other possible major changes. This is an option; first change out the fuel tanks, then make changes to the parking. This might be a way to give the residents on 41st Avenue and Waterway Boulevard some degree of relief for the five (5) years it could take to get the redevelopment underway.

Chair Bergwerf agreed that it was necessary to deal with too many cars on too small of a space.

Councilmember Rice repeated that the most immediate help to the parking problems was the use of the IOP Water and Sewer property for marina employee parking. She added that she hates to see the City spend the money for a temporary fix; she would prefer to see the City do it once and do it right.

Administrator Tucker noted that the plan that has not been discussed is to leave everything where it is and to devise a better traffic flow and parking arrangement.

Chair Bergwerf said that she clearly sees congestion and subsequent safety issues on Morgan Creek. It has been obvious that Mr. Berrigan was not consulted, and he seemed to feel that it will not work. Looking to the Administrator, the Chair asked what was the next step? The Chair stated that the only decision that has been made is no drystack.

Administrator Tucker noted that the Boating Infrastructure Grant application has its deadline looming, and the City may have to wait until the next grant cycle, especially since there is no plan for which to seek funding. She suggested that Council should take the plan the Planning Commission has embraced and the input from the marina tenants and have more assignments to ATM for additional concepts. This will mean more money for ATM because they have fulfilled the contract, and those funds have been spent.

Councilmember Harrington reiterated that he has asked for data in terms of the drystack. Council appears to have taken it off the table for consideration, but he continues to hear from citizens who like the idea of a drystack for island residents.

Chair Bergwerf responded that the number of residents who would use it do not outweigh the impact on the residents by having it there, and, in her mind, they have spoken very clearly.

Councilmember Harrington said that he saw the drystack as a very important issue and that the decision to build or not to build should be fact-driven and not emotional. Since the marina was purchased for the people and if this is an amenity the residents want, it needs further study; he does not feel that it has been properly vetted.

Councilmember Rice agreed that it is not going to happen; a drystack would generate more noise and be environmentally harmful. She suggested that Wild Dunes should build the drystack at their marina.

The Chair reiterated that the goal is to minimize the traffic and congestion and adding a one hundred fifty (150) boat drystack would be counter to those efforts. She added that it was not the will of Council or the Planning Commission to have a drystack at the marina, and it is a dead issue.

Administrator Tucker said that she finds it difficult to react to anything without a drawing and that the Committee or the Planning Commission could authorize ATM to produce other scenarios from the input of the stakeholders. She suggested that ATM be authorized to generate additional scenarios from input gathered from the workshop, the Planning Commission, the stakeholders and this Committee; three (3) options have been presented and it could be that the fourth or fifth would be the scenario that works for everyone involved.

Chair Bergwerf asked whether the marina would need permits to relocate the boat ramp closer to the Dewees ramp, and Mr. Berrigan stated that permits would be required. Any kind of reconfiguration of the docks would also require permits. Mr. Berrigan stated that he did not think relocating the boat ramp close to the Dewees ramp would be approved by the regulatory agencies.

Councilmember Harrington voiced interest in the improvements needed for the existing marina boat ramp and the possible cost. According to Mr. Berrigan, fixing the ramp would not be an expensive endeavor; he commented that the drop has always been at the end of the ramp and dredging makes the problem worse.

Administrator Tucker worried that she did not want to get into a loop of more meetings to authorize money; she noted that the City would not get any more work from ATM until more money is authorized.

MOTION: Councilmember Harrington moved to recommend to the Ways and Means Committee to authorize \$15,000 for additional meetings between the stakeholders, the Planning Commission and the Real Property Committee to develop additional scenarios for the redevelopment of the marina; Councilmember Rice seconded and the motion PASSED UNANIMOUSLY.

The Administrator reminded Mr. Berrigan that the Mayor had asked that he recommend a new rate schedule for non-residents and said that she would like to take that to Ways and Means as well.

Having given the request some thought, Mr. Berrigan suggested that non-residents pay twenty dollars (\$20) to launch and ten dollars (\$10) per vehicle for daily parking on Friday, Saturday and Sunday from May 15th to September 15th; resident parking would stay at five dollars (\$5) per day. Mr. Berrigan explained that the parking fee was included in the twenty dollar (\$20) non-resident launch fee. Mr. Berrigan stated that he hoped the increase in fees would encourage people to carpool.

Mr. Berrigan reported that more and more groups are going to Goat and Capers Island for weekend parties and leaving their vehicles parked at the marina, and they are having a big impact on the marina. When they return, they bring their trash and leave it at the marina, and they have been known to come to the marina in the middle of the night to get water.

MOTION: Councilmember Rice moved to recommend to the Ways and Means Committee the approval of increased fees for non-residents at the marina of \$20 to launch a boat and \$10 per vehicle to park on Friday, Saturday and Sunday May 15th to September 15th while resident fees will remain the same; Councilmember Harrington seconded and the motion PASSED UNANIMOUSLY.

B. Review of Proposed FY17 Budget

The Draft 2 budget is the one passed for First Reading and advertised in the newspaper, but staff has some changes to propose for the next draft of the budget and they are as follows:

- An increase of \$129,000 in parking meter revenue based on the increase of the hourly rate to \$1.50.
- Considering the possibility of either assuming responsibility of handling the City's own NPDES program or asking Mount Pleasant to do it, the City must have a third party

assessment by an engineering firm to determine the state of the City's drainage system; staff has estimated an additional \$30,000 in expense to the General Fund.

- The NPDES improvements for the Public Works site have become much more complex than originally conceived; therefore, staff recommends approving a change order of \$10,500 to have bid assistance and construction oversight by Thomas and Hutton.
- Since the buildings and grounds person was eliminated from the budget, an idea gained from Mount Pleasant was to hire a construction company to assess the City's facilities and to generate a list of future maintenance issues for the City to address. The amount to be added to the budget is \$12,000, average \$2,000 per building.
- Based on conversations with the County, staff recommends adding back to the FY17 budget the cost of engineering and design for the public restrooms.
- The County has approached the City about two (2) Joaquin-related FEMA projects that would require the City to commit to paying the 25% local match; one (1) is a cleanout and assessment of all of the City's drainage pipes costing the City \$159,000; the second is the replacement of the pipes crossing Ocean Boulevard between 4th Avenue and Breach Inlet for 25 % of \$58,000 per crossing with 8 crossings. The County's representatives for these programs will attend the Public Works meeting to explain the projects and to provide the cost estimates.
- The Public Safety Committee voted to add back to the budget two (2) additional police officers.
- The Personnel Committee voted to add back the human resources position.
- Based on experience this year, the vehicle maintenance for the Fire Department will be increased by \$10,000.
- Four (4) additional surveillance cameras will be added to the budget, the cameras will be deployed at the municipal lots, at the compactor (may be done in FY16) and at the IOP Water and Sewer Commission's property on Waterway that is being considered for marina employee parking. A camera, installation and technical aspects cost about \$1,700 each.
- Staff is also proposing a city-wide termite bond that will include coverage for Formosan termites.

After discussion about the IOP Water and Sewer property that the City wants to use for overflow marina parking, ten thousand dollars (\$10,000) was added to the budget for the security fencing, gate and lighting that would have to be installed to meet Homeland Security regulations.

When the Chair asked if the Water and Sewer Commission were going to let the City use the property at no cost, the Administrator was doubtful; she anticipates entering some type of lease or agreement to control their liability.

When the Public Hearing is held, the Administrator will review these changes to the advertised budget; Treasurer Suggs stated that Draft 3 of the FY17 budget will be ready for the Ways and Means Committee meeting

6. New Business

A. Review of update to the Local Comprehensive Beach Management Plan

Administrator Tucker announced that she has received a draft, and it is being edited; soon the draft document will be given to City Council, and it will be on an agenda for adoption.

B. Consideration of conceptual design rendering estimate from Liollo for Tri-County Hospitality Center at public restroom site

At the last meeting, the decision was for a visual rendering so that the Committee could see what was conceived by Councilmember Kinghorn, and the proposal from Liollo was included in meeting packets. Liollo's quote for the work was twenty thousand three hundred sixty-two dollars (\$20,362).

Chair Bergwerf suggested putting this quote aside until the City knows whether the County is going to include one million dollars (\$1,000,000) in their budget for the IOP public restroom; if that does not become a reality, then the Committee can address the Liollo quote. She voiced agreement with Councilmember Rice that the concept was not feasible.

B. Consideration of termite bond for City properties

Treasurer Suggs stated that the City currently has a termite bond, but, when the Recreation Department actually had some termite damage, staff discovered that the existing bonds specifically exclude coverage from Formosan termites that did the damage at the Rec Center. At that time, the Treasurer spoke to several exterminator companies to find out whether they provided Formosan termite coverage, and what that coverage was. The vendors from whom she gathered information included:

- Terminix, the City's current vendor, uses a baiting system;
- Dodson suggested using a chemical treatment called Termidor, but they do not offer a warranty for Formosan coverage;
- Ledford also uses Termidor; they will treat and provide a damage warranty for subterranean Formosan termites, but not aerial Formosan termites.

The Administrator noted that staff was unable to find a vendor who would cover aerial damage from Formosan termites, which is the most frequent way huge damages occur. She also reported that staff did its homework on this issue by reaching out to Clemson and entomologists at the University of Georgia to learn which approach was the most effective process, but no one would state that one is better than the other.

Mr. Ledford stated that he had not seen a non-Formosan termite on the Isle of Palms in ten (10) years.

Staff's recommendation for termite bonds that cover Formosan termite damage was Ledford's at twelve thousand nine hundred dollars (\$12,900) for the initial bond and twenty-five hundred fifty dollars (\$2,550) for the annual update.

The Recreation Department has developed a relationship with Dodson, so they would not fall under the Ledford bond until that agreement ends.

According to the Treasurer, Ledford's is going to require Administrator Tucker to sign a waiver of minimum treatment standards for some properties, including the marina store and City Hall where there are wood pieces underneath that they cannot get to to treat. By signing the waiver, the City acknowledges that some buildings have problems because there is wood that they cannot treat.

Treasurer Suggs indicated that the contract would cover new damage up to two hundred fifty thousand dollars (\$250,000).

After Councilmember Rice suggested that the City should self-insure, Administrator Tucker did not want it to appear that staff was not doing everything in its power to protect City properties.

MOTION: Councilmember Rice moved to recommend to Ways and Means the approval of a termite bond that includes coverage for Formosan termites to Ledford's Termite and Pest Control with an initial cost of \$12,900 and an annual update for \$2,550; Councilmember Harrington seconded.

Administrator Tucker noted that this expense is greater than what is in the budget, so it will be an out-of-budget expense.

VOTE: The motion PASSED UNANIMOUS.

7. Miscellaneous Business

Tenant rents report

The Administrator reported that all tenants were current.

Next Meeting Date: 9:00 a.m., Thursday, June 2, 2016 in the Conference Room

When asked about including the Planning Commission in future meetings with ATM, the Chair indicated that she thought it was counterproductive to have so many opinions in a meeting.

Chair Bergwerf announced a turtle release for 4:30 p.m., Wednesday, May 10th.

8. Executive Session – not needed

9. Adjourn

MOTION: Councilmember Rice moved to adjourn the meeting at 10:50 a.m.; Councilmember Harrington seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk