

**WAYS and MEANS COMMITTEE**  
5:45 p.m., Tuesday, November 16, 2010

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Tuesday, November 16, 2010 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Duffy, Loftus, Piening and Stone, Mayor Cronin, Assistant to the Administrator Dziuban, City Attorney Halversen and City Clerk Copeland; Administrator Tucker was ill. The absence of Councilmember Thomas was excused, and a quorum was present to conduct business.

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.

**2. Approval of Previous Meetings' Minutes**

**MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of October 19, 2010 as submitted; Councilmember Bettelli seconded.**

Mayor Cronin noted that the heading had the date of October 18 while the body referred to October 19.

**VOTE: The motion to approve the corrected minutes PASSED UNANIMOUSLY.**

**3. Citizens' Comments**

Jim Raih, 3904 Cameron Boulevard, expressed his opinion that the Committee should re-think the cancellation of the City's Christmas Party; he stated that the party is a means for the City to express its thanks to the many residents who volunteer their time serving on the City's various boards and commissions. He suggested that the City could reduce its expenditure by cutting-back on the food and entertainment and continue with the party since the venue is free and guests pay for their beverages.

In regards to the lease amendment for Tidal Wave WaterSports, Mr. Raih suggested that the City should be "careful" when "tying-up" city assets long-term.

Mr. Raih's final comments were that he had been surprised that the City had received only two (2) bids for the Front Beach lighting project in times of economic struggles; he questioned that the City was advertising its projects in a way that would elicit the most bidders.

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

**A. October Financial Statement**

Treasurer Suggs stated that the statement for discussion was through the month of October, or one-third ( $\frac{1}{3}$ ) through the FY11 fiscal year. General Fund revenues are at thirteen percent (13%) of budget, which is ninety-six percent (96%) of the City's position at the same time in FY10. The Treasurer reported that, while not reflected in the statement, Charleston County had transferred the October property tax collections earlier in the day that totaled two hundred

seventy-one thousand dollars (\$271,000) putting the City's Property Tax Revenue at ninety-seven percent (97%) of the FY10 collections through November.

Through October, General Fund cash was at eighteen percent (18%) of annual General Fund expenditures; typically, October is the low-point of the fiscal year.

Overall, General Fund expenditures were at twenty-eight percent (28%) of budget while the target through October would be thirty-three percent (33%); all departments are at or below budget, with the exception of Beach Services Officers, where few expenditures will occur until the 2011 season.

Treasurer Suggs commented that the interest rate at BB&T has dropped from four tenths of a percent (0.4%) to two and a quarter percent (0.25%); therefore, she will be transferring funds to the Local Government Investment Pool (LGIP) where the interest rate is slightly more than four tenths of a percent (0.4%).

## **B. Tourism Schedules**

State Accommodations Taxes – Since the October meeting, the City has received its first quarterly payment in excess of three hundred forty-two thousand dollars (\$342,000), which is an increase of six and a half percent (6.5%) over FY10.

Municipal Accommodations Fees – These collections continue to trend upward, and, year-to-date, are nineteen percent (19%) ahead of FY10.

Hospitality Taxes – Collections are up eleven percent (11%) higher than FY10, and all major taxpayers are current.

## **C. Projects Status**

Beach Restoration – Expenditures on this project included consulting fees for Chris Jones and post-project monitoring and permitting and design for the focused erosion project paid to Coastal Science and Engineering. The balance remaining in the fund exceeds eight hundred thirty thousand dollars (\$830,000).

52<sup>nd</sup> to 57<sup>th</sup> Avenue Drainage Project – Engineering service and legal fees comprised the expenditures for the drainage project in October; nine hundred eight-eight thousand dollars (\$988,000) remain in the project fund.

City Hall Restoration – Professional services provided by Liollo and legal fees were the only expenditures related to the renovation of City Hall; over three hundred thousand dollars (\$300,000) remains to be spent.

**5. Old Business – None**

**6. New Business**

**A. Recommendations from the Public Safety Committee**

1. Award of Contract to Herndon Chevrolet for 3 Chevrolet Impalas at State Contract Pricing of \$19,957/each, or \$59,871.00.

**MOTION: Mayor Cronin moved to award the Contract to Herndon Chevrolet for 3 Chevrolet Impalas in the amount of \$59,871.00; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

2. Award of Contract to Safe Industries for air packs in the amount of \$22,790.00.

**MOTION: Mayor Cronin moved to award the Contract to Safe Industries for Air packs in the amount of \$22,790.00; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.**

**B. Recommendations from the Real Property Committee**

1. Award of Contract to W. E. DeLonge Electrical LLC in the amount of \$56,905.31 for Front Beach Lighting; funding from the FY11 Budget, the Aisle of Palms Fund and Energy Grant.

**MOTION: Mayor Cronin moved to award the Contract to W. E. DeLonge Electrical as stated above; Councilmember Stone seconded.**

Mayor Cronin asked Director Kerr to explain the scope of this award.

Director Kerr related that the RFP had been for the up-lighting around the palm trees in the center aisle at Front Beach between 10<sup>th</sup> and 14<sup>th</sup> Avenues, repositioning the granite markers from the tree wells and replacing the covers to the electrical outlets. The existing lighting is unsealed, energy inefficient and maintenance intensive in that they require replacement every year or so. The staff recommendation is to replace all of the up-lighting in the center aisle and in the areas along either side of the center aisle. Another facet of the RFP is to replace the water-proof enclosures for the electrical outlets with rubber collapsible outlet covers. In addition, the RFP provides for moving the granite markers out of the tree wells and embedding them in the concrete.

The amount of fifty-two thousand eight hundred dollars (\$52,800) was included in the FY11 budget; this expense includes the federal grant of twenty-seven thousand nine hundred ninety-eight dollars (\$27,998). Staff is recommending that the balance of funding required comes from the Aisle of Palms Fund; Mayor Cronin noted that no money from this fund has been used since the Front Beach Enhancement Project. The total project as recommended by staff is fifty-six thousand nine hundred five dollars and thirty-one cents (\$56,905.31).

**VOTE: The motion PASSED UNANIMOUSLY.**

2. Approval of Lease Amendment for Tidal Wave Water Sports

**MOTION: Mayor Cronin moved to approve the amendments to the lease for Tidal Wave Water Sports; Councilmember Stone seconded.**

Mayor Cronin noted that Tidal Wave was seeking an extended term for their lease with the City to enable them seek financing to grow their business; the amendment provides for a five-year (5 yr.) lease with two (2) renewals for a period totaling fifteen years (15 yrs.). In addition, other housekeeping items were included so that this lease would mirror other leases at the marina.

Councilmember Bergwerf asked what would happen if the City became dissatisfied with this tenant, and Mayor Cronin assured her that all City leases are written with an "out" for the City.

**VOTE: The motion PASSED UNANIMOUSLY.**

7. Miscellaneous Business

**Next Meeting Date: 5:45 p.m., Tuesday, January 18, 2011.**

8. Executive Session

**MOTION: Councilmember Stone moved to go into Executive Session at 6:10 p.m. related to negotiations on the purchase of real property; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.**

The Committee returned to regular session at 6:18 p.m. with the Mayor stating that no action and no votes were taken in Executive Session.

**MOTION: Councilmember Duffy moved to approve up to \$2,500 from the Capital Projects Fund for the appraisal and survey of real property; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

9. Adjourn

**MOTION: Councilmember Loftus moved to adjourn the meeting at 6:20 p.m.; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland  
City Clerk