



SPECIAL CITY COUNCIL MEETING -- WORKSHOP

5:00pm, Thursday, February 13, 2024

1207 Palm Boulevard and

broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

1. Call to order

Present: Council members Bogosian, Hahn, Anderson, Ward, Miars, Pierce, Carroll, Campsen, and Mayor Pounds

Staff Present: Administrator Fragoso, Director Kerr, City Attorney McQuillin, various department heads

2. Citizens' Comments

Michael Bailey, 248 Forest Trail, said that government has failed on all levels to protect private property. He said the proposed ordinance on erosion control structures prevents homeowners from protecting their property. He believes the City should advocate for its citizens.

3. Special Presentations – none

4. Dashboard of City Operations and Short-Term Rental Report

Administrator Fragoso said the City is currently not meeting budget on revenues but indicated it might be a timing issue. She said there are three police officer vacancies with one conditional offer outstanding and five applicants moving through the hiring process. There are still three paramedic vacancies. She said they are evaluating the inclusion of an employee referral incentive as well as being more diligent and intentional about promoting those openings.

Traffic and livability charges are up due to the intentional efforts of the Police Department. Court cases appear to be leveling off to 2022 numbers. There was a 40% increase in Fire Department calls from January 2023. Of the 101 calls in January, 39 were automatic aid calls, and 33 of those were canceled in route. 65% of Fire Department calls were for non-residents last month.

There were no changes to garbage and yard debris collection in January. An increase in Recreation Department registrations is being driven by staff “soliciting and selecting all of the vendors for all 2024 events,” something that is normally done throughout the year. No new home permits have been issued. 1,873 short-term rental licenses have been issued.

Council Member Anderson would like to know if any of the 1,873 licenses issues remain unused and would like to see revenues grouped to see how many licenses are truly generating income. Administrator Fragoso said such information could be run at the end of the current license period, which is the end of April.

5. **Departmental Reports** – in the meeting packet
6. **Strategic Plan Policy Initiatives and Priorities**
 - A. **Livability**
 - B. **Environmental**
 - C. **Public Services**

Discussion of easement request from Isle of Palms Water & Sewer Commission for new effluent line through marina property adjacent to 41st Avenue Ditch

General Manager Chris Jordan and Engineer Mark Yodice came before the City Council to present their request for an easement through the Marina property for the placement of the effluent line. Director Kerr explained, “They are requesting an easement that goes through the Marina property adjacent to the ditch that is currently being piped. This easement would be for a new effluent line to take the clean effluent from the plant...out into the Intercoastal Waterway. They have an existing line that has aged. It is across the ditch and an existing easement for their operations. It would benefit them to move that on this side of the ditch which ends up being roughly along the edge of 41st Avenue, and then it continues straight up and through what I think of as the employee parking lot for the marina, and then through a new structure that is getting placed at the outfall at the Intercoastal Waterway.”

Mr. Yodice added that the new line replaces a line that is past its useful life. Additionally, this new line will be ready for the future sewerage of the entire island. He shared a map detailing the requested easement as well as temporary construction easement. They are in the permitting process now and hope to begin work after the season in September and finish in February 2025. He said it is not possible for this work to happen concurrently with the other City projects occurring in the same area. Director Kerr listed the series of projects occurring in the area in their ideal chronological order: completion of the City’s drainage project, placement of the effluent line, Dominion Energy’s undergrounding project, and the finalization of the parking plan.

City Attorney McQuillin said he is working on the language of the agreement with the Water & Sewer Commission’s attorney. Mr. Yodice said they will work closely with the City’s contractor to disrupt the area as little as possible. Mayor Pounds said coordination among the many projects is happening where it can.

- D. **Personnel**
- E. **Other items for discussions**
 - i. **Discussion of proposed emergency ordinance providing emergency procedure to allow installation of erosion control structures**

Administrator Fragoso gave an overview of the draft ordinance, stating that it would allow “property owners to construct a revetment or seawall under certain conditions...outside of the OCRM jurisdiction and within 20’ of an existing structure, either a home or a pool. Some of the other conditions that are included in the ordinance are that the structure be designed by a

registered engineer and certified by them that the structure will not negatively impact adjacent lots or downdrift lots. It establishes a maximum height for the structure. It also requires the owner to notify their adjacent property owners or neighbors that they intend to build this structure. It also requires that the structure be covered with beach-compatible sand whenever it is not currently being hit essentially or exposed by the water to the extent that it is possible. It is constructed contiguously with existing revetments or seawalls in the area. This emergency ordinance would be valid, in place for 60 days. City Council has the ability to extend it for an additional 60 days if it so chooses. Currently the draft version you have in front of you would cover properties between 100 Breach Inlet to 914.”

Director Kerr then gave a presentation explaining OCRM jurisdictional lines, maximum build lines, and setback lines on the beach.

Lengthy discussion ensued about where lines could be drawn to create equity among homeowners and to allow for contiguous erosion control structures to be built. Staff will bring two options for City Council to consider at a Special Meeting on February 20: an ordinance that “gets the City totally out of the way” or “max build line plus some number.”

ii. **Discussion of surf instruction applications for 2024**

Administrator Fragoso said she would speak with the surfing instructors who want to hold their classes on the south end of the island and encourage them to pick more northern locations.

7. **Financial Review**

A. **Financial Statements and Project Worksheets**

Director Hamilton said revenues are at 36% when they should be at 58%. She believes some of this is a timing issue and expects \$2.5 million in property taxes to be received in February. Expenses are at 55%, under the 58% target. Pay increases for Public Safety personnel went into effect in January and in February for all remaining departments.

She said rental license renewals are due on April 30. The City collected just over \$1 million last year in license fees. The City has \$43 million in cash deposits. The City received \$1.5 million in grants last month.

The new tourism schedules show some slowing/stabilizing to pre-Covid numbers. Municipal ATAX was \$51,000 last month but was \$185,000 this same time last year. Administrator Fragoso believes there is a delay in the County processing payments. State ATAX revenues were \$353,000 last month. The City has not yet received the second quarterly County pass-through payment yet. Hospitality taxes were \$63,000 and LOST was \$95,000.

Director Hamilton said that questions about cash needs for capital project requests should be directed to her.

B. Discussion of FY25 budget capital requests

Administrator Fragoso reviewed the department requests in the 10-Capital Plan as well as upcoming changes to the debt service schedule. Council Member Pierce noted “a \$30 million increase in our projected capital budget (over a 9-year period), and I think about 17 of that has to do with the beach renourishment.” He believes Council needs to have a conversation about “how we’re going to come up with those funds.”

8. Procurement

9. Capital Projects Update

Administrator Fragoso quickly reviewed the capital projects worksheet, highlighting changes from the previous month. She reported that the contractor for the Army Corps of Engineers’ beneficial use project has been selected. Not included on the sheet was the 21st Avenue sidewalk extension. Administrator Fragoso said the County has selected an engineer who is working on the design. She anticipates construction in the first quarter of 2025.

10. Legislative Report

Mayor Pounds said the key takeaway from the recent legislative days in Columbia was MASC’s strong opposition to the short-term rental bill that is coming up later this year. He said Council may need to pass another resolution expressing their opposition. He also expressed concern and disappointment about the \$7 million included in the State budget for beach funding.

11. Adjournment

Council Member Ward made a motion to adjourn, and Council Member Hahn seconded the motion. The meeting adjourned at 7:47pm.

Respectfully submitted,

Nicole DeNeane
City Clerk