



SPECIAL CITY COUNCIL MEETING -- WORKSHOP
5:00pm, Tuesday, January 14, 2025
City Hall Council Chambers
1207 Palm Boulevard, Isle of Palms, SC

MINUTES

1. Call to Order

Present: Council members Bogosian, Streetman, Anderson (via Zoom), Ward, Hahn, Miars, Pierce, and Carroll, Mayor Pounds

Staff Present: Director Kerr, various department heads

2. Citizens' Comments

Kerry Solomon, Ocean Boulevard, said a new model for dealing with the beach where there is a focus on the responsibilities of the property owner and the government is needed. He would like to see City Council allow for the use of subterranean erosion control devices.

Jimmy Bernstein, Beachwood East, said he echoes all of Dr. Solomon's comments. He would like property owners to be able to protect their own property.

Dudley Spangler, Ocean Boulevard, said he believes the City has "kicked the can down the road" and would like to see more regular beach nourishments. He encouraged City Council to adopt the recommendations of the Beach Preservation Ad Hoc Committee and "keep our greatest asset our greatest asset."

Paul Conway, Beachwood East, also supports regular beach renourishment.

Laura Lovins, Links Clubhouse Court, would like City Council to adopt the recommendations of the Beach Preservation Ad Hoc Committee and to pursue some or all of the \$5 million the Governor has put in the Executive Budget for beach nourishment.

3. Special Presentations

Beach Preservation Ad Hoc Committee's Recommendations

Mayor Pounds thanked the members of the Beach Preservation Ad Hoc Committee for the 25+ times they met in 2024 to create the recommendations that would be shared by Cindy Solomon.

Ms. Cindy Solomon, Ocean Boulevard, gave an overview of the research done by the Committee including interviews with numerous beach-related officials and experts, various topics and options explored, and the identification of possible funding sources. She briefly spoke about the

list of triggers of beach conditions that would notify staff to alert City Council that a renourishment needs to take place.

She reviewed some of the recommendations: “The recommendations include the need to raise funds for and to renourish the beach on an 8-year cycle to a minimum healthy beach volume profile, to set measurable triggers for mid-level and major renourishments so that we don’t get behind the eightball, to seek out a second opinion on emergency protective measures as well as future beach renourishment, to establish property owners’ responsibilities for maintaining dune systems within private property and enable them to do so, and to act proactively to prepare and to respond to beach erosion.”

She concluded by saying, “Those recommendations were all well thought out, researched, and discussed. They are meant to address the very real and very urgent need of our island to restore our beach with the concerns of the businesses, property owners, and City considered. It is thus the Committee’s position that adopting these recommendations are the first and necessary step toward putting a beach management plan in place to restore our beach to an ideal profile, to develop a playbook for the City administrators and Council and what to do when triggering events are identified and when emergency situations occur to protect property as well as the beach, and to identify and adopt sustainable funding mechanisms.”

Mayor Pounds pointed out that the recommendation for additional beach monitoring has already been put in place.

Several Council members spoke about the need to formalize or codify the recommendations and begin “living by them” as well as the need for deeper discussions about funding sources. Council Member Ward believes the City should lobby Charleston County Council for renourishment funding. Mayor Pounds pointed out that the funding for the next renourishment is not an issue; it is the funding mechanism for the renourishments that follow that needs to be addressed.

Council Member Bogosian said he would like to see the policy regarding homeowners’ responsibilities put into place before the next storm season.

Mayor Pounds believes the need for the second opinion on hard erosion control structures and a healthy beach profile is the immediate next step. He would like to authorize the funds for this second opinion at the Council meeting at the end of the month and to formalize the structure and membership of the Beach Preservation Committee. He believes the second opinion is necessary before any policy shifts are made.

Council Member Hahn said he will not support the installation of hard erosion control structures on the beach. He noted that no homeowners opted to install them when City Council permitted them to do so via previous emergency ordinances. He said Council needs to look at what is best for the community as a whole. He said hard erosion control structures should not hurt neighboring properties. Council Member Bogosian pointed out that there is some evidence that these structures help, not hurt, neighboring properties.

Council Member Anderson believes the formation of the Beach Preservation Committee is the next step and asked that the current citizen members remain on the Committee.

Director Kerr said staff would identify those recommendations that require no funding for the next City Council meeting. He will also provide a list of firms that could provide the City with a second opinion. Council Member Pierce would like that list to include firms from outside of the state.

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

Director Kerr said the Police Department has 3 vacancies and the Fire Department has 2.

He pointed out that construction value trends have rebounded from 2023 levels.

The Building Department is more closely tracking sales of properties with STR licenses and removing them from the list when needed, so the numbers are becoming more “pure.” Director Kerr noted that year-over-year, the number of STRs remains “flat.”

5. Departmental Reports

6. Financial Review

Financial Statements and project worksheets

Director Hamilton said total revenues are at 37% of budget and expenses are at 41% of the budget halfway through the year, adding that a majority of property tax money arrive in February.

Council Member Pierce asked what was driving Marina revenues up. Director Hamilton said that additional rents were paid due to increased sales at the Marina and Islander 71. She said that the grant for the public dock was also realized last month. She will provide further breakdown of marina income.

Council Member Pierce said, “I believe that since we’ve now made the public dock public, we’re not anticipating collecting fees on any of that, that now it would probably be best separated out of the enterprise fund and into a general fund or some other fund so the assets, in other words, like we don’t want the depreciation from that dock to be bounced up against the restaurant or the marina revenues, and I think that the treatment of that might be we take that \$1.7 million out of the Marina fund and any future cost associated with that and put that into either General Fund or some fund.”

The City has \$47 million in cash. A grant for \$1.25 million was received in December for the Phase 4 Drainage Project.

Director Hamilton will begin meeting with department heads about their 10-year capital budget this week.

She pointed out that building licenses and permits are performing much better than last year at this time.

Council Member Ward asked for clarification about the increase in the balance of the Disaster Recovery Fund, and Director Hamilton said the bulk of that was interest income.

Council Member Pierce would like Council to spend some time prioritizing what projects can and cannot be done to prevent the City's cash balance from being depleted.

Municipal and State Accommodations taxes are showing a 6% increase, and the County pass-through showed a 13% increase. Hospitality taxes were 5% higher. Local Option Sales Tax was 1% lower than previous month.

Director Hamilton explained that the remaining AARPA funds originally earmarked for the public dock and Waterway Boulevard were reallocated to the new playground installation since there was no contract for Waterway Boulevard in place by 12/31/2024 as required.

7. **Procurement**

A. **Discussion of RFB for July 4th Fireworks display**

Director Kerr said the City received one bid for the July 4th fireworks display. City Council will need to commit to this bid at the end of the month in order to be ready for the holiday. The Environmental Advisory Committee will be discussing alternatives to fireworks for next year's holiday.

B. **Report of budgeted expenditures from \$10,000-\$25,000 in accordance with Procurement Code:**

- i. Seewee Construction - \$15,300 ditch restructuring- Waterway at 32nd Ave [FY25 Budget, Municipal ATAX, \$195,804]
- ii. Seewee Construction - \$12,150 ditch restructuring- Hartnett at 37th Ave [FY25 Budget, Municipal ATAX, \$195,804]
- iii. Seewee Construction - \$14,400 ditch restructuring- Forest Trl at Cross Ln [FY25 Budget, Municipal ATAX, \$195,804]

8. **Capital Projects Update**

Director Kerr said cost estimates for the first part of the Waterway Boulevard project that is being done in conjunction with work at the Wild Dunes' golf course will be available at the City Council meeting.

The public dock project is 99% complete; only punch list items need to be addressed. A ribbon cutting ceremony has been scheduled for February 7.

Staff is working to execute the contract for the emergency access path at the County Park as well as trying to set a meeting with the park and Truluck Construction.

Work on the beach access paths at 46th and 52nd avenues is set to finish this week. Work at 26A and 36A has just begun. Council Member Streetman suggested posting signs at those accesses explaining the work being done.

Director Kerr reported that 100 of the 200 additional sandbags approved by City Council in December were immediately deployed. They anticipate 40 more being placed this week. He expects staff to ask for more bags at the January 28 meeting.

The project at 21st Avenue is going out for bid and is expected to be completed in March. The work at 41st Avenue should begin soon.

9. Strategic Plan Policy Initiatives and Priorities

A. Livability

B. Environmental

Discussion of recommendations from the Environmental Advisory Committee regarding beach trash receptacles

Director Kerr reminded Council that the existing contract with the beach trash removal contractor ends in September. Asst. Director Asero and the Environmental Advisory Committee researched options and conducted some experiments about trash receptacle options. They recommend the City have corrals placed roadside where they can be emptied, taking the majority of the yellow trash cans off the beach. However, some beach access paths have been identified as needing trash cans on the beach but placed behind the dunes. Asst. Director Asero is discussing with Trident how the trash can be collected. Should City Council approve the concept, an RFP will be posted.

Council members Hahn and Miars spoke in favor of the change.

C. Public Services

D. Personnel

i. Update on search for City Administrator

Mayor Pounds said there were 79 applicants for this position, and that group has been narrowed down to 5. Those five will be interviewed via Zoom by the Administration Committee on January 23 and 24. They hope to narrow down to three applicants, who will be brought in for on-site interviews with City Council and department heads.

ii. Discussion of description, pay grade, and requirements for future financial position

Mayor Pounds said the Administration Committee discussed the Staff Accountant position and wanted that position to be more of a Financial Analyst within a higher pay grade.

Director Kerr said the staff made a conscious decision to delay hiring anyone until Director Hamilton had an opportunity to review her needs and identify where the City was lacking with regards to this position.

Council Member Pierce said the previous discussion was to hire a proactive person who focused on forecasting. He said City Council approved a Financial Analyst and not a Staff Accountant.

Council Member Ward asked where this person would be working in City Hall. He also suggested working with Director Hamilton and her needs.

E. Other items for discussion

i. Discussion of recommendations for updates to beach parking ordinances and a resolution to change parking fees

Director Kerr referenced the redline changes in the packet that were suggested by Chief Cornett and PCI. He said City Attorney McQuillin is working on the changes to the code. First Reading of the ordinance change and the changes to the code will be on the January 28 agenda. Changes to the PCI contract will be discussed in February.

Changes to the parking fees will be done via resolution. The draft resolution needs to be changed to indicated parking fees are collected from Memorial Day to Labor Day.

ii. Discussion of engaging a federal lobbyist

Mayor Pounds shared that he and Director Kerr spoke with the IOP Water & Sewer Commission about sharing the cost of a federal lobbyist. He said it is not a budgeted item. However, due to the preparation of the Federal budget, it is probably too late this year to have any impact. Some of the options need to be vetted by the Administration Committee.

Council will identify what Federal monies they would like to target at the January 28 meeting.

10. Legislative Report

Mayor Pounds said the new State legislative session started today. The City's lobbyist has "their marching orders."

11. Adjournment

Council Member Ward made a motion to adjourn the meeting, and Council Member Hahn seconded the motion. The meeting was adjourned at 6:52pm.

Respectfully submitted,

Nicole DeNeane
City Clerk