

REAL PROPERTY COMMITTEE
8:30 a.m., Tuesday, September 1, 2009

The regular meeting of the Real Property Committee was held at 8:30 a.m., Tuesday, September 1, 2009 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, Isle of Palms, South Carolina. Attendees were Council members Rice and Taylor, Chairman Cronin, Administrator Tucker, Marina Manager Berrigan, Carla Pope of Morgan Creek Grill, Assistant to the Administrator Dziuban and City Clerk Copeland.

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

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

MOTION: Councilwoman Rice moved to approve the minutes of the regular meeting of August 4, 2009 and the Special Meeting of August 4, 2009 as submitted; Councilman Taylor seconded and the motion **PASSED UNANIMOUSLY.**

3. **Citizens' Comments – None**

4. **Marina Manager's Report - None**

Councilwoman Rice asked Mr. Berrigan how business had been in August, and he responded that it had been slow. He noted that, historically, boaters from New Jersey, Philadelphia and Chicago would arrive to spend the last weeks of August, but they are either not traveling or they are not traveling as far south.

5. **Morgan Creek Grill Report – Carla Pope**

Ms. Pope reported that the restaurant had experienced a very good summer, but that business had tapered down. The restaurant has started the sunset cruises; there will be one (1) this evening. She announced that they would be closed the day after Labor Day; it will be a day of thanks to their employees who will be treated to a late afternoon cruise. In regards to the renegotiation of the restaurant lease, she reported that the lease has gone through one (1) revision, and she and Mr. Clark have sent it back to the attorney for another. Ms. Pope stated that she anticipated the changes to be presented at the October meeting.

6. **Old Business**

Update on Beach Restoration Project

There was little to report other than the fact that the staff is working on the permit for the sand fencing that was approved at the last Council meeting; CSE has prepared a draft that the City has sent for a second review to Chris Jones. Mr. Jones is reviewing the draft because the last time that CSE did a design there was some concern between the design and the actual budget of the project. Once completed, the documents will be submitted to the Corp of Engineers and OCRM for approval. The Administrator asked the Committee for their input about contacting the other stakeholders in the beach restoration project about the sand fencing since the cost was quite nominal. Councilman Taylor expressed his opinion that a notification would suffice; the stakeholders would be aware and could voice concerns, if there were any.

The Administrator reported that there had been some erosion from the recent weather, but she did not think it was significant. Most of the erosion occurred in the Dewees Inlet area of the restoration project.

7. New Business

A. Report on Energy Efficient and Conservation Block Grant Application

Administrator Tucker stated that, several months back, Mayor Cronin brought information from a Council of Governments' (COG) meeting about energy block grant money that was available; the regional COG had approximately one million dollars (\$1,000,000) to fund worthy projects. She pointed out there are some problems on Front Beach that need to be addressed and the City has never been happy with the up-lighting in that area, and, by today's standards, it would not be considered energy efficient. With the combined efforts of Administrator Tucker, Director Kerr, Assistant Dziuban and Mayor Cronin, the grant application was assembled to switch out the up-lighting with more energy efficient and more tamper-resistant lighting that will be recessed in the concrete – maybe more turtle friendly as well. The staff has responded to numerous questions from the COG in recent weeks, and they have made a recommendation for funding to the City that is less than the amount needed to complete the entire project. The full project cost is \$52,280; the funding recommendation is \$34,260. Administrator Tucker was very pleased that the Isle of Palms was the only local government that received funding; the other recipients were county governments.

Mayor Cronin noted that the City would either have to scale back the project or to make up the shortfall of eighteen thousand dollars (\$18,000). Administrator Tucker reported that funds remain in the Front Beach budget and recommended that the City move forward with one hundred percent (100%) of the project, rather than scale it back. Councilwoman Rice asked if there was a way to use tourism funds to make up the difference.

MOTION: Councilman Taylor moved for the City Administrator to review the budget of tourism revenues for \$18,000 in funding to add to the COG grant of approximately \$34,000 to complete a project to replace the up-lighting at Front Beach with energy efficient lighting; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

B. Schedule of Tenant Rents and Management Agreement Fees

Administrator Tucker reported that all tenants were current with their rent except for the continued payment of additional rent.

C. Award of Contracts in Excess of \$10,000 - None

8. Miscellaneous Business

Acknowledgement of Goat Island Cleanup

The Administrator related that the Goat Island residents do a cleanup twice a year and Charleston County typically provides a dumpster. Administrator Tucker stated that she directed Mr. Thompson, president of the Goat Island Homeowners Association, to Mr. Berrigan, the marina manager, to secure a place for the dumpster, but they may use Dewees, which they have done in the past. She wanted the Committee and Council to be aware that the Goat Island dumpsters may be on the island; usually the dumpster is open to them for about a month.

Mayor Cronin asked the Administrator to relate her letter to Dickie Schweers. She reported that Mr. Schweers had forwarded an email to her from a Goat Island property owner; it was basically a letter of complaint about the taxes paid with concern about which local government was providing fire protection and why it was not the Isle of Palms in lieu of Charleston County, plus the issue of public water. After gathering information from Chief Graham, Administrator Tucker responded to his email stating the City's position on fire fighting on Goat Island, which is as follows, paraphrasing Chief Graham:

It is a mutual aid position; the Isle of Palms is usually the first to respond to a medical or fire call, but the City does that in a benevolent, mutual aid capacity until other agencies, for instance County rescue or Awendaw, arrive. All of that is assuming that the Isle of Palms fire and rescue personnel are not tied up with an emergency here; in that case, the Goat Island emergency must wait until the other mutual aid responders arrive. If the emergency is a fully-involved house fire and the Isle of Palms Fire Department is the first on the scene, the City's firefighters will not be sent into the interior of the house when there is no water with which to fight the fire and no backup team from another entity there.

In the email, the Administrator also talked about Awendaw and Charleston County Rescue; she provided Mr. Schweers the information on IOP Water and Sewer and that it was a separate entity from the City. She also cautioned Mr. Schweers that DHEC would need to be involved because typically the provision of public water service – if doable since Goat Island residents have septic tanks – was that often DHEC would not permit potable water from a public water provider unless public sewer is provided as well in an eco-fragile area. She related that she had concluded that, for seven thousand dollars (\$7,000) in taxes, if, in fact the Isle of Palms were to consider a policy decision of providing those services to Goat Island, Goat Island would have to pay quite a bit more for the City to be able to do that. She added that, there would likely be such liability to the City, the City would not change its position.

Councilwoman Rice if the City had gotten any indication of how successful the Front Beach parking lots had been over the summer; the Administrator said the City did not know at this time.

Administrator Tucker reminded Mayor Cronin that the Citadel cadets studying the parking at the marina had indicated in the spring that they would return with a plan in the fall; Mayor Cronin said he would contact the instructor to find out where they were in the process.

Before adjourning the meeting, both the Mayor and Administrator wanted to discuss dredging the marina; Mayor Cronin remembered that funds had been left in the FY 10 budget for the engineering phase of the project. Administrator Tucker explained that the City could locate an engineer to move forward, but to do that would put the City up in a different situation that it had been in previously when the dredging was done with the Morgan Creek Association. The last time the marina was dredged, it was the Morgan Creek Association that carried the financial burden and the City was the permittee. If the City were to pursue an engineer and move forward, the City would be taking the lead, and it was likely that the cost to the City would be more than it was the last time. The Administrator wanted to know if the Committee thought it would be beneficial to wait until the City had more information on what was to happen with the IntraCoastal Waterway and there was a greater need for dredging for the Morgan Creek Association.

Councilwoman Rice recalled that Ray Dennis, President of the Morgan Creek Association, had stated that they wanted to wait one (1) year to dredge; their priority for 2009 was to paint their bulkhead. Administrator Tucker answered Councilwoman Rice's question that the Morgan Creek Association does have an engineer – the same person they worked with the last time.

On the subject of a spoil site, the Administrator recounted that the Corp of Engineers had sent a letter to Jon Guerry Taylor stating the Goat Island site needed work before permission could be granted for its use, but the Corps did not indicate that permission to use the site would be given once the work was done. In addition, it was Jon Guerry Taylor's opinion that the work proposed by the Corp was unreasonable in that it was not a permanent fix, but work that would need to be repeated.

Assistant Dziuban related her conversation with Jon Guerry Taylor where the task the Corps was proposing was described to her as the removal of a portion of the dike and to construct a ditch that would be in a marsh area requiring OCRM permitting. The engineer's opinion was that a few high tides would fill the ditch in and make it ineffective. In addition, there was no indication from the Corps of Engineers that the City had created the problem they sought to fix.

Ms. Pope asked the length of time required to dredge and the impact of the project on businesses at the marina. She was told that dredging involved a barge pumping the material out of the area to a spoil site; therefore, the impact on business would be significantly less than the bulkhead replacement. She asked of the docks would be moved out; Mr. Berrigan replied that, ideally, the docks would be moved. Mr. Berrigan noted that, if the dredging were to include the back part of Morgan Creek, the project may take approximately four (4) months.

Administrator Tucker informed the Committee that there was one hundred thousand dollars (\$100,000) in the current budget for the engineering work for dredging – fifty thousand dollars (\$50,000) from both State Accommodations Taxes and Hospitality Taxes.

The Committee agreed to re-visit the subject at the next meeting.

Next Meeting Date: 8:30 a.m., Tuesday, October 13, 2009

9. Executive Session – not needed

10. Adjourn

MOTION: Chairman Cronin moved to adjourn at 9:10 a.m.; Councilwoman Rice seconded and the motion PASSED UNANIMOUSLY.

Respectfully submitted:

Marie Copeland
City Clerk