



CITY COUNCIL MEETING
6:00pm, Tuesday, November 12, 2024
1207 Palm Boulevard, Isle of Palms, SC and
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

1. Call to order

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

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

2. Citizen's Comments

Randy Bell asked City Council to address residents' livability concerns around noise and short-term rentals. He said livability trends are "not moving in the right direction."

Josh Hooser reminded City Council of the outstanding capital projects that will require millions of dollars to complete and asked them to be vigilant in finding new sources of revenue. He supports the Chamber's efforts to bring families to the island, but he hopes they can also focus on bringing businesses to the island. He asked City Council to find a City Administrator who is resident focused.

Bev Miller, speaking on behalf of the Barrier Island Preservation Alliance, said the island is changing due the inaction of the City Council. She said the Council must act to support the island they want. She believes more conversation and action are needed on the noise and short-term rental issues.

Susan Smith, referencing Dominion Energy's upcoming tree removal project asked the Council to begin a "Right Tree, Right Place" campaign to prevent the removal of trees in the future. She would like to see the City hire an arborist to help properly identify trees at risk. She also believes the City needs to pressure Dominion Energy to work faster to complete undergrounding projects.

Laura Lovins echoed Ms. Smith's comments. She asked why the City did not follow through with the recommendation of the Public Services & Facilities Committee about more public education ahead of Dominion Energy's project. She would like the City to be more proactive about the next set of trees marked for removal before they are considered hazardous.

Ben Marks asked what the Plant-a-Palm Committee would say about having all of the palm trees removed. He said the City failed to plan ahead for this upcoming action. He said the City needs to harden the infrastructure and underground the power lines.

Henry Hagerty shared about the passing of a member of the Durst family. He also spoke about a recent incident involved IOP police officers and praised them highly for their professionalism. He thanked City Administrator Fragoso for her service to the City.

3. Approval of previous meetings' minutes

MOTION: Council Member Anderson made a motion to approve the minutes of the October 22, 2024 meeting, and Council Member Hahn seconded the motion. The motion passed unanimously.

4. Special Presentations

Presentation of FY24 Audit – Chris Kerr, Veris CPA

Mr. Chris Kerr of Veris CPA gave a high-level overview of the FY24 audit. He said no difficulties were encountered, information was provided in a timely manner, no material journal entries were found, and there were no internal control or compliance findings. The City received a “clean” opinion and has a Moody’s rating of Aa1.

Mayor Pounds thanked Finance Director Hamilton for her work on the audit. He asked Mr. Kerr to share how Isle of Palms compares to other municipalities with regards to fund balances. Mr. Kerr said the City has two years of expenses available to them which is higher than Mt. Pleasant and Sullivan’s Island. He said the City also has more money set aside for disasters than other municipalities. He remarked that the City is very diligent about reducing debt and sticking to the budget. He said revenues from the Marina and the restaurant were tested and no issues were found.

5. Old Business

6. New Business

A. After action review of 2024 beach parking season with PCI and consideration of recommendations for next season – Jack Skelton, PCI

Mr. Jack Skelton of PCI said their first season on the Isle of Palms was successful. He shared parking revenues collected from March 1 through the end of October and how that compared to last year’s actuals. He believes storms and a shift in the school calendar affected revenues. He said there was increased usage of mobile pay, and payment compliance was at 97% for the season. He shared a list of citations issued by type, 54% of which related to non-payment. He spoke about the manner in which his staff and City staff attempt to delineate proper parking near the pavement each weekend, noting that other municipalities do not do that. Call center volume is comparable to that of Folly Beach.

He spoke about community concerns including enforcement of parking rules in residential districts, visibility of parking ambassadors, office hours, and call center support/escalation-related issues. Mayor Pounds shared that Mr. Skelton’s team attends all police department community meetings. They have also shared parking information at the Farmer’s Market.

Mr. Skelton made some suggestions to City Council including parking signage review and modifications, ordinance modifications surrounding loading zone use, increasing immobilization enforcement thresholds, and educating golf cart drivers of the requirements to follow the same rules as vehicles.

Mr. Skelton also spoke about non-resident parking permits used in the municipal lots. He believes those permits should be limited to the island's workers. He also asked City Council to consider week-long visitor passes as opposed to season-long visitor passes.

Mr. Skelton shared revenue enhancing opportunities around parking rate adjustments, year-round parking beach parking, the marina parking lot, and business/retail validations for customer parking.

Council Member Hahn asked if Mr. Skelton believed charging for parking on Palm Boulevard and making parking in the municipal lots free would push people to the business district. Mr. Skelton said he did not think that would be the case as people will park where it is convenient.

Council Member Ward said that PCI should speak with the Front Beach business owners about parking validations. He would like to see more data about this suggestion.

MOTION: Mayor Pounds made a motion to increase the parking fees on Ocean Boulevard from \$2.50/hour to \$3.00/hour, match the County Park's parking rates from March to October, and allow for the purchase of employee parking permits at a rate of \$60/season and \$100/week for visitor passes. Council Member Pierce seconded the motion.

Mayor Pounds said the Public Safety Committee should address the suggestions regarding business parking validations and golf carts.

VOTE: The motion passed unanimously.

B. Consideration of recommendation from the ATAX Advisory Committee to approve grant application from the IOP Chamber of Commerce for IOP marketing efforts in the amount of \$15,000 [FY25 Budget, State ATAX]

MOTION: Council Member Pierce made a motion to approve, and Council Member Ward seconded the motion.

Mr. Rod Turnage, President of the IOP Chamber of Commerce, explained the Chamber's request for the fund to enhance their digital marketing outreach to families. He said the Chamber will work with the ATAX Committee to identify the proper metrics to track so they can report on the effort's success in a few months.

Council Member Bogosian expressed support for the effort but believes this to be a more appropriate expense of the 30% portion of the ATAX funds. Administrator Fragosso explained that City Council would first need to identify the Chamber as an alternative DMO before 30% funds could be awarded to them. Mayor Pounds said he does not believe the Chamber qualifies as a DMO at this time and that is a conversation for a later date. Council Member Pierce asked for DMO qualifications to be sent to Council members.

Administrator Fragoso pointed out that the Chamber is not presenting themselves as a DMO. They are addressing the ATAX Committee's directive for more IOP-specific advertising.

VOTE: The motion passed unanimously.

C. Consideration of recommendation from the Public Services and Facilities Committee to award a contract to Game Time c/o Cunningham Recreation in an amount not to exceed \$500,000 for replacement of playground equipment at the Recreation Center [FY25 Budget, Capital Projects Fund \$124,333, Muni ATAX \$124,333, State ATAX \$124,334, Recreation Building Fund \$127,000 - \$500,000]

MOTION: Council Member Hahn made a motion to approve, and Council Member Anderson seconded the motion.

Council Member Hahn said the Public Services & Facilities Committee looked at this expenditure in detail. He said the current playground equipment is a liability to the City. He also pointed out that the Pour & Play surface under the equipment will save the City money over time by not having to replace the mulch in that area. Administrator Fragoso noted that much of the new equipment provides ADA accommodations.

VOTE: A vote was taken as follows:

Ayes: Anderson, Ward, Bogosian, Hahn, Carroll, Pounds

Nays: Pierce

The motion passed 6-1.

D. Consideration of award of a contract to The Flooring Connection in the amount of \$23,500 for the replacement of floor of High Tide room at the Recreation Center [FY25 Budget, Capital Projects Fund, Recreation Department - \$32,000]

MOTION: Council Member Ward made a motion to approve, and Council Member Hahn seconded the motion. The motion passed unanimously.

E. Consideration of a sole source contract in the amount of \$26,828 to Amick Equipment for a refuse hopper for existing 2016 F350 used by the Public Works Department [FY25 Budget, Muni ATAX, Public Works Department - \$35,000]

MOTION: Council Member Ward made a motion to approve, and Council Member Anderson seconded the motion. The motion passed unanimously.

F. Consideration of recommendation from the Administration Committee to engage Find Great People for nationwide search for the next City Administrator

MOTION: Council Member Hahn made a motion to approve, and Council Member Anderson seconded the motion.

Council Member Bogosian stated that the Administration Committee interviewed three companies regarding their proposals to secure a new City Administrator. Find Great People

helped fill the City's Finance Director position. They have a local office. He also negotiated a 2-year warranty on the final selection.

VOTE: The motion passed unanimously.

G. Consideration of appointment of Mayor Phillip Pounds to fill vacant seat on the Administration Committee

Mayor Pounds said he would like to be on the Committee during the search period for the new City Administrator. Since he spends the most amount of time working with Administrator Fragoso, he believes his input could be helpful in the process.

MOTION: Council Member Bogosian made a motion to approve, and Council Member Hahn seconded the motion. The motion passed unanimously.

H. Review of Financial Statements

Mayor Pounds asked Council members if they had any questions about the attached financial reports. There were no questions.

I. Review of City Operations Dashboard and STR Report

Administrator Fragoso pointed out that the number of dwelling units has been updated with the most recent data from the County. Sixteen single-family homes were added in the last year. The number of 4% homes with short-term rental licenses went down by 15, which is tracking much like last year.

J. Review of Capital Projects Update

An amendment to the FEMA grant request increasing the protection for the Waterway Boulevard project has been submitted. Permitting for Phase 4 Drainage has been submitted and is not anticipated to take as long since there is no critical area in the project scope.

The Sea Level Rise Adaptation Plan is being reviewed by staff. The swings on the public dock are being shipped on December 19. Permits have been submitted for the marina dredging project and they are anticipated to take 12-18 months.

The ADA boardwalks at 46th and 52nd avenues are under construction. They should be done by the end of the year. County Council will vote on the City's request for greenbelt funds for beach access improvements at 26a and 36a this evening. The contract will be executed upon approval.

All of the sandbags approved by Council in July, August, and September have been installed at two blocks of Ocean Boulevard near Breach Inlet, Beachwood East, and Ocean Club. The shoal management permit application is underway. Bureau of Coastal Management has submitted comments and Mr. Traynum is working on a response. They hope to have the permit before the end of the year.

The contractor for the USACE Beneficial Use Project is still working on Sullivan's Island. As of last week, they had only moved about 70,000 of the 200,000 cubic yards of sand. Because the contractor has not met any of the project timelines, there is no anticipated date for when they

would begin work on IOP. Director Kerr added that the contractor is pleased to see the sand being placed is staying where it should. Administrator Fragoso said the contractor is considering bringing in additional crew.

She also shared that high-level conversations are happening with the USACE about the opportunity to place additional sand at Breach Inlet as the USACE is planning for some dredging in the ICW.

Council Member Pierce asked if a placeholder project “to just kind of keep an eye on this because to fund this, to schedule it, to get it permitted, if we are 18 months out from actually looking at potentially executing, we have got to figure out how to finance it. And I look at our page 214, I think it’s your future cash forecast, Deborah, and I notice we’ve got the Beach Fund in there, but we do not have the \$22.8 million of potential expenditure that goes along with it that is not looking at coming within 12 to 18 months of where we are. I think it would behoove us, not necessarily at this meeting, but maybe at the next meeting, start adding that project in because it is going to have a significant impact on us, and then it will push us to, we’ve got the Beach Fund in there, the \$9 million we’ve got, but we don’t have the expense in there, and we’ve got to determine how much of that we’re going to get from Wild Dunes or from other sources. And to me, I think that sooner we get on this the better. So I guess I would make that a request that maybe for future start on that page 214, we start putting in the estimation of what beach restoration is going to look like.”

Work continues on the undergrounding project at 14th Avenue. The Public Services & Facilities Committee has invited Dominion Energy to review the projects list. They also wish to inquire of the non-standard service fee can be used to create a master plan for undergrounding projects.

7. Boards and Commissions Reports

- A. **Board of Zoning Appeals** – no meeting in November
- B. **Planning Commission** – no meeting in November
- C. **Accommodations Tax Advisory Board** – meeting on November 4, 2024
- D. **Environmental Advisory Committee** – meeting on November 14, 2024

8. Ordinances, Resolutions, and Petitions

- A. **Second Reading -- none**
- B. **First Reading -- none**

Ordinance 2024-07 – an ordinance to permanently amend the standing committees starting January 1, 2025

MOTION: Council Member Ward made a motion to approve, and Council Member Anderson seconded the motion.

MOTION: Council Member Pierce made a motion to discuss, and Council Member Bogosian seconded the motion. A vote was taken as follows:

Ayes: Pierce, Anderson, Bogosian, Carroll, Pounds

Nays: Hahn, Ward

The motion passed 6-1.

Council Member Pierce asked to have the words “if requested” removed from the ordinance so that it is the responsibility of the Committees to do the work.

Administrator Fragoso said that language was included in the original ordinance before it was amended to reflect the new Committee structure.

VOTE: The motion passed unanimously.

9. Executive Session

10. Adjournment

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

Respectfully submitted,

Nicole DeNeane

City Clerk