



SPECIAL CITY COUNCIL MEETING -- WORKSHOP

5:00pm, Tuesday, February 11, 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

Mr. Josh Hooser's comments are attached to these minutes.

MOTON: Council Member Ward made a motion reorder the agenda to allow Lowvelo to speak before the Community Enrichment Task Force Presentation and to move the discussion of next steps for the Task Force Recommendations after the presentation. Council Member Streetman seconded the motion. The motion passed unanimously.

3. Special Presentations

A. Lowvelo request for City Sponsorship

Mr. Chris Winn of Lowvelo said they are seeking City sponsorship for the 7th Lowvelo ride on Saturday, November 1. He said their requests are nearly the same as last year. He has spoken with both Chief Cornett and Chief Oliverius about the event.

B. Community Enrichment Task Force Presentation

Mrs. Paige Grimball gave an overview of the work done by the Community Enrichment Task Force. Mr. David McNair of the McNair Group said the work of the Community Enrichment Task Force was built to align with the City's Strategic Plan and recommendations are divided into four groups: Environmental, Public Safety, Quality of Life, and Seasonal Impacts: Traffic and Parking.

Mr. McNair showed a nearly complete version of the plan built within the City's updated website. He reviewed its navigation with the Council. A link will be sent to Council members for their review. The entire site will be available to the public at the end of the month. Mr. McNair asked City Council to have the committees working on these recommendations to review the

background information collected by the Task Force. He said the Task Force would like to reconvene in six months to review the status of the recommendations.

Council Member Bogosian said Council needs time to review the plan before any meaningful discussion can be had. Council Member Pierce asked if this plan maps to the Strategic and Comprehensive plans. He wants to ensure there is prioritization and no redundancy.

Director Kerr said City Council will receive the Sea Level Rise Adaptation Plan in March and the Comprehensive Plan in April. He anticipates a lot of overlap between all the plans.

Mr. Ben Marks said if the Community Enrichment Task Force “hit the mark,” then their recommendations will fit into work already being done by City Council. He said the members of the Task Force are happy to provide context, answers, and background on any of the recommendations.

Discussion of next steps for the Community Enrichment Task Force recommendations

Director Kerr said the next step for the recommendations is to assign each recommendation to one of the standing committees, boards, or commissions. Those recommendations will be given to City Council for approval.

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

Director Kerr said there are three vacancies in the Police Department and two in the Fire Department.

Short-term rental applications remain flat.

5. Departmental Reports

6. Financial Review

A. Financial Statements and project worksheets

Director Hamilton said revenues are coming in at the same pace as last year and the City should be able to meet its financial goals. Revenues are at 38% and expenses are at 54% of budget. She needs more data before she can begin forecasting.

The City has \$47 million in cash and has earned \$1.2 million in interest in FY25.

Municipal ATAX funds are up 7% and Hospitality Funds are up 4% over this time last year. Local Option Sales Tax is down 1% from this time in FY24.

B. Review of FY26 Budget Timeline

Director Hamilton said all committees have reviewed the 10-year Capital Plan. She reviewed the changes made to the Capital Plans by each Committee.

A budget workshop will be held on Wednesday, March 12 at noon.

C. Discussion of FY26 Budget priorities and assumptions and Review of FY26 10-year Capital Plan

Director Hamilton reviewed the budget assumptions for FY25. The Capital requests for FY26 show a \$3 million increase over last year. Bigger requests include flooding mitigation, City Hall upfitting, and vehicles requests from the Police and Fire Departments.

Other assumptions include 95% of tourism revenues for the most recent 12 months, 90% of building permits and licenses, and personnel costs to include 2-2.5% COLA and 3% merit increases. She reminded Council of the previous commitment to engage in a Wage & Compensation Study. Staff suggested that a 2.5% COLA be instituted instead of the Wage & Compensation Study since the City seemed aligned with other municipalities after the last study was done.

Council Member Pierce would like to know what the State and other municipalities are doing for COLA and merit increases.

Director Hamilton said other assumptions include new personnel positions, an increase in the vacation buyout, and a 2-3% general increase in expenses. Director Kerr said they need direction from City Council on what needs to be done with City Hall.

Director Hamilton said, "If we assume the same revenues at 28.5 [million], which we don't know if they will increase or not, but just big picture, if we assume the same revenues at 28.5 [million] with the current expenses at 26.6 [million], if we increase expenses across the board at 5%, stand at 5%, we will be at \$27.9 million. The difference of this \$3 million Capital increase puts us at \$3.9 million. So big picture, shortfall at \$2.3 million."

She added that no additional fee increases have been assumed and Council direction is needed on that matter. Mayor Pounds said a list of revenue creating ideas will be coming from the Beach Preservation Ad Hoc Committee.

Discussion ensued as to verifying all business licenses for income. Director Kerr said that volume of work would require more personnel. Director Hamilton noted that Charleston County only does spot checks on business licenses. Director Kerr said he would look into implementing such a practice.

7. Procurement

A. Report of budgeted expenditures from \$10,000-\$25,000 in accordance with Procurement Code: VC3 - \$12,278 emergency replacement of network APC battery

8. Capital Projects Update

Director Kerr said Wild Dunes is about to begin their work on the golf course. The City has been working with them on the solidifying the details of how the reimbursement is going to work. He said there is going to be a contract between Wild Dunes and the contractor. The City is going to repay Wild Dunes as the billing comes in. They are also working through the golf course easements for the long-term maintenance the improvements. He said, "If a storm comes through

that does damage on their golf course, that would be incumbent on us to fix the portions of it that are flood control-related.” Agreements and easements will be presented to City Council at a later date.

Permits for the Phase 4 drainage project at 38th and 41st avenues are expected soon, and construction is anticipated in the fall of 2025.

The Sea Level Rise Adaptation Plan will be presented to City Council at their March workshop.

Plans for the public dock and greenspace are still being worked on. The latest plan for the parking lot will be on the Council agenda at the end of the month.

Applications for the Marina dredging project are out for public comment.

There was a pre-construction meeting with the contractor selected to work on the IOP County Park Emergency Vehicle Access path to iron out some details. Work is anticipated by the end of next week.

Beach access paths at 26a and 36a are “substantially complete.”

Regarding beach restoration, Director Kerr said Beachwood East is “still just continuing to take a hit. There is a break in the shoals that is kind of funneling the water right in on them.” Fifty of the 100 bags approved by Council last month have been installed. The remaining 50 were ordered to be installed today. He said there is a possibility more sandbags will be requested at the Council meeting at the end of the month.

Director Kerr said City Council needs to “close the loop” with the architects and Trident Construction Group engaged by the City to prepare options for City Hall. He hopes to find a time in April or May to bring them back before Council.

The Public Services & Facilities Committee met with Dominion Energy this morning about potential options for undergrounding power lines.

The County has told the City they will be going out for bid soon on the 21st Avenue sidewalk extension project. They are keeping May 31 as the target completion date.

9. Strategic Plan Policy Initiatives and Priorities

A. Livability

i. Discussion of changes to PCI Contract

Director Kerr said City Council should expect a revised contract with PCI at their February 25 meeting along with Second Reading of Ordinance 2025-01. He said the change to the PCI contract did not yield any financial impact to the City.

Council Member Anderson would like to see the financial impact PCI’s services had on City parking income.

ii. **Discussion of Front Beach Fest Resolution**

This resolution will be voted on at the February 25 meeting.

B. **Environmental**

C. **Public Services**

D. **Personnel**

i. **Update on search for City Administrator**

Mayor Pounds said City Council will interview the candidates at a special meeting on February 13 following meetings of candidates and City department heads.

Discussion ensued about the structure of the interviews.

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

Director Kerr said the description and pay grade of this position has changed per the discussions of the Administration Committee. There were also some changes in the opening paragraph after legal counsel's review. The staff is ready to begin advertising for the position.

E. **Other items for discussion**

i. **Discussion of engaging a federal lobbyist**

Mayor Pounds said the Administration Committee narrowed down the three applicants for a federal lobbyist to two. Both will give presentations to the Administration Committee on March 4 and their recommendation will be brought to the Council at the March workshop.

ii. **Discussion of Beach Preservation Committee guidelines**

Mayor Pounds said the current Beach Preservation Ad Hoc Committee and Administration Committee reviewed the guidelines for the Beach Preservation Committee. It was decided that the Ad Hoc Committee will finalize the scope of the second opinion, review the RFQs and make a recommendation to Council prior to a new committee being selected. The Ad Hoc Committee will also work through the second opinion deliverable.

10. **Legislative Report**

Mayor Pounds said he would make sure Council members are receiving the newsletter sent out by their State lobbyist. He said the liquor liability bill in the House and Senate seeks to lessen the burden on businesses in light of insurance companies dropping bars from their client list.

11. **Adjournment**

The next City Council Workshop will be held on Tuesday, March 11, 2025 at 5pm. A Budget Workshop will be held on Wednesday, March 12, 2025 at 12pm.

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

Comments of Josh Hooser:

Dear City Councilmembers and Interim City Administrator Kerr,

I appreciate your attention to the important matter that I discussed during citizen's comments at your workshop meeting last night. I am following up to make sure you have the source of my information, so attached is a transcript from Representative Nancy Mace's speech on Monday night where she detailed the abuse that may have occurred in our community. **On page 18 of 20, Representative Mace states: "Some of the properties where these crimes took place are listed on certain short-term rental sites like AirBnB, VRBO and others and managed by local property management companies for short term rentals. I bring this up because there may have been hidden cameras at these properties when short term renters were renting them."**

I take this issue very seriously, and I hope you will join me in proactively working to change our city laws to protect the most vulnerable members of our community. I have posted my full remarks below, which includes a call to action and a suggestion on codifying into law that guests need to be notified if cameras are located on rental properties:

Good evening - and thank you for the opportunity to speak to you tonight on an extremely important topic. Last night on the floor of the United States House of Representatives, our Congresswoman Nancy Mace gave an hour-long speech that mentioned Isle of Palms several times. Unfortunately, it was not in a good context.

Representative Mace alleged she was sexually assaulted while incapacitated in a home on Isle of Palms and only found out because she accidentally came across a video recording of it. She then found photos of what appeared to be a teenager undressed in the kind of underwear a child would wear. She said the child looked nervous.

She then discovered a hidden camera in a rental property on Isle of Palms, which allegedly contained 10,633 videos from just the one camera. Congresswoman Nancy Mace encouraged women who may have visited the rental properties on Isle of Palms to call or text a hotline at 843-212-7048.

We do not know how many victims there are, but Representative Mace stated some of the properties where these crimes allegedly took place are listed on short-term rental sites like AirBNB, VRBO, and others managed by local property management companies for short-term rentals. So, last night from the floor of the US House of Representatives, our Congressperson announced that there may be hidden cameras in short-term rental properties on Isle of Palms.

The matter has been under investigation by the South Carolina Law Enforcement Division ("SLED") since December 2023, however, Representative Mace indicated that appropriate action has not been taken by the state government.

I immediately contacted Isle of Palms Police Chief Kevin Cornett, and I was happy to learn that Chief Cornett pledged to offer the support of the Isle of Palms Police Department to assist SLED

in its investigation. Thank you, Chief Cornett, for always being there to protect the vulnerable members of our community. Real men protect women and children.

As policy makers, the Isle of Palms City Council has the duty to pass laws to keep our community safe. According to Representative Mace, the laws in the state and local jurisdictions are inadequate to keep the most vulnerable members of our community safe from sexual predators.

We have a vibrant short-term rental industry, and we have an opportunity to lead the way here. I encourage you to explore options with each other, the city attorney, and the city staff to ensure that Isle of Palms is responsive to these shocking allegations from Congresswoman Nancy Mace.

We must do everything we can to ensure short-term rental companies inform guests if any cameras are present in homes where men, women, and children are in various states of undress going to and from the beach and the pool.

I applaud Congresswoman Mace for being brave enough to come forward. The ball is now in our court to take action. Let's get to work!