



**SURFSIDE BEACH TOWN COUNCIL WORKSHOP
TOWN COUNCIL CHAMBERS
115 US HIGHWAY 17 NORTH, SURFSIDE BEACH, SC
SATURDAY, AUGUST 26, 2017 – 9:00 A.M.**

CALL TO ORDER. Mayor Childs called the workshop to order at 9:00 a.m. Mayor Childs, Mayor Pro Tempore Ott, and Councilmembers Courtney, Johnson, Pellegrino, Samples and Stevens were in attendance. A quorum was present. Staff present: Administrator Fellner; Town Clerk Herrmann; Deputy Administrator Harrah, Finance Director King, Public Works Director Adair. Others present: House District #106 Representative Russell Fry; Horry County District #5 Councilmember Tyler Servant; Mark Omeara, Haggerty Consulting; Jonathan Sigman, Collins Engineering; Troy Roehm, LS3P Architects; Tyler Trout, First Tryon Advisors, and Gary Pope, Bond Counsel, Pope Flynn.

Mayor Childs welcomed everyone and asked Ms. Fellner to introduce the speakers. Ms. Fellner said this workshop is to present to Town Council and the public where we are on the pier project. Council will be asked to make only one decision today and that is to replace in kind with wood or replace with a concrete substructure, which would incorporate hazard mitigation items. That decision will enable the engineer to move forward with designs and specifications for the construction bid documents. Throughout the PowerPoint, a copy of which is filed with these minutes, each person will introduce himself at the appropriate time during the PowerPoint.

Mr. Omeara, representing Haggerty Consulting who represents the town in regards to claims with the federal government after major disasters, said that Haggerty has worked on every major disaster since September 11, 2001, and has managed about \$16 billion worth of claims. He explained the FEMA Public Assistance Program as set out in the presentation. He explained that regardless of the final pier design chosen, it will have to be reviewed and approved by FEMA, because federal funds are being used.

Mr. Sigman, regional engineer from Collins Engineers Charleston and Savannah offices, said Collins is a nationwide structural engineering firm with over 200 employees in over 15 offices throughout the country, particularly the east coast. We have 37 years of experience specializing in water front designs. He explained the pier footprint and proposals for reconstruction and improvement.

Mr. Roehm, project architect in the Myrtle Beach office of LS3P Architects, which also has offices in Georgia, North and South Carolina, presented possible pier designs including:

1. The pier as it currently exist; requires meeting new 10 foot flood elevation; and
2. The two buildings remaining the same, with an expansion to restaurant deck, and a 3rd building for a future tenant (OCRM permit has already been issued); requires meeting new 10 foot flood elevation; elevator installed to meet ADA requirements; and
3. Expanding the buildings as described in #2 above and adding a second story to each building; requires meeting new 10 foot flood elevation; elevator installed to meet ADA requirements.

Mr. Trout, First Tryon Advisors, said First Tryon is not a bank. It is a consulting company whose job is to help municipalities under their financing options, should they have any needs. Various financing options; revenue assumptions, and debt assumptions were shown for each of the reconstruction scenarios. All numbers were estimates that would be finalized after a final design and cost are determined. His job is to help determine what type debt, the term, the right security, how to get the lowest interest cost, etc.

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52 Mr. Pope said Pope Flynn is the town's bond counsel, as well as counsel for many other public
53 agencies, cities, counties, and universities throughout the state. His job is to work closely with Mr. Trout
54 to ensure that there is a legal, robust financing structure in place so that he may write an opinion to hand
55 the bank underwriter indicating that everything is legal, and tax exempt to the extent that it can be.
56

57 Mr. Trout said once a decision is made on design and cost, he and Mr. Pope will coordinate
58 closing the loan with the bank, and construction can begin. Multiple financing scenarios were presented
59 in the PowerPoint for the pier project.
60

61 Mayor Childs opened the floor for public comments.
62

63 Ms. Carol Cook, 7th Avenue South, asked how much a parking garage on the Yaupon lot would
64 cost if the town chose the two story option. Where will the customers park if you have a second story on
65 the pier? There isn't enough parking now, and we don't have any money to buy another lot to provide
66 parking. In her opinion, a second story is a bad idea.
67

68 Ms. Tabitha Mull, 13th Avenue North, said I am chairman of the Keep Surfside Beach Beautiful
69 committee. I think a second story is a great idea. It would generate funds for the town. We have two
70 square miles; we don't need that much parking.
71

72 Mr. Brady Simpson, (*address not given*), said I've fished on Surfside pier for the last 50 years. My
73 friends from Charlotte are all curious about how long it will be to rebuild the pier. He said people are
74 getting disgusted with the delays. There are 50 members in his fishing club that was established in 1983.
75 He liked all of the presentations, but was concerned about the time required to finish the pier. We ought
76 to do it in a hurry.
77

78 Ms. Patricia Magliette, Harbor Lights Drive, said we've been having trouble keeping businesses in
79 the Highway 17 buildings. I do not see any guarantee that the second story shops would be filled with
80 businesses. There is no guarantee how businesses will succeed in this day and age. I am worried that
81 the buildings would not be rented. I don't think we've ever had enough parking in town, and I don't think
82 we could find more parking for the second story businesses.
83

84 Mr. P. L. Mabry, 15th Avenue North, asked how large the lot is upon which to build the pier and
85 answered himself that it's a 60-foot lot. You don't know whether businesses will come into town. The
86 proposals today are guestimates; they are not designed drawings. A guestimate will get you in the poor
87 house. Please consider it long and hard. I know you're trying to do a good job. Wanting a highway bridge
88 to go out to fish off is one thing; what we can afford may be something else.
89

90 Mr. Larry McKeen, 6th Avenue South, said I think the total costs really surprised many of us in the
91 audience. The cost was higher than I expected for a wooden pier. When I see the \$4 million that the
92 town is responsible for over the next 15 years, I begin to wonder what the value of the pier is. I love
93 looking at the pier, but I have never been on it. It certainly does draw many photographers, and it really
94 does draw many fishermen. I am very sympathetic to their loss of a fishing pier; however, this is a fishing
95 pier that the town will build for \$4 million out of pocket. I don't know if that's a good way to spend \$4
96 million so a few hundred people can go fishing every day. That's the way I feel. I would like to build the
97 pier, but it doesn't make logical sense to me to spend that money for fishermen. The pier needs
98 something else on it to attract more customers then it might be worth it.
99

100 Mr. Boyd Sadler, 8th Avenue South, said I really miss the pier. I love to fish. I love the view from
101 the pier looking at the town. It's a highlight of any time of the year. I agree; don't rebuild it unless we do
102 it right. I believe cement pilings are the only way to go. They might be more expensive, but it's an
103 attraction for families. Many men that come to the beach with their families don't want to go to the
104 beach; they want to go fishing. A lot of families like to fish together. My daughter is coming to visit soon

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105 and I'm looking forward to teaching her to surf fish, since we can't go on the pier. She loves fishing with
106 me. I miss that. I think it's really important that we are the family beach. Include the families. The pier
107 should be a lot more handicap accessible; the elevator is a phenomenal idea, and a smoother surface for
108 wheelchairs. The sides of the pier should be plexiglass or some other material that young children can
109 see through, but would be protective and not have to climb railings to see. Safety is important to me.

110
111 Mr. Phil Vassar, 25 year resident and owner of Surfside Pier Hotel, said Surfside Pier is an iconic
112 part of this town. Many of us who live here came because of that pier. We need to build it right. The
113 costs surprised me. I'm concerned about the timing; sooner is better. Has it cost us business this year in
114 the hotel and vacation rentals? It cost us some, but it's what we've heard and what we're forecasting
115 that's important. Over 85-percent of the expenses of the budget in this town are paid by business taxes.
116 If the businesses go down, the revenue base for the town and our quality of life eventually will go down
117 too because of that. When we have less money to spend in the town, we have to cut somewhere. If I
118 have less revenue at the hotel, I have to cut my expenses. We the citizens of this town are the guests of
119 the town. I think we need to build it right. My personal opinion is that concrete is the way to go. Whether
120 or not there is a second floor will be decided based on costs, and the desire of council. There are other
121 financing options that have not been discussed, but Mr. Mayor and Councilmembers, thank you for your
122 hard work. Ms. Fellner, thank you for your hard work, and (*addressing the presenters,*) thank you all for
123 what you're doing to help us make a decision.

124
125 Mr. Curt Kramer, Pier Outfitters on the pier, said I can attest to some of the comments made
126 about revenue, because my revenue is certainly down, and so is the town's because I pay hospitality
127 taxes to the town. This year's amounts are considerably less than last year. As any business owner
128 knows, without revenue you're going out of business. Whatever we can do to keep the revenue stream
129 for the town helps the businesses which in turn help the town. I can tell you as the first line of defense
130 for the town's interest, people come to the pier, because they have no other place to complain about
131 things. The biggest complaint is what are we going to do without the pier? It's an important facility to
132 everybody that vacations here. We've had families that come in and people say I've been coming here
133 since I was a little kid and they are 50 years old. It's not just fishermen. The pier is for families. There's
134 nothing better than to take your family out there and watch sharks feeding on the fish being thrown in by
135 the fishermen. For the hundreds of fishermen, we get millions of people who just want to walk the pier
136 and watch the fishermen. Consider those things, if you would. Please replace the pier. I agree with Mr.
137 Vassar, the building structure is a decision for Town Council. I think you can fill those spaces. I don't
138 think parking is as big an issue as some people may think. Most of our customers come from the rental
139 houses. Good luck with your decision and God speed.

140
141 Mr. Nick Nackos, Glens Bay Road and Charlotte, NC, said I'm one of the fishermen that come
142 here. The only reason I bought a house down here was because of the pier. I come down here two or
143 three times a month. I spend maybe \$200 to \$300 every time I come. I've been a season fishing pass
144 holder for years and I miss going on the pier to fish. Now, I'm fishing at the State Park pier, but it just
145 isn't the same. This was my pier. My children and grandchildren love fishing with me on that pier, and
146 that is why I'm here.

147
148 Mr. John Cinchek, Myrtle Oak Drive, said my concern is which model would sustain a hurricane.
149 He asked if that was considered from a structural standpoint. I am definitely in favor of either of the
150 three models, and I'd like to see it rebuilt it as quickly as possible.

151
152 Mr. George Gerber, Dogwood Drive, said I'm in favor of the pier. It is an iconic part of Surfside
153 Beach. I know these costs are estimates, but where will money come from if the economy bilks for five or
154 six years? We have assumptions on revenue. I think it is an integral part of our society, and I'm in favor
155 of it, but when we do it let's make sure we do it right.

156
157 Mayor Childs opened the floor for council comments.

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Mr. Ott asked Ms. King whether there would be a tax increase to fund the pier. Ms. King said no. Mr. Ott said the pier has been rebuilt four or five times. I want this to be the last time. I don't ever want to lose a whole season again. We should build it correctly and it makes our town a destination.

Mr. Stevens said since 1963 the State of Florida has not built a wood pier. Everything is built with concrete. A group of councilmembers, local businessmen, area elected officials and dignitaries met to discuss how to better Surfside. The main goal is to have a destination. The pier has always been the destination, and we need to ensure that it continues to be. We're losing money because we don't have a pier. Jacksonville, Florida has a concrete pier. It was reopened within a few months of the last storm. It will be 25 years before a concrete pier needs any maintenance. He talked about family oriented businesses that would draw customers to the pier much like Garden City pier has. This is an investment in our future. Concrete is the only way to go.

Mr. Pellegrino said thank you for coming today. I think the pier is one of the reasons we moved here years ago. Last year my five year old was hoping a fish would be thrown off so he could watch a shark eat it. It is a necessity for a family beach. Considering wood versus concrete today is tough for me, because we can replace the wood pier at no cost to the town, but it's less resistant to storms and other issues. We don't want to lose a whole season without a pier. The amount we get from FEMA is a big issue; \$5.6 million versus \$7.5 million is a big difference that make Options 1 and 2 much less expensive. We won't know that until October. If the pier is made a destination, I agree people would come from rental houses, but if the pier is a destination, people will come here from Myrtle Beach. That's a lot of cars. We would definitely have a parking problem, if we go with the two story option. Like Ms. Magliette, I struggle with the possibility of having 18,000 square feet of empty space costing us money. The timeline is another issue. Our business owners on the pier have to be considered. Looking to the long term future, concrete is best. Considering town finances and everything else gives another side. Several of the comments were realistic considerations. Whenever you work with the federal government it takes forever. This is the first meeting we've had in a long time because we're waiting for FEMA to get everything straightened out. It's unfortunate, but it takes forever. Those are the considerations I'll use when we determine whether to reconstruct with wood or concrete. Thank you for your comments.

Ms. Samples said thank you all for being here today. First off, Ms. Fellner, great job in pulling together these experts who will guide us through some of the important decisions that we as a council will be making. The more information we have, the smarter we get, the better the decisions will be. Thank you for being here today and sharing with us your wealth of information. I, too, was shocked by the numbers for the cost to rebuild the pier. We need to rebuild the pier, we've all be saying that. We all agree that the pier needs to be rebuilt. Hearing the public comments today clearly establishes that time frame is an important concern. The question I have is what is the time frame? I'm all about getting it rebuilt sooner than later. If I had to make a decision today, I will share that I am strongly in support of Option 2. I think rebuilding a wood pier would require the decision to be made again in a few years when another hurricane tears it down again. I don't like Option 3, because it changes the aesthetics of the town. We are a small town and we love that about our town. I support building the pier bigger and better, but I don't support a vision that creates a logistics problem for the town as it relates to parking and a number of other things. Staff, thank you for an incredible job. No one has any idea of the amount of time and effort you've put into this. We appreciate it and appreciate the public showing up and sharing with us your concerns and recommendations.

Mr. Courtney said thank you for coming out, and thank you to the presenters for being here. My concern is the timeline. That question hasn't been answered. In the City of Long Beach on Long Island we lost the boardwalk, but the concrete pillars survived Hurricane Sandy. If we build a wood pier, it is a matter of time before it is destroyed again. I think it's in the town's best interest to use concrete, which will last forever. I'm not sure about the options, because I see things I don't like. Today we're here to decide whether the pier will be wood or concrete. Concrete would be the way to go. It may take an extra

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211 month for concrete; six months, I don't know. Unless you can insure a wood pier, which we can't,
212 concrete is the way to build.

213
214 Mr. Sigman said there is no significant time difference in building a wooden pier and a concrete
215 pier. There are offsetting factors in each that create about the same construction time. He reiterated that
216 all the buildings will meet the current code to be as resilient as required during a storm event.

217
218 Mayor Childs said I agree with my colleagues on using concrete. If we went back to FEMA in a
219 few years because the pier was destroyed by another storm, we would have to go through this same
220 process. I know the town has received criticism about the delay, but if you have ever dealt with the
221 federal government, you know that it is a very long process. Particularly, when they are outlaying money.
222 I think the question is between Option 2 and Option 3. Some have mentioned the parking situation, and I
223 agree with that. We have a parking issue now, because there isn't much down there. We have to keep
224 that in mind. I think businesses would rent if the buildings were added. But, where are we going to park?
225 That is a big issue. Year ago a multi-level garage was mentioned, and that caused an uproar. In my
226 opinion, if we build these extra spaces on the pier, I can't see any way that we can get away with having
227 a multi-level garage somewhere.

228
229 Mr. Johnson said I agree with most everything that's been said by councilmembers, residents and
230 guests. We really do appreciate your input. I would like to thank everyone that's been involved in this
231 whole process. No matter how you look at it. It's definitely not a quick fix. That being said Mr. Mayor, I
232 think we should call for a motion.

233
234 Mr. Stevens said when he estimated payments on a 15 year \$6 million loan the payments were
235 \$400,000. He asked where the extra \$59,000 came from on the financing overview that states "Estimated
236 Debt Service Payment: \$459,000." Mr. Trout explained that during the construction period there will be
237 no payments, because there will be no revenue. The 15 year date is when the debt is paid off. If you wait
238 a couple of years to start making payments, that would increase the payments.

239
240 Mayor Childs asked if anyone on council favored a wood structure pier. All members were
241 against a wood structure pier. Mayor Childs called for a motion to use concrete pilings.

242
243 Ms. Samples moved to proceed with the information necessary to have the pier rebuilt using
244 concrete. Mr. Johnson and Mr. Courtney second. All voted in favor. **MOTION CARRIED.**

245
246 Mayor Childs declared the workshop adjourned at 10:18 a.m.

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248 Prepared and submitted by:

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251 _____
252 Debra E. Herrmann, CMC, Town Clerk

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254 Approved: September 12, 2017

255
256 **SURFSIDE BEACH TOWN COUNCIL**

257 VOTE: Yes No

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260 Robert F. Childs, III, Mayor

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263 Ron Ott, Mayor Pro Tempore

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- 264
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- 266 Timothy T. Courtney, Town Council
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- 269 Mark L. Johnson, Town Council
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- 272 David L. Pellegrino, Town Council
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- 275 Julie M. Samples, Town Council
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- 278 Randle M. Stevens, Town Council
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280 Clerk's Note: This document constitutes action minutes of the workshop that was digitally recorded, and is not
281 intended to be a complete transcript. Appointments to hear recordings may be made with the town clerk; a free
282 copy of the audio will be given to you provided you bring a new, unopened flash drive. In accordance with FOIA
283 §30-4-80(A) and (E), workshop notice was distributed to local media and interested parties via the town's email
284 subscription list. The notice was posted on the entry door at Town Council Chambers. Workshop notice was also
285 posted on the town website at www.surfsidebeach.org and the marquee.

APPROVED