

WAYS & MEANS COMMITTEE MEETING

Municipal Center Council Chambers

August 28, 2023; 1:00 pm

Minutes

I. Call to Order: *Chairman Moffitt called the meeting to order at 1:00 pm.*

II. Pledge of Allegiance

III. Roll Call:

Present at Meeting: John Moffitt, *Chairman*
John D. Labriola, *Mayor*
Brad Belt, *Committee Member*
Russell Berner, *Committee Member*

Present Via Zoom: Michael Heidingsfelder, *Committee Member*

Also Present: Stephanie Tillerson, *Town Administrator*
Dorota Szubert, *Finance Director*
Craig Harris, *Public Safety Director*
Todd Kaminski, *Code Enforcement*
Brian Gottshalk, *Public Works Manager*
Jim Jordan, *Town Biologist*

IV. Approval of Minutes:

A. Ways and Means Committee Meeting of August 1, 2023

Committee Member Berner motioned to approve the minutes of the July 11, 2023, Ways and Means Committee meeting. Committee Member Belt seconded the motion, and it was unanimously approved.

V. Citizens' Comments (Agenda Items Only):

Maura McIlvain – 146 Blue Heron Pond Road

Ms. McIlvain commented on the agenda item for the location of the emergency call box shown as being directly in front of the Kiawah Island Real Estate building and near the main gate. She noted that with all the impending plans, it may not be a suitable location. Ms. McIlvain commented that the agenda item for the dumpster enclosure seemed to be expensive.

Ms. McIlvain indicated that she intended to talk about the agenda item for the contract for the Town Attorney but could not due to the materials not being included in the packet or posted on the website. She expressed concern that the contract had not been made available to the community and curiosity that the discussion would be taking place in an executive session.

VI. Old Business:

None

VII. New Business:

A. Review and Recommendation to Town Council for Approval of the Proposal for Municipal Banking Services

Ms. Szubert stated the Government Finance Officers Association (GFOA) recommends that government entities review their financial services agreements every five (5) years and use a competitive process to procure financial services. The Town has been with Wells Fargo for eight years, and competitive procurement provides an opportunity to obtain market-competitive rates, negotiate preferable terms and conditions, and take advantage of technological enhancements and service changes.

The Town engaged the services of Three+One Company to issue a Banking and Treasury Services RFP (Request for Proposals) utilizing its online portal platform in April 2023. The proposals received from First Citizens, First National Bank, JP Morgan, Southern First, and Wells Fargo were evaluated by Three+One and Town Staff. The criteria for the evaluations of proposals included:

- Legal and other qualifications have been met
- Proper submission and responsiveness to RFP
- Experience, resources, and qualifications of the institution and individuals assigned to this account and relevant experience managing similar account relationships with public agency clients
- Scope of services covered
- Financial strength and capacity of proposing institutions
- References
- Fees
- Value of new product or service suggestions or other new ideas and enhancements

Three+One aggregated and analyzed all the data submitted in the proposals and provided a response comparison. Ms. Szubert indicated in her review of the rate (fee) comparisons summary that the rates are based on checks issues, lock boxes, volume, and different types of banking services provided. She noted that because the rates are catered to the individual client, the respondents requested their names be kept confidential.

Committee members discussed how the banks determined their fees, the abbreviated names shown on the summary, standard fees charged, and that fees are waived or customized to customers. Ms. Szubert reviewed a comparison of the fees currently charged by Wells Fargo and those proposed by Respondent A (Wells Fargo) for the new agreement and the non-financial elements and advantages of staying with Wells Fargo. She stressed the fees would change as rates change.

Committee Member Heidingsfelder felt that compared to Respondent B, the rates from Respondent A were not competitive enough and suggested negotiating with Wells Fargo to obtain better fee rates. Committee members agreed to recommend the approval with the provisions of giving Respondent A and Respondent B the opportunity to improve their rates.

Mayor Labriola made a motion to recommend to the Town Council to continue the existing banking relationship with Wells Fargo with the provision. Committee member Berner seconded the motion, and it was unanimously approved.

B. Review and Recommendation to Town Council for Approval of the Proposal for the Purchase of Emergency Call Boxes

Mr. Harris stated that at the beginning of the research, the Public Safety Department was asked to investigate placing emergency call boxes on all the boardwalks on the beach. With the cost coming in at over \$900,000.00, more intense research was done. He stated in comparison to the utilization of the call boxes on the beach and the number of traffic volume complaints, the difficulty identifying the companies responsible for construction spills, and the high volume of pedestrians and visitors on bicycles, the decision was made to look into call boxes that would be able to monitor issues on the Parkway and Beachwalker Drive. The call boxes selected would be

equipped with surveillance cameras as well as the ability to make emergency notifications out to the public.

Mr. Kaminski stated he contacted Traffic Solutions and Lighting, who demonstrated their emergency call box towers. He provided a detailed description of the three call boxes, highlighting that they were solar-powered, included camera systems that could be accessed through a computer or phone, a notification speaker system, and were weather/storm-resistant.

Chairman Moffitt stated the initial request was for call boxes that would call a number in the event of an injury on the beach, which has transformed into monitoring issues along the Parkway, and if there was a need for call boxes other than to monitor traffic.

Committee members engaged in an in-depth discussion of the challenges with the initial request, concerns about the purpose of the proposed call boxes along the Parkway, the recommendation of the call boxes coming from the Public Safety Committee, the necessity of call boxes when everyone carries a cellular phone and re-evaluating the purpose and problem trying to be solved.

Committee Member Belt motioned to table the proposal for purchasing emergency call boxes. Committee Member Berner seconded the motion, and it was unanimously approved.

Committee Member Belt motioned that staff come back to the Ways and Means Committee with a recommendation on an assessment as to the need for emergency call boxes or other emergency technology at various locations on the beach and various locations around the island and the best solution for the needs in those locations. Committee Member Berner seconded the motion, and it was unanimously approved.

C. Review and Recommendation to Town Council for Approval of the Proposal for a Dumpster Enclosure at Town Hall

Mr. Gottshalk stated that the Town is responsible for the residential solid waste collection on the island. Along with solid waste collected from each residence, the Town also offers drop-off locations for residents and guests. One of these drop-off locations for household trash and recycling is at the Municipal Center, where the dumpsters are located on the edge of the employee parking area and are taking up spaces needed for employee and fleet vehicle parking.

Town staff met with the landscape contractor to investigate relocating the dumpster unit and screening the dumpsters with an enclosure and vegetation to increase the aesthetics. The proposed new location for the dumpsters is behind the garage on the Northwest side in a more out-of-sight but still accessible to the public location. This location will involve a curb cut for the service truck to access the dumpsters and a recycled asphalt foundation for the dumpsters to sit. The enclosure and other improvements will not impact the septic field located behind the garage. Town staff would also like to put operating hours on the enclosure to help better manage the solid waste and recycling collection and help keep the area free from litter and improper dumping.

Staff requests the Ways and Means Committee recommend to the Town Council to approve the proposal from Artigues Landscape in the amount of \$25,735.00.

Committee Members discussed the proposal, clarifying the equipment to be used, access and operating hours, and cleaning up debris left outside of the enclosure.

Committee Member Berner motioned to recommend to the Town Council the approval of the proposal from Artigues Landscaping for a dumpster enclosure at Town Hall. Mayor Labriola seconded the motion.

Committee Member Berner expressed his concern that a recycled asphalt foundation would not bear the weight of the dumpster unit, noting that the Kestral Court facility had poured concrete.

Committee Members engaged in an in-depth discussion of the proposed location, concerns with staff cleaning trash left illegally if the dumpsters are enclosed, and initially not enclosing the location to allow unlimited access.

Committee Member Berner rescinded his motion, and Mayor Labriola rescinded the second.

Committee Member Berner motioned to table the discussion of the proposal for the dumpster enclosure at Town Hall until Mr. Gottshalk has an opportunity to provide a revised estimate for doing a concrete access. Committee Member Belt seconded the motion, and it was unanimously approved.

D. Review and Recommendation to Town Council for Approval of the Planning Department Fees

Mr. Taylor stated that at the previous Ways and Means Committee meeting, the Planning Department requested a recommendation for an increase in the fee schedule. The Committee Members requested additional information on the department costs be provided.

Mr. Taylor provided a detailed review of the provided planning department summary, including a breakout of the collected fees and department costs. The summary showed that the fees collected covered only six percent of the total planning costs.

Committee Members engaged in an in-depth discussion of the information provided, the perceived disproportional calculation of the proposed increases, raising fees by a percentage so a larger portion of the actual department costs related to the service provided, and the purpose of raising the fees.

Mr. Taylor stated that one of the factors is to cover some of the additional cost of the increase in public notification letters that are now required. The other factor is that the fees have not been reviewed since the inception of the in-house planning and may not be consistent with other jurisdictions.

Mayor Labriola motioned to recommend to the Town Council the approval of the Planning Department fees. Committee Member Berner seconded the motion. The motion passed by a 4 to 1 vote. Committee Member Heidingsfelder voted “No”.

Committee Member Heidingsfelder again recommended that the Committee task Mr. Taylor to look at some of the proportional fees, especially for large developers. Chairman Moffitt asked Mr. Taylor to provide the Town Council with what the increases recommended by Committee Member Heidingsfelder would look like.

VIII. Executive Session:

- A. Executive Session Pursuant to Section 30-4-70 (a)(1) and (2) of the South Carolina Code to Discuss the Status of Negotiations Related to the Proposed Amended Contract and Compensation for the Town Attorney**

Mayor Labriola motioned to go into Executive Session Pursuant to Section 30-4-70 (a)(1) and (2) of the South Carolina Code to Discuss the Status of Negotiations Related to the Proposed Amended Contract and Compensation for the Town Attorney. Committee Member Berner seconded the motion.

Committee Member Belt reviewed discussion allowances under Section 30-4-70 (a)(1) and (2) and asked for clarification if, during the Executive Session, the discussion was whether or not to negotiate regarding contracts or had there already been a proposed contract that has been negotiated. Charman Moffitt indicated that the discussion was limited to only the compensation allowed in (a)(1).

Mayor Labriola withdrew his motion.

Mayor Labriola motioned to go into Executive Session Pursuant to Section 30-4-70 (a)(1) of the South Carolina Code to Discuss the Status of Negotiations Related to the Proposed Amended Contract and Compensation for the Town Attorney. Committee Member Berner seconded the motion, and it was unanimously passed.

Committee Member Belt motioned to leave the Executive Session. Committee Member Berner seconded the motion, and it was unanimously passed.

Chairman Moffitt stated that no decisions were made and no votes were taken during the Executive Session.

IX. New Business:

E. Review and Recommendation to the Town Council for Approval of the Amendment to the Town Attorney Contract Services Agreement with Joseph Wilson

Committee Member Berner motioned to change the compensation of the contract services agreement with Mr. Wilson from a fixed price to an hourly basis at \$200.00 per hour, effective August 1, 2023. Committee Member Belt seconded the motion.

Committee Member Belt clarified that the adjustment would be in the compensation component of Mr. Wilson's current contract.

Following the discussion, the motion passed with Committee Member Belt abstaining.

Mayor Labriola added, for the record, that the base salary was fundamentally predicated on \$200.00 per hour. Committee Member Heidingsfelder also added that he wanted to make sure there would be time at the Town Council meeting to discuss wording changes to clarify this amendment.

X. Chairman's Report:

Chairman Moffitt indicated that since it is the beginning of the more active portion of hurricane season, he asked that at the meeting, to have a review of the hurricane-related contracts the Town has in place for cleanup and other services.

XI. Treasurer's Report:

A. Monthly Budget Report

Ms. Szubert reported that overall, for the fiscal year ending June 30, 2023, the Town's consolidated revenues of \$17.1 million are 11%, or \$1.7 million higher, when compared to the last fiscal year, FY2022, and 42%, or \$5 million over the total budgeted revenues for the current year. The main contributors to those positive variances are Interest Income and Accommodation Taxes. With the very conservative approach to the budget, we are also projecting all revenue sources exceed the budget for the current fiscal year.

At the end of June 30, 2023, the expenditures of \$11.1 million were 14%, or 1.4 million higher than for fiscal year FY2022 and 97% of the current year's budget. The main contributors to some significant negative variances over the budget are:

1. Professional Services' cost is \$103K higher than budgeted in the current year due to the engagement of legal services outside the Town's attorney contract.
2. The consultant line item is higher, \$114K, than the budgeted amount, mostly related to the engagement of Lou Hammond & Associates, the communication consultant, after the budget approval.
3. Maintenance cost is \$105K higher than budgeted, mostly due to repair works on Kiawah Island Parkway and landscaping enhancements on the Island.
4. The Tourism and Recreation line item is \$560K higher than budgeted due to additional available funding for State Accommodation Tax (SATAX) recipients. As the Town collected more than budgeted SATAX taxes, more had to be distributed to the qualified applicants. And Charleston Visitors Bureau (CVB).
5. Capital Outlay cost is higher than budgeted due to a \$53K overage in the Kestrel Court recycling center project.

Committee Members discussed the funds owed to the Charleston County Sheriff's Office, the final reimbursement amount of \$161,228.00, and whether the check had been received. The discussion also included a review of the larger variances.

XII. Citizens' Comments:

Laura McIlvain – 146 Blue Heron Pond Road

Ms. McIlvain stated that she had experienced difficulty navigating and finding things on the new website but appreciated that it was online.

Ms. McIlvain commented on the modification to Mr. Wilson's contract, reviewing the additional provisions that will have to be modified in addition to the compensation.

XIII. Committee Member's Comments:

Committee Member Belt commented on the amendment to Mr. Wilson's contract by stating that, in his view, the \$200.00 per hour adjustment was not unreasonable. He reviewed some of the other issues that need to be addressed, which he anticipated to be discussed at the Town Council meeting.

Committee Member Heidingsfelder commented on how community engagement can lead to very expensive endeavors and the hope that the contract amendment will normalize expenditures for legal advice. He also encouraged Ms. Tillerson and Mr. Harris to provide an update on the changes observed in police services, resources, and response times over the past two months.

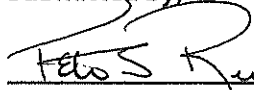
Committee Member Berner also felt that response times had increased since the contract with the Sheriff's office ended and wanted to know the numbers.

Mayor Labriola asked Ms. Szubert to update the reserve schedule to provide everyone with the reserves and how much has been put away for a hurricane event.

XIV. Adjournment:

Mayor Labriola motioned to adjourn the meeting at 3:28 pm. Committee Member Berner seconded the motion, and it was unanimously approved.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



John Moffitt, Chairman

10 - 11 - 2023
Date