



TOWN OF *Kiawah Island*®

Mayor

Craig E. Weaver

Council Members

Jack Koach

Diana L. Mezzanotte

Chris Widuch

John R. Wilson

Town Administrator

Stephanie Monroe Tillerson

4475 Betsy Kerrison Parkway | Kiawah Island, SC 29455 | (843) 768-9166 | Fax (843) 768-4764 | www.kiawahisland.org

TOWN COUNCIL MEETING

Kiawah Island Municipal Center

Council Chambers

January 9, 2018; 2:00 PM

AGENDA

- I. Call to Order:
- II. Pledge of Allegiance
- III. Approval of Minutes:
 - A. Minutes of the Town Council Meeting of December 5, 2017 [Tab 1]
- IV. Mayor's Update:
- V. Citizens' Comments (Agenda Items Only):
- VI. Old Business:
None
- VII. New Business:
 - A. Appointment of Town Treasurer and Town Clerk [Tab 2]
 - B. Appointment and Approval of the Town Attorney Contract [Tab 3]
 - C. 2018 Committee Chairman/Liaisons [Tab 4]
 - D. 2018 Committee Appointments [Tab 5]
 - Audit Committee
 - Public Safety Committee
 - E. Approval of Beach Franchise Agreement with Island Beach Services [Tab 6]
 - F. Approval of Preventive Maintenance Contract with Triad Mechanical [Tab 7]
 - G. Approval of The Greenery Kiawah Parkway Proposal [Tab 8]
 - H. Approval of the Parkway Engineering Services Proposal from Soil Consultants, Inc. [Tab 9]
 - I. Ordinance 2018-01 - to amend the Town of Kiawah Island Code of Ordinances by creating Chapter 8, Fairness in Lodging Act Compliance in Article 4, Finance and Taxation, to begin partnering with the South Carolina Department of Revenue in order to increase compliance on tax payments from rental properties - First Reading [Tab 10]
- VIII. Other Business:
None
- IX. Town Administrator's Report:
- X. Council Member:
 - a. Committee Updates
 - b. General Comments
- XI. Citizens' Comments:
- XII. Executive Session:
- XIII. Adjournment:

TOWN COUNCIL MEETING

Kiawah Island Municipal Center

Council Chambers

December 5, 2017; 2:00 PM

Minutes

I. Call to Order: *Mayor Weaver called the meeting to order at 2:00 pm.*

II. Pledge of Allegiance

Present at the meeting: Craig Weaver, Mayor
John R. Wilson
Diana Mezzanotte
Jack Koach
Chris Widuch

Also Present: Stephanie Monroe Tillerson, Town Administrator
Dwayne Green, Town Attorney
Petra Reynolds, Town Clerk

III. Approval of Minutes:

A. Minutes of the Town Council Public Hearing of November 7, 2017

Mr. Wilson made a motion to approve the minutes of the November 7, 2017 Town Council Public Hearing. The motion was seconded by Mrs. Mezzanotte and the minutes were unanimously approved.

B. Minutes of the Town Council Meeting of November 7, 2017

Mr. Widuch made a motion to approve the minutes of the November 7, 2017 Town Council Meeting. The motion was seconded by Mrs. Mezzanotte and the minutes were unanimously approved as amended.

IV. Mayor's Update:

Mayor Weaver reported that the permit for the second phase of the beach sand scraping project has been approved and received by the Town. Work is expected to begin next week with the intent of completion the week before Christmas.

Mayor Weaver stated the former Town Administrator and Treasurer were arraigned last week, Monday, in Federal Court. Both were charged with one count of conspiracy to commit wire fraud and entered pleas of "not guilty." No court dates have been set at this time.

V. Citizens' Comments (Agenda Items Only):

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick indicated that since there were three candidates for the position as St John's Fire Commission. She questioned when there was a public vote to recommend the one candidate.

Mrs. Kulick referenced the item list under the Executive Session and questioned if it was Ms. Tillerson's performance appraisal for the year.

Mayor Weaver indicated Mrs. Kulick's questions would be addressed as the individual items are discussed.

VI. Presentation:
None

VII. Old Business:

A. Town of Kiawah Post Employment Retirement Health Contribution

Dorota Szubert, Town Treasurer stated that staff is requesting Council to consider approval of a policy on the Town's contribution to the retiree insurance premiums. She explained that currently, the Town as a participant in the State Health Plan, pays an employer's portion of the health and dental insurance premiums and supplements employee only portion of the premium for all active employees. The Town's retirees are eligible to enroll in the retiree health, dental and vision insurance through the State Plan, however the Town has no formal policy on the Town's contribution to the retirees' insurance premiums.

Mrs. Szubert reviewed the employee eligibility requirements for the SC Retirement System and the State Health Plan for retiree group insurance and stated that Staff recommends approving a policy for funding up to 50% of retiree and dependents insurance coverage up to age 65. To be eligible for paid insurance benefits, the individual must be a full time regular employee with at least 5 years of service with the Town and meet the requirements for retirees as defined under the South Carolina Retirement System. The percentage amount of the monthly insurance payment to be paid by the Town of Kiawah shall be based upon the actual number of years of continuous employment with the Town as follows:

Years of Service with the Town	Employer Share	Retiree Share
Less than 5 years of service	0%	100%
6-10 years of service	15%	85%
11-20 years of service	30%	70%
More than 20 years of service	50%	50%

Mr. Wilson motioned to adopt the retiree medical cost sharing policy as recommended. The motion was seconded by Mrs. Mezzanotte.

Mr. Wilson indicated that if not implied, made the recommendation the policy language include that in order to be eligible for this benefit the employee must have left the Town in good standing with no disciplinary actions, suspensions or debt to the Town.

Mr. Widuch stated he was opposed to the policy and did not think that putting a long-term liability on the balance sheet was in the best interest of the Town in the long run. Members engaged in discussion of the proposed policy, legality of the incorporation of language and evaluation of employee benefits in the future.

Mr. Wilson made a motion to modify his motion to approve the retiree medical cost sharing policy with the additional requirement that the employee should be in good standing at the time of their separation and a clean-up of the years of service. The motion was seconded by Mrs. Mezzanotte. The motion was passed by a 4 to 1 vote. Mr. Widuch voting "No."

Following the discussion the motion was passed by a 4 to 1 vote. Mr. Widuch voting "No."

VIII. Consent Agenda:

- A. Ordinance 2017-23** to rezone the property located at 1 Kiawah Beach Drive from the Commercial Zoning District to the RST-2, Resort Zoning District – **Second Reading**

Mr. Widuch made a motion to approve the second reading of Ordinance 2017-23 to rezone the property located at 1 Kiawah Beach Drive from the Commercial Zoning District to the RST-2, Resort Zoning District. The motion was seconded by Mrs. Mezzanotte and unanimously passed.

IX. New Business:

- A. Approval of 2018 Meeting Schedule**

Mr. Widuch motioned to accept and approve the 2018 Meeting Schedule Dates. The motion was seconded by Mrs. Mezzanotte and the motion was unanimously approved.

- B. Public Works Committee Appointment**

Mr. Wilson stated that it was the intent to have Will Connor, Director of Major Repairs for the Community Association as a member of the Public Works Committee.

Mr. Wilson made a motion to appoint Will Connor to the 2017 Public Works Committee. The motion was seconded by Mayor Weaver and the motion was unanimously passed.

- C. Recommendation for St Johns Fire District Commissioner**

Mr. Widuch stated that following the announcement of an opening on the St. John's Fire Commission, three highly qualified applications were received. Commission Chairman Connolly, along with other members of the Commission, reviewed the applicants and recommended Stephen Rolando, who has the extensive IT experience lacking on the Commission.

Mr. Widuch made a motion to nominate Stephen Rolando for recommendation to Charleston County Council for appointment to the STJFD Fire Commission. The motion was seconded by Mrs. Mezzanotte and the motion was unanimously passed.

X. Other Business:

None

XI. Town Administrator's Report:

Ms. Tillerson introduced and welcomed the new Administrator for the Town of Seabrook, Mr. Joe Cronin.

XII. Council Member:

- a. Committee Updates**
- b. General Comments**

Mr. Koach stated there is a vacancy on the Board of Zoning Appeals to be filled. At this time there was one interested candidate and asked if a reminder of the opening would be sent out.

Mr. Wilson stated he attended the Charleston Area Transportation Study Committee (CHATS) meeting in hopes of getting clarification on the status of I526. He indicated it was mentioned on the list of priorities but no information was forthcoming. He noted the flyover on Hwy 17 and the widening of Main Road seemed to be live issues even though the completion of I526 on Johns Island would alleviate a lot of the need for the flyover which is due to the permitting process.

Mrs. Mezzanotte indicated there had been 552 responses to the Arts Council survey which was released. A summary will be included in Town Notes, with the entire questionnaire and answer being posted to the Town's website.

Mrs. Mezzanotte stated the College of Charleston Madrigal Feast was sold out and a wonderful program. She noted that the last event of the year is Burning River Brass on December 18th at Holy Spirit Catholic Church.

Mrs. Mezzanotte stated the Coastal Science beach erosion annual report should be issued in February.

XIII. Citizens' Comments:

Scott Nelson – 65 Persimmon Court

Mr. Nelson asked that with the repair of the recent storm damage, the signage at Captain Sam's Spit be replaced. He noted a constant issue with dogs on the beach harassing the strand feeding dolphins and the owners who express a lack of awareness of the dog restrictions in that area. He also requested the Beach Patrol be more active in the area to help with violations.

Mayor Weaver stated that the Town will follow up on his concerns.

Virginia Abbott – 304 Sea Forrest Drive

Mrs. Abbott indicated her concern with the Post Employment Retirement Health Contribution Policy asked for clarification on the age at which an individual can retire.

Mr. Tillerson referred her to the analysis section of the Memorandum in the packet which states the South Carolina State minimum statutory requirement of 28 years of service; Age 65; or Age 55 with 25 years of service (early retirement); or Age 60 with 20 years of service (early retirement).

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick also express her concern with the dogs running loose on the Spit disturbing the dolphins but has noted more disdain than ignorance of the dog owners.

Mrs. Kulick read comments on behalf of Diane Lehder – 306 Palm Warbler Road in reference to an article in the Post and Courier referencing the Miss South Carolina USA Pageant and Miss Kiawah. She noted that the selection of Miss Kiawah did not receive any on-island publicity and questioned if the Town was

involved in the selection, when was the selection publically discussed, who was involved and did the contestant need the Town's permission and did the Town give it.

Mayor Weaver, along with Council indicated they had no knowledge of a Miss Kiawah competition and requested a copy of the article.

Mrs. Kulick commented on the Town decision to discontinue the Town's Resident Exchange and requested reconsideration stating that it lessens the possibility of two-way communications between property owners and the Town.

Mrs. Kulick indicated that previously when asking about using a civil suit to recover funds allegedly embezzled by the former Town Administrator and Treasurer it was stated that the Town was awaiting for any charges to be filed. She questioned that now that charges have been filed by the US Attorney does the Town have any plans to pursue a civil suit to recoup any monies not covered by insurance.

Mayor Weaver stated that the Town's position is to wait and allow the legal process to carry its way through. The Town Attorney is monitoring the process and date by which a decision has to be made on the options of filing a civil action to recover funds is being watched.

Mrs. Kulick also commented on the lack of public transportation on Johns Island and asked Mr. Wilson in his work with CHATS and other governmental agencies for any help to get them to look at the issue.

Mr. Wilson indicated that CHATS looks very closely at ridership and potential ridership to determine their routing and it is difficult to make changes when there is no perceived ridership.

As an additional remark to the signage comment, Mayor Weaver assured everyone that the Town is aware of all the signage lost in the storm and staff is working on taking an inventory to replace the lost or damaged signage once ARB approval is obtained. He also indicated that Beach Patrol has been asked to be more vigilant on some of the dog issues.

Mayor Weaver clarified the Executive Session item was not a personnel assessment of the Town Administrator by Council but an upward assessment and/or feedback from her management team using an external resource having worked with the Town and the Community Association in the past. He also noted that no votes will be taken and no decisions would be made that would bind the Town during the Executive Session.

Mr. Wilson made a motion to move into Executive Session to discuss the Town Administrator Leadership Assessment. The motion was seconded by Mr. Widuch and unanimously passed.

XIV. Executive Session:

A. Town Administrator Leadership Assessment Discussion

Mr. Widuch made a motion to return back to Regular Session. The motion was seconded by Mr. Koach and unanimously passed.

Mayor Weaver stated that no votes were taken and no decisions were made that would bind the Town during the Executive Session.

XV. Adjournment:

Mr. Koach motioned to adjourn the meeting at 4:10 pm. The motion was seconded by Mr. Mezzanotte and carried unanimously.

Submitted by,

Petra S. Reynolds, Town Clerk

Approved by,

Craig E. Weaver, Mayor

Date

DRAFT

Sec. 2-505. - Town treasurer.

- (a) At the first regular meeting of the council following the inauguration meeting, the council shall appoint an officer to be known as the town treasurer, who shall hold office at the pleasure of council or until a successor is duly appointed and qualified.
- (b) Before entering upon the duties of office, the town treasurer shall enter into a bond in such sum as shall be approved by the council for the faithful performance of the duties of the office.
- (c) The town treasurer shall perform the following duties:
 - (1) Collect all claims and accounts that may be due and payable to the town;
 - (2) Receive all money belonging to the town;
 - (3) Issue all licenses and badges for which provision may be made and collect all fees for licenses that may be imposed;
 - (4) Pay all bills owed by the town when approved by council;
 - (5) Deposit funds in banks as designated by council;
 - (6) Make statements as to the financial condition of the town as ordered by the council;
 - (7) Keep account of all money and accounts and inventories of town property, real and personal, and report to council as requested;
 - (8) Maintain a record of all town capital assets;
 - (9) Prepare a town budget as requested by the town; and
 - (10) Perform such other duties as may be required by the council.

(Code 1993, § 2-505)

State Law reference— Municipal treasurer, S.C. Code of Laws 1976, § 5-9-40.

Sec. 2-503. - Town clerk.

- (a) At the first regular meeting of the council following the inauguration meeting, the council shall appoint an officer to be known as the town clerk, who shall hold office at the pleasure of the council or until a successor is duly appointed and qualified.
- (b) The town clerk shall perform the following duties:
 - (1) Give notice to the members of the council of regular and special meetings of the council;
 - (2) Attend all meetings of the council, keep minutes of the proceedings of the council, and maintain the minutes in a book to be known as "The Minutes of the Meetings of the Town Council of the Town of Kiawah Island, South Carolina";
 - (3) Have custody of the seal of the town; and
 - (4) Schedule the use of public buildings.
- (c) The town clerk shall act as secretary for the mayor and council. As such, the town clerk must have sound secretarial skills.
- (d) The town clerk shall handle other clerical duties as required by the mayor or council.
- (e) The town clerk shall perform such other duties as may be required by the council.

(Code 1993, § 2-503)

State Law reference— Municipal clerk, S.C. Code of Laws 1976, § 5-7-220.

Sec. 2-504. - Town attorney.

- (a) At the first regular meeting of the council following the inauguration meeting, the council shall appoint an officer to be known as the town attorney, who shall hold office at the pleasure of council or until a successor is duly appointed and qualified.
- (b) The town attorney must be a member of the South Carolina Bar and be admitted to practice law in South Carolina.
- (c) It shall be the duty of the town attorney whenever called upon by council, or the necessity arises, to give his advice and direction to the council, or any member thereof, or to the town clerk on any and all legal questions which may arise in the course of the administration of the town government, or in the discharge of the duties of their respective offices; and whenever required to do so by the council, he shall give his legal opinion in writing. He shall draw or supervise the drawing or drafting of all ordinances, and other instruments of writing relative to the business of the town when required to do so by the council or any member thereof; and shall, whenever notified to do so, attend the meetings of the council and shall perform such other duties as required by the council. The town attorney shall receive such compensation for the discharge of his duties as fixed by the council.

(Code 1993, § 2-504)

State Law reference— Municipal attorney, S.C. Code of Laws 1976, § 5-7-230.

**CONTRACT SERVICES AGREEMENT FOR
TOWN ATTORNEY SERVICES
TOWN OF KIAWAH ISLAND**

This **CONTRACT SERVICES AGREEMENT FOR TOWN ATTORNEY SERVICES** (the "Agreement") is effective as of the **1st day of January 2018** for a period of one (1) year, by and between the law firm of **Hampton Green LLC, d/b/a Green Law Offices** (herein after the "Green Law Offices"), and the **Town of Kiawah Island, South Carolina** (herein after the "Town"). The term "Town" shall also include all boards, commissions, and other bodies of the Town.

RECITALS

- A. Chapter 2, Section 203(5) of the Municipal Code places upon the Mayor and Council the responsibility of appointing a Town Attorney, and;
- B. The Town's custom and practice has been to appoint or re-appoint the Town Attorney during the regularly scheduled January Council meeting, and;
- C. The Ways and Means Committee has recommended to the Mayor and Council that a Contract Agreement for Municipal Legal Services be prepared for review by the Mayor and Council at the January 9, 2018 and possibly a Motion be made authorizing the execution of the Contract for Municipal Legal services.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN THE PARTIES HERETO AGREE AS FOLLOWS:

1. APPOINTMENT

Town Council hereby appoints Dwayne M. Green (hereinafter "Green") as the Town Attorney, and hires the Green Law Offices, to render such legal services as are customarily rendered by such attorneys and as further specified herein, including attending meetings of the Town Council, Board of Zoning and Appeals (BZA), and other boards and bodies of Town, and its affiliated agencies, as directed by the Town.

Green Law Offices shall not replace the designated Town Attorney (or any successor to such person) without the Town Council's prior approval, except from time to time necessary due to illness or vacation scheduling. Approval of any such temporary substitute shall be obtained from the Mayor or Town Administrator.

2. SCOPE OF WORK AND DUTIES

A. Green shall perform any and all work necessary for the provision of Town Attorney services to the Town, including, without limitation, the following:

1. Attend all regularly scheduled and special Town Council meetings and Town Council work sessions.
2. Provide legal services on-site during office hours at Town Hall as mutually agreed. These hours of on-site service will be at regularly scheduled times make known to all members of Town Council and to all department heads so as to facilitate informal, direct access to legal counsel as necessary.
3. Attend other meetings at Town Hall as required by the Mayor or the Town Administrator.
4. Advise the Town Council; appointed Commissions, Committees, and Boards; Town staff; and other Town officials on all legal matters pertaining to Town business.
5. Prepare, review, and approve as to form, contracts, agreements, resolutions, ordinances, and all other standard Town documents.
6. Prepare such written and oral legal opinions as shall, from time to time, be requested by the Town.
7. Perform such other routine legal services as are required, from time to time, by the Town Council or the Town Administrator.

8. Represent the Town and the Town's officials, officers, and employees in litigation and administrative proceedings as directed by the Mayor.
9. Make recommendations concerning the selection of outside legal counsel, when necessary, on appropriate matters and supervise such outside legal counsel handling transactional or litigation matters on behalf of the Town.

3. COMPENSATION

Compensation is Eighty Thousand Dollars (\$80,000.00) per year. This amount is based on a "fixed price" Contract Agreement regardless of the amount of time necessary for the Town Attorney to familiarize himself with his responsibilities and become proficient in completing the scope of legal services anticipated herein. Payments to Green will be made through Hampton Green LLC, the legal entity of which Green is the principal. In the event that Green handles any lawsuits brought against the Town which require the expenditure of extraordinary resources, Green and the Town may negotiate an appropriate fee arrangement which fairly compensates Green for such additional services.

4. MONTHLY STATEMENTS

Green shall provide the Town with a monthly itemized statement of the services provided and the time spent in providing those services; provided, however, the payment for legal services shall not exceed the amount set forth in Paragraph 3 herein, unless an additional fee for any lawsuits brought against the Town and defended by Green has been explicitly negotiated and agreed to by both parties.

5. PROHIBITION AGAINST SUBCONTRACTING, DELEGATING OR ASSIGNMENT

Green shall not contract with or delegate to any individual or other entity to perform on the Town's behalf, in whole or in part, any of the services required under this Agreement without the prior express approval of the Town. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior express approval of the Town.

6. CONFLICT OF INTEREST

Green shall at all times avoid conflicts of interest in the performance of this Agreement. In the event that a conflict arises, Green shall immediately notify the Town following discovery of the conflict. Green shall also file a conflict of interest disclosure statement setting forth any information related to potential conflicts of interest to the extent such disclosure is required by law.

7. INDEPENDENT CONTRACTOR

Green shall perform all services required under this Agreement as an independent contractor of the Town, and shall remain at all times as to the Town a wholly

independent contractor with only such obligations as are consistent with that role. Neither Green nor any employees of the Green Law Offices shall at any time or in any manner represent that it or any of its employees or agents are employees of the Town.

8. INSURANCE AND INDEMNIFICATION

A. INSURANCE

Green agrees to carry and keep in full force and effect during the term of this contract Errors and Omissions coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence and shall provide the Town with proof of such coverage in the form of a Certificate of Insurance on an Annual Basis.

B. INDEMNIFICATION

Green, by and through the Green Law Offices, shall defend, indemnify, and hold harmless the Town, and its officers and employees, from and against any and all actions, suits, proceedings, claims, demands, losses, costs and expenses, including legal costs and attorneys' fees, for injury to person(s) or damages to property (including property owned by the Town), and for errors and omissions committed by the Green Law Offices, its officers, employees, and agents, arising out of or relating to Green's performance under this Agreement, except to the extent that such injury, damages, error(s) or omission(s) may be caused by Town's own negligence or that of its officers or employees.

9. NON-DISCRIMINATION

Green pledges there shall be no discrimination against or segregation of any person or group on account of race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of services under this Agreement.

10. AMENDMENT

This Agreement cannot be amended unless such amendment is contained in writing signed by both the Town and Green Law Offices.

11. SEVERABILITY

If any clause or provision herein shall be adjudged invalid or enforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision which shall remain in full force and effect.

12. THIRD PARTY BENEFICIARIES

Nothing contained in this Agreement shall be construed so as to confer upon any third party the rights of a third party beneficiary.

13. NON-WAIVER

Failure of either party to this Agreement to insist upon strict compliance by the other party with any of the terms or conditions of this Agreement shall not be deemed a waiver of such term or condition or any other terms and conditions of this Agreement.

14. GOVERNING LAW

This Agreement shall be governed by and construed in accord with the laws of the State of South Carolina.

15. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Town and Green Law Offices with regards to all rights, obligations, terms and conditions related to the Town's contract with Green Law Offices. This Agreement supersedes any other prior or contemporaneous negotiations or agreements, whether oral or in writing.

IN WITNESS WHEREOF, the parties hereto have executed, or caused their authorized representatives to execute, this Agreement the 9th day of January, 2018.

TOWN OF KIAWAH ISLAND

By: _____
Craig Weaver, Mayor

ATTEST:

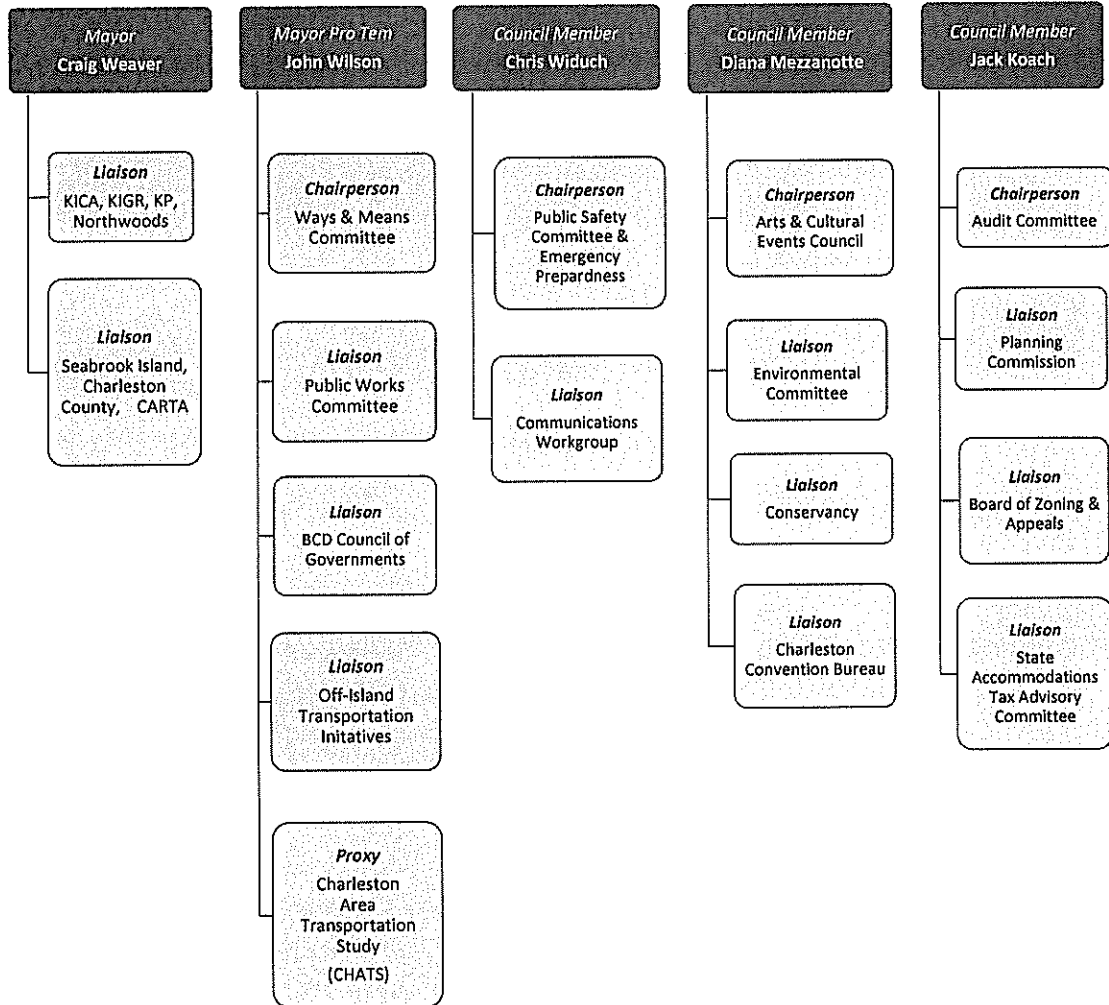
Petra S. Reynolds, Town Clerk

GREEN LAW OFFICES

By: _____
Dwayne M. Green, Esquire

2018

Town Council Chairs and Liaisons





Mayor

Craig E. Weaver

Council Members

Jack Koach

Diana L. Mezzanotte

Chris Widuch

John R. Wilson

Town Administrator

Stephanie Monroe Tillerson

4475 Betsy Kerrison Parkway | Kiawah Island, SC 29455 | (843) 768-9166 | Fax (843) 768-4764 | www.kiawahisland.org

2018 AUDIT COMMITTEE

Members are appointed by the Mayor and Town Council and serve for one year terms. Terms expire on January 31.

John H. Koach (Jack), Chairperson

14 Avocet Lane

Kiawah Island, SC 29455

768-3289

jkoach@kiawahisland.org

Andrew J. Capelli

160 Governor's Drive

Kiawah Island, SC 29455

(843) 768-9113

acapelli35@hotmail.com

James A Williams

37 Burroughs Hall

Kiawah Island, SC 29455

843/243-0423(h)

843/412-0672(c)

jamesalbertwilliams@msn.com

Ronald A Hoffman

293 Masters Court

Kiawah Island, SC 29455

843-768-3037

hoffman_roland@yahoo.com

TOWN OF KIAWAH ISLAND AUDIT COMMITTEE CHARTER

I. PURPOSE

The Audit Committee (the "Committee") shall assist the Mayor and the Town Council (the "Council") of The Town of Kiawah Island (the "Town") in fulfilling its responsibility to provide oversight of management regarding: (1) the Town's systems of internal controls and risk management; (2) the integrity of the Town's financial statements; (3) the Town's compliance with legal and regulatory requirements and ethical standards; and (4) the engagement, independence and performance of the Town's independent auditors. **The formation and activities of the Audit Committee in no way diminish or replace the preceding responsibilities of the Council.**

II. MEMBERSHIP

The Committee shall consist of one member of the Council as Chair. The Chair of the Committee shall be designated by the Mayor and approved by the Town Council and shall preside at meetings of the Committee. In addition, two to four members of the community nominated by the Chair and approved by the Council shall serve on the Committee.

Committee members shall have a proven expertise in finance, accounting, and the review of financial statements. At least one member of the Committee shall have a sophisticated understanding of auditing, financial controls, financial reporting and accounting as determined by the Council.

III. MEETINGS AND QUORUM

The Committee shall meet on a regularly scheduled basis, at least two times per year. Additionally, meetings may be requested by a Committee member or as circumstances dictate. The Committee shall meet at least twice each year with the independent auditor in separate executive sessions to provide the opportunity for full and frank discussion with or without staff members present.

Notice of meetings shall be given to all Committee members and the public. Meetings of the Committee may be held by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear and speak to each other. A majority of the members of the Committee shall constitute a quorum. The act of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee.

III. AUTHORITY

The Committee's role is one of oversight. The Town's senior staff including the Treasurer and Administrator ("management") are responsible for preparing the Town's financial statements and the independent auditors are responsible for auditing those financial statements. The Committee recognizes that management, including the finance staff and the independent auditors, have more time, knowledge and detailed information about the Town than do the Committee members. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance

as to the Town's financial statements or any professional certification as to the independent auditor's work.

In discharging its role, the Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Town. In addition to retaining the Town's independent auditor, the Committee shall have the power, with the approval of Council, to retain outside counsel, other auditors or other advisors to assist it in carrying out its activities. The Town shall provide adequate resources to support the Committee's activities. The Committee shall have the authority, with the approval of Council, to retain, compensate, direct, oversee and terminate the Town's independent auditor and any counsel, other auditors and other advisors hired to assist the Committee, who shall be accountable ultimately to the Committee.

The Committee may request any person including, but not limited to, any officer or employee of the Town or the independent auditor, to attend Committee meetings or to meet with any members of, or advisors to, the Committee.

V. KEY RESPONSIBILITIES

As approved by Council, the Committee shall undertake the following responsibilities, which are set forth as a guide. The Committee is authorized to carry out these activities and other actions reasonably related to the Committee's purposes or assigned by the Council from time to time.

A. Independent Audit

1. Recommend the appointment and review the terms of the independent auditor's retention, engagement and scope of the annual audit, pre-approve any audit-related and non-audit services (including the fees and terms thereof) to be provided by the independent auditor, and, in connection with any pre-approval of services related to internal control over financial reporting, discuss with the independent auditor the potential effects of such services on the independence of the auditor, and evaluate and oversee the work of, the independent auditor who shall report directly to the Committee, and, if appropriate, terminate the independent auditor's engagement;
2. Review and confirm the independence of the independent auditor annually by obtaining and reviewing a report from the independent auditor delineating all relationships between the independent auditor and the Town and discussing with the independent auditor any such disclosed relationships and their impact on the independent auditor's independence, and by obtaining the auditor's assertion of independence in accordance with professional standards;

3. At least every five years, review and recommend to Council the terms of the independent auditor's retention, including a review of fees charged by the auditors for the annual audits;
4. At least annually, review a report from the independent auditor describing the auditing firm's internal quality-control procedures and any material issues raised by the most recent quality-control review of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years, with respect to one or more independent audits carried out by the firm and any steps taken to deal with any such issues;
5. Review with the independent auditor any problems the auditor has encountered performing the audit, any management letter provided and the Town's response to that letter, and matters that the independent auditor is required to communicate to the Committee; and
6. Review and discuss with Council and senior staff, the independent auditor any significant findings during the year, any restrictions on the scope of activities or access to required information, any changes required in the scope of the audit plan, the audit budget and staffing and, coordination of audit efforts.

B. Internal Control and Risk Oversight

1. Review and discuss with management and the independent auditor the adequacy of the Town's internal controls and the Town's major financial risks or any significant exposures and assess the steps management has taken to minimize such exposures;
2. Review and discuss with management and the independent auditor the Town's policies with respect to risk assessment and risk management;
3. Oversee compliance with and review the effectiveness of the Town's internal control systems, including through regular executive sessions, whether internal control recommendations identified by internal and independent auditors have been implemented by management; and
4. Establish and oversee procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls, or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

C. Financial Reporting

1. Review and discuss with management and the independent auditor all critical accounting policies and practices used by the Town and any significant changes in the Town's accounting policies;
2. Review with the independent auditor significant accounting and reporting issues, including recent professional and regulatory pronouncements, understand their impact on the financial statements, and ensure that all such issues have been considered in the preparation of the financial statements;
3. Review issues related to judgments made involving valuation of assets and liabilities, and commitments and contingencies;
4. Review with management the annual financial statements, the annual audit report and recommendations of the independent auditor, including any audit problems or difficulties, and management's response;
5. Review with management and the independent auditor any complex and/or unusual transactions or other significant matters or events not in the ordinary course of business; and
6. Annually review with management and the external tax advisor any issues or judgmental areas relating to the Town's tax compliance.

D. Oversight of Legal and Ethical Compliance

1. Review periodically with the Town's legal counsel the scope and effectiveness of the Town's legal and regulatory compliance policies and programs, and ethical standards and policies;
2. Oversee legal and regulatory compliance and compliance with ethical standards and policies, including the Conflict of Interest Policy, and forward reports of non-compliance to Council;
3. Review and discuss with management and the auditors any possible areas of noncompliance with laws or policies and ensure that management follows up with relevant procedures where appropriate;
4. Ensure through inquiry and other appropriate means that management is communicating to the Town's staff the importance of the Town's values, code of conduct and ethics, and internal controls; and
5. Review, discuss with management and the independent auditor, and recommend a course of action to Council regarding any transactions or courses of dealing with related persons (*e.g.*, including elected officials, executive officers, their immediate family members) that are significant in size or

involve terms or other aspects that would likely be negotiated with independent parties, involving any safeguards or additional procedures to be applied in such circumstances.

E. Other Responsibilities

Maintain minutes of meetings and periodically report Committee findings, recommendations and actions to the Council, including on any issues that arise with respect to the quality or integrity of the Town's financial statements, the performance and independence of the independent auditors and the performance of the internal audit function, the Town's compliance with legal or regulatory requirements and its ethical standards and policies, and any other matters the Committee deems appropriate for the Council.



Mayor

Craig E. Weaver

Council Members

Jack Koach

Diana L. Mezzanotte

Chris Widuch

John R. Wilson

Town Administrator

Stephanie Monroe Tillerson

4475 Betsy Kerrison Parkway | Kiawah Island, SC 29455 | (843) 768-9166 | Fax (843) 768-4764 | www.kiawahisland.org

2018 Public Safety Committee

*Members are appointed by the Mayor and Town Council and serve for one year terms. A member of Town Council shall serve as Committee Chairman.
Terms expire January 31st.*

Chris Widuch, Chairman

325 Geln Eagle Drive
Kiawah Island, SC 29455
843-768-9576
cwiduch@kiawahisland.org

Julie Beier

Northwood Retail
Kiawah Island, SC 29455
(843) 768-6491
jbeier@northwoodretail.com

Joe Pezzullo

539 Oyster Rake
Kiawah Island, SC 29455
843-768-4313
eglejo1@comcast.net

Maryanne S. Connelly

4927 Green Dolphin Way
Kiawah Island, SC 29455
973-610-4889
Fanwood1@gmail.com

Yvonne Johnstone

Kiawah Island Golf Resort
Kiawah Island, SC 29455
864-480-2509
yvonne_johnstone@kiawahresort.com

Bill Thomae

112 Governors Drive
Kiawah Island, SC 29455
843-576-4083
william.thomae@yahoo.com

Town of Kiawah Island
Public Safety Committee
Charter

- I. The mission of the Public Safety Committee is to assist the Town in meeting its state-mandated responsibilities to its citizens with regard to maintaining peace and order, and law enforcement, as set forth in Title 5 of the State of South Carolina Code of Laws and to initiate and consider proposals and methods to upgrade and improve public safety on the Island.
- II. A member of Town Council shall have oversight responsibility for public safety serving as Committee Chairman and not less than 4 nor more than 7 permanent residents and representatives from organizations with similar interests shall serve as members.
- III. The members of the Public Safety Committee shall be approved by the Mayor and Town Council.
- IV. The term for the members of the committee shall be for one year and expire annually on January 31. Committee members may be reappointed for successive terms as approved by the Mayor and Town Council.
- V. The Committee will perform the following functions:
 - A. Coordinate Town public safety and security activities with all other island security services.
 - B. Serve as liaison with the St. Johns Fire District, Charleston County Emergency Medical Services, and the Charleston County Sheriff's Office Supervisor of the Town's contracted CCSO deputies.
 - C. Monitor the performance and activities of the Town's contract beach patrol service.
 - D. Monitor the Code Enforcement activities of the Town for all areas within its jurisdiction.
 - E. Devise a long-term island security plan.
 - F. Ensure that in the event of natural disaster, appropriate plans are in force to accommodate evacuation, emergency law enforcement and any other services required to ensure the personal safety of all citizens, property owners, and visitors to Kiawah Island, and to secure all properties within the boundaries of the jurisdiction of the Town.
 - G. At the will and direction of Town Council, engage in any activities, investigations, analyses, etc. relating to public welfare and safety.
 - H. Make recommendations to Town Council on ways to improve the quality of public safety on the Island.
- VI. Committee meetings shall be noticed and open to the public as is required by State law. In addition to committee members, other invited guests and special consultants may participate from time to time.
- VII. The Committee will be responsible to the Town Council and has no authority to spend funds or supervise staff except as approved by Town Council. Annually, the Committee will prepare a budget request covering committee activities for submittal to Town Council for approval and inclusion in the overall budget, if appropriate. The Committee Chairman shall report to Town Council on regular Town Council meeting dates.



Request for Town Council Action

TO: Mayor and Council Members

FROM: Rusty Lameo, Facility Manager

SUBJECT: Beach Franchise Agreement

DATE: 01/05/2018

BACKGROUND:

The Town of Kiawah Island has for the last 30 years franchised a Beach Umbrella and Chair company to service our property owners and their guest while enjoying the beach. The present franchise agreement is set to expire as of March 31, 2018. We have issued a Request for Proposal (RFP) and have received bids from two companies.

ANALYSIS:

We received bids from the Kiawah Island Beach Chair Company and Island Beach Services, both on bids were on time and complete. A review group was assigned to evaluate and make recommendations based upon the scope of work as listed in the RFP. Upon completion of this evaluation the group made a unanimous decision based upon six evaluation ratings.

ACTION REQUESTED:

The Staff recommends to award the Beach Franchise to Island Beach Services

BUDGET & FINANCIAL DATA:

Franchise Fee for this contract will be \$300,000.00 or 30%

BEACH FRANCHISE PROPOSAL
FOR THE TOWN OF
KIAWAH ISLAND



Submitted by
ISLAND BEACH SERVICE, INC.

SUBMITTAL FORM
Offeror to complete all blanks

PageOne

DATE::Dec. 5, 2017

ORGANIZATIONAL Information

NAME OF OFFEROR: Island Beach Service, Inc.

BUSINESS ADDRESS: 4011 Betsy Kerrison Pkwy
Johns Island, SC 29455

BY SUBMITTING THIS PROPOSAL, THE UNDERSIGNED OFFEROR REPRESENTS:

1. that he has carefully examined specifications for the Services;
2. that he is familiar with all the conditions surrounding the performance of the Services;
3. that, if awarded the Contract, he will provide all labor, material, supplies and equipment necessary to execute the Services in accordance with the Contract Documents;
4. that he understands that the Town reserves the right to reject any or all responses which does not meet the proposal requirements, or all proposals in the event that the Project is cancelled, postponed, or if it is in the best interest of the Town of Kiawah Island;
5. that, if awarded the Contract, he will enter and execute a contract as required in the Request for Proposals (RFP);
6. that the Offeror is legally able to enter into and perform a contract, if awarded;
7. that the Offeror is current on all taxes and fees owed to the Town.
8. that the Offeror has provided proof of insurance as required by the Town.

NON-COLLUSION OATH

COUNTY OF: Charleston

STATE OF: South Carolina

Before me, the Undersigned, a Notary Public, for and in the County and State aforesaid, personally appeared Leonard K. Neal and made oath that the Offeror herein, his agents, servants, and/or employees, to the best of his knowledge and belief, have not in any way colluded with anyone for and on behalf of the Offeror, or themselves, to obtain information that would give the Offeror an unfair advantage over others, nor have they colluded with anyone for and on behalf of the Offeror, or themselves, to gain any favoritism in the award of the contract herein.

SWORN TO BEFORE ME THIS 4th DAY OF November, 2017



Leonard K. Neal

Authorized Signature for Offeror

Please print Offeror's name and address:

LEONARD K. (Butch) NEAL
3192 DONNELLY CIRCLE
JOHNS ISLAND, S.C.
29455

M B Ambrose

PRINT NAME: M B Ambrose

NOTARY PUBLIC FOR THE STATE OF South Carolina

My Commission Expires: 9/10/2023

INSURANCE COMPANY 16144
6101 A VACAPRI BLVD., LANSING, MI 48917-3999
AGENCY ASSURED NEACE LUKENS INS AGENCY INC
16-0277-00 MKT TERR 081 (843) 569-1888

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY INFORMATION PAGE-RENEWAL AGREEMENT

INSURED ISLAND BEACH SERVICES

Renewal Effective 02-13-2016

POLICY NUMBER 071716 36605134

Company Use 36-17-SC-0207

ADDRESS PO BOX 771

JOHNS ISLAND SC 29457-0771

Company
Bill

POLICY PERIOD

12:01 A.M. 12:01 A.M.
02-13-2016 to 02-13-2017

ITEM 1. INSURED: ISLAND BEACH SERVICES
4011 BESTY KERRISON PKWY
JOHNS ISLAND, SC 29455

INSURED IS: Corporation

ITEM 2. POLICY PERIOD: 02-13-2016 (12:01 A.M.) to 02-13-2017 (12:01 A.M.)
(Based on the insured's address shown in Item 1.)

ITEM 3. A. WORKERS' COMPENSATION INSURANCE: Part One of the policy applies to 'Workers' Compensation Law of the states listed here: SC

B. EMPLOYERS LIABILITY INSURANCE: Part Two of the policy applies to work in each state listed in ITEM 3. The limits of our liability under Part Two are:

Bodily Injury by Accident	\$500,000	Each Accident
Bodily Injury by Disease	\$500,000	Each Employee
Bodily Injury by Disease	\$500,000	Policy Limit

C. OTHER STATES INSURANCE: Part Three of the policy applies to the states, if any, listed here: AL, AZ, AR, CO, FL, GA, ID, IL, IN, IA, KS, KY, MI, MN, MO, NE, NC, PA, SC, SD, TN, UT, VA, & WI unless already listed in ITEM 3A.

ITEM 4. The premium for this policy will be determined by our manuals of rules, classifications, rates and rating plans. All information required below is subject to verification and change by audit.

CLASSIFICATION OF OPERATIONS			PREMIUM BASIS		RATES	
			CLASS CODE	ESTIMATED ANNUAL REMUNERATION	RATE PER \$100	ESTIMATED ANNUAL PREMIUM
STATE OF SOUTH CAROLINA ID# 0010 (See FED NUM 001) DESC 001 STORE - RETAIL NOC			8017	229,452	2.74	6,287
SOUTH CAROLINA PREMIUM SUMMARY						
TOTAL						6,287
INCREASED LIMITS ITEM 3 B					50	6,337
MINIMUM DIFFERENCE ITEM 3 B					25	6,362
.940 EXPERIENCE MOD					382-	5,980
PREMIUM DISCOUNT					50-	5,930
POLICY PREMIUM SUMMARY						
EXPENSE CONSTANT					230	6,160
TERRORISM-SEE FORM 27317					44	6,204
CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)					44	6,248

AUTO-OWNERS INS. CO.

Issued 12-30-2015

AGENCY ASSURED NEACE LUKENS INS AGENCY INC
16-0277-00 MKT TERR 081

Company POLICY NUMBER 071716 36605134
Bill Company Use 36-17-SC-0207

INSURED ISLAND BEACH SERVICES

Term 02-13-2016 to 02-13-2017

SEE FORM 27322

TOTAL ESTIMATED ANNUAL PREMIUM

6,248

FEDERAL ID: 561560749
COUNTY: 010
MINIMUM PREMIUM: \$812 SOUTH CAROLINA
SC EXPERIENCE RISK ID: 390563604
AUDIT IS: ANNUAL

The Paid in Full Discount does not apply to fixed expense fees, statutory charges or minimum premiums.

The Paid in Full Discount is based on favorable loss experience for the collective group of policyholders who choose to pay their premium in full directly to the company.

Your policy qualifies for the Paid in Full Discount if you choose to pay your premium in full. Your Paid in Full Discount may change as a result of policy changes. These changes will be reflected in a future invoice.

TOTAL ESTIMATED ANNUAL PREMIUM

6,248

PAID IN FULL DISCOUNT

421-

TOTAL POLICY PREMIUM IF PAID IN FULL

5,827

ENDORSEMENTS:

14019 (02-08)C	27011 (04-84)A(WC000308)	27217 (09-96)A
27279 (07-03)A(WC000419)	27317 (01-15)B(WC000422B)	27320 (03-06)A
27322 (01-15)B(WC000421D)	27392 (07-12)	27395 (10-14)A(WC000000C)
27411 (01-13)	2778 (04-84)A(WC000403)	27942 (11-90)A(WC000414)
27952 (01-96)A		

AUTO-OWNERS INS. CO.

Issued 12-29-2015

AGENCY ASSURED NEACE LUKENS INS AGENCY INC
16-0277-00 MKT TERR 081Company POLICY NUMBER 072316-36126093-16
Bill

INSURED ISLAND BEACH SERVICES INC

Term 02-13-2016 to 02-13-2017

55040 (11-87)

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal Injury And Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT	
Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	\$300,000 Any One Premises
Medical Payments	\$10,000 Any One Person
Hired Auto & Non-Owned Auto	\$1,000,000 Each Occurrence
Expanded Coverage Details See Form:	
Extended Watercraft	
Personal Injury Extension	
Broadened Supplementary Payments	
Broadened Knowledge Of Occurrence	
Additional Products-Completed Operations Aggregate	
Blanket Additional Insured - Lessor of Leased Equipment	
Blanket Additional Insured - Managers or Lessors of Premises	
Newly Formed or Acquired Organizations Extension	
Blanket Waiver of Subrogation	

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55300.

AUDIT TYPE: Annual Audit

Forms that apply to this coverage:

55405 (07-08)	59351 (01-15)	55146 (06-04)	55300 (07-05)	IL0017 (11-85)
IL0249 (10-07)	55202 (12-04)	55091 (10-08)	55296 (09-09)	55526 (07-11)
IL0021 (07-02)	55513 (11-11)	55592 (02-14)	59392 (01-15)	

**COMMERCIAL GENERAL LIABILITY
55202 (12-04)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED EXCLUSION - PRODUCTS-COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization (Additional Insured):

TOWN OF KIAWAH ISLAND

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Under SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, the following exclusion is added:**

2. Exclusions

This insurance does not apply to:

The Additional Insured for the "products-completed operations hazard".

- B. Under SECTION II - WHO IS AN INSURED, the following is added:**

The person or organization shown in the above Schedule is an Additional Insured, but only with respect to liability arising out of "your work" for that insured by or for you.

- C. Under SECTION III - LIMITS OF INSURANCE, the following is added:**

The limits of liability for the Additional Insured are those specified in the written contract or agreement between the insured and the owner, lessee or contractor, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the limits of insurance shown in the Declarations.

- D. Under SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance, the following is added:**

This insurance is primary for the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that person or organization by or for you. Other insurance available to the person or organization shown in the Schedule will apply as excess insurance and not contribute as primary insurance to the insurance provided by this endorsement.

BUSINESS LICENSE CERTIFICATE

TOWN OF KIAWAH ISLAND

21 Beachwalker Dr • Kiawah Island SC 29455
Phone: (843) 768-9166 • FAX (843) 768-4764
www.kiawahisland.org

ISLAND BEACH SERVICES, INC
PO BOX 771
JOHNS ISLAND, SC 29457

2017

BUSINESS NAME:
ISLAND BEACH SERVICES, INC

BUSINESS DESCRIPTION:
Class 7

BUSINESS OWNER:
BUTCH NEIL

NAICS CODE:
7015 - RECREATIONAL GOODS
RENTALS

BUSINESS LOCATION:
PO BOX 771
JOHNS ISLAND, SC 29457

ACCOUNT #:
001820

BUSINESS LICENSE NUMBER:
BL003923-01-2017

Account Number:	001820
Business License Number:	BL003923-01-2017
Effective Date:	January 12, 2017
Expiration Date:	December 31, 2017

TO BE POSTED IN A CONSPICUOUS PLACE

BUSINESS LICENSE:

The Offeror is not required to have valid business licenses to submit a Proposal. However, Offeror's must possess a valid Business License for business undertaken within the corporate limits of the Town of Kiawah Island.

Does your business have a valid Town of Kiawah Island Business License?

☒ Yes ☐ No If yes, list the number BL003923-01-2017

Contact (843) 768-9166 with any questions. If no, a business license must be obtained upon award of the contract.

INSURANCE:

The successful offeror, at his own expense, shall keep in force and at all times and maintain during the term of any contract resulting from this RFP the insurance requirements as outlined below.

GENERAL LIABILITY: \$1,000,000 combined single limit per occurrence for bodily injury, property damage, and personal injury with a \$2,000,000 general aggregate limit.

AUTOMOBILE LIABILITY: \$1,000,000 combined single limit per accident for bodily injury and property damage.

WORKERS' COMPENSATION: Statutory limits are required by South Carolina state law, and employer's liability limits of \$100,000 per accident.

The successful offeror shall provide acceptable Insurance Certificate(s) and Endorsement(s) to the Town no later than the execution of any contract resulting from this RFP. The Town reserves the right to receive any additional documentation or information verifying insurance coverage as the Town deems necessary. The Town may contact the successful offeror's insurance agent(s) or carrier(s) directly concerning any insurance issues.

The Town of Kiawah Island must be advised immediately of any changes in required coverage(s).

INDEMNIFICATION

Except for expenses or liabilities arising from the negligence of the Town, the offeror hereby expressly agrees to indemnify and hold the Town of Kiawah Island harmless against any and all expenses and liabilities arising out of performance or default of any resulting contract as follows:

The offeror expressly agrees to the extent that there is a causal relationship between its negligent, reckless or intentionally wrongful action or inaction, or the negligent, reckless or intentionally wrongful action or inaction of any of its employees or any person, firm or corporation directly or indirectly employed by the offeror, and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage or loss) that is suffered by the Town and its employees or any member of the public, to indemnify and save the Town and its employees harmless against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising out of the performance or default of any resulting contract from this RFP. Such costs are to include any defense, settlement, or reasonable attorneys' fees incurred by the Town or its employees. This promise to indemnify shall include bodily injuries or death occurring to offeror's employees and any person directly or indirectly employed by the offeror (including without limitation any employee of any subcontractor), the Town's employees, the employees of any other independent contractors, or occurring to any member of the public. When the Town submits notice, offeror shall promptly defend any aforementioned action. This obligation shall survive the suspension or termination of this Agreement. The limits of insurance coverage required herein shall not serve to limit this obligation to indemnify. The recovery of costs and fees shall extend to those incurred in the enforcement of this indemnity.

MINORITY/WOMEN-OWNED ENTERPRISE:

Are you a Minority or Woman-Owned business? ___ Yes ☒ No

If so, are you certified? ___ Yes ___ No

If you are certified, you must furnish a copy of your certificate with your submittal.

TO: TOWN of KIAWAH ISLAND

RE: BEACH FRANCHISE AGREEMENT

DEAR MAYOR WEAVER and TOWN COUNCIL

Firm description, background, size, and legal status

Island Beach Service, Inc., was incorporated in April of 1987. IBS has operated from that date as a "S" Corporation on Kiawah Island,

The President and General Manager is Butch Neal. Before being awarded the first umbrella/chair Franchise on Kiawah Island, Butch had already obtained twenty (20) years experience on Myrtle Beach and Hilton Head Island, supervising beach services.

IBS, Inc. and Butch have operated its beach service on Kiawah Island for the last Thirty (30) years without interruption. IBS, Inc. first worked with the Resort owners, before the Town incorporated. The first Mayor, Bo Turner asked Butch to draft the first "Beach Service Operations Manuel" and IBS, Inc. has operated The Umbrella/Chair Franchise since. During that period, the Town has produced several "RFP's, that included evaluation processes. IBS, Inc, has outscored its competition each time.

For the past ten (10) years, IBS, Inc. has employed three (3) full-time supervisor and eighteen (18) seasonal attendants during the summer for stations at the boardwalks.

IBS, Inc. present operations include a General Manager overseeing the three (3) supervisors. One supervisor on the west beach and east beach area respectfully and a third supervisor for the Flyway Drive area. Those supervisors are mobile and equipped with cell phones at all times. A fourth supervisor "fills in" on their off days. Two of the supervisors have been employed with IBS for over Twenty (20) years and the other two over ten (10) years.

BEACH FRANCHISE AGREEMENT

PAGE TWO

Quality of service

Having operated for over thirty -five(35) years on two gated resorts, (Sea Pines on Hilton Head Island and Kiawah Island), the owner of IBS, Inc. knows the intricacies and diplomacy it takes to fulfill the needs of a "higher end" clientele. In this day of high-tech communication, it would not take long for a disgruntled guest to report back to the appropriate authority concerning the lack of service they might receive. Operating on Kiawah Island and its owner having all those years of experience, IBS is well known as a leader in the beach service business. IBS knows the importance of training and keeping personnel over the years for the greater continuity of its operation. IBS does not hire an hourly employee to just sit on the beach, but has always paid a commission and bonus to its employees to maintain a higher standard of service to its guests and their families. Supervisor bonuses depends on the quality of service that the attendants that work under them exemplify. IBS, services hundreds of returning guest and dozens of Kiawah "Home Owners", therefore, quality of service and quality of equipment must be "topnotch". IBS, purchases 200 new setups yearly. Rental Agencies or guest, themselves, can call the reservation line and IBS can have them set up in 30 minutes. Supervisors attend to rentals during the remaining year, on request, weather permitting. IBS, Inc. also expresses to its employees how fragile and important the beach is to any community and schools its employees on trash pick-up, turtle nesting, etc. in their respective areas. I.B.S. attendants keep these areas attended from early March through October, seven (7) days a week, from 8:30 to 5:30.

Level of service, proposed staffing, and equipment availability

IBS, Inc. being the only beach service that has operated on the entire beach of Kiawah, has great insight on staffing levels and amounts of equipment needed. This would be a tremendous disadvantage to any entity not knowing how the season flows. There is a tremendous learning curve to be able to fill Reservations over the phone from guest that don't have accommodations directly on the beach (several blocks back). Which boardwalk do you lead them to? IBS Employees have learned this only by the experience they have gained servicing these areas and working with the Rental Agencies for many years. IBS has operated during those years, as the business has grown, with the following number of attendants, equipment, and years of experience on Kiawah Island, These are not guesses and it is not information obtained by watching I.B.S. operate its business! These are actual numbers!

<u>Boardwalks</u>	<u>Attendants</u>	<u>Experience</u>	<u>Maximum Equipment</u>
1-3	1	Scott Young (14 Years on K.I.)	75 sets
4	0	(No Access, Old Inn Area	N/A
5-6	1	Brian Chadwell, 6 years on K.I.)	45 sets
7-8	1	Ben Edwards, 10 years on K.I.)	75 sets

<p align="center">BEACH FRANCHISE AGREEMENT</p> <p align="center">PAGE THREE</p>
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Level of service, proposed staffing, and equipment availability continued.....

<u>Boardwalks</u>	<u>Attendants</u>	<u>Experience</u>	<u>Maximum Equipment</u>
9-16	(Eugenia) 1	Erich Thomas Mobile Supervisor (28 years on K.I.)	75 sets
17-22	4	Rigby Thorvalson, Kevin Crepas, Charles McQueeney (14 years on K.I.)	205 sets
Sanctuary	(Resort's Area)		N/A
27-28	1	Ben Redden (4 years on K.I.)	75 sets
29-30	1	David Redden (5 years on K.I.)	75 sets
31-36	1	Trevor Cyrulik Mobile Supervisor (23 years on K.I.)	90 sets
36-O. Course	1	Scott Watson Mobile Supervisor (5 years on K.I.)	50 sets
40	1	Ryan Braswell (5 years on K.I.)	50 sets
	13.....	(18 Atts. With Fill-ins)	(815 sets)

General Manager - Butch Neal
Over 50 years experience
30 years on K.I.

BEACH FRANCHISE AGREEMENT

PAGE FOUR

Cooperative partnerships to enhance visitors' experience on the beach

Having been involved with the meetings of Shore Enterprises Beach Service with the Town of Hilton Head upon its incorporation, the owner of IBS knew IBS should go to the Town to continue its business when the Town of Kiawah Island incorporated. From those meetings IBS was granted the first beach franchise by Mayor Bo Turner. IBS has worked hard and diplomatic over the years going beyond what was simply required to make sure each mayor and council and town administrator was pleased with how it operated its business. We are humbled to have been able to operate all these years on this beautiful Island and with the Town of Kiawah. Hopefully, that continues today, because IBS is very grateful for this opportunity. During those first few years the beach service actually doubled as the Beach Patrol using town-supplied radios to find lost kids and use first aid when necessary. In doing this, it seems as though now, the attendants and supervisors are the first contacts when something goes wrong on the beach. They in turn contact the Beach Patrol. This presents a good working relationship with both the beach service and Beach Patrol as we are able to answer questions for them. The Supervisors and some attendants are cross-trained to substitute in for Beach Patrol in case of an emergency.

Early on, IBS became involved with the rental entities on the island. IBS handled beach service reservations for the Kiawah Island Inn and began handling those reservations for the Villa check-in and continues to take care of their reservations in IBS's area of the beach today. Also, in those early years, IBS contacted what was Ravenel Associates and is now Windham Vacation Rentals to take care of their guest's request for reserved umbrellas and chairs. That also continues to the present. The same arrangement also exists with Pam Harrington Exclusives, Beach walker Rentals, Sweetgrass Properties and more recently with Exclusive Resorts. Most of the rental agencies, umbrella/chair reservations are made ahead of time during the year, through IBS's "reservation line" or "on-line" web site. If they or the guest waits to the last minute, with our telephone system, we can have them setup and tagged by the time they get to the beach. A majority of these guests are repeat customers and employees know them by name as well as them knowing the employees by name. In areas of the beach that we call "out of bounds" because those areas are along our residential sections, IBS has many repeat homeowners that rent umbrellas and chairs on a long term or seasonal basis. The supervisors know when to set up the equipment and when to discontinue the setup and collect it. All of these relationships have made us very proud to wear the logoed uniform of IBS and as you can see, the employees of IBS are more than just hourly employees. IBS and its owner feel as if they are a part of the makeup of the whole island because of the experience they provide. We think the beach is probably the biggest asset of Kiawah Island,

BEACH FRANCHISE AGREEMENT

PAGE FIVE

Rates

Because so many of IBS's rentals are repeat customers and so many are homeowners, and because of the relationships it has formed with these customers, IBS has tried to keep its rates at a fair market price with minimum increases. There has been no increase in rates for eight (8) years. Even with no price increases, Revenues have gone up an average of \$54,000.00 each year for the last eight years.

The current prices are as follows:

Setup (one umbrella and two chairs).....	27.45 per day
	114.35 4 to 7 days
Single Chair.....	9.15 per day
	41.25 per week
Single umbrella.....	13.70 per day
	59.50 per week
Boogin Boards.....	9.15 per day
	41.25 per week
Soft Surfboards.....	45.00 per day
	150.00 per week
Paddle Boards.....	50.00 per day
	200.00 per week
Kayak.....	60.00 per day
	200.00 per week
Surf Lessons.....	45.00 per person

IBS, continues to honor the "Resort Rewards" program where in Villa and Homeowners that rent out their homes through the Resort get a fifty (50) percent discount on their beach equipment rentals.

IBS also gives homeowners "preferred pricing" on monthly, seasonal, and long term rentals.

BEACH FRANCHISE AGREEMENT

PAGE SIX

Financial stability

The financial stability of IBS, Inc. has continued to remain strong through its years of operation on Kiawah. IBS has continued to have an increase each year in gross rentals with minimal price increases until 2008 and no increase since. Revenues have grown from \$600,000.00 at the end of 2011 to over \$950,000.00 for the 2017 season. That's an average increase of over \$50,000.00 each year.. Last year, for the season, IBS rented a little over 7,000 "setups". IBS has absolutely no debt and has never carried a debt in its 30 years of operation. Major expenditures have always been paid by check as new equipment and vehicles have been added each year. The Town of Kiawah has always received the Franchise Check many months before it is due each year. The corporation is small by industry standards, but this may be a reason as to how we can set the bar as high as we do. With equipment, vehicles, property, and a building, IBS has total assets of over one million dollars (\$1,000,000.00). IBS has grown over the years and continues to use Wells Fargo as its banking partner for its business account.

BEACH FRANCHISE AGREEMENT PAGE SEVEN

Franchise Fee:

In Compliance with Request for Proposals, the undersigned hereby proposes to provide all services , materials, equipment, and labor, except as otherwise provided noted, for the Kiawah Beach Franchise agreement in exchange for the following franchise fee:

Proposed Franchise Fee

\$300,000.00 OR 30%

NAME OF COMPANY: Island Beach Service, Inc.

By: *Leonard K. (Butch) Neal* LEONARD K. (Butch) Neal
Signature Print Name

Title: Owner/Operator , C.O. (i.e., Owner Partner, Corporate Officer, etc.)

Address: 3192 Donnelly Lane

City: Johns Island State: SC Zip: 29455

Telephone: Number: (843) 819-4334 Business Fax Number: (843) 559-4334

Is your firm a X Corporation, _____ Sole Proprietorship, or _____ Partnership?

If incorporated, please list state of incorporation: North Carolina

FEIN or SSN: 56-1560749

BEACH FRANCHISE AGREEMENT

PAGE EIGHT

Resume

L.K. (Butch) Neal
3192 Donnelly Lane
Johns Is, SC 29455
(843) 819-4334

Education: University of South Carolina, Columbia, SC
Bachelor of Arts, 1972
Graduated

Winthrop University, Rock Hill, SC
Master of Arts in Teaching 1983
Received

Beach Related Experience:

Supervisor of Lifeguards for J.B.S 1964 - 1978

Supervisor of Lifeguards for Shore Enterprises, Hilton Head Island.
1982-1986

Thirty years as an Owner/Operator on Kiawah's Beach.

Other Experience:

Taught High school Algebra and Geometry
1978-1994

Fifty years as a Beach Attendant or Owner/Operator.



Request for Town Council Action

TO: Mayor and Council Members

FROM: Rusty Lameo, Facility Manager

SUBJECT: PM Agreement for HVAC System

DATE: 1/5/2018

BACKGROUND:

Having recently completed the new Municipal Building the operating equipment located within the building must be routinely service to maintain its operating ability. Because of the complexity of these units, staff has decided to utilize the contractors who installed the systems for the first year of service. Additional service agreements will be put out for bid.

ANALYSIS:

The HVAC system installed within our building is complex with 33 filters and 40 conditioning units (external and internal). Most of the equipment is located within the ceilings throughout the building creating the need for lifts to service many of the components. Standard HVAC usually only require twice yearly service but due to nature of its size and complexity our new system is requiring service four times yearly.

ACTION REQUESTED:

Staff is recommending awarding a one-year contract to Triad Mechanical Contractors to perform Preventative Maintenance (PM) Services on the HVAC system. The Town has performed the PM Service to change all filters this past November and that amount will be deducted from the yearly cost of maintenance as show on their quote.

BUDGET & FINANCIAL DATA:

Services to be provided for yearly preventive maintenance would include (2) Small PM Services at a cost of \$5,870.00 and (1) Large PM Service at \$7,200.00. Total balance for this year's services \$18,940.00.



TRIAD MECHANICAL CONTRACTORS
P.O. Box 31518
Charleston, South Carolina 29417
(843) 556-5636 / www.triadmc.com

QUOTE

Customer

Name Town of Kiawah Island Municipal Complex
Address 4475 Betsy Kerrison Pkwy
City Johns Island State SC ZIP 29455
Attn:

Misc

Quote No: JS-10047
Quote Date: 10/23/17
Service Date:
PO #:

Qty	Description	Unit Price	TOTAL
3	Provide all labor, materials and equipment to do a seasonal Preventive Maintenance for the whole building systems. Spring/Summer/Winter Small PM Includes: PM Service on 21 IDHPs, 1 Outsider Air Unit (DHS) & 3 ODHPs Includes MERV 8 Filters for All Filter Grilles and Outside Air Unit, and Merv13 Filters on 2 IDHPS in the ceiling.	\$ 5,870.00	17,610.00
1	Provide all labor, materials and equipment to do a Large seasonal Preventive Maintenance for the whole building systems, including back garage units. Fall PM Large PM Includes: PM Service on 21 IDHPs, 1 Outside Air Unit (DHS), 3 ODHPs, 6 EFs, 7 EUH's & 2 CUHs. Includes MERV 8 Filters for all Filter Grilles and Outside Air Unit, and MERV13 Filters on 2 IDHPS in the ceiling.	\$ 7,200.00	7,200.00

Subtotal 24,810.00

Shipping

Tax Rate(s)

8.50%

TOTAL \$ 24,810.00

Payment

Check

Comments

Name

CC #

Expires

Office Use Only

Acceptance of quote:



Request for Town Council Action

TO: Mayor and Council Members

FROM: Rusty Lameo, Facility Manager

SUBJECT: Repair Work (Storm Damage) Kiawah Island Parkway

DATE: 1/5/2018

BACKGROUND:

Over the course of the last two years, The Town of Kiawah Island has experienced damage to sections of our Parkway's easements due to flooding and severe rain. Many of these areas have seen erosion and plant damage putting the road edge and asphalt in jeopardy of failing,

ANALYSIS:

Due to severe rain and flooding many areas of the Parkway have eroded to the point of damage to the road's edge. Staff and The Greenery have identified these areas and have listed locations and actions to make repairs to them. Repairs to irrigation line, rebuilding the drop offs with soil and replanting of plants along these areas will return to original appearance. Estimate within your packages show the areas in question and actions needed to make repairs.

ACTION REQUESTED:

Staff request approval of this project

BUDGET & FINANCIAL DATA:

Cost for The Greenery to make repairs to the damaged areas of the Parkway are \$17,154.82.



the greenery

Charleston, SC 29403

Estimate

Date	Estimate #
11/27/2017	PkwyFillIn

The Town of Kiawah
4475 Betsy Kerrison Pkwy
Kiawah Island, SC 29455

This is an estimate only. This is not an invoice for services performed. Estimates will be billed once work is performed.

RE: Kiawah Parkway

Description	Quantity	Unit Price	Total
Proposal is for the installation of plant material to fill in gaps/voids. Drip irrigation will be installed to provide water to all new plant material.			
Cassique Turn Lane Area:			
1 gallon Spartina Patens	109	7.50	817.50
Soil and Labor to fill in washout areas			178.08
Irrigation Installation Materials and Labor			593.36
Cassique Exit to Bridge:			
1 gallon Spartina Patens	515	7.50	3,862.50
Soil and Labor to repair washout areas			529.62
Irrigation Installation and Labor			1,005.25
Bridge to Little Rabbit Island (inbound side)			
1 gallon Spartina Patens	130	7.50	975.00
1 gallon Sweetgrass	195	7.50	1,462.50
Soil and Labor to repair washout areas			141.54
Irrigation Installation Materials and Labor			1,182.50
Little Rabbit Island to Bridge (outbound side)			
1 gallon Spartina Patens	215	7.50	1,612.50
1 gallon Sweetgrass	290	7.50	2,175.00
Irrigation Installation Materials and Labor			1,766.25

The Greenery, LLC agrees to guarantee all plants, which are covered by an automatic sprinkler system for one full year. Plants not covered by a sprinkler system are guaranteed to be healthy and properly planted at the time of installation. Guarantee shall not apply to plants the loss of which is due to abuse, vandalism, animal, fire, lightning, hail, vehicular damage, freeze or Acts of God. The Greenery, LLC does not guarantee the life of transplanted plants.

Subtotal \$16,301.60

The Greenery, LLC is not responsible for damage to underground irrigation lines, pipes, wiring, invisible fencing, or lighting systems whose locations are not marked by homeowner or property manager prior to work beginning.

Sales Tax (9.0%) \$853.22

Prices quoted will be honored for 30 days from date of proposal.

ACCEPTANCE OF PROPOSAL

Total \$17,154.82

The above prices, specifications and conditions are satisfactory and are hereby accepted. A signed copy of this proposal will be returned as my authorization to do the work as specified.

Signature _____

Date _____

Phone 843-884-0084

www.thegreeneryllc.com

Fax 843-216-0437



Request for Town Council Action

TO: Mayor and Council Members

FROM: Rusty Lameo, Facility Management

SUBJECT: Engineering Services for Parkway Road and Drainage Improvements

DATE: 1/5/2018

BACKGROUND:

Having served the Island for over thirty years as our main access, the Kiawah Island Parkway now requires service and maintenance. Having been over ten years since the last major surfacing, the roadway is starting to show its age with numerous cracks and depressions along its entire length. With the increase of traffic and size of vehicles now using the roadway this need for repairs has been increasing steadily.

ANALYSIS:

The Public Works Committee has discussed these issues and formulated a REQUEST for PROPOSAL, which was posted in accordance to our policies. This request asked for an engineering firm to evaluate the Parkway and its drainage system to determine necessary repairs and updates. The report would include the entire Parkway from the first gate through the round-a-about, including 60' onto all exit spurs, approximately 2.4 miles in total. Estimated start time of this project would be within the 2018/2019 budget year. The Town received one bid response for this project from Soil Consultants, Inc. Options of the PWC felt the cost frame of the project was within-line with industry standards.

ACTION REQUESTED:

The Public Works Committee after review, is requesting the bid submitted by Soil Consults, Inc to be forward to the Ways & Means Committee for their recommendation to Town Council for approval. Bid approval would be based upon the bid to not exceed \$95,000.00 and positive review of their references.

BUDGET & FINANCIAL DATA:

The engineering and surveying costs for this project is \$94945.00, not to exceed \$95,000.00.



SOIL CONSULTANTS, INC.

ENGINEERS AND GEOLOGISTS

SINCE 1951

P.O. DRAWER 698 • CHARLESTON, SC 29402 • (843) 723-4539 • Fax (843) 723-3648
www.soilconsultantsinc.com

December 6, 2017

Town of Kiawah Island
4475 Betsy Kerrison Parkway
Kiawah Island, South Carolina 29455

Attention: Mr. Rusty Lameo

Re: Request for Proposals – Engineering Services for a Geotechnical
Roadway Evaluation for the Town of Kiawah Island
Kiawah Island Parkway

Dear Mr. Lameo:

Soil Consultants, Inc. (SCI), an SCDOT DBE and SBE and Governor's OSMBA WBE firm, is pleased to submit this letter to express our interest in the referenced project.

Since being incorporated in South Carolina in 1951, SCI has been providing geotechnical engineering and construction materials testing services for clients throughout South Carolina. We have significant experience with geotechnical engineering projects on Kiawah Island and performed geotechnical engineering for many of the residential and commercial development projects there. Our laboratory is AASHTO-accredited and is a U.S. Army Corps of Engineers Validated Laboratory.

To provide the surveying and topographic assessment and the evaluation and assessment of the stormwater drainage conditions, we have teamed with Forsberg Engineering & Surveying, Inc. (Forsberg). Forsberg has been providing engineering and surveying services in the Charleston, South Carolina area since 1985 and has performed these type of services for numerous projects located in the Charleston area and on Kiawah Island. Forsberg is also an SBE firm.

The primary contact for this submittal is Ronald R. Austin. My contact information is as follows:

Ronald R. Austin, P.E.

T: 843.723.4539 x221

F: 843.723.3648

E: raustin@soilconsultantsinc.com

SCI is recognized by our clients for providing high quality services that meet and exceed their expectations. We and our subconsultant, Forsberg, have the personnel and equipment resources to perform the necessary services for the project and complete the services in a timely manner and within budget. As requested, we have attached a resume of qualifications for each firm. In addition, proposed scopes of work and associated fees for the project are attached. Further, the required submittal forms from the RFP are attached.

SCDOT DBE and SBE

Governor's OSMBA WBE

Request for Proposals – Engineering Services for Geotechnical Roadway Evaluation
Kiawah Island Parkway, Town of Kiawah Island
December 6, 2017
Page 2

We appreciate your consideration of our interest, our credentials, and our experience. We trust that after review of our submittal, you will conclude that the SCI/Forsberg team is the most qualified team to serve the Town of Kiawah Island for this project. We look forward to a favorable response and to negotiating a contract to provide these services for the Town of Kiawah Island.

Sincerely,
Soil Consultants, Inc.

A handwritten signature in black ink, appearing to read "Ronald R. Austin". The signature is fluid and cursive, with the first name "Ronald" and last name "Austin" clearly distinguishable.

Ronald R. Austin, P.E.
Vice President, Engineering

DATE: December 6, 2017

ORGANIZATIONAL INFORMATION

NAME OF OFFEROR: Soil Consultants, Inc.

BUSINESS ADDRESS: P.O. Drawer 698

Charleston, South Carolina 29402

BY SUBMITTING THIS PROPOSAL, THE UNDERSIGNED OFFEROR REPRESENTS:

1. The offeror has carefully examined specifications for the Services;
2. The offeror is familiar with all the conditions surrounding the performance of the Services;
3. If awarded the Contract, the offeror will provide all labor, material, supplies and equipment necessary to execute the Services in accordance with the Contract Documents;
4. understands the Town reserves the right to reject any or all responses which does not meet the proposal requirements, or all proposals in the event the Project is canceled, postponed, or if it is in the best interest of Town of Kiawah Island;
5. If awarded the Contract, will enter and execute a contract as required in the Invitation to Bid;
6. The Offeror is legally able to enter into and perform a contract, if awarded;
7. The Offeror is current on all taxes and fees owed to the Town;
8. The Offeror has provided proof of insurance as required by the Town.

I. PERSONNEL:

Provide a list of personnel that will be committed to this engagement and their job function.

Ronald Austin (SCI), Project Manager/Lead Geotechnical Engineer

Tab Henderson (SCI), Geotechnical Engineer

Joel Hinkel (SCI), Senior (Lead) Technician

Danny Forsberg (Forsberg), Principal in Charge

Gray Lewis (Forsberg), Project Manager/Civil Engineer

Lewis Moore (Forsberg), Surveying Manager

II. EXPERIENCE:

At least three (3) references for similar work performed are required; however, you may provide as many as five (5) references.

1. COMPANY NAME: GEL Engineering, LLC
- Contract Title: FujiFilm Pavement Evaluation
- Contract Period: From 9/28/17 To 11/15/17
- Geographic Area Served Greenwood, SC
- Scope of Work: Pavement Evaluation and Recommendations
- Contracting Office: _____
- Contact Name: Bryan Williams
- Title: Managing Engineer
- Address: 2040 Savage Road
- City: Charleston State: SC
- Telephone: (843) 769-7378
- Email: bryanj.williams@gel.com

II. EXPERIENCE (Continued):

2. COMPANY NAME: Michael Baker International
Contract Title: Public Circulation Road Rehabilitation, CAE Airport
Contract Period: From 3/12/12 To 5/30/12
Geographic Area Served Columbia, SC
Scope of Work: Pavement Evaluation and Recommendations
Contracting Office: _____
Contact Name: Kevin Morris
Title: Project Manager
Address: 700 Huger Street
City: Columbia State: SC
Telephone: (803) 231-3803
Email: kmorris@mbakerintl.com

3. COMPANY NAME: Forsberg Engineering & Surveying, Inc.
Contract Title: Pavement Repairs, The Citadel, North End of Campus
Contract Period: From 1/1/15 To 3/1/15
Geographic Area Served Charleston, SC
Scope of Work: Pavement Evaluation and Recommendations
Contracting Office: _____
Contact Name: Gray Lewis
Title: Project Engineer
Address: 1587 Savannah Highway #B
City: Charleston State: SC
Telephone: (843) 571-2622
Email: gmlewis@forsberg-engineering.com

4. COMPANY NAME: _____
Contract Title: _____
Contract Period: From _____ To _____
Geographic Area Served _____
Scope of Work: _____
Contracting Office: _____
Contact Name: _____
Title: _____
Address: _____
City: _____ State: _____
Telephone: _____
Email: _____

5. COMPANY NAME: _____
Contract Title: _____
Contract Period: From _____ To _____
Geographic Area Served _____
Scope of Work: _____
Contracting Office: _____
Contact Name: _____
Title: _____
Address: _____
City: _____ State: _____
Telephone: _____
Email: _____

BUSINESS LICENSE:

The Offeror is not required to have valid business licenses to submit a Proposal. However, Offeror's must possess a valid Business License for business undertaken within the corporate limits of the Town of Kiawah Island.

Does your business have a valid **Town of Kiawah Island** Business License?

X Yes No If yes, list the number BL004122-01-2017

Contact (843) 768-9166 with any questions. If no, a business license must be obtained upon award of the contract.

INSURANCE:

The successful offeror, at his own expense, shall keep in force and at all times and maintain during the term of any contract resulting from this RFP the insurance requirements as outlined below.

GENERAL LIABILITY: \$1,000,000 combined single limit per occurrence for bodily injury, property damage, and personal injury with a \$2,000,000 general aggregate limit.

AUTOMOBILE LIABILITY: \$1,000,000 combined single limit per accident for bodily injury and property damage.

WORKERS' COMPENSATION: Statutory limits are required by South Carolina state law, and employer's liability limits of \$100,000 per accident.

The successful offeror shall provide acceptable Insurance Certificate(s) and Endorsement(s) to the Town no later than at the execution of any contract resulting from this RFP. The Town reserves the right to receive any additional documentation or information verifying insurance coverage as the Town deems necessary. The Town may contact the successful offeror's insurance agent(s) or carrier(s) directly concerning any insurance issues.

The Town of Kiawah Island must be advised immediately of any changes in required coverage(s).

INDEMNIFICATION

Except for expenses or liabilities arising from the negligence of the Town, the offeror hereby expressly agrees to indemnify and hold the Town of Kiawah Island harmless against any and all expenses and liabilities arising out of performance or default of any resulting contract as follows:

The offeror expressly agrees to the extent that there is a causal relationship between its negligent, reckless or intentionally wrongful action or inaction, or the negligent, reckless or intentionally wrongful action or inaction of any of its employees or any person, firm or corporation directly or indirectly employed by the offeror, and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage or loss) that is suffered by the Town and its employees or any member of the public, to indemnify and save the Town and its employees harmless against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising out of the performance or default of any resulting contract from this RFP. Such costs are to include any defense, settlement, or reasonable attorneys' fees incurred by the Town or its employees. This promise to indemnify shall include bodily injuries or death occurring to offeror's employees and any person directly or indirectly employed by the offeror (including without limitation any employee of any subcontractor), the Town's employees, the employees of any other independent contractors, or occurring to any member of the public. When the Town submits notice, offeror shall promptly defend any aforementioned action. This obligation shall survive the suspension or termination of this Agreement. The limits of insurance coverage required herein shall not serve to limit this obligation to indemnify. The recovery of costs and fees shall extend to those incurred in the enforcement of this indemnity.

MINORITY/WOMEN-OWNED ENTERPRISE:

Are you a Minority or Woman-Owned business? ☒ Yes ☐ No

If so, are you certified? ☒ Yes ☐ No

If you are certified, you must furnish a copy of your certificate with your submittal.

NON-COLLUSION OATH

COUNTY OF: Charleston

STATE OF: SC

Before me, the Undersigned, a Notary Public, for and in the County and State aforesaid, personally appeared Soil Consultants, Inc. and made oath that the Offeror herein, his agents, servants, and/or employees, to the best of his knowledge and belief, have not in any way colluded with anyone for and on behalf of the Offeror, or themselves, to obtain information that would give the Offeror an unfair advantage over others, nor have they colluded with anyone for and on behalf of the Offeror, or themselves, to gain any favoritism in the award of the contract herein.

SWORN TO BEFORE ME THIS 6th DAY OF December, 2017

Ronald R. R.

Authorized Signature for Offeror

Please print Offeror's name and address:

Soil Consultants, Inc.

P.O. Drawer 698

Charleston, SC 29402

Wanda Wyndham
NOTARY PUBLIC FOR THE STATE OF South Carolina

My Commission Expires: July 28, 2025

Print Name: WANDA WYNDHAM





Based on project information provided, we understand that the project includes evaluation of the current condition of the Kiawah Island Parkway and its drainage system and determine the extent of necessary repairs and upgrades, if any, required. In addition, we understand that the project area includes Kiawah Island Parkway and right-of-way from the first gate into Kiawah Island outbound including the roundabout at the intersection with Betsy Kerrison Parkway to 60 feet out from the roundabout in all directions, for a total of approximately 2.4 miles.

For the geotechnical scope of work, we would plan to investigate the existing pavement and near surface soil conditions at selected locations at approximately 500-foot intervals along the Kiawah Island Parkway roadway. Therefore, SCI representatives would perform coring of the existing asphalt pavement at 25 locations and measure and record the thicknesses of the asphalt at the core locations. After the asphalt core is extracted at each test location, we would measure and record the thickness of the underlying base course material and advance hand auger soil borings to depths of approximately 4 feet below the existing ground surface to investigate the subgrade and subsurface soil conditions. During performance of the hand auger borings, dynamic cone penetrometer (DCP) testing would be performed at 1-foot intervals and samples of the subsurface soils encountered would be collected. Following completion of each hand auger boring and DCP testing, the borehole would be backfilled with soil cuttings, and the pavement surface would be patched with cold-mix asphalt patch to match the surrounding pavement grade. In addition, we would collect bulk samples of the near surface soils adjacent to the existing roadway at four selected locations.

To support the stormwater drainage assessment, we would plan to investigate the near-surface soil conditions at selected locations along the roadway shoulders. For this portion of the scope of work, we would plan to perform hand-auger borings at five locations, and the hand-auger borings would be advanced to depths of approximately 3 feet below the existing ground surface. During performance of the hand auger borings, samples of the subsurface soils encountered would be collected. Following completion of each hand auger boring and DCP testing, the borehole would be backfilled to grade with soil cuttings.

Following completion of the field investigation, the soil samples collected would be transported to our laboratory for testing to determine the soil conditions and aid in the classification of the subgrade and subsurface soils. Laboratory testing would include moisture content determination, grain size analysis, Atterberg Limits, Modified Proctor, and California Bearing Ratio (CBR) testing on selected soil and bulk samples.

Upon completion of our field work and laboratory analyses, we will provide a written report describing the investigation activities, laboratory test results, pavement and subsurface conditions encountered, pavement evaluation, and our recommendations for potential pavement rehabilitation alternatives.

Project Timeline:

- | | |
|--|------------------|
| • Geotechnical Field Investigation | 21 calendar days |
| • Geotechnical Laboratory Testing | 21 calendar days |
| • Geotechnical Evaluation and Report Preparation | 14 calendar days |

SCI PROJECT COST ESTIMATE
GEOTECHNICAL INVESTIGATION
 Kiawah Island Parkway
 Kiawah Island, South Carolina
 SCI Proposal No. 14-17-163

Task Description	Unit	Rate	Quantity	Cost
I. Field Services				
Senior Engineering Technician	hour	\$75.00	80	\$6,000.00
Engineering Technician	hour	\$55.00	80	\$4,400.00
DCP Testing	location	\$55.00	25	\$1,375.00
Coring Equipment and Generator	day	\$150.00	8	\$1,200.00
Asphalt Coring and Patching	location	\$75.00	25	\$1,875.00
Field Engineer (Site Reconnaissance & Core Locations)	hour	\$125.00	12	\$1,500.00
Mileage	mile	\$0.65	600	\$390.00
Traffic Control	day	\$2,000.00	8	\$16,000.00
Lodging and Subsistence (2-man Crew)	day	\$225.00	0	\$0.00
Lodging and Subsistence (3-man Crew)	day	\$250.00	0	\$0.00
Task I, Subtotal				\$32,740.00
II. Engineering Services				
Registered Geotechnical Engineer	hour	\$125.00	50	\$6,250.00
Staff Geotechnical Professional	hour	\$100.00	0	\$0.00
Task II, Subtotal				\$6,250.00
III. Laboratory Testing Services				
Moisture Content	each	\$13.00	25	\$325.00
Atterberg Limits	each	\$85.00	10	\$850.00
Wash 200	each	\$50.00	22	\$1,100.00
Sieve Analysis w Wash 200	each	\$110.00	3	\$330.00
Modified Proctor	each	\$150.00	2	\$300.00
CBR	each	\$475.00	2	\$950.00
CU Triaxial	each	\$765.00	0	\$0.00
Task III, Subtotal				\$3,855.00
Estimated Fees:				\$42,845.00

Note: Not-to-Exceed Budget based on geotechnical scope of work described for project.



SOIL CONSULTANTS, INC.
Engineers and Geologists
Since 1951

Exploration Methods

Asphalt coring
Concrete coring
Rock coring
Rotary auger
Test pits
Wash rotary

Sampling

Bulk samples
Piston
Pitcher barrel
Rock coring
Split barrel
Thin-walled tubes

In Situ Testing

California Bearing Ratio
(CBR)
Dilatometer
Dynamic cone penetrometer
Field vane shear
Standard penetration

Instrumentation

Extensometers
Inclinometers
Piezometers
Settlement plates

Soils Testing

Atterberg limits
Borrow qualification
CBR
Classification
CU triaxial compression
Consolidation
Corrosion potential (ph,
resistivity, water soluble
sulfate & chloride)
Direct shear
Dispersive characteristics
Expansion index
Fines content
Hydraulic conductivity
Miniature vane shear test
Moisture-density relations
Organic content
Sieve analysis
Specific gravity
Stabilizer optimization
UC and UU strength
Water content

2016 Experience

- ◆ US 17 Bridge over Sampit River, Georgetown
- ◆ S-32 Bridge Over Little River, Abbeville County
- ◆ 65T-0217 Emergency Bridge Replacement, S-34, Newberry
- ◆ US 176 Dean Swamp Bridges, Old State Road, Holly Hill
- ◆ I-20 Design Build Phase 2, Mile Marker 44 through 60, Columbia
- ◆ Port Access Road, North Charleston
- ◆ Sandy Run Creek Bridge, US-21, Colleton County
- ◆ Alt 17 Replacement Bridge over Sampit River, Georgetown
- ◆ Old Richburg Tract, Mountain Gap Road, Richburg
- ◆ S-32 Bridge over Little River, Abbeville
- ◆ Replacement Bridge over Rumphs Hill Creek, Summerville
- ◆ Mingo Creek Bridges, S-45-121, Mingo Chandler Road, Hemingway
- ◆ Grier Swamp Bridge, S-26-106, Long Ave., Conway
- ◆ Emergency Bridge Package 5, US-301 Bridges between S-14-50 and S-14-104, Clarendon County
- ◆ I-526 Widening, Leeds Avenue to Rivers Avenue, North Charleston

2015 Experience

- ◆ Emergency Bridge Replacement, S-57 Bridge over Barfield Mill Creek, Florence
- ◆ Sawmill Branch Bridge, Dorchester County
- ◆ S-41 Bridge over Smith Swamp, Marion
- ◆ Dean Swamp Bridge over US 176, 5336 State Road, Holly Hill
- ◆ Bridge Replacement, Rockbridge Road, Columbia
- ◆ Bridge Replacement, Congaree Road (SC7-69), Columbia
- ◆ Bridge Replacement, Bluff Road between Adams Scott Road (SC 48) and Fork Church Road, Columbia
- ◆ Bridge Replacement, Congress Road, Old Leesburg Road to Old Leesburg Road East, Eastover
- ◆ Volvo I-26 Interchange, Berkeley County
- ◆ District 3 Emergency Bridge Replacement, S-23-97, River Falls Road and Devils Fork Road, Marietta
- ◆ Bridge Replacement S-42-208, Spivey Creek Road, Landrum
- ◆ Bridge Replacement S-39-129, Rhymes Lane, Pickens
- ◆ Bridge Replacement S-23-335, Edwards Road, Taylors
- ◆ Bridge Replacement S-23-191, Jones Mill Road, Fountain Inn
- ◆ Bridge Replacement S-37-129, Perkins Creek Road, Seneca
- ◆ I-20 Rehab, between Mile Markers 105.8 and 121, Lee County
- ◆ Design Build, Phase I, I-85 MM80-MM96, Spartanburg and Cherokee County
- ◆ Bridge, Quaker Road (S-18-49) near St. George, Dorchester County
- ◆ Bridge, Sand Hills Road (S-27-119) near Ridgeland, Jasper County
- ◆ Bridge, West 2nd South Street (S-18-122), Summerville
- ◆ Bridge, Cypress Campground Road, Berkeley County



SOIL CONSULTANTS, INC.

Engineers and Geologists
Since 1951

OFFICE

1508 Greenleaf St
Charleston SC 29405-9308
T: 843.723.4539
F: 843.723.3648
E:engineers@soilconsultantsinc.com

STATE OF INCORPORATION

South Carolina

YEARS IN BUSINESS

65

SCLLR CERTIFICATE OF AUTHORIZATION

124

SERVICES

Geotechnical Engineering
Construction Materials
Testing
Nondestructive Testing
Special Inspections
Contract Drilling

CERTIFICATIONS

DBE and SBE

South Carolina Department
of Transportation
geotechnical and environmental
drilling, construction materials
testing, non-destructive testing, and
IBC Chapter 17 special inspections

WBE

Governor's Office of Small
& Minority Business
Assistance

SBE

Charleston County

WBE

City of Charleston

Soil Consultants, Inc., certified as a DBE, SBE, and WBE firm by various agencies, has been actively engaged since 1951 in providing geotechnical engineering and construction materials testing services.

Personnel

Our team, based in our Charleston office, includes geotechnical engineers, geologists, materials and nondestructive technicians, drillers, certified welding inspectors, and administrative specialists. Our staff includes:

◆ Geotechnical engineers (SC licensed)	4
◆ Geologist (SC licensed)	1
◆ Inspectors (materials testing/NDT/special inspection)	16
◆ Geotechnical drillers	8
◆ Administrative support	4

Our personnel maintain certifications through the American Concrete Institute (ACI), American Welding Society (AWS), Certified Erosion Prevention and Sediment Control Inspector (CEPSCI), International Code Council (ICC), National Institute for Certification in Engineering Technologies (NICET), National Concrete Masonry Association (NCMA), SCLLR Building Codes Council and SCDOT.

Key personnel assigned to this project are listed below and resumes are attached.

◆ Ronald R. Austin, P.E.	Project Manager/Lead Geotechnical Engineer
◆ A Talbot Henderson, P.E.	Geotechnical Engineer
◆ Joel Hinkel	Senior Technician

Exploration Capabilities

We own and operates its own drilling equipment. Our rig inventory includes:

◆ Truck-mounted drilling rigs	3
◆ Track-mounted drilling rigs	2
◆ Adverse terrain vehicles with drilling rig	2
◆ Marsh-buggy drilling rigs	1
◆ Tripod rigs	2

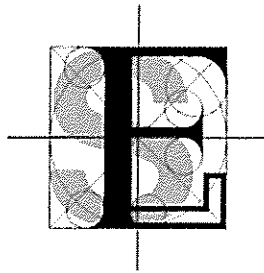
Laboratory Capabilities

Soil Consultants, Inc. provides both field and laboratory testing of construction materials. We have an in-house AASHTO accredited and USACE validated laboratory for aggregate, asphalt, concrete, masonry, metals, soil, and sprayed fire-resistive material testing. The number of test methods for which we are accredited for each material is as follows:

◆ Aggregate	36	Masonry	22
◆ Asphalt	21	Metals (iron)	64
◆ Cement	20	Soils	62
◆ Concrete	65	Sprayed fire-resistive material	2

SCDOT Experience

Soil Consultants, Inc. has provided geotechnical engineering, laboratory testing, and construction materials testing services for SCDOT projects. Soil Consultants, Inc. has an on-call contract with SCDOT for materials testing. Projects on which we have provided subcontract services (drilling and/or testing) in accordance with SCDOT methods include:



FORSBERG
ENGINEERING
& SURVEYING
INCORPORATED

Mr. Ron Austin, PE
Soil Consultants Inc.
P.O. Drawer 698
Charleston, SC 29402-0698

RE: RFP Town of Kiawah Island: Engineering Services for a Geotechnical Roadway Evaluation – Land Surveying and Civil Engineering Services Fee Proposal

Dear Ron,

Forsberg Engineering & Surveying appreciates this opportunity to provide our services for the advertised project "Engineering Services for a Geotechnical Roadway Evaluation" for the Town of Kiawah Island; as a subconsultant to Soil Consultants, Inc. Based on the RFP, it is our understanding the scope of work will include the following items:

Civil Site Performance Scope of Work:

- Item 1: Land Surveying: Prepare a partial topographic survey of the project site limits to include the basic limits of the pavements involved to be evaluated, and the storm drainage system structures and pipes. The detail of the survey will be limited to only that information needed to conduct the required evaluation and prepare the appropriate report and recommendations. A more extensive and detailed survey would be required for the preparation of design/construction/bid documents.
- Item 2: Drainage System Evaluation: Prepare a project site map of the existing drainage system, including structures, pipes, ditches and swales; a corresponding evaluation of each structure and pipe for existing condition, noted remedial repairs, existing capacity and capabilities of the system entities and recommendations for improvement or upgrade in a written report.
- Item 3: Pavements Field Evaluation: Perform a field evaluation of the roads to determine varying levels of damage and scope of repairs needed such as milling/overlay, full depth repairs, speed humps, etc. This evaluation will be based on current and projected traffic loading rates and the geotechnical subsurface investigation and recommendations.
- Item 4: Final Written Report: The Drainage Evaluation portion of the report will catalog and identify all of the known storm drainage structures and pipes in the project

4. Harborview Towers Paving and Drainage Improvements, MUSC (2013)

19 Hagood Avenue, Charleston, SC

Owner: The Medical University of SC – Dept. of Engineering & Facilities;

Contact: Phil Mauney, PE, Director;

Telephone: (843) 792-2490

email: mauney@musc.edu



Forsberg Engineering & Surveying, Inc. was retained by MUSC to provide land surveying and civil engineering services for the repairs and improvement to the existing parking pavements, vehicular drives and, curbs and associated drainage system located at the Harborview Towers office building located at 19 Hagood Avenue. The facility is a large multi-storied office building and parking garage with direct vehicular pavement connection to the Lockwood Boulevard parking lot facility. The existing pavements were in various stages of disrepair and failure, in need of full depth replacement and/or asphalt surface course replacement, including grading modifications, new curbing and pavement traffic control markings and signage. Soil Consultants, Inc provided geotechnical subsurface investigation and testing services to aid in the pre-design evaluation of the existing pavements and subsurface soil conditions.

The design included a phasing plan to accommodate the operations of the existing building and parking garage and the daily shuttle bus service to the downtown campus. The project construction was completed in 2013. Pre-bid estimated cost of construction was \$ 250,000. Actual final project cost with scope increase on sidewalk and curb replacement: \$ 269,000.

limits with a written assessment of the storm drainage and management system components; describing their physical properties and condition; identifying deficiencies and/or recommended repairs; prepare a coordinating drawing of the existing storm water drainage and management system. The Pavements Evaluation portion of the report will provide the results of the geotechnical investigation, the recommended pavement thickness for repair and replacement areas. Also it will provide some general typical pavement section sketches for reference and a site geometric plan of the recommended improvements. These will not be design documents, but general plans for scope budgeting and limitations.

Project Timeline:

The proposed schedule for conducting each segment or item of the Land Surveying or Civil Engineering scope of work is as follows:

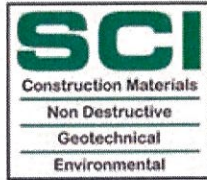
Item 1: Land Surveying: Field work survey crew:	21 calendar days
Office drafting Engineering Tech & Surveyor:	21 calendar days
Field walk through by Surveyor:	2 calendar days
Item 2: Drainage System Evaluation: Engineer Field Investigation:	3 calendar days
Item 3: Pavements Field Evaluation: Engineer Field Investigation:	3 calendar days
Item 4: Final Written Report:	14 calendar days

Total Not-to-Exceed Budget: Item 1 – Item 4 (LUMP SUM) \$ 52,100.00

Sincerely,



Gray M. Lewis, PE
Forsberg Engineering & Surveying Inc.



SOIL CONSULTANTS, INC.

Engineers and Geologists
Since 1951



Geotechnical Engineering



**Geotechnical and Construction
Materials Field Testing**



**Geotechnical Exploration and
Contract Drilling**



Nondestructive Testing



**Geotechnical and Construction
Materials Laboratory Testing**



IBC Chapter 17 Special Inspections



Environmental Consulting

**SCDOT DBE and SBE
Charleston County SBE**

**Governor's OSMBA WBE
City of Charleston WBE**

PO Drawer 698 | Charleston SC 29402-0698
T: 843.723.4539 | F: 843.723.3648
www.soilconsultantsinc.com | engineers@soilconsultantsinc.com



REQUEST FOR TOWN COUNCIL ACTION

TO: Mayor and Town Council
FROM: Dorota Szubert, Town Treasurer
SUBJECT: Chapter 8, Section 4-801 Fairness in Lodging Act
DATE: January 9, 2017

BACKGROUND AND ANALYSIS:

The Fairness in Lodging Act became law in South Carolina in June 2014. The Act grants S.C. Department of Revenue data sharing and enforcement assistance to SC cities and counties seeking to collect taxes from owners of vacation rentals. The copy is presented in exhibit A.

For tax purposes, South Carolina has five general types of short-term rentals:

- **Hotels and motels.** Owner of these commercial properties pay property taxes based on 6% assessment of the value of the property. All taxes, including business licenses, state accommodation, sales and local accommodations are owed.
- **Rentals of second homes and investment properties.** Owners of these properties pay property taxes based on 6% assessment of the value of the property. All taxes, including business licenses, state accommodation, sales and local accommodations are owed.
- **Rentals of primary residential home between 15 and 72 days per year.** The rental days can be consecutive or nonconsecutive. Property owners maintain their primary residential 4% property tax assessment. All taxes, including business licenses, state accommodation, sales and local accommodations are owed.
- **Rental of primary residential homes for up to 14 days a year.** Property owners maintain their primary residence 4% property tax assessment. Owner revenue from these rentals is exempt from all taxation, including business license, state and local accommodation and sales taxes. However, a travel company such as Airbnb, Homeaway and VRBO, through which rental property is booked and paid, owes all accommodation taxes, including business license taxes. Examples include renting a primary residence for PGA, or other major events.
- **Rentals of six bedrooms or less in the residential home occupied by the home owner.** Typically, these are home owners who rent out a single bedroom in their primary residence through Airbnb or other internet platform. The homeowner maintains his 4% property tax assessment. Owner revenue is exempt from sales and state and local accommodation taxes. Business licenses taxes are not exempt under state law, therefore the owner is responsible for paying the tax.

Regardless of the type of short-term rental either the owner or the travel company, through which the rental is booked and paid, owe taxes. This new ordinance provides additional enforcement authority over the accommodations tax in an effort to catch those who currently are not submitting the state, county, and local accommodations taxes appropriately. Currently, the SC Department of Revenue collects state accommodations and sales taxes from Airbnb, however other travel companies owe these taxes and they are not consistently paying business license taxes and local accommodations taxes to local governments.

ACTION REQUESTED:

Adoption of Ordinance 2018-01 to enact the Fairness in Lodging Act's provisions. After adoption, the Town will notify the taxpayers of applicable taxes. The notice of tax rates will be included in annual property tax bill of all residential property assessed at 6% and 4% assessed residential property rented for more than 15 days but less than 72 days.

TOWN OF KIAWAH ISLAND

ORDINANCE 2018-01

An ordinance to amend the Town of Kiawah Island Code of Ordinances by creating Chapter 8, Fairness in Lodging Act Compliance in Article 4, Finance and Taxation, to begin partnering with the South Carolina Department of Revenue in order to increase compliance on tax payments from rental properties.

WHEREAS, the Mayor and Town Council recognize that providing lodging accommodations for tourists is an important component of the local economy; and

WHEREAS, there may be instances where individuals who rent residential accommodations to tourists are failing to collect and remit the local accommodations tax imposed pursuant to Article 5 of Title 6 of the South Carolina Code of Laws and the state sales tax on accommodations imposed pursuant to Section 12-36-920 of the South Carolina Code of Laws; and

WHEREAS, those who fail to collect and remit local and state taxes on accommodations provided to transients are competing unfairly against those who dutifully meet these legal obligations; and

WHEREAS, the South Carolina General Assembly has enacted the Fairness in Lodging Act (the "Act"), providing municipalities and counties the option to exercise additional enforcement authority regarding the aforementioned taxes and to engage in active cooperation with the South Carolina Department of Revenue in data sharing for the purposes articulated in the Act; and

WHEREAS, the Town of Kiawah Island has imposed the local accommodations tax provided pursuant to Article 5 of Title 6 of the South Carolina Code of Laws; and

WHEREAS, in order to avail itself of the authority provided in the Act, the governing body must by ordinance implement the provisions of the Act.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF KIAWAH ISLAND, SOUTH CAROLINA, AND IT IS ORDAINED BY THE AUTHORITY OF SAID COUNCIL.

SECTION 1 **Purpose**

The purpose of this Ordinance is to adopt the amendment of Article 4 – Finance and Taxation.

SECTION 2 **Ordinance**

Article 4 – Finance and Taxation, Chapter 8 - Fairness in Lodging Act, Section 4-801 is hereby created as follows:

1. Implement the provisions of the Act, as found in Article 7 of Title 6 of the South Carolina Code of Laws; and
2. Set, the failure of an establishment subject to this Act to collect and remit local accommodations tax for each day a single rental property was rented, as and when they were due, shall constitute a misdemeanor, punishable by the ordinance violation penalty of not more than five hundred dollars (\$500.00) or imprisonment for up to thirty days (30), or both; and
3. Direct that a certified copy of this implementation ordinance be provided to the director of the South Carolina Department of Revenue.

SECTION 3. Severability

If any part of this Ordinance is held to be unconstitutional, it shall be construed to have been the legislative intent to pass said Ordinance without such unconstitutional provision, and the remainder of said Ordinance shall be deemed to be valid as if such portion had not been included. If said Ordinance, or any provisions thereof, is held to be inapplicable to any person, group of persons, property, kind of property, circumstances or set of circumstances such holding shall not affect the applicability thereof to any other persons, property, or circumstances.

SECTION 4. Effective Date and Duration

This Ordinance shall be effective upon second reading approval.

PASSED, APPROVED, AND ADOPTED BY COUNCIL FOR THE TOWN OF KIAWAH ISLAND ON THIS ____ DAY OF _____ 2018.

Craig Weaver, Mayor

Petra Reynolds, Town Clerk

First Reading Approval:

Second Reading Approval:

EXHIBIT A

**South Carolina General Assembly
120th Session, 2013-2014**

(A261, R280, S985)

AN ACT TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 8 TO CHAPTER 1, TITLE 6, SO AS TO ENACT THE “FAIRNESS IN LODGING ACT”, TO ALLOW MUNICIPALITIES AND COUNTIES BY ORDINANCE TO IMPLEMENT ADDITIONAL ENFORCEMENT PROVISIONS FOR THE LOCAL ACCOMMODATIONS TAX AS THOSE PROVISIONS APPLY TO THE OWNERS OF RESIDENTIAL REAL PROPERTY WHO RENT THE PROPERTY TO TOURISTS, INCLUDING DATA SHARING WITH THE SOUTH CAROLINA DEPARTMENT OF REVENUE, SPECIFIC NOTICE TO PROPERTY OWNERS INCLUDED IN PROPERTY TAX BILLS, AN ADDITIONAL PENALTY THAT MAY BE IMPOSED FOR NONCOMPLIANCE AFTER THE RECEIPT OF SUCH A NOTICE, AND DIRECTIONS TO THE SOUTH CAROLINA DEPARTMENT OF REVENUE TO IDENTIFY “RENTAL BY OWNER” WEBSITES ADVERTISING TOURISTS RENTALS AND REQUEST THEM TO POST ON THE WEBSITES A STATEMENT REGARDING THE LEGAL OBLIGATIONS OF THE OWNERS OF PROPERTY IN THIS STATE LISTED ON THE WEBSITE, TO PAY ALL APPLICABLE LOCAL AND STATE TAXES AND FEES WITH RESPECT TO SUCH RENTALS; AND TO AMEND SECTIONS 6-1-120, 12-54-240, AS AMENDED, AND 12-4-310, RELATING RESPECTIVELY TO THE CONFIDENTIALITY OF LOCAL AND STATE TAX DATA AND EXCEPTIONS THERETO, AND THE DUTIES OF THE SOUTH CAROLINA DEPARTMENT OF REVENUE, SO AS TO CONFORM THEM TO THE PROVISIONS OF THIS ACT.

Be it enacted by the General Assembly of the State of South Carolina:

Fairness in Lodging Act

SECTION 1. Chapter 1, Title 6 of the 1976 Code is amended by adding:

“Article 8

Fairness in Lodging Act

Section 6-1-810.(A) This article may be cited as the ‘Fairness in Lodging Act’.

(B) The General Assembly finds that:

- (1) providing lodging accommodations for tourists is a major business in this State;
- (2) there are instances where individuals who rent residential accommodations to tourists are failing to collect and remit the local accommodations tax imposed pursuant to Article 5 of this chapter and the state sales tax on accommodations imposed pursuant to Section 12-36-920;
- (3) those who fail to collect and remit local and state taxes on providing accommodations to transients are competing unfairly against those who dutifully meet these legal obligations;
- (4) by the enactment of the Fairness in Lodging Act, municipalities and counties are provided the option to exercise additional enforcement authority with respect to these taxes and to engage in active cooperation with the South Carolina Department of Revenue in data sharing, to provide comprehensive enforcement of the applicable accommodations tax laws so as to promote a more equal competitive playing field for those engaged in this State in the business of renting accommodations to tourists.

Section 6-1-815. (A) The governing body of a municipality or county by ordinance may implement the provisions of this article if it imposes the local accommodations tax provided pursuant to Article 5 of this title. This article applies in the applicable jurisdiction when a certified copy of the implementation ordinance is provided to the Director of the South Carolina Department of Revenue.

(B) The provisions of this article do not apply to any residential real property lawfully assessed for property tax purposes pursuant to Section 12-43-220(c) when all rental income on the property is not included in gross income for federal income tax purposes pursuant to Internal Revenue Code Section 280A(g).

Section 6-1-820. (A) When the provisions of this article apply in an implementing jurisdiction, the South Carolina Department of Revenue, and the implementing jurisdiction using returns and copies of returns and other documents filed with or otherwise available to them shall share data helpful to both the department and the implementing jurisdiction in determining possible instances of noncompliance.

(B) Implementing jurisdictions shall include or cause to be included notices in annual property tax notices for parcels of residential real property assessed for property tax purposes pursuant to Section 12-43-220(e) as the implementing jurisdiction determines appropriate. These notices must provide details of local accommodations tax and state sales tax on accommodations required to be paid by persons renting residential real property to tourists in the implementing jurisdiction and the intention of the implementing jurisdiction vigorously to enforce these requirements. Details must include specific information on obtaining additional information with respect to these requirements and the names, addresses, and telephone numbers of officials of implementing jurisdictions that are able to answer questions, provide forms, and assist in compliance. Counties must be reimbursed by implementing municipalities for extra expenses incurred by a county in providing these notices.

(C) In addition to other penalties and interest imposed by the ordinance of an implementing jurisdiction for failure to comply with local accommodations tax requirements imposed pursuant to Article 5 of this chapter required of owners in the business of renting residential accommodations to tourists, the jurisdiction may impose, with respect to a single rental property, a one-time civil penalty for noncompliance for failure to collect and remit local accommodations tax of not less than five hundred dollars nor more than two thousand dollars for each seven days the property was rented. This additional penalty may not be imposed unless the owner has received the notice provided pursuant to subsection (B). For purposes of enforcement and collection, this penalty is deemed property tax on the rental property.

Section 6-1-825. The South Carolina Department of Revenue shall identify websites containing 'rent by owner' vacation rental opportunities and request them to post a statement on the website that the owner of South Carolina rental properties is required to be licensed and to collect applicable local and state fees and taxes."

Enforcement, sharing of data

SECTION 2. Section 6-1-120(B)(3) of the 1976 Code is amended to read:

“(3) sharing of data between public officials or employees in the performance of their duties, including the specific sharing of data as provided in Article 8 of this chapter, the Fairness in Lodging Act.”

Data sharing allowed

SECTION 3. Section 12-54-240(B)(13) of the 1976 Code is amended to read:

“(13) disclosure and data sharing as provided pursuant to Article 8, Chapter 1, Title 6, the Fairness in Lodging Act;”

Duties of the Department of Revenue

SECTION 4. Section 12-4-310 of the 1976 Code is amended to read:

“Section 12-4-310. The department shall:

- (1) hold meetings, as considered necessary. The department may hold meetings, transact business, or conduct investigations at any place necessary; however, its primary office is in Columbia;
- (2) formulate and recommend legislation to enhance uniformity, enforcement, and administration of the tax laws, and secure just taxation and improvements in the system of taxation;
- (3) consult and confer with the Governor upon the subject of taxation, the administration of the laws, and the progress of the work of the department, and furnish the Governor reports, assistance, and information he may require;
- (4) prepare and publish, annually, statistics reasonably available with respect to the operation of the department, including amounts collected, and other facts it considers pertinent and valuable;
- (5) make available to the authorities of a political subdivision information reported to the department pursuant to the requirements of Chapter 36 of this title of businesses licensed under Section 12-36-510 in the requesting political subdivision;
- (6) hire all necessary personnel, including officers, agents, deputies, experts, and assistants, and assign to them duties and powers as the department prescribes;
- (7) require those of its officers, agents, and employees it designates to give bond for the honest performance of their duties in the sum and with the sureties it determines; and all premiums on the bonds must be paid by the department;
- (8) pay travel expenses, purchase, or lease all necessary facilities, equipment, books, periodicals, and supplies for the performance of its duties;
- (9) exercise and perform other powers and duties as granted to it or imposed upon it by law;
- (10) make available to the authorities of a municipality or county in this State levying a tax based on gross receipts or net taxable sales, any records indicating the amount of gross receipts or net taxable sales reported to the department; provided, however, that income tax records may be made available only if the department first has satisfied itself that the gross receipts reported to the municipality or county were less than the gross receipts as indicated by the records of the department; and

(11) provide data and assistance to municipalities and counties in which Article 8, Chapter 1, Title 6, the Fairness in Lodging Act, is implemented.”

Time effective

SECTION 5. This act takes effect upon approval by the Governor.

Ratified the 5th day of June, 2014.

Approved the 9th day of June, 2014.
