

**WAYS & MEANS COMMITTEE MEETING**  
**Kiawah Island Municipal Center**  
**Council Chambers**  
**February 24, 2015; 2:30 PM**

**AGENDA**

**I. Call to Order:**

**II. Pledge of Allegiance**

**III. FOIA:** Notice of this meeting has been published and posted in accordance with the Freedom of Information Act and the requirements of the Town of Kiawah Island.

**IV. Roll Call:**

Present:                John D. Labriola, Mayor Pro Tempore  
                             Charles R. Lipuma, Mayor  
                             Mary Q. Johnson  
                             John Wilson  
                             Craig Weaver

Also Present:        Tumiko Rucker, Town Administrator  
                             Ken Gunnells, Town Treasurer  
                             Petra Reynolds, Town Clerk

**V. Approval of Minutes:**

**A.** Minutes of the Ways & Means Committee Meeting of January 27, 2015

*Mayor Lipuma motioned to approve the minutes of the January 27, 2015 Ways and Means Committee Meeting. The motion was seconded by and the minutes were unanimously approved as amended.*

**VI. Citizens' Presentations or Comments:**

**VII. Old Business:**

None

**VIII. New Business:**

**A. Ordinance 2015-05** - An Ordinance to Amend the Fiscal Year 2014-2015 Budget for the Town of Kiawah Island, South Carolina (7/1/14 Through 6/30/15)

Mr. Labriola went through the schedule that accompanied the ordinance and gave an explanation for each of the line item changes. Committee member then discussed any questions they had on the past acquisition expenses, possible future expenses, and

accounting of the \$20,000.00 of funds that were held and returned back to the Town for the Betsy Kerrison property, and the place holder for expenses associated with the Beach Renourishment project. Mr. Labriola indicated that with the discussed expenditures the fund balance at the end of FY 14-15 will be \$14,366,000.00.

***Mayor Lipuma made a motion to recommend to Town Council the approval of the revised budget amendment Ordinance 2015-05 that includes the inclusion of a \$20,000.00 refund. The motion was seconded by Mrs. Johnson and unanimously passed.***

#### **B. SATAX Committee**

Mr. Labriola stated that the membership of the 2015 SATAX Committee was discussed at the last Town Council meeting but required some addition research. He indicated that all issues had been resolved. Mr. Labriola indicated submitted the list of the 2015 SATAX Committee members included the addition of Mr. Don Semmlar, owner of the Andell Inn, as a non-voting advisor to the Committee for this first year. Mr. Semmlar's newness to the Community was taken into consideration and he would represent the Island's second hotel on the next year's Committee.

***Mayor Lipuma made a motion to approve recommendation to Town Council the membership of the 2015 SATAX Committee. The motion was seconded by Mr. Labriola and unanimously passed.***

#### **C. Town of Kiawah SATAX Submissions**

Mr. Labriola stated the schedule submitted was a listing of the requests that would be submitted on behalf of the Town for funding to the SATAX Committee this year. He reviewed and discussed with members, items listed on the schedule but noted that they were for information only and would be recommended for approved or denied by the SATAX Committee.

#### **D. Beach Franchise Request For Proposal (RFP)**

Ms. Rucker stated that the Beach Franchise RFP was information only. She noted that it covers the all areas of the beach with the exception of the directly in from of The Sanctuary, and The Club which are manned by their owners and Beachwalker Park which is manned by Charleston County Parks and Recreation.

Ms. Rucker stated that the intent was to allow the RFP to be reviewed by Committee members for their feedback before it is released for advertisement in the newspaper and posted to the Town's website. Committee members discussed the submittal process and documents that will be required.

#### **E. Building Permitting Recommended Changes from Planning Commission**

Ms. Rucker stated that the recommendation came from the Planning Commission in reaction to concerns raised over the \$200.00 dollar value of the threshold that requires a contractor to obtain a trade permit in the Town's current Building Ordinance. She indicated that she and Mr. Spicher, the Town Building Office, met with the Planning Commission Subcommittee to answer their questions. She indicated that the Town's Position to support the \$200 threshold that insures that only qualified contractor work on the Island.

Committee members discussed their questions on; homeowner involvement in the fee, the fee structure, and comparison to similar fees in other communities. Ms. Rucker stated that the same fees have been paid by contractors to Charleston County and that complaints stem from the Town enforcement of permitting fees. She indicated that the County did not have the ability to monitor the amount of activity on the Island evidenced by the significant increase in revenue of permitting from totals represented by the County.

Ms. Rucker stated that the Planning Commission's recommendation was presented to the Committee to consider the budgetary impact of increasing the threshold. She explained would reduce permitting revenues but also allow contractors to circumvent the business licensing process that also verifies state licensing and validity of insurance. This process protects the risk to the community and the revenues of the Town.

Members discussed with Mr. Spicher concerns and suggested that a member of the Planning Commission come to plead their case to the Committee and also an assessment be made of the revenue that would be lost with the increase.

#### F. Proposed Municipal Center Budget Schedule

Mr. Labriola stated that the Municipal Center Committee had met and started the process of developing an RFP for an Architectural Services. He indicated that discussions have brought forth two major criteria that would need to be set as part of the RFP. The first being the document of the RFP itself and the second being an idea of what Council wants in terms of the size, scale and scope of the project. Mr. Labriola discussed with members a matrix that was developed to allow members to view the cost of a building cost on an estimate construction cost of \$350.00 per square foot. Committee members engaged in an in-depth discussion of the financial criteria calculating the amount of funds that to be taken out of reserves and the debit service to determine the possible size of the building. Members agreed that a budget need to be established that included building, landscaping, roads... basically everything to determine the size of the building that could be afforded. Also discussed was the minimum amount that should be left as the Town's fund balance. The framework of a budget and discussion of all the variables by the Ways and Means Committee would be passed on to Council who would then give guidance to the Municipal Center Committee in their efforts to secure and architectural firm.

#### G. Kiawah Island Utility Annual Report

Ms. Rucker indicated that the Town is provided an annual report from the Kiawah Island Utility (KIU) and is for information only.

**IX. Chairman's Report:**

None

**X. Treasurer's Report:**

Mr. Gunnells reported that Utility installation of the new computer program has gone live this week. The Court system is the next to go live followed by financial package. On the first of April the business licensing, permitting, code enforcement and planning is scheduled to go live. He indicated that installation was on schedule.

**XI. Citizen Comments:**

**Wendy Kulick – 38 Marsh Edge Lane**

Mrs. Kulick noted that all of the membership if the SATAX Committee has a designation with the exception of Mrs. Chitwood and questioned the reasoning. Mr. Labriola explained that the membership of that committee is state mandated and that she was a resident member.

Mrs. Kulick commented that since the public expression concern with the process of the property acquisition last fall, she appreciated that this Council has gone out if its way to improve communications and to provide more information. She felt that it was very important for the Town to make clear its intent to keep the public apprised.

Mrs. Kulick stated that the Municipal Center Committee (MCC) would have three public representative members of the public and questioned who and when those individuals will be announced.

She expressed her concern that the process was being rushed and decisions were being made prematurely. She referred to the MCC meeting that question if an RFP for an architect would be required and called attention to the Town Ordinance that referred to the requirements for sole sourcing.

Mrs. Kulick called attention to the fact that three members of Council were present at the MCC meeting and requested how the meeting was noticed because she did not see any reference to the meeting on the website or the agenda. The Committee responded that the meeting was indeed notice and could show her on the March calendar on the website. Mrs. Kulick requested that the Town every effort available to communicate meetings to the public.

Mr. Labriola responded to some of Mrs. Kulick's questions by stating that Mr. Warren and Mr. Permar were two of the three Kiawah residents.

**Liz King – Kiawah Island Golf Resort**

Ms. King questioned if it was the Town’s intent to approve the selection at the April Town Council meeting. She indicated there would be a gap in the franchise agreements that expire at the end of March and also questioned when to new agreement would begin. Ms. Rucker responded by stating that the extension of the agreement for one month was on the Council’s Agenda and the new agreement would begin on May 1<sup>st</sup>.

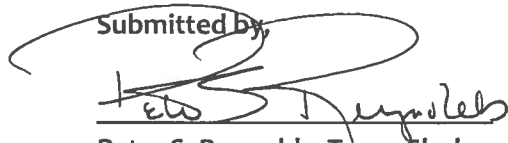
**XII. Committee Member’s Comments:**

Mayor Lipuma commented that the East End Beach erosion is being monitored but the authorities have taken a firm stand and will not allow the start of the project until May even though the issue has reached a critical level. Mr. Weaver questioned the Mayor if he felt there were any Public Safety concerns that needed to be addressed. The Mayor indicated that he was not aware of any, and the suggestion was made that Beach Patrol or a Code Enforcement may need to monitor the situation.

**XIII. Adjournment:**

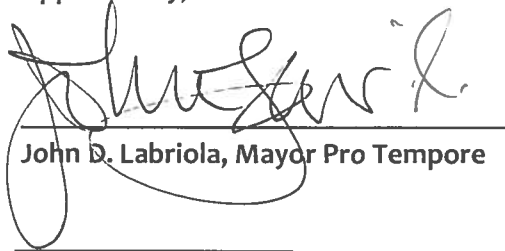
*Mayor Lipuma made a motion to adjourn the meeting at 4:45 pm. The motion was seconded by Mr. Weaver and unanimously approved.*

Submitted by,



\_\_\_\_\_  
Petra S. Reynolds, Town Clerk

Approved by,



\_\_\_\_\_  
John D. Labriola, Mayor Pro Tempore

\_\_\_\_\_  
Date