

WAYS & MEANS COMMITTEE MEETING

Kiawah Island Municipal Center

Council Chambers

March 29, 2016; 1:00 PM

MINUTES

I. **Call to Order:** *Mr. Labriola called the meeting to order at 1:00pm.*

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 Johnson – By Phone
 John Wilson
 Craig Weaver

Also Present: Stephanie Tillerson, Town Administrator
 Dorota Szubert, Town Treasurer
 Petra Reynolds, Town Clerk

V. **Approval of Minutes:**

A. Ways & Means Committee Meeting of February 23, 2016

Mayor Lipuma motioned to approve the minutes of the February 23, 2016 Ways and Means Committee Meeting. The motion was seconded by Mr. Wilson and the minutes were unanimously approved.

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

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick posed several questions on the budget and budget-to-actual items on the agenda and expressed concern that the budget would be receiving its first reading at next week's Town Council meeting. She also made the suggestion that the salaries of employees making over \$50,000 per year be listed individually under the "Salaries" line item.

Mrs. Szubert responded by stating her questions would be answered during the discussion of the individual items. Mr. Labriola clarified the presented budget was preliminary, noting there would be a budget workshop before the next Ways and Means Committee meeting and presentation to Town Council.

VII. Old Business:

None

VIII. New Business:

A. AirMedCare Network Helicopter Transportation Services Proposal

Mr. Weaver began the discussion by stating the base cost of air transportation begins at \$25,000 and goes up. Individuals with private insurance are responsible for the portion not covered by insurance.

At the January Public Safety Committee Meeting representatives from AirMedCare, the primary air medical transport service to Kiawah, gave a presentation on a proposal for Network Helicopter Transportation Services.

The proposal for the Municipal Site Plan (MSP) Membership covers transportation for any full time resident on the Island at a cost of \$8,163.00 annually which would be funded by the Town. Residents would not incur any additional costs over what is paid by medical insurance for transport to any area medical facilities. A resident can upgrade to a full coverage membership for \$35.00 (annual) that would give them coverage in over 220 locations across 32 states. Coverage also applies to renters provided that it is their primary residence.

Participation in the Municipal Site Plan Membership was recommended by the Public Safety Committee.

Mr. Weaver made a motion to recommend to Town Council the approval of the proposal from AirMedCare Network Helicopter Transportation Services in the amount of \$8,163.00 annually. The motion was seconded by Mayor Lipuma and unanimously passed.

B. WK Dickson Proposals

Mr. Lameo reviewed the discussion from the last Ways and Means meeting which addressed the flooding that has been an ongoing problem at the corner of Beachwalker Dr. and the Kiawah Island Parkway and at the entrance to Town Hall.

With the conclusion of the work started by Jacobs Engineering, it was determined pipes that are located within the Beachwalker Drive area are incomplete and / or damaged and in need of repair by the installation of additional pipe, curb drains and distribution boxes to make the drainage line continuous.

W.K. Dickson has submitted a proposal for engineering/general contractor services which include inspections, evaluations, bidding and scheduling of repairs of any additional drain pipes located on Beachwalker Drive in the amount of \$29,950.00. Proposals from Sanders Brothers Construction in the amount of \$6,800.00 and from Joseph O. Eelman in the amount of \$920.00 are for the cleaning, filming and surveying of storm drainage at the entrance to Town Hall.

Mr. Weaver made a motion to recommend to Town Council the approval of the proposal from WK Dickson in the amount of \$29,950.00, the proposal from Sanders Brothers Construction in the amount of \$6,800.00, and the proposal from Joseph O. Eelman in the amount of \$920.00. The motion was seconded by Mr. Wilson and unanimously passed.

C. Carolina Waste Barcode Scanning System Proposal

Mr. Lameo reviewed the proposal from Carolina Waste for the installation of proposed a system that would scan containers when they are dumped at their trucks, recording the can number, its home address and the time of service. This information would be available and allow staff to validate if the customer did not have their cans available for collection and/or the Waste Company missed the service. In addition carts that are taken and/or misplaced causing many staff hours to investigate, return or replace these containers would be resolved with this system.

The cost of implementation on the part of Carolina Waste would be in the range of \$60,000.00, not counting the yearly maintenance. For the Town's part, Carolina Waste has asked that we increase current charges by \$3.50 per can to offset cost and continuation of their contract by an additional three years. This would increase our yearly operating cost for residential services by about \$8400.00 per year for the cans we presently service Island wide.

After an in-depth discussion Committee Members agreed to table the discussion on the proposal until further investigation can be done and additional information can be brought back to the Committee.

D. Municipal Center Project Manager Recommendation

Mr. Labriola stated on March 1st, Town Council voted to approve the new Municipal Center Construction Project on Betsy Kerrison Parkway. As part of that discussion and approval process funding for a Project Manager/Owner's Representative was included in the Owners Cost of the total project cost. The \$50,000.00 placeholder was later increased by \$130,000.00 for a total budget amount of \$180,000.00.

Staff worked with David Burt, with LS3P and other sources to find at a minimum of three qualified firms to meet with to discuss the new Municipal Center Project, and what the Town is looking for in a contract project management firm. Four firms were identified, and three were scheduled to meet with the Chair of the Ways and Means Committee, the Mayor and Staff, however one withdrew prior to the meeting. The three remaining firms are;

1. Cedrus Development, North Charleston ~ \$118,900
2. Cumming Construction Management, North Charleston ~ \$158,500
3. Thomas & Denzinger ~ withdrew

Ms. Tillerson indicated both firms were vetted, very capable of doing the job, and would provide exemplary service to the Town. Staff recommended accepting with the lowest cost proposal from Cedrus Development in the amount of \$118,900.00.

Mr. Eilis Deeb gave the Committee Members a brief description of Cedrus' resources, expertise and services it will be to providing the Municipal Center Project.

Mayor Lipuma made a motion to recommend to Town Council the approval of the proposal from Cedrus Development in the amount of \$118,900.00. The motion was seconded by Mr. Wilson and unanimously passed.

E. Municipal Center Project Financing RFP Responses

Mr. Labriola stated following the approval of the new Municipal Center Construction Project the Town released a Finance Request for Proposals (RFP) on March 2nd. Responses were submitted from **Wells Fargo** and **SunTrust**.

Mr. Wilson stated both of the responses were similar on the surface and in terms of interest rates. He indicated a great deal of work will have to be done with representatives of both banks to work out the details of loan terms and fees before a definitive statement on a lender can be made.

Committee members agreed to move forward with both banks to gather the information necessary to prepare a financing proposal or recommendation to be presented at the April 26th Ways and Means Committee meeting for consideration.

F. Kiawah Island Parkway Planting Proposal

Ms. Tillerson stated as part of the contract approval process at the March 1st Town Council meeting, the Greenery presented possible landscape improvements to the Kiawah Island Parkway. Staff and representatives from the Greenery met with the Kiawah ARB, to discuss landscape enhancement options.

The Greenery landscape enhancement proposal includes specific plantings which have been approved by the ARB and description of the locations to be enhanced. The proposed landscaping plan in the amount of \$42,857.77 will be in addition to the contract approved by Ways and Means and Town Council.

Mr. Collins with The Greenery provided clarification to questions from Committee Members on the scope work and plantings provided for in the proposal. He also explained the maintenance which has been allowed by the ARB going forward.

Mr. Weaver made a motion to recommend to Town Council the approval of the proposal from the Greenery in the amount of \$42,857.77. The motion was seconded by Mr. Wilson and unanimously passed.

G. Preliminary FY 2016-2017 Budget Discussion

Ms. Tillerson stated the preliminary budget presented to the Committee is for review prior to a Budget Workshop. Member agreed to schedule the workshop for April 19th at 9:00 am.

Mrs. Szubert gave an overview of the draft Fiscal Year 2016-2017 budget. She pointed out that the General Fund was broken down into departments and the budget included a brief explanation of variances. The Committee Members discussed the presented budget, gave feedback and made recommendations for changes to be made before discussion at the workshop.

Mr. Weaver asked if questions such as; the policy on why and who are issued Town cell phones or iPads, the Environmental Committee Budget, and expense vs Capital Cost designation could be addressed at the workshop.

In response to Mr. Weaver's question, Mrs. Johnson gave a brief explanation of the Environmental Committee's Budget. She indicated she had completed a database to identify all the Wildlife projects that are funded from the Environmental Committee's budget. She also stated there would be a Subcommittee that will look at future projects and funding request made to the Environmental Committee.

Ms. Tillerson stated she had been working with the County on taking advantage their procurement process in the question of purchase vs lease of vehicles for the building services personnel. She indicated she would have the information on options for discussion at the workshop on the 19th.

IX. Chairman's Report:

None

X. Treasurer's Report:

A. FY 2015-2016 Budget to Actuals

Mrs. Szubert indicated the presented FY 2015-2016 Budget to Actuals schedule was through February of 2016. She stated there had been a number of questions raised on variances and explained that many were a matter of timing and seasonal revenue.

Members discussed the expenses in the item of **Professional Services**, which included the forensic audit, temporary accountant, legal expenses. Also discussed, was who could authorize the expenditure of legal funds outside on the Town's Attorney. A further discussion would take place at the Budget Workshop.

XI. Citizen Comments:

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick requested the Budget be made available in advance of the Budget Workshop on the 19th.

Virginia Abbott – 4304 Sea Marsh Drive

Mrs. Abbott suggested the addition of Monday pick-up to eliminate the complaints after weekend cleanup.

XII. Committee Member’s Comments:

Mr. Wilson commented on the press give to the School Board budget issues and stressed the importance of receiving timely and accurate information and the information is understood.

Mayor Lipuma had no additional comment.

Mrs. Johnson had no additional comment.

Mr. Weaver had no additional comment.

Mr. Labriola made a motion to go into Executive Session to discuss the sale of the Municipal Center to Kiawah Island Community Association (KICA); and specifically to review and receive legal advice on the proposed contract for the sale and lease back of the Municipal Center and to receive legal advice on the McGill lawsuit mediation settlement. Mayor Lipuma seconded the motion and it was unanimously passed.

XIII. Executive Session:

- A.** To discuss the sale of the Municipal Center to Kiawah Island Community Association (KICA); and specifically to review and receive legal advice on the proposed contract for the sale and lease back of the Municipal Center.
- B.** To receive legal advice on the McGill lawsuit mediation settlement.

Mr. Labriola made a motion to move from Executive Session back to Regular Session. The Motion was seconded by Mr. Wilson and was unanimously passed.

Upon returning from Executive Session, Mayor Lipuma stated legal advice was received in regards to the McGill lawsuit. The Town’s Attorney will continue to work on the language of the agreement with the mediator who will in turn discuss it with Mr. McGill.

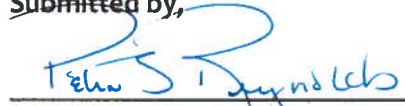
Mayor Lipuma stated the Town Attorney has pointed out items in the sale and lease agreement with the Community Association which require further consideration and discussion with the Attorney for the Community Association.

Mayor Lipuma stated no votes were taken, and no decisions were made or actions taken that would bind the town to a particular course of action.

XIV. Adjournment:


Mayor Lipuma made a motion to adjourn the meeting at 3:48 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