

WAYS & MEANS COMMITTEE MEETING

Kiawah Island Municipal Center
Council Chambers Meeting Room
Thursday, January 30, 2020

Minutes

I. Call to Order: Chairman Widuch called the meeting to order at noon.

Present at the meeting: Chris Widuch, Chairman
Craig Weaver, Mayor
Dan Prickett, Committee Member
Maryanne Connelly, Committee Member

Absent: Klaus Said, Committee Member

Also Present: Stephanie Monroe Tillerson, Town Administrator
Dorota Szubert, Town Treasurer
Brian Gottshalk, Public Works Manager
Petra Reynolds, Town Clerk

II. Approval of Minutes:

A. Ways & Means Committee Meeting of November 26, 2019

Committee Member Prickett made a motion to approve the minutes of November 26, 2019 Ways and Means Committee Meeting. The motion was seconded by Mayor Weaver, and the minutes were unanimously approved.

III. Citizens' Comments: (Agenda Items only)

None

IV. Old Business:

None

V. New Business:

A. Consideration and Recommendation for Approval of HR&A Contract

Chairman Widuch explained that the proposal from HR&A was selected from the three that were submitted by consultants to provide the Town with a study of Kiawah's property values. The selection was made based on the proposed scope, experience, and exposure to the island, and he stated a telephone interview along with feedback obtained from the Resort, Kiawah Partners, and the Community Association was incorporated into the scope of the vetted proposal that is presented.

Committee Member Connelly made a motion to recommend to Town Council the approval of the contract with HR&A. The motion was seconded by Mayor Weaver.

Chairman Widuch clarified that he would chair a core group of representatives of the key entities on the island consisting of Ms. Tillerson, Roger Warren with the Resort, Chris Randolph with Kiawah Partners, Diana Permar representing Kiawah Partners, and Diana Mezzanotte from the Community Association. The consultants will meet with representatives of each of the entities to obtain individual feedback, along with two public meetings seeking public input and comments. During the six month study, the consultant feedback and progress reports which be made public. Mayor Weaver indicated that the core group is advisory, providing input along with guidance on obtaining

data sources. He clarified that the consultants, not the core group, would be producing the final report.

Following the discussion, the motion to recommend to Town Council the approval of the contract with HR&A was unanimously approved.

B. Consideration and Recommendation for Approval of Beach Patrol Contract

Mr. Gottshalk stated that as a beach community Beach Patrol is very instrumental in keeping Kiawah's beach clean and beachgoers safe and educated. Beach Patrol members enforce town ordinances as well as keep a watchful eye on those participating in water activities. Since October 2009, the Town has contracted its Beach Patrol services with Island Beach Services (IBS), the current contract awarded in February 2017. The current three-year contract agreement with Island Beach Services expires February 6, 2020. Therefore, IBS requests to activate the first of the two, one-year extensions provided in the current contract.

Mr. Gottshalk also stated that as a result of a contract review requested by the Town, IBS also seeks approval for changes made to the language of the contract. The requested changes do not alter the amount of the annual contract services, scope of work, or responsibilities but rather cleans up some of the language, clarifies scheduling, and incorporates the 2019 contract amendment. The 2019 amendment provided for a monthly supplementary \$1,800.00, paid separately, to cover the cost of a new storage/home base facility.

Committee Member Connelly made a motion to recommend to Town Council the approval of the contract with Island Beach Services. The motion was seconded by Committee Member Prickett.

Mayor Weaver expressed his concern with changes to the *Appearance* section of the contract. He indicated that the changes to uniforms and logos move away from identification as "Kiawah" Beach Patrol, a contractor of the Town, to a company name. He asked for more information or clarification on the requested changes before the contract is considered by the Town Council. Committee members discussed and agreed with the Mayor's request.

Following the discussion, the motion to recommend to Town Council the approval of the contract with Island Beach Service and Mayor Weaver's request was unanimously approved.

C. Consideration and Recommendation for Approval of the Amendment of the Tidal Trails Contract

Mr. Gottshalk stated that the Town currently has a franchise agreement with Watersports Unlimited, LLC, d/b/a/ Tidal Trails to allow the rental of surfboards, kayaks, and floats to guests and residents in front of the Sandcastle Community Center. The current three-year agreement will expire on February 6, 2020, and Tidal Trails has requested to enter into the first of the two, one-year extensions allowed as an option in their agreement. He indicated there was no request to amend any part of the agreement, and the Town will continue to receive payment for the annual business license renewal and the agreed upon yearly franchise fee of \$100.00.

Committee Member Prickett made a motion to recommend to Town Council the approval of the contract with Island Beach Services. The motion was seconded by Mayor Weaver was unanimously approved.

D. Consideration and Recommendation for Approval of the 2020 Off Duty CCSO Deputy Contract

Committee Member Connelly stated the 2020 Off Duty CCSO (Charleston County Sheriff's Office) Deputy Contract has no changes from the previous year and authorizes the deputy staffing for the current year. Ms. Tillerson noted that the 2020 contract renewal included the coordinator salary and additional summer deputy changes approved in the 2019 contract. She pointed out the calculation of the annual budget figures for the two coordinators and deputies for the second, third, and summers shifts were based on the calendar year contract.

Committee Member Prickett made a motion to recommend to Town Council the approval of the 2020 Off Duty CCSO Deputy Contract. The motion was seconded by Committee Member Connelly was unanimously approved.

E. To Approve the Purchase of One (1) Tidal Station to be located on the Kiawah Island Parkway Bridge

Mr. Gottshalk stated that as a coastal community, it is very important to understand the large role that the ocean and rivers play in how we live and how we plan. Kiawah has proven itself to be a resilient and educated community and able to adapt to ever-changing coastal conditions. With the growing interest in Sea Level Rise (SLR), the Town must understand what this might mean for the community and stay ahead of potential effects.

Installing this tidal station will provide actual tidal data and more accurate tidal predictions and allow the Town to begin collecting water level data specific to Kiawah Island. These data can be used to monitor the long-term effects of sea-level rise. Also, the Town will have real-time data during storms and large tidal events that can help with decision making. Currently, tidal data predictions for the Kiawah River bridge are extrapolated from nearby stations.

Mr. Gottshalk stated that quotes were received from the two major companies, Xylem and Aquatrak, that are capable of supplying and installing a suitable tidal station:

- **Xylem** \$29,652.72
- **Aquatrak** \$33,560.70

The Xylem system is much easier to install and requires considerably less maintenance to operate. Both systems transmit data via the cellular network, but the Xylem system has a satellite back up if the cell network goes down during a storm. The Xylem quote includes one year of cell service but does not include the cost of the satellite subscription (estimated to be \$50-70 per month).

Committee members discussed the size, location, and security of the proposed tidal station along with the purposes for the station and where the data from the station will be located.

Committee Member Prickett made a motion to recommend to Town Council the purchase, installation, and setup of one (1) tide station from Xylem Corporation for the price of \$29,652.72 plus necessary recurring charges. The motion was seconded by Committee Member Connelly was unanimously approved.

VI. Chairman's Report:

None

VII. Treasurer's Report:

A. Budget Report for the First Six Months ended 12/31/2019

Ms. Szubert presented the Town's Balance Sheet as of December 31, 2019, and Budget to Actual Report for the first six months. She stated the Budget to Actual Report is compiled on a cash basis, and all the funds are consolidated. As of December 31, 2019, the Town's governmental funds combined have an ending fund balance of approximately \$21M, a decrease of approximately \$276K

from June 30, 2019. Of this amount, approximately 44%, or \$9.3M, is an unassigned fund balance and available for spending at the Town's discretion.

Ms. Szubert indicated that overall, for the first six months, the Town's revenues appear reasonable for this time of the year and in line with the expectations. Consolidated revenues of \$3.8M were approximately \$56K or 2% lower than budgeted. This negative variance is \$125K lower than budgeted and attributable, mostly building permits revenue. Data show that building permits, inspections performed along with plan reviews have all decreased since the previous year and is projected to carry throughout the year. She noted that she would pay special attention to the current economy during the next budget process. The negative variance is offset by positive variances in SATAX (State Accommodations TAX) and Interest revenue.

Ms. Szubert stated that with 50% of the year lapsed at the end of December, expenditures to date are approximately \$4.1M, or 51% of total budgeted expenditures and approximately \$385K greater than budgeted for the first six months. The negative variance is mostly attributable to the cleanup cost after hurricane Dorian in the amount of approximately \$695K. The negative variance is partially offset by the positive variances in cost for the CCSO contract and other expense categories. These variances are attributable to the timing of invoicing the Town.

Ms. Szubert clarified questions by Committee Members and noted that the FY 20/21 budget process would begin at the February Ways & Means (W&M) Committee meeting with the discussion of revenue projections. Projected expenditures discussion would take place at the March W&M meeting, with the presentation of the full FY 20/21 budget at the April W&M meeting and the first reading of the budget ordinance at the May Town Council meeting.

VIII. Citizen Comments:

None

IX. Committee Member's Comments:

None

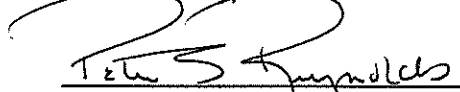
X. Executive Session:

None

XI. Adjournment:

Committee Member Connelly motioned to adjourn the meeting at 12:35 pm. The motion was seconded by Committee Member Prickett and carried unanimously.

Submitted by,


Petra S. Reynolds, Town Clerk

Approved by,


Chris Widuch, Chairman

5-20-20
Date