

WAYS & MEANS COMMITTEE MEETING

Kiawah Island Municipal Center

Council Chambers

February 22, 2020; 3:00 pm

Minutes

I. Call to Order: *Chairman Prickett call the meeting to order at 3:00 pm.*

II. Pledge of Allegiance

Present at the meeting: Dan Prickett, *Chairman*
John D. Labriola, *Mayor*
Maryanne Connelly, *Committee Member*
John Moffitt, *Committee Member*

Absent: Dr. Scott Parker, *Committee Member*

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

III. Approval of Minutes:

A. Ways and Means Committee Meeting of January 26, 2021

Mayor Labriola made a motion to approve the minutes of the January 26, 2021 Ways and Means Committee meeting. The motion was seconded by Committee Member Moffitt and was unanimously passed.

B. Ways and Means Committee Special Call Meeting of February 2, 2021

Committee Member Connelly made a motion to approve the minutes of the February 2, 2021 Special Call Ways and Means Committee meeting. The motion was seconded by Mayor Labriola and was unanimously passed.

Citizen's Comments: Agenda Items

Mr. Neal, with Island Beach Services, stated that he and Mr. Cyrulik were in attendance to answer any questions on their franchise agreement agenda item.

IV. Old Business:

None

V. New Business:

A. Consideration and Recommendation to Town Council for Approval of the Island Beach Services Franchise Agreement Amendment

Ms. Tillerson stated that the Town has had a franchise agreement with Island Beach Services (IBS) to provide umbrella and chair rental services for over thirty years. The Town, residents, and guests are pleased with the level of service provided by IBS.

The current franchise agreement with IBS was signed in January 2018 is set to expire on March 31, 2021. IBS has requested to be awarded the two-year extension provided for in the agreement commencing on April 1st and expiring on March 31, 2023.

Committee Member Connelly made a motion to recommend to Town Council the approval of the Island Beach Services Franchise Agreement Amendment. The motion was seconded by Mayor Labriola.

Mayor Labriola asked for an explanation of the Town's procurement process, how services are evaluated and why contracts provide for an extension.

Ms. Tillerson explained that Town Ordinance states that, depending on the cost of the services to be provided, the Town must go through a procurement process by obtaining three bid proposals or compiling a formal "Request for Proposals." Once a contract has been in place for a period of time, or a project is proposed, the services will be put out to bid to make sure any organization providing the services has the opportunity to submit a proposal and to ensure the Town receives competitive pricing. As part of a services contract, with Council's approval, an extension period is provided, allowing the Town to revisit the contract and do any modifications if necessary.

Following the discussion, the motion was unanimously approved.

B. Consideration and Recommendation to Town Council for Approval of the Night Heron Park Franchise Agreement

Ms. Tillerson stated a franchise agreement with the Night Heron Park Company has been in place for over twenty years. The agreement allows the Kiawah Island Golf Resort to provide umbrella, chair, and kayak rental services in a designated area in front of the Sanctuary. The current franchise agreement was signed in March of 2018 is set to expire as of March 31, 2021. Night Heron Park Company is requesting to enter into a new five (5) year agreement with the Town commencing on April 1st and expiring on March 31, 2026.

Committee Member Connelly made a motion to recommend to Town Council the approval of the Night Heron Park Franchise Agreement. The motion was seconded by Mayor Labriola and was unanimously passed.

C. Consideration and Recommendation to Town Council for Approval of the Agreement with Kimley-Horn

Ms. Tillerson stated that in 2018 when concerns were raised with the traffic on Beachwalker Drive, Kimley-Horn were the consultants that performed a traffic analysis and recommended the addition of a turn lane at the entrance to the County Park. They also provided roadway design services and construction administration for the Beachwalker improvements.

In 2019, Kimley-Horn provided Transportation Planning and Engineering Services for concerns raised with development in the Duneside Drive area. These recommendations included the addition of speed tables and additional signage.

Ms. Tillerson stated that additional safety concerns had been raised along Beachwalker Drive. To complete the loop of pedestrian and safety studies, the Town would like Kimley-Horn to complete a Pedestrian and Bicycle Safety Study on Beachwalker Drive. The purpose of this study will be to analyze continuous bicycle paths, analyzed options for raised pedestrian crossings, and analyze safety options for the cohesion between bicycles, pedestrians, and vehicles. To supplement the

Beachwalker Drive Pedestrian and Bicycle Safety Action Plan, they will analyze the potential geometric improvements to the Beachwalker Drive at Kiawah Island Parkway intersection. The cost of the study would be \$16,500.00, with additional cost envisioned to implement the recommendations.

Committee Member Connelly made a motion to recommend to Town Council the approval of the agreement with Kimley-Horn. The motion was seconded by Mayor Labriola.

Committee member discussion included that future development is taken into consideration as part of the study and included in the contract along with the study look at several scenarios concerning the improvement of the intersection.

Following the discussion, the motion was unanimously approved.

D. Consideration and Recommendation to Town Council for Approval of the Contract for Services with LS3P for the Wet Trash and Recycling Center at the Municipal Center

Ms. Tillerson stated that at the January 2021 Town Council Retreat, the Public Works Manager discussed the issues the Town faces with the trash and recycling center currently located on Kestrel Court. For many years there has been a problem with trash being left on the ground throughout the site even when the trash and recycling bins are not full. To remedy the problem, the Town swapped out the dumpster for compactors to increase capacity, increased the recycling bin size, installed security cameras, and added more and larger signage. Still, the problem persists and has continued to get worse over time as the Island grows.

The Town has very limited options to make improvements or the staff to manage the current site properly. The recommendation had been made to relocate the wet trash and recycling center from the Kestrel Court location to the Municipal Center next to the garage. The Town can better manage and control the trash and recycling center by establishing operation hours, adding appropriate lighting and security system, adding appropriate signage, and controlling the center for better access by patrons and the waste management company. The request is to enter into a contract with LS3P for Programming & Conceptual Design only in an amount not to exceed \$10,000.

Committee members discussed the recommendation and agreed to move forward with the design phase of the proposal.

Mayor Labriola made a motion to recommend to Town Council the approval of the Contract for Services with LS3P. The motion was seconded by Committee Member Connelly and was unanimously passed.

Citizen's Comments:

None

VI. Chairman's Report:

Chairman Prickett reported that the development of a procedure for obtaining emergency funding has been completed and is now in place.

VII. Treasurer's Report:

A. Fiscal Year 2021-2022 Budget Discussion- Revenues

Ms. Szubert began the Fiscal Year 2021-2022 budget discussion by reviewing history over the past fifteen years used to develop trends. She noted that a slow-growing trend in revenue sources could

be seen, pointing out that one of the biggest changes included the Town taking over the building permitting process and their total revenues along with improvements made in compliance with Accommodation Tax payments.

When the Town began preparation for the FY2021 budget, no one could foresee the financial impacts we would face due to the COVID-19 pandemic. In June 2020, Town Council approved a balanced budget with very conservative assumptions. In November 2020, mid-year evaluation of revenue performance allowed the Town to increase budgeted revenues by \$460,000.00. With the collections tracking on pace, the total revenues will exceed the amended amount by the end of the current fiscal year by \$1.7 million.

In preparation for the next year's budget, there is still a very high level of uncertainty. To be conservative, most of the revenues were budgeted based on FY2019 (pre-pandemic) levels. Overall, the total budgeted revenues of \$9.3 million for FY2022 are 2%, or \$185,000.00 lower than current year projections and 7%, or \$652,000.00 less than FY2019 actuals.

Ms. Szubert reviewed the comparisons that were made to FY2019 actuals unless otherwise noted:

- ✓ Building Permits revenue is estimated to decrease 9%, or \$88,000.00, mostly due to a slowdown in new construction activity on the Island. A one-time special project permit revenue is projected from the Parcel 13 development.
- ✓ Business Licenses revenue is estimated to increase 6%, or \$160,000.00. The increase is attributable to continuous enforcement efforts with licensing compliance.
- ✓ Berkeley Electric Coop, Beach Services, and Other Franchise fees are estimated with no change.
- ✓ Local Option Sales Tax is projected to increase by 2% or \$12,000.00 based on the overall trend.
- ✓ State Accommodation Tax revenue is projected to increase 2% or \$32,000.00 based on the overall trend.
- ✓ Local Accommodation Tax revenue shows 2%, or \$19,000.00 increase, based on the overall trend.
- ✓ The Town is estimating to receive \$200K in County Accommodation Tax. Due to the pandemic, Charleston County suspended all the tax remittances to their municipalities for the current year until the final review of the County's revenue performance for FY2021. It is a 59%, or \$284,000.00 decrease when compared to FY2019.
- ✓ Hospitality Tax revenue is estimated with no change when compared.
- ✓ Solid Waste revenue is estimated to increase 11%, or \$59,000.00. The increase is mostly attributable to additional efforts in garbage fee collection from rental properties.
- ✓ Interest Revenue shows 92%, or \$399,000.00. The decrease is attributable to the very low-interest rates market.
- ✓ Other revenues include the following sources:
 1. Aid to Subdivision - \$35,000.00 - no change
 2. Planning Fees - \$10,000.00 - no change
 3. Court Fees & Fines - \$25,000.00 - no change
 4. Beverage Permits revenue - \$45,000.00 - no change
 5. Victim's Assistance Fees - \$10,000.00 - no change
 6. Miscellaneous revenue - \$35,000.00 - no change

Ms. Szubert reviewed the five-year projections based on historical trends, pointing out revenues from future special projects she has included in the projections.

Committee members discussed the projections, comparison to FY2019, Investment revenues, and permitting leading indicators.

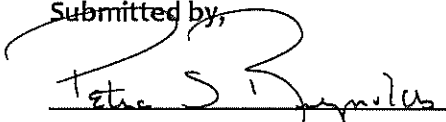
Ms. Szubert explained the new business license law passed by the State in September requiring all municipalities to standardize their business licensing process but does not regulate the fee structure. She noted that license and permit fees are set by Council and may be changed every other year. She reviewed the Town's current fee structure along with a comparison to other area jurisdictions. Her recommendation was to leave the existing fees "as is," considering the business that has been hurt by the pandemic noting there was an opportunity for reconsideration at a future date.

VIII. Committee Member's Comments:
None

IX. Adjournment:

Mayor Labriola made a motion to adjourn the meeting at 4:18 pm. Committee Member Connelly seconded the motion and was unanimously passed.

Submitted by,


Petra S. Reynolds, Town Clerk

Approved by,


F. Daniel Prickett, Chairman

April 9, 2021
Date