

Town of Kiawah Island
WAYS & MEANS COMMITTEE MEETING
Municipal Center Council Chambers
January 24, 2022; 3:00 pm

MINUTES

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

II. **Pledge of Allegiance**

III. **Roll Call:**

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*
Rob Edgerton, *Barrier Island Ocean Rescue*
Michael Sosnowski, *Barrier Island Ocean Rescue*

IV. **Approval of Minutes:**

A. Ways and Means Committee Meeting of December 7, 2021

Committee Member Connelly made a motion to approve the minutes of the December 7, 2021 Ways and Means Committee meeting. Committee Member Moffitt seconded the motion, and it was unanimously passed.

B. Ways and Means Committee Special Call Meeting of January 10, 2022

Committee Member Moffitt made a motion to approve the minutes of the January 10, 2022 Special Call Ways and Means Committee meeting. Committee Member Connelly seconded the motion, and it was unanimously passed.

V. **Citizens' Comments: (Agenda Items only)**

None

VI. **Old Business:**

None

VII. **New Business:**

A. Review and Recommendation to Town Council for Approval of the Contract with Barrier Island Ocean Rescue

Ms. Tillerson stated that the Town currently contracts with Barrier Island Ocean Rescue to provide Beach Patrol and Code Enforcement services in separate contracts. With the contract for Beach Patrol expiring, the Town posted a Request for Proposals (RFP) for the combined services.

The only bid proposal was from the Barrier Island Ocean Rescue (BIOR). With a substantial increase in services costs, staff met with BIOR to discuss the proposal amount to understand the increase better and obtain alternative options.

Mr. Sosnowski presented a presentation that provided an overview of the history of the services that have been provided and the advantages of combining the Beach Patrol and Code Enforcement services. He reviewed qualifications earned since the last contract bid in 2017 and the service enhancements.

In the RFP, Town Staff identified the following factors:

- Summer season seemingly starting earlier every year
- The dramatic increase in beach activity since 2017
- The need for more ordinance enforcement and a continuous presence from a TOKI Enforcement Officer.

Mr. Sosnowski reviewed the additional services requested in the RFP:

- “Peak Season” beginning Easter Weekend rather than Memorial Day Weekend
- An additional Beach Patrol/Code Enforcement “Flex” position operating 24 hours per day, year-round.
- An additional Code Enforcement Officer on weekend days during the “Peak Season.”

Mr. Sosnowski presented a service comparison of the cost of existing services and additional requested services for both Beach Patrol and Code Enforcement, the combined cost for both services, and the significant factors in the increased costs.

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|---------------------|----------------|
| • Existing Service | \$609,345.00 |
| • Service Requested | \$1,195,280.00 |

Also presented were alternative options:

| | |
|---|----------------|
| • Option 1 – No Change – contracts remain separate | |
| ◦ Beach Patrol – New contract | \$522,600.00 |
| ◦ Code Enforcement – Current contract extended | |
| • Option 2 –Keep "Flex" but reduce peak and weekend staffing | |
| ◦ Combined contract | \$1,023,214.00 |

Committee members engaged in an in-depth discussion of the services provided in each option, cost comparisons, and funding sources.

Mr. Harris stated that after the bid closing, there were several discussions with staff on the proposal cost. When considering the option available and the short time he had been working for the Town, extending the Code Enforcement contract for the additional year would provide the time necessary for him to do a complete assessment of the call volume.

Ways and Means Committee Members, Ms. Tillerson, Mr. Sosnowski, and Mr. Edgerton engaged in an in-depth discussion of the combined Beach Patrol/Code Enforcement proposal as submitted, variations of the combined proposal submitted, and the option to leave the contracts separate at this time to allow time to assess the Code Enforcement services needed.

Following the discussion, Committee Members agreed to the Beach Patrol services proposal but asked that staff continue working with Committee Members and BIOR to provide the requested schedules or additional contract options to keep the contracts together.

Mayor Labriola made a motion to direct staff and Councilmembers to work together with BIOR to work out a solution to provide a better understanding of the contract before the February 1st Town Council meeting. Committee Member Connolly seconded the motion, and it was unanimously passed.

VIII. Chairman's Report:
None

IX. Treasurer's Report:

A. Budget Report for the First Six Months Ended 12/31/2021

Ms. Szubert presented the Town's Balance Sheet as of December 31, 2021, and Budget to Actual Report for the first six months. The Budget to Actual Report is compiled on a cash basis, and all the funds are consolidated.

As of December 31, 2021, the Town's governmental funds combined have an ending fund balance of approximately \$24.9M, an increase of approximately \$2M from June 30, 2021. Of this amount, approximately 51%, or \$12.8M, is available for spending at the Town's discretion (unassigned fund balance).

Overall, for the first six months, the Town's revenues of \$5.8M are \$3.9M, or 50% higher than budgeted. Due to continuous uncertainties related to the COVID-19 pandemic, the Town Council adopted the FY2022 budget with conservative revenue projections based on pre-pandemic levels from FY2019. However, all revenues generated by tourist activity exceeded the budget, and these positive variances are projected to carry forward throughout the year. Additionally, the building permits revenue has spiked with the increased number of construction projects this year. This year, the Building department has issued 1570 permits compared to 1034 for the first six months last fiscal year and 987 for FY2019.

With 50% of the year lapsed at the end of December, expenditures to date are approximately \$3.8M, or 44% of total budgeted expenditures and approximately \$24K less than budgeted. The majority of expenses are reasonable and in line with the budget. The positive variances relate mostly to timing in billing. Two-line items, salary adjustments, and the donation to MUSC's new facility were not budgeted and will carry a negative variance throughout the year.

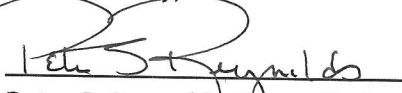
X. Citizen Comments:
None

XI. Committee Member's Comments:
None

XII. Adjournment:

Chairman Prickett adjourned the meeting at 4:07 pm.

Submitted by,


Petra S. Reynolds, Town Clerk

Approved by,


F. Daniel Prickett, Chairman

3-8-22
Date