

**WAYS AND MEANS COMMITTEE MEETING
KIAWAH ISLAND MUNICIPAL CENTER
COUNCIL CHAMBERS
AUGUST 30, 2011 AT 9:00 AM**

Minutes

- I. Call to Order:** Mr. Lipuma called the meeting to order at 9:00 am.
- II. 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.
- III. Roll Call:**

Present

Charles R. Lipuma, Chairman
G. Steven Orban, Mayor
Alan L. Burnaford
Greg A. VanDerwerker
Fran Wermuth

Also Present

Tumiko Rucker, Administrator
Kenneth Gunnells, Treasurer
Lakesha Shannon, Town Clerk

- IV. Approval of Minutes**
 - A. Ways and Means Committee Meeting Minutes of June 28, 2011**
Mr. Burnaford motioned to approve the minutes of the June 28, 2011 Ways and Means meeting. The motion was seconded by Mayor Orban, and approved unanimously.
- V. Old Business**

None
- VI. New Business:**
 - A. Applications for Charitable Contributions**
The Town received Charitable Contribution applications from 8 organizations. Mr. Lipuma noted that representatives were present from a number of the organizations and invited them to make a brief statement as their requests are discussed. Mr. Lipuma recused himself from voting on the request from Sea Island Habitat for Humanity and Mayor Orban recused himself from voting on the request from Barrier Island Free Medical Clinic as they serve as board members for these charities (see attached recusal statement).

Charleston Confidence

Mr. Gunnells provided a brief explanation of the request from Charleston Confidence. The organization requested \$900 to help fund a youth basketball program that will instill confidence in the participants. Charleston Confidence was formed in February 2011 and is a first time applicant to the Town. Since this was a new applicant, the Committee felt that a representative should speak on behalf of the organization.

Mr. Burnaford motioned not to fund Charleston Confidence. The motion was seconded by Mayor Orban, and passed unanimously.

St. Johns High School

Principal Lee Runyon and football coach James Waring, of St. Johns High School provided an explanation of the \$5,000 charitable contribution request from the school. Mr. Runyon stated that approximately 300 students attend St. Johns High School and 25% of the male population participates in football. He commented that the school district is currently facing budget cuts which have affected the football program. Mr. Lipuma requested to know if the school has approached parents or any other outreach programs for funding. Mr. Runyon stated that the school's Booster Club has been very generous in their fundraising initiatives and have been willing to provide a 50/50 match within their budget. He stated that they have also approached churches and other faith-based organizations for funding. The school's athletic department operates on a budget in excess of \$100,000 annually of which funding is provided by Charleston County School District and from gate receipts collected at athletic events. He stated that are currently barely operating within the budget.

Mr. Waring stated that the \$5,000 request to the Town is specifically for the football program and would help replace worn and outdated equipment such as helmets and shoulder pads. He also stated that the football players have raised a little over \$2,700 from carwash and chicken dinner fundraisers over the past two years to help purchase quality equipment. He noted that St. Johns High School has produced eight college football players over the past two years which has motivated the current players. Mr. Lipuma suggested that the Town match the funds raised by the team's initiatives.

Mayor Orban motioned that the Town appropriate \$5,000 to St. Johns High School football program as a maximum amount to be paid out in matching funds from the team's fundraisers over the current year. The motion was seconded by Mr. Burnaford.

Dr. VanDerwerker requested to know what is being done to support programs for the girls at St. Johns High School. Mr. Runyon stated that the school is working diligently to match funds for these programs.

Mrs. Wermuth requested to know what the school policy is regarding the students ability to play in games based on their grades. Mr. Runyon explained the school's grade monitoring policy and noted that the athletic department monitors each player's grades on a weekly basis.

Following discussion, the motion was approved unanimously.

Full Faith Ministries

Mr. Burnaford motioned to approve the \$10,000 funding request from Full Faith Ministries. The motion was seconded by Mayor Orban.

Mayor Orban asked what amount was previously funded to Full Faith Ministries. Mrs. Rucker stated that \$2,500 was previously funded to the organization to help offset the cost of events and programs.

Dr. VanDerwerker commented that it would be helpful to have a representative from the organization provide an overview to the Committee. Mrs. Rucker suggested that a representative provide a presentation at the Town Council meeting. Mr. Burnaford suggested that the item be tabled for further discussion after hearing from a representative during the Town Council meeting.

Following discussion, Mr. Burnaford withdrew his motion and Mayor Orban withdrew his second.

Mr. Lipuma stated that the Committee should also consider the requested amount of \$10,000, which is an increase from the previous request of \$2,500. Mrs. Rucker noted that the \$10,000 funding request is to purchase a vehicle for the program. The Committee agreed to review the request at the Town Council meeting following a presentation from the organization.

Charleston Triathlon Club

Mr. Burnaford motioned not to fund the Charleston Triathlon Club. The motion was seconded by Mayor Orban.

Dr. VanDerwerker suggested that this organization apply for ATAX funding. Mrs. Rucker stated that the organization applied through ATAX several years ago; however, they have been excluded since they are not a non-profit organization. They also do not qualify under the Charitable Contribution Policy.

Following discussion, the motion was approved unanimously.

Mayor Orban stated that the Charleston Triathlon Club has been funded over the years through the Town's general fund.

Barrier Island Free Medical Clinic

Mr. Burnaford motioned to approve the \$15,000 funding request from Barrier Island Free Medical Clinic. The motion was seconded by Dr. VanDerwerker.

Mrs. Wermuth requested to amend the motion to not exceed last year's funding amount of \$10,000. The motion was seconded by Mr. Lipuma.

Mr. Burnaford commented that he is very comfortable funding the \$15,000 as this is a great program.

The motion to amend the requested amount to \$10,000 failed 1-4, with Mrs. Wermuth voting yes.

The motion to approve \$15,000 for the Barrier Island Free Medical Clinic passed 4-1, with Mrs. Wermuth voting no.

Sea Island Habitat for Humanity (SIHH)

Mr. Burnaford motioned to approve the \$5,000 funding request from Sea Island Habitat for Humanity. The motion was seconded by Mayor Orban.

Mayor Orban stated that the \$5,000 funding request is to support the SIHH Charity Golf Tournament on September 14th. The \$5,000 will purchase a sponsorship to obtain 4 golf places in the tournament. He suggested that the 4 spots be provided to Town volunteers as a thank you.

Dr. VanDerwerker asked if this funding request would affect any future requests from the organization. Mr. Lipuma stated that the Town has previously approved \$45,000 for the SIHH for a home sponsorship, and was advised that they are welcome to apply for additional funds for future projects. Mayor Orban stated that SIHH received \$30,000 from the Town on last year to pay off the \$45,000, 3 year pledge which was paid in 2 years instead.

Following discussion, the Committee voted unanimously to approve the \$5,000 funding request from Sea Island Habitat for Humanity.

Communities in Schools

Mrs. Wermuth motioned to approve the \$5,000 funding request from Communities in Schools. The motion was seconded by Mayor Orban.

Mrs. Jane Riley, Executive Director of Communities in Schools, provided an overview of the program. She stated that they provide support services to students on Johns and Wadmalaw Islands. She commented that the organizations partnership with Charleston County schools and Kiawah volunteers is stronger than ever. She also stated that they are excited to be a

part of the upcoming EduFest event which supports the public schools. The organization is funded through a number of sources to include: grants, the Charleston County School District, the United Way, the City of Charleston and fundraisers.

Dr. VanDerwerker commented that he is very impressed with the application submitted and the results of the program.

Mr. Burnaford had questions regarding the budget for staff salaries and the process for monitoring staff. Mrs. Riley stated that the budget for salaries is based on 18 schools with 25 staff members. She stated \$.90 of every \$1.00 raised goes toward program support. She noted that each staff member has a minimum of a Bachelor's Degree, and many have a Master's Degree. She stated that it costs roughly \$70,000 to place a fulltime staff person in a school. Mrs. Riley stated that staff performance is monitored by herself and the Program Director. She added that the successes of staff are based on the progress of the children served by the program.

Following discussion, the Committee voted unanimously to approve the \$5,000 funding request from Communities in Schools.

Rural Mission

Mr. Burnaford motioned to approve the \$10,000 funding request from Rural Mission. The motion was seconded by Dr. VanDerwerker.

Mr. Burnaford requested that staff provide the previous year's funding along with future charitable contribution requests.

The Committee voted unanimously to approve the \$10,000 funding request from Rural Mission.

Mr. Lipuma directed staff to add the prior year funding amounts to the charitable contribution requests for the Town Council meeting. He also requested to add discussion on how to deal with new applicants on the next Ways and Means agenda. Mrs. Rucker stated that the current charitable contribution policy is written to be very general and the purpose of the funding is specific. She commented that the Town will likely continue to see different types of applicants due to the funding limitations for non-profit organizations caused by the economy.

Mr. Lipuma stated that the Town should continue to monitor the types of applications received so that they may be dealt with in the proper manner.

B. Janitorial Bids

Mrs. Rucker stated that the Town advertised for competitive bids for the janitorial contract and 3 bids were received; however, staff experienced

difficulty clarifying the bid amounts, obtaining contacts and references, and etc. As a result, all bids were rejected and the contract was re-advertised. There was only one bid received from the re-advertisement, which was the original contractor, Perkins Cleaning Service. The bid totaled \$25,000, which consisted of \$22,000 for general office cleaning and \$3,000 for special services. The original bid from Perkins Cleaning Service included a 3% cost of living increase of \$1,092.

Mr. Burnaford motioned to approve the janitorial bid. The motion was seconded by Dr. VanDerwerker.

Mrs. Wermuth requested to know why staff did not reach out to other companies in the same business since only one bid was received. Mrs. Rucker explained that this was a competitive bidding process which required advertising, and time specific sealed bid submittals. She stated that the bids were open and advertised; however, there was not a considerable amount of interest in the contract. Mrs. Wermuth stated that competitive bidding allows for 3 firms to be contacted for bids.

Following discussion, Mayor Orban motioned to approve Perkins Cleaning Services for a 3 year contract with 2 one year renewable options to be reviewed annually. The motion was seconded by Mr. Burnaford. The motion passed 4-1, with Mrs. Wermuth voting no.

C. Vehicle Purchases

Mr. Gunnells stated that the Town advertised for competitive bids for a Toyota Tacoma and a Dodge Dakota to replace the existing Wildlife and Turtle Patrol trucks. He stated that 3 bids were received for the Toyota Tacoma and no bids were received for the Dodge Dakota. Mr. Gunnells stated that he contacted the local Dodge dealership and was advised that the Dakota is unavailable due to manufacturing design changes. He stated that it was suggested that the Town re-advertise for a Toyota Tundra, and 4 bids were received. Mr. Burnaford asked if there would be any benefit in purchasing two of the same type vehicles from one dealership. Mrs. Rucker and Mr. Gunnells explained that each group has different vehicle needs.

Mr. Burnaford motioned to approve an amount up to \$70,000 for the vehicle purchases. The motion was seconded by Mayor Orban, and carried unanimously.

D. College of Charleston State Accommodations Tax Evaluation Proposal

Mrs. Rucker stated that following the March SATAX Committee meeting, it was decided that the Town needed to improve its funding process. She stated that staff spoke with the Charleston Visitors Bureau (CVB) about

their process, and was advised to contact the College of Charleston for assistance. The College of Charleston handles the SATAX process for Charleston County. Mrs. Rucker and Dr. VanDerwerker met with Professor Bing Pan from the College of Charleston to request assistance in improving the Town's process. Mrs. Rucker explained the Town's current SATAX process and stated that there are eight applicable funding venues for state accommodations tax which is reviewed by a seven member committee that is specifically designed by the state. Staff requested a process that is more objective and that would prevent committee member decisions from being bias toward their own businesses. The College of Charleston recommended a formula that would be applied to all applications received. The applications would be ranked based on a weighted average, and a dollar amount could be assigned based on the number of points each application receives. The College of Charleston would assist the Town in developing a formula which would be approved by Council. If approved, Professor Ping would meet with the SATAX Committee and potential applicants to explain how the process would work. He would also attend the SATAX Committee meeting to help administer the process. Mrs. Rucker stated that this does not remove the SATAX Committee from the process in any way. The applications would be ranked and prioritized before they are received by the committee.

Dr. VanDerwerker commented that the County previously experienced similar issues with their ATAX process; however the College of Charleston has provided them with a process that has worked well. He stated that the process provides structure and organization to the applications received as well as a framework to compare the applications. The process would require more pre-event and post-event documentation and additional data from applicants. Dr. VanDerwerker feels that the proposed process is worthwhile and that it would be a good starting point for the Town to better organize the SATAX process.

The costs associated with the proposed process are \$15,000 for the process design and implementation and up to \$15,000 if surveying is requested for background data. The Committee discussed how the proposed process would be funded. Mrs. Rucker suggested funding the process through the general fund.

The Committee discussed the previous SATAX Committee meeting and whether or not the proposal would make the process better.

Dr. VanDerwerker motioned to approve the College of Charleston State Accommodations Tax Evaluation Proposal. The motion was seconded by Mrs. Wermuth.

Mayor Orban commented that he is not in favor of the proposed evaluation process and feels that the current SATAX process is appropriate. He also commented that the SATAX Committee is state mandated.

Mrs. Rucker commented that the proposed process would give the SATAX Committee a guide and a prioritization system based on a formula. It would also provide some variation in the dollar amounts submitted on the applications and would allow funding to be provided to more applicants.

Mr. Burnaford commented that he did not attend the last SATAX Committee meeting; however, he was informed that there was too much staff and Council input during the process. Mrs. Rucker commented that staff only provided input when clarification was requested by the committee.

Mr. Wermuth asked if other options can be considered or if the discussion could be tabled until a later date. Mr. Lipuma stated that other options could be considered enough if the proposal is not approved at this time.

Following discussion, Council voted 3-2 not to approve the proposal for SATAX distribution. Mr. Burnaford, Mayor Orban and Mr. Lipuma voted no. Mrs. Wermuth and Dr. VanDerwerker voted yes.

VII. Chairman's Report

None

VIII. Treasurer's Report

Mr. Gunnells stated that the audit is complete and the Town is doing well.

IX. Citizen Comments

Wendy Kulick, 38 Marsh Edge Lane

Mrs. Kulick thanked the Committee for supporting local school programs. She urged committee members to attend the upcoming EduFest event and volunteer financial support. Mrs. Kulick thanked the Town for posting detailed meeting materials on the website; however, in an effort to save on paper and wear and tear of the printer, she suggested that only a summary of the information be printed as handouts for the meeting.

Marilyn Olson, 4985 Green Dolphin Way

Mrs. Olson commended the Committee for expanding the charitable contribution funds to include the youth of Johns and Wadmalaw Islands. She also commented on the presentation by Reverend Frazier regarding the need for transportation for the Boys to Men Ministry.

John Olson, 4985 Green Dolphin Way

Mr. Olson thanked the Committee for approving funding for the St. Johns High School football team. He stated that the Town's funding has provided the students with opportunities they would have never had. Mr. Olson stated that because of the Town's support, the school has established relationships with the Resort and the St. Johns Rotary Club. Mr. Olson commented on how the funding helps to plant seeds in the lives of the student and asked that the Town broaden their ideas as to how charitable contributions requests are funded.

X. Committee Member Comment:
None

XI. Adjournment:
Mayor Urban motioned to adjourn the meeting at 10:43 am. The motion was seconded by Dr. VanDerwerker and passed unanimously.

Submitted by,

Lakesha Y. Shannon, Town Clerk

Approved by,

Charles R. Lipuma, Chair

Date