

**WAYS AND MEANS COMMITTEE MEETING  
KIAWAH ISLAND MUNICIPAL CENTER  
COUNCIL CHAMBERS  
JUNE 28, 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  
Greg A. VanDerwerker  
Fran Wermuth

**Absent**

Alan L. Burnaford

**Also Present**

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

- IV. Approval of Minutes**
  - A. Ways and Means Committee Meeting Minutes of May 31, 2011**  
**Dr. VanDerwerker motioned to approve the minutes of the May 31, 2011 Ways and Means meeting. The motion was seconded by Mayor Orban. The minutes of May 31, 2011 were approved unanimously as amended.**
- V. Old Business**
  - A. Review of ADA Plans for Municipal Center**  
Dr. VanDerwerker stated that Watson Tate Savory Liollo Architecture Firm has provided the Town with plans and pricing packages for ADA improvements to the Municipal Center. Sherrie Liollo, with Watson Tate Savory Liollo Architecture Firm, provided an overview of the ADA evaluation of the Municipal Center. She stated that the evaluation mainly focused on accessibility to all public activities of the building and several recommendations were made. One recommendation was to install interior and exterior door actuators on the front entrance doors of the building and the main entrance doors to Town Hall and KICA. She stated that the cost analysis

for this option contains a low and high range based on the variation of door operator types. The existing doors and frames can be maintained. Mrs. Liollo stated that the firm suggests improvements to the ramp in the front of the building by converting it from a U-turn ramp to a straight ramp for easier access by scooter type vehicles. Handicap parking should also be relocated near the entry point of the ramp. Modifications to the public restroom doors were also suggested to create more space and improved entry. Dr. VanDerwerker suggested the option of automatic doors on the restrooms. Mrs. Liollo stated that there was a request to review the option of installing a canopy over the main front entry doors. She explained the proposed process for installing the canopy and noted that they would have to carefully create foundation in the plaza area of the building. The proposed canopy will be about 7-8 feet from the current wall. Mrs. Liollo stated that there were questions as to whether an elevator should be installed for access to upstairs conference rooms, mainly on the KICA side. The recommendation is to relocate KICA's large upstairs conference room to the first floor for accessibility. Several options were considered for changes to the front area of KICA. It was suggested to relocate the Pass Office to the back of the building and create a separate side entry. This would free up space in the front of the building to create a new conference room. Dr. VanDerwerker stated that the Town has budgeted \$100,000 for the ADA improvements and suggested that the Town pay the entire cost for the project and have the portion contributable to KICA reimbursed by a monthly rent increase over a period of time. Ken stated that the existing lease between the Town and KICA allows the Town to adjust KICA's rent as needed based on the cost of the improvements to the building. Mr. Bunting stated that the KICA Board has not yet reviewed this issue. Mrs. Rucker requested to know if the railing system on the front of the building and the interior doorways would need to be updated to meet current ADA requirements. Mrs. Liollo responded that the current 32 inch doorway does meet ADA requirements. Mrs. Rucker also noted that it is difficult to lock and ensure that the front entrance doors are secured. Mrs. Liollo stated that they will review the front doors for other options. Mr. Lipuma requested a quote on a new front door system. Mayor Orban suggested that a new front door system and handrail system be reviewed as an alternate to the current bid package.

After much discussion, **Mayor Orban motioned to move forward with the ADA improvements presented, with the exception of KICA's Pass Office, and to obtain a proposal from Watson Tate Savory Liollo Architecture for the additional alternatives discussed. The motion was seconded by Mr. Lipuma, and passed unanimously.**

#### **B. Directors and Officers Insurance Exclusions**

Greg Jones, with Wells Fargo, explained the Town's Directors and Officers Insurance exclusions and provided examples of each. He noted that the current policy includes \$5 million in coverage for defense costs and an

additional \$5 million in coverage for damages. Mr. Jones explained that exclusions are placed on the Directors and Officers Policy for three principle reasons: 1.) To eliminate coverage for uninsurable exposures (e.g. fraud); 2.) To eliminate coverage for exposures insured elsewhere (e.g. pollution) and; 3.) To eliminate coverage for exposures that may be removed or modified (e.g. failure to maintain insurance). He stated that the majority of claims against Directors and Officers insurance are employment related. Employment related matters are covered under this policy; however Employment Practice Violations are added back because they are covered by the Tort Liability Policy. The State Insurance Reserve offers up to \$1 million in Tort Liability coverage. Mr. Jones stated that staff has requested quotes on a separate Fiduciary Liability Policy which would pay damages and any benefits due arising out of breach of fiduciary duties in connection with any employee benefit plan. Mr. Jones noted that SC recently passed a law, effective January 2012, which limits punitive damages to \$500,000 or three times the actual amount.

**Mr. Lipuma motioned to make the Directors and Officers Insurance Policy effective immediately. The motion was seconded by Dr. VanDerwerker. The motion passed 3-1 with Mrs. Wermuth voting no.**

**VI. New Business:**

**A. Auditors Letter to Council Regarding the FY 2010-2011 Audit**

Webster Rogers, the Town's Auditing Firm, has provided a letter advising Council of the annual audit process. Mr. Gunnells stated that this is the first year of a three year renewal.

**B. Employee Handbook Revisions**

Mrs. Rucker explained the most recent revisions to the Employee Handbook by the Town's Labor Attorney. She stated that the approved changes to the PTO Policy have been incorporated into the draft handbook; however, the Labor Attorney recommends a separate Sick Leave Policy using the same number of total days as the approved PTO Policy. The Attorney feels that there are some advantages of having sick leave independent from PTO because the Town will have the ability to request certain information from employees to determine the proper use of sick time.

Mrs. Rucker explained the major changes to the statutory review which have been incorporated into the handbook. The changes include: the Nursing Mothers Legislation, Immigration Legislation and the proposed Bone Marrow Donation Policy. The Labor Attorney also reviewed the current Travel Expense and Worker's Compensation Policies and incorporated comments and grammatical changes as suggested by the Employee Handbook Committee.

Mrs. Rucker will reissue the final draft of the Employee Handbook along with supporting letters and memos from the Labor Attorney to Council for consideration.

### **C. Disposition of Town Vehicles**

Mrs. Rucker stated that the FY 2012 Budget includes funding to replace two Town vehicles. She stated that Council previously provided the Administrator with authority to dispose of fully depreciated assets. Mrs. Rucker provided options for disposing of the current Toyota and Dodge trucks which include: donation to a charitable organization, trade-in on new vehicles and advertisement for bid from the general public. She noted that both vehicles have considerable issues and liability is a big concern. The Committee agreed that trade-in would be the best option for disposal of the vehicles. Mrs. Rucker stated that she will plan to trade-in the vehicles toward the purchase of new ones.

### **D. Sheriff's Deputy Contract**

Mrs. Rucker provided an overview of the Sheriff's Deputy Contract and noted that six stipulations were included. The contract includes a \$25 per hour rate per deputy plus a \$10 per deputy per shift vehicle fee. She stated that this is one of things that contributed to the higher cost of Deputies in the State Accommodations Tax request for the past two years. Mrs. Rucker stated that staff will meet with the new Deputy Coordinator to discuss the Town's expectations for communicating and reporting. Mrs. Wermuth requested to be in attendance for the meeting. The deputies are paid from the Town's payroll and seven fulltime deputies are covered by the Town's Worker's Compensation Insurance. The deputies are also covered by the Town under State Retirement System. Mrs. Wermuth questioned the number of fulltime employees as it relates to federal law guidelines. Mrs. Rucker stated that the deputies are only recognized as fulltime employees for the purpose of Worker's Compensation Insurance. Mrs. Rucker stated that there is a pool of about 30-35 deputies who work on the Island and the Town will discuss the need for more consistent scheduling with the Deputy Coordinator. Mrs. Wermuth stated that she also plans to address the issue of having more deputies available to attend traffic court.

**Mayor Orban motioned to recommend to Town Council the approval of the Sheriff's Deputy Contract for the current fiscal year. The motion was seconded by Dr. VanDerwerker and Mrs. Wermuth. The motion carried unanimously.**

## **VII. Chairman's Report**

Mr. Lipuma commented on a previous suggestion that all email communications of Town business be channeled through one email account for easier access. Mrs. Rucker stated that the majority of Council uses the Town's kiawahisland.org email account. Some Committee members

expressed difficulty using the Town's email account. Mayor Orban stated that Mrs. Rucker has obtained a draft Email Policy from another municipality and instructed her to provide a copy to Council for their review. Mrs. Rucker stated that the draft was silent on the retention of Town related emails. Dr. VanDerwerker suggested that the Town consult legal advice or the Municipal Association regarding retention.

Mr. Lipuma requested that this item be discussed further at the next Committee meeting.

#### **VIII. Treasurer's Report**

Mr. Gunnells stated that the Town is closing FY 2011 and preparing for the annual audit. Electronic versions of the Town's schedules and reports will be provided to the Auditors for their review and opinion. The Town will also prepare a CAFR and Popular report.

Mrs. Rucker commented on a question that was raised during the last Committee meeting regarding the State Accommodations Tax review and the potential of working with the College of Charleston to develop a rating scale for allocating SATAX funds. A meeting has been scheduled for August with Professor Pan to request assistance and determine the cost for helping the Town to develop a rating system similar to that used by Charleston County.

#### **IX. Citizen Comments**

##### **Kathy Heikes, 256 Governors Drive**

Mrs. Heikes thanked the Committee for their efforts to make the building ADA compliant. She stated that all mobile chairs are built to comply with the minimum ADA requirements regardless of style. Mrs. Heikes commented on the issue of cars blocking the sidewalk in the Municipal Center parking lot which makes it difficult to access with a mobile chair. She also commented on her difficulty entering the Council Chambers with her mobile chair due to the large tables near the entrance door and requested that they be relocated.

##### **Wendy Kulick, 38 Marsh Edge Lane**

Mrs. Kulick commented on the discussion of replacing the front doors of the Municipal Center and suggested that automatic doors be considered. Mrs. Kulick also commented on the Sheriff's Deputy Contract and stated that the County may consider the reasonable requests made by the Town if the Town were to consider creating its own police force, threatening the loss of income earned by the deputies while working on the Island off-duty. Mrs. Kulick suggested that a temporary email account be created to forward Town related emails until an Email Policy is established.

**X. Committee Member Comment:**

**Mrs. Wermuth**

Mrs. Wermuth commented that the Town Clerk is doing a good job with preparing meeting minutes; however there are some issues with how the minutes should be recorded. Mrs. Wermuth stated that she has an issue with the 2 ½ pages of meeting minutes from a 4 ½ hour Budget Workshop and feels that meeting minutes should be as full as possible. Mrs. Wermuth stated that during the last meeting, she requested that Council review the recording system.

Mrs. Rucker commented that the discussion of the approach to preparing meeting minutes is better served for a different setting than the Ways and Means Committee Meeting. She stated that the Town Clerk was directed to summarize the meeting minutes from the Budget Workshop as there were very little votes taken during that workshop. She further stated that minutes are not verbatim; they reflect actions taken by Council.

Mrs. Wermuth commented that she attempted to get information from the minutes regarding a task she was given during the Budget Workshop. She also commented on an email she received suggesting that she had upset an employee. Mrs. Rucker stated that the referenced email addressed an employee issue and requested that Council allow that issue to be discussed in an executive session.

Mr. Lipuma commented that the Town's policy has been that meeting minutes reflect actions taken and not sidebar conversations. He stated that the recording system needs to be reviewed if it is not properly picking up the discussions.

Mrs. Rucker stated that there are no problems with the recording system; however, the recording may not be clear when several people are speaking at once. She suggested that the speaker make a specific request if they would like a statement to be included in the minutes.

Dr. VanDerwerker commented that minutes should be brief. He stated that he will review the recording system because there is value to keeping accurate records of discussion.

**Mayor Orban**

Mayor Orban stated that he received a request along with pictures to place an American flag in the center of the roundabout. He stated that he will forward the pictures to Council for their review and comment.

As requested by Mrs. Heikes, Mr. Lipuma asked that staff move the tables that are blocking the entrance to the Council Chambers.

**XI. Adjournment:**  
**Dr. VanDerwerker motioned to adjourn the meeting at 11:10 am. The motion was seconded by Mr. Lipuma and passed unanimously.**

**Submitted by,**

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**Lakesha Y. Shannon, Town Clerk**

**Approved by,**

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**Charles R. Lipuma, Chair**

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**Date**