

**WAYS & MEANS COMMITTEE MEETING
KIAWAH ISLAND MUNICIPAL CENTER
1ST FLOOR CONFERENCE ROOM
March 31, 2008, 8:00 AM**

Minutes

I. Call to Order: Mr. McIver called the meeting to order at 8:03 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: Don McIver, Chair
Steven Orban, Councilman
William G. Wert, Mayor

Also Present: Tumiko Rucker, Town Administrator
Kenneth Gunnells, Town Treasurer
Catherine Wilson, Town Clerk

IV. Minutes

A. Ways & Means Committee Meeting – March 10, 2008

Mayor Wert moved to approve the minutes; Motion seconded by Mr. Orban. The motion carried unanimously.

V. Mayor Wert motioned to amend the agenda to include an executive session after the adjournment of the regular meeting in order to discuss personnel matters. Mr. Orban seconded the motion. Motion carried unanimously.

VI. Old Business

A. None

VII. New Business

A. Dennis Rhoad Contract

Mr. McIver explained that Mr. Rhoad's salary operates on the calendar year and that town attorney appointment is the function of Town Council. Mr. McIver discussed that Mr. Rhoad was temporarily unavailable for several months during the end of 2007 and beginning of 2008 and his reappointment was postponed until April 2008 due to his schedule availability. Mr. McIver noted that Mr. Rhoad's

current salary is \$80,000.00 per year and will remain at this rate throughout the end of the calendar year for budgetary purposes. After January 1, 2009, his salary will be \$82,500.00; which is roughly a 3% increase. Mayor Wert asked if the dollar figure would be addressed during his reappointment at the Town Council meeting. Mr. McIver explained that the dollar amount would be discussed during the budget process and not during the Town Council meeting on April 1, 2008. Mr. Orban asked if the Town were owed any back salary as a result of Mr. Rhoad's absence earlier in the year. Mr. McIver and Mayor Wert explained that even though Mr. Rhoad was unavailable, his company was substituted for legal services and never left the Town without legal representation. Therefore, Mr. Rhoad, nor his company, owes the Town remittance of any wages earned. Based on a recommendation from Mayor Wert, the committee edited the draft appointment letter to Mr. Rhoad as follows: in the second paragraph, second to last sentence, it shall read, "You, or your designee, shall, if requested, attend the meetings of Council...". The committee instructed Town staff to make the necessary changes to the letter before the Town Council meeting on April 1, 2008.

B. Mid-Year Salary Adjustments

Mr. McIver explained that the Town had three employees who will be reaching their mid-year, or six month performance evaluation period within the next two months. The request presented was to approve the mid-year salary adjustments for these various employees for the total amount not to exceed \$5,800.00. These changes are based on a merit adjustment, determined by mid-year reviews. This item was discussed in detail during the Ways and Means Executive session and will be voted on during the Town Council meeting on April 1, 2008.

C. Island Wide Eco-Recycling Initiatives

Mr. McIver stated that during the ATAX meeting it was very obvious that the Resort is trying to take a leadership role on recycling initiatives on the Island. The Resort has proposed a recycling center which will be located at Night Heron Park at the Nature Center. Mr. McIver explained that the Resort has a large amount of guests from the Northeastern region of the United States and in that area, recycling is strict and mandatory. The guests, when visiting, bring the same recycling expectations with them and have asked the Resort to provide them with the opportunity to recycle. Mr. McIver said that the entire ATAX committee was very much in favor of increasing recycling on the Island because guests want a more "recycling friendly" visit. Mr. McIver went on to say that he feels the Town can, and should do more in regards to recycling, but he has a major issue with a recycling center being located inside of Night Heron Park. In order for the Town to take a leadership role in the recycling capabilities on the Island, and do so in a comprehensive way, Mrs. Rucker has identified a professional consultant to help design a program similar to recycling programs used by other municipalities. The cost of professional services would not exceed \$5,000.00. Mr. McIver explained

that recycling goes beyond simple cans and bottles and a consultant is necessary in order to view the entire scope of possibilities. Mr. McIver also noted that at the ATAX meeting, he indicated publically that the Town needs to be involved in leading this initiative and should possibly partner with the Resort due to the large scope of the project. Mayor Wert stated that because the Resort is an entity located within the jurisdiction of the Town, that the Town should take the leadership role on this effort. Mayor Wert also explained that he has a large issue with the Resort doing the work and the Town paying for it because the Town would lose regulatory authority. The Mayor concluded his comments by stating that if the Resort, or Town, wishes to use Night Heron Park as a recycling center location, then it will have to be rezoned appropriately and before the Town hires a consultant, he would like the issue to be discussed at the full Town council meeting with appropriate Resort management personnel present. Mr. McIver stated that he has a high degree of concern with the Resort having only two young gentlemen that will be hand-sorting the recycling contents and that they may be getting into a situation that is much larger than they assume. Mayor Wert also stated that Mr. Roger Warren will eventually have to look at this venture from a business perspective and he may not see it as profitable to be collecting Island-wide amounts of recycling through the Resort. Mr. Gunnells explained that during the ATAX meeting, Mr. Warren had tried to intervene and object to the recycling being done solely by the Resort, but Mrs. Elisabeth King was very persistent in having the Nature Center continue with the recycling efforts. Mr. McIver stated that he is concerned that Night Heron Park could end up looking much like the dump site on Sora Rail Road, and no one wants to see that.

Mayor Wert moved to table discussion on this item until the Town Council meeting. Mr. Orban seconded the motion. Motion carried unanimously.

VIII. Chairman's Report

Mr. McIver asked Town Staff to deliver the ATAX recommendations sheet to all members of Town Council along with an accompanying explanatory memo. Mr. McIver stated that this would allow Council the opportunity to review the recommendations before the scheduled budget workshop on April 21, 2008 and facilitate informed discussion.

IX. Treasurer's Report

Mr. Gunnells stated that the Town is in the process of finalizing the budget for review and discussion at the April 21, 2008 budget workshop. Mr. Gunnells also explained that the Town has been approved for Wright Express Cards. The Wright Express cards are used for gas only and remain with a designated vehicle at all times. The cards are enhanced with protective features that prevent the misuse or any abuse. Mr. Gunnells stated that during the month of April, the Town has a number of CD's maturing with Carolina First Bank. Mr. Gunnells explained that Carolina First will be presenting the Town a proposal in order to keep some of the Town's funds with their bank. Mr. Gunnells stated that he did

not foresee the proposals as being competitive with the average rate of 5% which the Town is currently maintaining with other financial institutions. Mr. Gunnells ended by saying that the Town is trying to keep investments as short-term because he feels that the market will be going up shortly.

X. Comments

Mayor Wert stated that he noticed a request for ATAX funds from the Coastal Crisis Chaplaincy organization and wanted to also mention the request from Our Lady of Mercy Outreach. Mr. McIver asked if the Town has reached a point in volume of applicant requests that would require a funding policy. Mrs. Rucker explained that a policy would be greatly beneficial and ensure a fair funding process. Mayor Wert stated that this should be an item on the agenda for the budget workshop.

Mrs. Rucker explained that she and Mr. Orban will be meeting with the BCDCOG on Wednesday, April 2, in order to give a presentation to the SC DOT as a follow-up of the submission of a \$200,000 grant proposal which would secure funds to help with the cost of the Kiawah Island Parkway and Bike Path project. If awarded, the Town should receive the funding by early summer 2008.

Mr. McIver discussed that the County is setting aside 10% of their ATAX funds for emergency situations, such as the recent Isle of Palms issues. Mr. McIver stated that at first, he thought the funds were coming from the total of ATAX funds, but after careful review, it was discovered that the 10% was taken from the remaining funds after distribution to local governments. Mr. McIver asked Mr. Gunnells and Town Staff, to be conscious of the amount of funding from the County in order to assure the 10% is not taken before it is distributed to the Town.

XI. Executive Session

Mayor Wert moved to adjourn the regular meeting at 8:30AM and proceed directly to executive session; motion seconded by Mr. Orban. Motion carried unanimously.

No votes were taken during the executive session.

XII. Adjournment

The Ways and Means committee meeting was adjourned at 8:40AM.

Submitted by,

Catherine Wilson, Town Clerk

APPROVED:

Donald H. McIver, Jr., Chairman

Date:_____

CC: Ways and Means Committee
Town Council
Tumiko Rucker, Town Administrator