

**WAYS & MEANS COMMITTEE MEETING
KIAWAH ISLAND MUNICIPAL CENTER
1st FLOOR CONFERENCE ROOM
June 2, 2008, 8:00 AM**

Minutes

I. Call to Order: Mr. McIver called the meeting to order at 8:04 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 – May 5, 2008

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

V. Old Business

A. Kitchen Renovations

During the Budget Workshop, Town Council instructed staff to procure professional design services in order to renovate the current break room facilities by incorporating improved features such as space, privacy and equipment. Mayor Wert stated that the renovations will include the addition of a dishwasher; following the Town's Green Initiatives and greatly reducing the amount of waste produced. This project will be competitively bid and awarded.

Mr. McIver motioned to approve the expenditure of up to \$9,000 for renovations, furniture, and equipment for the break room in Town Hall. Mayor Wert seconded the motion. Motion carried unanimously.

B. Solid Waste Contractor Annual Rate Increase

Mr. McIver explained that Suburban Disposal has requested a 6.1% price increase due to the escalating price of diesel fuel. Mr. Orban stated that 6.1% is higher than the Southeastern CPI average and that he understands the 6.1% request because of diesel fuel costs.

Mr. Orban moved to recommend to Town Council the approval of a 6.1% price increase for Suburban Disposal/Solid Waste Contractor, for the annual rate increase. Mayor Wert seconded the motion. The motion carried unanimously.

C. Garage Addition/Beverage Permit Fund

Mr. McIver motioned to approve the expenditure of \$50,000 for a two bay addition to Town Hall's current garage. Mr. Orban seconded the motion.

Mr. McIver introduced the proposal to expend up to \$50,000 for the addition of two bays on the current garage. Mr. Orban stated that for ARB approval the Town will need to submit accurate architectural drawings of the proposed addition prior to bidding the project.

Mayor Wert motioned to amend the original motion in order to approve 7,500 to cover architectural and design work in order to get ARB approval.

Members discussed the layout of the addition design at length. Mr. McIver stated that a \$7,500 Design and Engineering Fees Line Item will be placed in the 2008/09 Beverage Fund budget for the required services for approval on June 3, 2008.

Mr. McIver motioned to approve the expenditure of up to \$7,500 for design and engineering services for a two bay addition to Town Hall's current garage. Mayor Wert seconded the motion. The motion carried unanimously.

D. FY 2008-09 Budget

Mr. McIver introduced the budget and stated that the goal of the listed changes was to reduce the deficit in the general fund. Town Council will vote on the second reading of the FY 2008-09 budget ordinance on June 3, 2008.

There were no objections taken to the budget.

VI. New Business

A. Beach Patrol Contract Amendment

Mr. McIver introduced A-Services Group, LLC (ASG) request for a \$15,000 annual increase to cover the cost of a fourth vehicle and fuel cost increases. Mr. McIver noted that ASG had recently lost their beach patrol ATV in rapidly rising high tides during a rescue. Mr. McIver stated that ASG is doing a great job providing beach patrol services,

thus far. Mayor Wert recommended approving a one time \$15,000 subsidy with the contract to be reviewed on a year to year basis.

Mayor Wert motioned to approve a one time \$15,000 supplement to cover the cost of a service vehicle and the increasing cost of gas with the contract reviewed annually on February 1. Mr. McIver seconded the motion. Motion carried unanimously.

B. Debt Policy

Mr. McIver explained that the debt policy is the Town's last remaining policy to be approved by Council. Mr. McIver noted that this is a policy only and that the Town is not anticipating any sudden acquisition of debt.

Mr. Orban motioned to approve the debt policy. Mayor Wert seconded the motion. Motion carried unanimously.

C. HVAC Replacement

Mr. McIver stated that three companies responded to the public bid for HVAC Replacement. Mr. Gunnells prepared a proposal recommending the expenditure of up to \$7,500 for a Carrier SeaCoast 5 ton 14 seer equipment using R-410a refrigerate from Signature Heating and Air. Mr. Gunnells explained that the use of R-410a is more environmentally friendly and will be the only refrigerate available after the R-22 elimination period. Mr. Gunnells also stated that at present time, the two coolants cost is roughly the same, but R-22 costs will rise dramatically over the next few years as the Federal Government mandates lower R-22 production levels. Mayor Wert asked why two of three bidders had higher prices for Trane equipment when compared to the Carrier equipment. Mr. Gunnells explained that the quote differences resulted from the fact that Lonzie and Allen and Signature are both Carrier dealers and Blue Marlin is a Trane dealer. Mr. McIver stated that an additional warranty for service and parts should be purchased with the equipment. Mayor Wert agreed and stated that a long-term service warranty should be purchased.

Mr. McIver motioned to approve the expenditure of up to \$8,500 for the purchase of a Carrier Sea Coast 5 ton 14 seer equipment using R-410a refrigerant with an additional long term warranty for parts and service from Signature Heating and Air. Mr. Orban seconded the motion. Motion carried unanimously.

VII. Chairman's Report

No report.

VIII. Treasurer's Report

Mr. Gunnells stated that the Town's financial affairs are in good shape and everything is up-to-date. Auditors are scheduled to come in during the last part of August to review the year-end. CAFR and Financial Statements will be prepared in-house.

IX. Committee Member Comments:

Mr. Orban asked if the Town's 20th Anniversary Committee could be excused from the bidding requirements. Mr. Gunnells explained that because the bid is over \$10,000 state law mandates the competitive bid.

Mayor Wert stated that he would like the Town Administrator and Treasurer to discuss the catering bid issue with Dennis Rhoad, Town Attorney, in order to ensure that the expenditure of funds is handled in a proper way.

Mayor Wert stated that the Ways and Means committee has been served extremely well during the past six years by Chairman McIver and that the Committee owes him a vote of thank you for the hard work, the oversight, and the attention to detail that he has offered and made all of our jobs a lot easier and safer.

Mr. McIver received a round of applause.

X. Public Comment:

None

XI. Adjournment

Mr. McIver motioned to adjourn the meeting at 8:42 AM. Mr. Orban seconded the motion. Motion carried unanimously.

Submitted by,

Catherine Wilson, Town Clerk

APPROVED:

Donald H. McIver, Jr., Chairman

Date: _____

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