

**WAYS AND MEANS COMMITTEE  
KIAWAH ISLAND MUNICIPAL CENTER  
DOWNSTAIRS CONFERENCE ROOM  
May 26, 2009, 9:00 AM  
Minutes**

- I. Call to Order: Mr. Orban 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:** G. Steven Orban, Chair  
William G. Wert, Mayor  
Harry McHugh  
Alan L. Burnaford  
Charles R. Lipuma
- Also Present:** Kenneth Gunnells, Treasurer  
Tumiko Rucker, Town Administrator
- Absent:** Catherine Wilson, Town Clerk
- IV. Approval of Minutes:**  
**A. April 28, 2009 Minutes**  
Mayor Wert motioned to approve the minutes of April 28. Mr. Burnaford seconded the motion. Mr. Gunnells made changes to the minutes. With those changes, the minutes were approved unanimously.
- V. Old Business:**  
**A. Janitorial Contract**  
Mr. Burnaford motioned to recommend to Town Council the extension of the agreement with Sharon Perkins for Cleaning Services at an annual rate of \$25,000 to begin on July 1, 2009 and expire on June 30, 2011. Mr. Lipuma seconded the motion.

Mr. Burnaford asked when the last increase occurred. Mrs. Rucker stated that the last action regarding the cleaning services contract was in 2005. Mrs. Perkins was the only bid respondent and the contract was awarded to Mrs. Perkins. To date, the rates have not changed. Mrs. Rucker stated that the current contract has a 5% escalator built in. Mrs.

Rucker stated that Mrs. Perkins submitted a letter to the Town in January of 2009 requesting a review of her current contract and an increase in fees. The increase was requested to cover cleaning products and the increase in costs associated with travel from Summerville.

Mr. Orban asked what the fixed payment amount will be. Mrs. Rucker stated that the base amount in the proposed contract is \$23,500 and the addition of quarterly carpet and upholstery cleaning fees increases it to \$25,000. If the Town does not request carpet or upholstery cleaning, it will be less than \$25,000.

Mr. Orban stated that this will be an entirely new agreement and the price will be valid for two years. The contract may be extended for one year terms not to exceed five years from the original agreement date. Upon contract extension, rates will be attached to the Southeastern CPI.

Mr. Lipuma asked if there are no extra services provided what the total cost will be to the Town. Mrs. Rucker responded \$23,500.

**Mr. Orban called for a vote and the motion carried unanimously.**

**B. Dumpster Maintenance Contract**

**Mr. Orban motioned to recommend to Town Council the awarding of a contract to Bernard Glover for Dumpster Maintenance Services at an annual rate not to exceed \$10,000. Mr. Burnaford seconded the motion.**

Mr. Orban stated that Mr. Glover has been employed by the Town since 1998 to perform routine dumpster cleanup and maintenance. Mr. McHugh asked if Mr. Glover is considered an employee of the Town. Mr. Orban responded no that Mr. Glover only works when requested by the Town to cleanup the dumpster sites.

Mrs. Rucker stated that she met with Mr. Glover following the last Ways and Means Meeting and asked him to describe the services he provides and the amount of time he works for the Town. Mr. Glover described that he re-bags garbage that has been opened by animals, rakes, and weed eats, and takes the re-bagged garbage to the dumpster at Town Hall. Mr. Glover stated that he works around 5-8 hours per day every Monday, sometimes Tuesday or Wednesday, and Friday. Mrs. Rucker asked him if he would like to continue providing the service to the Town. Mr. Glover responded yes and that he feels three days per week is adequate to keep the sites maintained. Mrs. Rucker also spoke with Rusty Lameo and he also feels that three days is adequate and he is comfortable with the work that Mr. Glover provides the Town. Mr. Glover will maintain the dumpster sites located on Sora Rail, Kestrel Court, and at Town Hall. The Town has developed a \$10.00 per hour rate for 156 visits which will not exceed \$10,000 per year.

Mr. Burnaford stated that the site on Sora Rail is not properly maintained. Mr. Lipuma stated that since the Town took over maintenance of the area, the site has been kept clean of debris but when the County was in charge of dumping, it was not maintained properly.

Mayor Wert stated that this contract will have the advantage of Mr. Glover's duties being described and the Town's liability reduced. Mayor Wert stated that he is in favor of the contract from a legal and cost standpoint. The contract will also allow the Town to measure Mr. Glover's performance more accurately.

Mr. Orban stated that now Mr. Glover will be covered by the Town's Workers' Compensation Insurance and the contract indemnifies the Town. Mr. Orban also requested that the \$10.00 per hour rate be included in the contract language.

Mr. Lipuma stated that the Town's dumpster pad at Sora Rail is crushed and the fence is down. Mr. Orban stated that he is unsure who is in charge of the area. Mayor Wert stated that the landowner is in charge of that area. Mr. Lipuma requested that the Town send a letter to the landowner requesting that it be corrected. Mr. Orban stated that he remembers from the MRR Committee that KICA maintains that area.

Mr. Orban asked if the following language under "Termination" should be included in the contract, "In such a case the Town shall pay the Contractor a pro-rata share for the monthly fee up to the date of termination." Mr. Orban stated the Town is paying him on an hourly rate. Mayor Wert suggested that the language say, "The Town shall pay the Contractor per invoice up to the date of termination." Mrs. Rucker stated she will ask Mr. Rhoad about the language.

**After discussion, Mr. Orban called for a vote. The motion carried unanimously.**

## **VI. New Business:**

### **A. KICA ATAX Request for Funding**

Mr. Gunnells stated that the request is for expenditure of budgeted ATAX funds for the KICA and Conservancy Guest Guides not to exceed \$28,000.

Mr. Gunnells stated that the \$28,000 must be expended before June 30 and that the funds will not be available after June 30. The FY 2009-2010 budget has \$20,000 budgeted ATAX funds for the guides.

Shannon White stated that 125,000 guides last approximately one year. She explained that the last year, the ATAX Committee strongly recommended that KICA and the Conservancy combine efforts and make one map.

Mr. McHugh expressed concerns with the size of font on the map. Mrs. White stated that it is a draft version and some depictions are not as clear as they will be. The final will be

printed on white gloss. Mr. Orban and Mr. Lipuma agreed with Mr. McHugh's concerns. Mr. Orban asked the overall purpose of the guide. Mrs. White stated that it is given out at the gate, rental agencies, and larger events, to provide a map, communicate regulations and educate about the flora and fauna unique to the Island.

Mr. Orban stated that he is concerned that tourists will not be able to read the map.

Mrs. White and Mrs. Woody stated that they can attempt to work with the printer and enlarge the map text.

Mayor Wert stated that he felt the map text was appropriate size and readable. He stated that Council needs to approve the expenditure next week.

**Mayor Wert motioned to recommend to Council the expenditure of \$28,000 ATAX Funds for the KICA/KINCH Guest Guide. Mr. Burnaford seconded the motion. The motion failed 3-2. Mayor Wert and Mr. Burnaford voting yes. Mr. McHugh, Mr. Orban, and Mr. Lipuma voting no.**

Mr. Orban requested that KICA and KINCH present a new version of the map to Town Council at their next meeting.

#### **B. Fennell Container Contract**

**Mayor Wert motioned to approve proposed pricing for Fennell Container solid waste and recycling services. Mr. Burnaford seconded the motion.**

Mrs. Rucker stated that the Committee had three different levels of service that Fennell has offered to provide. The Town does not have a current contract with Fennell for those services. There are trash dumpsters at Beachwalker, Kestrel Court, and Sora Rail. The total annual cost for the trash dumpsters is \$10,080.

Mr. Orban asked what the Town has been paying. Mrs. Rucker stated that the costs have varied but they have been increasing each year. The goal of the contract is to reach a number that is steady and allow the Town more control over escalation each year. The proposed contract would have all increases tied to the Southeaster CPI and would not be eligible for increase for two years.

Mr. Gunnells stated that the rates are slightly lower than what the Town is paying currently.

Mr. Burnaford asked for an explanation for the Regime prices. Mr. Burnaford asked if the cost per regime would vary on the number of regimes participating.

Mayor Wert stated that he feels they are mixing apples and oranges. He stated that Town staff has identified 328 single family homes that are not currently on the recycling program. He asked why they are not participating in the program. Mrs. Rucker responded that she does not have a good answer but that when the Town started the existing system, those homes were not included.

Mayor Wert asked if he pays extra because he has recycling service. Mrs. Rucker stated that 1/3 of his current service fees are attributable to recycling charges. Mayor Wert stated that his current curbside service is free and asked why the 328 homes are not on the free program. Mrs. Rucker stated that the Town's existing services are inconsistent throughout the Island and that she does not know why those homes are not part of the free curbside service. The ordinance for solid waste service states that every unit will take place in the solid waste program. Mrs. Rucker explained that the best answer is that it may have been an oversight and she does not have an exact answer because it predates her tenure with the Town. Mayor Wert asked staff to send those homeowners a letter to let them know that they are now part of the Town's service for curbside.

Mayor Wert stated that he is attempting to simplify the program and require single family homes to participate in the free program.

Mayor Wert stated that the program has too many categories but they will be included on the recycling program for no additional fee.

Mrs. Rucker stated that she would like to deal with trash dumpsters separately from recycling.

Mrs. Rucker stated that the Town does not have recycling bins available for the 328 homes that are not currently participating and that the County provides the blue bins and allow the Town to pick up ten at a time.

Mr. Orban asked for the conversation to go back to the solid waste topic and to deal with the Fennell Contract. This is ongoing service that does not have a formal contract. The total per year is \$17,160.

Mrs. Rucker stated that there is a new level of dumpster using a front-end comingle container which would be used for regimes. This would be a 6yd dumpster placed at the regime location. It would cost \$50.00 for the regime to have a dumpster onsite.

Mr. Burnaford stated that some of the regimes do not have room to place a dumpster. Mrs. Rucker stated that where space prohibits a dumpster, those regimes have been excluded from calculation.

Mr. Orban stated that this is a new program that the Town has not been involved in before. Mrs. Rucker agreed with Mr. Orban and stated that upon review of the ordinance, all regimes and homes are required to participate in the solid waste disposal system. Solid waste includes recycling in the definitions of the Municipal Code.

Mrs. Rucker stated that currently regimes do not recycle. Mayor Wert asked if some of the regimes do not use the Town's solid waste provider. Mrs. Rucker responded that some of the regimes contract their own solid waste provider and are not included under the Town's service.

Mr. Orban stated that this will place a recycling dumpster and hopefully encourage more recycling from the regimes. Mrs. Rucker stated that the Town is working on completing the printed educational materials for the recycling public information meetings. She stated that the rental agencies are extremely excited about the opportunity to recycle.

Mr. Burnaford asked what the Town is doing about dumpster placement in Ocean Woods. Mrs. Rucker stated that the Town has reviewed the locations and understands that the placement should be out of sight. The Town has identified locations where there is screening to hide the dumpster. The Town has not recommended any locations that would require additional fencing or screening.

Mr. Burnaford recommended sitting down with Joe Bunting, KICA, to make sure all entities are on the same page.

Mr. McHugh stated that to summarize the last public information meeting he recommends going forward carefully "lest the Town be crucified for trying to do something that is good." He also stated that there is no unanimity between the regimes because they all have concerns about cost and logistics.

**Mayor Wert motioned to continue with solid waste, cardboard recycling, and roll-off recycling containers and to discuss front-end comingle recycle containers and the purchase of 576 roll carts at a later date. Mr. McHugh seconded the motion.**

Mr. McHugh stated that at this point he does not feel the Town has enough information to make any final decisions on the front end containers or the 576 roll carts.

Mrs. Rucker stated that even if the Town does not place dumpsters for 50 days, they could include a fee for the service. That way the Town would not have to go back to property owners and charge them the additional service costs. Mr. Orban stated he does not want to bill for the service because they do not know how many will be involved.

Mr. McHugh asked how the Town can charge the regimes and not charge the single family. Mrs. Rucker stated that there is a fee charged for the single family but that the

Town's subsidy covers those fees. Mr. McHugh asked how the Town can refuse that benefit to the regimes.

Mr. Orban stated that there needs to be further study before any decisions are made. Mr. McHugh stated that he feels the ordinance may need to be amended.

**Mr. Orban called for a vote on Mayor Wert's motion. The motion carried unanimously.**

Mr. Gunnells stated that these fees are budgeted expenses.

### **C. Purchase for Recycling Containers**

Mrs. Rucker stated that this item is a result of the island wide recycling initiative and 328 single family homes have been identified that are not on the program. The acquisition of 576 containers would be charcoal grey as approved by the ARB. Mayor Wert asked why the Town is providing a larger bin to the regimes. Mrs. Rucker stated that the larger bin would be available to anyone that would like one.

Mr. McHugh asked where the number 576 came from. Mrs. Rucker stated that is the smallest amount the distributor will deliver.

Mr. Burnaford stated that he does not recommend buying 576 bins when the Town does not know how many residents will join. Mrs. Rucker stated that the Town will have to buy additional blue bins because the County will not provide 328. Mayor Wert stated that he would like the Town to find out how many people are interested in the bins.

Mr. Burnaford stated that he is supportive of recycling but that he feels it needs more time.

Mrs. Rucker stated that she feels the memo from KICA is completely misguided and full of errors based on assumptions. There was no communication between the Town and KICA prior to the memo. Mrs. Rucker asked when the Town would make the recycling effective because the 65 gallon container has been the container of record for the past six months. Mrs. Rucker stated that this month's edition of Town Notes publishes the bins are available July 1. Mayor Wert asked how many people have requested the bins. Mrs. Rucker stated that they will not receive Town Notes until the first week of June.

Mayor Wert said the Town wants to promote recycling but that 328 people should be offered the opportunity to recycle with the blue bin. People should also have the option of obtaining a larger roll out container.

**Mayor Wert motioned to notify the 328 single family homeowners that the Town recommends recycling and if they choose to participate, let the Town know and they**

**Town will provide a blue bin. Mr. McHugh seconded the motion. The motion carried unanimously.**

Mr. Gunnells stated that the Town does not have monies budgeted for the purchase of 65 gallon roll out containers in FY 2009-2010 and that any purchase of those bins must take place before July 1, 2009. The current FY budget has \$20,000 budgeted for recycling initiatives. Mayor Wert instructed Mr. Gunnells to accrue it.

#### **D. Recycling Service Fees**

**Mr. Orban motioned to approve a new fee schedule for recycling customers. Mayor Wert seconded the motion.**

Mrs. Rucker stated that this is part of the Town's recycling initiative. Most regimes are not part of the Town's solid waste program. Staff included 716 units and factored the cost at \$50 per recycling dumpster which equaled an annualized cost of \$78,000. That number includes a maximum of three times per week pickup. The total cost per unit would be \$108.96 per year. The Town currently subsidizes \$90 for anyone participating in recycling. The total subsidy cost to the Town, with 716 additional units, is \$64,440 annually. The cost per homeowner would be \$18, but staff recommended the cost at \$10 per year for each new recycling participant.

Mr. McHugh asked why the Town would treat new participants differently than the current single family homes. Mr. Gunnells and Mrs. Rucker explained that it is an equal treatment because of the \$90 subsidy that is factored in per home. Mayor Wert asked if the Town's subsidy would increase. Mrs. Rucker responded no that the subsidy amount remained equal to the current subsidy.

Mr. Orban asked who will pay the bill. Mrs. Rucker responded that the homeowner would pay.

Mr. McHugh stated that if the Town enacts the island wide recycling program there will be an additional cost of \$78,000. If the Town applies the same level of subsidy to the new participants, the Town will pay an additional \$64,400 and have a return of approximately \$7,100.

Mayor Wert stated that the Town does not know how many regimes and units are going to participate. Mrs. Rucker stated that she has interpreted direction up until this point that the Town is moving forward with the island wide recycling initiative for everyone to begin July 1. She explained that the Town will have holes and gaps in the service until service is extended to all.

Mayor Wert stated that the reason that the Town gave people the option of participating in the past was because there was a charge associated. Now, the Town does not charge

anyone for recycling if they participate in curbside service. Mayor Wert stated that the 328 people that are not participating currently will be given curbside service. Mayor Wert stated that during Town Council they must make a decision of whether or not the Town will make recycling mandatory. He explained that the regimes use an entirely different waste management system and it is going to be tough to force them into compliance with the Town. Mayor Wert stated that during the next Town Council meeting, they should discuss mandatory participation in recycling.

Mr. Lipuma stated that the Council should seriously consider all consequences associated with mandatory participation.

Mr. Orban stated that the Town must first sort out how they will work with the regimes and gather a comprehensive understanding of the recycling charges. Mrs. Rucker stated that staff will be able to bring a new proposition only after Council gives direction at their next meeting. Mr. Orban stated that another item to discuss is the additional cost. He explained that it is hard to simplify the services for solid waste and recycling.

Mr. McHugh stated that Mrs. Rucker has been trying to offer the new service within the scope of the existing ordinance.

**After much discussion, Mr. Orban motioned to defer the conversation until the next Town Council meeting. Mayor Wert seconded the motion. The motion carried unanimously.**

Mrs. Rucker asked the Mayor if staff should obtain quotes on the grey bins. Mayor Wert responded yes.

#### **E. Roundabout Repairs**

**Mr. Burnaford motioned to authorize staff to allocate an amount not to exceed \$6,000 for repairs to the Roundabout to resolve the drainage issue caused by salt water intrusion in the FY 2008-2009 Budget. Mayor Wert seconded the motion. The motion carried unanimously.**

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

None

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

Mr. Gunnells stated that the Town has roughly \$14 Million in accounts. No further SATAX funds have been received. Beverage permit receipts were \$24,000 as budgeted.

Mr. Burnaford asked if the Town has any further information on revenues. Mrs. Rucker stated that the Town had a meeting where the Resort reported that they are 70% occupied over Memorial Day weekend and the outlook seems very promising.

Mr. McHugh asked how the Town is going to end up for the FY 2008-2009 Budget. Mr. Gunnells stated that if the Town receives payment from the MASC, the Town will fall within the budget for FY 2008-2009 for business licenses. On the expense side, the Town is approximately 25-30% less than budgeted. Mr. Gunnells stated that staff has cut expenses as much as possible and will not have a final revenue until near mid-June. Hospitality taxes look to be \$40,000 lower than the income budgeted. One of the largest savings in Hospitality came from the budgeted \$300,000 for roads that was not expended. County Accommodations look to be less than the previous year, but around the budgeted amount.

Mayor Wert stated that the Town will be sending a letter to the County Council that the reductions in County Accommodations are unwarranted and unfair.

Mr. Gunnells stated that he has been in contact with the auditors and expects them to come in and meet with Ways and Means in June or July.

## **IX. Citizen's Comments**

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

Mrs. Kulick stated that when she lived in New York, her Town placed into effect a recycling program with an understanding that it would at some point become mandatory. However, when they first began the program, it was voluntary. The Town found that when it came time for mandatory participation, 85% of the population was already participating in recycling. Mrs. Kulick suggested that the Town make the recycling as attractive as possible but not to mandate participation. She encouraged more education on recycling.

She also reiterated that Mrs. Rucker work with vendors to do anything she can to push the County to accept a larger percentage of #1 and #2 recyclables. She asked if ATAX funds were requested more than one time per year. Mayor Wert stated that the Guest Guide was approved in last year's budget but they had not requested that those funds be expended until today's meeting.

### **Marylin Olson, Turtle Point II**

Mrs. Olson stated that Turtle Point II has yet to be contacted by the Town concerning the recycling options. She explained that the Board of Directors are the only ones that can authorize a change in service. She requested that the Town contact them because they could be very helpful to the Town to work out the issues that are problematic and complex. She stated that if the Town is proposing to remove a dumpster and replace with a recycling dumpster, has the Town taken into consideration the inconvenience to the

units that were using the dumpster that was removed. Mayor Wert stated that the Town will not remove a trash dumpster and that it has not been the objective of the Town to do so. Mrs. Olson stated that when she attended the public information meeting it was discussed that Turtle Point II would have a trash dumpster replaced with a recycling dumpster because they have no room for additional dumpsters. She stated that the Town has not offered disposable service for the regimes in the past and they have had to contract privately because the original contractor did not offer dumpster service.

Mrs. Kulick stated that originally every property owner was responsible for contracting their own solid waste pickup and that the cost was extremely higher than what the Town has offered residents. She remembers if the regimes wanted to participate, when the Town first began solid waste service, they could. She stated that she was surprised to find that the regimes are not using what the Town put together in the past. The Town has attempted to limit the cost per person and offered curbside service at no cost.

Mrs. Rucker stated that during her meetings with regimes, some have requested that they want the Town to take over their solid waste pickup and that the Town will begin that service.

Mrs. Olson stated that it is the Town's responsibility to promote and inform the regimes rather than have the regime directors chase the information.

**X. Committee Member Comments**

None

**XI. Adjournment**

**Mayor Wert motioned to adjourn the meeting at 10:50am. Mr. Burnaford seconded the motion. The motion was approved unanimously.**

**Submitted by,**

---

**Catherine Wilson, Town Clerk**

**Approved by,**

---

**G. Steven Orban, Chairman**

---

**Date**

**cc: Town Council  
Dennis Rhoad, Town Attorney  
Kenneth Gunnells, Town Treasurer  
Tumiko Rucker, Town Administrator**