

MAYOR:
John Labriola

TOWN ADMINISTRATOR:
Stephanie Tillerson

TOWN ATTORNEY:
Joseph Wilson



MAYOR PRO TEMPORE:
Michael Heidingsfelder

COUNCIL MEMBERS:
Bradley D. Belt
Russell A. Berner
Madeleine Kaye

WAYS & MEANS COMMITTEE MEETING
Municipal Center Council Chambers
February 6, 2024, 10:00 am

AGENDA

- I. Call to Order:
- II. Pledge of Allegiance
- III. Roll Call:
- IV. Approval of Minutes:
 - A. Ways and Means Committee Meeting of January 10, 2024 [Tab 1]
- V. Citizens' Comments (Agenda Items Only):
- VI. Old Business:
 - A. Review and Recommendation to Town Council for Approval of the 2024 Off-Duty Deputy Contract with the Charleston County Sheriff's Office [Tab 2]
- VII. New Business:
 - A. Review and Recommendation to Town Council for Approval of the Barrier Island Ocean Rescue Contract Amendment for STR Code Enforcement Services [Tab 3]
- VIII. Chairman's Report:
- IX. Treasurer's Report:
 - A. Monthly Budget Report [Tab 4]
- X. Citizens' Comments:
- XI. Committee Member's Comments:
- XII. Adjournment:



Tab | 1

WAYS AND MEANS

Agenda Item

WAYS & MEANS COMMITTEE MEETING

Municipal Center Council Chambers

January 10, 2024, 10:00 am

Minutes

I. **Call to Order:** *Chairman Heidingsfelder called the meeting to order at 10:00 am.*

II. **Pledge of Allegiance**

III. **Roll Call:**

Present at Meeting: Michael Heidingsfelder, *Chairman*
John D. Labriola, *Mayor*
Russell Berner, *Committee Member*
Brad Belt, *Committee Member*

Also Present: Stephanie Tillerson, *Town Administrator*
Dorota Szubert, *Finance Director*
Craig Harris, *Public Safety Director*

IV. **Approval of Minutes:**

A. Ways and Means Committee Meeting of November 28, 2023

Committee Member Belt made a motion to approve the minutes of the Ways and Means Committee meeting of November 28, 2023. Committee Member Berner seconded the motion.

With the correction of typographical errors, the motion was unanimously approved.

B. Special Call Ways and Means Committee Meeting of December 19, 2023

Committee Member Belt made a motion to approve the minutes of the Special Call Ways and Means Committee meeting of December 19, 2023. Committee Member Berner seconded the motion, and it was unanimously approved.

V. **Citizens' Comments (Agenda Items Only):**

None

VI. **Old Business:**

None

VII. **New Business:**

A. Review and Recommendation to Town Council for Approval of the 2024 Off-Duty Deputy Contract with the Charleston County Sheriff's Office

Mr. Harris stated the Town has contracted with the Charleston County Sheriff's Office (CCSO) for off-duty deputy coverage since 1993. In 1995, the Town completed a study to enhance the security service to increase the staffing and hours from 6 to 10 hours to have full coverage. Between 2016 and 2018, the Town Administrator and the former Charleston County Sheriff's Office executive staff began meeting to bring in the permanent deputy contract for 24/7 7 am to 7 pm coverage. In June 2023, that contract was terminated.

The proposed off-duty contract is for two deputies for each of three daily shifts and two additional deputies from 8:00 am to 4:00 pm on weekends commencing on the Friday before Memorial Day and through Labor Day.

Mr. Harris reviewed the deputy breakdown prepared by Ms. Szubert from 2015 through 2023 as follows:

- 2015/2016 58 deputies
- 2016/2017 50 deputies
- 2017/2018 39 deputies
- 2018/2019 29 deputies
- 2019/2020 26 deputies
- 2020/2021 24 deputies
- 2021/2022 22 deputies
- 2022/2023 18 deputies

Mr. Harris stated the decrease in the number of off-duty deputies can be attributed to the increase in the turnover rate in law enforcement. He also noted that 2019/2020 saw the election of the new sheriff, which caused a drastic change as well.

When looking at the number of days served, Chairman Heidingsfelder asked if there was a similar ratio or an even more extreme ratio. Mr. Harris stated that in a summary of the first shift for 2016, there were 7865 annual hours; in 2022, there were 409 hours, and in 2023, there were 421 hours. The extreme drop in the first shift hours was due to the implementation of the permanent deputy contract. Chairman Heidingsfelder noted that not only did the number of deputies willing to work drop by 50%, but the hours went down even more dramatically.

Mr. Harris stated that, in summary, for the second shift in 2022, there were 3968 hours, and in 2023, there were 3665 hours. As a comparison, Ms. Tillerson pointed out that in 2016, there were 10,035 hours, and in the current fiscal year, there are 3600 hours. Mr. Harris noted that there was a significant drop in the hours during the change of power because in 2020, there were 5056 hours, and the numbers have dropped since then. Chairman Heidingsfelder again noted that not only has the Town lost 50% of officers who are willing to work off duty, but their ability to serve us has dropped by roughly 70% in the second and third shifts.

Committee Member Berner clarified that some days do not have coverage. Ms. Tillerson clarified that there are shifts where the Town's enhanced service coverage deputies are not present on the island. Mr. Harris added that it also does not mean that no deputies are patrolling the district.

In response to Committee Member Belt's question, Ms. Tillerson stated that the CCSO coordinator tries to fill the schedule with off-duty deputies, but if no one applies, there is no one to fill the shift.

Committee Member Berner made a motion to recommend to the Town Council the approval of the 2024 Off-Duty Deputy contract with CCSO. Committee Member Belt seconded the motion.

Committee Member Berner stated the earlier discussion pointed out a significant shortfall of hours, but the contract provides for 43 hours per week per deputy. Ms. Tillerson clarified that the hours in the contract are all based on the availability of off-duty deputies to fill the shifts. Committee Members engaged in an in-depth discussion of the contract wording, clarification on how shifts are filled, whether an increase in the hourly rate would increase deputy coverage, and whether the Town's rate is competitive in the market.

Chairman Heidingsfelder proposed moving forward with the approval of the contract recommendation and tasking the staff with providing more benchmarking data to bring back to the committee before making a decision on a rate increase.

Following the discussion, the motion to recommend approval of the 2024 CCSO contract was unanimously approved.

VIII. Chairman's Report:

None

IX. Treasurer's Report:

B. Monthly Budget Report

Ms. Szubert presented the Town's Balance Sheet as of December 31, 2023, and the Budget to Actual Report for the first six months. The Budget to Actual Report is compiled on a modified accrual basis, and all the funds are consolidated.

As of December 31, 2023, the Town's governmental funds combined have an ending fund balance of approximately \$36.2 million, an increase of approximately \$1.6 million from June 30, 2023. Of this amount, approximately 56%, or \$20 million, is available for spending at the Town's discretion (unassigned fund balance). Approximately 8.2 million is in a Capital Fund designated for future capital projects, such as Beach Renourishment and emergency funding. Approximately 2 million of the balance is State Accommodation Taxes, which have a two-year (2) year restriction. The remainder is restricted funds for tourism-related expenditures.

Overall, for the first six months, the Town's consolidated revenues of \$6.7 million are 22%, or \$1.5 million higher when compared to YTD for the last fiscal year, FY2023, and are at 46% of the total budgeted revenues for the current year. Overall, the revenues are within the budget, with the Building Permits from Special Projects and Interest Income expected to carry positive variance throughout the year. She noted there was a \$5 million placeholder for the Beachwalker project that was invested, but the interest income was not budgeted.

Committee members engaged in a discussion of finding appropriate ways to spend some of the restricted funds. To a great extent, SATAX fund allocations have been very narrow, but there are other areas where the Town can clearly justify that they serve tourism and Kiawah guests and could cover some of the costs.

With 50% of the year lapsed, the expenditures of \$5.1 million are 4% or 213,000 higher than for fiscal year FY2023 and 30% of the current year budget. The majority of the expenditures are reasonable and in line with the budget, with the exception of the following categories:

1. Personnel costs are higher than budgeted due to approval after budget adoption of two new positions and the administrator's salary increase. Respectively, the benefits and payroll taxes are higher.
2. Public Safety /Deputies cost is lower than budgeted. The original budget has a placeholder for a contract with another entity for deputies' coverage on the first shift. However, this has not been fulfilled.
3. Professional services cost is higher than budgeted due to an increase in the Town's attorney retainer and an increase in legal engagements outside of the contract.
4. Consultants cost is higher than budgeted due to the approval after budget adoption of additional engagements for site review consultants, Beachwalker survey, feasibility study for Kiawah River public access, and HR services.

5. Other costs will be higher than budgeted due to the approval after budget adoption of recycling.

C. FY 2023-2024 Budget Mid-Year Review

Ms. Szubert presented the mid-year review of the FY 2023-2024 Budget, noting there were a number of items, approximately \$300,000 in expenditures, that were approved after the budget adoption, along with additional requests for consideration.

Budgeted Revenues:

- Adopted: \$14,595,007
 - Proposed Amended: \$15,579,189*
 - Change: 6%, or \$984,182
- *An increase in Building Permits revenue from one-time special projects and Interest Income

Budgeted Expenditures:

- Adopted: \$16,842,074
 - Proposed Amended: \$16,909,561**
 - Change: -0.4%, or -\$67,487
- ** The detailed approved and proposed changes are listed below.

Items approved after budget adoption:

1. Two (2) new positions: wildlife outreach specialist and community services officer, and a salary increase for the town administrator.
2. An increase in the town's attorney retainer and hourly rate.
3. Engagement of additional consulting services for site reviews, Beachwalker survey, Kiawah River bridge public access feasibility study, and HR services.
4. Purchase of recycling educational stickers.

New Requests:

1. One new position for the Communication Department - Video production specialist
 - Compensation \$52,000 (\$65,000 with taxes and benefits)
 - Responsibilities:
 - Coordinates, edits, produces, and provides video/audio support for the Town's podcast.
 - Responsible for livestreaming various Town meetings, which can involve some after-hours.
 - Produces and edits various videos for the Town's efforts and campaigns.
 - Interviews and shoots non-professional talent on camera and edits video for digital platforms
 - Develops video concepts, messages, scripts, and video production schedules and collaborates closely with internal clients and external stakeholders to facilitate the creation of multimedia visual content.
 - Suggests content ideas to assist staff in achieving desired outcomes from video projects.
 - Maintains the Town's YouTube Channel
 - Photographs internal and external Town events and maintains a photo archive.
 - Attends special events as needed and films footage for videos.
 - Creates, writes, and posts digital content consistent with the Town's branding and mission.
 - Assists with posting videos and photography to social media pages and the Town's website as needed.
 - Assists with graphic design projects as needed.
 - Provides flexible support to the Communications Department as required, assisting with various tasks and initiatives to ensure the team's overall success.
2. Planner with landscape architect/arborist credentials
 - Compensation \$60,000 to 74,000 (\$75,000 to \$93,500 with taxes and benefits)
 - Responsibilities:
 - Reviews landscape and related plans in conjunction with permits and planned developments for compliance with code and required conditions of approval.
 - Reviews Tree Surveys and Mitigation plans and calculates mitigation in conjunction with construction permits, mass grading, subdivision, and planned development submittals.
 - Conducts field inspections for permits in relation to landscape installation and all tree removal/clearing violation notices.

- Answers tree removal and landscaping code questions for developers, contractors, and the general public.
- Assists the Planning Manager and other staff in providing technical expertise.
- Presents violations of tree removals, land clearing activities, and landscape code violations.
- Process Tree Preservation Board applications.
- Assists with zoning administration of applicable codes.
- Assist with Planning Department environmental planning-related initiatives.

3. Third-party commercial building inspector

- Compensation range - \$58,500 to \$65,000.

➤ Responsibilities:

- Performs daily field inspections on various commercial and residential projects.
- Ability to communicate all technical aspects of the inspection process clearly and concisely to the public in a way that can be comprehended by both the professional and the layperson.
- Ability to interpret the various building codes, town ordinances, and state statutes and apply them equitably.
- Maintain inspection reports by performing daily entries into permitting software systems.
- Will be a participating member of the town's damage assessment team.

4. Work with Evergreen to complete our 2024 classification, compensation, and benefits study - \$22,000. Through a competitive bid, Evergreen was awarded the RFP in early 2021. They completed the last study in 2021.

5. Equipment and supplies for new hires - \$10,000.

6. Reduction in public safety/deputies cost to adjust for the actual level of coverage - \$387,000.

7. Construction of dumpster pad at the Town Hall - \$37,000.

Ms. Szubert stated that with the fulfillment of all the requests, the ending balance would result in a deficit of 1.3 million compared to an originally budgeted deficit of 2.2 million, but also reminded there is a 5 million placeholder.

Committee Member Belt made a motion to approve the budget amendment as presented. Committee Member Berner seconded the motion, and it was unanimously approved

X. Citizens' Comments:

Alex Fernandez – 418 Snowy Egret

Mr. Fernandez commented on the discussion of the hourly wage for the deputies, stating that the Community Association encountered a seminal situation with high turnover and difficulty in hiring, which was resolved with the implementation of a gas allowance program.

Mr. Fernandez commented on the budget comparisons that were made and suggested a comparison to a seasonal budget rather than an annual budget. He also noted that the Town's website does not include any financials except for the annual audit, so property owners have no access to financial information. Chairman Heidingsfelder stated that Ms. Szubert prepares a monthly budget report that is posted on the website. Mr. Fernandez asked to consider an easier link to find the financials.

Larry Wolohan – 406 Snowy Egret

Mr. Wolohan stated that for a period of approximately six months, the receipts and payments had not been published and asked if they had been corrected. Ms. Tillerson clarified that it could have been when the website was down while being updated. Mr. Wolohan stated that facts are facts. The Town, in his view, has to be better at providing transparency. Ms. Szubert stated that the receipts and the payments to the Town are not published anywhere and are only shown overall in the financial statements. How much businesses are paying the Town is not public knowledge, and posting that information would not be appropriate.

Mr. Wolohan stated that in addition to the \$5 Million placeholder for the property, he remembered other placeholders and requested that when preparing this year's budget, placeholders be flagged as a separate item so they can be tracked.

Mr. Wolohan commented on the SATAX funding discussion, stating that he had been pressing the Community Association to apply for STATX funding from the Town for well over a year, and they have a legal opinion that says there is a risk, as mentioned.

Mr. Wolohan stated Kiawah has not had the same level of policing in the last six months that we have had previously. He understood there are reasons for that, but if you don't give someone a pay raise for three years, they're not going to come to work.

XI. Committee Member's Comments:

None

XII. Adjournment:

Chairman Heidingsfelder adjourned the meeting at 12:58 pm.

Submitted by,

Petra S. Reynolds, Town Clerk

Approved by,

Michael Heidingsfelder, Chairman

Date



Tab | 2

WAYS AND MEANS

Agenda Item



Request for Ways and Means Committee Action

TO: Ways and Means Committee Members
FROM: Craig Harris, Director of Public Safety
SUBJECT: Charleston County Sheriff's Office Off-Duty Contract
DATE: February 6, 2024

BACKGROUND:

The Town has a long relationship with the Charleston County Sheriff's Office (CCSO) by contracting off-duty deputies to provide 7 days per week year-round coverage for the Town of Kiawah Island (to include Freshfields). The contract is reviewed annually by staff and the Public Safety Committee. Effective February 1, 2024, the Charleston County Sheriff's Office increased the hourly rate for off-duty deputies from \$40.00 to \$55.00 per hour, and the holiday rate is \$65.00.

The Town's 2024 off-duty Deputy contract with CCSO proposed contract rate is \$55 per hour as the regular pay scale but keeping in line with our current off-duty deputy contract, we pay time and half for the holiday rate, which is \$82.50 per hour. This higher rate is to incentivize deputies to work during the holidays. We also pay a CCSO Coordinator to work with the Public Safety Director at \$35 per hour, not to exceed \$18,200. Work performed by the Coordinator is outlined in the Off-Duty Deputy contract.

Charleston County Sheriff's Office holidays are as follows: **New Year's Day, Easter, Memorial Day, Juneteenth, 4th of July, Labor Day, Thanksgiving, Black Friday, Christmas Eve, Christmas, and New Year's Eve.**

ANALYSIS:

General information:

- The Town budget vs. actual expense for off-duty deputy coverage for the following fiscal years:
 - FY20 budgeted \$505,000, actual \$459,088,
 - FY21 budgeted \$454,000, actual \$430,561, and;
 - FY22 budgeted \$448,000, actual \$357,919
- The percentage of coverage we budget for costs is not 100 percent because we have not received 100 percent of coverage in the last seven years with our off-duty deputy contract.
 - FY22 and FY23, we have budgeted for 70 percent coverage.
- The average percentage of coverage in terms of personnel:
 - FY20 – 69%
 - FY21 – 67%
 - FY22 – 65%
 - FY23, to date, is 50% for the 3rd shift and 65% for the 2nd shift.

ACTION REQUESTED:

Recommend to Town Council the approval of the one-year contract for 1st, 2nd and 3rd shifts with the Charleston County Sheriff's Office commencing on February 6, 2024, and expiring December 31, 2024.

BUDGET & FINANCIAL DATA:

Public Safety Off-Duty Services' only cost is approved in the FY24 budget - \$535,201 (\$385,345 SATAX), (\$69,576 LATAX), and (\$80,280 General Fund).

CHARLESTON COUNTY SHERIFF'S OFFICE

EMPLOYER: Town of Kiawah Island

TELEPHONE NUMBER: 843-768-9166

ADDRESS: 4475 Betsy Kerrison Parkway, Kiawah Island, SC 29455

PERSON CONTRACTING SERVICES: Mayor John Labriola

TYPE OF BUSINESS: Local Government

DUTIES TO BE PERFORMED: Police Protection, Traffic Control, Emergency Response

DAYS AND HOURS OF EMPLOYMENT: 24 Hour Coverage, 7 Days per Week, Year-Round

CONTRACT TERM: February 6, 2024 to December 31, 2024

PERMANENT OR TEMPORARY: Temporary

NO. OF DEPUTIES NEEDED: 2 deputies – 1st shift

2 deputies – 2nd shift

2 deputies – 3rd shift

2 Additional Deputies from 8:00 a.m. to 4:00 p.m. weekends

Commencing the Friday before Memorial Day through Labor Day

COORDINATOR FOR CCSO: Lt Christopher Brokaw

STIPULATIONS OF CONTRACT

1. Deputies are contracted hourly at **\$55.00 per hour**. The contract requires the number of Deputies as stated above for three shifts per day, plus the additional shifts commencing the Friday before Memorial Day through Labor Day, at a rate of \$55.00 per hour. The standard workweek for Deputies shall be equivalent to forty-three (43) hours per week. Additionally, a \$10.00 per deputy per shift fee for vehicle and equipment usage must be payable to Charleston County.

1 st Shift	8:00 am to 4:00 pm
2 nd Shift	4:00 pm to 12:00 am
3 rd Shift	12:00 am to 8:00 am

HOLIDAY PAY:

During the following holidays: **New Year's Day, Easter, Memorial Day, Juneteenth, 4th of July, Labor Day, Thanksgiving, Black Friday, Christmas Eve, Christmas, and New Year's Eve**. Deputies will receive pay based on time and a half, **\$82.50 per hour**.

- **Labor Day, Memorial Day** - beginning with the 1st shift on Saturday and ending with the 2nd shift on Monday.
 - **4th of July** - beginning with the 1st shift prior to the holiday and ending with the 2nd shift of the day following the holiday.
2. The Coordinator for the Town of Kiawah Island's off-duty employment detail will be paid at a rate of \$35.00 per hour, not to exceed \$18,200 in total during the term of this agreement. The Coordinator will work directly with the Town's Public Safety Director. The Town will receive prior notification (within 30 days) if the Coordinator is to be changed.
 3. Work performed by the Coordinator is to coordinate, manage, and oversee the activity of deputies assigned to the Town of Kiawah Island. In addition, the Coordinator will provide the Town's Clerk a monthly activity report to include crime statistics, number of calls (total and per unit), average response time, number of arrests, number of tickets issued, and other statistics as may be agreed upon or requested. These reports are due on or before the 5th of every month to be included in the Public Safety Committee monthly meetings.
 4. All employers contracting with the Charleston County Sheriff's Office must provide Workers' Compensation coverage. A copy of the secondary employer Workers' Compensation Policy must accompany the contract when requesting deputies for off-duty employment. If the employer does not have Workers' Compensation Insurance, the Sheriff's Office will provide the coverage for the secondary employer at the rate of \$7.00 per one hundred dollars of salary. This amount will be

calculated by and payable to the Sheriff's Office prior to the commencement of the secondary employment.

5. Deputies of the Charleston County Sheriff's Office engaged in off-duty employment of a police nature may be employed only within the legal boundaries of Charleston County, may not perform tasks other than those of a police nature, and may not enforce any rule or order of an employer governing customer behavior of the employer's premises where the customer's conduct does not constitute a violation of the law. Additionally, deputies will not be permitted to engage in any employment violating any county, state, or federal law.
6. All Charleston County Sheriff's Office deputies must always be available to respond to police emergencies. The Sheriff's Office is the primary employer of this Department's sworn deputies, and the Department's requirements will take precedence over any secondary or private employment of an off-duty deputy. In an emergency, deputies will leave his/her private details at the direction of Charleston County Sheriff's Office Communications and respond whenever needed. However, deputies who are part of the Town's detail will not be working for any other entity during the times they are working for and billing the Town of Kiawah Island.
7. The Charleston County Sheriff's Office reserves the right to inspect payroll records of deputies employed by private contractors. The purpose of any such inspection will be to ascertain the hours a deputy is working to protect the best interest of the county and the deputy based on an evaluation of the total number of hours worked by the deputy. Failure to maintain proper payroll records will cause the contract to be canceled.
8. The Charleston County Sheriff's Office warrants that the deputies referred for part-time employment under this contract are in "good standing," as determined by the CCSO. The Town of Kiawah Island assumes no responsibility for any deputy misconduct outside his/her authorized scope of duties.
9. The Charleston County Sheriff is solely responsible for their deputy; however, the Town will notify the Sheriff of any concerns we may have.

I, the undersigned, understand all of the above requirements of the Charleston County Sheriff's Office as related to the employment of off-duty deputies by private employers and do hereby agree to abide by these regulations. I further understand that a minimum 24-hour notice of cancellation must be given to the Charleston County Sheriff's Office; otherwise, I will be responsible for the fees associated with a minimum four-hour contract.

APPROVED:

TOWN OF KIAWAH ISLAND

John Labriola, Mayor

PRINTED NAME

AUTHORIZED SIGNATURE/EMPLOYER

DATED

CHARLESTON COUNTY SHERIFF'S OFFICE

KRISTIN R. GRAZIANO

PRINTED NAME



OPERATIONS CHIEF/DESIGNEE

2/1/2024

DATED



Tab | 3

WAYS AND MEANS

Agenda Item



Request for Ways and Means Committee Action

TO: Ways and Means Committee Members

FROM: Craig Harris, Director of Public Safety

SUBJECT: Code Enforcement Contract – Barrier Island Ocean Rescue

DATE: 02/07/2024

BACKGROUND:

In 2019, the Town amended its Short-Term Rental Ordinance, and the Council decided it needed additional code enforcement officers beyond the two we had to enforce the short-term rental ordinance. The code enlisted the Barrier Island Ocean Rescue (BIOR) as they were already enforcing the Town codes related to beach violations in their capacity as beach patrol and assisted as needed with other municipal infractions. Therefore, in 2019, the Town entered into a one-year contract with BIOR for after-hours code enforcement services with the option to renew for two (2) one-year extensions for \$288,580.

In 2021, the Town released an RFP for Beach Patrol and Code Enforcement Services. The only proposal received was from BIOR. During our negotiations with BIOR, we mutually agreed to extend the current contract for one additional year from February 2, 2022, to February 13, 2023, in the same amount of \$288,580 to allow at that time the new Public Safety Director the opportunity to access the level of services received from BIOR. On February 14, 2023, the Town Council approved a one-year extension in the amount of \$389,376.

ANALYSIS:

The after-hour code enforcement services BIOR provides are appropriate and needed for the Kiawah Island community. Although the Town employs two full-time code enforcement officers and one community service officer, they are sometimes overwhelmed with short-term rental inspections, traffic mitigations, and enforcement of all other municipal codes.

ACTION REQUESTED:

Town staff respectfully request the members of the Ways and Means Committee consider recommending approval to the Town Council for the execution of the one-year extension to commence on March 1, 2024, in the current amount of \$389,376 with no changes to the current contract scope of work or schedule.

Terms of the current contract: This agreement shall be for a one-year term commencing on the 14th day of February 2023 and expiring on the 28th day of February 2024, with an option to renew for a two (2) one-year extension, subject to mutual agreement.

BUDGET & FINANCIAL DATA:

Four hundred thousand (\$400,000) funded from short-term rental license application fees will cover a significant portion of the after-hour Code Enforcement contract and all of the Short-Term Rental Compliance Clerk salary and benefits.

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)
)
)
_____)

**AMENDMENT TO AGREEMENT BETWEEN
THE TOWN OF KIAWAH ISLAND
AND
ISLAND BEACH SERVICES, LLC
dba Barrier Island Ocean Rescue**

WHEREAS, the **Town of Kiawah Island** and **ISLAND BEACH SERVICES, LLC dba Barrier Island Ocean Rescue** entered into an agreement on **February 7, 2023**, for the purpose of providing Short Term Rental Ordinance Code Enforcement services.

WHEREAS, the current agreement was for a one-year term expiring on February 28, 2024, with an option to renew for two (1) one-year extensions

WHEREAS, the Town and Island Beach Services dba Barrier Island Ocean Rescue wish to amend said agreement in the following particulars:

1. **TERM:** This agreement shall be extended for the first (1) one-year term from February 28, 2024, to February 28, 2025.

All other provisions of the agreement entered into on February 7, 2023, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on this 6th day of February 2024.

WITNESSES

Town of Kiawah Island

By: John D. Labriola
Its: Mayor

Island Beach Services, LLC

By: Rob Edgerton
Its: Owner

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

**AGREEMENT BETWEEN
THE TOWN OF KIAWAH ISLAND
AND ISLAND BEACH SERVICE, LLC
dba BARRIER ISLAND OCEAN RESCUE**

THIS AGREEMENT is made and entered into this 7th day of February 2023, between the **TOWN OF KIAWAH ISLAND**, South Carolina (hereinafter "Town") and **ISLAND BEACH SERVICE, LLC dba BARRIER ISLAND OCEAN RESCUE** (hereinafter "Contractor");

WHEREAS, the Town desires services of a Contractor to provide Code Enforcement Services specifically highlighting the need for enforcement of the Short Term Rental Ordinance for the Town of Kiawah Island, and;

WHEREAS, the Town currently contracts with the Contractor to provide Beach and Code Enforcement Services along the 10-mile stretch of Kiawah Island Beach.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Town and Contractor do hereby mutually agree as follows:

1. Objective:

The contractor shall furnish services to provide for Code Enforcement Services, specifically as mutually agreed upon, specifically highlighting the need for enforcement of the Short Term Rental Ordinance for the Town of Kiawah Island. Employees of Contractor shall provide this service. Generally, the Contractor shall:

- A. Create a chain of communication and accountability between Property Managers, Property Owners, and the Town to enforce the Short Term Rental Ordinance;
- B. Follow the chain of communication established and perform activities communicating the accountability between Property Managers, Property Owners and the Town;
- C. Conduct continuous patrols within the jurisdiction of the Town;
- D. Respond to and attempt to immediately resolve any complaints made by property owners, guests or other entities after hours;
- E. Coordinate response as necessary with other agencies to assist those in need and/or report any potentially dangerous or illicit activity;
- F. Enforce other Town ordinances as required; and
- G. Establish an after-hours presence on the island as representatives of the Town of Kiawah Island.

2. Schedule:

Contractor shall perform work daily in accordance with the following schedule:

Memorial Day Weekend through Labor Day

Two Code Enforcement Officers (two vehicles)

Workday: 5:00 p.m. to 1:00 a.m.

Off-Season (remainder of the time)

One Code Enforcement Officer (one vehicle)

Workday: 5:00 p.m. to 1:00 a.m.

3. Agreement Amount:

The agreement amount is Three hundred eighty-nine thousand three hundred seventy-six dollars (\$389,376.00) per annum. The contractor shall present an

itemized invoice on or about the first of each month, beginning March 1, 2023. The town shall have fifteen days in which to pay an invoice.

4. Scope of Work:

- A. The physical limits of the Work will be within the boundaries of the Town of Kiawah.
- B. Vehicles and Equipment:
 - i. Two 4x4 vehicles with appropriate markings and equipment.
 - ii. All related safety equipment to perform job requirements.
 - iii. One cell phone with a dedicated 'After Hours Patrol' number.
 - iv. Two 800MHz radios - supplied by the Town for each on-duty employee.
- C. Uniform:
 - i. The on-duty employee will wear matching uniforms with markings pre-approved by the Town.
- D. Appearance:
 - i. Employees shall maintain a professional appearance while on duty.
- E. Record-Keeping:
 - i. Each employee will submit a daily shift log - independent of CitizenServe to the Development Services Manager or his designee(s) utilizing an agreeable format.
 - ii. Incident Reports and Enforcement Activity shall be logged utilizing the Town of Kiawah Island's CitizenServe Software.

5. Qualifications:

- A. The Contractor is an existing LLC specializing in Beach Management and Public Safety and has been providing the Town with Beach Patrol and Code Enforcement Services since 2009.
- B. The management of Island Beach Service, LLC, Michael Sosnowski and Robert Edgerton, are certified Code Enforcement Officers for the Town since 2004.
- C. From 2004 until 2015, Mr. Sosnowski and Mr. Edgerton worked as part-time seasonal employees of the Town in an after-hours code enforcement role.

6. Liability and Insurance:

- A. The Contractor shall carry and maintain Workman's Compensation insurance in statutory amounts for its employees. The contractor must provide the Town with certification of this coverage.
- B. The Contractor shall carry a comprehensive general liability policy of at least one million dollars (\$1,000,000) per occurrence (combined single limit of liability) to cover operations, equipment, and contractual liability. The policy shall name Town of Kiawah Island as an additional insured. The contractor must provide Town with copies of this policy.
- C. The Contractor shall maintain automobile insurance liability policies on all "Code Enforcement" vehicles with at least five hundred thousand/one million

dollars (\$500,000/\$1,000,000) coverage. The Contractor shall provide Town with copies of these policies.

- D. The Contractor shall defend, indemnify, and hold harmless the Town of Kiawah Island, its elected officials and employees from and against any and all actions, costs, claims, losses, expenses and/or damages arising out of performance of the work by the employees of Contractor.

7. Terms:

This agreement shall be for a one year term commencing on the 14th day of February 2023, and expiring on the 28th day of February 2024, with an option to renew for two (2) one year extension, subject to mutual agreement.

8. Termination:

- A. This Agreement may be terminated without cause by either party with thirty-day (30) written notice. In such case, the Town shall pay the Contractor a pro-rata shares of the monthly fee up to the date of termination.
- B. If the Contractor fails to abide by any terms in the Agreement, the Town has the duty to notify the Contractor in writing of such failure. If the Contractor then fails to correct the failure within forty-eight (48) hours of such notification, the Town, at its discretion, may terminate the Agreement.

9. Modification:

This agreement may not be modified except by written consent of both parties, such consent to be given by authorized representatives of both parties.

- 10. Effective Date:** This agreement shall be effective February 14, 2023.

WITNESSES:

Krista DuBois
[Signature]

TOWN OF KIAWAH ISLAND

[Signature]
By: John D. Labriola

Its: Mayor

[Signature]
Krista DuBois

ISLAND BEACH SERVICE, LLC
dba BARRIER ISLAND OCEAN RESCUE

[Signature]

By: Robert Edgerton

Its: Owner



Tab | 4

WAYS AND MEANS

Agenda Item



Memorandum

TO: Chair and Members of Ways and Means Committee

FROM: Dorota Szubert, Finance Director

SUBJECT: Budget Report for the First Seven Months Ended 1/31/2024

DATE: February 6, 2024

Overview:

Presented here is the Town's Budget to Actual Report for the first seven months ended 1/31/2024. The Budget to Actual Report is compiled on a modified accrual basis, and all the funds are consolidated. The original budget will be amended on February 6, 2024, through the second reading to adjust the totals to current estimates.

Overall, for the first seven months, the Town's consolidated revenues of \$8.2M are 20%, or \$1.6M, higher when compared to YTD for the last fiscal year, FY2023, and are at 53% of the total amended budgeted revenues for the current year. In overall, the revenues are within the budget, with the Building Permits from Special Projects and Interest Income higher than originally budgeted and amended for the estimated increase.

With almost 60% of the year lapsed, the expenditures of \$5.9M are 4% or 246K higher than for fiscal year FY2023 and 35% of the current year budget. The majority of the expenditures are reasonable and in line with the amended budget, with the exception of the non-budgeted cost for the recent storm cleanup of \$38K.

Town of Kiawah Island
 Budget Report -Modified accrual basis (unaudited)
 01.31.2024

	Fiscal 2024					FY2024 VS FY2023		
	TOTAL BUDGET	TOTAL AMENDED BUDGET	Y-T-D ACTUALS	\$ VARIANCE	% OF BUDGET	FY2023 Y-T-D	\$ VARIANCE	% VARIANCE
Revenue:								
Building Permits	\$ 1,200,000	\$ 1,200,000	\$ 1,030,659	\$ (169,341)	86%	\$ 682,494	\$ 348,165	34%
Building Permits-Special Projects	300,000	959,182	959,182	-	100%	578,008	381,174	40%
Business Licenses	3,100,000	3,100,000	437,308	(2,662,692)	14%	215,736	221,572	51%
STR Application Fees	400,000	400,000	30,200	(369,800)	8%	18,730	11,470	38%
Franchisee Fees	970,000	970,000	279,004	(690,996)	29%	343,245	(64,241)	-23%
Local Option Tax	891,347	891,347	460,159	(431,188)	52%	526,362	(66,203)	-14%
State ATAX	2,936,510	2,936,510	1,645,632	(1,290,878)	56%	1,671,941	(26,309)	-2%
Local ATAX	1,477,158	1,477,158	904,374	(572,784)	61%	828,639	75,735	8%
County ATAX	450,000	450,000	-	(450,000)	0%	-	-	-
Hospitality Tax	829,177	829,177	461,436	(367,741)	56%	463,575	(2,139)	0%
Environmental Services	640,000	640,000	622,404	(17,596)	97%	595,100	27,304	4%
Interest	1,176,281	1,501,281	1,118,888	(382,393)	75%	504,068	614,820	55%
Other	224,536	224,536	274,584	50,048	122%	174,197	100,387	37%
Total Revenue	14,595,007	15,579,189	8,223,830	(7,355,360)	53%	6,602,095	1,621,735	20%
Expenses:								
Salaries/Regular Employees	2,030,719	2,152,469	1,128,059	(1,024,410)	52%	1,070,845	(57,214)	-5%
Overtime	8,000	8,000	5,157	(2,843)	64%	4,197	(960)	-19%
Benefits	714,590	758,093	421,298	(336,795)	56%	352,035	(69,263)	-16%
Payroll Tax	169,592	183,613	105,167	(78,446)	57%	91,641	(13,526)	-13%
Employee Subtotal	2,922,901	3,102,176	1,659,681	(1,442,495)	54%	1,518,718	(140,963)	-8%
Public Safety/Payroll and Related/ Off Duty Deputies	736,569	350,000	180,511	(169,489)	52%	249,348	68,837	38%
STR Code Enforcement	389,376	389,376	229,136	(160,240)	59%	144,290	(84,846)	-37%
Beach Patrol	584,000	584,000	291,999	(292,001)	50%	316,332	24,333	8%
Utilities & Supplies	237,440	247,440	112,317	(135,123)	45%	110,908	(1,409)	-1%
Communications	77,460	77,460	45,657	(31,803)	59%	43,236	(2,421)	-5%
Waste Management	1,278,000	1,278,000	791,316	(486,684)	62%	614,555	(176,761)	-22%
Insurance	190,176	190,176	202,674	12,498	107%	178,664	(24,010)	-12%
Professional Services	176,900	251,900	197,885	(54,015)	79%	136,569	(61,316)	-31%
Consultants	488,000	618,803	211,654	(407,149)	34%	211,620	(34)	0%
Maintenance	556,000	556,000	331,385	(224,615)	60%	326,287	(5,098)	-2%
Travel	74,300	74,300	18,899	(55,401)	25%	31,856	12,957	69%
Rentals	46,000	46,000	24,158	(21,842)	53%	22,164	(1,994)	-8%
Tourism & Recreations	2,516,032	2,516,032	1,227,275	(1,288,757)	49%	943,614	(283,661)	-23%
Contributions	200,000	200,000	-	(200,000)	0%	-	-	0%
Other	353,920	375,528	96,580	(278,948)	26%	138,064	41,484	43%
Capital Outlay:								
Building	5,000,000	5,000,000	-	(5,000,000)	0%	202,596	202,596	-
Infrastructure	250,000	250,000	-	(250,000)	0%	-	-	-
Vehicles	115,000	115,000	-	(115,000)	0%	154,837	154,837	-
Other	450,000	487,370	-	(487,370)	0%	69,199	69,199	-
MUSC Pledge	200,000	200,000	200,000	-	100%	200,000	-	0%
Non Budgeted-Storm Clean up	-	-	38,000	38,000	-	-	(38,000)	-
Total Expenses	16,842,074	16,909,561	5,859,127	(11,050,434)	35%	5,612,857	(246,270)	-4%
Net Changes in Fund Balance	\$ (2,247,067)	\$ (1,330,372)	\$ 2,364,703	\$ 3,695,075		\$ 989,238	\$ (1,375,465)	-58%