

MAYOR:
Bradley D. Belt

TOWN OF

MAYOR PRO TEMPORE:
Russell A. Berner

TOWN ADMINISTRATOR:
Stephanie Tillerson



COUNCIL MEMBERS:
E. Luke Farrell
Madeleine Kaye
Vacant

TOWN ATTORNEY:
Stafford J. McQuillin III

WAYS & MEANS COMMITTEE MEETING
Municipal Center Council Chambers
November 5, 2024, 10:00 am

AGENDA

- I. Call to Order:**
- II. Pledge of Allegiance**
- III. Roll Call:**
- IV. Approval of Minutes:**
 - A. Minutes of the Ways and Means Committee Meeting of July 2, 2024** [Tab 1]
- V. Citizens' Comments (Agenda Items Only):**
- VI. Old Business:**

None
- VII. New Business:**
 - A. Review and Recommendation to the Town Council of the Coastal Science and Engineering Proposal for "Preliminary Design and Permitting Services in Connection with Channel Realignment at the East End of Kiawah Island.** [Tab 2]
 - B. Review and Recommendation to the Town Council of the Purchase of Audio/Visual Improvements for Council Chambers** [Tab 3]
 - C. Review and Recommendation to the Town Council of the Employee Medical Insurance Premium Structure** [Tab 4]
 - D. Review and Recommendation to the Town Council to enter into an Engagement Agreement with Maynard Nexsen for legal services pertaining to the Kiawah Island Golf Resort Development Agreement.** [Tab 5]
- VIII. Chairman's Report:**
- IX. Treasurer's Report:**
 - A. Investment Management Services RFP**
 - B. Monthly Budget Report** [Tab 6]
- X. Citizens' Comments:**
- XI. Committee Member's Comments:**
- XII. Adjournment:**



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WAYS AND MEANS

Agenda Item

WAYS & MEANS COMMITTEE MEETING

Municipal Center Council Chambers

July 2, 2024, 10:00 am

Minutes

- I. **Call to Order:** *Mayor Pro Tem Heidingsfelder called the meeting to order at 10:00 am.*
- II. **Pledge of Allegiance**
- III. **Roll Call:**

Present at the Meeting: Michael Heidingsfelder, *Chairman*
Brad Belt, *Mayor*
Luke Farrell, *Committee Member*

Also Present: Stephanie Tillerson, *Town Administrator*
Dorota Szubert, *Finance Director*
Brian Gottshalk, *Public Works Manager*
Michael Nardelli, *Public Works Assistant*

- IV. **Approval of Minutes:**
 - A. Minutes of the Ways and Means Committee Meeting of June 4, 2024

Mayor Belt made a motion to approve the minutes of the June 4, 2024, Ways and Means Committee meeting. Committee Member Farrell 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 the Town Council for the Purchase of Compostable Dog Waste Bags and Dispensers for the Beach

Mr. Gottshalk stated that the Town has historically offered dog waste bags to residents, visitors, and guests at dispensers attached to the trash boxes located at each of the public walkovers. However, the December nor'easter destroyed the trash boxes along with the dog waste dispensers on the beach.

In line with the current goals and mission of the Kiawah Island Goes Green Committee, Town Staff looked into replacing dog waste bags with compostable dog waste bags.

The location of these dog bag stations will be on each of the public boardwalks along the beach for a total of 38 stations with a container full of 600 bags per station. The total product cost of 38 Dog Bag Stations is \$6,306.86. To properly fill all the Dog Bag Stations, it would be most cost-effective to order a pallet of 80 cases for \$64.99, for a total of \$5199.20.

Town Staff requests the Ways and Means Committee to recommend to the Town Council the approval of the purchase of the 38 dog bag stations for \$6306 and the dog bags in bulk for a total of \$5199.20. If approved, 70% will be funded from restricted funds and 30% from the general fund

Mayor Belt made a motion to recommend to the Town Council the approval of the purchase of compostable dog waste bags and dispensers for the beach. Committee Member Farrell seconded the motion.

Committee Member Farrell posed questions on the installation, the cost, how long it will take, and where the bags are stored. Mr. Gottshalk stated that he and Mr. Nardelli would be installing and maintaining the stations. Once ordered, delivery is expected within seven to ten days, and the stations will be installed in one to two days. He indicated that the majority of the inventory will be stored in the garage. Beach Patrol has agreed to help fill stations when necessary, so they typically keep cases in their trucks.

In response to Committee Member Heidingsfelder's questions, Mr. Gottshalk stated that the pallet of bags should last over the summer and into the fall and that the station would be installed at each trash can rack.

Mayor Belt asked Mr. Gottshalk to discuss the incidents of bags disappearing in bulk in a relatively short period of time. Mr. Gottshalk stated that historically, that has not been an issue over the past few summers, but has seen stations filled with 200 bags, and three days later, it's empty, suggesting that people are taking them in bulk for their personal use. He noted it was almost an impossible effort to enforce how many people bags people were taking. At this time, I did not know if it was extreme enough to think about not having bags on the beach, but he could more closely monitor how often the stations were filled this summer. Also discussed was that the dispensers would be removed with the trash enclosures prior to a storm.

Following further discussion, the motion was unanimously approved.

B. Review and Recommendation of the Proposal for HVAC Maintenance Services

Mr. Nardelli stated that the Town desires quarterly and annual Preventative Maintenance (PM) services to maintain the proper operation of the HVAC system and its components located at the Town Hall. This contract shall be in effect for three (3) years with two (2) one-year extensions.

The Town publicly posted the RFP on the Post and Courier and on the Town's website. The bids received are as follows:

Daikin Applied -	\$16,900
Holy City Heating & Air -	\$20,000
W.B. Guimarin & Co -	\$6,945

Town staff thoroughly reviewed all submitted bids and discussed the reviews, scope of work, and experience. After this discussion, the staff agreed to recommend Daikin Applied to the Ways and Means Committee for approval. The staff is recommending Daikin Applied largely due to the fact that our HVAC unit at Town Hall is a Daikin brand unit. These units require specific qualifications and training to be able to service and fix, which not all HVAC technicians possess. With Daikin Applied, we know we will have a certified technician available to work on our system.

Our concern with the low bidder, W.B. Guimarin & Co., is that their bid is the annual cost of the filters alone. This means that no funds are available for other aspects of the scope of work.

Town staff is requesting that the Ways and Means committee recommend to the Town Council that Daikin Applied be authorized to perform PM services for the municipal building's HVAC equipment. If approved, the contract would be funded through the General Fund.

Committee Member Farrell made a motion to recommend to the Town Council the approval of the Proposal from Daikin Applied for HVAC Maintenance Services. Mayor Belt seconded the motion.

Mayor Belt recommended that the Ways and Means Committee recommend to the Town Council approval of a contract with Dakin subject to contract changes that are being negotiated with Dakin and the Town Attorney.

Committee Member Heidingsfelder discussed the cost of the previous contract and said that the cost of refrigerant and the specification of the type of filter to be used should be included in the contract.

Following further discussion, the motion as amended was unanimously approved.

C. Review and Discussion of Modifying Section 4-321 (Appendix A) Business License Rate Schedule

Ms. Schubert began the discussion by giving an overview of business licenses, rates, and revenues. Town ordinance designates that every person engaged in or intending to engage in a business on the island is required to have a business license. The business license fees are determined by the type of business, the IRS-determined classification, the rates of the classification, and whether the business is designated as a resident or non-resident. Business License Revenues are approximately 25% of Total Revenue.

The current ordinance requires doubled rates for non-residents who have no fixed principal place of business within the municipality. However, the Town has continued the practice of charging double rates for businesses that have no fixed place of business outside the county, not the municipality. As only 4% of the license holders, excluding short-term rentals, have a physical office in the Kiawah municipality, the Town has always used the determination; if the office is outside the county to charge double rates.

Town staff requests that the Ways and Means Committee recommend to the Town Council amending the current ordinance to conform with current practice and amending the definition of non-residents in “Appendix A” of the current ordinance “to businesses having no fixed principal place of business within the County.”

Committee Members acknowledged the need to align current practices with the ordinance but debated the need to change the current policy, which would discourage vendors from coming to Kiawah and increase the cost for residents.

Committee Member Farrell Made a motion to recommend to the Town Council the approval of modifying Section 4-321 (Appendix A) Business License Rate Schedule. Mayor Belt seconded the motion, and it was unanimously approved.

VIII. Chairman’s Report:

None

IX. Treasurer’s Report:

A. Monthly Budget Report

Ms. Szubert presented the Town’s Budget-to-Actual Report for the first eleven months. The report is compiled on a cash basis, and all the funds are consolidated. The original budget was amended on February 6, 2024, to adjust the totals to the current projections.

For the first eleven months, the Town’s consolidated revenues of \$14.7 million are 9%, or \$1.4 million higher when compared to year-to-date for the last fiscal, FY2023, and are at 95% of the total

amended budgeted revenues for the current year. Overall, revenues are in line with budget, with Building Permits, Business Licenses, Interest Income, and Miscellaneous Income exceeding the budget. The Miscellaneous Income includes a one-time reimbursement from CCSO of \$161,000 for the vehicles and equipment book value, \$33,000, a one-time restitution payment from the former treasurer, and a \$15,000 legal expenses reimbursement.

At 92% of the year elapsed, expenditures totaling \$10.2 million are 5% or \$521,000 higher than for fiscal year FY2023 and account for 61%, or 86% excluding the \$5 million placeholder, of the current year's budget. The majority of the expenditures are reasonable and in line with the amended budget, with the exception of the following line items that will carry the negative variance throughout the year:

1. Waste management attributable to the earlier initiation of the contract with Trident.
2. Professional services
3. Charitable Contributions due to Town Council approval of an additional application.
4. Non-budgeted cost for storm cleanup.

X. Citizens' Comments:

None

XI. Committee Member's Comments:

None

XII. Adjournment:

Committee Member Farrell made a motion to adjourn the meeting at 10:43 am. Mayor Belt seconded the motion, and it was unanimously approved.

Submitted by,

Petra S. Reynolds, Town Clerk

Date



Tab | 2

WAYS AND MEANS

Agenda Item

MEMORANDUM

TO: Mayor Bradley Belt
CC: Stephanie Tillerson, Town Administrator
FROM: Jim Jordan, Town Conservation Director
RE: Channel Realignment Project on the Eastern End of Kiawah Island
DATE: October 24, 2024

Overview

The Kiawah Island Golf Resort (KIGR) has expressed concerns regarding potential future erosion near the Ocean Course Clubhouse and driving range. The Resort received an opinion and recommendation letter from Coastal Science and Engineering on this issue on July 19, 2024 that was shared with the Town (attached). Mayor Belt, Stephanie Tillerson and Jim Jordan met with Steven Traynum (CSE) on July 29 to discuss this issue. An additional meeting was held with Roger Warren, Stephanie Tillerson, Mayor Belt, and Jim Jordan on September 10 to discuss potential next steps. Town staff recommends that the Town enter into an agreement with CSE to obtain the required permits for this project.

Rationale for the project

1. Protect the Ocean Course Clubhouse and Golf Course from potential future erosion.
2. Address potential significant erosion preemptively to lessen project size, cost, and environmental impacts.
3. Restore the natural sand accretion processes in the area by relocating the existing flushing channel.
4. Create shorebird nesting habitat in fill areas that will help offset the recent loss of shorebird nesting habitat on the eastern end of Kiawah's beach due to erosion.

Background

A tidal channel on the eastern end of Kiawah Island has been slowly moving landward and beginning to cause erosion near the Ocean Course Clubhouse. The current problem is similar to the situation in 2014-2015 when a channel encroached on the driving range and practice green area of the Ocean Course. That condition led to a 2015 project that relocated the inlet channel and moved ~100,000 cubic yards (cy) of sand to construct a closure dike and restore dune areas (P/N 2014-00537-1W). The 2015 project followed a more significant erosion issue in 2006 that led to the East End Beach Restoration Project (OCRM Permit P/N 2005-1W-310-P) whereby ~550,000 cy were excavated across and along the new outer beach and used to close the encroaching channel. The project produced a new flushing channel to the east and a wide berm along the critically eroded sections fronting the Ocean Course.

Periodically, sand bypasses Stono Inlet in the form of discrete shoals (sand bars) that are released from the ebb-tidal delta to migrate onshore. “Shoal bypass” events in the 1990s and early 2000s added upward of 5 million cubic yards to the east end of Kiawah Island. Additional smaller events have occurred since 2006. As bars migrate toward shore, they alter wave patterns and sand transport along the beach. Some areas in the lee of the shoals accrete rapidly, while adjacent sections of beach lose sand. A recent shoal attachment event provided a sand body that extended to the south, trapping a channel between the new sand and prior beach ridge. This channel migrated south significantly over the past year and could quickly shift landward and erode the golf course. Erosion accelerated quickly in late 2014, leading to emergency sandbag placement along the driving range.

The purpose of this project is to manage the present cycle of shoal bypassing. Based on the experience of the 2006 and 2015 projects, it appears that the appropriate design approach for the present problem should be similar—a new channel should be created across the outer beach and the encroaching channel close by way of sand excavations and transfers by off-road trucks. Such projects are cost effective and environmentally neutral while maintaining or even improving existing habitats. The objective is to implement a plan that will accelerate the natural cycle of shoal bypassing, stem the erosion along the Ocean Course, and restore a normal flow of sand downcoast (east of the Ocean Course). Implementing a project before the erosion impacts upland areas allows for smaller projects to manage the sand supply.

Details on Prior Projects

2006 East End Beach Restoration Project

The Town and its beach consultant, Coastal Science and Engineering (CSE) applied for a permit to conduct the East End Beach Restoration Project on September 15, 2005. This project was conducted to mediate severe erosion along the Ocean Course driving range and 18th green caused by a migrating tidal channel. Based on feedback received during several meetings with the U.S. Fish and Wildlife Service (USFWS) during late 2005 and early 2006, the original construction plan was substantially modified and reduced in scale. The predominant concern of the USFWS was that the project might have negative impacts on the state and federally threatened piping plovers that utilize the eastern end of Kiawah Island (the area is designated as Federal Critical Habitat). Piping plovers are small shorebirds that winter and feed on sand and mud flats in this area. The final project plan (Figure 13) and mitigation package was agreed to in March 2006. The Town reduced the fill volume from 1.2 million cubic yards to 550,000 cubic yards, reduced the constructed dune heights from 7 to 5.5 feet (to promote overwash), eliminated direct impacts to piping plover feeding areas, and agreed to a 6-year piping plover monitoring plan.

On May 4, 2006, the South Carolina Wildlife Federation and the National Audubon Society (petitioners) filed a request for a contested case hearing before the Administrative Law Court in Columbia to effectively stop the Town’s beach project. The Town of Kiawah Island, Kiawah Island Golf Resort (KIGR), and the SC Office of Coastal Resource Management

(OCRM) were listed as respondents in the lawsuit. The petitioners argued that the Town's project would cause irreparable harm to the piping plover. The Town retained Mr. Ellison Smith, of Smith, Bundy, Bybee, and Barnett, to represent its interests in this matter.

The Town received all necessary state and federal permits to conduct the project on June 6, 2006. Work began on June 8, 2006. In response, the petitioners requested an emergency hearing and an injunction to stop the project. On June 28, 2006 the case was heard before Judge John Geathers in Columbia, SC. After a full day of motions and testimony, Judge Geathers ruled that the petitioners had not proven that there would be "harm" to the piping plover and that the project could continue as planned.

L. Dean Weaver Construction Company, Inc. of Pamplico, SC conducted the beach project for the Town. The primary objective of the project was to close an existing beachfront creek and open a new channel to the east in order to reestablish the natural flow of sand to the beach in this area. In addition, 550,000 cubic yards of sand was placed along heavily eroded beachfront areas from the Ocean Course Clubhouse down to the 16th fairway.

Several different types of equipment were utilized to excavate the new channel and move sand to the west. This equipment included 4-5 track hoes, 16-18 off road trucks, 3-4 bulldozers, and 2 pan scrapers. The primary mode of sand transport was with off road trucks loaded by track hoes (see picture above). Work was completed on July 28, 2006. The Town funded the majority of this \$3.6 million project with the balance being covered by financial contributions from Kiawah Island Community Association (\$500,000), KIGR (\$300,000), and Kiawah Development Partners (\$100,000).

2015 East End Channel Realignment Project

The 2006 beach restoration project proved effective in restoring a dry sand beach along the Ocean Course. The new flushing channel relocated naturally in 2007 to a point in the middle of the open lagoon area. Between 2007 and 2013, the channel meandered across the intertidal beach; however, the throat of the channel remained east of the 2006 closure dike. In early 2014, the channel began to encroach on the closure dike, and the Town began planning for another channel relocation in the event the channel continued to migrate west. The plan called for periodic relocation of the flushing channel, using the minimal amount of sand necessary, if the channel migrated west beyond its position in February 2014. A permit application was submitted in May 2014 with the intended construction window of September–October; however, by the fall of 2014, the migration of the channel expedited and quickly eroded much of the dune area fronting the Ocean Course driving range. The Town applied for a one-time modification to the construction window to allow for construction during the spring-summer time frame, which was granted by regulatory agencies.

The 2015 project was constructed between May and June 2015 by Lake Moultrie Construction Company Inc (DBA Ashridge Inc.) of St. Stephen, SC, at a cost of \$538,000. Permit design and project management costs were \$122,500 and mitigation and monitoring

costs were \$297,936, for a total project cost of \$958,436. The Town of Kiawah Island funded the entire project. A total of 100,000 cy of sand was transferred, and the new inlet was opened ~3,000 ft to the east. A closure dike was built across the original channel, connecting to the remaining portion of the 2006 closure dike. Excess sand was placed along the seaward edge of the driving range to facilitate recovery of the eroded areas and protect the range. The completed project accomplished the goal of eliminating the cause of erosion along the Ocean Course while minimizing the construction impacts through lower volumes and limited manipulation of the beach area.

Best Case Potential Project Timing (additional details in attached CSE Proposal)

November-December 2024 - Project Planning and Management, Field Data Collection
January-August 2025 – Permit submittal and coordination
May 2025 – Begin Phase 2, final project design, construction documents
August 2025 – Project Bid
September-October 2025 – Project Construction

Estimated Project Costs

Permitting cost - \$77,000
Design and construction - \$300,000-\$600,000
Monitoring and Mitigation (may include shorebird surveys, aerial photography, habitat monitoring, benthic monitoring) - \$100,000-\$200,000

The Kiawah Island Golf Resort has stated that they are willing to share the expenses for this project.

Potential Funding Sources

The Town's Capital Fund currently has a balance of \$6,700,000 and expenditures for this project would be an appropriate use for this line item. In addition, State Accommodations Tax Funding could be requested as well.

Environmental impact

A Biological Assessment and Essential Fish Habitat Assessment will be prepared during the permitting process and is included in the Permitting proposal (\$77,000). These assessments will assist the US Fish and Wildlife Service and the National Marine Fisheries Service in preparing the required Section 7 Biological Opinions.

This project will cause environmental impacts but we believe they should be very minor. Due to the dynamic nature of this area, directly impacted areas will recover very quickly. The project has the potential to create new shorebird nesting habitat within the fill area.

Interested stakeholders

Town of Kiawah Island

Kiawah Island Golf Resort

Kiawah Island Community Association

Coastal Conservation League

Audubon South Carolina

— MEMORANDUM —

DATE: July 19, 2024
TO: Roger Warren
President
Kiawah Island Golf Resort
FROM: Steven B Traynum, President
RE: East End Channel Condition

At the request of Kiawah Island Golf Resort, CSE conducted a site visit and visual assessment of the beach adjacent to the Ocean Course. The visit occurred on July 2, 2024, and included a collection of drone photography. The evaluation follows a dynamic recent history dating to the early 2000s, when the attachment of large shoals to the beach created lagoons and channels that eventually led to erosion of the eastern end of the driving range. The erosion led to a ~500,000 cubic yard (cy) channel relocation and nourishment project in 2006 and another smaller-scale effort of 100,000 cy in 2015.

The original project relocated the flushing channel and redistributed sufficient sand to restore eroded areas and reorient the beach strand to a more stable configuration. The beach was left to evolve naturally, and no serious erosion concerns were present until 2014. Beginning in late 2014, rapid erosion of the dune area seaward of the Ocean Course driving range occurred, causing damage to golf course infrastructure. From November 2014 to February 2015, ~240 feet (ft) of dunes were lost seaward of the driving range, eventually leading to the installation of emergency sandbags to prevent additional damage (Figure 1). Additional erosion was likely to continue, which would require a larger-scale project to provide adequate mitigation. In May 2014, on behalf of the Town of Kiawah Island, CSE submitted a permit application for another channel realignment. This was done in anticipation of future erosion; however, the rapid acceleration beginning in late 2014 was not anticipated. The proposed project attempted to limit the volume of sand transfer to minimize impacts to endangered species and reduce cost.

The east end of Kiawah Island has been evolving since the attachment of a large shoal off the eastern end of the island in 2021. Much like the large shoals that attached to the beach in the late 1990s and eventually resulted in the 2006 beach restoration project, the eastern flank of the shoal attached to the beach and the western flank has migrated west and inland, trapping an ephemeral impoundment between the shoal sand and the original beach line (Figure 2).

As the western edge of the shoal extends, the channel flushing the impounded water is pushed landward, and is now encroaching on the closure dike from the 2015 project. Note that this event is more like the conditions in the early 2000s compared to the situation that led to the 2015 project. That project resulted from the main flushing channel of the marsh system slowing migrating west, and not a direct result of a recent shoal attachment. Sand from the current shoal attachment continues to infill the impounded water area; however, it has created a river-like channel seaward of the marsh system,

paralleling the driving range (Figure 3). While the channel was created by a slightly different process than the 2014 condition, the effects on beach erosion will likely be similar.

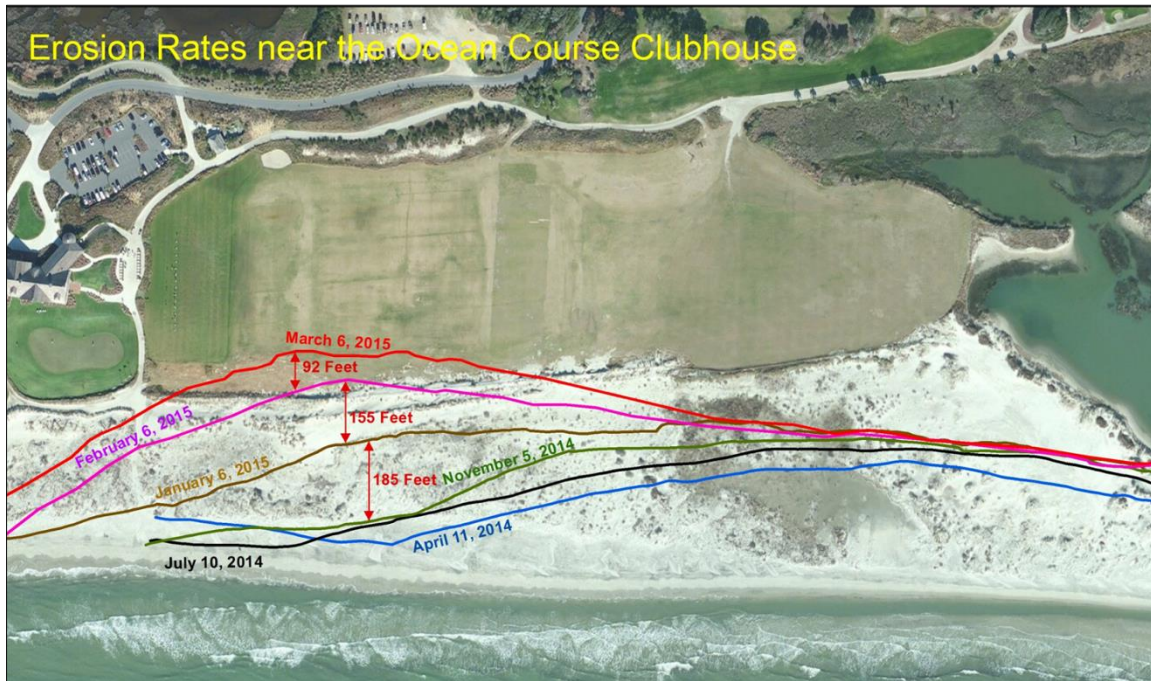


FIGURE 1. Shoreline data for 2014–2015 showing rapid erosion seaward of the driving range in late 2014 to early 2015.

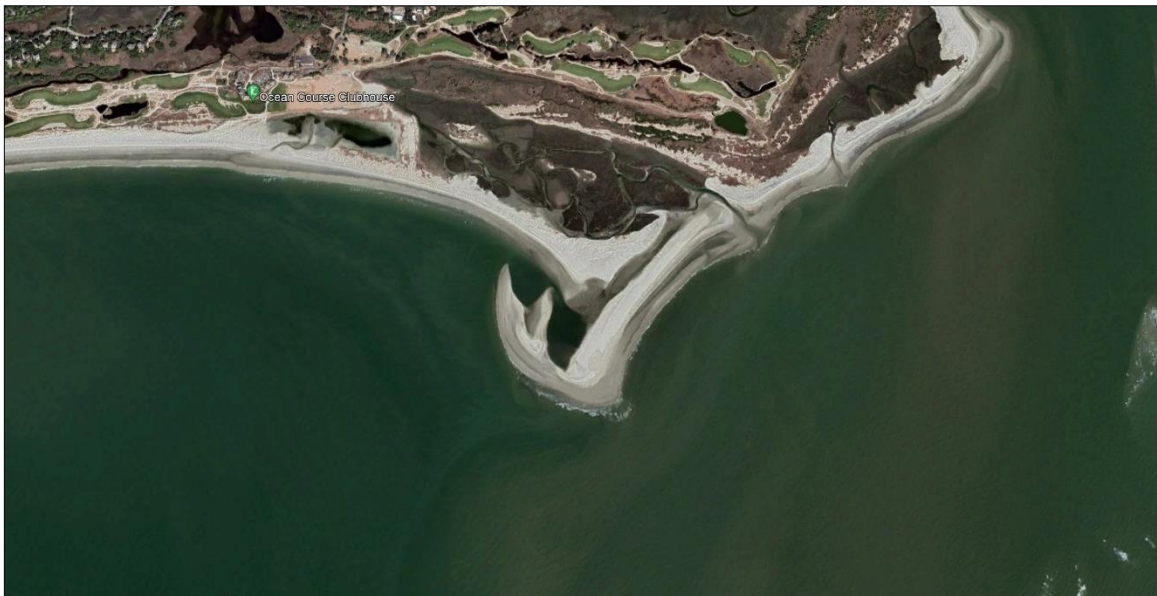


FIGURE 2. Aerial image taken in 2022 showing the attachment of a shoal and impounded water flushed from the western edge of the shoal.

The channel has extended west from December 2023 to July 2024, as shown in Figure 3. Figure 4 compares the 2014 condition to the July 2024 condition and shows that the overall configuration is very similar. The current channel already extends further west than the 2014 condition, though the beach width near the closure dikes is still greater in 2024 than in 2014. The two major concerns for additional erosion are the loss of the 2007/2015 closure dikes, which could quickly erode the seaward end of the driving range, and landward encroachment of the channel (similar to the 2015 condition) that impacts the driving range tee area, the practice green, and/or the 18th hole.



FIGURE 3. December 2023 (top) and July 2024 (bottom) images of the east end of Kiawah Island. The channel has migrated much further west over the past year.



FIGURE 4. Aerial photos from 2014 (left) and 2024 (right) of the east end of Kiawah Island. Note the similar configuration of the flushing channel and sand seaward of the channel.

It is impossible to accurately forecast how far landward the channel may move and over what time period; however, additional movement is inevitable. CSE anticipates that additional landward movement of the channel is likely due to the high volume of sand seaward of the channel. Rapid changes in the rate of movement are possible, as shown in the late 2014 conditions.

In CSE's opinion, stakeholders should initiate permitting for another channel realignment project in anticipation of future erosion damaging golf course infrastructure. There is a significant advantage of proactively managing the channel by reducing the required volume of sand to complete a successful project. If erosion is allowed to continue, some level of beach restoration will be necessary to restore the dune line and damaged areas of the golf course, in addition to the volume required to effectuate the channel relocation. A larger project increases cost and construction duration and can make it more difficult to obtain a permit.

Having a permit in hand will allow for proactive management of the system. A permit is valid for a five-year period, enabling the permittee to implement a project when the conditions warrant and within acceptable windows for environmental agencies. As with the 2015 permit, it is possible to allow for multiple events over those five years, provided certain triggers are met to ensure a project is completed only when necessary. The permittee should anticipate a minimum of nine months to obtain a permit after the application has been submitted to state and federal agencies; therefore, it is important to begin permit work well before the need for construction. A permit would likely restrict construction to several weeks in spring and/or fall to minimize potential impacts to sea turtles and shorebirds.



In summary, the east end of Kiawah is one of the most dynamic shorelines in South Carolina. It has benefited from natural accretion via shoal bypassing; however, these events create episodic erosion issues as channels drain evolving marsh systems. The positive sand budget allows for cost-effective management without the need to import sand from outside systems via offshore nourishment. The current condition is similar to that of 2014, prior to the accelerated erosion that impacted the Ocean Course. CSE believes proactive management via infrequent channel relocation is the best alternative to minimize cost and environmental impacts. Stakeholders should consider applying for a permit to manage the channel before it damages infrastructure and increases the scope of mitigation. Permitting will require a preliminary design, drawings and narrative, alternatives analysis, biological assessment, and liaison with agencies. Costs to obtain a permit are expected to be \$50–100k, provided that work can build on prior projects and monitoring efforts. Construction costs are likely in the \$300–600k range, depending on the material required to complete the work.

Please let me know if you have any questions or need additional information. CSE will be happy to meet with interested stakeholders to discuss the recommendations herein or the path forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Traynum', written in a cursive style.

Steven Traynum



EXHIBIT A — THE PROPOSAL

[P2626]

Preliminary Design and Permitting Services in Connection with Channel Realignment at the East End of Kiawah Island (SC)

INTRODUCTION

This proposal is submitted at the request of the Town of Kiawah Island in connection with erosion and channel encroachment in the vicinity of the Ocean Course at the eastern end of Kiawah Island. The problem is similar to the situation in 2014-2015 when a similar channel encroached on the driving range and practice green area of the Ocean Course. That condition led to a 2015 project that relocated the inlet channel and moved ~100,000 cy of sand to construct a closure dike and restore dune areas (P/N 2014-00537-1W). These projects follow a more significant erosion issue circa 2006 that led to the East End Restoration Project (OCRM Permit P/N 2005-1W-310-P) whereby ~550,000 cubic yards (cy) were excavated across and along the new outer beach and used to close the encroaching channel. The project produced a new flushing channel to the east and a wide berm along the critically eroded sections fronting the Ocean Course.

Periodically, sand bypasses Stono Inlet in the form of discrete shoals (sand bars) that are released from the ebb-tidal delta to migrate onshore. “Shoal bypass” events in the 1990s and early 2000s added upward of 5 million cubic yards to the east end of Kiawah Island. Additional smaller events have occurred since 2006. As bars migrate toward shore, they alter wave patterns and sand transport along the beach. Some areas in the lee of the shoals accrete rapidly, while adjacent sections of beach lose sand. A recent shoal attachment event provided a sand body that extended to the south, trapping a channel between the new sand and prior beach ridge. This channel migrated south significantly over the past year and could quickly shift landward and erode the golf course. Erosion accelerated quickly in late 2014, leading to emergency sandbag placement along the driving range.



The purpose of this proposal is to assist the Town of Kiawah Island (Town) in managing the present cycle of shoal bypassing. Based on the experience of the 2006 and 2015 projects, it appears that the appropriate design approach for the present problem should be similar—a new channel should be created across the outer beach and the encroaching channel close by way of sand excavations and transfers by off-road trucks. Such projects are cost effective and environmentally neutral while maintaining or even improving existing habitats. The objective is to implement a plan that will accelerate the natural cycle of shoal bypassing, stem the erosion along the Ocean Course, and restore a normal flow of sand downcoast (east of the Ocean Course). Implementing a project before the erosion impacts upland areas allows for smaller projects to manage the sand supply.

This proposal outlines preliminary design and permitting services required to prepare a specific plan and to prepare and submit a permit application to regulatory agencies. We assume the permit application would encompass multiple channel relocations due to the dynamic nature of the channel. The permit application will establish thresholds for implementing a project (ie – distance of channel from an established line).

CSE has prepared the following work plan covering initial design and permitting (in four tasks):

- 1) Planning, coordination, and project management
- 2) Field Data Collection
- 3) Preliminary Design, Permit Application, & Coordination

The present proposal includes services required to prepare the design and submit the permit application. It includes necessary services related to permitting liaison including responses to comments or additional meetings with third parties (such as conservation groups). Prior to or upon receipt of permits, final design services would be required to update the condition surveys, prepare the final design and an opinion of probable construction cost, prepare plans and construction documents, solicit bids, monitor construction and document pay quantities, and prepare a final survey and report. These tasks are not included in this proposal and budget, but will be provided at the request of the Town.

WORK PLAN

Task 1) Project Management, Liaison, and Planning

Task 1 covers professional time to meet with the Town, discuss the goals and objectives of the project, and establish project schedules. CSE also proposes to meet with regulatory and resource agencies before preparing the permit application and supporting documents to identify issues and concerns that should be addressed in the application. We anticipate the environmental concerns regarding the proposed project will be similar to those expressed by regulatory and resource agencies for similar projects recently pursued by other communities in South Carolina and for past projects at Kiawah Island. Time for extra coordination with Kiawah Island Community Association and/or Kiawah Resort is included in CSE's proposed budget. Specific work items under Task 1 will consist of the following:

- Meetings with Town officials (assume two)
- Interagency meeting with regulatory and resource agencies (assume one)
- Prepare correspondence, timetables, and project narratives for the community as needed and directed by the Town.

Task 2) Survey and Field Data Collection

CSE proposes to conduct a detailed beach condition survey and orthophotography via drone equipped with RTK-GPS. The survey will encompass portions of the Ocean Course oceanfront (from approximately the Ocean Course clubhouse) and extend east to encompass the area where a new channel may be cut. The survey will provide a high-resolution georeferenced image of the area as well as an 3D elevation point cloud providing survey-grade accuracy and point spacing greater than 1 point per sq ft.

Surveys of the area will be sufficient to estimate volumes available for scraping or excavation by hydraulic hoe and volumes needed to close the encroaching channel. Particular attention will be given to mapping areas above reference datums for purposes of construction planning. No new data will be collected seaward of low-tide wading depth. The rectified aerial photography will be used to delineate habitat areas, vegetation lines, and any features which may need to be protected during construction as well as for a pre-project baseline for environmental monitoring. Various morphologic features will be noted during CSE's survey to assist in developing an

efficient preliminary design. The goal is to determine minimum excavation and fill volumes necessary to effect a relocation of the flushing channel.

Task 2 includes time and expenses to mobilize field personnel, equipment, and a 4-by-4 field vehicle to Kiawah Island and conduct the survey. During the time of our survey, CSE will meet with project officials for purposes of coordination.

Task 3) Prepare Plan and Permit Application

Task 3 will cover sufficient engineering analyses for developing a preliminary plan and permit application. It will include analysis of survey data, volume calculations, mapping of shoal areas, and delineation and calculation of channel excavation volumes, and fill placement volumes to effect a channel relocation and preservation of a beach buffer area along the Ocean Course. Survey data from Task 2 will also be compared with conditions in 2015 around the time of the prior project. Channel sections will be analyzed to determine excavation and fill requirements for alternative channel alignments such that the total volume of excavations can be minimized. The condition survey of Task 2 will be used to delineate probable habitat impact areas and likely transformations associated with channel relocation, particularly changes in habitats of particular concern (areas favored by the piping plover and/or red knots).

CSE will prepare a permit application that delineates a construction plan and impact areas for channel relocation with potential modifications to the specific borrow and fill areas as conditions evolve prior to construction. The application will establish a corridor for the channel to meander over. Once the channel reaches the boundary of the corridor (threshold), a project would be implemented. The principal elements to be addressed in the permit application will be flushing channel realignment, construction sequence, project duration, post construction monitoring, and environmental protection. CSE anticipates submission of the permit application 2-3 months after notice to proceed.

Task 1 will provide minimal time for pre-application coordination and liaison with regulatory agencies. CSE will discuss the proposed plan with representatives of the agencies upon approval by the Town. Permitting liaison and environmental documents will be performed under Task 3.



CSE will draw on previous experience with the projects at Kiawah Island and other beach-scraping projects in South Carolina and reference such work in the application to assist the agencies in their reviews.

Task 3 will cover professional time to prepare a Biological Assessment (BA) and Essential Fish Habitat Assessment (EFH) to assist the USFWS and NMFS in evaluating the permit application and preparing Section 7 Biological Opinions (BO). CSE proposes to prepare these documents to be submitted at the same time as the permit application. We will draw on recently prepared documents for past Kiawah Projects and recent work in other communities to minimize cost and preparation time for these reports.

Subsequent Tasks) Not Detailed or Budgeted Herein

This proposal includes all time and expenses necessary to design a project, prepare a complete permit package, and provide permit liaison until a permit is issued by the state and USACE. Additional services will be required to implement the project. CSE will provide a detailed proposal for subsequent tasks at the appropriate time upon invitation by Town of Kiawah Island officials.

Tasks that are likely to be required for project implementation include the following (not included in the present proposal).

- Permit coordination beyond normal services typically required for these projects
- Assistance with permit appeals
- Engineering analysis not included herein (modeling, habitat monitoring)
- Final Design
- Bidding/Negotiation/Contracting
- Construction Administration
- Pre- or Post-Construction physical or environmental monitoring



SCHEDULE

CSE assumes the overall project schedule will be dictated by the time required to secure permits. Construction is likely to be restricted to the months of September and October per request by USFWS, however, other windows may be suggested by resource agencies. CSE anticipates performing the within-listed services (Tasks 1–3) over a period of approximately three months. CSE anticipates the first available construction window would be September 2025. A suggested schedule is as follows:

- Nov-Dec 2024 Task 1 Project Planning and Management
- Nov 2024 Task 2 Field Data Collection
- Jan-Aug 2025 Task 3 Permit Application and Liaison
- May 2025 Initiate Phase 2 services
- September 2025` Project Construction

PROPOSED BUDGET

Table A provides an itemized budget estimate for CSE’s services for Tasks 1–3 as outlined herein. CSE agrees to perform the services on a time-and-expense basis according to the enclosed fee schedule. Should Town of Kiawah Island officials desire additional services, CSE will provide a quote prior to performing the work. Reimbursables will be billed at cost.

TABLE A. Proposed fees and reimbursable expenses for services under Tasks 1–3.

Task #	Task Description	Task Fee
1	Project Management, Liaison, and Coordination	\$8,000
2	Field Data Collection	\$9,860
3	Preliminary Design and Permitting	\$50,480
1-3	Labor Subtotal	\$68,340
	Direct Expenses	\$8,660
	Total Project	\$77,000



FEE SCHEDULE

[Effective through 31 December 2025]

The fee for our services will be based on the charges listed below. All fee quotations are estimates, and actual fees are based on actual time and expenses incurred by Coastal Science & Engineering unless otherwise stated in the proposal. All rates are listed in U.S. dollars.

<u>Personnel</u>	Staff Category	Hourly Rate
	Senior Principal/Professional	195.00
	Sr Coastal Engineer	175.00
	Project Scientist/Engineer	165.00
	Sr Technical Associate	165.00
	Technical Staff (CAD)	150.00
	Support Staff (Admin/Field/Tech Asst)	130.00

Expert witness services are available at 1.5 times the base billing rates. Such services include trial preparation, depositions, and court appearances (travel excluded).

Expenses — Direct expenses incurred on the client's behalf are charged at our cost. Such items include, but are not limited to, equipment rental, subsistence, printing and reproduction, transportation and travel charges, and any special equipment or fees unique to the project. Vehicle mileage will be charged at current IRS rates.

Type of Contract Desired: Time and expense (not to exceed) for the services described herein at a total not to exceed seventy-seven thousand dollars (\$77,000) for Tasks 1–3.

Billing Schedule — CSE will invoice monthly for services performed the prior month with itemization of direct expenses. Invoices will be pro-rated according to fees and expenses inside and outside the project limits. CSE reserves the right to transfer funds between tasks so as to accomplish the work in an expeditious manner, provided total cost of services does not exceed the indicated budget.



WAYS AND MEANS

Agenda Item



REQUEST FOR TOWN COUNCIL ACTION

TO: Mayor and Town Council Members
SUBJECT: Audio/Visual System for Council Chambers
DATE: November 5, 2024

PROJECT OVERVIEW:

There is a \$60,000 approved budget for audio/visual upgrades to the Town's Council Chambers. The objective of these updates is to modernize and expand the video production capabilities of the Town's Council Chambers space. These upgrades will enhance video recording quality, live streaming capability, and overall system functionality.

Town staff requested estimates from three Creston certified vendors to replace the current two cameras with more high-quality cameras, add a centralized switcher and camera control to the space, and add one additional portable camera to use for an additional camera angle for live streams and that could serve as another camera for podcasts and videos.

Key Features and Benefits:

- **Enhanced Council Meetings:** High-quality video recording and live streaming of council meetings with precise audio and video control.
- **Optimized Web Conferencing:** Seamless integration with video conferencing platforms like Teams or Zoom, utilizing the Aux 1 Output for a superior video feed.
- **Versatility:** A portable camera setup will enable video recording and shooting outside Council Chambers, expanding the system's applications.

Additional details on the current audio/visual issues that Town staff are facing in Council Chambers and how these upgrades would provide solutions are detailed in the "Council Chambers A/V Issues and Suggested Solutions" attachment.

ESTIMATES:

The below estimates are for the two higher quality, mounted/fixed cameras; centralized switcher and camera control; and related equipment for Council Chambers.

- JSC - \$46,226.58

- Stage Front - \$34,314.72
- Young Office - No longer offers these services.

The below approximate estimate is for a third portable, studio-grade camera and its necessary accessories:

- Amazon - \$11,352.28 (as of this date)

ACTION REQUESTED:

Based on the cost estimates, review of service from our current provider/tech support, and the level of service and equipment options detailed, Town staff recommends contracting JSC Systems to update the current system with two updated cameras and a centralized switcher and camera control. This vendor is the higher of the bids but was more impressive with its response time, suggested solutions and overall understanding of the town's needs. The cost to upgrade the current two cameras and add a centralized switcher and camera control through JSC Systems is \$46,226.58.

When Town staff requested the estimates, it was recognized that it would be more cost effective to purchase the third portable, studio-grade camera and its accessories separately from an online retailer. This cost is approximately \$11,352.28, which could slightly fluctuate depending on purchase date.

It is requested that Town Council approves the purchase of the audio/visual equipment listed above, totaling \$57,578.86.

Council Chambers A/V Issues and Suggested Solutions

Issue: Ceiling mic's sensitivity and feedback

Solution: Creating pattern adjustments, using wireless lavalier microphones, and requiring any public/audience comments be provided at the podium or a microphone placed near attendees.

Issue: Crestron System has been *overbuilt*. There are too many features visible, requiring you to scroll through many pages and devices to find the item you need to adjust. There's no program preview, which makes it difficult to see the camera view you are about to switch to in a live situation.

Solution: Reconfigure Crestron to a hybrid system; add a production switcher with monitor to allow for previewing your actions before making them, like in a TV studio; and add an app that allows more efficient control of the Crestron system and remote access to the system.

Issue: The current livestream set up requires one person to be in as many as three places at once for it to run smoothly. The livestream and Zoom link are set up in the IT closet along with any slides that need to be displayed during the start of the meeting, Executive Session, or breaks during meetings. This causes a slight delay in setting up an Executive Session Zoom and starting the meeting in the Council Conference Room promptly. During these transitions, all mics must be muted while the next slide needs to be switched on the IT closet computer, and the Zoom meeting started.

Solution: Creating a central control station where all of this can be accomplished in one location; and placing a permanent desk either in Chambers (preferred) or the IT Closet (not recommended due to ongoing lack of storage) consisting of the computer that is currently in the IT closet, Crestron control (Pad/Computer), and a Video Production switcher to be able to monitor each input before streaming it.

Issue: Lack of necessary camera control. Adding the needed camera control options requires an upgrade of the cameras as they are not compatible with the new technology.

Solution: Upgrade cameras to be compatible with controller; an added benefit is that a newer chip/sensor will increase output quality.

Issue: Limited camera angles for the various meeting settings.

Solution: Add a third remote camera that can be set up in a multitude of locations. This camera can serve a dual purpose and be used for videos/podcasts produced by the Communications Department, as well as livestreaming remote, Town-sponsored events such as Disaster Awareness Day.



Tab | 4

WAYS AND MEANS

Agenda Item



Memorandum

FROM: Dorota Szubert, Finance Director

SUBJECT: Medical Insurance Premiums

DATE: 11/01/2022

Overview:

Regular full-time and part-time employees who work more than thirty (30) hours per week on a twelve (12) month basis are eligible for comprehensive group medical insurance for themselves and dependents in the Town's group medical, dental and vision insurance plan. This is a self-funded plan offered by SC Public Employee Benefits Authority (PEBA)

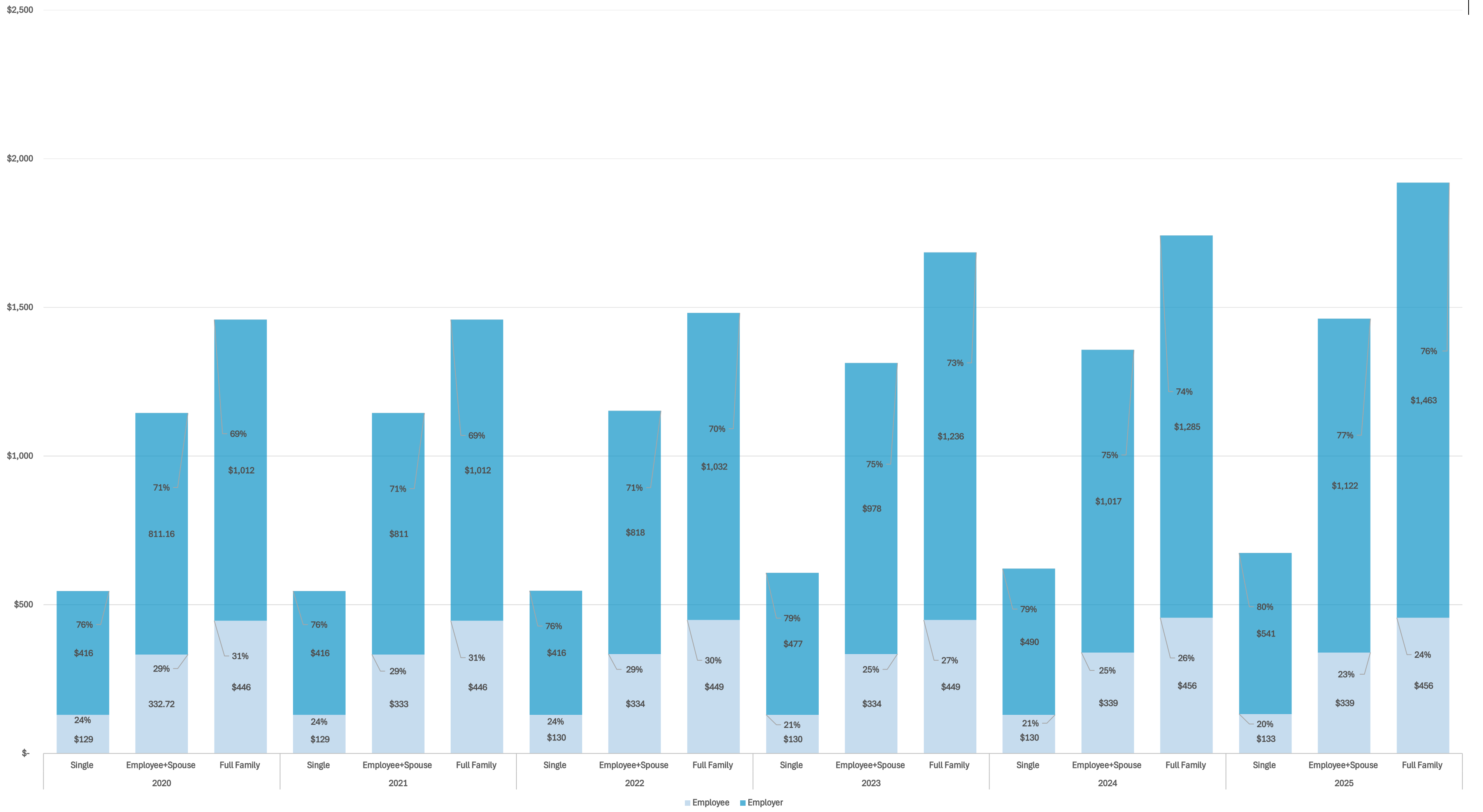
Historically, the Town subsidize a portion of the employee insurance contribution as to the coverage for a single employee was offered at no cost to the employee, and the same amount of the subsidy was applied to other types of coverage that includes employee and spouse/dependents and full family. Four years ago, the Town Council eliminated the subsidy and implemented 20/80 payment structure that allows the employee pay 20% of the total premium and 80% is paid by the Town. That structure applies to all coverage types.

For many years PEBA has not increased employee portion of the medical insurance, however the employer portion has been increased substantially, therefore the total cost of the premiums has increased. With the higher total premiums, the current structure of 20/80 will cause employees with the single coverage pay higher contributions than a maximum required by PEBA.

The Town Staff is asking the Ways and Means Committee to recommend to the Town Council approving the same structure; 20% of the full premium paid by employee and 80% of the full premium paid by the Town with the exception when employee portion of 20% will be reduced to the maximum rate required by PEBA. The 2023 PEBA rates are enclosed for your reference.

EXHIBIT A

	2020			2021			2022			2023			2024			2025		
	Single	Employee/ Spouse	Full Family	Single	Employee/ Spouse	Full Family	Single	Employee/ Spouse	Full Family	Single	Employee/ Spouse	Full Family	Single	Employee/ Spouse	Full Family	Single	Employee/ Spouse	Full Family
Employee	\$ 129	332.72	\$ 446	\$ 129	333	\$ 446	\$ 130	334	\$ 449	\$ 130	334	\$ 449	\$ 130	339	\$ 456	\$ 133	339	\$ 456
%	24%	29%	31%	24%	29%	31%	24%	29%	30%	21%	25%	27%	21%	25%	26%	20%	23%	24%
Employer	\$ 416	811.16	\$ 1,012	\$ 416	811	\$ 1,012	\$ 416	818	\$ 1,032	\$ 477	978	\$ 1,236	\$ 490	1,017	\$ 1,285	\$ 541	1,122	\$ 1,463
%	76%	71%	69%	76%	71%	69%	76%	71%	70%	79%	75%	73%	79%	75%	74%	80%	77%	76%
Total	\$ 546	\$ 1,144	\$ 1,458	\$ 546	\$ 1,144	\$ 1,458	\$ 546	\$ 1,152	\$ 1,481	\$ 607	\$ 1,313	\$ 1,684	\$ 620	\$ 1,356	\$ 1,741	\$ 673	\$ 1,462	\$ 1,919





Monthly insurance premiums for active employees

If you work for an optional employer, verify your rates with your benefits office.

	Standard Plan	Savings Plan	TRICARE Supplement
Employee	\$97.68	\$9.70	\$62.50
Employee/spouse	\$253.36	\$77.40	\$121.50
Employee/children	\$143.86	\$20.48	\$121.50
Full family	\$306.56	\$113.00	\$162.50
	Dental Plus	Basic Dental	State Vision Plan
Employee	\$28.80	\$0.00	\$6.30
Employee/spouse	\$65.88	\$7.64	\$12.60
Employee/children	\$80.92	\$13.72	\$13.54
Full family	\$108.64	\$21.34	\$19.84

Employer contributions

	Health	Dental	Life insurance	Long term disability
Employee	\$527.10	\$13.48	\$0.38	\$3.22
Employee/spouse	\$1,108.84	\$13.48	\$0.38	\$3.22
Employee/children	\$905.94	\$13.48	\$0.38	\$3.22
Full family	\$1,449.32	\$13.48	\$0.38	\$3.22

Tobacco-use premium

If you are a State Health Plan subscriber with single coverage and you use tobacco or e-cigarettes, you will pay an additional \$40 monthly premium. If you have employee/spouse, employee/children or full family coverage, and you or anyone you cover uses tobacco or e-cigarettes, the additional monthly premium will be \$60. The premium is automatic for all State Health Plan subscribers unless the subscriber certifies no one they cover uses tobacco or e-cigarettes, or covered individuals who use tobacco or e-cigarettes have completed the Plan's tobacco cessation program. The tobacco-use premium does not apply to TRICARE Supplement Plan subscribers.



WAYS AND MEANS

Agenda Item



George J. Bullwinkel, III
Member
Admitted in SC

October 24, 2024

Mayor Bradley D. Belt
Town of Kiawah Island, SC
4475 Betsy Kerrison Pkwy
Kiawah Island, SC 29455

Re: Development Agreement Preparation

Dear Mayor Belt:

We are pleased you have chosen Maynard Nexsen PC to represent Town of Kiawah Island, SC (the "Client") in connection with the above-referenced matter. We always want our clients to be fully informed and comfortable with our services and charges. Therefore, when asked to represent a new client, we find it helpful to explain our policies and practices with regard to our services and billings. This letter describes the basis on which we will represent the Client and bill for our services.

1. Professional Undertaking. I will have primary responsibility for the files and our initial tasks will include assisting the Client in providing advice on operations. Other attorneys and legal assistants in the office may be used in these matters in the best exercise of our professional judgment. We will endeavor to assist you in a professional manner and to the best of our abilities, but we cannot guarantee the outcome of any given matter.

2. Fees. We take into account many factors in charging for services rendered. The principal factor is usually our schedule of hourly rates in effect at the time the services are rendered. Our hourly rates for attorneys and other staff members are based on years of experience, and level of professional attainment. Currently our rates for attorneys range from \$200 to \$600 per hour. Our rates for legal assistants range from \$150 to \$225 per hour. My hourly billing rate is \$595.00. Nicole Scott, a partner of mine who will work on this matter with me, has an hourly

205 King Street
Suite 400 (29401)
PO Box 486
Charleston, SC 29402
www.maynardnexsen.com

T 843.720.1716
F 843.414.8200
E GBullwinkel@maynardnexsen.com
Maynard Nexsen PC

Attorneys and Counselors at Law

billing rate of \$500.00 and our associate, Jacob L. Allen, has an hourly billing rate of \$355.00. The attorney with primary responsibility for your representation will review all monthly statements before they are rendered to ensure the charges are appropriate.

3. Expenses. Often it is necessary for us to incur expenses for items such as travel, lodging, meals, telephone calls, and deposition transcripts. Similarly, some matters require substantial amounts of costly ancillary services such as photocopying, word processing, computerized legal research, and staff overtime. In order to allocate these expenses fairly and keep billing rates as low as possible for those matters which do not involve such expenditures, these items are separately itemized on our statements as “expense advances.” Some “expense advances” represent out-of-pocket costs, some represent an allocation of overhead costs associated with the items described above, and others represent a combination of both factors.

4. Retainer. The Firm has agreed to undertake this representation without the payment of a retainer.

5. Billings. Our statements generally will be prepared and mailed a few days after the end of any month in which services are rendered and disbursements are made. We expect prompt payment, and in no event later than thirty (30) days from the date of the statement.

6. Late Payments. We are confident that the Client will make every effort to pay us promptly. Occasionally, however, a client has difficulty in making timely payments. To avoid burdening those clients who pay their statements promptly with higher fees reflecting the added costs we incur as a result of clients who are delinquent, a monthly service charge of 1.5% is added for late payments. This charge is assessed on amounts that remain unpaid for more than thirty (30) days from the date the bill was rendered. In no event will the service charge be greater than permitted by applicable law. In the unlikely event that we are required to institute legal proceedings to collect fees and costs, the prevailing party will be entitled to a reasonable attorneys’ fee and other costs of collection. Naturally, we do not expect any such problems will arise and we look forward to a wholly amicable relationship.

7. Termination. The Client will have the right to terminate our representation at any time. We will have the same right, subject to our obligation to give the Client reasonable notice to arrange alternative representation and, where required, to obtain permission of the judge before whom a litigation matter is pending. The Client shall remain responsible for all fees and expenses incurred through the date of any such termination, as well as those incurred in connection with our assisting with alternative arrangements or court approval after the date of termination.

Town of Kiawah Island, SC
October 24, 2024
Page 3

Please review the foregoing and, if approved, have it signed and the original returned to me. If at any time you have questions, concerns, criticisms, or suggestions, please feel free to contact me. We look forward to working with you and the Client.

MAYNARD NEXSEN PC

By: _____

George J. Bullwinkel, III

The undersigned consents to your firm's legal representation on the terms and conditions set forth in this letter.

Town of Kiawah Island, SC

By: _____

Its: _____

Date: _____



Tab | 6

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 Three Months Ended 9/30/2024

DATE: November 5, 2024

Overview:

Presented here is the Town's Balance Sheet as of September 30, 2024, and Budget to Actual Report for the first three months. The Budget to Actual Report is compiled on a cash basis and all the funds are consolidated.

As of September 30, 2024, the Town's governmental funds combined have an ending fund balance of approximately \$42M, an increase of approximately \$1M from June 30, 2024. The total fund balance consists of:

- Unassigned Fund Balance (available for discretionary spending): \$24M (58%)
- Capital and Emergency Reserves: \$9.5M (22%)
- Restricted for Tourism-Related Funding: \$8.2M (20%)

Overall, for the first three months, the Town's consolidated revenues of \$3.6M are 51%, or \$1.2M higher when compared to same period last fiscal year, FY2024. This amount represents 23% of the total budgeted revenues for the current year. Revenues are in line with expectations, with business licenses, local ATAX and environmental service fees showing a significant positive variance when compared to last year. In the first three months we issued 414 business licenses, up from 201 last year, resulting in an increase of 138%, or \$267K. The rise in local ATAX is primarily due to timing in remittances from Charleston County.

With 25% of the year lapsed, the expenditures of \$2.6M are 15% or 344K higher than for fiscal year FY2024 and 18% of the current year budget. While expenditures are generally in line with the budget, several line items have seen notable increases from last year:

- Public Safety/ Off Duty Deputies: Increased by \$114k, or 211%, primarily due to a 38% increase in hourly rate to \$55, approved in February 2024.
- Waste Management: Increased by \$307K, or 142% driven by increased contract cost for garbage collection by Trident Waste.
- Professional Services: Increased by \$54K, or 78% reflecting a higher number of legal service engagements.

Town of Kiawah Island
Balance Sheet - Governmental Funds
Unaudited
Modified Cash Basis
September 30, 2023

	GENERAL FUND	SPECIAL FUNDS COMBINED	CAPITAL FUND	TOTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 24,173,455	\$ -	\$ -	\$ 24,173,455
Cash and Cash Equivalents, Restricted	-	8,209,320	9,501,890	17,711,210
Accounts Receivable	308,829	-	-	308,829
Prepaid Item	-	-	-	-
TOTAL ASSETS	24,482,284	8,209,320	9,501,890	42,193,493
LIABILITIES				
Accounts Payable and Accrued Liabilities	248,038	-	-	248,038
Municipal Court Fines and Assessments Payable	-	-	-	-
Unearned Revenue	7,740	-	-	7,740
TOTAL LIABILITIES	255,778	-	-	255,778
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	55,539	-	-	55,539
TOTAL DEFERRED INFLOWS OF RESOURCES	55,539	-	-	55,539
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	311,317	-	-	311,317
FUND BALANCES				
Restricted:				
Tourism Related Expenditures & Capital Improvements	-	8,185,866	9,501,890	17,687,755
Victims' Assistance	-	23,454	-	23,454
Unrestricted	24,170,967	-	-	24,170,967
TOTAL FUND BALANCES	24,170,967	8,209,320	9,501,890	41,882,176
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 24,482,284	\$ 8,209,320	\$ 9,501,890	\$ 42,193,493

Town of Kiawah Island
 Budget to Actuals
 For the Three Months Ended 9/30/24
 Modified Cash Basis /Unaudited

	Fiscal 2025				FY2025 VS FY2024		
	Y-T-D ACTUALS	TOTAL BUDGET	VARIANCE	% OF BUDGET	FY2024 Y-T-D	\$ VARIANCE	% VARIANCE
Revenue:							
Building Permits	\$ 432,301	\$ 1,300,000	\$ (867,699)	33%	\$ 317,831	\$ 114,470	36%
Business Licenses	460,699	3,350,000	(2,889,301)	14%	193,576	267,123	138%
STR Application Fees	10,700	400,000	(389,300)	3%	10,000	700	7%
Franchisee Fees	130,000	970,000	(840,000)	13%	180,000	(50,000)	-28%
Local Option Tax	222,132	900,000	(677,868)	25%	214,191	7,941	4%
State ATAX	-	3,000,000	(3,000,000)	0%	-	-	0%
Local ATAX	505,182	1,500,000	(994,818)	34%	222,128	283,054	127%
County ATAX	-	612,000	(612,000)	0%	-	-	0%
Hospitality Tax	185,512	900,000	(714,488)	21%	184,425	1,087	1%
Environmental Services	1,089,338	1,068,000	21,338	102%	545,975	543,363	100%
Interest	537,486	1,200,000	(662,514)	45%	458,837	78,649	17%
Other	29,491	267,012	(237,521)	11%	51,249	(21,758)	-42%
Total Revenue	3,602,841	15,467,011	(11,864,170)	23%	2,378,212	1,224,629	51%
Expenses:							
Salaries/Regular Employees	612,459	2,478,883	(1,866,424)	25%	550,435	(62,024)	-11%
Overtime	1,343	11,700	(10,357)	11%	977	(366)	-37%
Benefits	162,399	859,225	(696,826)	19%	149,584	(12,815)	-9%
Payroll Tax	43,220	226,950	(183,730)	19%	37,014	(6,206)	-17%
Employee Subtotal	819,421	3,576,758	(2,757,337)	23%	738,010	(81,411)	-11%
Public Safety/Payroll and Related/ Off Duty Deputies	167,381	703,779	(536,398)	24%	53,750	(113,631)	-211%
STR Code Enforcement	64,898	389,376	(324,478)	17%	64,898	-	0%
Beach Patrol	97,333	584,000	(486,667)	17%	97,333	-	0%
Utilities & Supplies	74,102	259,800	(185,698)	29%	104,475	30,373	131%
Communications	22,698	84,724	(62,026)	27%	23,157	459	0%
Waste Management	524,992	2,107,000	(1,582,008)	25%	217,067	(307,925)	-142%
Insurance	222,951	224,940	(1,989)	99%	189,895	(33,056)	-17%
Professional Services	123,308	515,000	(391,692)	24%	69,243	(54,065)	-78%
Consultants	21,186	362,150	(340,964)	6%	61,006	39,820	65%
Maintenance	223,573	599,000	(375,427)	37%	201,670	(21,903)	-11%
Travel	13,195	100,650	(87,455)	13%	6,290	(6,905)	-110%
Rentals	13,563	40,000	(26,437)	34%	10,232	(3,331)	-33%
Tourism & Receptions							
SATAX Recipients	7,248	2,962,274	(2,955,026)	0%	350,800	343,552	98%
Other	111,600	805,900	(694,300)	14%	38,053	(73,547)	-193%
Contributions	-	200,000	(200,000)	0%	-	-	0%
Other	65,832	343,520	(277,688)	19%	44,451	(21,381)	-48%
Capital Outlay:							
Building	-	25,000	(25,000)	0%	-	-	0%
Infrastructure	-	-	-	-	-	-	0%
Vehicles	23,944	35,000	(11,056)	68%	-	(23,944)	0%
Other	16,982	50,000	(33,018)	34%	-	(16,982)	0%
MUSC Pledge	-	200,000	(200,000)	0%	-	-	0%
Total Expenses	2,614,207	14,168,871	(11,554,664)	18%	2,270,330	(343,877)	-15%
Net Changes in Fund Balance	\$ 988,634	\$ 1,298,140	\$ (309,506)		\$ 107,882	\$ (880,752)	