

TOWN COUNCIL MEETING
Kiawah Island Municipal Center
Council Chambers
June 7, 2016; 2:00 PM

AGENDA

I. Call to Order: Mayor Lipuma called the meeting to order at 2:00pm.

II. Pledge of Allegiance

Mayor Lipuma stated there would be an addition to the agenda of the Southwest presentation on Kiawah Island Utility.

III. FOIA: Notice of this meeting has been published and posted in accordance with the Freedom of Information Act and the requirements of the Town of Kiawah Island.

IV. Roll Call:

Present: Charles R. Lipuma, Mayor
John D. Labriola, Mayor Pro-Tempore
Mary Q. Johnson
John Wilson
Craig Weaver

Also Present: Stephanie Monroe Tillerson, Town Administrator
Dorota Szubert, Town Treasurer
Dennis Rhoad, Town Attorney
Petra Reynolds, Town Clerk

V. Approval of Minutes:

A. Minutes of the Town Council Meeting of May 3, 2016

Mr. Weaver motioned to approve the minutes of the May 3, 2016 Town Council Meeting. The motion was seconded by Mr. Wilson.

Mrs. Johnson questioned in the minutes where it stated the Communication Committee would be dissolved and a charter created. Ms. Tillerson confirmed that it was discussed at this meeting but at a later meeting decided not to create a new charter and committee.

Following the discussion the minutes were unanimously passed.

B. Minutes of the Town Council Public Hearing of May 3, 2016

Mr. Labriola motioned to approve the minutes of the May 3, 2016 Town Council Meeting. The motion was seconded by Mr. Weaver and the minutes were unanimously passed.

C. Minutes of the Special Town Council Meeting of May 16, 2016

Mr. Wilson motioned to approve the minutes of the May 16, 2016 Town Council Meeting as amended. The motion was seconded by Mr. Labriola and the minutes were unanimously passed.

Mayor Lipuma reviewed the guidelines for making Citizens' Comments and asked that while there is only 15 minutes in each section, to please limit individual comments to 3 minutes.

VI. Citizens' Comments (Agenda Items Only):

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick read comments for Mr. Art Morgenstern;

To Mayor Lipuma and Town Council:

I was hoping to deliver these comments personally, but, since I am volunteering at Spoleto this week, I have asked Wendy Kulick to read my comments into the record.

I have repeatedly asked Town Council to accept its responsibility to protect the health, safety, and welfare of the community in regard to the KIU backup water line, including impact on property owners, but you have consistently refused to do so. Even though you have failed to accept this responsibility for planning and oversight, I want to make sure you are aware of problems in just our neighborhood in the last 2 weeks.

May 25 – Comcast cable line cut by Contractor (cable out for several hours)

May 28 – Contractor covered the street drain. This led to significant flooding (It should be noted that one resident called Town Hall regarding this problem, asking the mayor to return the call. As of several days after the call, the resident had not received a call-back.)

June 6 – Berkeley Electric's line to the neighborhood was cut by Contractor (power out about 2 hours)

Since the project began, there have been delays every day in entering and leaving the neighborhood, generally for only a few minutes, but occasionally for much longer. My wife and I were particularly inconvenienced by the electric outage on June 6. The power outage began about 30 minutes before we were to leave for a volunteer assignment. This cut off the air conditioning, made it impossible to complete our preparations, and made it difficult to open the garage door.

In discussing these problems with Becky Dennis yesterday, I suggested that there needed to be a contingency plan developed to deal with how to handle these repeated problems, and that plan needs to include identifying quick response remedies to be provided by KIU or the Contractor to allow residents to live at least close to a normal life during the construction project. If the Town doesn't consider itself capable of providing oversight of this planning activity, it should ask for help from the County. At a minimum, the Town should require KIU to define and publish a plan as to how KIU will deal with these problems.

An additional problem, because of the loss of marsh due to the construction, is the increased risk of flooding, particularly during storms, heavy rain and high tides. The Town's emergency planning needs to account for this added risk, in addition to requiring the Contractor to secure equipment, signs, etc. prior to and during storms.

Please let me know as soon as possible how you plan to deal with this matter.

Mayor Lipuma responded by stating the Town could not provide oversight for every project occurring on the Island. He was not aware of a message left by a homeowner apologizing that he did return the call. He stated he would be happy to discuss any resident concerns with Mrs. Dennis with Kiawah Island Utility.

Mrs. Kulick made comment regarding responses to questions and comments made at Town Council meetings: When will the Town respond to all questions posed since last October or November and when will these comments be posted and shared with the public?

Mayor Lipuma indicated answers to Citizens Comments would be completed by the Town Administrator as soon as possible. She has had a full schedule of undertakings since her arrival.

VII. Presentations:

A. Southwest presentation on Kiawah Island Utility

Mr. Craig Sorenson stated effective March 9, 2016, SouthWest Water Company (SWWC) purchased KIU Holdings LLC, the parent of Kiawah Island Utility (KIU). KIU is SWWC's first utility in South Carolina. He presented a summary of Southwest Water reviewing the holdings of the California based company, which is currently operating in four states (California, Texas, Alabama and South Carolina) and what they will bring to Kiawah Island Utility.

Mr. Sorenson gave an overview on the redundant water line project currently taking place on Kiawah. He reviewed the need for the additional supply line and indicated the project was scheduled to be completed in the fall of this year.

B. LS3P Presentation of New Municipal Center Interior Furniture, Fixtures & Equipment Overview

Mr. Labriola indicated Furniture, Fixtures and Equipment (FF&E) was the only item that was not included in the building contract. He explained to Council it was the one remaining issue that would require a decision of the allocation of the approved budgeted amount of \$439,000.00. He indicated the presented selection of choices of furniture and fixtures for different offices would be put out for bid.

Ms. Kelly Gilreath with LS3P, along with Mr. Burt, explained the bidding process by which the pricing for the selected FF&E, which included the office systems, would be procured. Ms. Gilreath presented and reviewed renderings each of the selections, placement of the selections, along with samples of fabrics, finishes, and colors.

FURNITURE PROCESS:

- *LS3P has developed an FF&E package that will enhance the overall interior environment. These solutions will be appropriate for the functional, aesthetic, and budgetary needs of the Kiawah Town Hall.*
- *Selections include systems furniture (workstations), case goods (private office furniture), seating, and other freestanding "loose" furniture.*
- *FF&E package will be distributed to 4 select dealers.*
- *Selections for the competitive bid process will be based on proprietary specifications. Dealers should price the specific selections, with the exception of the workstations which they may provide equal options for review.*

VIII. Old Business:

A. Ordinance 2016-03 – An Ordinance to Adopt the Fiscal Year 2016-2017 Budget for the Town of Kiawah Island, SC (7/1/16 through 6/30/17) – 2nd Reading

Mr. Labriola reviewed the changes made to the budget since the first reading at last month's meeting.

1. Anticipated date of the Town Hall closing has moved from December to September 2016. This change is reflected in lease revenue, lease payments to KICA and Town Hall operating expenses.
2. Change in the allocation of the Municipal Building construction cost between current and next fiscal year to reflect current payment schedule to Thomas Construction.
3. Allocation of the cost related to the construction of the Municipal Building to Capital Fund to illustrate General Fund's performance and budget separately.
4. Allocation of the cost related to CVB area construction to County Accommodation Tax Fund.
5. Budget includes debt service calculated based on Wells Fargo proposal, with the assumption interest only payments will start in January 2017, followed by the first draw in December 2016. That line item also includes closing fee-0.25% of bond par amount.
6. Allocation of payroll expense related to Arts & Cultural Events Council to that fund.
7. Removal of funding for Party in the Park-\$50K.

Mr. Labriola made a motion to approve the second reading of Ordinance 2016-03 to adopt the Fiscal Year 2016-2017 Budget. The motion was seconded by Mayor Lipuma.

Mr. Wilson expressed his comments and concerns with the addition to two full time employees in the budget. He stated if there was a need for additional help to support the Arts Council it would be more beneficial to use part-time help that has no benefits rather than adding the expenses of a full time employee to the budget. He also stated his concern with adding an employee for the building services department at this time and suggested the position be deferred. Both he and Mr. Weaver indicated they support the budget but would like the Town Administrator to present a separate recommendation and hard justification for each of the additional positions before hiring is done.

Further discussion included an explanation by Ms. Tillerson on the need for the additional employees.

Mayor Lipuma called the question on the motion to approve the FY 16-17 Budget with the requirement the Town Administrator present position justifications to the Ways and Means Committee.

Mr. Labriola withdrew his motion to approve the second reading of Ordinance 2016-03 to adopt the Fiscal Year 2016-2017 Budget.

Mayor Lipuma made a motion to approve the second reading of Ordinance 2016-03 to adopt the Fiscal Year 2016-2017 Budget with the requirement the Town Administrator present position justifications to the Ways and Means Committee. The motion was seconded by Mr. Labriola and was unanimously passed.

IX. New Business:

A. Request approval of Municipal Center Committee Appointment

Mayor Lipuma reviewed the request and qualifications from Mr. Blaze Keegel to be appointed to the 2016 Municipal Center Committee.

Mr. Labriola made a motion to appoint Mr. Keegel to the Municipal Center Committee. The motion was seconded by Mayor Lipuma and unanimously passed.

B. Request approval of Kiawah Conservancy Alligator Documentary Funding Request

Mr. Jordan reviewed the request from the Conservancy for an Alligator Documentary. The Town has financially supported a number of Kiawah Conservancy programs and activities in recent

years. Financial support has come from a number of different sources, including the Environmental Committee line item in the Environmental department. During the 2014-2015 fiscal year, the Town contributed \$15,000 to the Conservancy from this line item to support alligator research (\$5,000) and a sea turtle documentary film (\$10,000).

The Kiawah Conservancy is currently filming and producing a documentary film on alligators. The film is similar to the sea turtle documentary produced during 2015, which was financially supported by the Town, and will serve as an educational tool for property owners and visitors. The film will be completed and released at the Conservancy Alligator Symposium on October 27, 2016.

This film will educate visitors and property owners about alligators on Kiawah Island and their importance to the island's ecosystem. It addresses one of the Natural Resource objectives from the Town's Comprehensive Plan. The Environmental Committee discussed this request in depth and voted unanimously on May 10, 2016 to recommend contributing \$10,000 from the Environmental Committee line item to support this project.

Mayor Lipuma made a motion to approve funding of the Conservancy's funding request of \$10,000.00 for the Alligator Documentary. Mrs. Johnson seconded the motion and it was unanimously passed.

C. Request approval of Kiawah Conservancy Alligator Research Project Funding Request

Mr. Jordan explained the Kiawah Conservancy, in partnership with TOKI, KICA, the Medical University of South Carolina (MUSC), and Clemson University began an alligator study in 2015, focusing primarily on alligator health and physiology. Town Wildlife staff and KICA Lakes Department staff actively participated in this research project. The study is continuing during 2016 for a second year in which approximately 40 alligators will be captured, sampled, and released this year.

In addition, the Town and KICA are working on a secondary alligator research initiative that will take advantage of the capture efforts for the Clemson study to investigate alligator behavior and public safety. This proposed study, funded separately by the Town and KICA, would place visual tags on all captured alligators and VHF transmitters would be placed on a subset of 12 alligators.

This research project will provide important information on alligators on Kiawah Island and addresses several Natural Resource objectives of the Town's Comprehensive Plan. The Environmental Committee discussed this request in-depth and voted unanimously on May 10, 2016 to recommend contributing \$10,000 from the Environmental Committee line item to support this project.

Mayor Lipuma made a motion to approve funding of the Conservancy's funding request of \$10,000.00 for the Alligator Research Project. Mrs. Johnson seconded the motion and it was unanimously passed.

D. Request approval of Financing with Wells Fargo for New Municipal Center

Mr. Wilson discussed the rates proposed by Wells Fargo for the financing for the New Municipal Center. He indicated with the very favorable and flexible terms and the recommendation for

approval of the documentation by the Ways and Means Committee, the interest rate has been fixed at 2.24%

Mr. Wilson made the motion to approve financing of \$3,000,000.00 for up to 9 years at a rate of 2.24% with Wells Fargo Bank. The motion was seconded by Mr. Weaver and unanimously passed.

E. Request approval of the purchase of two (2) pickup trucks for the Building Services Department in the FY15-16 Budget

Mayor Lipuma made a motion to approve the purchase of two 2016 Toyota Tacoma 4x4s from Fred Anderson Toyota in the amount of \$29,584.00 for each truck. The motion was seconded Mr. Labriola.

Ms. Tillerson stated that initially, staff began work with Charleston County Procurement Office in seeking bid proposals for three (3) 2016 Toyota Tacomas for Building Service Department and one (1) Toyota Tundra for the Code Enforcement Department. The County came back with three bid proposals: Fred Anderson Toyota of Charleston; Hendrick Toyota of North Charleston; and National Auto Fleet Group. Staff added one additional bidder to the list, Stokes Brown Toyota of Beaufort. They were added because it was determined in the process that the deadline to order Toyotas from the National Auto Fleet Group had passed.

At the request of Council, Staff extended its research and looked at other comparable vehicles. In addition to the Toyota Tacoma and Tundra, staff reviewed Chevrolet Colorado and Silverado 1500, Nissan Frontier and Titan, GMC Canyon and Sierra 1500, Ford F-150. After an exhaustive review of the various trucks, staff recommended Town Council approve the following:

- Two (down from the three originally requested) Toyota Tacomas for Building Services
- One Toyota Tundra for Code Enforcement

Ms. Tillerson stated her decision was made based on a number of factors. Town Council made a conscious decision starting in 2011 to move all the Town fleet vehicles to one manufacture, Toyota. The Toyotas have been reliable, satisfy all the Town's needs in terms of the various departments and Turtle Patrol, the prices are competitive, high resale value, and for routine service the Town now has an agreement with KICA to service the Toyota trucks.

Mr. Wilson expressed is concern with the cost and limitation of the vehicles to Toyotas. Members engaging in an in-depth discussion of options and pricing of the alternate vehicles that were compared to the Toyotas requested.

Mayor Lipuma called the question of the approval of the purchase of two (2) 2016 Toyota Tacoma 4x4s. The motion was passed by a 3 – 2 vote. Mr. Wilson and Mr. Weaver voted NO.

F. Request approval of the purchase of one (1) pickup truck for Code Enforcement Department in the FY 16-17 Budget

Mayor Lipuma made a motion to approve the purchase of one (1) 2016 Toyota Tundra 4x4 from Hendrick Toyota of North Charleston in the amount of \$36,687.00. The motion was seconded Mr. Labriola and was unanimously passed.

G. Request approval of Purchase and Sale Agreement with the Kiawah Island Community Association (KICA)

Mayor Lipuma reviewed the proposed Purchase and Sale Agreement for the sale of the current Municipal Center to the Kiawah Island Community Association (KICA). He indicated there were three conditions for closing, title commitment and survey, purchaser's inspection period and zoning. He stated the text amendment and zoning issues will be presented to the Planning Commission at their July meeting.

Mr. Labriola made a motion to approve the Purchase and Sale Agreement with the Kiawah Island Community Association as written. The motion was seconded by Mr. Wilson and unanimously approved.

Mr. Weaver stated there had been discussion of Beach Patrol storing equipment in the garage or at Sora Rail. He wanted to make sure an arrangement was worked out and a formal agreement incorporated, if necessary. Mayor Lipuma stated Ms. Tillerson and Mr. Rhoad would work with Mr. Bailey on a short agreement to that effect.

H. Request approval of Municipal Center Lease Back Agreement from KICA

Mayor Lipuma made a motion to approve the Municipal Center Lease Back Agreement from KICA. The motion was seconded by Mr. Labriola.

Mr. Labriola stated the matrix of what the Town will be paying in rent to the Community Association is exactly the same as what they are currently paying to the Town. The rate is calculated by the amount of square footage that is occupied by the Town.

Following further discussion the motion was unanimously passed.

X. Committee Reports:

Mr. Wilson had no additional report

Mr. Labriola reported on last week's *Municipal Center Committee* meeting. He stated that it was the first meeting of the Committee with construction ongoing and was attended by representatives of LS3P, Thomas Construction, Cedrus Development as well as Building Inspectors. He noted that Thomas projected by July 15th the site will be at height and compaction approved with a slab to follow and stated copies of Cedrus' monthly reports would be available at the Clerk's office.

Mr. Labriola reported the next *Ways and Means Committee* would be looking at the close out of the May financials and the long range financial plan he asked staff to prepare.

Mrs. Johnson reported on the last of the *Arts and Cultural Events*, "Piccolo comes to Kittwah" which will be held at Mingo Point. She stated the planning of the new season of events has been finished and awaiting the approval of the budget so contracts can be finalized and the Season Planner can be completed for release sometime in August. She also noted the first event presented by the *Charleston Jazz Orchestra* will be in August.

Mrs. Johnson reported on the *Environmental Committee* and Wildlife Department by stating there were 77 turtle nests so far this year, 10 more than this time last year. She reported on the very ill Loggerhead turtle found stranded on the beach that was taken the Turtle Hospital at the Aquarium, bobcats collared, and the posting of kitten pictures on Facebook.

Mr. Weaver reported the Town's Comprehensive Emergency Plan requires periodic tabletop exercises to test preparedness capabilities. He stated there will be a hurricane tabletop exercise held on June 28th focusing on post-hurricane activities.

Mr. Weaver stated the *Public Safety Subcommittee* focusing on ways to improve Fire Safety and stated the Subcommittee focusing on re-evaluating the Deputy staffing coverage for Freshfields and the Island would be presenting their recommendations to the Public Safety Committee at the June meeting next week. He stated any recommendations approved by the Public Safety Committee would then be presented to Council for further review.

Conversation included an in-depth discussion of the table top exercise and the need to identify responsibilities of individuals and entities involved should there be an event and to make sure there is proper communication and coordination the Island entities including Seabrook.

Mr. Rhoad stated since the sheriff's deputies are employees of the Town, he recommended the Town look into additional insurance coverage to protect against a civil rights type action.

XI. Town Administrator's Report:

Ms. Tillerson reported on the resignation of Mr. Jack Braden from the Board of Zoning Appeals and asked for any volunteers to fill his position.

XII. Mayor's Report:

Mayor Lipuma reported on the Charleston County half-penny sales tax referendum and the public meetings which will be held during the month of June. He indicated at the meeting will be held on at the John's Island HS the 20th and he, Seabrook Mayor Ciancio, Paul Roberts and Mr. Wilson were undertaking the effort to lobby for the improvement of John Island roads to include;

- An overpass at Savannah Highway at Main Road
- Four lane Main Road from Savannah Highway to Maybank
- Four lane Maybank from Main Road to Gelegotis Bridge (Stono Bridge)
- John's Island Parkway

Mayor Lipuma stated he and Mayor Ciancio would be meeting with Mayor Tecklenberg on June 9th to discuss future action on I-526 extension and the need for improvements to John's Island roads with or without the completion of I-526. On June 29th they will meet with the John's Island Task Force to discuss the John's Island road situation.

Mr. Wilson added the only project approved to improve John's Island roads was a pitchfork from the Gelegotis Bridge onto Maybank Highway which Mr. Roberts deemed as ineffective.

Mayor Lipuma stated at a previous meeting the question was asked on the status of the current FBI investigation. He stated Mr. Rhoad had been contacted by the FBI Investigator Durr who had been waiting for several months to receive bank records and that Town Officials would be contacted to clarify the credit card authority for the individuals. Mayor Lipuma indicated no Town officials had been contacted since that time and messages have gone unanswered. He stated without a satisfactory response he would have no other option but to take the recommendation of Mr. Rhoad to contact State Senators and State Representatives for assistance.

Mr. Rhoad asked to address Council. He began by reminiscing back to when in October of 1988 he was certified by the State of South Carolina to practice law and when in December of 1988 he was employed with the Town of Kiawah. He spoke individually to each member of Council and then recalled memorable experiences with past members.

Mr. Rhoad stated he was proud of representing Kiawah. He stated that he might not have always been right but always put his client, Town, and the loyalty to his client first. He then apologized to members of Council, Mrs. Kulick and Mr. McGill individually and all the other attendees for his behavior during the previous Council meeting; he got personal and lost his objectivity.

He stated that in January of this year he told his client that he was tired and intended to retire on January 1st of 2017. Having been the Town Attorney for 25 years he emotionally thanked the Town for the opportunity to have his own practice but felt there were still other things he wanted to do. He apologized again and wished everyone all the best.

Mayor Lipuma thanked Mr. Rhoad for his service and told his there was still work to be done before he retired.

Mayor Lipuma stated he asked Mr. Labriola, Mr. Wilson and Ms. Tillerson to come to a conclusion on the best form of legal representation for the Town. Whether to hire an employee, contract services or to hire a firm to provide and number of types of legal services.

XIII. Citizen Comments:

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick urged Mayor Lipuma and Mr. Wilson to stay for the entire meeting on June 20th and not leave after their comments are made.

Mrs. Kulick read from a discussion of goals for 2011, Town Council minutes reflect the following statement: “Mr. Rhoad will research the original Development Agreement to determine why the Town does not collect a franchise fee from Kiawah Island Utility.” I believe this question has been raised by myself and others numerous times since 2011; yet to my knowledge, no response has been forthcoming, so I ask again: Why does Kiawah Island Utility not pay a franchise fee to the Town of Kiawah Island?

Mr. Rhoad stated KIU reserved specific rights to put down utilities along the roadways unlike the telephone company and it specifically prohibits franchise fees against the utility.

Mrs. Kulick continued by stating as an intervenor in PSC docket 2012-252-WS, the Town took a very pro-active position with regards to the Utility's stock transfer. And that was an internal stock transfer, not the sale to another company. Why has the Town not intervened in the most recent stock transfer to an out-of-state utility operator in early March? Since the Utility did not meet the PSC requirement of approving the sale of a utility or its assets by the PSC prior to the transaction taking place, does the Town consider the sale of the Utility to Southwest Water Company valid and legitimate? If not, what steps has the Town taken to address this with the PSC?

Mr. Rhoad stated he would contact Mr. Ellerbe to get a definitive response to the question. Mr. Labriola noted the question has been asked a couple times and suggested the response come in the form of a formal letter that can be published.

Robert Manetta – 98 Belmead Hall - Inlet Cove

Mr. Manetta asked that along with the looking at the John's Island roads if the Town would at development on the whole of John's Island. He stated the community would rather be surrounded by well thought out development. Mrs. Johnson, along with Mayor Lipuma, stated thousands of properties have been sold and building permits had been issued long ago and have only been slowed by a bad economy.

Mr. Manetta expressed his concern with the congestion created on Beachwalker Drive by people visiting the park. Mayor Lipuma acknowledged the problem and stated the Town was doing all it could but was still working with the County Park looking for better solutions. Mr. Weaver stated there have been meetings, with Sheriff's Department, KICA and the Resort to trying to get ahead of the summer traffic issues. Mrs. Johnson suggested the possibility of the inclusion of the park on County APP which would provide visual information to potential visitors that the parking lot was full in advance of their arrival on Kiawah.

Mike Shalosky – 49 Burroughs Hall

Mr. Shalosky asked about a mailer he had received from AirMedCare. The brochure suggested a \$35.00 fee would provide helicopter transport in the event of a life/limb threatening emergency. Mr. Weaver stated the Town had already joined AirMedCare on behalf of residents. He clarified membership fees are not necessary for transport from Kiawah and the \$35.00 only applied if a subscriber wanted access to the service in other areas. Mrs. Johnson noted there are multiple air transport services in the Lowcountry. Mayor Lipuma and Mr. Weaver both stated there would be further clarification in the next Town E-Blast.

Mr. Shalosky thanked Council for the detailed budget discussion. He stated he was appreciative of fiscal responsibility and agreed with usage of temporary services.

Dennis McGill – 100 Pleasant Valley Drive

Mr. McGill accepted, though not necessary, the apology offered by Mr. Rhoad. He expressed his view there were very few questions that were brought to Mr. Rhoad's attention for comment and that Council often made decisions contrary to Town Code. He called attention to the Purchase and

Sale Agreement and Lease Back Agreement with the Community Association that were not presented to the Ways and Means Committee and questioned the rush to approve the agreement when there are still changes to be made.

Mr. McGill referenced an email sent requesting copies of the contract with DHG (Dixon Hughes Goodman) and YCR (Young Clement Rivers). He stated that a copy of the DHG contract had been received but had yet to receive the YCR.

Mayor Lipuma responded by stating a employee agreement had not been located for YCR whose relationship with the Town goes back many years. He stated that with the retirement of Mr. Rhoad the decision was made not to go forward with a services agreement with YCR and to let the legal services selection process move ahead.

Craig Sorensen – SouthWest Water Company

Mr. Sorensen spoke in response to Mrs. Kulick’s earlier questions about the sale of KIU. He said the purchase of the parent company, as opposed to KIU itself. The transaction does not fall under the PSC (Public Service Commission) requirements for approval. Mr. Sorenson stated SWC informed the PSC of the transaction and also will make sure the utility operates within PSC the codes.

David DeStefano – 31 Burrows Hall

Mr. DeStefano commented of the presentation made by SWC by stating he was looking forward to a professional utility company operating KIU and hoped it would be better and show a cost savings. He also commented on the revelation that the Sheriff’s Deputies are employees of the Town. He questioned how long this had been going on, and who was supervising the deputies. He stated he felt this should be revisited and there could be more unforeseen consequences than those bought up by Mr. Rhoad.

Mayor Lipuma stated at one time there was a proposal for the addition of a Town employee to oversee Public Safety to include the deputies but was not approved. Mr. Weaver clarified the arrangement has been in effect for a long period of time and that they are supervised by two County supervisors who responsible for oversight all the activities related to the deputies.

Wendy Kulick – 38 Marsh Edge Lane

Mrs. Kulick requested the presentation from SouthWest Water Company be posted to the Town Website.

Gregg Bragg – 176 Marsh Island Drive

Mr. Bragg asked for clarification that the deputies were in fact considered employees of the Town.

Mr. Weaver responded that the deputies are not 1099 employees but are paid for the hours they work and the Town contributes to their retirement.

Mr. Bragg questioned why YCR started the McGill lawsuit and the Rhoad Law Firm completed the litigation.

Mr. Rhoad responded that his agreement with the Town had never included litigation. He indicated that with legal fees mounting he volunteered the services of Mrs. Rhoad to try to finish the lawsuit with Mr. McGill pro-bono.

XIV. Council Member Comments:

Mr. Weaver responded to the earlier comment read from Mr. Morgenstern by stating that over the past several months he has had several conversation with Mr. Morgenstern in reference to his concerns with the water line project and the Town's role in the oversight of the project. The conversations and research done independently by himself and Ms. Tillerson have reached the same conclusion that because this project is occurring on private property and sole is on KICA's roads and easements the Town does not have any authority over the project and the Authority lies with KICA. Mr. Weaver stated in conversations with KICA, he has been given assurances that KICA staff have been assigned to oversee the project.

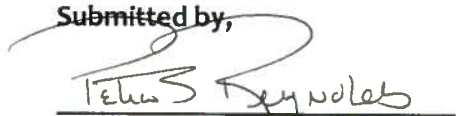
Mrs. Johnson had no additional comments.

Mr. Labriola again stressed the need for clarification on the contractual and coverage with AirMedCare.

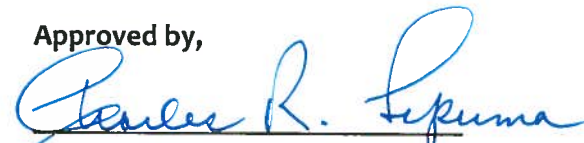
XV. Adjournment:

Mrs. Johnson motioned to adjourn the meeting at 5:37 pm. The motion was seconded by Mr. Labriola and carried unanimously.

Submitted by,


Petra S. Reynolds, Town Clerk

Approved by,


Charles R. Lipuma, Mayor

07/06/16
Date