

WAYS & MEANS COMMITTEE MEETING

Kiawah Island Municipal Center

Council Chambers

June 27, 2017; 2:00pm

MINUTES

I. Call to Order: *Mr. Wilson called the meeting to order at 2:00pm.*

II. Pledge of Allegiance

Present at the meeting: John R. Wilson, Chairman
Craig Weaver, Mayor
Jack Koach
Diana Mezzanotte
Chris Widuch

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

III. Approval of Minutes:

A. Ways & Means Committee Meeting of June 2, 2017

Mayor Weaver made a motion to approve the Ways and Means Committee Meeting of June 2, 2017. The motion was seconded by Mr. Widuch and the minutes were passed as amended by Mayor Weaver.

IV. Citizens' Comments: (Agenda Items only)

None

V. Old Business:

A. None

VI. New Business:

A. To Consider Recommendation to Town Council for Approval of the Carolina Waste Contract Amendment

Mayor Weaver made a motion to recommend to Town Council the approval of the Carolina Waste Contract Amendment. The motion was seconded by Mr. Koach.

Mr. Koach express his concern with Item 10, Responsibility for Materials Collected, of the Carolina Waste contract and questioned why the Town would want to be responsible for the materials once they have been disposed of. It was requested that the Town Attorney review the contract before the contract amendment is presented to Town Council. Mr. Widuch asked

that the rate schedule also be reviewed for mathematical errors. Members engaged in a discussion of the subsidization of the base solid waste services and rates for extra services that are provided to residents and how much is recovered in billing. It was agreed that rate fees and the subsidy should be reviewed before or during the next budget cycle. Mayor Weaver asked that an updated rate sheet to include the customer categories be provided before the July Town Council meeting.

Mayor Weaver amended his motion to recommend to Town Council the approval of the Carolina Waste Contract Amendment subject to legal review and clearance by the Town Attorney. The motion was seconded by Mrs. Mezzanotte.

Following discussion, the motion was unanimously approved.

B. To Consider Recommendation to Town Council for Approval of the Town's New Accounting Policies and Procedures

Mayor Weaver made a motion to recommend to Town Council the approval of the Town's New Accounting Policies and Procedures. The motion was seconded by Mrs. Mezzanotte.

Mrs. Schubert indicated that since the last review by Council she added a clarification of the credit card usage procedures in concurrence with the Town's procurement policies. Mr. Wilson again expressed his concern with purchases being made by staff other than the Mayor or Administrator which is outside of Town policy. Mrs. Szubert clarified that currently before a purchase is made a purchase order is required with an approval signature. Mr. Wilson stated that, if necessary, the Town's Procurement Ordinance should be modified to allow the Mayor to delegate the staff positions with the ability to spend money and to develop a schedule which establishes authorized spending limits for each position.

Following discussion, the motion was unanimously approved.

C. To Consider Recommendation to Town Council the Selection of a Contractor for Janitorial Services

Mr. Lameo stated that at the present time our building is being serviced for janitorial services by CMR Services, Inc. This contract applies only to the 21 Beachwalker building and ends the end of July. The Town released a bid package to request proposals for janitorial services in the new location on Betsy Kerrison Parkway. The Town has received bids from two companies; CMR Services, Inc. and Summit Building Services, Inc. CMR failed to return their insurance information and was the highest bidder at \$21,000.00. Summit Building Services was low bidder at \$7251.00 and returned a completed package. Mr. Lameo indicated he had reservations on the bid proposal amount and called the listed references for Summit, will complimentary reviews.

Staff recommends issuing a yearly contract to Summit Building Services, Inc., running from August 1, 2017 to July 31, 2018.

Mr. Koach made a motion to recommend to Town Council the approval of the Summit Building Services in the amount of \$7,251.00 per annum. The motion was seconded by Mayor Weaver.

Following discussion, the motion was unanimously approved.

D. To Consider Recommendation to Town Council the Selection of a Contractor for Information Technology Support Services

Mayor Weaver made a motion to recommend to Town Council the approval Integral Solutions as the Town's Information Technology Support Services provider. The motion was seconded by Mrs. Mezzanotte.

Ms. Tillerson gave a brief background on the current Information Technology (IT) provider and the RFQ that was prepared to seek a solution to some of the service and equipment issues currently experienced.

Mr. Martin stated that task of preparing and RFP was undertaken with the help of IT specialists from the Community Association, Kiawah Partners, and Resort, who served as consultants to offer an impartial and objective point of view.

Eight companies submitted proposals which complied with submittal requirements and evaluated based on the following criteria:

- Years in Business
- Number of employees and location
- Number of existing clients
- Rates for technical support (Not covered in contract)
- References
- Contract terms
- Initial set-up cost (upfront)
- Monthly fee
- Yearly Cost
- Five year projection cost

Upon review of the initial proposals, it was determined that the IT needs of the Town of Kiawah Island were not adequately met, the gaps were identified, and a new RFQ was issued. All eight companies were informed of the changes, the second RFQ was sent and all eight companies resubmitted their proposals.

A determination was made that only three companies represented the best option, service, and value per dollar. The listed references were contact and staff conducted a visit to their facilities. The following is a comparison of the remaining three:

	At-NET Services	Integral Solutions	Kotori Tech
COSTS			
Initial Setup	\$ 6,355.00	\$ 7,730.00	\$ 8,189.50
Monthly	\$ 2,949.00	\$ 3,178.75	\$ 3,613.50
Equipment Cost	\$ 2,978.94	\$ 11,612.00	\$ 13,529.00
Other			
Yearly	\$ 35,388.00	\$ 38,145.00	\$ 43,362.00
Upfront	\$ 9,333.94	\$ 19,342.00	\$ 21,718.50
5 year projection	\$ 196,096.33	\$ 210,057.00	\$ 238,528.50
BUSINESS INFO			
Years in Business	18	30	20
Local Engineers	2	13	5
Locally Owned	No	No	Yes
# clients	600	250	322
Support Type	REMOTE	REMOTE	REMOTE
On Site Hours	16 Hrs/Mo INCLUDED	UNLIMITED	UNLIMITED
Rates	\$145/Hr.*	\$125/Hr.*	\$200/Hr.*
Standard Support Hours	24/7	8AM - 6PM	8AM - 5 PM
Contract Length	4 YR + 1 YR EXT.	3 YR	5 YR
Notes	*After the 16Hrs end	* Special projects rate	* After hours rate

Mr. Martin review the proposals from At-Net Services, Integral Solutions Group, and Kotori Technologies. He indicated the staff recommendation is to accept the proposal from Integral Solutions Group and negotiate the terms of the contract to explore leasing options to lower equipment cost.

Committee Members, along with Mr. Martin and representatives of Integral Solutions, engaged in an in-depth discussion of the proposal submitted by Integral Solutions, services that would be provided by the IT Service, and the reasons behind the staff recommendation.

Mayor Weaver amended his motion to recommend to Town Council the approval Integral Solutions as the Town's Information Technology Support Services provider subject to the negotiations of a final contract and giving the Mayor the authority to negotiate the terms of the contract. Mr. Koach seconded the amended motion and it was unanimously passed.

VII. Chairman's Report:

None

VIII. Treasurer's Report:

Mrs. Szubert reported the financial projections for the New Municipal Center show the project at this time is approximate \$500,000.00 under budget with no outstanding change orders at this time. Members discussed construction issues that at this time are still unresolved.

Mrs. Szubert stated that the State had stopped insuring bridges as part of their insurance reserve fund. She indicated the bridge has been insured at 1 million but the current appraisal is \$2.5 million. Private market insurance quotes for the bridge are coming in at \$26,000.00 to \$29,000.00; the budgeted amount was \$6,000.00. She also reported that Directors and Officers insurance, which is currently \$35,000.00, had dropped to \$28,000.00.

Ms. Tillerson stated that FEMA has approved to reimburse the Town \$160,000.00 in public debris removal after Hurricane Mathew. An appealed letter had been sent to FEMA for the balance of the reimbursements submitted and denied.

Mr. Tillerson reported the final invoices have been received for the legal expense in the Kiawah Utility Rate case. The total cost that will be shared by the Community Association is \$16,000.00.

IX. Citizen Comments:

None

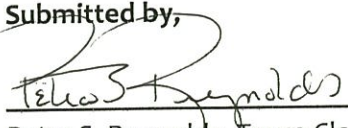
X. Committee Member's Comments:

None

XI. Adjournment:


Mr. Koach made a motion to adjourn the meeting at 3:27 pm. The motion was seconded by Mr. Widuch and was unanimously approved.

Submitted by,

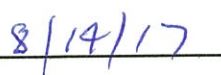


Petra S. Reynolds, Town Clerk

Approved by,



John R Wilson, Chairman



Date