

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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HILTON HEAD ISLAND, SOUTH CAROLINA 29925
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**MINUTES
COMMISSION MEETING
JUNE 24, 2014**

I. Meeting called to order by the Chairperson, Mr. Bob Manne, at 9:00 a.m.

Mr. Manne stated that notice of the meeting has been given in accordance with the Freedom of Information Act.

II. Those in attendance were:

Mr. Bob Manne	Chairperson
Mr. Bob Gentzler	Vice Chairperson
Mr. Gary Kratz	Treasurer
Mr. John Geisler	Secretary
Mr. Frank Drehwing	Commissioner
Mr. Herbert Ford	Commissioner
Mr. David McCoy	Commissioner

Present by request:

Mr. Richard Cyr	General Manager
Mr. Pete Nardi	Assistant General Manager
Mr. Larry Sapp	Finance Manager
Mr. Bill Davis	Operations Manager
Mr. Arnold Ellison	Special Projects Manager
Ms. Connie Whitehead	Commission Recording Secretary

III. Pledge of Allegiance

Mrs. Connie Whitehead led the Pledge of Allegiance.

IV. Adoption of the Draft Minutes of the May 27, 2014 Regular Board Meeting

Key Discussion Points

- Mr. Geisler suggested that a line be added to state that no action was taken following executive session.

Action

- Mr. Gentzler moved to adopt the minutes of the May 27, 2014 regular meeting as amended. Mr. McCoy seconded. The motion passed unanimously.

V. Agenda Additions or Changes

None

VI. Public Comment on Non-Agenda Items

None

VII. Employee Recognition – Tim Ryan

Key Discussion Points

- Mr. Tim Ryan, Water Services Technician, has achieved the top license in all licensure categories, giving him the distinction of Quad A status. Only one other employee, Jim Hewitt, has reached this licensure status.

VIII. Executive Session to Discuss Personnel Matters

Key Discussion Points

- Mr. Drehwing moved to enter into executive session to discuss personnel matters. Mr. Geisler seconded. The motion passed unanimously.
- Executive session began at 9:10 a.m. Staff present was Richard Cyr.

IX. Reconvene Regular Session

Key Discussion Points

- Regular session reconvened at 10:09 a.m.

Action

- Mr. Drehwing moved that the board offer Mr. Pete Nardi the General Manager position and to authorize the Chairman to begin contract negotiations. Mr. Geisler seconded. The motion passed unanimously.

X. Front Foot Assessment Roll

Key Discussion Points

- At the May Commission meeting, the board adopted a resolution authorizing the imposition of the assessments for properties located within the District and known as Spanish Point, Barrier Beach Cove, William Hilton Parkway, Arandas Way, Jonesville Road, Simmons Road and Bryant Road for a total of 39 connections.
- Staff is now presenting a resolution that must be adopted in order to impose liens on the affected properties.
- Staff recommends the board adopt the imposition resolution and to set a hearing date on July 22, at 9 a.m. to hear any public comment or complaints regarding the front foot assessment related to the Series 2014A Bonds.

Action

- Mr. Kratz moved to adopt the resolution authorizing the assessments roll which will constitute liens on the affected parcels and to set a public hearing date for July 22, 2014. Mr. McCoy seconded. The motion passed unanimously.

XI. FY'15 Audit

Key Discussion Points

- Mr. Tom DeWitt and Ms. Amy Graybill of Robinson Grant presented the Auditor Engagement Letter at the June 2, 2013 Finance Committee meeting.
- The letter, which was included in the agenda packet, details the audit objectives, management responsibility, audit procedure – internal controls, audit procedure – compliance, engagement administration, fees, and other matters.
- The Finance Committee and staff recommend selecting the firm of Robinson Grant & Co. to complete the annual audit for fiscal year ending June 30, 2014.

Action

- Mr. Geisler moved to select the firm of Robinson Grant Co. to complete the PSD's FY'14 audit and to authorize the execution of the engagement letter. Mr. McCoy seconded. The motion passed unanimously.

XII. Automated Meter Information Bid Award Resolution

Key Discussion Points

- During the September 2013 regular meeting, the Commission approved the SRF Revenue Bond resolution authorizing the District to apply to the Drinking Water State Revolving Fund for a loan to defray the cost of (1) certain remote read water meters; and (2) other necessary improvements associated therewith.
- Staff has completed all of the application processes, the RFP process, and in May of 2014 awarded the contract to Ferguson Enterprises. During the final check list, SCDHEC requested the Board adopt a resolution adopting the contract and loan amount. Staff has worked with bond counsel to prepare the resolution before the board.
- Staff recommends adoption of the resolution supplementing the September 24, 2013 resolution adopting Ferguson as the contractor and authorizing the application to the Water Quality Revolving Fund authorizing for an amount not to exceed \$3,000,000.

Action

- Mr. Drehwing moved to adopt the resolution as presented. Mr. Geisler seconded. The motion passed unanimously.

XIII. RO Equipment Installation

Key Discussion Points

- During the September Board meeting, the Commission approved the SRF GO Bond resolution authorizing the District to apply to the Drinking Water State Revolving

Fund for a loan to defray the cost of (1) Expanding the Reverse Osmosis Plant; (2) Upgrading Existing Middle Floridan Aquifer Wells; (3) Constructing a New Water Booster Station; (4) Relocating a Water Transmission Main; and (5) Other Improvements Associated Therewith.

- Staff has completed all of the application processes and is currently working with engineers to complete the loan approval process. During the final check list review, SCDHEC requested the Board adopt a resolution adopting the contract and loan amount. Staff has worked with bond counsel to prepare the resolution before the board.
- Staff recommends adopting the resolution, which supplements the resolution adopted September 2013, authorizing Degremont Technologies as the sole source equipment provider and BRW as the installation contractor and to setting the loan amount not to exceed \$3,750,000.

Action

- Mr. Manne moved to adopt the resolution as presented. Mr. Gentzler seconded. The motion passed unanimously.

XIV. RO Well Upgrade Bid Award

Key Discussion Points

- Staff recommends the board reject all current bids and rebid the project because the bidders did not provide the required Qualification Documentation.

Action

- Mr. Manne moved to reject all current bids and rebid the project. Mr. Gentzler seconded. The motion passed unanimously.

XV. Commissioner & Committee Reports

A. Finance Committee

Key Discussion Points

- The Committee met on June 2. The work product of that meeting was covered under earlier agenda items.

B. Planning and Operations Committee

Key Discussion Points

- The Committee has no formal report at this time but will meet in July.

C. Long Range Water Supply Planning Committee

Key Discussion Points

- The Committee will meet soon to discuss the Bluffton Fly-over.

D. Community Relations and Personnel Committee

Key Discussion Points

- The Committee met on June 23. The work product of that meeting was discussed in executive session.

XVI. Staff Reports

A. Community Involvement Report

Key Discussion Points

- The PSD will host joint training with Broad Creek PSD on July 29 to cover operator math topics typically seen on the “A” and “B” level operator license exam.
- The Beaufort County Hurricane Planning Meeting was held June 5. The PSD is included in the County’s clean-up plans.
- The PSD was present for the Town’s hurricane operations exercise on June 18 at USCB in Bluffton.
- The Baygall sewer pump station is fully operational and all gravity sewer installation is complete. Five of the nine approved Project SAFE connections are complete.
- The Community Room was used by 12 groups during the month of May. The League of Women Voters donated \$50 to Bucks for a Better Island, taking the year-to-date total from Community Room donations to \$395.
- The Deep Well Project used \$395 in May to cover a PSD bill, leaving a balance in the fund of \$729 as of May 29.

B. Legislative Update

Key Discussion Points

- The second session of the 2013-2014 biennium of the South Carolina General Assembly convened January 14, 2014 and adjourned June 5, 2014. Bills not passed by both houses of the legislature are dead and will have to be resubmitted next biennium.

XVII. General Manager’s Report

Key Discussion Points

- A Bluffton Fly-over corrective action plan has been established and the warranty throughout the entire project has been extended.
- The RO plant expansion will be delayed by one month to allow time for certification of the pressure vessel. The bid opening will take place in late July.
- Mr. Larry Sapp made a presentation to the GFOA on new Municipal Advisory rules.

XVIII. New Business

None

XIX. Adjournment

Action

- The meeting adjourned at 11:08 a.m.