

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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HILTON HEAD ISLAND, SOUTH CAROLINA 29925
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MINUTES
COMMISSION MEETING
DECEMBER 16, 2014

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

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. David McCoy	Commissioner
Mr. Herbert Ford	Commissioner

Present by request:

Mr. Richard Cyr	General Manager
Mr. Pete Nardi	Assistant General Manager
Mr. Larry Sapp	Chief Financial Officer
Ms. Connie Whitehead	Commission Recording Secretary

III. Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Bob Gentzler.

IV. Water and Sewer Rate Adjustment Public Hearing

Key Discussion Points

- The rate adjustment public hearing opened at 9:05 a.m.
- There were no members of the public present.
- The public hearing closed at 9:05 a.m.

V. Adoption of the Draft Minutes of the November 18, 2014 Regular Meeting

Action

- Mr. Gentzler moved to adopt the minutes as presented. Mr. Geisler seconded. The motion passed unanimously.

VI. Adoption of Draft Minutes of the November 18, 2014 Strategic Planning Session

Key Discussion Points

- Ms. Kelley Ferda's name was added to the list of attendees.
- Ms. Barbara Chaplin was added as a visitor.

Action

- Mr. Geisler moved to adopt the minutes as amended. Mr. Drehwing seconded. The motion passed unanimously.

VII. Public Comment on Non-Agenda Items

None

VIII. 2015 Commission Officer Election

Key Discussion Points

- At the November meeting, Mr. Drehwing nominated the current slate of commission officers to remain in their seats.

Action

- Mr. Drehwing moved to adopt the current slate of commission officers to remain in their seats. Mr. Gentzler seconded. The motion passed unanimously.

IX. Proposed 2015 Commission Meeting Calendar

Key Discussion Points

- At the November meeting, staff presented the proposed 2015 Commission meeting calendar.

Action

- Mr. Gentzler moved to adopt the proposed 2015 Commission meeting calendar as presented. Mr. McCoy seconded. The motion passed unanimously.

X. Water and Sewer Rate Adjustment

Key Discussion Points

- Mr. Sapp presented a memo detailing the proposed rate increase scenario.
- The rate adjustment hearing was held at the beginning of the meeting. There was no public comment.
- The Finance Committee and staff recommend the board adopt the rate increase as follows:
 - Monthly residential water base charge increases from \$12.00 to \$13.00
 - Monthly commercial water base charge increases from \$17.00 to \$18.00
 - Monthly sewer base charge for all customers increases from \$15.00 to 16.00

Action

- Mr. Geisler moved to adopt the rate increase as presented and that staff prepare a list of talking points for commissioners to use in explaining the reason for the rate increase to customers. Mr. Drehwing seconded. The motion passed 6-1, with Mr. Ford opposed.

XI. CAFR

Key Discussion Points

- Mr. Sapp presented the FY '14 CAFR for board review.
- Once adopted, staff will submit the appropriate disclosure materials per the District's bond covenants.

Action

- Mr. Geisler moved to adopt the resolution accepting and approving the CAFR for fiscal year beginning July 1, 2013 and ending June 30, 2014. Mr. Ford seconded. The motion passed unanimously.

XII. Commissioner and Committee Reports

A. Finance Committee

Key Discussion Points

- The Committee met on Dec. 9 to review the CAFR and proposed rate increase, both of which were thoroughly discussed earlier in the meeting.

B. Long Range Water Supply Planning Committee

Key Discussion Points

- The Committee met on December 11 to discuss ASR II, Bluffton Fly-over, RO Plant Expansion, and the BJWSA Purchased Water Agreement.
- Staff has had preliminary meetings with Groundwater Management Associates regarding ASR II planning.
- The County has sent its proposed payment agreement for the Bluffton Fly-over water main relocation. As soon as the final cost is mutually agreed upon, the PSD will process payment in full.
- The fourth RO skid is expected to be operational by early March.
- Attorney Margaret Pope was hired by BJWSA to rewrite the BJWSA/PSD Purchased Water Agreement. The PSD has reviewed the revised agreement and will forward its own requested changes to Ms. Pope.

C. Community Relations and Personnel Committee

Key Discussion Points

- The Committee has no formal report at this time.

D. Planning and Operations Committee

Key Discussion Points

- The Committee met recently to discuss the following agenda items: Master Sewer Plan, the Strategic Planning Session Post Mortem, Bluffton Fly-over Project, GPS Vehicle Tracking System, AMI Project Update, Sodium Hypochlorite Generator, Chiller Postponed, ESCO and NPDES Permits.
- Mr. Gentzler suggested committees choose a recurring day each month as a placeholder for its meeting. For example, the placeholder could be the second Friday of each month. Then the Committee chair and staff can determine each month whether the meeting is needed. This will avoid difficulty in scheduling meetings and will help avoid holding meetings during the last few days before a full Commission meeting. Doing so would allow staff a more reasonable amount of time to complete committee minutes and prepare agenda packet inserts.

XIII. Strategic Plan Review

Key Discussion Points

- The Board reviewed and revised the Strategic Plan.
- A vote will be taken on the updated version in January.

XIV. Staff Reports

A. Community Involvement Report

Key Discussion Points

- PSD Water Quality Technician Scott Moffatt attended the 2014 Water Quality Technology Conference in November and filed a report with recommendations for the PSD to consider.
- Pete Nardi has been invited to the February 2015 “Coffee with Peter” to be introduced as the new PSD General Manager.
- Experience Green has informed the PSD that it will request its help in getting the word out about the “community involvement” aspect of its Baseline Sustainability Assessment project, which the PSD helped fund.
- The new Project SAFE public service announcement will air this winter on WHHI-TV’s coverage of high school basketball. In all, the spot will appear more than 300 times between December and February.
- The Deep Well Project used \$148 in Bucks for a Better Island funds to cover one PSD bill in October. The balance of the fund at Deep Well was \$1,999.67 as of Nov. 30.

XV. General Manager’s Report

Key Discussion Points

- The PSD has received its renewed NPDES permit for the RO Plant.
 - The PSD requested from DHEC and was granted a removal of mercury monitoring requirements for this permit. This amounts to a savings of \$14,000 annually.

- The PSD's new GPS equipment for fleet vehicles has arrived and will be installed in January.

XVI. New Business

Key Discussion Points

- This board meeting is the last in Mr. Cyr's career as General Manager. The Commission commended Mr. Cyr on the excellent job he has done throughout his years here at the PSD, and on the culture he has helped to create.

XVII. Adjournment

Action

- The meeting adjourned at 11:45 a.m.