

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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MINUTES
COMMISSION MEETING
NOVEMBER 18, 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. Herbert Ford.

IV. Swearing-In of Newly Re-elected Commissioners

Key Discussion Points

- Mr. Manne swore-in the newly reelected commissioners, Herbert Ford, Frank Drehwing and Bob Gentzler.

V. Adoption of Draft Minutes of October 28, 2014

Key Discussion Points

- Mr. Herbert Ford's name was added to the list of attendees.

Action

- Mr. McCoy moved to adopt the minutes as amended. Mr. Ford seconded. The motion passed unanimously.

VI. Public Comment on Non-Agenda Items

None

VII. FY'15 First Quarter Financial Report

Key Discussion Points

- Mr. Sapp presented the FY'15 First Quarter Financial Report.
- Total Operating Revenues are 3.8% below budget due to the higher than normal rainfall.
- Bond Issuance Costs are \$67,329 over budget because loans that were expected to close last fiscal year didn't close until current fiscal year.
- Thirty-five water EDUs and 57 sewer EDUs have been added since June 30, 2014.
- Unrestricted cash available for operations increased by \$44,885.
- Restricted cash in banks has decreased by \$1,073,501 due to revenue debt service associated with the Series 2012A revenue bonds.
- Restricted cash held by Beaufort County has decreased from \$598,720 to \$446,236 since June 2014. The reason for this decrease relates to GO debt service payment made first quarter.
- As of September 30, 2014, the District's financial condition is stable.
- Mr. Sapp and Mr. Geisler met yesterday to discuss the CAFR. The Finance Committee suggest holding a public hearing regarding a proposed rate increase of \$1 each to the water and sewer base rates.
- The consensus among the board was to hold a rate change public hearing at the December board meeting.
- Staff will advertise the hearing accordingly and forward a narrative on the proposed rate change to each commissioner.

VIII. Draft Commission Meeting Calendar

Key Discussion Points

- Mr. Nardi presented the draft 2015 Commission meeting calendar.
- The calendar maintains the Commission's fourth-Tuesday-of-the-month meeting schedule. The only exceptions are November and December, which are scheduled a week early to avoid holiday schedule conflicts.
- The Commission will review their personal calendars and vote on the proposed meeting calendar in December.

IX. Commission Officer Nominations

Key Discussion Points

- Mr. Drehwing nominated the current slate of officers to continue in their current seats.

- A vote on the nomination will be taken at the December meeting.

X. Commissioner and Committee Reports

A. Finance Committee

Key Discussion Points

- The focus of the Committee's most recent meetings was the FY'15 First Quarter Financial Report which was covered thoroughly during an earlier report.

B. Planning and Operations Committee

Key Discussion Points

- The Committee will meet soon to discuss the Sewer Master Plan.

C. Long Range Water Supply Planning Committee

Key Discussion Points

- The Committee will meet soon to discuss the ASR II Project.

D. Community Relations and Personnel Committee

Key Discussion Points

- The Committee has no formal report at this time.

XI. Staff Reports

A. Community Involvement Report

Key Discussion Points

- PSD staff participated in two webinars on Ebola in the water and wastewater sectors in November. The CDC has advised hospitals and health care facilities that sanitary sewers are an acceptable means of disposing of patient waste, including that which may contain Ebola virus. Standard PPE and hygiene practices already in place at the PSD are the best defense as currently understood.
- The Town of Hilton Head held a public hearing on Nov. 13 to seek input on its 5-year Consolidated Plan. Mr. Nardi, Mr. Ford and Mr. Geisler attended and discussed the PSD's sewer extension effort as well as Project SAFE.
- The Chamber will hold a utilities workshop to discuss items for inclusion in its 2015 Legislative Agenda

XII. General Manager's Report

Key Discussion Points

- RO Skids arrived yesterday.
- The delivery of the large well pumps will be delayed by six weeks.

- Staff will be meeting with contractors tomorrow to discuss ASR II plans.
- The EPA has revised its required monitoring list.

XIII. New Business

None

XIV. Executive Session to Discuss Personnel Matters

Action

- Mr. Manne moved to enter into executive session to discuss legal and personnel matters.
- Executive session began at 10:31 a.m.

XV. Reconvene Regular Session

Action

- Regular session reconvened at 12:10 p.m.

XVI. Adjournment

Action

- The meeting adjourned at 12:10 p.m.