

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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MINUTES
COMMISSION MEETING
JULY 26, 2016

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

II. Those in attendance were:

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

Present by request:

Mr. Pete Nardi	General Manager
Mr. Larry Sapp	Finance Manager
Mr. Bill Davis	Operations Manager
Mr. Ryan Lewis	IT/GIS Manager
Mr. Arnold Ellison	Special Projects Manager
Ms. Connie Whitehead	Commission Recording Secretary

Visitors:

Mrs. Patti Soltys
Mr. Al Emanuelli

III. Adoption of the Draft Minutes of the June 26, 2016, Regular Meeting

Key Discussion Points

- Mr. Gentzler requested that the FY'17 budget discussion portion of the minutes be revised to include his discussion points regarding depreciation, as well as fixed and variable expenses.

Action

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

IV. Public Comment on Non-Agenda Items

None

V. Mobile GIS Demonstration

Key Discussion Points

- Mr. Ryan Lewis gave an overview of the new mobile GIS system.
- The system gives a full overview of the water and sewer line layout at all locations within the PSD service area.
- The system allows technicians immediate access to system mapping information and allows real time updates.
- All field crew personnel have received notebook computers to operate the system.

VI. Public Comment on Non-Agenda Items

None

VII. Commissioner and Committee Reports

A. Finance Committee

Key Discussion Points

- The Committee has not met this month and has no formal report at this time.

B. Planning and Operations Committee

Key Discussion Points

- The Committee met on July 19.
- Mr. Nardi presented the FY'16 Fourth Quarter Progress and Final Progress Reports, as well as the FY'17 Staff Work Plan.
- The easement acquisition phase for MSP Year One projects is nearly complete. The bid process will begin soon.
- Some roads, such as Great Barracuda and potentially Thomas Cohen Drive, have been added to the Year One projects to alleviate septic issues.
- AMI customer portal, Jarvis Creek water line relocation, monthly billing conversion and preparation for the FY'18 rate study are among the FY'17 Staff Work Plan highlights.
- The AMI customer portal is expected to be completed by September. Staff will review the portal before launching it for customers.
- The FY '18 rate study is timed to coincide with the PSD having completed the migration to monthly billing and having implemented and gained experience with its

new AMI data analytics software. The Commission can begin during FY '17 to consider rate policy items it would like to address in the study. Such discussion may be a module at the annual Strategic Planning Workshop in November.

- In accordance with the board's FY'16 Staff Work Plan Directives, staff has looked at ways to increase operational efficiencies. The PSD enlisted AECOM to review the feasibility of producing sodium hypochlorite on site. Currently, the PSD's supply is delivered.
- The study found that the cost of making the supply on-site for the RO plant is cost prohibitive, and the cost for the WWTP is comparable to the cost of delivery. AECOM recommends the PSD continue to have the supply delivered.
- In preparation for possible changes in U.S. EPA nitrate level rules for effluent, the PSD had AECOM review the PSD's process controls for possible denitrification improvements. After an analysis, AECOM recommended a combination of process control changes and some minor capital projects at a cost of \$513,000.
- In the FY'17 CIP, there are some plant efficiency projects to be implemented. The PSD will first evaluate the effect of these projects on nitrate levels over the course of a year, then revisit AECOM's recommendations.
- Water service outages in Hilton Head Plantation continue due to breaks from the Hargray fiber optic install project. Repair bills are being forwarded to Hargray. The PSD continues to work with the POA to notify residents of the outages.
- The PSD's new ShoreTel phone system is up and running. Hargray, the service provider, provided the equipment at no cost to the PSD in exchange for the service contract.
- The new system is more computerized and provides call tracking and other options.

C. Long Range Water Supply Planning Committee

Key Discussion Points

- The Committee has not met this month and has no formal report at this time.

D. Community and Personnel Relations Committee

Key Discussion Points

- The Committee has not met this month and has no formal report at this time.

VIII. General Manager's Report

Key Discussion Points

- The PSD's FY '15 Comprehensive Annual Financial Report (CAFR) earned the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting.
- PSD is a charter member of the Partnership for Clean Water, a parallel program to the AWWA/U.S. EPA's Partnership for Safe Water, of which the PSD is already a member. Scott Moffatt leads this effort for the PSD.

- DHEC has agreed to three of five effluent discharge permit changes requested by the PSD as part of the renewal of our 5-year National Pollutant Discharge Elimination System (NPDES) permit. The remaining two requested changes were discussed at a meeting this month between PSD and DHEC staff in Columbia. A decision is pending.
- The PSD was invited and has joined Palmetto Electric Coop, Hargray, SERG Group, Coastal States Bank, and Sonesta as the first-ever corporate members of the Hilton Head Kiwanis Club. Club leader Jack Wilson has organized this six-month trial to involve local companies and their employees in the club.
- Pete Nardi and Arnold Ellison met this month with Town officials to request a streamlining of the Town's sewer project permitting process, in order to achieve the Town's 5-year goal for the Master Sewer Plan implementation.
- The annual water system leak detection and sewer clean and camera efforts have been completed this month. No leaks were found on the PSD side on either system.
- The PSD this month will begin a 3-week pilot study of a new odor-reduction product at three of our sewer pump stations. Manufacturer Southern Environmental Systems' "Cal-X" product will be tested at three, key stations. No cost to the PSD.
- Migration of quarterly accounts to monthly billing starts in August. All accounts will be billed monthly by November.
- Necessary easements have been obtained for both the Oakview and Dillon areas.
- Bid packages will now be prepared for the Oakview and Mid-Marshland pump stations, necessary upgrades to Summit Drive and Muddy Creek pump stations, as well as the Oakview and Dillon areas and Great Barracuda Lane sewer install projects.
- Gibson Drive collector main installed. Side street LPS trenching under way.

IX. New Business

A. Experience Green

General Manager's Appraisal

- The PSD has been asked by Experience Green to contribute \$500 to their Baseline Sustainability efforts.
- Mr. Nardi did not authorize a contribution, since Experience Green did not clearly indicate how the funds would be used.

B. General Manager's Performance Review

Key Discussion Points

- Mr. Manne stated that the General Manager's Performance Review will be conducted during an executive session in August.
- Mr. Drehwing will be out of Town, but will be in attendance via Skype.

X. Adjournment

Action

- The meeting adjourned at 10:18 a.m.