

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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MINUTES
COMMISSION MEETING
SEPTEMBER 20, 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

Present by request:

Mr. Pete Nardi	General Manager
Mr. Larry Sapp	Finance Manager
Mr. Arnold Ellison	Special Projects Manager
Mr. Benjamin Ueligatone	Wastewater Treatment Plant Operator
Ms. Connie Whitehead	Commission Recording Secretary

Visitors:

Mr. Al Emanuelli
Ms. Patti Solinsky

III. Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Gentzler.

IV. Employee Introduction

Key Discussion Points

- Mr. Nardi introduced to the board Benjamin Ueligatone the PSD's new Wastewater Treatment Plant Operator.
- Mr. Ueligatone joined the PSD in July from a position as field technician with South Island PSD. Previously, he worked as an operator with Fripp Island PSD.

- Benjamin’s utility experience ranges from operation of activated sludge and membrane wastewater treatment plants, to the field repair and installation of water and sewer lines and installation of meters and fire hydrants.

V. Adoption of the Draft Minutes of the August 23, 2016, Regular Meeting

Action

- Mr. McCoy moved to adopt the minutes as presented. Mr. Drehwing seconded. The motion passed unanimously.

VI. Public Comment on Non-Agenda Items

Key Discussion Points

- Ms. Patti Solinsky, a resident of Port Royal Plantation, introduced herself to the board. She has 20 years of experience in the water industry and is here to familiarize herself with the PSD.
- Ms. Solinsky voiced her interest in running for the PSD board in the future, or applying for employment in the future.

VII. Commissioner and Committee Reports

A. Finance Committee

Key Discussion Points

- Mr. Sapp presented the FY’17 unaudited financial report to the Committee.
- Total Operating Revenues are \$433,329 below budget because of lower than average consumption due in part to high rainfall.
- Total Operating Expenses are \$182,885 under budget, partly due to a reduction of personnel following retirement and attrition.
- Total Non-Operating Revenues are \$136,208 below budget mainly due to a loss of another tower lease.
- Total Non-Operating Expenses are down \$482,283 due mainly to lower interest rates as a result of bond refinancing.
- The PSD has received a reimbursement check from Project SAFE in the amount of \$224,000.
- Mr. Sapp presented to the Committee a demo of the customer portal, which is still in beta phase. The full board will receive a demo soon.
- Among its many features, the portal is designed to offer comprehensive consumption information. It can also provide alerts to customers when consumption reaches customer-designated limits.
- Staff and the Committee agree that it is imperative that the portal function flawlessly and intuitively before it goes live for PSD customers. If that cannot be achieved, the portal will not go live because the PSD lacks the resources to perform “computer help desk” functions for customers.
- The Committee will not meet in October, but will meet again in November or early – December for a final audit review.

B. Planning and Operations Committee

Key Discussion Points

- The Committee met on September 15.
- Mr. Gentzler presented items for consideration during the strategic planning process.
- Staff presented draft revisions to the Strategic Goals and Directives.
- Mr. Gentzler asked that all commissioners with ideas or input to be incorporated into the strategic planning session forward them to any member of the P&O Committee.
- Mr. Geisler suggested the board review committee member assignments at the session.
- The Jarvis Creek bridge project that necessitates the PSD water main relocation is scheduled for completion by late November. The SCDOT contractor will complete the work and the PSD will reimburse the cost, which is estimated at \$185,000.
- A Palmetto Hall flooding issue was determined to be a POA issue. Some parts of the community were not built according to design and must now be corrected to resolve the matter. Residents will be informed of these findings at a community meeting.
- Mr. Nardi stated that the PSD has not discharged recycled water to the “Big Grassy” wetlands in Palmetto Hall in nearly a year to avoid even the perception that the program was contributing to the problem. Staff has informed Palmetto Hall POA that the PSD will discharge to Big Grassy only at their request, until further notice.
- Mr. Nardi presented an updated Master Sewer Plan schedule to show the progress made so far. The schedule was recently presented by Mr. Nardi to the Town’s Public Facilities Committee. Mr. Ford will work with volunteers to obtain the necessary easements for Year 2.
- Bids have been received for three roads receiving low-pressure sewer service as part of Master Sewer Plan Year 1. The bids were higher than estimated. Staff has forwarded the bids to the Town and is awaiting approval.
- Tropical Storm Hermine required the PSD to implement its OPGON 1 procedures. The PSD office was closed, and nonessential personnel were excused. Electricity was lost to the PSD campus for four hours, and back-up generators were used to power the WWTP and building.
- Mr. Jack Burke has resigned from the BJWSA board. The Town of Hilton Head has asked the PSD for recommendations for possible nominees to replace him. BJWSA has requested the PSD recommend Jimmy Baker. He currently serves as a BJWSA board member for the Ridgeland area, but because he has recently relocated to Okatie, he can no longer serve in that capacity. He is eligible to serve as Mr. Burke’s replacement for the Hilton Head area.

VIII. General Manager’s Report

Key Discussion Points

- Tropical Storm Julia hit HHI on September 14, after forming overnight from a prior day’s forecast of “0% chance” of formation. There was no movement from Operational Condition (Opcon) 5, normal conditions, as a result. No structural or system damage. No service outages.

- PSD and Town staff met this month to discuss pending Master Sewer Plan projects and review coordination opportunities with other Town public works projects.
- The S.C. Drought Response Committee has placed Beaufort County in first-level drought status (a.k.a. “incipient” drought status). We are one of 17 counties in this stage. Three counties are in moderate drought. The PSD does not activate its Drought Response Plan for first-level drought.
- Leaders from the Community Foundation board of directors toured Year 1 Master Sewer Plan project areas with Pete Nardi and Arnold Ellison this month. The Foundation board is working on Project SAFE’s \$3-million campaign for sewer connections.
- PSD staff attended AWWA’s “Water/Wastewater Residential Rates Affordability Assessment Tool” webinar that looks at rate affordability in a community based on multiple factors. It also discussed rate assistance programs and policies for customers who can’t afford their bills. Commissioners John Geisler, Gary Kratz and David McCoy attended.
- Our annual flu shot clinic will take place from 7:30 to 9 a.m. on Oct. 19 in the Community Room. Shots are provided free of charge for all employees, Commissioners, and their spouses. No reservation is needed.
- Pete Nardi met this month with officials from the Town of Bluffton at their request to explain the PSD/Town Master Sewer Plan initiative and our methods for getting customers connected.
- The first-ever meeting of a regional group of public officials who are tasked with disseminating public information during emergencies was held this month. Hilton Head and Broad Creek PSDs were joined by BJWSA, B.C. Sheriff’s Office, B.C. School District, S.C. Highway Patrol, S.C. Emergency Mgmt. Division, Town of Bluffton, Bluffton Fire, Burton Fire, Memorial Health Medical Center, Hampton County, and Town of Ridgeland. The group will continue to meet
- Monthly billing conversion began in mid-August and is proceeding relatively smoothly
- Master Sewer Plan Implementation work orders have been generated for the following 17 connections: 5 gravity and 1 LPS on Ned Ct.; 3 LPS units on Gibson/O’Connor; 3 LPS on Farmer’s Club/Sunday Ford; 2 gravity on Eagin Ct.; 2 LPS on Reggies Rd.; and 1 LPS on Katie Miller.
- A new 6” water line and new hydrant will be installed on Blazing Star Ln. in conjunction with the Town paving the road. The Town is sharing the cost of the hydrant
- As a result of a pending private subdivision development, the PSD is considering an upgrade to the Capital Drive sewer pump station and accompanying new sewer main installations in the area.
- Two new subdivision projects are starting the Town permitting process: 36 single family homes on the Indian Pipe parcel off Squire Pope Rd; and 12 “elevated cabin” units off Jonesville Rd. next to Graham Lane. Capacity calculations will follow once formal plans are submitted.
- ASR recovery will end today.

IX. New Business

A. Water Quality Report

Key Discussion Points

- Mr. Geisler asked if the conversion to monthly billing would make it possible to add monthly water sales to the Water Quality Report. Mr. Nardi said that it would be possible, but that water production figures and water sales figures would not match. The difference would be an apparent loss, not a real loss.

X. Executive Session

Action

- Mr. Manne moved to enter into executive session to conduct the General Manager's performance review. Mr. Geisler seconded. The motion passed unanimously.
- Executive session began at 10:28 a.m.

XI. Reconvene Regular Session

Action

- Regular session reconvened at 12:30 p.m.

XII. Adjournment

Action

- The meeting adjourned at 12:30 p.m.