

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 17, 2013**

I. Meeting called to order by the Chairperson, Mr. Bob Manne, at 9:03 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. John Geisler	Secretary
Mr. Gary Kratz	Treasurer
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	Finance Manager
Mr. Arnold Ellison	Special Project Manager
Mr. Brian Cronin	Senior Accountant
Ms. Nichelle Andino	Commission Recording Secretary

Visitors:

None

III. Pledge of Allegiance

Mr. Frank Drehwing led the Pledge of Allegiance.

IV. Agenda Additions or Changes

General Manager Report and New Business tabs were missing from the agenda content page.

V. Adoption of Draft Minutes of the November 19, 2013 Regular Meeting

Action

- Mr. Kratz moved to adopt the minutes of the November 19, 2013, regular meeting as amended. Mr. Drehwing seconded. The motion passed unanimously.

VI. Adoption of Draft Minutes of the November 19, 2013 Strategic Planning Session

Action

- Mr. Drehwing moved to adopt the minutes of the November 19, 2013, strategic planning session as amended. Mr. Kratz seconded. The motion passed unanimously.

VII. Public Comment on Non-Agenda Items

None

VIII. Election of the 2014 Commission Officers

Key Discussion Points

- Per the Commission by-laws, the Commission nominates officers for the coming year at its regular November meeting and then votes on the nominations at its regular December meeting.

Action

- Mr. Drehwing moved that the board elect the same slate as presently seated. Mr. Geisler seconded. The motion passed unanimously.

IX. Approval of the Commission 2014 Meeting Dates and Holiday Calendar

Key Discussion Points

- Mr. Nardi presented the Proposed 2014 Commission Meeting Dates and Holiday Calendar for board review.
- Mr. Ford stated that he will not be present for the January 28th 2014 and February 25th 2014 Commission Meetings.

Action

- Mr. Drehwing moved that the board adopt the Proposed 2014 Commission Meeting Dates and Holiday Calendar. Mr. Kratz seconded. The motion passed unanimously.

X. FY'14 Strategic Plan

Key Discussion Points

- The cycle began in November when the PSD Commission holds its annual Strategic Planning Workshop to determine strategic goals for the coming fiscal year, which begins in July. The cycle continues as PSD staff uses the Strategic Plan's Directives to develop a Staff Work Plan for the next fiscal year. Each fiscal year concludes in June.
- The Commission reviewed the Significant Future Challenges and Issues. Areas of focus were: Island Demographics; Government Environment Financial; and Technology and Science.
- The Board reviewed their eight Strategic Goals to ensure that they are still current and in line with the direction of the Board. There were no changes made.
- The Board reviewed and revised the Strategic Goals and Directives, there were proposed revisions. Staff provided clean copies of the revised documents for vote at the December 17 Commission meeting.

Action

- Mr. Gentzler moved to adopt the FY'14 Strategic Plan. Mr. Drehwing seconded. The motion passed unanimously.

XI. Review and Approve FY'13 CAFR

Key Discussion Points

- A draft of the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year end 2013 was presented for review.
- The Committee and staff reviewed the Major Components of this year's CAFR.
- Introductory Sections were reviewed and all changes have been incorporated into the FY'13 CAFR.
- Supplemental and Financial and Statistical Sections was reviewed and updated.
- Mr. Geisler recommends adding the General Manager's name to the letter on page 8.
- The Finance Committee recommended the adoption of the 2013 CAFR with recommended revisions.
- Mr. Geisler inquired as to any potential changes to employee benefits, (i.e. Affordable Healthcare Act and Retirement Benefits). It was recommended that this topic be reviewed by HR Committee.

Action

- Mr. Geisler move to approve CAFR. Mr. Kratz seconded. The motion passed unanimously.

XII. Commissioner & Committee Reports

A. Finance Committee

Key Discussion Points

- The Committee and staff met on December 13 to review the major components of the FY'13 CAFR.

B. Planning and Operations Committee

Key Discussion Points

- The Committee met on November 19 to discuss the Strategic Planning Session, which took place at 12:19pm.

C. Long Range Water Supply Planning Committee

Key Discussion Points

- The Committee has scheduled a meeting for January 27, 2014 at 2:00 pm.

D. Community Relations and Personnel Committee

Key Discussion Points

- The Committee met on January 15, 2014 to discuss and review succession planning, service line protection programs, 2014 legislative agenda and affordable care act.

XIII. Staff Reports

A. Community Involvement Report

Key Discussion Points

- The PSD Holiday Luncheon will be held at noon on Friday, December 20th.
- An annual report edition of On the Waterfront for mailing in January is being prepared. Stories to date are: RO Plant capacity expansion; Baygall sewer project; League of Women Voters water forum; Commission strategic planning workshop recap; PSD sludge is PCBs-free; AA+ bond rating affirmation; MarCom Gold Award for website; CAFR.
- The community room was booked by nine different groups in November.
- Through November, \$447 has been raised for Bucks for a Better Island through Community Room user donations.
- Work on the Baygall pump station is nearing completion. Installation of sewer lines in the project area is underway. A Project Open House for property owners was held on December 12. Multiple owners already have applied for Project SAFE connection grants.
- Mr. Ford complimented the staff on their customer service support.

- The PSD is preparing to begin sewer line installation in coordination with the County’s road paving work. We are finalizing our contract with the Town for their portion of the project.

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B. Tax Increment Financing (TIF)

Key Discussion Points

- The Town of Hilton Head is requesting the extension of the TIF for six more years. All of the Town’s TIF partners, including the Town County, School District and Hilton Head PSD must agree to the extension.
- No action is required at this time, but a decision will need to be made sometime before the spring of 2014. The TIF is scheduled to end in tax year 2014, at which time each taxing district would collect taxes based on the current property values.
- Based on the information available at this time, staff is inclined to recommend the Commission approve the extension on the TIF, extending the TIF decision is not currently before the Commission. Staff recommends the Town staff make a presentation before the Commission or Hilton Head PSD Finance Committee sometime in 2014.

XIV. General Manager’s Report

Key Discussion Points

- Mr. Cyr had no formal report this month.

XV. New Business

None

XVI. Executive Session

Action

- Mr. Manne moved to enter into Executive Session for the purpose of discussing personnel matters. Mr. Kratz seconded. The motion passed unanimously.
- Executive Session began at 10:22a.m.

XVII. Adjournment

Action

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