

**HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT**  
21 OAK PARK DRIVE – POST OFFICE BOX 21264  
HILTON HEAD ISLAND, SOUTH CAROLINA 29925  
TELEPHONE 843-681-5525 – FAX 843-681-5052

**MINUTES**  
**COMMISSION MEETING**  
**MARCH 28, 2017**

**I. Meeting called to order by the Commission Chairman, Mr. Bob Manne, at 9:04 a.m.**

**II. Those in attendance were:**

Mr. Bob Manne	Chairperson
Mr. Bob Gentzler	Vice Chairperson
Mr. David McCoy	Secretary
Mr. Gary Kratz	Treasurer
Mr. Frank Drehwing	Commissioner
Mr. Herbert Ford	Commissioner
Mrs. Patti Soltys	Commissioner

Present by request:

Mr. Pete Nardi	General Manager
Mr. Larry Sapp	Finance Manager
Mr. Bill Davis	Operations Manager
Mr. Arnold Ellison	Special Projects Manager
Mrs. Connie Whitehead	Commission Recording Secretary

**III. Pledge of Allegiance**

The Pledge of Allegiance was led by Mr. Gary Kratz.

**IV. Adoption of the Draft Minutes of the February 28, 2017, Regular Meeting**

Action

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

**V. Public Comment on Non-Agenda Items**

None

## **VI. Commissioner and Committee Reports**

### **A. Planning & Operations Committee**

#### Key Discussion Points

- The Committee met on March 15 to discuss board goals and the Master Sewer Plan.
- Mr. Gentzler drafted some thought starters to lead into the board goal discussion.
- He asked commissioners to forward any suggestions to the Committee.
- The Committee will present draft goals to the board in April.
- The Master Sewer Plan project contracts are being finalized.
- The State is completing the final SRF packets for the pump stations.
- The customer open house is scheduled for April 26 from 4 to 6 p.m. in the PSD Community Room.

### **B. Community & Personnel Relations Committee**

#### Key Discussion Points

- The Committee met on March 20 to discuss the GM evaluation process,
- Mr. Manne presented the revised evaluation survey.
- Mr. McCoy reminded the board that the PSD has purchased the 2016 AWWA Compensation Survey. He marked the pages relative to the General Manager's position and invited the board to look through them.
- Mr. Ford made reference to the step in the review process that states the GM will provide his accomplishments and compensation expectations. Mr. Ford doesn't feel it's appropriate for the GM to submit compensation expectations. Instead, the board should establish a salary range and determine what is appropriate based on the GM's performance.
- Mr. Gentzler is pleased with the process, but would like to see the survey document more closely linked to the strategic goals. Mrs. Soltys stated that Committee extensively reviewed the survey document and decided on the five-question format versus the strategic goals format. She doesn't feel it necessary to start the review process over at this point. Mr. Gentzler agrees and will attend the next Committee meeting to share his thoughts on how the chosen survey could incorporate the strategic goals more effectively.

## **VII. General Manager's Report**

#### Key Discussion Points

- Mr. Nardi presented the General Manager's report.
- At this year's SCEC, the PSD was honored with DHEC's Facility Excellence Award for our Recycled Water Plant; Vince Malphrus was inducted into the Five 'S' Society of wastewater professionals; and the Water Environment Association of S.C. (WEASC) recognized the PSD as a charter member of the Partnership for Clean Water.
- The PSD was invited to join the "Hilton Head Strong" marching group with other first responders during the annual St. Patrick's Day Parade. Renee White, Lorie Chisolm, Tim Ryan and their families represented the PSD.

- Pete Nardi and BJWSA GM Ed Saxon discussed water and sewer issues with the League of Women Voters. About 25 attended.
- The PSD is advertising for two field service technicians to work on the water/sewer systems. We are seeking experienced, licensed techs to add to the current team. Ad will be placed locally as well as with SCAWWA/WEASC, AWWA and WEF.
- Palmetto Electric’s review of our rates has resulted in changes that will save the PSD \$9,000 annually.
- The PSD has instructed the contractor to proceed with the \$4.7-million Yrs. 1-2 project.
- The Town-PSD Repayment Agreement is moving through Town Council approval process.
- The PSD is preparing to bid the MSP pump stations project (State Revolving Fund).
- The 122nd S.C. General Assembly updates are as follows:
  - Reform of the S.C. Retirement System (S.394, H.3726). Proposes employer and employee contribution rate increases effective July 1, 2017. The employee contribution rate would rise to and be capped at 9%. The employer contribution rate would rise by 2% to 16.24%. The employer rate would continue to increase 1% annually through July 1, 2022. In committee.
  - Utility Relocation Funding (S.343, H.3739). DOT is proposing a sliding scale based on utility customer connections. State utilities are overall supportive of this proposal. In committee.
  - Plastic Pipe (H.3652). Requires “governmental agencies” to consider all suitable pipe material when procuring pipe material using “public funds”. State utilities oppose this bill. It attempts to provide a remedy in the absence of a problem, and it opens bids to potential challenges.
- S&P Global Ratings downgraded the PSD’s revenue bond rating to “A+” from “AA” this week, stating it’s a result of S&P altering its own criteria for ratings – not due to a change in the PSD’s financial stability.

**VIII. New Business**

None

**IX. Adjournment**

Action

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