

**HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT**  
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HILTON HEAD ISLAND, SOUTH CAROLINA 29925  
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**MINUTES**  
**COMMISSION MEETING**  
**APRIL 24, 2018**

**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. 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. Brian Cronin	Senior Accountant
Mr. Daryll Parker	Willdan Financial Services
Mr. Michael Cronan	Willdan Financial Services
Mrs. Connie Whitehead	Commission Recording Secretary

Visitors:

General Hay  
Alex Brown  
Joyce Wright  
Murray Christopher  
Mel Campbell  
David Murray

**III. Pledge of Allegiance**

The Pledge of Allegiance was led by Mr. Frank Drehwing.

#### **IV. Public Comment on Non-Agenda Items**

##### Key Discussion Points

- Mr. General Hay asked, in regards to the sewer availability fee, what constitutes a parcel. Mr. Nardi stated that the PSD uses the Beaufort County tax identification numbers to identify parcels.

#### **V. Adoption of the Draft Minutes of the March 20, 2018, Regular Meeting**

##### Action

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

#### **VI. FY'18 Third Quarter Financial Report**

##### Key Discussion Points

- Mr. Sapp presented the FY'18 Third Quarter Management Report. A copy of the report is included in the agenda packet.

#### **VII. FY'18 Third Quarter Management Report**

##### Key Discussion Points

- Mr. Nardi presented the FY'18 Third Quarter Management Report. A copy of the report is included in the agenda packet.

#### **VIII. Commissioner and Committee Reports**

None

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

##### Key Discussion Points

- Mr. Nardi presented the General Manager's report. A copy is included in the agenda packet.

#### **X. Medical Pavilion Settlement**

##### Key Discussion Points

- Mr. Nardi presented a copy of the draft settlement offer between the PSD and the Medical Pavilion for review.
- There were no suggested changes, and the consensus was to accept the settlement.
- Mr. Manne and Mr. Nardi will sign the agreement on behalf of the PSD.

#### **XI. New Business**

None

## **XII. Sewer Availability Workshop**

### Key Discussion Points

- Recently, a question was raised on whether it is appropriate for the PSD to charge Sewer Availability Fees to vacant properties. Staff was asked to prepare an initial analysis.
- Unconnected lots less than two acres are charged a \$300 per year availability fee, and lots that are 2 acres or more are charged \$600 per year.
- Mr. Alex Brown asked the board to consider in its decision-making that Town restrictions and the increasing costs of property-related expenses are making it difficult for many native islanders to keep their land in unimproved status.
- After reviewing four options for revising the Sewer Availability Fee policy, the consensus among the commissioners was to pursue Option 1: Waive the fee when an easement over a vacant lot is donated under the Master Sewer Plant initiative. The item was assigned to the Planning & Operations Committee for further review.
- The board anticipates a final review at the May board meeting.

## **XIII. Rate Analysis Workshop**

### Key Discussion Points

- Mr. Daryll Parker of Willdan Financial Services presented the Water and Wastewater Rate Study. A copy of the PowerPoint is included in the agenda packet.
- Elements of the study's recommendations will be incorporated into the draft FY'19 budget, which will be reviewed by the Finance Committee in May and presented to the full board at the May board meeting.

## **XIV. Adjournment**

### Action

- The meeting adjourned at 12:20 p.m.