

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
DECEMBER 11, 2018

I. Meeting called to order by the Commission Chairman, Mr. Bob Manne, at 8:58 a.m.

II. Those in attendance were:

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

Present by request:

Mr. Pete Nardi	General Manager
Mr. Larry Sapp	Finance Manager
Ms. Amy Graybill	Finance Manager
Mr. Brian Cronin	Senior Accountant
Mr. Phil Waters	Lowcountry Engineering Services
Mr. Tom DeWitt	Robinson Grant, Co.
Ms. Holly Golden	Robinson Grant, Co.
Mrs. Connie Whitehead	Commission Recording Secretary

III. Pledge of Allegiance

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

IV. Swearing-In of New Commissioners

Mr. Manne swore in newly-elected commissioner, Herbert Ford.

V. Public Comment on Non-Agenda Items

None

VI. Public Hearing: HHPSD Master Sewer Plan – 2018 Sewer Extensions SRF #509-07

Key Discussion Points

- The public hearing opened at 9:00 a.m.
- The public hearing is required as part of the SRF loan process.
- No members of the public were present.
- Mr. Waters presented the 2018 Sewer Extensions SRF #509-07 report. A copy is included in the agenda packet.
- The public hearing closed at 9:06 a.m.

VII. Adoption of the Draft Minutes of the November 13, 2018, Regular Meeting

Key Discussion Points

- The minutes were revised under New Business to reflect that the board will consider January 15, 2019, as the date of the strategic planning session and the regular board meeting.

Action

- Mr. Drehwing moved to adopt the minutes as amended. Mr. Ford seconded. The motion passed unanimously.

VIII. Adoption of the 2019 Commission Meeting Calendar

Key Discussion Points

- The draft calendar was revised to reflect that the January meeting will be held on Jan. 15.
- The proposed calendar follows a fourth Wednesday of the month schedule, rather than the fourth Tuesday of the month.
- Mr. Ford asked the board to consider holding at least two meetings per year after hours to accommodate customers who work during the day.
- Mr. Manne mentioned that the board in the past had changed its meetings to late afternoon, but attendance did not increase.
- Mr. Nardi stated that the board could choose to hold any of their meetings after hours with proper notification.

Action

- Mr. Drehwing moved to adopt the amended 2019 meeting calendar. Ms. Soltys seconded. The motion passed unanimously.

IX. Appointment of 2019 Commission Officers

Key Discussion Points

- At the November board meeting, the following nominations were made:
 - Mr. Frank Drehwing nominated Mr. Manne for chair, Mr. McCoy for vice-chair, and Mr. Kratz for treasurer.
 - Mr. Manne nominated Mr. Drehwing for secretary.

- Mrs. Soltys nominated herself for vice-chair.
- At the December meeting, Mrs. Soltys withdrew her nomination.

Action

- Mr. Drehwing moved to elect:
 - Mr. Manne as chair
 - Mr. McCoy as vice-chair
 - Mr. Kratz as treasurer
 - Mr. Drehwing as secretary
- Mr. Kratz seconded. The motion passed unanimously.

X. General Manager’s Report

Key Discussion Points

- Mr. Nardi presented the General Manager’s Report. A copy is included in the agenda packet.
- Mr. Manne received a call from a customer relaying his positive experience with customer service representative Renee White. The customer had an unusually high bill, and using the AMI system, Ms. White was able to pinpoint the day of excessive usage, allowing the customer to determine the problem. Mr. Nardi informed the board that Renee would be recognized via the Employee Recognition Program for her service.

XI. Commissioner and Committee Reports

A. Finance Committee

Key Discussion Points

- The Committee met on Dec. 4 to discuss the Comprehensive Annual Financial Report (CAFR) and the 911 Lease.
- Tom DeWitt and Holly Golden of Robinson Grant attended the Finance Committee meeting. Mr. Dewitt stated that the PSD was given a clean opinion concerning the audit. Ms. Graybill stated that the District’s net pension liability increased due to an increased rate of return which is determined by the State’s actuaries. Mr. McCoy stated that the District’s debt coverage rate is in good shape at 124%.
- The PSD and Town entered into the lease agreement for the second floor of the PSD administrative building in October 2003. The last addendum was signed February 2017, and the current lease expires Jan. 31, 2019. There has been no increase to the base rent amount or the additional rent percentage since inception. Staff does not recommend any increase as this is a cooperative intergovernmental arrangement and the rate seems reasonable; however, staff does recommend a modification to the language of Article 2.2: Additional Rent to define electricity as a shared common expense. The Town is requesting an extension through January 2021. Mr. Ford voiced his disagreement with not raising the rent, as he feels it is not good business practice.

Action

- Mr. Drehwing moved to adopt the CAFR as presented. Mr. Kratz seconded. The motion passed unanimously.
- Mr. Drehwing moved to adopt the 911 lease renewal with the revision to Article 2.2. Mr. McCoy seconded. The motion passed 5-1. Mr. Ford was opposed. Mr. Turano was not present for the vote.

XII. New Business

None

XIII. Adjournment

Action

- Ms. Soltys moved to adjourn the meeting. Mr. Manne seconded. The meeting adjourned at 10:15 a.m.