

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT
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MINUTES
COMMISSION MEETING
APRIL 29, 2020

I. Meeting called to order by the Commission Chairman, Mr. Bob Manne, at 9:02 a.m.

II. Those in attendance were:

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

Present by request:

Mr. Pete Nardi	General Manager
Ms. Amy Graybill	Finance Manager
Mr. Bill Davis	Operations Manager
Mr. Ryan Lewis	IT/GIS Manager
Mr. Lawrence Flynn	Pope Flynn
Mrs. Connie Whitehead	Commission Recording Secretary

Visitors:

Terry Conway
Jerry Cutrer

III. Pledge of Allegiance

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

IV. Electronic Meeting Authorization Resolution

Key Discussion Points

- Staff presented for board adoption a resolution authorizing the board to meet via electronic means as a result of the current COVID-19 pandemic.

Action

- Mr. Turano moved to adopt the resolution. Mr. Drehwing seconded. The motion passed 6-0. Mr. Kratz was not present for the vote.

V. 2020 Front Foot Assessment Resolution

Key Discussion Points

- Ms. Graybill presented the 2020 Front Foot Assessment Resolution for adoption by the board.
- The resolution is the first step to authorize imposition of the assessment to 47 properties that recently connected to water and/or sewer service.
- A public hearing on the assessment will be held in June.
- Mr. Manne asked why the bond is on a 15-year term but the assessment is on a 20-year term. Ms. Graybill said the 15-year term gave the PSD a better interest rate on the bond and the 20-year term gave customers lower annual payments over a longer period.
- Mr. Ford asked if all affected homeowners have been notified. Mrs. Graybill confirmed that they have, and the PSD will mail a letter with the final amount including interest in June.

Action

- Mrs. Soltys moved to adopt the 2020 Front Foot Assessment Resolution. Mr. Kratz seconded. The motion passed unanimously.

VI. Public Comment on Non-Agenda Items

None

VII. Adoption of the Draft Minutes of the February 26, 2020, Regular Meeting

Key Discussion Points

- The minutes were corrected to state that the meeting was called to order by “Commission Chairman, Bob Manne” rather than “Vice Chairman, Bob Manne”.

Action

- Mr. Ford moved to adopt the minutes of the February 26, 2020, meeting as amended. Mr. Turano seconded. The motion passed unanimously.

VIII. Finance Committee

Key Discussion Points

- The Finance Committee met on April 22. At that time, staff presented the FY’20 audit engagement letter and FY’21 budget for committee review.
- Staff recommends the board approve the audit engagement letter with Greene Finney for completion of the FY’20 audit. The firm completed the PSD’s FY’19 audit, which went smoothly.

- A copy of the draft FY '21 budget is included in the agenda packet. Staff will bring the budget to the full board for adoption in May with additional scenarios reflecting delaying a volumetric tier rate increase until January 2021 or for the entirety of FY '21.
- Mr. Ford commended staff on the construct of the draft budget, but said he feels it fell short in reducing costs in response to the ongoing pandemic. He said the PSD should consider postponing some expenses and the board should consider reducing or eliminating its stipend.

Action

- The Finance Committee recommends adoption of the audit engagement letter with Greene Finney for the completion of the FY'20 audit.
- Mr. Kratz moved to adopt the audit engagement letter with Greene Finney. Mr. McCoy seconded. The motion passed unanimously.

IX. General Manager's Report

Key Discussion Points

- Mr. Nardi presented an update on PSD issues. A copy of his memo is included in the agenda packet.
- The PSD has returned to normal treatment and field crew operations, while all staff is practicing social distancing, and the drive-thru window has reopened on a limited basis.
- All PSD water and wastewater systems are functioning as normal. Water demand is normal for this time of year.

X. Third Quarter Management Report

Key Discussion Points

- Mr. Nardi presented the FY'20 Third Quarter Major Objectives, Key Measurements, and Accomplishments. All are included in the agenda packet.
- The PSD anticipates holding a workshop in the fall to discuss future water supply topics, including future demand projections and hydrogeological analyses.

XI. New Business

A. Late Fees & Returned Payment Fees Policies

Key Discussion Points

- The PSD has suspended all shut-offs due to non-payment in response to the pandemic.
- Presently, late charges and returned payment fees are still in effect. Staff is seeking a decision from the board whether to also suspend these fees.
- BJWSA and Palmetto Electric are suspending late fees. South Island and Broad Creek have continued to accrue late fees.

Action

- Mr. Turano moved to suspend late fees. Mr. Drehwing seconded. After further discussion about adding a timeframe for the suspension and inclusion of returned payment fees as part of the action, Mr. Turano withdrew his motion.
- Mr. Drehwing moved to suspend late fees and returned payment fees until January 1, 2021. Mr. Turano seconded. The motion passed 5-1, with Mr. Drehwing, Mr. Turano, Mr. Kratz, Mr. Manne and Mr. McCoy in favor, and Mr. Ford opposed. Mrs. Soltys abstained.

XII. Adjournment

Action

- Mr. Drehwing moved to adjourn the meeting. Mr. Ford seconded. The motion passed unanimously. The meeting adjourned at 10:19 a.m.