

# HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT

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## MINUTES COMMISSION MEETING JULY 26, 2023

**I. The meeting was called to order by Chair Frank Turano at 9:00 a.m.**

**II. Those in attendance were:**

Mr. Frank Turano	Chair
Mr. Jerry Cutrer	Vice Chair
Mr. Stuart Bell	Treasurer
Mrs. Patti Soltys (via Zoom)	Secretary
Mr. Andy Paterno	Commissioner
Mr. Ibrahim Abdul-Malik	Commissioner
Mr. Michael Marks	Commissioner

Present by request:

Mr. Pete Nardi	General Manager
Mr. Bill Davis	Operations Manager
Ms. Amy Graybill	Finance Manager
Mr. Lawrence Flynn (via phone)	Pope Flynn
Mrs. Connie Whitehead	Commission Recording Secretary

Visitors:

Jim Vaughn	South Island PSD Commission
Herbert Ford	St. James Baptist Church Board of Trustees

**III. Pledge of Allegiance**

Mr. Frank Turano led the Pledge of Allegiance.

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

- Mr. Herbert Ford, former Hilton Head PSD commissioner and current chair of the St. James Baptist Church Board of Trustees, presented a letter of appreciation on behalf of the church to the PSD. Arthur Washington and Doug Nice recently responded to a sewer issue at the church and worked tirelessly from

approximately 3 p.m. to 9 p.m. to ensure the problem was rectified ahead of a morning funeral service. The church commended both technicians for the exceptional customer service. The Commission expressed its thanks to the technicians for the excellent customer service and to the church for reaching out to share their positive experience. Mr. Nardi said that the church's letter has been shared with the entire PSD team during a recent all-staff meeting and that Arthur and Doug would be recognized under the PSD's Employee Recognition Program.

## **V. Adoption of Draft Minutes of the June 28, 2023, Regular Commission Meeting**

### Action

- Mr. Marks moved to adopt the minutes of the June 28, 2023, regular meeting as presented. Mr. Bell seconded. The motion passed unanimously.

## **VI. Financial Policies**

### Key Discussion Points

- Ms. Graybill presented the final draft financial policies update for commission consideration.
- Staff presented an initial draft in June, and it was further revised to include a new grant administration policy, among other changes. Legal counsel has reviewed the revised draft.
- Staff recommends the board adopt the resolution amending and restating the PSD's financial policies.
- The board reviewed the document and made some additional minor revisions.

### Action

- Mr. Bell moved to adopt the draft financial policies as amended. Mr. Cutrer seconded. The motion passed unanimously.

## **VII. General Obligation Debt Resolution Petitioning County Council**

### Key Discussion Points

- Attorney Lawrence Flynn was present by conference call to discuss the GO debt issuance process and answer any questions presented by the board.
- The next step in the process is a resolution of the PSD Commission approving the petition to Beaufort County Council to review and approve the District's request to issue GO debt not to exceed \$23,000,000. A copy of the resolution and the Bond Situation Sheet which summarizes the request were included in the agenda packet. The board made some minor edits to the documents.

### Action

- Mr. Bell moved that the board approve the resolution and Bond Situation Sheet as amended. Mr. Paterno seconded. The motion passed unanimously.

## **VIII. Commission Code of Conduct – Conflict of Interest Policy**

### Key Discussion Points

- The receipt of federal funds comes with many compliance requirements. For that reason, staff reviewed the PSD's applicable internal policies and found a gap in the Commission Code of Conduct, which presently does not contain a Conflict of Interest policy.
- A proposed Conflict of Interest Policy was presented at the June meeting for review by the board in anticipation of a vote for adoption in July.
- Mr. Bell suggested the board sign an acknowledgement each year stating that they adhere to the policy.
- A typo was corrected on page 4.

### Action

- Mr. Cutrer moved to adopt the Conflict of Interest Policy with the correction on page 4 and the addition of an annual acknowledgement of compliance. Mr. Paterno seconded. The motion passed unanimously.

## **IX. FY'23 Fourth Quarter Management Report**

### Key Discussion Points

- Mr. Nardi presented the FY'23 Fourth Quarter Management Report. A copy is included in the agenda packet.

## **X. General Manager's Monthly Report**

### Key Discussion Points

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

## **XI. New Business**

None

## **XII. Executive Session**

### Key Discussion Points

- Mr. Cutrer moved to enter into executive session for the purpose of discussing a potential purchased water agreement with Broad Creek PSD. Mr. Bell seconded. The motion passed unanimously.
- Executive session began at 10:50 a.m.

## **XIII. Regular Session Reconvened**

### Action

- Regular session reconvened at 11:30 a.m.
- Mr. Cutrer moved that the commission direct staff to explore and report to the commission on a recommendation for the sale of Hilton Head PSD capacity to Broad Creek PSD at Hilton Head PSD's actual cost of Hilton Head PSD capacity. Mr. Bell seconded. The motion passed unanimously.

#### **XIV. Adjournment**

##### Action

- The meeting adjourned at 11:35 a.m.