

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, 2024

I. The meeting was called to order by Chairman Frank Turano at 9:02 a.m.

II. Those in attendance were:

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

Present by request:

Mr. Pete Nardi	General Manager
Ms. Amy Graybill	Finance Manager
Mr. David Bennett	W.K. Dickson
Ms. Connie Whitehead	Commission Recording Secretary

Visitors

None

III. Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Frank Turano

IV. Public Comment on Non-Agenda Items

None

V. Adoption of Draft Minutes of the March 27, 2024, Commission Meeting

Action

- Mr. Cutrer moved to adopt the minutes as presented. Mr. Bell seconded. The motion passed unanimously.

VI. Leg O’Mutton Booster Station Project Bid Acceptance Authorization

Key Discussion Points

- Mr. Nardi presented the low responsible bid for the Leg O’Mutton Booster Station Project for board consideration.
- The Leg O’Mutton Booster Station Project involves the installation of a Water Booster Station that will replace old high-service pumps at the PSD’s Leg O’Mutton site off Gardner Drive.
- The project, estimated for completion in summer 2025, is funded by \$700,000 of a \$1 million direct allocation. The PSD will need to fund the remaining cost from other sources, which at this time is anticipated to be planned general obligation debt.
- Bids for the project were opened March 28. BRW Construction Group of Savannah, GA was the low responsible bidder.
- Staff recommends the board authorize acceptance of the low responsible bid of \$1,999,807.00 for the Leg-O-Mutton Water Booster Station Project.

Action

- Mr. Cutrer moved to accept BRW’s low responsible bid of \$1,999,807.00. Mr. Paterno seconded. The motion passed unanimously.
- Staff will continue to work with the design engineer to identify any potential savings that can be achieved in the project prior to construction contract approval and notice to proceed to the contractor.

VII. FY’25 Draft Budget Presentation

Key Discussion Points

- Ms. Graybill presented the FY’25 Draft Budget. A copy is included in the agenda packet.

VIII. FY’25 Cost-of-Service Scenarios

Key Discussion Points

- Ms. Graybill presented four cost-of-service scenarios for board consideration:
- **Scenario 1:**
 - Increase 1st residential tier \$0.06/1,000 gallons from \$1.52 to \$1.58 to continue migration towards the 1st commercial tier.
 - Increase 2nd residential and commercial tier \$0.13/1,000 gallons from \$2.11 to \$2.24 (this increases this tier from 25% higher than the 1st commercial tier to 33% higher).
 - Increase 3rd residential and commercial tier \$0.25/1,000 gallons from \$2.54 to \$2.79 (this increases this tier from 50% higher than the 1st commercial tier to 65% higher).
 - Increase 4th residential and commercial tier \$0.34/1,000 gallons from \$3.38 to \$3.72 (this increases this tier from 100% higher than the 1st commercial tier to 120% higher).

- Increase the sewer volumetric rate \$0.15/1,000 gallons from \$2.16 to \$2.31.
- **Scenario 2:**
 - All of the volumetric increases from Scenario 1.
 - Increases both the water and sewer monthly base rate per unit by \$0.50.
- **Scenario 3:**
 - All of the volumetric increases from Scenario 1.
 - Increases both the water and sewer monthly base rate per unit by \$1.00.
- **Scenario 4:** No change.

Action

- Staff recommended adoption of Scenario 2. Following discussion, Mr. Bell moved to adopt Scenario 3. Mr. Paterno seconded. Mr. Turano, Mr. Cutrer, Mr. Bell, Mr. Paterno and Mr. Marks voted in favor. Mr. Abdul-Malik was opposed. Mrs. Soltys abstained. The motion passed 5-1.

IX. FY'24 Third Quarter Management Report

Key Discussion Points

- Mr. Nardi presented the FY'24 Third 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.
- The Town held a hurricane preparedness meeting yesterday. In the event of an evacuation, PSD first responders will be stationed at USCB. If that is not safe, staff will be stationed at Barnwell High School.

XI. Adjournment

Action

- Mr. Mr. Abdul-Malik Bell moved to adjourn the meeting. Mr. Paterno seconded. The meeting adjourned at 12:15 p.m.