

HILTON HEAD NO.1 PUBLIC SERVICE DISTRICT

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MINUTES COMMISSION MEETING SEPTEMBER 18, 2024

I. The meeting was called to order by Vice Chairman Jerry Cutrer at 8:00 a.m.

II. Those in attendance were:

Mr. Frank Turano (via Zoom)	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
Mr. Bill Davis	Operations Manager
Ms. Amy Graybill	Finance Manager
Mr. Lawrence Flynn (via Zoom)	Pope Flynn
Mrs. Amy Vitner	First Tryon Advisors
Ms. Connie Whitehead	Commission Recording Secretary

Visitors

None

III. Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Andy Paterno.

IV. Public Comment on Non-Agenda Items

None

V. Adoption of Draft Minutes of the August 28, 2024, Commission Meeting

Key Discussion Points

- Mr. Cutrer stated that his motion in Section VII-C should be expanded to include “ with a comparison of bank placement and public offering.”

Action

- Mr. Bell moved to adopt the minutes of the August 28, 2024, meeting as amended. Mr. Marks seconded. The motion passed unanimously.

VI. General Obligation Debt Private Placement Bids

Key Discussion Points

- Mrs. Amy Vitner of First Tryon Advisors was present to discuss the bond option comparison.
- While TD Banks has the most desirable terms, there is a requirement that the PSD keep \$3 million dollars on deposit. While PSD legal counsel does not feel the requirement is legally enforceable, staff suggested negotiating a compromise to keep the bond proceeds on deposit rather than \$3 million.

Action

- Mrs. Soltys moved to authorize staff to accept the TD Bank proposal contingent on the successful negotiation of the \$3 million deposit requirement. If negotiations are not successful, staff is authorized to award the bid to Huntington Public Capital at the terms proposed. Mr. Bell seconded. The motion passed unanimously.

VII. Draft Drought Management Plan and Drought Response Regulation Update

Key Discussion Points

- Under the South Carolina Drought Response Act, the PSD is required to have a Drought Management Plan and Drought Response Regulation. The PSD’s current plan was last updated in 2003.
- The S.C. Climatology Office, the primary state agency tasked with coordinating drought response, has asked all public water utilities in the state to update their drought plan and regulation. A draft update was presented for board consideration.

Action

- Mr. Bell moved to adopt the draft revisions to the PSD’s Drought Management Plan and Drought Response Regulation as presented. Mr. Abdul-Malik seconded. The motion passed unanimously.

VIII. U.S. 278 Corridor Project Update

Key Discussion Points

- Mr. Nardi presented an update on the U.S. 278 Corridor Project.
- Hilton Head PSD and the Town of Hilton Head had to take action recently to prevent SCDOT plans to conduct barge-based geotech bores for design purposes related to the U.S. 278 Corridor Project on top of the subaqueous portions of the drinking water transmission pipeline from the mainland to Hilton Head Island, as the boring presents an extreme risk to this critical infrastructure and public health and safety.
- SCDOT has not formally declared the corridor project, which would establish the basis to allow for the relocation of the pipeline.
- No board action is needed at this time.

IX. General Manager's Monthly Report

Key Discussion Points

- Mr. Nardi presented the GM monthly report. A copy is included in the agenda packet.
- Two more PFAS class actions lawsuits have been filed, and staff recommends the PSD opt-out.

Action

- Mr. Bell moved to authorize the general manager to opt-out of any PFAS class action lawsuits on an as-needed basis. Mr. Abdul-Malik seconded. The motion passed unanimously.

X. New Business

None

XI. Executive Session

Key Discussion Points

- The executive session item pertaining to the purchased water pipeline was removed from the agenda.

Action

- Mr. Bell moved to enter into executive session for the purpose of discussing purchased water agreements. Mrs. Soltys seconded. The motion passed unanimously.
- Executive session began at 10:02 a.m.

XII. Reconvene Regular Session

Action

- Regular session reconvened at 10:13 a.m.
- No action was taken as a result of executive session.

XIII. Adjournment

Action

- Mr. Marks moved to adjourn the meeting. Mr. Abdul-Malik seconded. The meeting adjourned at 10:14 a.m.