

# 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 29, 2026

**I. The meeting was called to order by Chairman Frank Turano at 9:01 a.m.**

**II. Those in attendance were:**

Mr. Frank Turano	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. Lawrence Flynn	Pope Flynn, LLC
Mrs. Connie Whitehead	Commission Recording Secretary

Absent:

Mr. Jerry Cutrer	Vice Chair
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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 March 25, 2026, Commission Meeting**

Action

- Mr. Bell moved to adopt the minutes of the March 25, 2026, meeting as presented. Mrs. Soltys seconded. The motion passed unanimously.

**VI. Adoption of Series 2026 Front Foot Assessment Imposition Resolution**

Key Discussion Points

- Mr. Lawrence Flynn, the PSD's bond counsel, presented the draft Series 2026 Front Foot Assessment Imposition Resolution.
- The resolution is the first step that authorizes the imposition of the front-foot assessments to reimburse the District for its costs of installing water and/or sewer infrastructure on Miller Road, Slim Loop, Squire Pope Road, Wild Horse Road, Farmers Club Road, Dillon Road, Wiley Road, Rachel Lane, Sunday Ford, Mitchelville, Juke Joint Lane, Azalea Street, William Drive, Beach City Road, Jonesville Road, Gumtree Road, Janis Manor, Elizabeth Borad, Wright Place, William Hilton Pkwy, Pink Sand Lane, Outlaw Road, Spanish Wells Road, Old House Creek Drive, Conrad Court, and various other areas of the District.

Action

- Mr. Bell moved to adopt the Series 2026 Front Foot Assessment Imposition Resolution as presented. Mrs. Soltys seconded. The motion passed unanimously.

**VII. 911 Lease Extension**

Key Discussion Points

- Mr. Nardi presented the draft addendum to the lease agreement between the PSD and the Town of Hilton Head for use of the PSD's second floor for the 911 Dispatch Center.
- The Town has informed the PSD of its plans to relocate to a different site during FY'27. The addendum allows for renewals in 90-day intervals starting July 1, 2026.
- The 90-day structure was requested by the Board, and the Town is agreeable.
- The Town understands it will owe the entire 90-day lease amount regardless of when the lease terminates.

Action

- Mr. Bell moved to approve the 911 Dispatch Center lease addendum as presented. Mr. Abdul-Malik seconded. The motion passed unanimously.

**VIII. FY'27 Draft O&M and CIP Budgets**

Key Discussion Points

- Ms. Graybill presented the FY'27 draft budgets for discussion by the Board. Copies are included in the agenda packet.

- Staff prepared four cost-of-service scenarios for consideration. The current draft includes Scenario 2, which includes volumetric water and sewer tier increases and a \$1 base rate increase for water and sewer.
- Staff also presented other rates adjustments for consideration, including:
  - Increasing the operating millage rate from 3.0 to 3.1
  - Increasing the pressurized reclaimed water rate from \$0.91 to \$1.03
  - Increasing the non-pressurized reclaimed water rate from \$0.61 to \$0.69
  - Establishing a minimum developer plan review fee of \$350 to cover the cost of a standard developer plan review
  - Establishing an hourly developer plan rate of \$135 per hour
  - Increasing the reconnection fee from \$35 to \$70
- If the FY'27 budget is adopted at this meeting, a public hearing will be advertised for three weeks and held in May.

Action

- Mr. Bell moved to adopt the draft FY'27 Budget as presented. Mr. Abdul-Malik seconded. The motion passed unanimously.
- Mr. Bell moved to adopt the proposed rate adjustments as presented. Mr. Abdul-Malik seconded. The motion passed unanimously.

**IX. FY'26 3<sup>rd</sup> Quarter Management Report**

Key Discussion Points

- Mr. Nardi presented the FY'26 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.
- Designs for the U.S. 278 Bridge Project are expected to be complete by Spring 2027.
- S.C. Department of Environmental Services was onsite this week to review the PSD's recycled water program.

**XI. Executive Session**

Action

- Mr. Bell moved to enter into executive session for the purpose of discussing contractual matters. Mr. Paterno seconded. The motion passed unanimously.
- Executive Session began at 10:28 a.m.

## **XII. Reconvene Regular Session**

### Action

- Regular session reconvened at 10:55 a.m.
- Mr. Bell moved to authorize the General Manager to sign the Interim Purchased Water Agreement. Mr. Abdul-Malik seconded. The motion passed unanimously.
- Mr. Bell moved to authorize the General Manager to retain legal counsel at his discretion to address Advanced Metering Infrastructure. Mr. Abdul-Malik seconded. The motion passed unanimously.

## **XIII. Adjournment**

### Action

- The meeting adjourned at 11:02 a.m.