

HILTON HEAD PUBLIC SERVICE DISTRICT

21 OAK PARK DRIVE– POST OFFICE BOX 21264
HILTON HEAD ISLAND, SOUTH CAROLINA 29925
TELEPHONE 843-681-5525 – FAX 843-681-5052

AUGUST 2026 AGENDA PACKET CONTENTS

1. Agenda for the August 26, 2026, Regular Commission Meeting
2. Draft Minutes of the July 22, 2026, Regular Commission Meeting
3. Memo from the GM on the Commissioner Education Session: Alternative Project Delivery Methods
4. General Manager's Monthly Report
5. FYI – SC Drought Response Committee Drought Declaration Status
6. Charts, Graphs and Water Quality Report



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www.hhpsd.com

AGENDA

Hilton Head Public Service District Commission
9 a.m.

August 26, 2026

PSD Community Room

21 Oak Park Drive, Hilton Head Island, SC 29926

- I. Call to Order & Freedom of Information Act Announcement
- II. Pledge of Allegiance
- III. Roll Call of Commissioners
- IV. Public Comment on Non-Agenda Items
- V. Adoption of Draft Minutes of July 22, 2026, Regular Meeting
- VI. Commissioner Education Session: Alternative Project Delivery Methods
- VII. General Manager's Monthly Report
- VIII. Executive Session:
 - A. Under S.C. Code 30-4-70 (a) (2) ("...receipt of legal advice...")
 - i. "Legal Advisory Memorandum" received August 3, 2026
- IX. Possible Action by Commission Concerning Matters Discussed in Executive Session
- X. Adjournment

***Public Comment will be taken before Commission vote on any action item.**



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MINUTES COMMISSION MEETING JULY 22, 2026

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

II. Those in attendance were:

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. Bill Davis	Operations Manager
Atty. Austin Coward	Wyche Law Firm
Atty. Will Cook	Wyche Law Firm

Mrs. Connie Whitehead	Commission Recording Secretary
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Absent:

Mr. Frank Turano	Chair
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Visitors:

None

III. Pledge of Allegiance

The Pledge of Allegiance was led by Mrs. Patti Soltys

IV. Public Comment on Non-Agenda Items

Key Discussion Points

- There was no public comment.

V. Adoption of Draft Minutes of June 17, 2026, Commission Meeting

Action

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

VI. General Manager Evaluation Timetable

Key Discussion Points

- Mr. Cutrer presented the draft FY'27 GM Evaluation Timetable. A copy is included in the agenda packet.

Action

- Mr. Bell moved to adopt the FY'27 GM Evaluation Timetable. Mr. Paterno seconded. The motion passed unanimously.

VII. Water and Sewer User Regulations Revisions Adoption

Key Discussion Points

- Mr. Nardi presented amended Water and Sewer User Regulations for review and consideration by the board.
- The revisions update regulations adopted in September 2024 and are intended to improve clarity, strengthen enforcement authority, address evolving operational needs, and continue the protection of PSD infrastructure.

Action

- Mrs. Soltys moved to adopt the amended Water and Sewer User Regulations. Mr. Abdul-Malik seconded. The motion passed unanimously.

VIII. Strategic Goals and Objectives

Key Discussion Points

- Mr. Nardi presented the current Strategic Goals and Objectives adopted July 23, 2025. The Board made three revisions:
 - Section 1.5 was revised to read, "Negotiate a new long-term Purchased Water Agreement", since an interim agreement has been achieved.
 - Section 3.1 was revised to begin with, 'Inform the public proactively...'
 - Section 3.3, dealing with climate change, was stricken.
- The Board discussed crafting a new PSD slogan/tag that would include "water."

Action

- Mr. Bell moved to adopt the Strategic Goals and Objectives as revised. Mr. Marks seconded. The motion passed unanimously.

IX. FY'26 Year-End Management Report

Key Discussion Points

- Mr. Nardi presented the FY'26 Year-End Management Report. A copy is included in the agenda packet.
- The ASR Well development is complete, and the 24-hour pump test is on track for late July or early August.
- At the Board's instruction, Mr. Nardi will draft a letter to the Beaufort County Legislative Delegation to voice the PSD's thanks for their role in moving forward House Bill 3768.

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. Executive Session

Action

- Mrs. Soltys moved to enter into executive session for the purpose of discussing contractual matters. Mr. Paterno seconded. The motion passed unanimously.
- Executive Session began at 9:46 a.m.

XII. Reconvene Regular Session

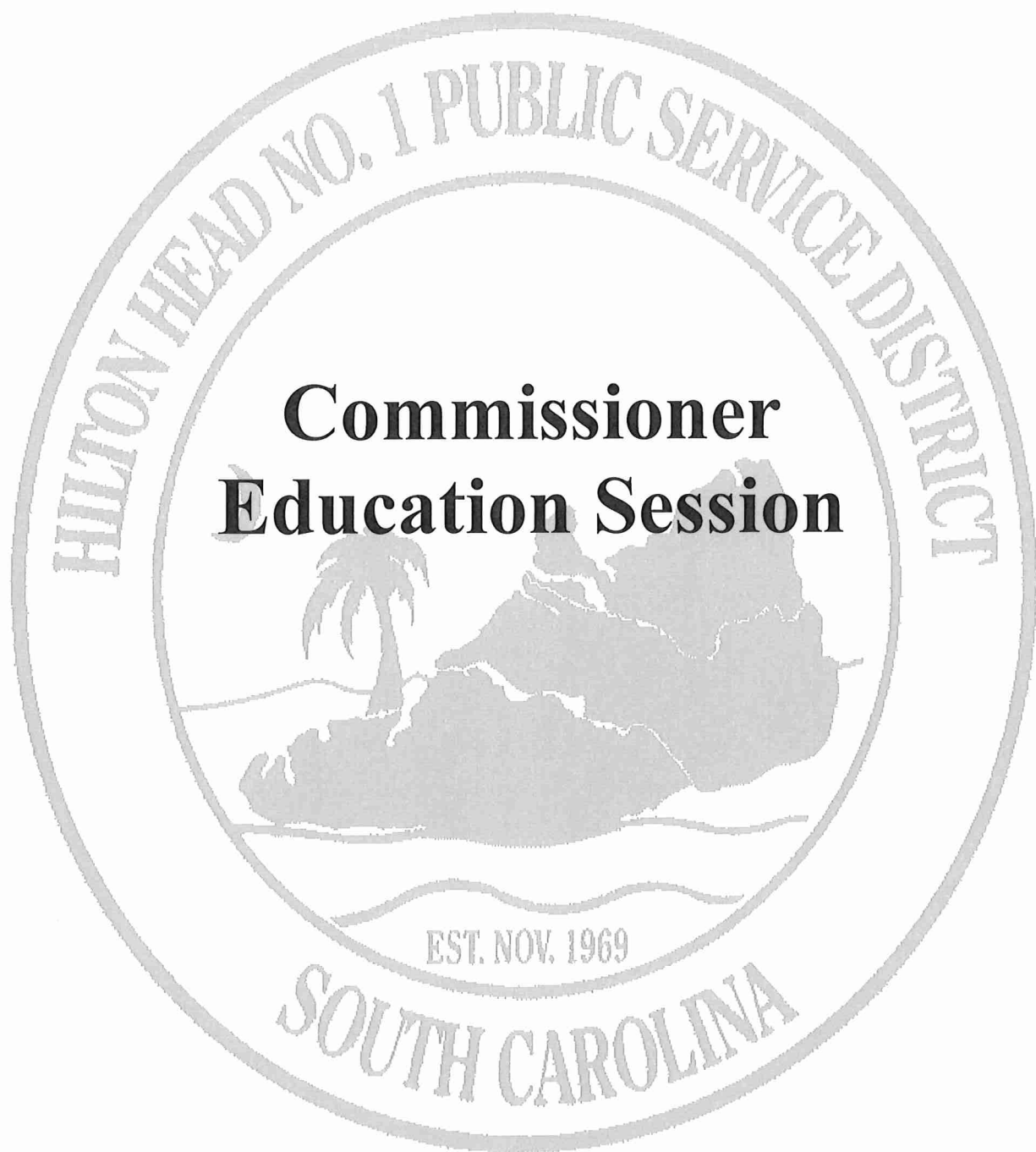
Action

- Regular session reconvened at 10:11 a.m.
- Mr. Bell moved to accept Goodwyn Mills Cawood's proposal for the Wastewater Treatment Plant Building Reconfiguration & HVAC Efficiency Study in the amount of \$46,500 and authorize the GM to execute the necessary agreement and related documents. Mrs. Soltys seconded. The motion passed unanimously.

XIII. Adjournment

Action

- Mr. Marks moved to adjourn the meeting. Mr. Abdul-Malik seconded. The motion passed unanimously. The meeting adjourned at 10:12 a.m.





(843) 681-5525

Hhpsd.com

To: All Commissioners
From: Pete Nardi, General Manager
Re: Commissioner Education Session: Alternative Project Delivery Methods

August 19, 2026

Dear Commissioners:

We will hold a Commissioner Education Session on Alternative Project Delivery Methods (aka "Collaborative Project Delivery") at the August Commission meeting. Adam Lawrence, Senior Business Development Manager, and Joe Capriola, Project Manager, for Harper General Contractors, will lead the presentation. Harper has served as the general contractor for the PSD's Reverse Osmosis Plant Expansion project. Alternative project delivery methods such as Construction Manager at Risk, and Progressive Design Build, are areas of interest for the PSD as it performs Capital Improvement Program projects.

As always, please do not hesitate to contact me with any questions.

Best regards,

A handwritten signature in black ink, appearing to read "P. Nardi", with a stylized flourish at the end.

Pete Nardi
General Manager
Hilton Head PSD
(843) 305-0638
pnardi@hhpsd.com



GM Monthly Report



To: Hilton Head PSD Commission
From: Pete Nardi, General Manager
Re: PSD Updates

August 19, 2026

Dear Commissioners, please see below the following updates:

- We are experiencing current demand of approximately 8 million gallons a day (mgd). Recent rainfall has helped shave peak demand.
- S.C. Infrastructure Investment Program (SCIIP) Projects Update:
 - **RO Plant Expansion:**
 - Project is substantially complete. We are completing relatively minor punch-list items.
 - Current RO Plant Expansion Project Finish Date: Nov. 2, 2026.
 - **RO Well #4:**
 - Site work for permanent equipment installation has begun.
 - Current RO Well #4 Finish Date: October 16, 2026.
 - **ASR Well #2:**
 - 24-hour test of well successful.
 - Current ASR #2 Finish Date: Dec. 9, 2027.* (*The general contractor is working with equipment manufacturers to move up the completion update.)
 - **Change Orders Pending:**
 - We are anticipating approximately \$200,000 in change order requests among all three projects. Approximately \$124,000 of the request is related primarily to unforeseen geologging activities in the ASR-2 and RO #4 production wells drilling. Geologging, which is the recording of rock and soil data from the aquifer layers, is necessary to find water zones, map aquifer layers, and ensure the integrity of the well casing as it is being placed. It is work that cannot be entirely anticipated until drilling actually begins and the hydrogeologist is examining the drill materials on site. Approximately \$76,000 of the request is related primarily to electrical and instrumentation and control improvements in the RO Plant that were identified as construction occurred and have been aimed at optimizing the plant's operation. The change orders represent less than 1% and approximately 1.5% of the respective construction contracts, which is well below average change order impact for construction in the 8-14% range. We will bring the request to the Commission's September meeting.
- **U.S. 278 Corridor Project:**
 - We have submitted a revised relocation design to the DOT based upon a July 28 meeting with them. Some key points:
 - The PSDs believe all of the relocation work is necessitated by the DOT's transportation project and as such is eligible for reimbursement under Act 36 (Utility Relocation Act) at

4.5% (jointly-owned) and 4% (Hilton Head PSD-solely-owned) of the “original construction **bid amount** of the transportation improvement project.”

- In addition to funding from Act 36, it is the PSDs’ expectation that the \$6.5 million in local funding pledged to the jointly-owned drinking water transmission pipeline via Joint Resolution of Beaufort County Council and Hilton Head Town Council on Feb. 24, 2025, remains available.
- Our design calls for relocating the existing jointly-owned water transmission pipeline under Mackay Creek by boring a new pipeline under the creek because we believe the new bridge construction and demolition of the existing bridge creates significant and unacceptable risk to the existing pipeline.
- The DOT, at the July 28, meeting, took the position that the existing pipeline under Mackay Creek can remain in place and that a new bore under Mackay Creek is therefore a “betterment” and thereby not eligible for reimbursement under Act 36. The PSDs have stated our disagreement with the DOT’s position. The DOT has not indicated any disagreement with the eligibility under the Act of other elements of the pipeline relocation expense.
- The total cost estimate for all relocations is \$18.1 million, which includes engineering and administrative costs. Of that amount, \$14.9 million is the cost estimate for the jointly-owned water transmission pipeline relocation.
- Of the \$18.1 million, \$2.05 million is estimated for Hilton Head PSD-only water relocations, and \$1.16 million is for Hilton Head PSD-only sewer relocations. To date, the DOT has indicated it agrees these costs would be covered under Act 36.
- We have informed multiple state and municipal elected officials of the potential financial impact on PSD customers if the DOT’s position on the Mackay Creek crossing is unchanged.

- **PSD tagline ideas:**

- At the July 2026 board meeting, the board discussed creating a new tagline for the PSD that includes the word “water.” The, seldom-used, current tagline is “We’re Always Working for You!” The tagline could be used in various PSD outreach materials/channels. Commissioner Patti Solty has provided the following ideas:

- *Coastal Preservation and Ecosystems*
- *Protecting the Lowcountry, One Drop at a Time*
- *Preserving Our Island, Protecting Our Water*
- *Pure Water for a Brighter Coastal Future*
- *Sustaining the North End’s Natural Flow*
- *Island Pride and Local Service*
- *Lowcountry Care, Clear Island Water*
- *Proudly Serving the North End Community*
- *Island Born, Lowcountry Trusted*
- *Dedicated to Hilton Head’s Health and Environment*
- *Innovation and Recycled Water Leaders*
- *Leading the Nation in Water Recycling, Serving Your Tap Daily*
- *Reclaiming, Recycling, and Refreshing Our Island*
- *Innovative Water Solutions for Our Coastal Community*

- **Commission Candidate Filing Closes:**

- The filing period for Commission candidates for the November General Election closed Aug. 17. The following candidates filed:

- District 1: Ibrahim Abdul Malik and Lola Campbell.
- District 5: Michael J Marks and Tim Smith.
- District 7: Frank Turano.
- **Commissioner Marks and GM presentation at Rotary Club of HHI:**
 - Commissioner Michael Marks and Pete Nardi gave a PSD “Water Resources Update” to the Rotary Club of Hilton Head on Aug. 13. The meeting had approximately 70 people in attendance. Commissioner Marks discussed PSD governance with the group and Pete provided a resource overview/projects update. The Rotary’s “Lowcountry Environmental Club” group had their Quench Buggy on site. The PSD is a partner in the Quench Buggy, providing water quality testing. The Buggy encourages people to use refillable bottles and drink tap water, reducing single-use plastic bottles. It is booked at many local events and operated by the club.



Pete Nardi with Bonnie Brill of the Rotary Club’s “Lowcountry Environmental Club” and their Quench Buggy.

- **PSD hosts Carolina Yards Workshop:**
 - More than 35 people attended our Carolina Yards Workshop on Aug. 6 presented by Clemson Extension Agents Ellen Sturup Comeau and Glen Payne. The workshop covers the nine principles of Carolina Yards and includes a hands-on demonstration of proper technique for collecting soil samples, which Clemson encourages as the starting point for any landscape planning/planting.



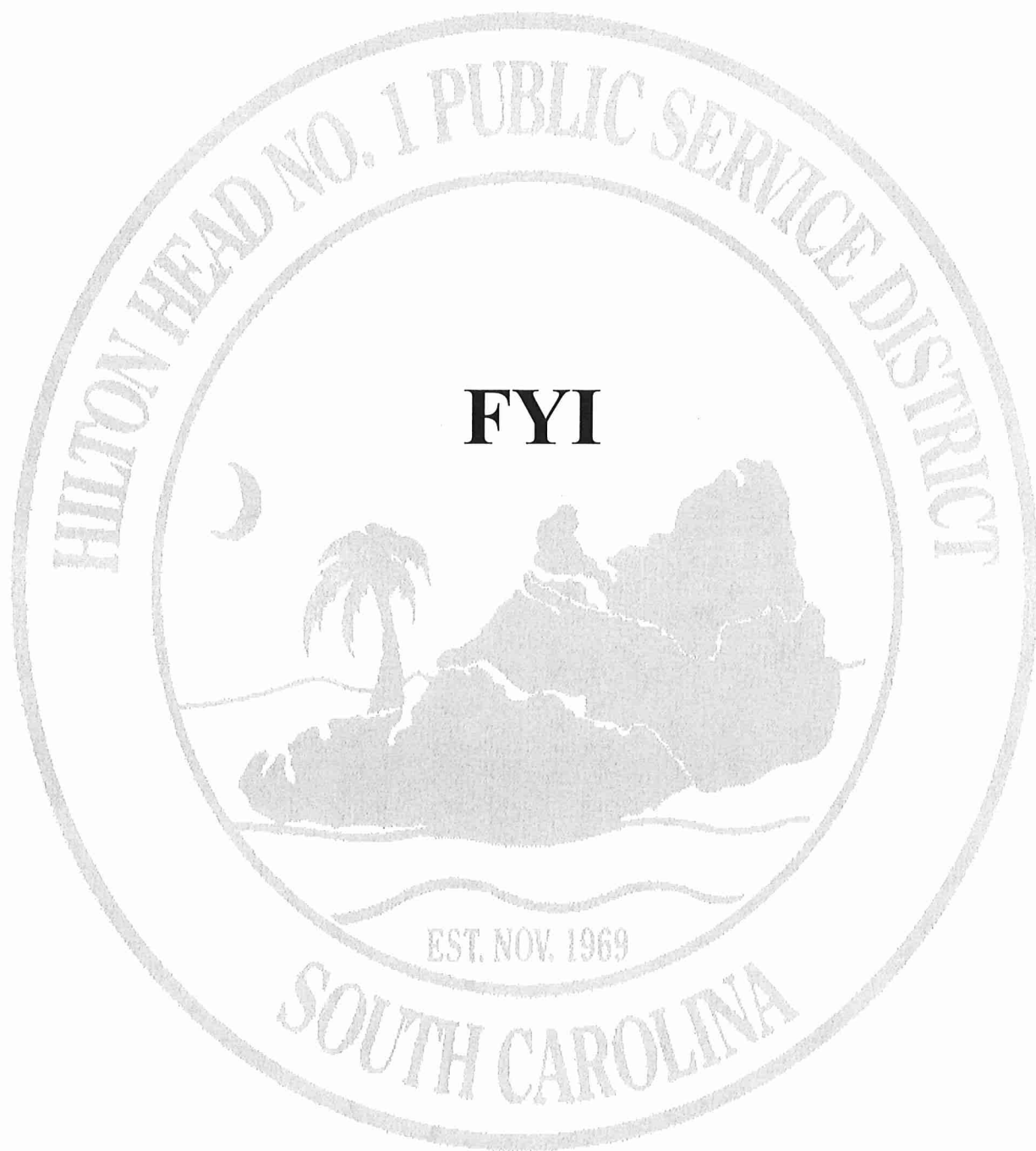
Clemson Urban Horticulture Agent Glen Payne explains soil collection technique in the PSD's palmetto tree stand at the Carolina Yards Workshop on Aug. 6.

As always, please do not hesitate to contact me if you have any questions.

All my best,

A handwritten signature in black ink, appearing to read 'P. Nardi'.

Pete Nardi
General Manager
Hilton Head PSD



FYI



TO: Public Water Systems
FROM: Hope Mizzell, Ph.D., S.C. State Climatologist, SCDNR
DATE: August 10, 2026
SUBJECT: S.C. Drought Response Committee Drought Declaration Status

Memorandum

The S.C. Drought Response Committee met via conference call on August 6, 2026. (See attached press release from Drought Response Committee meeting).

Three counties were downgraded to **incipient** drought: Abbeville, Anderson, and McCormick

Eighteen counties were downgraded to **moderate** drought status: Aiken, Barnwell, Beaufort, Cherokee, Chester, Chesterfield, Darlington, Dillon, Edgefield, Fairfield, Greenville, Kershaw, Lancaster, Marlboro, Oconee, Pickens, Spartanburg, and York

Seven counties were maintained in **moderate** drought status: Greenwood, Laurens, Lexington, Newberry, Richland, Saluda, and Union

Eighteen counties were maintained in **severe** drought status: Allendale, Bamberg, Berkeley, Calhoun, Charleston, Clarendon, Colleton, Dorchester, Florence, Georgetown, Hampton, Horry, Jasper, Lee, Marion, Orangeburg, Sumter, and Williamsburg.

Summer rainfall can be highly variable, even within a single county. Counties that were downgraded to incipient and moderate drought have experienced an improvement across drought indicators caused by more widespread rainfall.

The S.C. Department of Natural Resources (SCDNR) and the S.C. Drought Response Committee urge all water systems to review, update, and activate their Drought Ordinance and Plan as needed. Please send any ordinance or plan updates to drought@dnr.sc.gov. The SCDNR must review and approve all ordinance and plan updates.

The SCDNR collaborated with the SC Rural Water Association and several water systems around the State to develop a Drought Planning Guidebook that shares best practices and resources to help water systems update their plans and ordinances. You can access the guidebook at http://scdrought.com/pdf/Drought_Planning_Guidebook.pdf.

Please contact the S.C. Department of Environmental Services (SCDES) and the SCDNR if you activate your Drought Plan.

Contacts:

Joe Koon, Director of the Water Resources, SCDES, joseph.koon@des.sc.gov, 803-898-4210

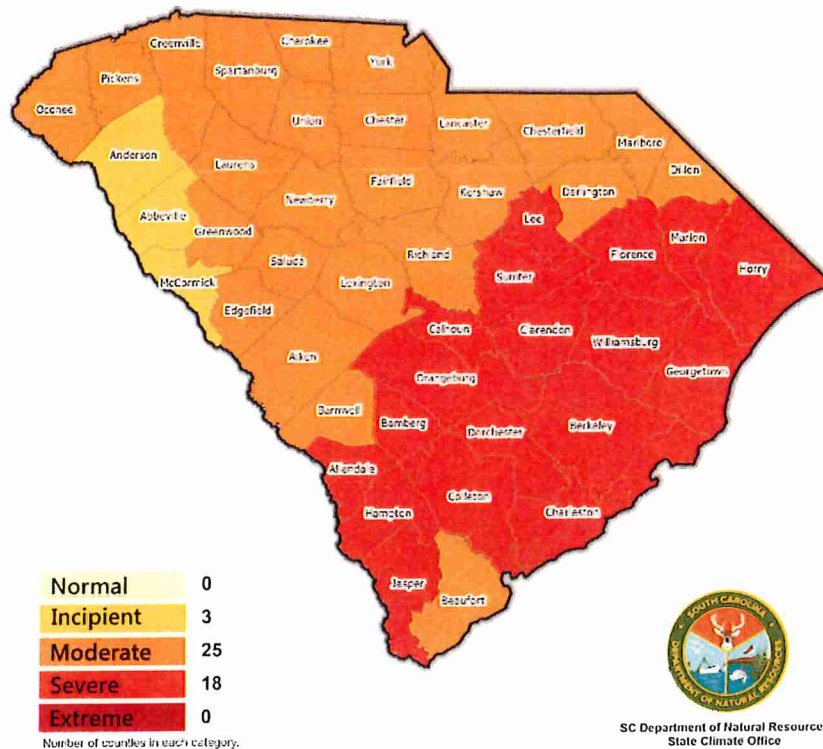
Hope Mizzell, S.C. State Climatologist, SCDNR, drought@dnr.sc.gov, 803-734-9568

The S.C. Drought Response Committee will meet again on September 8, 2026, to examine drought conditions. Additional drought information and resources are available at scdrought.com.

cc: Thomas S. Mullikin, PhD, JD, SCDNR Director
Tyler Brown, SCDNR Deputy Director, Land, Water and Conservation Division
Joe Koon, SCDES, Director of the Water Resources, Bureau of Water

Recent Rainfall Helps Ease Drought Conditions Across South Carolina

Drought Status: 08-06-2026



The South Carolina Drought Response Committee (DRC) met on August 6, 2026, to evaluate statewide drought conditions. The DRC serves as the state's primary drought decision-making body and determines drought severity levels as outlined in the S.C. Drought Response Act, which helps protect the state's natural resources. The Act establishes four drought levels: incipient, moderate, severe, and extreme.

The DRC reviewed all drought indicators and determined that rainfall received over the past five weeks was sufficient to downgrade drought classifications in 21 counties.

Abbeville, Anderson, and McCormick counties were improved to **Incipient** drought status. Aiken, Barnwell, Beaufort, Cherokee, Chester, Chesterfield, Darlington, Dillon, Edgefield, Greenville, Greenwood, Fairfield, Kershaw, Lancaster, Oconee, Pickens, Spartanburg, and York counties were downgraded to **Moderate** drought status. Eighteen counties remain in **Severe** drought status.

Rainfall since July has improved drought conditions across the state; however, in counties remaining in **Severe** drought, recent summer downpours have not been enough to overcome a 10-month rainfall deficit that contributed to declining groundwater levels, streamflow, and lake levels.

Some locations have received more rainfall during the past five weeks than they received throughout March, April, May, and June combined. However, sustained improvements in groundwater levels and streamflow have not yet occurred in the counties that remain in **Severe** drought.

Station	March – June Rainfall Total	July – Aug 7 Rainfall Total
Allendale 1.7 SE	7.56"	8.00"
Charleston Airport	6.20"	7.84"
Darlington 7.5 SSW	6.82"	7.73"
Myrtle Beach Airforce Base	6.47"	11.01"

Summer rainfall can also be highly variable, with some locations within the same county receiving several inches of rain from a single thunderstorm while others receive little to no rainfall just a few miles away. Since July 1, rainfall totals in Charleston County have ranged from 15 inches in Mount Pleasant to only 2.63 inches on Edisto Island.

It can be challenging to understand why drought conditions persist when grass is green and rainfall has been normal to above normal in recent weeks. However, recovering from a hydrologic drought can take months, not just a few weeks. Recharging groundwater resources is especially challenging during the hot summer months because at least one inch of rainfall per week is needed simply to offset losses from evaporation. Areas downgraded to Incipient and Moderate drought status have experienced more widespread rainfall and significant improvement across drought indicators, including groundwater levels and streamflow.

During July, the Forestry Commission responded to 192 wildfires that burned more than 1,516 acres, well above the 10-year average. Since more widespread rainfall began in early August, fuel moisture levels have improved, and wildfire activity has returned to more typical levels. While conditions have improved, some areas along the coast remain dry, and residents should continue to burn with caution and follow all applicable state and local outdoor burning regulations.

The Committee also received encouraging reports from farmers that recent rainfall has improved crop conditions. Farms with irrigation systems reported that ponds have, in some cases, finally regained enough water to operate irrigation pumps for the first time in more than a month. However, continued normal rainfall will be needed for crops to fully recover and maintain growth.

According to the South Carolina Department of Environmental Services, 50 water systems are still requesting voluntary water conservation, and 16 water systems are requiring mandatory water restrictions.

Water systems in the Keowee-Toxaway Basin and Catawba-Wateree Basin will continue complying with the Stage 2 Low Inflow Protocol (LIP), which requires mandatory water restrictions. As part of Duke Energy's hydro relicensing process, LIPs were established to monitor and reduce water consumption during periods of low rainfall and declining reservoir or river storage within these basins.

The S.C. Drought Response Committee will continue to closely monitor conditions and will reconvene on September 8, 2026. For more information about the DRC and the South Carolina Drought Response Program, visit scdrought.com.

Cheyenne Twilley

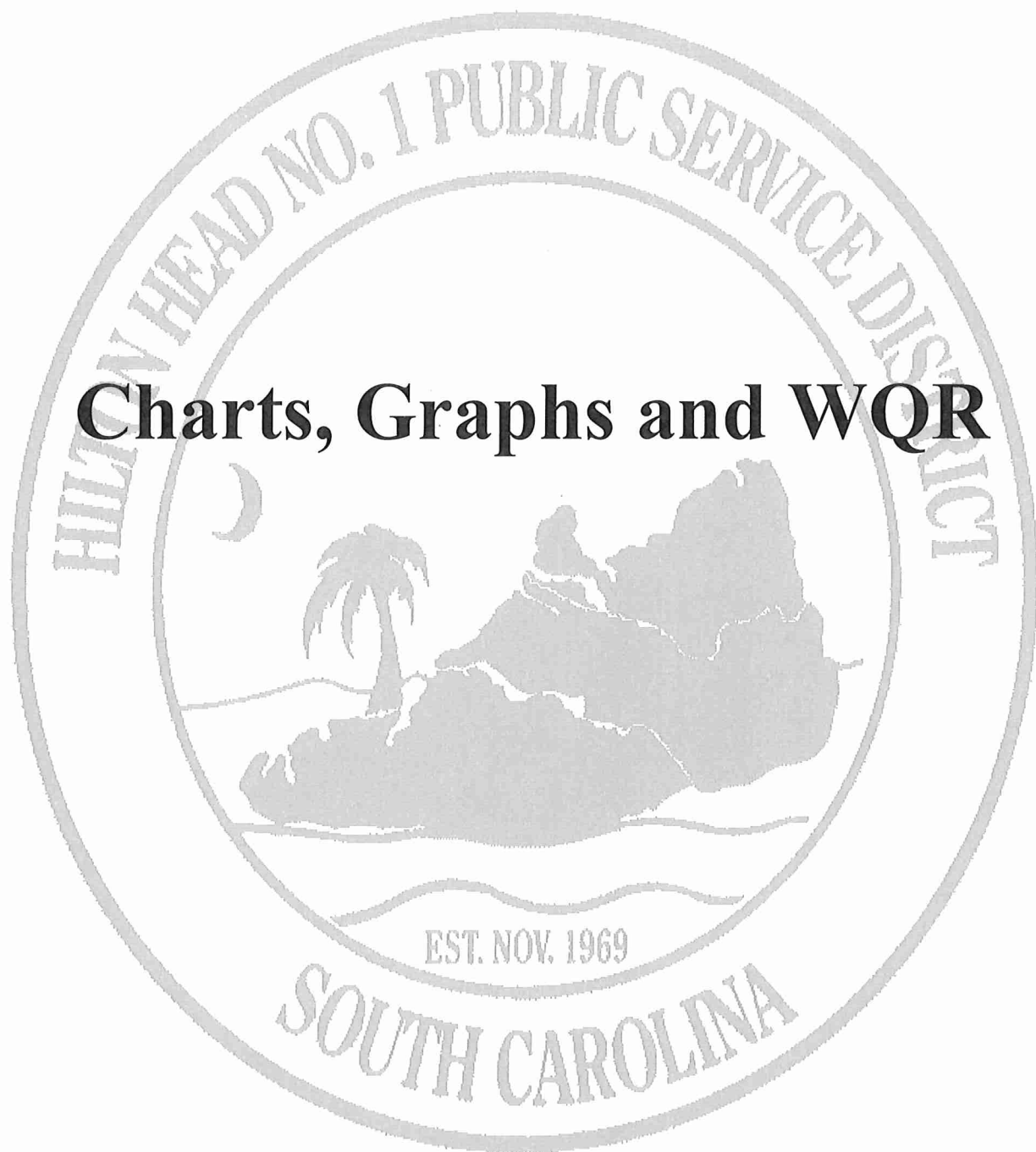
Chief of Education, Outreach, and Information

South Carolina Department of Natural Resources

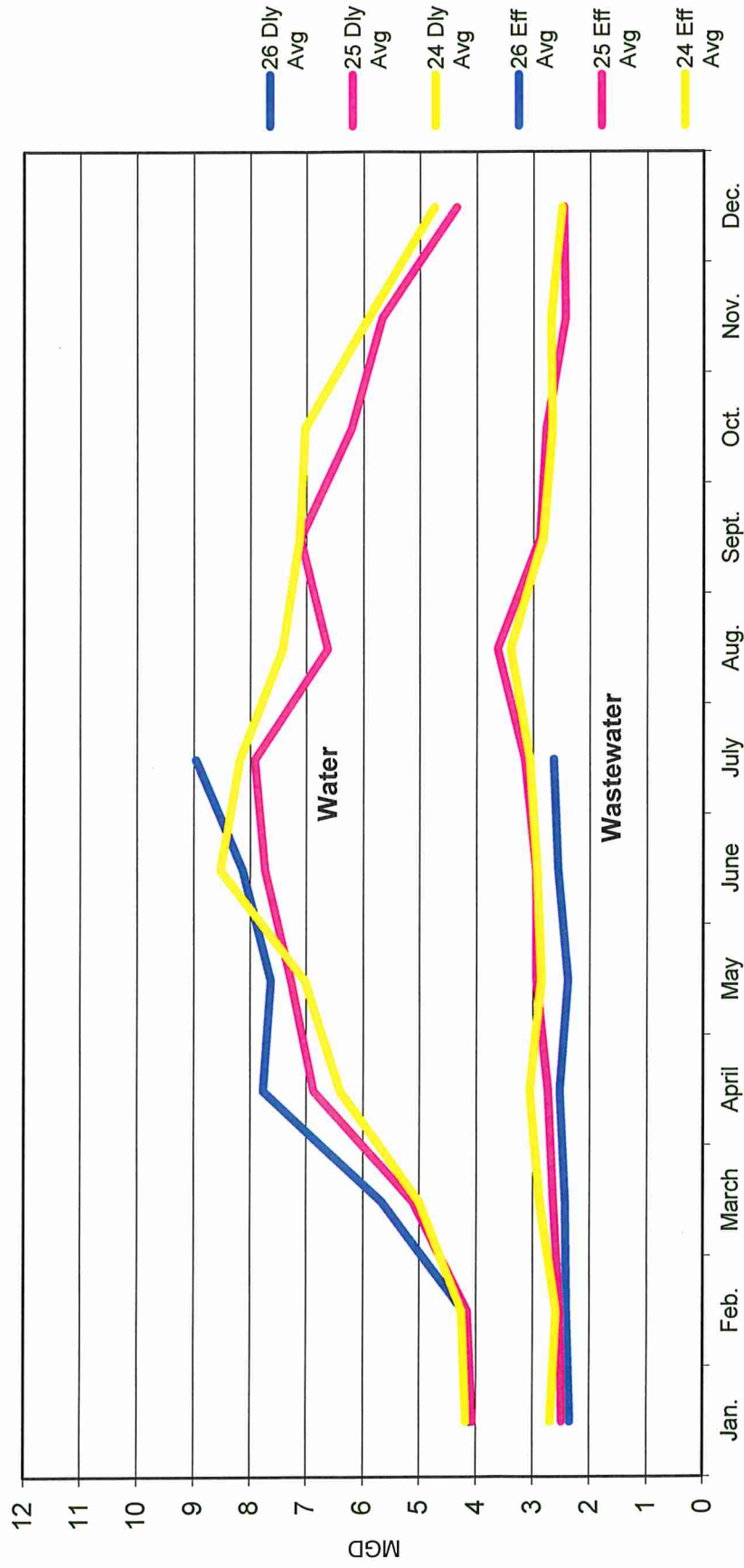
TwilleyC@dnr.sc.gov

260 D. Epting Lane, West Columbia, SC 29172

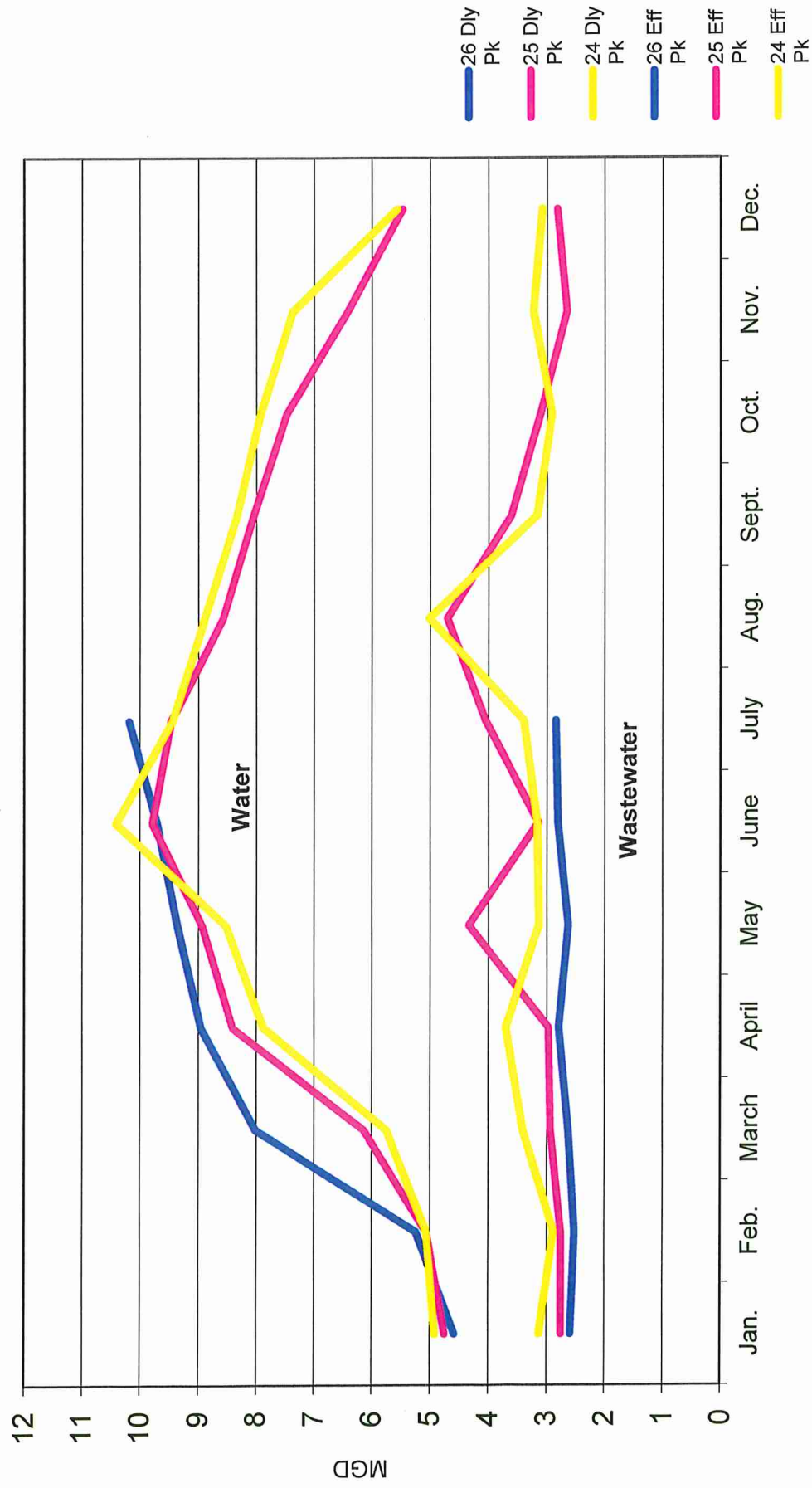
Charts, Graphs and WQR



Water and Wastewater Average Flows



Water and Wastewater Peak Flow





Jul-26
Monthly Water Quality Report

Source	MG Per Month												% of Supply YTD
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
Purchased	0.00	2.42	40.80	64.28	37.44	49.15	64.05						258.14
RO Plant	110.92	104.11	97.90	86.82	116.57	112.78	116.09						745.19
UFA Wells	14.05	14.18	26.93	36.72	33.73	34.95	41.97						202.53
ASR Recovery	0.00	0.00	5.60	35.97	42.51	40.32	43.91						168.31
Total	124.97	120.71	171.23	223.79	230.25	237.20	266.02						1374.17
													100.0%

System-wide Water Quality Testing

Type of Test	Results by Month											
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Bacteriological	PASS	PASS	PASS	PASS	PASS	PASS	PASS					
Chlorine (avg)	2.1	2.26	2.35	1.97	2.10	1.44	1.35					
Ph (avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
Disinfection By-products (DBPs) (qtrly.)	In Compliance			In Compliance			In Compliance			In Compliance		
Hardness (range)	11 - 121 (WINTER - NO WELLS)			14 - 260 (SUMMER - WELLS/ASR ON)			(WINTER)					

Supply-specific Water Quality Ranges for This Month				
Supply	Average Chlorine Residual	Within Acceptable Range? (Y/N)	Average Chloride Level (ppm)	Average Hardness (ppm)
BJWSA (supply)	1.55	Y		
RO Raw Water MFA Wells (range)	n/a	Y		
Finished RO Water	2.95	Y		
Fire Station UFA	1.65	Y		
Leg O' Mutton UFA	1.70	Y		
Wild Horse UFA	1.30	Y		
Seabrook UFA	1.50	Y		
Union Cemetery UFA	1.51	Y		
ASR (recharged)	2.00	Y		

Customer Inquiries

Type of Inquiry	Number of Inquiries	Resolved?	Comments
Low Pressure	14	y	
Customer break/leak	16	y	
PSD break/leak	28	y	
Water Outage	7	y	
Odor/Taste/Color	1	y	
Miscellaneous	95	y	
Sewer issues & Inspections	27	y	
Total	188		

Other Water Quality Notes for This Month
7/09/2026 - Changed cartridge filters