

**Minutes of the Board of Commissioners
East Sevier County Utility District
Thursday, May 28, 2026**

The regular monthly meeting of the Board of Commissioners of the East Sevier County Utility District ("the District"), was held at the Sevierville Civic Center, 200 Gary R. Wade Boulevard, Sevierville, Tennessee 37862 on Thursday, May 28, 2026, at 5:00 p.m. Commissioners present were President Lisa Hawthorne and Secretary/Treasurer Louie Fromm. Commissioner Barnett was absent. Others present were Nathaniel Allsup and Adam Hale, of Tennessee Utility Assistance, LLC ("TUA"), Karen Spence, District employee, and Gavin Smelcer of Owings, Wilson & Coleman, General Counsel for the District.

President Hawthorne called the meeting to order at 5:00 p.m.

Roll Call

President Hawthorne declared a quorum.

Approval of Minutes of Prior Meetings

The Minutes of the Board of Commissioner's meeting of Thursday, April 23, 2026, were presented. Commissioner Fromm moved to approve the Minutes. The motion was seconded by Commissioner Hawthorne and carried.

Announcements

There were no announcements.

Review of Financials

Mr. Allsup presented the District's most recent financial statements. Mr. Allsup pointed out that the District's current net income was negative \$38,440.53, and that the District's largest line item expenses were "Repairs & Maintenance" and "Sewer Supplies," noting that a lot of repairs and maintenance is being performed on off-site systems.

Report from General Manager

Mr. Allsup presented the General Manager's report. Mr. Allsup reported on the following events and ongoing matters:

- Mr. Allsup and Mr. Hale reported that work has been completed at the Preserve; a new meter has been installed at the treatment plant/pump station to measure capacity. It is reported that 35-40 new homes are being constructed.
- Mr. Allsup and Mr. Hale reported that three (3) new "will serve" and new meters were going in at Timberlake Bay off-site system.

- Mr. Allsup and Mr. Hale reported that the “Amazing Grace” off-site system was online.
- Mr. Allsup and Mr. Hale reported that Sevier County had adopted new rules and regulations regarding new off-site systems and construction. Commissioner Fromm suggested that these new rules and regulations be posted and/or referenced on the District’s website. It was reported that developers will still be required to obtain District approval for a perc test. Further discussion was held regarding whether the new rules and regulations will change how the District issues “will serve” letters.
- Mr. Allsup and Mr. Hale reported that the District has action plans in place regarding the outstanding notices of violation from the Tennessee Department of Environment and Conservation (TDEC); however, the District currently does not have the funds to implement the action plans. It was reported that, as long as the District had action plans in place, the District will not be continuing to accrue fines and penalties with TDEC. Mr. Allsup and Mr. Hale further reported that the District has completed all necessary paperwork regarding the state operating permits (SOPs) for these sites; however, the District does not have the funds to pay to have the SOPs approved, and District management is working on getting the fees waived by the Tennessee Comptroller’s office.
- Mr. Allsup and Mr. Hale reported that District staff are working on Sherwood site to get the drip fields accessible. Mr. Allsup and Mr. Hale also reported that the District has obtained four (4) quotes regarding repairs to the lift station at English Mountain. It is estimated this will cost ~\$100,000.00.
- Mr. Allsup and Mr. Hale reported that they have spoken with Aaron Crenshaw, engineer at Ardurra, regarding the wells. The District is awaiting information from Mr. Crenshaw.

Unfinished Business

There was no unfinished business.

New Business

Mr. Allsup and Mr. Hale presented the proposed resolution and attached budget for the District for the upcoming fiscal year stating July 1, 2026. Extensive discussion was held concerning the proposed budget and the requirement that the District adopt a budget prior to the start of a new fiscal year.

Commissioner Fromm moved to approve the proposed resolution and attached budget. The motion was seconded by Commissioner Hawthorne and carried.

Commissioner and Staff Comments:

Ms. Spence reported that new court dates (June 9 and July 7) have been obtained for the individuals cited in connection with the vandalism of the District's main office.

Commissioner Fromm stated that the District needed to get the truck out from Well F.

Hearing from District Customers: A customer addressed the Commissioners with concerns and comments regarding water pressure at this residence. District personnel will be sent out to investigate.

There being no further business, Commissioner Fromm moved to adjourn. The motion was seconded by Commissioner Hawthorne and carried. The meeting was adjourned at 5:35 p.m.

Respectfully submitted,



Louie Fromm, Secretary