

**Minutes of the Board of Commissioners
East Sevier County Utility District
Thursday, June 25, 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, June 25, 2026, at 5:00 p.m. Commissioners present were President Lisa Hawthorne, Secretary/Treasurer Louie Fromm, and Commissioner Dan Barnett. Others present were Tim Ham and Nathaniel Allsup, 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 5:03 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, May 28, 2026, were presented. Commissioner Barnett moved to approve the Minutes. The motion was seconded by Commissioner Fromm and carried unanimously.

Announcements

There were no announcements.

Review of Financials

Mr. Ham reviewed the District's financials with the Board, reporting that the District had paid off its creditors, that the District's net income for the month was -\$6,838.56 (-\$214,339.73 yearly). Mr. Ham reported that these figures are much better than where the District was two (2) years ago.

Report from General Manager

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

- Mr. Ham reported that the District has made an effort to obtain a certified wastewater employee for the District; however, that effort has not worked out so far. Mr. Ham stated that, for the time being, the District is going to use Nathaniel Allsup's wastewater license for the District and off-sites maintained by the District. Mr. Ham also noted that he will be re-engaging more with the District in the coming months.
- Mr. Ham reported that he spoke with the 4th Judicial District Attorney's Office recently regarding the pending criminal matter concerning vandalism of the District's main office.

- Mr. Ham reported on the District's off-site systems. Mr. Ham noted that the District's off-site systems are very expensive to operate; the systems are no longer new and maintenance and repair costs are catching up with the District. Mr. Ham reported that, for example, ~\$60,000 was spent by the District last month and ~\$55,000 this month on the District's off-site systems alone. The District's long-term goal will be to eliminate the District's responsibility for these off-site systems and devote the District's funds and resources to the customers within its boundaries. Mr. Ham reported that District personnel will no longer be going to these off-site systems; the District has brought in Landon Duckett and his crew for help. Mr. Ham loosely estimates that it will take ~\$3M to bring the District's twelve (12) off-site systems into compliance. Mr. Ham also reported that District personnel are looking at other ways and means to generate funds to maintain and repair the systems. Finally, Mr. Ham reported that the Preserve was moving to volumetric billing next month.

Unfinished Business

There was no unfinished business.

New Business

There was no new business.

Commissioner and Staff Comments

Commissioner Fromm commented that the District should consider the option of going with paperless statements/billing, noting that it would save the District money in printing costs. Karen Spence reported that some customers have already signed up for paperless statements/billing, but other customers will not accept online statements.

Hearing from District Customers

There were no customers present to address the Board.

There being no further business, Commissioner Fromm moved to adjourn. The motion was seconded by Commissioner Hawthorne and carried. The meeting was adjourned at 6:11 p.m.

Respectfully submitted,



Louie Fromm, Secretary

Water Service Agreement:

The Applicant hereby applies for water service at the above address and agrees to pay for it as measured by the System's meters, according to the Systems Standard Rules and Regulations.

ESCUD shall have the right to inspect any installation before water service is introduced, or at any time and reserves the right to reject any plumbing not in accordance with ESCUD'S standards/policies.

The Applicant agrees to be responsible for all water consumed upon the premises from date of installation, and to permit authorized agents of the System free access to the premises of the consumer for the purpose of inspecting, reading, examining, or removing meters or other properties belonging to the System/ESCUD.

The Applicant shall provide the necessary space on or in the premises for the location, safe keeping and protection of pipes, devices, meters, and meter boxes. The Applicant sees that the meter and meter box can be accessible to the meter readers or other employees of ESCUD.

Applicant agrees to keep and maintain clear and accessible access to meter box/tap. Applicant is responsible for any injury an ESCUD employee or contractor working on behalf of ESCUD incurs due to lack of negligence on maintaining proper access to property.

The Applicant is forbidden to interfere with or allow others to interfere with the company's meter or other appliances.

Failure to pay monthly charges will result in water being shut off and meter locked. Tampering with meter and/or turning water back on will result in criminal charges.

Signature

Date