

**NOTICE TO USERS OF THE SYSTEM AND REQUEST FOR PUBLIC COMMENT ON
LOAN APPLICATION TO THE
STATE OF UTAH, DIVISION OF DRINKING WATER**

The Green Hills Country Estates Water and Sewer Improvement District (the “*District*”) has applied to the State of Utah, Division of Drinking Water (“*State Agency*”) for a loan (the “*Loan*”) to finance a portion of the cost of the acquisition, construction and completion of improvements to the District’s water and sewer system (the “*System*”), including installing a new pump house and associated piping, upgrading the SCADA system, and installing a multimedia filtration (collectively, the “*Project*”).

On May 16, 2023 the District was authorized \$926,000 in the form of a repayable loan to finance the Project. Subsequently on June 25, 2024, the District received additional authorization from the Division of Drinking Water increasing the repayable loan to \$1,179,000. The District requested this increase in Loan authorization in order to pay for cost increases associated with the increased complexity in the design solution, size of the building, a new requirement to treat for gross alpha, as well as general cost growth being experienced in the marketplace.

The Governing Board of the District (the “*Board*”) has determined that the Project is necessary to provide a reliable water source for the health, safety and welfare of the District’s customers as well as to comply with the Utah Division of Drinking Water Amended Compliance Agreement Enforcement Order Green Hills Country Estates Water and Sewer Improvement District UTAH29053.

Security for the Loan would be provided through the sale of a non-voted revenue bond (the “*Bond*”) to the State Agency. The Bonds will be issued in an amount not to exceed \$1,200,000, which amount will be repaid to the State Agency over a period of 30 years with an interest rate of 1.00%. Payments will be made from the net revenues of the System. The District implemented an initial increase in water and sewer rates in January of 2024 consistent with amounts set forth in the rate increase notice letter sent out October 4, 2023. It is further expected that the District’s water and sewer rates will increase in 2025 consistent with the amounts set forth in the rate increase notice letter as adjusted for the additional \$253,000 of new debt.

It is the policy of the State Agency to provide a 15-day period for public comment prior to the purchase of any non-voted revenue bonds. In this regard, the Board is soliciting the comments of the users of the System (either favorable or negative). Interested individuals are encouraged to response *in writing* before August 20, 2024. All written comments received prior to that date will be reviewed by the State Agency prior to the final decision on whether to proceed with the Bond purchase. Comments should be addressed either to the District or the State Agency:

Green Hills Country Estates Water
and Sewer Improvement District
PO Box 453
Huntsville, Utah 84317

or

Drinking Water Board
P.O. Box 144830
Salt Lake City, Utah 84114-4830

In addition, the District will hold and conduct a public hearing during a public meeting that is to begin at 6:30 p.m. on August 26, 2024. The public hearing will be held at the Huntsville Library, 131 South 7400 East, Huntsville, Utah 84317 as well as virtually via <https://us02web.zoom.us/j/89858869627?pwd=TtOgGUtt7TFiEfZUJm0AgS6HDS0Pk0.1>. All members of the public are invited to attend and participate in the public hearing.

Thank you for your consideration in this matter.

Sincerely,

GREEN HILLS COUNTRY ESTATES WATER AND
SEWER IMPROVEMENT DISTRICT, UTAH

By 
Natalie Davenport, Clerk/Secretary