Nov 18, 2025 Board Meeting Minutes
PUBLIC HEARING
Green Hills Country Estates Water & Sewer District [PBA the District]

7:00 p.m. via Zoom or in Person @ Huntsville Library

Board members present: Gary Hebert, Greg Liddell, Natalie Davenport
District members present: Jacques Behar, Don Kelly, Kevin and Angela Redding
Others in attendance: Diane O'Connell, Thom Summers

Call to Order

- **President Gary Hebert called the meeting to order.**

Approval of Previous Minutes

Natalie Davenport noted that the October 2025 meeting minutes had not yet been distributed to board members for review.

Motion: Natalie Davenport moved to table approval of the October 2025 meeting minutes until the next regular meeting.
Second: Greg
Vote: Gary Hebert – Aye, Greg – Aye, Natalie Davenport – Aye

Monthly Disbursements

Diane presented the October 2025 disbursements and reviewed the major items, including:

- Contract payments for General Manager and Board Secretary
- Credit card charges (QuickBooks, Google Drive, office supplies)
- Board stipends for Q3
- Weber Basin backflow testing
- ChemTech laboratory testing (gross alpha, beta, radium, RADS)
- Administrative support services
- Website hosting
- Rocky Mountain Power utilities
- Customer bottled water reimbursement
- Excavation and road base repairs
- Printforward water quality testing

Motion: Natalie Davenport moved to approve the October 2025 disbursements as presented.
Second: Gary Hebert
Vote: Gary Hebert – Aye, Greg – Aye, Natalie Davenport – Aye

Quarterly Financial Report (Q3 2025)

Diane presented the Q3 2025 Profit & Loss report, comparing actual revenues and expenses through September 30, 2025, against the adopted 2025 budget.

Key points included:

- Operating revenues approximately $4,500 higher than forecast
- Lower-than-expected excess water usage revenue due to conservation
- Higher-than-projected water sampling and maintenance costs
- Contract labor expenses lower due to delayed General Manager hiring
- Administrative expenses below budget, largely due to reduced audit requirements
- Overall net operating income ahead of forecast due to one-time timing factors

No board action was required as this was a reporting item only.

Public Hearing – Proposed 2026 Budget

Natalie Davenport presented the **proposed 2026 budget**, outlining the methodology and guiding principles used in its development, including:

- Expense-based budgeting approach
- Reduced reliance on excess water usage fees
- Avoidance of the 40% rate increase previously projected in the rate study
- Transparency and public participation

The proposed budget includes:

- Anticipated end of bottled water reimbursement program upon treatment plant commissioning
- Proposed hookup fee increases to $13,000 (water) and $8,000 (sewer)
- New operating costs associated with the Maple treatment plant (chemicals, utilities, insurance)
- Increased professional and legal fees in anticipation of potential mediation related to treatment plant delays
- Capital projects including cellular meter replacement and hydrant repairs
- Loan principal and interest payments beginning in 2026
- Required capital facility and debt service reserve funding

The board noted that approximately 70% of the treatment plant loan principal has been forgiven by the State.

Public Comment – Proposed 2026 Budget

President Hebert opened the floor for public comment on the proposed 2026 budget.

Mr. Behar commended the board for its budgeting approach and asked the following questions:

> "There was a plant that had started to be put in and then it was torn out. I'm sure there was a cost on both ends of that. Who was responsible to get the permits — was that the board's responsibility or the contractor's responsibility?"

> “We recently had a problem with the Maple pipe. I understood that it wasn’t properly sanitized. Can you comment on that?”

Responses were provided by Natalie Davenport and General Manager Tom Summer, clarifying that:

- Legal expenses reflect potential mediation only if it is financially prudent for the District
- The Maple well issue was caused by a perforated internal well pipe and casing failure, not contractor error or improper sanitization

Mr. Kelly stated that this was his first opportunity to review the proposed budget and asked for clarification on several budget increases, including:

> “We’ve got contract labor for water going from 2024 to 2026 with a $38,000 increase — can you explain that?”
>
> “Utilities are expected to increase by about $6,000. That seems like a lot — can you explain why?”
>
> “There’s an increase in contract labor for the office from last year to 2026. That’s a significant jump — what’s driving that?”
>
> “Professional fees for accounting and audit seem high, especially given that the audit requirement ended up being less than expected. How does that reconcile?”

Board members and staff explained:

- Treatment plant operations require higher certification levels, additional labor, and daily operational oversight
- Utilities are projected to increase due to 24/7 operation of the treatment plant
- Administrative staffing increases allow the board to focus on governance rather than day-to-day operations
- Audit costs were adjusted downward, while legal and professional fees were increased to reflect potential mediation and inflation

Adjournment:

- Natalie Davenport made a motion to move to hold a Closed Meeting.
- The motion was seconded.
- **Vote:** All in favor ("Aye").

Reviewer	Status	Notes
Treasurer Green Hills	Not started	
Greenhills Water	Not started	
Gary Hebert	Not started	
Secretary GreenHills	Approved	