

**MINUTES OF THE GENERAL MEETING
and
PUBLIC HEARING
OF THE BOARD OF TRUSTEES OF THE
KANE COUNTY WATER CONSERVANCY DISTRICT
HELD AT THE DISTRICT OFFICE
725 EAST KANEPLEX DRIVE
KANAB, UTAH 84741
APRIL 11TH, 2024**

The general meeting and public hearing of the **BOARD OF TRUSTEES OF THE KANE COUNTY WATER CONSERVANCY DISTRICT** was held at the Kane County Water Conservancy District (KCWCD) Office, Kanab, Utah on the 11th day of April 2024 at 6:00 P.M. Board of Trustees Chairman Ben Clarkson welcomed the board members.

THE MEETING OPENED WITH THE PLEDGE OF ALLEGIANCE: The board members and employees of the KCWCD participating in the meeting were: Board Chairman Ben Clarkson, and board members, Michael East, McKay Chamberlain, Mike Kenner, David Schmuker, Ferril Heaton and Clay Hansen participated by phone. KCWCD management and staff in attendance included: General Manager, Michael Noel, and Office Manager Amanda Buhler. Contract employees in attendance included Dirk Clayson, Jennifer Stewart, and KCWCD Attorney Rob Vandyke. In addition, Commissioner Patty Kubeja, representing the Kane County Commission, Vern Malloy representing Sunrise Engineering and Pat Guerrero representing Kane County Chamber of Commerce. **Members of the Public Attending the Meeting:** No additional public attended the meeting.

AGENDA ITEM NO. 1: APPROVAL OF MINUTES:

MOTION: David Schmuker motioned to approve the March 14th, 2024 minutes. McKay Chamberlain seconded it. The vote was unanimous in the affirmative.

AGENDA ITEM NO. 2: FINANCIALS:

(a) Amanda Buhler, KCWCD office manager, and General Manager Mike Noel reported on the financials, including assets, liabilities, and the financial balance sheets. The State Bank of Southern Utah Enterprise checking account shows -\$144,338.16 (not actual number) and the various Public Treasurer's Investment Funds (PTIF) balances total \$2,130,409.58. The district is holding \$168,054.42 in checks for reimbursement. The actual current balance of the checking account is \$23,716.26. The income statement shows we are about 75% through FY 2023/2024. We have collected 84% of the projected budgeted water fees for FY 2023-2024.

(b) Amanda Buhler reviewed the check register with the board and called attention to various key transactions on the register. In FY 2022-2023, there were 46 new connections installed in the Johnson Canyon system and 20 new connections in the Duck Creek system. New connections updated as of today are 19 connections in the Johnson Canyon system and 10 connections for Duck Creek water system and 1 for Eastern Kane water system.

(c) Amanda reported that we received a tax disbursement today from the Kane County Treasurer, and we are currently a little over 100% of the total tax disbursements which totals \$1,042,000 and we still have three more disbursements to receive this year. The board members reviewed and signed off on the checking account register. Amanda asked all attending board members to sign the two bank statements that she provided to them. Ben thanked Amanda and Katy for sending financials to him and Clay in a timely manner.

MOTION: Michael East made a motion to approve the financial statement, check register, payment of bonds and bills, and check #s 18696 through 18758. Ferril Heaton seconded it. The vote was unanimous in the affirmative. The board considered all of the financial numbers correct as of April 11th, 2024 presented at the April 11th, 2024, meeting.

Enterprise Fund – Checking # 5110788	\$ - 144,338.16
PTIF Enterprise - #3697	\$ 76,200.62
PTIF Muni Escrow- #3891	\$ 261,460.82
PTIF Stabil.Cap./Replacement - #3889	\$ 399,212.67
PTIF Total Bond/Res. Accts.	<u>\$ 2,130,409.58</u>
Sub-Total Checking/Savings	\$ 2,722,945.53
Accounts Receivable	\$ 619,718.91
Total Other Current Assets	<u>\$ 354,362.49</u>
Balances/All Funds	\$ 3,697,026.93

AGENDA ITEM NO. 3: JACKSON FLAT RESERVOIR AND KANAB IRRIGATION COMPANY COORDINATION:

(a-b) Jackson Flat Reservoir water update: Mike reported we're still at full capacity and we've been able to put water in as some Irrigators are using some of the water. We're pumping approximately 700 GPM, which is almost double the capacity from what it was last year. The long term solution would be a new booster pump would allow for more capacity during the growing season. Mike asks McKay if he would talk to Norris Brown about the benefits of a booster pump.

(c) Maintenance Building Report: Mike reported the maintenance building is almost completed including the bathrooms.

(d) Secondary metering project: Mike reported all the meters are in and there was a meeting today where we discussed how we would connect all the new meters. Mark and Roger set up a way using a flexible 1-inch shark line to connect to the meter. This eliminated the need for the setter pieces and will allow for a straight line from the meter so the dirty water doesn't get trapped

(e) Stellar Vista Observatory: Rob Vandyke reported he has communicated with Stellar Vista's attorney Nicole Bonham and they do not have a final contract written yet. Mike reported they haven't had any success getting any funding from the legislature this year.

(f) Kane County Center for the Arts - Mariah Wheeler, Jonathan Kerr, and Camberley Anderson: Summer Series Music Concert at the reservoir will start in May and performances available to the public free of charge every first Friday. We're not sponsoring the event, we are providing the venue.

AGENDA ITEM NO. 4: COVE RESERVOIR EIS: Mike reported there was a meeting last Thursday. Mike asked Jerry main lead of the project for an updated schedule. Mike mentioned there are specific things that need to be done, the Preliminary Draft Environmental Impact Statement, Draft Environmental Impact Statement, and the Final Environmental Impact Statement and the federal register notices and the deadlines need to be met. We need to be able to meet the criteria on the agricultural side to the cost benefit ratio and we still have not received a clear, definitive answer on that. We're working with the National Office to find out what year we need to submit our numbers for. Mike feels we should be able to get it done by August or September. Ron Bolander is doing a great job. Dirk reported that he asked Washington County to move forward with a meeting and to ask if we could use some state appropriation money for the engineering.

AGENDA ITEM NO. 5: JOHNSON CANYON: Mike reported we finished the agreement with Lisle Babock. We will pay him with the money Amanda has set aside. We can borrow it too if we need to. Mike reported that we will probably get a loan from water resources to finance well #4. The loan amount would probably be around \$100,000 at 0% interest for 30 years. Our tds levels of well #3 would go down, because the new well would blend with it and extend the life of the well.

AGENDA ITEM NO. 6: DUCK CREEK VILLAGE/CEDAR MOUNTAIN LONG VALLEY WATER SYSTEM:

(a) Mike reported we received \$81,000 in grant money and that money took care of finishing up everything. Vern reported the system was still in a review process with the assistant director's office. Hopefully, we will have three good hearings, which is required by code and it will give us more time to get the first lagoon dried out. As of right now, the lagoons are all full. The USFS has still not paid us. Mike recommends we ask Kyle Wilson, Cindy Bullock, and Mitt Romneys staff person to accompany the Mike and district board member and meet with the Forest Service about past due payments. Amanda reported they owe us \$25,000 and have told us numerous times they have all the information they need to submit payment, but they have failed to pay us anything and it has been three years. The USFS lines have leaks in them, and this is causing both of our sewer lagoons to fill up. Mike reported we will need to haul clay and with the bentonite we already put down will make it last a lifetime.

AGENDA ITEM NO. 7: EAST KANE COUNTY WATER SYSTEM: (New Paria and West Clark Bench)

(a) Mike reported that we had six bids on one and four on the other and the project that came in the highest was New Paria. The two of them together were less than what we anticipated. There's a contingency of 20% in there too. We've gone back to Division of Drinking Water Board and Skyler reported that if we don't ask for an increase then they more than likely approve it. We need to wait and get the bid on the new well before we can finalize this. We're negotiating with Benny Hill the property owner for the tank location. Mike, Dirk and Dustyn Shaffer will go out tomorrow and visit with him. Dirk reported that he spoke with a property owner in that area that may possibly give us access for a tank location.

AGENDA ITEM NO. 8: Public Hearing for the purpose of receiving input from the public with respect to the issuance of the Parity Water Revenue Bonds and any potential economic impact to the private sector from the acquisition of the assets of New Paria Water Company, including real property and water rights funded by the issuance of the Bonds.

Ben read the wording for the public hearing. Mike explained that when we took over the New Paria System, there was a 4.62% interest loan for \$70,747, but with added interest it's \$111,170 with the Department of Agriculture. We assumed that loan and payments are approximately \$7,000/year.

Ben opened the meeting for a Public Hearing for questions or comments from the public.

There were no comments or concerns from the public.

Ben closed out of the Public Hearing.

AGENDA ITEM NO. 9: DIRECTOR'S REPORT:

(a) Board Member Issues- Ben asked Amanda if she will inform Ben and other board members when preliminary budget review will take place before our regular board meeting. She agreed to contact Ben, McKay and Michael and any other board members that would like to attend.

(b) Report on the Utah Water Users Workshop-Ben, Dirk, and Mike shared insight on legislation, and other important projects, Toquerville keyway and reservoir tour. Dirk Clayson reported the conference was good for networking and learning the legislative issues, efficient irrigation and various grants on water quality and soil health.

(c) Property Exchange-Ben Clarkson - discussion was held about Mr. Clarkson wanting to trade or purchase reservoir property adjacent to the property he currently owns. The KCWCD owns the property at the moment. Our attorney recommended a motion be made concerning surveyed property lines and find out the current fair market value of the property.

MOTION: Michael East made a motion that Executive Director, Michael Noel get the fair market value to true up the respected properties to the existing fence lines as displayed on the map. McKay Chamberlain seconded the motion. Vote was unanimous. Ben Clarkson abstained.

(d) Next Board Meeting Date: May 9th, 2024, 6:00 P.M. @ Kane County Water Conservancy District Office.

MOTION: Michael East made a motion to adjourn. McKay seconded it. The meeting was adjourned at 8:50 P.M. on April 11th, 2024, per a unanimous vote.

APPROVED:

Ben Clarkson-Chairman, KCWCD Board of Trustees - Date

Michael E. Noel –General Manager, KCWCD - Date