

**MINUTES OF THE GENERAL MEETING
AND BOARD OF TRUSTEES OF THE
KANE COUNTY WATER CONSERVANCY DISTRICT
HELD AT THE DISTRICT OFFICE
725 EAST KANEPLEX DRIVE
KANAB, UTAH 84741
FEBRUARY 12TH, 2026**

The general meeting 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 12th, day of February 2026 at 6:00 P.M. Board Chairman Clay Hansen welcomed board members, employees, and public attendees to the meeting. Clay conducted a roll call at the beginning of the board meeting. Board members in attendance said present.

THE MEETING OPENED WITH THE PLEDGE OF ALLEGIANCE and OPENING PRAYER: Ferril Heaton offered the opening prayer at the beginning of the board meeting. The board members and employees of the KCWCD participating in the meeting were: board members Chairman Clay Hansen, McKay Chamberlain, Mike Kenner, Steve Shrope, Ferril Heaton, David Schmuker, and Ben Clarkson. KCWCD management and staff in attendance included: General Manager, Michael Noel, and Office Manager Amanda Buhler. Contract employees in attendance included Jennifer Stewart and Dirk Clayson. Commissioner Patty Kubeja joined the meeting on the phone.

AGENDA ITEM NO. 1: APPROVAL OF MINUTES: MOTION: Steve Shrope made a motion to approve the January 15th, 2026 minutes with the discussed changes. Ben Clarkson seconded it. The motion was passed unanimously.

AGENDA ITEM NO. 2: JACKSON FLAT RESERVOIR AND KANAB IRRIGATION COMPANY COORDINATION:

(a) Jackson Flat Reservoir water update: Mike reported that the reservoir has reached 90%. Its pretty close to what it has been every year. We'll leave the pumps on and fill it up and the irrigation users can open it up for early watering. We're getting approximately 2% -3% a week so by the end of March we should be full. The storm coming this week should help a little. April 1st is usually the day they open it up. The guys will be sluicing the next few weeks then the users can start using the water. Well #2 is running and it's running about 350 GPM. It has an iron eating bacteria that builds up in the pipe, and could potentially shut down the meter, so we need to clean it up with a chlorination solution. The operators pulled it out and power washed it. Mike will keep doing research on it. Mike reported we are working on a recreation grant to reseal the trail which will cost about \$60-\$70k. We will wait until next year to put in for a grant for the pickleball courts.

AGENDA ITEM NO. 3: COVE RESERVOIR-CLOSED SESSION: Ben declared we go into a closed session to discuss legal issues and updates. Clay declared we are out of the closed session.

MOTION: Ben Clarkson made a motion to authorize Mike Noel to formally meet with the legal team Snow Jensen and Reece to make a plan and to get clarification of our rights concerning the imminent domain. McKay Chamberlain seconded it. Vote was unanimous in the affirmative.

MOTION: Ben Clarkson made a motion to authorize Mike to verify the cost with Alpha Engineering to do the land survey and if approved with the budget to move forward. Steve Shrope seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 4: JOHNSON CANYON WELL PROJECT: (a) Mike reported the hearing went very well and will be verified at the end of the legislative session. We asked for \$700,000 and both the Senate and the House approved it according to our lobbyist.

AGENDA ITEM NO. 5: EAST KANE COUNTY WATER SYSTEM (New Paria and West Clark Bench): Mike reported we've had water quality problems on the new well. The first two tests showed radionucleotides, the third test showed 0%. We are still waiting to get approval and the water has been sitting there for two months. The users do not want to chlorinate. Mike talked to water quality and he said we have to notify all the users that there have been radionucleotides. Mike recommends we hold off and use the old well. We need to get the variable frequency drive repaired anyway. The old well is currently supplying water. We fixed the leak on the well at West Clark Bench. Bob Jones, the owner of Powell Springs called Mike and said he wants to tie in with our system. We tried to contact him for several months and could never get a hold of him. He's a contractor/developer and wants to develop water for his subdivision. This will require a new well and tank. Sunrise Engineering is going to work with him and he also has the funds to help us. We'll also work with the state to get funding. Steve Shrope reported that whoever does the lines to make sure they are in the legal part and not in the overlapped parts. They don't have easements; they have private roads.

AGENDA ITEM NO. 6: FINANCIALS:

(a) Mike and Amanda reviewed the PTIF Accounts and financials. The State Bank of Southern Utah Enterprise checking account has a balance of -\$33,871.94. We are waiting on a reimbursement of \$43,564.80 which would leave a balance of \$9,692.86. The various Public Treasurer's Investment Funds (PTIF) balances total \$1,825,499.03. We have collected 73% of the projected budgeted water fees for FY 2025-2026.

(b) The check register was reviewed by the board. There were questions asked about various key transactions on the register. Currently, for FY 2025/2026 there are 11 (13 as of the current month) new connections in Johnson Canyon, 6 connections in Duck Creek and 1 connection in the East Kane County Water Systems.

(c) Based on current projections, we expect to receive \$1,090,000 in tax revenue for FY 2025/2026. The actual yearly tax revenue will most likely be more than we projected to receive, as we have always estimated new connections very conservatively in our tax revenue projections. 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 for them.

Mike reported that we got bids from John Deere and CAT. CAT came in with a lower bid so we will move forward with purchasing a CAT backhoe for Duck Creek.

MOTION: David Schmuker made a motion to approve the financial statement, check register, payment of bonds and bills, and check #s 20594 to 20673. Steve Shrope seconded it. The vote was unanimous in the affirmative. The board considered all of the financial numbers correct as of February 12th, 2025 presented at the February 12th, 2025, meeting.

PTIF Project Escrow's

\$ 842,242.86

Enterprise Fund – Checking # 5110788	\$ -33,871.94
PTIF Enterprise - #3697	\$ 3,059.44
PTIF Muni Escrow- #3891	\$ 134,602.00
PTIF Stabil.Cap./Replacement - #3889	\$ 134,827.48
PTIF Total Bond/Res. Accts.	<u>\$ 1,553,010.11</u>
Sub-Total Checking/Savings	\$ 2,633,869.95
Accounts Receivable	\$ 479,494.27
Total Other Current Assets	<u>\$ 498,223.99</u>
Balances/All Funds	\$ 3,611,588.21

Amanda reminded board members to submit their conflict of interest form, and the open and public meetings training certificate.

AGENDA ITEM NO. 7: WATER HAULING DISCUSSION UPDATE: Mike reported he spoke with Celeste. The commissioners approved our letter and said Dr. Blodgett reported public attendance or participation at the February 11th public health board meeting was not suggested. She did feel that public participation would be welcome and possibly beneficial at the public hearing in March. Mike Kenner attended the initial meeting and told them water hauling should be allowed. He hauled water for years and didn't have any problems. Celeste Meyers also reported that she bought a house that had been vacant for 3 years and she hasn't had any problems. They are talking about building a water hauling station on the mountain.

DIRECTOR’S REPORT:

BOARD CHAIRMAN REPORT:

- (a) Bylaw Review**
- (b) Executive session if needed**
- (c) Next Meeting Date: March 5th, 2026, 6:00 P.M. @ Kane County Water Conservancy District.**

MOTION: Steve Shrope made a motion to adjourn. Mckay Chamberlain seconded it. The meeting was adjourned at 8:00 P.M. on February 12th, 2026 per a unanimous vote.

APPROVED:

Clay Hansen- Chairman, Board of Trustees, KCWCD - Date

Michael E. Noel – General Manager, KCWCD - Date

Amanda Buhler- Board Clerk, KCWCD - Date