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
MAY 14TH, 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 14th, day of May 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: Mike Kenner 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 Chairman Clay Hansen, Board Members Mike Kenner, Steve Shrope, Ben Clarkson and Ferril Heaton and Board members Mckay Chamberlain and David Schmuker were excused. KCWCD management and staff in attendance included: General Manager, Michael Noel, and Board Secretary and Office Manager Amanda Buhler. Contract employees in attendance included Shea Owens, KCWCD attorney, and General Manager's Secretary, Jennifer Stewart. Commissioner Patty Kubeja attended the board meeting.

AGENDA ITEM NO. 1: APPROVAL OF MINUTES: MOTION: Mike Kenner was the only board member that reviewed the April 9th, 2026 minutes, therefore the approval of the April 9th, and May 14th minutes will be postponed until the June 11th, 2026 minutes.

AGENDA ITEM NO. 2: JACKSON FLAT RESERVOIR AND KANAB IRRIGATION COMPANY COORDINATION:
(a) Jackson Flat Reservoir water update: 5/14/2026 Elevation is 4884.3 which is 3516.29 Acre Feet or 86%, Last year at this same time it was at 90%. In 2020 it was 93%. Well #1 is pumping 320 GPM and Well #2 is pumping 135 GPM. We're pumping 1630 GPM out of the reservoir. Creek flow is 2435 GPM or about 9 CFS going into the system. Right now the water is running 7 days on and 7 days off. There was one person that contacted Mike and said he didn't feel like the 7/7 watering schedule was very effective.

(b) Real Deal Fishing Tournament - We had 77 participants. The event went very well. The public really supports the fishing tournament. There was more bass that came in this time than any other time.
(c) Mothers Day 10k - We have 119 participants in the event. Mike received a nice thank you from the Women's Forum Committee and invited them to hold the event at the reservoir next year.
(d) July 24th celebration- plans are moving forward. There are two bands committed to come and perform. Last year we had approximately 1200-1800 people attend.

(e) Stella Vista Observatory Building Project-Mike attended and spoke at the groundbreaking with Rich Csenge. Amanda also attended. There were a sizable number of people attending including Commissioner Celeste Meyers and State Representative Logan Monson.
(f) Outdoor Recreation Grant was approved for The Sherry Belle Trail Restoration/Resurfacing. We received $20k from Recreation and Transportation and $47k from the state. So this project is paid for 100% with grant money.

Ben provided an update on Colorado River drought conditions and efforts to support Lake Powell through managed releases from Flaming Gorge. Hopefully, by the end of this year it could raise Lake Powell 52 feet. The power production will decrease dramatically which will increase the cost of power. Mike spoke with Utah Commissioner, Upper Colorado River Commission Gene Shawcroft who said that all the pressure is going to come from Arizona. They'll be the ones to try to get the water.

AGENDA ITEM NO. 3: JOHNSON CANYON WELL PROJECT: (a) Mike reported that we received the funding for this project. Our guys will do some of the work. The engineering costs were high for a very simple plan. Sunrise Engineering charged us $125k for a small substation and well house. Mike has asked Brent Gardner-Alpha Engineering to look it over and make sure we have the right screen for the turbine and have him check the measurements. We need to go out to bid to have someone cut the hole in the tank and all of the electrical and equipping of the well needs to be done by a well company and then an electrician will finish the remainder of the electrical work. We have $2.1million in loan, $900,000 in grant.

AGENDA ITEM NO. 4: EAST KANE COUNTY WATER SYSTEM: (a) New Paria and West Clark Bench: Mike reported we got another test for radionucleotides and we should be getting the results back within a few weeks. The SCADA system is working in both areas. We'll probably have to drain the big tank because the water has been sitting in it for a long time.

(b) West Clark Bench: Mike reported we have around $200,000 leftover from the West Clark Bench grant. Powell Springs owner Bob Jones is interested in connecting to our system. Mike talked to him at some length and reported that he is willing to help install his own water lines in the existing subdivision. Ben reported that if Powell Springs does connect and they need additional water rights they failed to extend a significant amount of water rights that they've had. Mike will talk to Bob about holding them in the District's name if he wants us to so he doesn't lose them. We would get a percentage for holding them in our right but he could use them to expand his land in the future. Mike will discuss this issue with him. We could serve all of his lots with our current water rights with West Clark Bench.

AGENDA ITEM NO. 5: FINANCIALS:
(a) Mike and Amanda reviewed the PTIF Accounts and financials. The State Bank of Southern Utah Enterprise checking account has a balance of $3,088.31. The various Public Treasurer's Investment Funds (PTIF) balances total $1,908,250.99. We have collected 92% 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 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 System.
(**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 bank statements that she provided for them.

MOTION: Ben Clarkson made a motion to approve the financial statement, check register, payment of bonds and bills, and check #s 20792 to 20862. Steve Shrope seconded it. The vote was unanimous in the affirmative. The board considered all of the financial numbers correct as of May 14th, 2026 presented at the May 14th, 2026, meeting.

PTIF Project Escrow's	$ 701,405.87
Enterprise Fund – Checking # 5110788	$ 38,550.54
PTIF Enterprise - #3697	$ 3,088.31
PTIF Muni Escrow- #3891	$ 226,491.40
PTIF Stabil.Cap./Replacement - #3889	$ 111.007.13
PTIF Total Bond/Res. Accts.	$ 1,567,664.15
Sub-Total Checking/Savings	**$ 2,648,207.40**
Accounts Receivable	$ **394,395.41**
Total Other Current Assets	**$ 498,223.99**
Balances/All Funds	**$ 3,540,826.80**

E. PRELIMIMARY BUDGET REVIEW: Amanda presented the preliminary budget review summary. Clay read the budget summary.

AGENDA ITEM NO. 6: COVE RESERVOIR:
MOTION: Ben made a motion to go into an executive session for the purpose of discussing a land purchase and the draft EIS. Steve Shrope seconded it. Vote was unanimous in the affirmative.

MOTION: Ben made a motion to go out of executive session. Steve Shrope seconded it. Vote was unanimous in the affirmative. No decisions were voted on following the closed session.

Mike Kenner disclosed that he is a member of the Duck Creek Chamber of Commerce and explained his interest in the townsite.

MOTION: Ben made a motion that the District wave the connection fee for the Duck Creek Townsite parcel. Ferril Heaton seconded it. Mike Kenner abstained from voting. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 7: GENERAL MANAGER'S REPORT:

AGENDA ITEM NO. 8: BOARD CHAIRMAN REPORT:
(a) Bylaw Review

(b) Executive session if needed
(c) Next Meeting Date: June 11th, 2026, 6:00 P.M. @ Kane County Water Conservancy District.

MOTION: Ferril Heaton made a motion to adjourn. Steve Shrope seconded it. The meeting was adjourned at 10:15 P.M. on May 14th, 2026 per a unanimous vote.

<u>APPROVED:</u>

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

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Michael E. Noel – General Manager, KCWCD - Date

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Amanda Buhler- Board Clerk, KCWCD - Date