

**MINUTES OF THE BOARD OF TRUSTEES
KANE COUNTY WATER CONSERVANCY
DISTRICT GENERAL MEETING, KANAB, UTAH
SEPTEMBER 12th, 2019**

The general meeting of the **BOARD OF TRUSTEES OF THE KANE COUNTY WATER CONSERVANCY DISTRICT** was held at the Kane County Water Conservancy District Office Kanab, Utah on the 12th day of September 2019 at the hour of 7:00 P.M. Board Chairman Tony Chelewski facilitated the general board meeting.

THE MEETING OPENED WITH THE PLEDGE OF ALLEGIANCE: The pledge was led by Tony Chelewski. The board members and management of the KCWCD present at the meeting were: Mckay Chamberlain, Merlin Esplin, Dirk Clayson, Ferril Heaton, Ben Clarkson, Michael East, Mike Kenner, and Tony Chelewski. Also attending were Michael Noel, Amanda Buhler, and Jennifer Stewart. Other KCWCD Staff Employees, and others who attended the board meeting included: Roger Williams, Mark Fisher, Kelly Brown, Jeff Hoyt and Mike Hornack. Charlie Saba representing himself, Sky Cheney representing himself, Jim Wall and one other citizen.

AGENDA ITEM NO. 1: APPROVAL OF AGENDA AND MINUTES: MOTION: Ben Clarkson made a motion to approve the minutes from the August 8th, 2019 board meeting. Ferril Heaton seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 2: FINANCIALS: Amanda reported on the financials, including assets and liabilities and the balance sheet. Amanda reported we are 20% through the year and tracking well on our expenditures and deposits. We are behind on the grant monies, but we will catch up when the DWQ \$4 million grant comes through. Amanda reported on the check register, identifying several checks and deposits. Board members reviewed and initialed the bank statement. **MOTION:** Merlin Esplin made a motion to approve the financial statement, check register, payment of bills, and check #'s 13885 through 13977. Michael East seconded it. Vote was unanimous in the affirmative. The following bank balances were reviewed and deemed correct as of the September 12th, 2019 meeting.

Enterprise Fund - Checking #5110788	\$ 6,215.39
PTIF Enterprise - #3697	\$ 5,453.24
PTIF Muni Escrow #3891	\$ 71,685.24
PTIF Stabil.Cap./Replacement #3889	\$ 282,909.33
PTIF Total Bond/Res. Accts.	\$2,018,826.15
PTIF Cove Reservoir	\$ 55,305.19
Sub-Total Checking/Savings	<u>\$2,440,394.54</u>
Accounts Receivable	\$ 923,073.85
Petty Cash – Impressed	\$ 200.00
Sub-TotalAccountsReceivable/Petty Cash	<u>\$2,440,394.54</u>
Balances/All Funds	<u>\$3,640,349.49</u>

AGENDA ITEM NO. 3: JOHNSON CANYON: Mike reported that this past week we have been running two pumps. The refurbished pump is delivering 2,100 GPM to the system. Before the overhaul the pump was only producing 400 GPM. We have the other pump running too and with the two pumps combined we are putting out about 8.5 second feet (3782 GPM). The well is putting out 400 GPM. This means that the total amount of water coming down Kanab Creek is approximately 200-300 GPM or less than 1 CFS. The irrigation company has a right to divert 27 second feet. The Grand Plateau RV Park is in Phase 2 and they will have 99 connections. The south side of highway 89 there is a smaller Roth Dark Sky RV park and they have 35 connections. We have started to sell connections already. The Lippincott subdivision had some issues that have been resolved. We are working on servicing residents in the subdivision on Grandpa's Road.

AGENDA ITEM NO. 4: DUCK CREEK VILLAGE WATER SYSTEM: Mike reported that we are having some problems with our URTS not reading the meters. We have asked the manufacturer to come look at these to try and identify the problem. We may have to replace them. Mark Jacobs, the original developer of Elk Ridge, is requesting water service for a potential RV park just south of Tod's Junction on the west side of highway 89. He is interested in turning Elk Ridge subdivision water system over to the Water Conservancy District. Mike Kenner reported that someone came to him with a video they had taken showing someone who was stealing gravel from a fenced in site. He reported it to Burt Harris, and they are trying to figure out what to do to make sure this person is held responsible for stealing gravel.

AGENDA ITEM NO. 5: JACKSON FLAT RESERVOIR PROGRESS REPORT: Mike reported that we need to do some additional construction on the boat ramp. As the water continues to recede this fall, we will pour the next section of the ramp to extend it out further. Dirk said the park service will check on the date to obtain the boat dock. The restrooms and concession building are coming along on schedule. The roof and exterior rock on the building will be installed soon, then they will finish the interior. We got beach sand for \$11 per yard. Kelly reported on the real deal fishing derby on October 25th and 26th. We are working with Kane County Events on this activity. They are providing \$7,000 for prizes. There will be 2 divisions, adults and youth. The DNR will also tag 100 fish with cash prizes for each of them. The prize fish caught even after the event will still be awarded prizes until the end of the year. This will be a fun community event. Mike reported that Kanab City hired the engineers for the trail extension. Kelly met with the City and the engineers and they reported they will start grubbing and staking the trail soon. Kelly obtained another \$100,000 from department of recreation. Fishing boats with an outboard motor will not be allowed. Mike will consult with the UDWR and determine if this is a problem that may lead to quagga mussel contamination. There will be a course on decontamination of vessels when they register. Michael East is concerned about allowing any motorized boats because of the risk of getting quagga mussels. The current guidelines for watercraft on the reservoir, allows only trolling motors and light watercraft. Mike reported that we are discussing getting a booster pump at the diversion. The pipe capacity holds about 10 cfs. If we installed a pump in the irrigation water line, we could probably put another 5-7 cfs in the reservoir. This would be a real benefit to storing additional

water and boosting more water in the reservoir. Mike reported that we have a lease for a skid steer and a mower to remove the overgrowth in the reservoir and around the trail. We are also checking on getting some goats to cut down on the foliage. The Irrigation Company has been running at full capacity the whole season even without any rain.

AGENDA ITEM NO. 6: DUCK CREEK VILLAGE WASTEWATER AND TOWN SITE

ACT PROJECT: Mike gave a report from Joe Philipps. The project is moving forward on schedule. Sunrise is working hard to finish the engineering plans. The easements have been recorded and there's a few tasks to follow up on solid waste division and make sure it goes to the recorder's office. The USFS have not issued the special use permit or finalized the utility transfer and we will follow up with that after the campground closes for the season. The past few months, Sunrise has been working on the drawings for construction and pipeline alignment profile, as well as the lift station and design of the lagoons, service connections and the electrical SCADA design. Joe and Jeff will be meeting next week to look at several service connections and walk the job to pick up any additional design modifications. The house sheets have been drafted and they are working on the updated budget. Project should be ready to start by April 2020 and completed by October 2020.

AGENDA ITEM NO. 7: COVE RESERVOIR: no discussion was held on this agenda item

AGENDA ITEM NO. 8: SOUTHERN RED SANDS PROJECT: Mike reported that we are still working on our change application to submit to Kanab Irrigation Company for their approval. We have one change on the contract which would make us in compliance with the contract Kanab City has signed. They filed their change application with the State Engineer which means all protests need to be filed by October 2nd. Mike invited members of the public to come up to the table to discuss the depletion issues that they may have concerns about. Sky Cheney, Kane County Taxpayers Association, Sandy and Mr. Jim Wall attended the meeting to discuss their concerns with the Southern Red Sands Project. Mike reported that he would like to talk to Laughlin Hydrology Engineering Company who prepared the report. We need to know where they are going to perforate the pipe. Mike feels going into the Navajo would not have any interference with existing water rights as opposed to going through the Lambs Point Tongue.

EXECUTIVE SESSION: MOTION: Merlin made a motion to go into executive session for the purpose of discussing contract modifications with Southern Red Sands on advice from our attorney. Ferril Heaton seconded it. Vote was unanimous in the affirmative.

Tony declared we went out of executive session.

MOTION: Merlin Esplin made a motion to approve the amendment as written. Michael East seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO.9: LAKE POWELL PIPELINE PROGRESS REPORT:

MIKE/DIRK: Mike reported there is nothing new to report on this project.

AGENDA ITEM NO.11: DIRECTOR'S REPORT: Merlin reported that we need to be watching the notices regarding the community reinvestment act the county is putting forward. There is a group in Orderville that has a development called Red Hollow and now they want to divert property tax to help with their development. Mike reported that he talked to the organization about their request but wasn't sure where it stands at this point.

MOTION: Merlin Esplin made a motion to adjourn. Ferril Heaton seconded it. Vote was unanimous in the affirmative. Meeting was adjourned at 9:05 P.M.
The next tentative board meeting will be held on Thursday, October 10th, 2019 @ 7 P.M.
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APPROVED:

Tony Chelewski--Chairman KCWCD Board of Trustees **Date**

Michael E. Noel –Executive Director KCWCD **Date**