

**MINUTES OF THE BOARD OF TRUSTEES
KANE COUNTY WATER CONSERVANCY
DISTRICT GENERAL MEETING
KANAB, UTAH
SEPTEMBER 10th, 2020**

The general meeting of the **BOARD OF TRUSTEES OF THE KANE COUNTY WATER CONSERVANCY DISTRICT** was held via conference call at the Kane County Water Conservancy District Office Kanab, Utah, and board members homes on the 10th day of September at the hour of 7:00 P.M. Board President Tony Chelewski facilitated the general board meeting. A role call was made at the beginning of the board meeting. Board Members in attendance stated present.

THE MEETING OPENED WITH THE PLEDGE OF ALLEGIANCE: The board members of the KCWCD present for the conference call meeting were Tony Chelewski, McKay Chamberlain, Mike Kenner, Merlin Esplin, Ben Clarkson, Michael East, and Ferril Heaton. Nate Wallentine representing Sunrise Engineering, was also on the call. Mike Noel, Dirk Clayson Amanda Buhler, and Jennifer Stewart were at the KCWCD office on the call. Kane County Commissioner Andy Gant and Kane County Attorney Rob Vandyke representing Kane County were also present in the office and listened in on the call. The other residents from the public on the conference call included: Peter Surry, Caralee Woods, Helena Jorgenson, Nick Halberg and Zack Frankel.

AGENDA ITEM NO. 1: APPROVAL OF MINUTES: Board Members reviewed and approved the minutes for the August 13th, 2020 meeting. **MOTION:** Merlin made a motion to approve the August 13th, 2020 minutes. Ferril seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 2: FINANCIALS: Amanda reported on the financials, including assets, liabilities, and the financial balance sheet. Amanda reported we are 20% through the year. We have had several changes in owners the past couple of months. We averaged approximately 60-80 the past month. We had 5 new installs in Johnson Canyon and 12 in Duck Creek since July 1st. We budgeted 10 for the whole year for Johnson Canyon and 20 for Duck Creek for the whole year. Amanda reported on the check register, identifying several important checks and deposits. Board members will review and initial the bank statements at our next in office board meeting. **MOTION:** Michael East made a motion to approve the financial statement, check register, payment of bonds and bills, and check #'s 14875 through 14980. Merlin seconded it. Vote was unanimous in the affirmative. The following bank balances were reviewed and deemed correct as of the September 10th, 2020 meeting.

Enterprise Fund - Checking #5110788	\$ 3,642.01
PTIF Enterprise - #3697	\$ 131,423.84
PTIF Muni Escrow #3891	\$ 67,959.38
PTIF Stabil.Cap./Replacement #3889	\$ 325,870.76
PTIF Total Bond/Res. Accts.	\$1,867,092.47

PTIF Cove Reservoir	\$ 100,509.97
Sub-Total Checking/Savings	\$2,496,498.43
Accounts Receivable	<u>\$ 815,399.77</u>
Balances/All Funds	\$3,311,898.20

AGENDA ITEM NO. 3: JOHNSON CANYON SYSTEM: Mike reported there has been no slowdown in new connections both on the mountain and east of Kanab. There is a new group of property owners that would like to get a line extension east of Grandpas Road. The water quality issue is still not completely resolved, but we are within federal standards on sulfate. The chlorinator is fixed and working satisfactory.

AGENDA ITEM NO. 4: JACKSON FLAT RESERVOIR PROGRESS REPORT-KANAB IRRIGATION COMPANY: Mike reported that the water level is at 46% and we are pumping out 2500 GPM or about 6 CFS. The water capacity is dropping about 2% a week. Our contract shutoff date is the end of September, but we have allowed the irrigation company to go into October. Mike will meet with the irrigation company to see if they will work with a modified schedule. Dirk recommended that we reduce the pole number. Mike stated that his concerns are harming the fish and what will happen next year with our stream flows. Mike recommended we have a meeting with the irrigation board next week. The recreation bid opening will be Monday, 2 P.M.

AGENDA ITEM NO. 5: DUCK CREEK VILLAGE WASTEWATER PROJECT: Nate Wallentine reported that the contractor will start construction for the wastewater part of the project in the spring when the weather is good up until the project is completed in the fall. The water line part of the project to service the fire station is being constructed at this time. Mike Hornack and Jeff have been cutting trees, clearing the alignment, and trenching which should be finished by next week. Jeff said they will start fusing pipe as soon as we get the generator portion of the fuser back from the machine shop in Cedar City. We have saved a lot of money by having our guys do the work. They have moved quickly using the trac hoe and have been working hard to get it finished up soon. Nate (Sunrise) reported that they are in the process of checking off all the requirements on the list so that the bonds can close. The draft ordinances provided by Rob Vandyke will be ready pending a few additional items. Mike reviewed the proposal to increase the water rate to make up for some of the shortfalls we have with the new wastewater system. We will finalize the ordinance before the next board meeting in October. Mr. Pete Surry was on the conference call to explain the drainage problems he has on his lot. He is trying to sell the lot but cannot rightly do so until the drainage problem is fixed. He admitted on September 16th, 2019 to the board at a previous board meeting that he bought the lot, sight unseen and then discovered the drainage issues after he purchased the property. The District installed the pipe with his approval, but it did not solve the problem. Mike explained that we will remove the pipe and Commissioner Gant and Kane County Road Department will go look at it. Cindi Vetere did not get on the call.

AGENDA ITEM NO. 6: COVE RESERVOIR PROJECT: Mike reported that there was an EA update meeting last week. Mike and Dirk met with Zach Renstrom and Brock Belnap. Zach said that he and his board are still supportive of the dam project. Dirk and Brent Gardner went out on the ground this month and flagged all the road and property line locations. We have many

responses to Transcom, on the draft EA. The draft EA should be completed and ready to go to the agencies for final review early next month.

AGENDA ITEM NO. 7: LAKE POWELL PIPELINE: Mike reported that representatives from 6 western states have sent a letter to Secretary Bernhardt to put a hold on the EIS for the LPP, siting conflicts with the Colorado River Commission management plan. Mike feels that WCWCD may have to delay the completion date of the EIS, but continue to move forward as quickly and possible. It fully depends on the response from the Secretary of Interior. Mike reported that he is no longer on the LPP board, but KCWCD still has an interest in the project and will continue to hold their 4000 Acre Foot allocation from the Division of Water Resources. Dirk has been representing our County and is helping WCWCD with the land issues. There are many in the environmental community who do not want the project. Mike is concerned that some of the upper basin states and lower basin states are trying to steal Utah's water. Hopefully, we will finish the EIS and be able to move forward on the project.

AGENDA ITEM NO. 8: GOLF COURSE PROGRESS REPORT-DAVID KIDD: Mike reported that we received the new appraisal back from Morley McConkie. The new value is \$1.26 million. We have proposed to the Chamberlain Family that we would give them a non-refundable \$10,000 payment that would go towards the purchase of the property and allow the District 6 months to acquire additional property from Trust Lands for recreation needs. We will also file an application with the Bureau of Land Management for a Recreation and Public Purposes grant under FLPMA. Mike feels confident that the district can acquire the 40 acres of previously disturbed public lands under the R&PP process. At the end of 6 months if the District is not ready to purchase the Chamberlain property, we could pay an additional \$10,000 non-refundable payment also credited to the total and receive another 5 months to finalize the plans and specifications on the project along with the R&PP Lease and Utah State Trust Lands lease. The water shares to water the golf course will come from our 600 AF of water that we own in the Kanab Irrigation Company. We may work with Kanab City to see if we could possibly use some of the water from the facultative lagoons by building a treatment plant.

EXECUTIVE SESSION: MOTION: Michael East made a motion to go into executive session for the purpose of discussing legal issues and financial assistance that involve Michael as the director of KCWCD. Merlin seconded it. Vote was unanimous in the affirmative.

MOTION: Ben made a motion to go out of executive session. Michael East seconded it. Vote was unanimous in the affirmative.

MOTION: Michael East made a motion to allow the Executive Director of Kane County Water Conservancy District, Michael Noel to retain an attorney to defend him in his stalking order against a private citizen who threatened him in several public meetings. The District will assume costs of legal fees. Each \$5000 increment will be approved by the board on advance of payment. The board approved the first \$5000 payment. Merlin seconded it. Vote was unanimous in the affirmative.

AGENDA ITEM NO. 9: DIRECTORS REPORT: Mike reported that the next tentative board meeting will be on October 8th, 2020, 7 P.M. at the Kane County Water Conservancy Office via conference call for board members. Meeting was adjourned at 8:50 P.M. **MOTION:** Merlin

made a motion to adjourn the meeting. Ferril seconded it. Vote was unanimous in the affirmative.

APPROVED:

Tony Chelewski--Chairman KCWCD Board of Trustees Date

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