

Southwest Kansas Groundwater Management District No. 3

2009 E. Spruce St, Garden City, KS 67846
(620) 275-7147 phone (620) 275-1431 fax, www.gmd3.org

ANNUAL MEETING

March 14th, 2012, 10:00 a.m.
Chamber of Commerce, Depot
4 Rock Island Rd, Liberal, KS

Directors Present

Kirk Heger, Stevens County Representative
Hal Scheuerman, Kearny County Representative
Steve Stone, Finney County Representative
Kent Dunn, Vice President, Seward County Representative
Dave Brenn, Surface Water Representative
Clay Scott, President, Grant County Representative
Wayne Breeding, Morton County Representative
Seth Nelson, Stanton County Representative
Mike McNiece, Industrial Representative
Nathan Kells, Haskell County Representative
Meghan Houtsma, Secretary, Hamilton County Representative

Directors Absent with Notice

Alan Schweitzer, Municipal Representative
Tom Bogner, Ford County Representative
Mike O'Brate, Treasurer, Gray County Representative
Warren Fox, Meade County Representative

District Staff Present

Mark Rude, Executive Director
Jason Norquest, Assistant Manager
Patty Stapleton, Office Administrator
Chris Law, Resource Technician
Trevor Ahring, EIT / GIS
Brandi Sneath, Office Assistant

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, Ks
Brownie Wilson, Manager of Geohydrology Support Service, Kansas Geological Survey
David Newell, Kansas Geological Survey
Earl Lewis, Kansas Water Office
Doug Fox, Board member elect, Meade County
Additional GMD3 membership

MEETING CALLED TO ORDER

The 2012 Annual Meeting of the Southwest Kansas Groundwater Management District No. 3 was called to order by President Clay Scott at 10:05a.m. The meeting was held at the Chamber of Commerce Depot, 4 Rock Island Rd, Liberal, Kansas.

INTRODUCTIONS

Introductions were completed by Board of Directors and special guests.

APPROVE AGENDA

President Scott asked for consideration of the meeting Agenda. After some discussion, Mike McNiece made a motion to approve the agenda as presented. Hal Scheuerman seconded. The motion was approved with all in favor.

APPROVAL OF 2011 ANNUAL MINUTES

President Scott drew the attention of the Board to consider the March 9th, 2011 draft minutes. Kent Dunn made a motion to approve the March 9th, 2011 Board Meeting minutes as stated. Nathan Kells seconded the motion. The motion was approved with all in favor.

EXECUTIVE DIRECTOR REPORT

Management Program and Activities of the District, Mark Rude

Mr. Rude spoke to those in attendance of Southwest Kansas Groundwater Management District activities and management program. Through a PowerPoint presentation, he reviewed the Groundwater ACT, objectives and the purpose of Groundwater Management District. Mark discussed the services provided by GMD3 in office and in the field. He reviewed the location of the Dakota wells, and noted that draft policy issues are still in conversation between GMD3 and Chief Engineer. He noted a challenge of proper implementation for the District area of language in the statute authorizing changes to water rights point of diversion (K.S.A. 82a-708b) based on the concepts of closed areas and personal property rights.

He updated those in attendance on the Arkansas River Litigations Funds activity in the District. Mark introduced Randy Hayzlett as chairman of the Advisory Committee for that activity. The funds in the Project Account are used to enhance the proper management of the water supply that is directly affected by the Arkansas River Compact. Mark touched on other concerns in the district: Elkhart / Oklahoma Stateline water well spacing issue, completing recommendations for sub unit areas for AWEF, CREP and EQIP.

FINANCE REPORT

2011 Audit Report, Lewis, Hooper and Dick

Charles Clair, CPA of Lewis Hooper & Dick stated that Southwest Kansas Groundwater Management received an unqualified audit report. The funds were properly accounted for and audited for 2011. Mr. Clair stated the district did an excellent job keeping the funds invested. Mr. Clair noted the total cash receipts over expenditures for 2011 general fund was \$17,362. All funds for the district was properly secured, no fund was at risk. Assessment receipts made up about 90% of the 2011 cash receipts, with reimbursement expenses making up 9% and interest at 1%. The general fund expenditures is primarily spent on Administration, with water management programs at 6.1%, capital outlay at 4%, 7.9% for professional services and 4.3% going to payroll taxes and benefits. Mr. Clair opened the floor up for discussion. No questions were presented.

2013 Proposed Budget, and Member Assessment,

President Scott turned everyone's attention to the Assessment Income sheet. The sheet demonstrated each county's total of assessments paid for 2011 along with a comparison chart of what each district assess for land and water. All directors present reviewed the budget for 2013.

Nathan Kells moved to take the 2013 Budget to the public hearing that will be held in July, 2012. Hal Scheurman seconded. Motion passed with all in favor.

ELECTION OF DIRECTORS

President Scott announced that the ballot of director's election for Meade, Morton, Seward, Stevens and Industrial at Large are all unopposed. Steve Stone moved to cast a unanimous ballot. Wayne Breeding seconded. Motion passed with all in favor. The following persons were elected:

Meade County	Doug Fox
Morton County	Wayne Breeding
Seward County	Kent Dunn
Stevens County	Kirk Heger
Industrial at Large	Mike McNiece

PRESIDENT'S REPORT, President, Clay Scott

Groundwater Supply & Hydrology, Kansas Geological Survey(KGS), Groundwater Levels, Brownie Wilson

Brownie Wilson from the Kansas Geological Survey discussed the water levels for GMD3. He spoke about the cooperative work between KGS and Division of Water Resources, measuring wells in the high plains area. Every year the two agencies team up to measure approximately 1400 water wells. A variety of computer software and GPS (global positioning software) is used to assist in finding the same well every year. A map was displayed demonstrating the water level differences throughout the year.

Hydraulic Fracturing, Dave Newel, KGS

Dave Newel spoke to those in attendance on hydraulic fracturing. He explained hydraulic fracturing as a method of enhancing oil and gas recovery from wells; this is completed by shooting water, sand or certain chemicals into the rock formation to fracture the rock to release the hydrocarbons. He noted that in some states fracturing has concerned some persons due to environmental problems that may be associated with the practice. Roughly 40% of the fluid that was injected into the well is released back out and placed in tanks to be disposed later. Kansas has not had any documented cases that groundwater has been contaminated. Hugoton was the first experimental hydraulic fracturing treatment that occurred in the United States in 1947.

Ogallala Committee & the Governor/Water Authority water initiatives

Earl Lewis from Kansas Water Office thanked everyone for their attendance. He started off by stating the Kansas Water Office has had a busy and rough year with water policy, legislature and other concerns. Mr. Lewis stressed that the Governor is alert and active with the issues surrounding the Ogallala Aquifer. Meetings have been held across the state regarding water issues / policies.

Mike Meyer, Department of Water Resource

Mr. Meyer spoke to the group on updates of DWR. Due to the severe drought DWR offered Drought Term Permits. DWR estimated 100 applications would be submitted, however approximately 2300 were received across the state. Day to day activities was temporarily set aside to process the DT applications on a timely manner.

BOARD MEMBER REPORT

No board member report was announced.

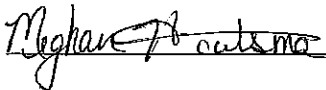
PUBLIC FORUM

None announced.

ADJOURNMENT

Meghan Houtsma made a motion to adjourn the meeting. Seth Nelson seconded. The meeting was adjourned at 12:20 p.m.

Respectfully Submitted
Meghan Houtsma, Secretary

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