

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
July 10th, 2013

MEETING CALLED TO ORDER

The July Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 9:09 a.m. The meeting was held in the GMD3 Board Room, 2009 E. Spruce St. Garden City, KS.

Directors Present

Kent Dunn, President, Seward County Representative
Nathan Kells, Vice President, Haskell County Representative
Mike O'Brate, Treasurer, Gray County Representative
Kirk Heger, Stevens County Representative
Mike McNiece, Industrial Representative
Clay Scott, Grant County Representative
Hal Scheuerman, Kearny County Representative
Steve Stone, Finney County Representative
Seth Nelson, Stanton County Representative

Directors Absent with Notice

Douglass Fox, Meade County Representative
Alan Schweitzer, Municipal Representative
Randy Hayzlett, Secretary, Surface Water Representative
Wayne Breeding, Morton County Representative
Meghan Houtsma, Hamilton County Representative
Vacant, Ford County Representative

District Staff Present

Mark Rude, Executive Director
Jason Norquest, Assistant Manager
Patty Stapleton, Office Administrator
Chris Law, Director, Field Services
Trevor Ahring, EIT/GIS
Brand Sneath, Office Assistant

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS
Jonathan Aquilar, Irrigation Engineer, KSU
Gary Baker, Water Consultant
Mike Ramsey, Legal Advisor

APPROVE AGENDA

President Dunn asked for consideration of the meeting Agenda. After some discussion, Kirk Heger made a motion to approve the agenda as corrected; Adding item D to Executive Director Report, Kansas Water Office Conference and adding Holly Farms discussion to Executive Director Report Letter E. and then changing Executive Session time from 60 minutes to 30 minutes. Mike O'Brate seconded. The motion was approved with all in favor.

APPROVAL OF MINUTES & MONTHLY FINANCIAL REPORT

President Dunn drew the attention of the Board to consider the June 12th, 2013 draft minutes. Hal Scheuerman made a motion to approve the June 12th, 2013 Board Meeting minutes. Nathan Kells seconded the motion. The motion was approved with all in favor.

President Dunn next drew the attention of the Board to review the June 2013 financial report documents. Clay Scott made a motion as follows: Approve the financial reports and payments for the month of May, as presented at this meeting, and to submit them for the annual audit. Kirk Heger seconded the motion. The motion was approved with all in favor.

President Dunn signed and submitted the financial documents.

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President's Report, President Kent Dunn

Water Commissioner's Report, Commissioner Mike Meyer

Mike Meyer provided the water commissioner's report. He stated that the agency is working on the 2012 overpump list, which is the smallest list of overpumpers in years. Notices should go out in the mail next week.

Tomorrow, July 11th, will be the Garretson case hearing. Details of the outcome will be discussed at a later date.

Mr. Meyer announced there is very little water coming across the state line, approximately 20 CFS.

Ford County Director Search

Mark announced that an ad for the Ford County Director was placed in the Dodge City Paper. To date no applications have been received. Mark added that person that would be a good addition to the board and lives in Ford County will be identified and invited to attend a board meeting.

Kansas Aqueduct Project, Response to State Letter

Mark spoke about the response to letter to the state regarding the Kansas Aqueduct Project. An advisory committee was suggested to aid in the Aqueduct Project. The letter advises the board that any formal action by the board to propose water rights would likely be considered premature and speculative.

Water in Court and Administrative Rules

Mark Rude reviewed statutes governing impairment court cases in Kansas. From discussion in the June meeting, an important question relates to the role of the GMD3 in a water right court case, especially one that may involve the management program, IGUCA's or LEMA areas. Mark read a response that was received in an email by David Barfield indicating state administrative rules do not apply. Mr. Barfield indicated caution when considering precedent for regulating vested rights via IGUCA or LEMA areas. Vested rights may not be regulated with allocations as part of a LEMA or IGUCA, there appears to be no precedent for it. The only quantitative regulation of vested rights (that Mr. Barfield knew of) are a courts determination between vested rights and our regulation of limited surface water supply between vested rights in real time administration.

Public Hearing, Proposed GMD3 2014 Budget

President Kent Dunn opened the public hearing on the proposed 2014 budget for Southwest Kansas Groundwater Management District No. 3 at 10:00 a.m. He welcomed all those in attendance. Mr. Dunn stated that a GMD3 budget hearing is necessary and proper, according to state policy, for our organized groundwater area of Kansas. Specifically, K.S.A. 82a-1030 provides for water user charges: annual assessments per acre against landowners and also this budget hearing process. The purposes of GMD3 are long standing in the history and activity of Southwest Kansas.

The hearing is held to receive comments on both the proposed 2014 budget and on the assessments to member land owners and water users necessary to fund the management programs of the area.

Hearing announcements have been published in the newspapers of the District and presented to members at the Annual Meeting which was held in March.

President Kent Dunn introduced Treasurer Mike O'Brate. Mr. O'Brate presented the budget and assessment information on the general fund and the three proposed special budget accounts for water right retirements, (Arkansas River) Western Water Conservation Projects, and the Kansas Aqueduct Project.

The floor was opened for comments from the membership or public. No comments were stated. Budget Hearing was closed at 10:10 a.m.

A correction was noted in the Budget Resolution 2013-3. The budget resolution will be placed on the August, 2013 agenda.

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Committee Reports

Executive Director Rude stated that a list of committee assignments was handed out to those present. They stand as noted until Ford County Representative is filled.

There were no Committee Meetings held, therefore, no reports were received.

Old Business

Jeff Hamilton, WR 27373, Board Review

Jason Norquest announced that a dismissal order is to be mailed. The board review will be placed on the August agenda for further details.

New Business

Discussion occurred on holding a workshop reviewing closing areas, waivers, moves, guidelines and so forth.

Kirk Heger asked how the community meetings are proceeding. Mark advised that he placed the meetings on hold due to the confusion raised by two court cases and the role of administrative rules in such proceedings.

Executive Director Report, Mark Rude

Weather Modification Participation, \$5,000 for Hamilton and Kearny Counties

Mark Rude brought to the table a bill for participation in the Weather Modification program. Two counties remain active in the Weather Modification Program and they are Hamilton and Kearny County. Kirk Heger moved to approve \$5,000 payment for program participation. Clay Scott seconded. Motion passed with all in favor.

Out of State Travel for Staff to attend "Grant Preparation Finance, Insurance & Contracts Workshop"

Mark asked for out of State travel for Trevor Ahring. He would like to attend the Grant Preparation Finance, Insurance & Contracts Workshop, which will be held in Denver, Colorado, July 11th and 12th, 2013. Mike McNiece moved to approve the out of State travel for Trevor Ahring. Nathan Kells seconded. Motion passed with all in favor.

KWO Rule Hearing, July 9th & Water Authority in Ellsworth on August 8th, 2013

Kansas Water Office will hold a Rule Hearing on July 9th, 2013. A few items receiving rule updates are Water Assurance District Contracts and Bank Stabilization.

August 8th the Water Authority will hold a meeting in Ellsworth. There is no agenda posted as of today.

Kansas Water Congress

Kansas Water Congress will be held in Garden City, Ks on August 1st and 2nd.

Holly Farms

Mark turned the boards' attention to the aerial photograph that was handed out for a pivot irrigation expansion project on the Colorado side of the Stateline. There are several existing pivot developments on the Kansas side south of the river. On the Colorado side they are flattening the sand hills and putting in additional pivots and underground pipe. However, the pivots are not connected as of yet as they are waiting on authority to do so. The project raises concern for adverse effects on real time quality and quantity of river water and quality and quantity of groundwater flow into Kansas.

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Monthly Western Water Conservation Projects Fund Business

Mark Rude drew the attention of the board to the financial documents of the Western Water Conservation Projects Fund and activity of the advisory committee. After some discussion of the Board, Kirk Heger moved to accept the June financial report and payments as presented and submit them for annual audit. Nathan Kells seconded. Motion passed with all in favor.

Board Member Report

Nathan Kells asked what happens when a Board Director moves out of the represented area. President Dunn stated they will complete their term and then a new representative will be voted on.

Public Forum

Discussion was brought to the table regarding several Dakota wells.

Executive Session:

Mike O'Brate moved for an executive session for 30 minutes with Mark Rude and Jason Norquest and Mike Ramsey to attend. Clay Scott seconded. Motion passed with all in favor.

An additional 30 minutes was moved by Mike McNiece and seconded by Mike O'Brate. The extension was approved.

Mike O'Brate moved to have an additional 15 minutes for executive session. Clay Scott seconded. The extension was approved.

At 12: 25p.m. the executive session was closed and open meeting reconvened. No action resulted from the executive session.

ADJOURNMENT

Seth Nelson made a motion to adjourn the meeting. Mike McNiece seconded. The meeting was adjourned at 12:28 p.m.

Respectfully Submitted,



Randy Hayzlett