

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
December 16th, 2014

MEETING CALLED TO ORDER

The December 16th, 2014 Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 9:10 a.m. The meeting was held in the Board Room of Southwest Kansas Groundwater Management District NO. 3.

Directors Present

Kent Dunn, President, Seward County Representative
Kirk Heger, Vice President, Stevens County Representative
Mike McNiece, Board Secretary, Industrial Representative
Hal Scheuerman, Kearny County Representative
Randy Hayzlett, Surface Water Representative
Alan Schweitzer, Municipal Representative
Seth Nelson, Stanton County Representative
Jeff Reinert, Ford County Representative
Bret Rooney, Haskell County Representative

Directors Absent with Notice

Wayne Breeding, Morton County Representative
Mike O'Brate, Treasurer, Gray County Representative
Clay Scott, Grant County Representative
Ross Geubelle, Hamilton County Representative
Douglass Fox, Meade County Representative
Steve Stone, Finney County Representative

District Staff Present

Mark Rude, Executive Director
Jason Norquest, Assistant Manager
Patty Stapleton, Office Administrator
Chris Law, Director, Field Services
Trevor Ahring, Engineer
Brandi Sneath, Office Assistant

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS
B.J. Gray
Jonathan Aguilar, KSU Extension Engineer
David Barfield, Chief Engineer, KDA-DWR
Chris Beightel, KDA-DWR
Lane Letourneau, KDA-DWR
Benjamin Fuentes, Producer

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APPROVE AGENDA

President Dunn asked for consideration of the meeting Agenda. After some discussion, Hal Scheuerman made a motion to approve the agenda as presented. Bret Rooney 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 November 19th, 2014 draft minutes. Randy Hayzlett made a motion to approve the November 19th, 2014 Board Meeting minutes. Alan Schweitzer seconded the motion. The motion was approved with all in favor.

President Dunn next drew the attention of the Board to review the November 2014 financial report documents. Mike McNiece made a motion as follows: Approve the financial reports and payments for the month of November 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.

Chief Engineer, David Barfield

President Kent Dunn welcomed and introduced Chief Engineer David Barfield to the meeting and Lane Letourneau and Chris Beightel from his staff. Mark turned the boards and guests attention to the latest version of draft proposed Rules and Regulations that had been provided. There were two priority issues that immediate attention would be appreciated. One was closing the High Plains Aquifer to new appropriations and the second was clarifying the quantity of water used to apply well spacing on flex accounts.

Mark reviewed elements of the High Plains Aquifer management program and the action of the board proposal of closing it for new appropriations which was addressed by vote at the GMD3 Annual Meeting in March to take effect January 1, 2015. Since that date will not be met through the extensive rule promulgating process, considerations of an order establishing a moratorium on processing new applications was suggested by chief engineer Barfield that could become effective January 1, 2015. This would provide added time for stakeholder input while the Rules and Regulations are promulgated appropriately. After discussion from the directors, Bret Rooney moved to request the moratorium effective January 1, 2015 on permitting new wells in the High Plains Aquifer. Mike McNiece seconded. Motion passed with all in favor. Mark Rude will draft the letter request.

Due to possible loss of quorum later in the meeting, the agenda order was revised and the business items of the meeting were conducted at this time.

Term Permit 20129480 to cover 2012 overpump, Supreme Feeders

President Dunn introduced Benjamin Fuentes as representative for Supreme Feeders. Jason Norquest stated that term permit 20129480 was covering 2012 overpumping as a total on all wells, not individual wells. All wells are stock watering wells. Spacing is not met to own wells. DWR and GMD3 had spoken with Benjamin the past years on the issues of overpumping.

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Benjamin provided information to the directors regarding many changes / updates that had occurred to the feedlot: underground pipe, new filters, 6inch collection line, and new water treatment system.

After significant discussion occurred, Mike McNiece moved to recommend approval of spacing waiver of term permit back to 2012 in light the circumstances that individual well limits had not been exceeded and education on overriding limitations had occurred and that major adjustments have been made and will be made in the water distribution and recycling systems. Hal Scheuerman seconded. Motion passed with all in favor.

Old Business

Resolution 2014-3, Adopting 2015 Budget was reviewed by the Board of Directors. Hal Scheuerman moved to pass Resolution 2014-3 adopting the 2015 General Fund Budget of \$1,315,635.00 be established and supported by .05cents per acres of qualified land and .12cents per acre-foot of qualified water use within the District. Consideration of three separate funds was included in the resolution:

1. Arkansas River Water Conservation Projects Fund \$15,500,000.00
2. Water Rights Retirement Fund in the amount of \$25,000,000.00
3. Kansas Aqueduct Project Fund in the amount of \$25,000,000.00

Alan Schweitzer seconded the motion. Motion passed with all in favor.

New Business

No new business was brought to the table for review.

Committee Reports

Executive Committee

Mark Rude announced the Executive Committee reviewed the resignation letter from Ross Geubelle which was presented in the November board meeting. Due to no effective date being noted on the letter the executive committee agreed that December 31, 2014 would be Ross Geubelle final official date to be Hamilton County Representative.

On advice of legal council, the committee elected to have an ad printed in the Syracuse and Johnson City local papers for two weeks seeking qualified applicant letters of interest to be submitted by December 31, 2014 and the board would consider those at the January 2015 meeting.

Policy and Legal Committee

No meeting was held for the Policy and Legal Committee

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Board of Directors attendance for GMDA Conference, January 6th, 7th, & 8th, 2015

Mark reminded the directors of the GMDA annual conference hosted by that will be held in Scottsdale, Arizona, January 6th, 7th, and 8th, 2015.

Save the Date, Legislative Retreat, Topeka, KS February 4th & 5th, 2015

Mark asked the directors to save the date of February 4th and 5th, 2015 to attend the Legislative Retreat in Topeka, Ks. The format of the retreat will be same as last year.

Out of State Travel Request for Four States Irrigation Council, January 14-16th, 2015

Mark brought to the table a request for out of state travel for directors and staff to attend the Four States Irrigation Council, January 14-16, 2015 in Ft Collins, Colorado. Kirk Heger moved to approve out of state travel for staff and directors to attend the Four States Irrigation Council. Mike McNiece seconded. Motion passed with all in favor.

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, Randy Hayzlett moved to accept the November financial report and payments as presented and submit them for annual audit. Bret Rooney seconded. Motion passed with all in favor.

USGS Gaging Contract

Mark Rude explained elements of a contract to fund two sets of USGS groundwater gages in Seward and Stevens Counties as well as the Stateline groundwater gages in Hamilton County. A replacement contract document was forthcoming and approval to inter into such a contract was needed from the board at this time. The amount of the contract was for less than \$50,000 and that a majority was expected to be reimbursable through Ark River project funds under previous board actions. Hal Scheuerman moved to authorize the needed contract with the USGS for the groundwater gages. Kirk Heger seconded. Motion passed.

President's Report, President Kent Dunn, continued...

Continued...Chief Engineer, David Barfield

Lane Letourneau spoke about the Kansas Water Vision; he stated there were approximately 350 nominations for the 14 local goal setting teams across the state. Due to the numerous quality nominations, there may be more than 5 people on each team. Mark named off the nominations that were from the GMD3, which showed good support and interest from this area.

Discussion regarding the aqueduct was brought to the table. Chief Engineer Barfield suggested he could not comment on legislative matters and recommended taking questions and concerns to the KDA Legislative Team.

Mark brought to the table K.S.A. 82a-725 and the role of state division of water resources or its chief engineer in directives of any court that may exclude management programs, rules, or other

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statutes on impairment. The question brought to the table was, ‘when an impairment case goes to court, what role do the orders or rules of the Chief Engineer have in that court proceedings?’ Mr. Barfield and Lane Letourneau conveyed that impairment means a junior water right activity is keeping the senior water right from exercising their full water right. The definition of impairment doesn’t change from one case to another and DWR makes every effort to stay consistent in that view.

Mark reviewed the Rules and Regulations definitions. The use of “inaction” in the proposed definition of “water Conservation” was discussed. If a person chooses to not pump groundwater, is that an action of conservation or “inaction?” More work on the definition was encouraged.

Water Commissioner’s Report, Commissioner Mike Meyer

Water Commissioner Mike Meyer noted that several phone calls have been received about perfecting their water right. Either the caller is the producer stating that they will be using water to perfect their right or the caller is a person turning the producer in for wasting water. Approximately there are 200 wells that need to be perfected.

Executive Director Report, Mark Rude

Board Member Report

There were no Board Member Reports.

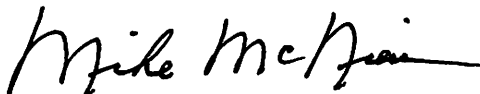
Public Forum

Jonathon Aguilar announced that Three States Conference will be held in Colby, Ks February 17th and 18th. Three states Conference consists of Kansas, Colorado and Nebraska.

ADJOURNMENT

The meeting was concluded at 11:40a.m.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary