MEETING CALLED TO ORDER

The May 13th, 2015 Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 9:03 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 O'Brate, Treasurer, Gray County Representative Mike McNiece, Board Secretary, Industrial Representative Randy Hayzlett, Surface Water Representative Zachary Gale, Hamilton County Representative Steve Stone, Finney County Representative Alan Schweitzer, Municipal Representative Seth Nelson, Stanton County Representative Bret Rooney, Haskell County Representative

Directors Absent with Notice

Clay Scott, Grant County Representative Hal Scheuerman, Kearny County Representative Douglass Fox, Meade County Representative Jeff Reinert, Ford County Representative Vacant, Morton 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 Scott Shrauner, Morton County board candidate David Brenn. Kansas Water Conference Greg Graff, Western GMDs rep. on Kansas Water Authority Winona Gabauer Clayton Yost, Producer Thom Makins, DWR-Assistant Water Commissioner, Garden City

APPROVE AGENDA

President Dunn asked for consideration of the meeting Agenda. After some discussion, Randy Hayzlett 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 April 8th, 2015 draft minutes. Steve Stone made a motion to approve the April 8th, 2015 Board Meeting minutes. Kirk Heger seconded the motion. The motion was approved with all in favor.

President Dunn next drew the attention of the Board to review the April 2015 financial report documents. Bret Rooney made a motion as follows: Approve the financial reports and payments for the month of April 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.

President's Report, President Kent Dunn

Board Review, 21,481

Jason Norquest turned the boards' attention to the Board Review of water right 21,481. The application is to move 33AF of authority from the north well (currently at 436AF) to the south well (currently at 370AF). The two wells are under the same water right.

Mr. Brown stated in a response letter the following statements: 1) the aquifer yield should not change because of use of both wells on section 21 to water the three quarters for years 2) the infrastructure has been in place for several years. There will be no real changes 3) moving 33 AF to the other well will allow him to be operationally efficient so one well doesn't have to pump longer than the other. There are no domestic wells in the immediate area of concern and spacing is met to neighboring wells. Owner of water right 12,592 visited with Jason wanting a clear explanation of the move. He advised Jason that he would not stand in the way of the change and he didn't believe it would affect him.

Discussion amongst the directors occurred. Concern was stressed on consistency of recommendations from the past and into the future. Since the change is out of the same water right and it aids in the efficiency of the water that is taken out of the Ogallaia, Mike McNiece moved to recommend approval of the change. Zach Gale seconded. Motion passed.

Board Review 49,200

Jason Norquest introduced Clayton Yost and thanked him for being in attendance. Mr. Yost originally used water right 46,835 for the hydroponics greenhouse; however that well was unable to produce and that new appropriation will be dismissed if this new appropriation is recommended for approval. A new application for 49,200 was submitted for industrial use to supply the hydroponics greenhouse from an existing domestic well. Spacing is met to all neighboring wells, except one of the wells under Water Right 21,294. That well is also owned by the applicant of the new appropriation. Spacing needed for the applications proposed well is 1,600 minimum, currently at 1,423. The proposed well is also the applicants domestic well.

After discussion with Mr. Yost and the Board of Directors, Alan Schweitzer moved to recommend approval of spacing due to 1) proposing a small high value use; and 2) approved water right 46,835 will be dismissed; and 3) from an existing domestic well, and 4) the only spacing waiver is to a well owned by the applicant. Randy Hayzlett seconded. Motion passed.

Water Commissioner's Report, Commissioner Mike Meyer

Water Commissioner, Mike Meyer reported that the state line flow on the Ark River is around 100CFS.

Appointment of Morton County Representative

Scott Shrauner and Fred Claassen have expressed written interest in representing Morton County on the GMD3 Board of Directors. Fred Claassen, who attended last months meeting, was unable to be present due to a scheduling conflict. Scott Shrauner was attending and expressed his interest in the position and experience to the directors. Election ballots were handed out to all present directors. Election by ballot occurred. Board Secretary Mike McNiece gathered the completed ballots and counted the votes.

Secretary Mike McNiece announced that Fred Claassen was the new Morton County Representative.

Approve GMD3 RCPP Contract with USDA

Executive Director, Mark Rude reviewed the nature of the RCPP Contract is to establish a partnership between NRCS and GMD3 on implementation of Advanced Irrigation Water Management practice activities using soil moisture probes, flowmeter data loggers and telemetry for smart phone access to field data. \$36,720.00 is obligated through GMD3 to KSU to add and take care of three weather stations.

\$1,963,280.00 EQIP funds will be obligated for landowner contracts for advanced irrigation water management through NRCS. Mark is hoping that within a month, producers will be able to sign up. A four year commitment by the producer is needed. Continuous signup for the program will occur until all monies are gone.

Executive Director, Mark Rude stated that he reviewed the RCPP Contract with the Policy and Legal Committee along with the Executive Committee. Both committees approved the signing of the RCPP Contract with USDA on Monday.

Kirk Heger moved to approve entering into the contract and the signature for the RCPP contract. Bret Rooney seconded. Motion passed with all in favor.

Committee Reports

Policy and Legal

Differing processes and administrative action concerning water right impairment: Mark presented a PowerPoint that demonstrated the activities that relate to the determination if there will be impairment of existing water rights. Consensus was to pursue a discussion with the appropriate state agency officials to resolve the concerns over different implementations of water right impairment concerns.

Discussion from the Policy and Legal team recommended that an outside engineering firm should be selected to write up a new Management Plan and have it completed within the year. The new Draft Management Plan is to be presented at the 2016 Annual Meeting of the Southwest Kansas Groundwater Management District No. 3 prior to adoption for submittal to the chief engineer for review.

Executive Director Report, Mark Rude

NWRA Federal Affairs Conference

Randy Hayzlett and Clay Scott, along with Mark Rude, attended the NWRA Federal Affairs Conference that was held in Washington D.C. Randy stated the conference was excellent, well attended and had good presenters on federal agency water issue. Discussion also occurred with NWRA members and representatives from sister state local water management organizations regarding the flow of the Kansas Aqueduct project and potential extensions as an interstate project. Colorado expressed feedback on considerations of an interstate project to existing Colorado 50 year strategies and considerations for other sister states.

SB 156 Implementation

SB 156 successfully passed and was signed by the Governor and becoming effective July 1st. The original purpose of the bill was for GMD3 seeking annual O&M funding of the Ark River Stateline Groundwater Gages from the Ark River Gage Fund that is administered by KDA/DWR. Mark described the need to coordinate with KDA/DWR in executing revised contracts with the US Geological Survey, who operate the gages, to implement this element of SB156.

Mark Rude highlighted a second provision of SB 156 creating opportunity for the creation of Water Conservation Areas (WCA) under the Water Appropriation Act anywhere across the state. Mark described conversations with prominent officials in Johnson City who may be interested in requesting a Johnson City WCA. He relayed the frustration from the town regarding the issues of the aquifer and the challenge to secure reasonable water right change authority without having to permanently abandon private property rights. The city needs added well capacity to the system.

Johnson City has been on the edge of the water well capacity to fill their water tanks. Water Conservation guidelines have been in place to help manage the impact. On July 1st, the Water Conservation Area will be Kansas law. This might create opportunity for KDA and the chief engineer to work with the city and put in agreement conservation measures that enhance the City conservation strategy and provide a tool for water right flexibility. Alan Schweitzer stated the City Council would appreciate Mark to come and speak with them.

Thirsty Land Movie Trailer

Thirsty Land Movie trailer was played for all to view.

Greensburg Water Authority Proposed Regional Goals in GMD3

Draft goals were provided as have been submitted for Water Authority consideration as presented at the Greensburg Water Authority meeting May 20th. A letter to the KWA from Mike O'Brate as chairman of the Upper Arkansas Local Leadership Planning Committee, was read to the board for discussion. A discussion of the considerations needed to implement new limits on water right use across the GMD and in local areas occurred.

Computer Services Contract with Nex-Tech

Jason Norquest and Mark Rude presented the computer services contract with Nex-Tech. Some discussion the computer services for staff and office should be considered separate from the purchase of tablet devices for board members. After discussion, Mike O'Brate moved to approve the contract as presented minus the tablets for the board members. Alan Schweitzer seconded. Motion passed with all in favor.

Tablet discussion for board member use will be reviewed at a later date.

Signage & Window Bid

Mark turned the boards' attention to the Pella Window bid that was included in the board book. This is a bid for a window that would be in Jason's current office. \$3,822.53 was the final bid amount. After some discussion, Bret Rooney moved to accept the Pella bid at \$3,822.53 and proceed with the work for completion. Randy Hayzlett seconded. Motion passed with all in favor.

Mark proposed getting signage in front of the GMD3 office building. Consensus of the board was to get bids and present at later meeting.

Old Business

Test Stand

There was nothing to report on the test stand land and concept.

New Business

There was no new business to present.

Monthly Western Water Conservation Projects Fund Rusiness

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, Mike O'Brate moved to accept the financial report and payments as presented and submit them for annual audit. Kirk Heger seconded. Motion passed with all in favor.

Board Member Report

There were no board member reports.

Public Forum

Mark announced that the June meeting is scheduled for June 3rd, 2015 at 9:00 a.m.

Randy Hayzlett called for an Executive Session for 5 minutes with Mark Rude to attend. Kirk Heger seconded. Motion passed with all in favor.

At 12:55 the meeting came out of Executive session into regular meeting.

Mike O'Brate moved to approve staff salary recommendations from Executive Director, Mark Rude. Mike McNiece seconded. Motion passed.

Mike O'Brate moved to approve a 3% salary pay increase for Executive Director, Mark Rude. The increase should be back dated to February, 2015 to employee anniversary being that month. Mike McNiece seconded. Motion passed.

ADJOURNMENT

Zach Gale made a motion to adjourn the meeting. Seth Nelson seconded. The meeting was adjourned at 1:05 p.m.

Respectfully Submitted,

Mike McNiece

GMD3 Board Secretary