

**Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
October 14th, 2015**

MEETING CALLED TO ORDER

The October 14th, 2015 Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 9:07 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
Zachary Gale, Hamilton County Representative
Alan Schweitzer, Municipal Representative
Seth Nelson, Stanton County Representative
Fred Claassen, Morton County Representative
Clay Scott, Grant County Representative
Bret Rooney, Haskell County Representative

Directors Absent with Notice

Randy Hayzlett, Surface Water Representative
Mike O'Brate, Treasurer, Gray County Representative
Douglass Fox, Meade County Representative
Steve Stone, Finney County Representative
Jeff Reinert, 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, Engineer
Brandi Sneath, Office Assistant

Others in Attendance

Thom Makens, Assistant Water Commissioner, Division of Water Resources, Garden City, KS
Jon Aquilar, KSU Research Extension Engineer

APPROVE AGENDA

President Dunn asked for consideration of the meeting Agenda. After some discussion, Clay Scott made a motion to approve the agenda as presented. Zachary Gale 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 September 9th, 2015 draft minutes. Mike McNiece made a motion to approve the September 9th, 2015 Board Meeting minutes. Fred Claassen seconded the motion. The motion was approved with all in favor.

President Dunn next drew the attention of the Board to review the September, 2015 financial report documents. Hal Scheuerman made a motion as follows: Approve the financial reports and payments for the month of September as presented at this meeting, and to submit them for the annual audit. Alan Schweitzer 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, Assistant Commissioner, Thom Makens

DWR is proceeding with GMD3 Boards' recommendation on Project Term Permits that was discussed at the September board meeting. DWR staffers are busy measuring alluvial wells along the Ark River. Multi Year Flex Accounts have picked up in numbers while regular change applications are slowing down.

Rules and Regulations Reform, Rule Visioning and GMD3 Requests

Mark Rude turned the boards' attention to the board book that contained the DWR draft rule changes for GMD3. Mark stated he would really like to work on as many rules as the board can and not just District closures. He handed out draft reforms for all present to review. A review of the document occurred with significant discussion.

5-23-4 (A) *The area is closed to new appropriations, but the sum of the annual quantity requested by the proposed appropriation and the total quantities authorized by prior permits because of this exemption does not exceed 15 acre-feet in a circle with a radius of TWO MILES (was ½ mile) surrounding the proposed point of diversion.*

5-23-1 Discussions occurred on defining water supply impairment for GMD3 a little further, "allowable depletion". Handing the courts a copy of the rules and regulations that are followed may be effective for all parties involved. Some discussion desiring more definition in our area rules.

5-23-3 Clarification on well spacing for Multi Year Flex Accounts using base water right limit not the potential annual quantity of water. *(c) A proposed well under an application to change a point of diversion shall be exempt from parts (a), (b) and (h) of this regulation if the well is proposed for municipal use from an existing authorized city well and all other requirements of an applicant to change a water right are met including demonstrations required by K.S.A 82a-708b.* This provision could be for small communities. Draft waiver simply points these applications back to the standard in the statute.

Wording was modified on the 300' rule to read *proposed replacement well location improves the spacing to all other wells for which the spacing requirement was not met on the date on which the application for a change in point of diversion was filed and continues to meet requirements for spacing to all wells for which the spacing requirement was met at the time the application for change in point of diversion was filed.*

Limiting or removing the ability to unstack the water rights, would not take waiver in all cases. The emergency operation of a standby well shall be limited to 60 days per calendar year. The limit may not be enough, maybe keep as is and allow extensions with good cause.

5-23-4 GMD3 Policy and Legal Committee needs to review 5-23-4 closer. DWR is focusing on proposing to close the district to new appropriations of water in the high plains aquifer in the District. More is needed in that same regulation change action.

(4) Wells authorized by term permits of no greater than five years where offsetting prior water rights available from the source of supply are identified with sufficient unused appropriation. Does this wording go against what we recommended on Project Term Permit's? More work suggested.

5-23-4a: could open more of District up for possible WR buyback programs, which currently is just a very small portion of the District.

5-23-6 additional wording states: *The district may install durable seals on flowmeters where the factory seal is in place, or a flow verification test has been completed by the district, to preserve the purposes under K.A.R 5-1-4(a)(2)(B)* This will give recognition to GMD3 seals as backup to the manufacturer seals.

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5-23-16 Added rule from GMD5 (recommendation by the board) for review of all applications, still need to deal with proper notice to the neighbors. Question raised if rule should state they still have court option, but have to go administrative option first?

If GMD3 wants to weigh in on the 300' moves policy change from state, will be necessary to watch for State proposal.

GMD3 Water Economics, Future value of \$8000/acre foot

The Economic Importance of Water Availability in Kansas study was completed by Kansas Aqueduct Coalition with collaboration from GMD3 and Kansas Rural Communities Foundation. Mark turned the boards' attention to page III to review the estimated economic losses by Area Associated with the Constrained Water Scenario for the State of Kansas in 2062 chart.

Area three / GMD3: demonstrated 50 years into the future, based on the groundwater modeling, the following total economic losses,

- ✓ 10.4 Billion dollars in economic value
- ✓ 123,961 employment (job years)
- ✓ \$5.3 Billion in Labor Income

This is the cost of what would be if the aqueduct was not completed. Simply not about the irrigator, it is about the economy.

Info sheet will be developed to communicate the information efficiently.

Change November Board Meeting Date from Veterans Day, November 11th to Thursday November 12th
Alan Schweitzer moved to change the date of the board meeting from November 11th, 2015 to November 12th, 2015. This change of date is due to November 11th being Veterans Day. Kirk Heger seconded. Motion passed with all in favor.

Mark brought to the table, Sponsoring of Legislature Pheasant Hunt. The hunt will occur on November 11th, 2015. Consensus of the directors was to decline sponsorship.

Committee Reports

No committee meetings were held therefore, no reports were announced.

Old Business

Mark stated that McCrometer is negotiating with the service provider; more information to come.

New Business

No new business was brought to the table.

Executive Director Report, Mark Rude

GMD3 Regional Conservation Partnership Program Update.

Mark stated the RCPP is marching forward, still waiting for the green light to proceed. Draft material is available for reviewing the criteria.

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New GMD3 CIG Grant

Mark Rude turned the boards' attention to the new GMD3 CIG Grant that is in the board book. He stated that due to timing he already signed the Agreement Award but can rescind if the board declines to proceed. Mark described the CIG Grant as no cash cost to GMD3, doing in kind. Total amount of funding was \$20,000 for new mobile drip technology. Some cash requirement is coming from Clay Scott. This grant covers mobile drip technology on 5 to 8 systems. NRCS along with Trevor will analyze the outcome to determine the cost of use, efficiency and the savings this technology offers.

Kirk Heger moved to approve the CIG grant. Brett Rooney seconded. Clay Scott abstained. Motion passed.

CREP Update

Mark spoke briefly about CREP. Another launch of the program will be occurring soon. To date the following numbers demonstrates the acres permanently and put into CREP.

Finney County: 2,523 (approximately 4,000 acres available)

Gray County: 7,315 (at maximum)

Hamilton County: 185 (approximately 200 acres available)

Kearny County: 7,105 (300 acres available)

Incentive rates have been increased from \$92.00 to \$176.00 per acre per year, for 15 years. The State upfront payment also increased from \$62.00 to \$97.00.

NWRA Annual Meeting, Denver

Mark Rude brought to the table information on the NWRA Annual Meeting that will be held at the Westin Denver Hotel in Denver, Colorado. The dates for the conference is November 4th-6th, 2015. Mark is asking for out of state travel approval to attend.

Zachary Gale made the motion to approve out of state travel for Mark Rude and possible staff or board of directors to attend the 84th Annual NWRA Conference which will be held November 4-6, 2015. Hal Scheuerman seconded. Motion passed with all in favor.

Washington DC

Multiple bills providing drought relief in the US West went to hearing before the Senate Energy and Natural Resources Committee recently. Senator Feinstein introduced a California Drought Relief Bill that includes West wide Provisions and one that might interest Kansas and the Water Congress. New Mexico also has a drought relief bill. Senator Lisa Murkowski would bundle both bills with other proposals into a One True Drought Relief Bill. As a GMD this doesn't directly affect us, but the work together with western interests does build relationships for what can directly help GMD3 interests.

Kansas Water Congress Invoice

Mark brought to the table an invoice for consideration from Kansas Water Congress. The invoice is for \$5,000, which is the amount we have paid in the past. Hal Scheuerman moved to pay the invoice from the Kansas Water Congress. Alan Schweitzer seconded. Motion passed with all in favor.

USGS Annual Contract Stevens and Seward Groundwater Gages

USGS Annual Contract regarding State Line Gages will be discussed at next month's meeting.

Aquifer replenishments, Ark River Water Quality Update

GMD3 will continue to seek partners to address water quality. (Letter in board book)

Colorado State University received a grant for land practices, water use efficiency, and water quality. Participating without fully participating is the key.

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Monthly Western Water Conservation Projects Fund Business

A review of an application from South Side Ditch for removal and replacement of headgate structure on Arkansas River. Project Committee recommended payment approval of \$88,520.00. Hal Scheuerman moved to approve reimbursement of \$88,520.00. Alan Schweitzer seconded. Motion passed with all in favor.

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 September financial report and payments as presented and submit them for annual audit. Brett Rooney seconded. Motion passed with all in favor.

Mark wants to pursue the Garden City Ditch Rights for recharge purposes and effort will involve some cost up front with possible reimbursement from projects fund. A lot of review of deeds will have to occur. Mark has asked for an estimated and more information will be stated at a later date.

Board Member Report

Mike McNiece: Sold feed yard in Cimarron, however, will move designation to another feed yard in Ford Co.

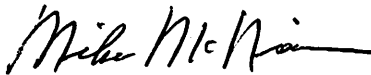
Public Forum

Don Whittimore will present information on uranium at the Governor's Conference. More numbers and details will be presented at the conference.

ADJOURNMENT

Fred Claassen made a motion to adjourn the meeting. Alan Schweitzer seconded.
The meeting was adjourned at 11:52 a.m.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary