

**Southwest Kansas Groundwater Management District No. 3  
Minutes of the Regular Meeting of the Board of Directors  
February 4<sup>th</sup>, 2016**

**MEETING CALLED TO ORDER**

The February 4th, 2016 Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Kent Dunn at 10:00 a.m. The meeting was held in alcove 5 and 6 at the Ramada Downtown Hotel, 420 SE 6th Avenue, Topeka, Ks.

**Directors Present in Person or by Phone**

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

Hal Scheuerman, Kearny County Representative

Randy Hayzlett, Surface Water Representative

Steve Stone, Finney County Representative

Alan Schweitzer, Municipal Representative

Bret Rooney, Haskell County Representative

Zachary Gale, Hamilton County Representative

**Directors Absent with Notice**

Clay Scott, Grant County Representative

Jeff Reinert, Ford County Representative

Fred Claassen, Morton County Representative

Douglass Fox, Meade County Representative

Seth Nelson, Stanton County Representative

**District Staff Present**

Mark Rude, Executive Director

Jason Norquest, Assistant Manager

Patty Stapleton, Office Administrator

Chris Law, Director, Field Services

**Others in Attendance**

Greg Graff, Water Authority Representative

David Brenn, Kansas Water Congress

Tracy Streeter, Kansas Water Office

Susan Metzger, Deputy Secretary of AG

Earl Lewis, Kansas Water Office

Diane Knowles, Kansas Water Office

Lane Letourneau, Program Manager, Kansas Department of Agriculture

Katie Miller, Burns and Mac

Burke Griggs, Attorney

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**APPROVE AGENDA**

President Dunn asked for consideration of the meeting Agenda. After some discussion, Mike O'Brate made a motion to approve the agenda as presented. Hal Scheuerman 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 January 13<sup>th</sup>, 2016 draft minutes. Mike McNiece moved to approve the January 13<sup>th</sup>, 2016 minutes as presented. Randy Hayzlett seconded the motion. The motion was approved with all in favor.

President Dunn next drew the attention of the Board to review the January 2016 financial report documents. Kirk Heger made a motion as follows: Approve the financial reports and payments for the month of January as presented at this meeting, and to submit them for the annual audit. Randy Hayzlett seconded the motion. The motion was approved with all in favor.

President Dunn signed and submitted the financial documents.

**Financial Committee Report**

Executive Director, Mark Rude advised the Director's that the 2015 Audit had been conducted by Lewis, Hooper and Dick and a copy for their review had been handed out. An error in QuickBooks demonstrated the Western Water Conservation Projects Fund having additional monies of \$2,065,246.46. A Certificate of Deposit with First National Bank of Liberal was not properly closed in QuickBooks when a transfer of the funds had been completed. This transaction has been corrected.

After review and discussion of the audit Mike O'Brate moved to accept Lewis, Hooper and Dick's 2015 audit and take to the annual meeting in March, 2016. Kirk Heger seconded. Motion passed with all in favor.

**Proposed 2017 General Fund Budget**

Mark Rude brought the board's attention that a Finance Committee meeting needs to be held for the 2017 budget. A meeting will be called before the annual meeting in March.

**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, Alan Schweitzer moved to accept the January, 2016 financial report and payments as presented and submit them for annual audit. Kirk Heger seconded. Motion passed with all in favor.

Hal Scheuerman reported the Amazon Flume completion date is estimated for April 1<sup>st</sup>, 2016.

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**Out of State Travel**

Mark Rude requested out of state travel for Trevor Ahring. He attended the Four State Irrigation Council in January, which was held in Fort Collin, Colorado. Bret Rooney moved to approve out of state travel for Trevor Ahring that occurred in January. Hal Scheuerman seconded. Motion passed with all in favor.

**Capitol Strategies**

Capitol Strategies submitted their annual contract with GMD3. The 2016 contract is for \$15,000.00 and changes from 2015. Mike O’Brate moved to approve and pay the Capitol Strategies contract as presented. Hal Scheuerman seconded. Motion passed with all in favor.

**Summer Intern**

Scott Olney is a videographer that is interested in a summer intern position at GMD3 for 2016. Documentation of the Aqueduct along with in-field videos could be produced. \$5,000 for the summer is the proposed budget for the internship. The consensus of the board was to proceed in securing the intern to work with Mr. Trevor Hands and staff at the garden City Coop for the 2016 summer intern position.

**President’s Report, President Kent Dunn**

President Dunn reminded everyone that the March meeting will be held in Cimarron, KS at the 4-H Building on March 9<sup>th</sup> after the annual meeting at 9a.m.

Mark Rude opened the floor for discussion on present initiatives and Water Transfer Appropriation. Topeka attendees had gathered before the board meeting at the Senate Natural Resources Committee at the statehouse to observe committee work on Senate Bill 322. Two amendments were proposed: 1. revised the fee structure on Chemigation. 2. Each application for a permit to appropriate surface water that otherwise leaves the state, and is for a water transfer project proposed for multiple uses, shall be accompanied by an application fee of \$100 plus \$200 for each 100 cubic feet per second, or part thereof, of the diversion rate requested in the application for the proposed project. An additional fee may be assessed by the chief engineer if additional expenses are incurred in reviewing an application until such application is approved or denied. The maximum total fee for such application shall not exceed the fee provided in subsection. There shall be no deadline for the chief engineer to render a final decision on such application.

Tracy Streeter stated that SB322 appears to be on an unexpected fast track. Supporting the idea of securing the water but concerned of what the outcome of the bill could do for unintended consequences. Is this something that anybody can apply for? Tracy feels that maybe the reservation right might be the better policy. It may be advisable for good public policy to take it to the water authority and figure out the best option later this year.

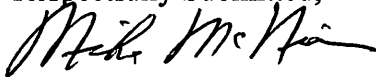
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Lane Letourneau stated he supports the concept, but how does this fit into the appropriation system. How does access, perfection, completion, reasonable place of use and reasonable quantity fit into the appropriation system? Mark replied, prior appropriation would come into the works, first in time first in rights. Discussion continued on options, issues and concerns from all parties involved.

**ADJOURNMENT**

Randy Hayzlett made a motion to adjourn the meeting. Hal Scheuerman seconded. The meeting was adjourned at 12:10 p.m.

Respectfully Submitted,



Mike McNiece  
GMD3 Board Secretary