

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
May 8th, 2024

MEETING CALLED TO ORDER

Vice President Hayzlett called to order the May 8th, 2024, Board of Directors meeting of the Southwest Kansas Groundwater Management District at 9:03 a.m. The meeting was at the Southwest Kansas Groundwater Management Board Room.

Directors Present in Person

Randy Hayzlett, Vice-President, Surface Water Representative

Andy Moser, Stevens County Representative

Fred Jones, Municipal Representative

Jacob Harshberger, Ford County Representative

Reid Shrauner, Morton County Representative

Zachary Gale, Hamilton County Representative

Directors Present by Phone or Zoom

Garrett Love, Secretary, Gray County Representative

Carl Clawson, Meade County Representative

Clay Scott, Grant County Representative

Kent Dunn, Seward County Representative

Kyle Maddux, Kearny County Representative

Directors Absent with Notice

Chad McCormick, President, Industrial Representative

Mike O'Brate, Treasurer, Finney County Representative

Bret Rooney, Haskell County Representative

Seth Nelson, Stanton County Representative

District Staff Present

Mark Rude, Executive Director

Jason Norquest, Assistant Manager via Zoom

Patty Stapleton, Office Administrator

Brandi Sneath, Office Assistant

Trevor Ahring, Engineer

Others in Attendance in person or Via Zoom

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS

Keadron Pearson, Kansas Water Office

Brownie Wilson, Kansas Geological Survey

Eric Keller, Iron Insurance

Allison Kite, Reporter with Kansas Reflector

Kevin Hardy, Reporter with Kansas City Star

Josh Olson, Kansas Water Office

Katie Durham, GMD1 Manager

David Barfield, Consultant

Secretary Lorence, Kansas Secretary of Transportation

Lane Letourneau, Program Manager, Kansas Department of Agriculture

Jim Butler, Kansas Department of Health and Environment

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Gaisheng Liu, Kansas Geological Survey
Duane Roth, Enogen Sustainability Lead for Sygenta
Vijay Ramasamy, Governor's Advisor on Kansas Water

APPROVE AGENDA

Vice President Hayzlett asked the board to consider the agenda for the May 8th Regular Board Meeting. Mark added that the June 12th meeting may need to be rescheduled due to a conflict. **Fred Jones made a motion to approve the revised agenda. Andy Moser seconded. The motion passed.**

Approval of Minutes and General Financial Reports

Vice President Hayzlett drew the attention of the Board to consider the April 12, 2024, draft minutes. Vice President Hayzlett noted a correction under Sean Miller's report. Instead of reading, "The final day, also known as signing out, is on April 30th. It should read," The final day, also known as sine die, is on April 30th. **Fred Jones moved to approve the April 12th, 2024 minutes as corrected. Andy Moser seconded the motion. Motion passed.**

Vice President Hayzlett next drew the attention of the Board to review the April 2024 Financial report. Fred Jones asked about the next payment to NWRA. Mark noted it is due next month.

Clay Scott moved to approve the April 2024 finances and submit them to the annual audit. Garret Love seconded. Motion passed.

Correspondence / Recognition / Formal Comment to the Board of Directors

No comments were made at this time.

Management Program: Reports and Recommendations

DWR Report: Mike Meyer, Water Commissioner

Water Commissioner Mike Meyer announced that the Garden City office had filled the last open position, but the Engineering position is still vacant. The office is currently verifying Water Use Reports that didn't capture meter readings. They will soon complete the over-pumping list and start working through it. They have received many applications for redrill and are aware of several test holes. Randy added that this year is not starting well, with lots of wells already running and April being the driest in this area's history. Mike Meyer advised to keep working on short 300' moves, and they should be aware that more people are looking into the Dakota formation.

KWA's Strategic Planning Process.

Secretary Lorenz (recent past secretary of transportation, now Burns & McDonnell consultant) spoke to the group and recognized the important work that everybody around the state has been doing. There has been good positive momentum regarding water and how it is managed. Kansas is a national leader in water data collection and analysis. The Governor has asked the Water Authority to look at creating a longer-term framework with dedicated funding to ensure that the momentum built continues over the long run similar to the building of the transportation program. A ten-year rolling program. Realizing that transportation and water are not the same thing, both are vitally important, but the state owns the highway system, which is not the case with water infrastructure. K-DOT is the transportation agency for the entire state, where water is spread across multiple agencies and has a stronger organized network. A lot of progress has been made in terms of planning and visioning. However, now is the time to focus on organizing the implementation process. We are looking at a ten-year window instead of clear out in 2050.

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Phase One will consist of local consultation meetings, bringing folks together in a regional way to discuss strengths and weaknesses and identify potential gaps and suggestions for new programs. Work will begin on the recommendations, implementations, and time frames. We will contact the GMDs, Water Authority, and the RACs again in September or October to review the programs. Determining the state's investment in water across areas, including federal and local funds, will help us understand where the funds are going and if a request is needed for additional funding. This is not about creating one super water organization. It is about understanding where our dollars go and tracking progress. A map demonstrated where the six meetings could be held. We will bring data to your stakeholders and ask them some tough questions and seek honesty. There is never enough time and money to do everything everybody wants, so we will seek their thoughts on prioritizing and maximizing them.

The primary questions to start with:

- 1) What is working today?
- 2) What are the strengths and what is not working?
- 3) What are some weaknesses of the way Kansas Manages water?
- 4) How can we improve how we manage all those water issues?
- 5) What might be some stumbling points for implementing those strategies?
- 6) Are there other models to consider?
- 7) Are there other States that have programs you like?
- 8) What is your biggest concern in Kansas?

Garrett Love mentioned that incentive-based programs would be significant for producers. We have a good environment out here for all ag industries and many investments. There doesn't seem to be an investment in the big picture or possibly more significant projects. Randy Hayzlett noted that we should expand our vision further than ten years. Garret Love stated that we are where we are because the state over-appropriated it; consider pursuing the incentive base voluntary retirement for smaller water rights. Vijay Ramasamy added that he would get Mark a version of the powerpoint and update us on the dates of the meetings.

KGS Final Contract Presentation, GMD3 Model Scenarios & GUI Tool

Brownie Wilson reviewed the Groundwater Flow Model scenario report with the directors and others present. The Transient Model ends when confined Dakota aquifer conditions occur. We consider recharge rates that vary with precipitation. We model cells and check for irrigation. If the soil profiles are already wet, we slightly enhance the recharge. We used to use these models to measure the water levels down to the aquifer in the same year. But now, we analyze the subsurface and observe the slowed-down spread as it travels, which is a very time-consuming aspect of the model. This is an excellent function to have in there because that's much more of a representation of reality. We also have built into the model that when a certain part of the aquifer is dewatered, water is still up there. It's held up by capillary action, or there might be a clay layer or something less permeable. Eventually, that water drains out, and we call it lag drainage. We also have the ditches around the Ark River. We try to simulate the diversions down the ditches and the leakiness of streams and canals with the resulting recharge. These are all elements we consider when building the model. The model processes the water inflow and outflow and computes various aspects, and then we can adjust based on the observed values. We skipped the year 2022, but we used the actual observed values from the field, did interpolations, and then stuck those water levels into the model. This did a reset. We then continue to the future. Through the power point, Brownie discussed model scenarios of Status Quo (no change in water-use policy), Q-Stable, and Drought of Record. The model construction report and scenario results will be combined into a single open-file report

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and will be available for continued use as part of the KGS support to GMDs. The GUI can be updated based on feedback from GMD Staff.

GMD3 Board Insurance-Eric Keller Iron Insurance

Eric Keller with Iron Insurance was on via Zoom. He apologized for not being able to be here in person. Mr. Keller reviewed the property and general liability coverage that GMD3 currently has. Columbia Insurance Group covers this property and general coverage. Travelers Insurance covers Professional Insurance. Eric stated the property and general liability are self-explanatory and would like to focus on Professional Insurance since that seems to be what the board is more interested in. With the Travelers Policy, GMD3 has the following coverage.

Directors and Officers Liability,

\$1,000,000 coverage, retention of \$5,000 with an inception date of January 1, 2020

Employment Practices Liability

\$1,000,000 coverage, retention of \$5,000 with an inception date of January 1, 2020

Crime-Employee Theft and ERISA Theft

\$50,000 coverage

GMD3 has no coverage for forgery or alterations done by outside people (not staff) nor Cyber coverage.

Zachary Gale confirmed that the Directors are covered by one million dollars. Is that per person or group? Eric replied that One Million Dollars is for the Directors, so \$66,666 per director and the retention of \$5,000 is what we are responsible for before the coverage kicks in. The inception date is January 1, 2020, so we cover anything from that date until now, and there is no coverage before January 1, 2020. Employment Practices Liability covers wrongful termination, sexual harassment, charges of a hostile workplace, and breach of the employment agreement and has the same exclusions as D&O Liability. Your office has a small, tight group of people, and the coverage you currently have is included in the policy. If you had a substantial number of employees, you would consider increasing it. The third part of this policy is Crime-Employee Theft and ERISA Theft. ERISA is 401K, retirement plans. Eric reviewed some scenarios in which we are not covered for theft, such as forgery or theft of funds, on or off premises, from someone who is not an employee. Eric touched on another coverage that we currently have an endorsement for with Columbia Insurance: cyber liability policy. This endorsement provides a very basic amount of coverage. Cyber liability coverage is needed for more vulnerable agencies, depending on how much personal information you have stored. Discussion occurred on the policies. May consider increasing Crime-Employees Theft and ERISA Theft and Forgery and alteration coverage. Directors' and Officers' liability also seems slim. Ask other GMDs what coverage limit they carry. Mark will take the quotes from this meeting to the Executive Committee.

Other Agency Report

KWO:

Keadron Pearson announced some important dates:

- WISE Tour: Wednesday, May 29th, 2024, footprint of Scott City, KS. Tuesday evening, there will be a social at Baron's Steakhouse and Bar in Garden City, KS. The event will start with a bus tour and then end at Bellwether Barn with lunch and presentations during the afternoon.
- Water Authority Meeting: will be June 11th in Manhattan.

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Committee Reports

The Executive Committee met on May 3rd. Randy Hayzlett provided a brief update.

- Reviewed Draft of the May board meeting agenda
- MP Update: awaiting DWR Approval
- Kansas Infrastructure Hub Summit, April 24th, Salina, KS.
- Zoom Records:
 - The committee noted the importance of being consistent with recording. Mark said he may consider a YouTube Channel but will wait for Tom Adrian's response.

The Meetings & Outreach Committee met on April 29th, and Jacob Harshberger provided an update.

- Committee Tasks: Review what the committee would be responsible for.
- Public Meetings to advise and receive input.
 - The committee reviewed the dates for the Public Producer Meetings on May 20th and 21st. Discussion was held to contact KLA, Farm Bureau, Radio Spot, SW Irrigators, and Kansas Bankers to get the word out.

The Research and Development Committee met on May 1st. Fred Jones provided a summary of that meeting.

- Models Work Updates
 - GMD3 Hydrological Model wrap-up
 - Smart Plan Grant Success
 - On the agenda for Mark to report
- Water Conservation – Programs Development
 - Work on HB 2279 Compliance
 - Master Irrigator Submittal Update
 - Submitted on Friday; should hear back at the end of August.
 - Next RCPP Submittal Concept for GMD3 member
- Upper Ark Management / Watershed Group
 - Annual Meeting: It went very well, and there was great attendance.
 - Kansas Water Dashboard- KU Grant from NSF
 - Communications tower for them to use.
 - Deerfield Success – Other Communities

Policy and Legal

Andy Moser reviewed.

- Water Rights advice and assistance
- Policy Development
 - Stock Water MYFA Concept
 - Adding that in.
 - Short Move Spacing Exception and Short Processing
 - Slow that down if it will impact spacing.
 - Flowmeters-upcoming flowmeter summit in May
 - Working on getting a summit organized with other GMDs.
- 2023 Session HB 2279 Compliance
- GMD3 Give (Groundwater Incentivized voluntary Easements) Program

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- Still working on activities from the policy side.
- IRS Recognition of water rights donations
- Education, Outreach and Advocacy
 - The board and employees will help implement RCPP.
 - PCAST Whitehouse welcomes public input on America's groundwater challenges.

Old Business

There was no old business to take from the table.

New Business

There was no new business to bring to the table.

Executive Director Report-Mark Rude

HB 2279 Compliance, June 12 Draft Report Development

Mark Rude reiterated the producer meetings scheduled for May 20th and 21st. A draft report on district high-priority areas and comments from the members will be reviewed at the June meeting. Mark will finish the report shortly after the producer meetings and send it to the directors for review before the June meeting.

Consideration to move the June 12th meeting was brought up for discussion due to a conflict with other meetings. **A consensus of the board was to have the June meeting on Friday the 14th.**

January GMDA Conference Host Report

Jason Norquest noted that GMD3 was about \$5,000 short from the GMDA conference. He is working with GMDA to get reimbursement.

GMDA / Groundwater Caucus Summer Meeting

The GMDA will hold its summer meeting in Omaha, Nebraska, on July 17-19 at The Hotel Deco.

NWRA Summer Conference

NWRA Summer Conference will be held the following week in June. More details will be announced later.

Clay Scott moved to approve travel and accommodations on the NWRA trip on July 23 and 25.

Andy Moser seconded; the Motion passed. Zachary Gale opposed.

Clay Scott moved to approve registration, travel, and accommodations for the GMDA Summer Conference. Fred Jones seconded. Motion carried. Zachary Gale opposed.

The State Executive for the NWRA is having a retreat in June to address water shortages and cutbacks. June 13 and 14 in Utah, near Salt Lake City. **Clay Scott moved to approve travel for him to attend the State Executive for the NWRA. Andy Moser seconded. Zach Gale opposed.**

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Western Water Conservation Projects Fund Business

February Financial Report

Fred Jones moved to approve the April 2024 finances of the Western Water Conservation Projects Fund and submit them to the annual audit. Zachary Gale seconded. Motion passed.

Board Member Report

There were no board member reports announced.

The meeting recessed for lunch, and the quorum was lost.

Respectfully Submitted,


Garrett Love
GMD3 Board Secretary