

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
March 12th, 2014

MEETING CALLED TO ORDER

The March Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 1:55 p.m. The meeting was held at the Grant County Civic Center, Ulysses, KS.

Directors Present

Bret Rooney, Haskell County Representative
Mike O'Brate, Treasurer, Gray County Representative
Kirk Heger, Stevens County Representative
Mike McNiece, Industrial Representative
Clay Scott, Grant County Representative
Hal Scheuerman, Kearny County Representative
Randy Hayzlett, Secretary, Surface Water Representative
Kent Dunn, President, Seward County Representative
Douglass Fox, Meade County Representative
Steve Stone, Finney County Representative
Alan Schweitzer, Municipal Representative
Wayne Breeding, Morton County Representative
Seth Nelson, Stanton County Representative

Directors Absent with Notice

Ross Geubelle, Hamilton 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
Brandi Sneath, Office Assistant
Trevor Ahring, Engineer

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS
Brandy Cole, Division of Water Resources, Garden City, KS
Diane Knowles, Kansas Water Office, Topeka, KS

APPROVE AGENDA

President Dunn asked for consideration of the meeting Agenda. After some discussion, Kirk Heger made a motion to approve the agenda as presented. Wayne Breeding 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 the January 7th, 2014 draft minutes. Wayne Breeding made a motion to approve the January 7th, 2014 Board Meeting minutes. Doug Fox seconded the motion. The motion was approved with all in favor.

February Meeting was cancelled due to weather in Topeka, therefore no minutes were recorded.

President Dunn next drew the attention of the Board to review the January and February, 2014 financial report documents. After some discussion, Clay Scott made a motion as follows: Approve the financial reports and payments for the month of January and February, as presented at this meeting, and to submit them for the annual audit. Hal Scheuerman 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

Annual Meeting Discussion from the Membership

President Dunn asked for comments regarding the annual meeting. Many directors stated they were pleased with the attendance. Good comments were made throughout the meeting, and the breakout sessions were very well liked by all. Interest for the breakout sessions to be longer we expressed. A strong vote to close remaining open High Plains Aquifer townships occurred and added comments to consider for any revisions that may be appropriate to the proposed 2015 budget regarding funding for the sustainable water transfer supply work.

Election of Board Officers

Kent requested that Executive Director Mark Rude conduct the election process for a Board President. Mark opened the floor to nominations.

President: Seth Nelson moved to nominate *Kent Dunn as Board President*. Wayne Breeding seconded. Clay Scott moved to cease nominations for Board President. Dough Fox seconded. Motion passed, announcing Kent Dunn as Board President.

Mark Rude passed the gavel back to President Dunn.

Vice President: Clay Scott moved to nominate *Kirk Heger as Vice President*. Doug Fox seconded. Clay Scott moved to cease nominations for Board Vice President and cast a unanimous vote for Kirk Heger. Mike O'Brate seconded. Motion passed, announcing Kirk Heger as Board Vice President.

Secretary: Steve Stone moved to nominate *Mike McNiece as Board Secretary*. Clay Scott seconded. Doug Fox moved to cease nominations for Board Secretary and cast a unanimous vote for Mike McNiece. Steve Stone seconded. Motion passed, announcing Mike McNiece as Board Secretary.

Treasurer: Clay Scott moved to nominate Mike O'Brate as Board Treasurer. Doug Fox seconded. Hal Scheuerman moved to cease nominations for Board Treasurer and cast a unanimous vote in favor of Mike O'Brate. Seth Nelson seconded. Motion passed, announcing Mike O'Brate as Board Treasurer.

Board Committee Assignments

President Dunn stated he will visit with the board individually and announce committee assignments at a later date.

Water Commissioners Report, Mike Meyer

Water Commissioner, Mike Meyer stated the annual meeting seemed to have been a success. Good discussion, good attendance and good food.

Mr. Meyer reported of an impairment complaint on Ford County line. A letter from DWR was sent to complainant advising of the burden to demonstrate reasonable steps have occurred to fully access water available to the impairment concern. GMD3 will be asked to participate in the impairment process at a later date.

DWR met the deadline for submittal of a Fact Finder Referee report on the Garretson court case.

Recent Local Groundwater Meetings

Mark Rude reported on recent local groundwater meetings that have been held in the GMD3 District. A meeting will be held on Monday, March 17th in Cimarron for Gray County producers. This meeting will further discuss the need and merits of a Local Enhanced Management Area type of conservation initiative. Southern Finney County members have expressed interest to hold a Local Producer meeting. Consideration for such a meeting will occur and one may be scheduled in the near future.

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Committee Reports

Finance Report

Mark reviewed the 2013 Audit Management Letter that was supplied from Lewis Hooper and Dick. There were no big concerns or any issues causing a violation of the law.

Mike McNiece stated that it is very important to have Charles Claar from Lewis Hooper and Dick at our annual meeting every year and it is appreciated. It allows the membership to review the financials and to have the opportunity to ask questions.

Discussion amongst the directors of raising the assessments occurred. Clay suggested taking the information from the members and reviewing all details with Policy and Legal. The directors also brought information from the County breakout sessions regarding the suggestions of assessment increases to fund aqueduct project/ water transfer work. The consensus of the group was the funding issue should be looked at ultimately as a Federal Project and to take the discussion to the Policy and Legal committee for further consideration of how to proceed.

President Dunn stated that Policy and Legal will meet to discuss the topics and report back within two months.

Old Business

There was no old business to bring to the table.

New Business

There was no new business to bring to the table.

Executive Director Report, Mark Rude

Review of Legislative Retreat/Activities

Executive Director, Mark Rude announced that the Legislative Retreat was a success, and the biggest legislative turnout since the five GMD's began the joint work. Approximately 80 persons were in attendance throughout the evening.

The GMD Board Members Roundtable that was held earlier in the day was also very beneficial. The significant topic of discussion and concern was the so called "End Gun Bill."

Bureau WaterSMART Grant Submittal (action)

Mark brought to the board's attention Resolution 2014-1. The resolution is in support of a grant submittal for smart irrigation technology for Kansas Fields over the Ogallala Aquifer. Review and support of the application to the US Bureau of Reclamation for a WaterSMART Water and Energy Efficiency Grant for FY 2014 was completed. The application was submitted to provide the estimated amount of \$300,280 in cash funding and / or in kind contributions specified in the funding plan. The amount of funding could change depending on the amount of CREP participations and the overall popularity of the irrigation technology during the project period. But the contribution from GMD3 will be limited to in-kind staff and board considerations. Board action is needed to confirm the board resolution to support the project.

After some discussion, Mike O'Brate moved to accept Resolution 2014-1 in support of grant submittal for Smart Irrigation Technology for Kansas Field over the Ogallala Aquifer. Alan Schweitzer seconded. Motion passed with all in favor.

Water Quality Basin Study Meetings

Mark reported that Water Quality Basin meetings were held along the Ark River the last week of February. He stated Reclamation is open to conclude the planning assistance work on public drinking water options. Reclamation is also open to modify the Basin Plan of Study grant to be more in line with comments received from the stakeholder meetings.

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Hosting of winter (January 2015) GMDA Conference in Arizona

Mark announced that he is currently serving as Vice President of the National Groundwater Management District Association. As such, GMD3 has been chosen to host the 2015 Winter GMDA Conference. The conference is a 1.5 to 2 day event and he is proposing that it be held in/near Phoenix, Arizona. Funding will come from conference registrations. After some discussion, Kirk Heger moved to approve GMD3 work in planning the Winter GMDA Conference for 2015. Seth Nelson 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 January and February financial reports and payments as presented and submit them for annual audit. Alan Schweitzer seconded. Motion passed with all in favor.

Annual Legislative Report

Mark Rude announced that the annual Legislative report had been presented to the House but not the Senate. A written report to Senate Ways and Means may be the extent of that report at this point of the legislative session.

Application Submittals to the Water Office

Mark refreshed the board on the Amazon Ditch Flume reconstruction project. The proposal for that project was to tear it down and rebuild the structure. The project still needs to be submitted by GMD staff to Kansas Water Office and Chief Engineer for their approval. This is expected to occur soon.

Monitoring wells project along the State Line was initially approved by GMD3 up to a cost of \$16,000. However the Projects Committee approved up to \$25,000. An approval of the project and Fund expenditure is needed from the GMD3 Board and submittal to KWO for expenditure approval. After some discussion, Wayne Breeding moved to approve the project cost up to \$25,000. Alan Schweitzer seconded. Motion passed with all in favor.

The last project up for discussion was Phase II of South Side Alternate Delivery System. The committee recommended additional expenditure of \$70,000 for designing and engineering of control structures check gates. After discussion, Mike O'Brate moved to approve expenditure up to \$70,000 for design and engineering of control structures for Phase II of South Side Alternate Delivery System. Hal Scheuerman seconded. Motion passed with all in favor.

Board Member Report

There were no Board Member Reports announced.

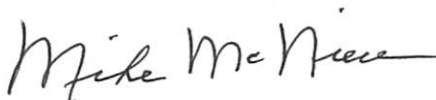
Public Forum

There was no Public Forum brought to the table.

ADJOURNMENT

Bret Rooney made a motion to adjourn the meeting. Seth Nelson seconded. The meeting was adjourned at 3:43 p.m.

Respectfully Submitted,



Mike McNiece