

Wednesday, April 6, 2016

**Arkansas River Litigation Funds Advisory Committee
2009 E. Spruce
Garden City, Ks 67846
(620) 275-7147**

The meeting of the Arkansas River Litigation Funds Advisory Committee (Western Water Conservation Projects Fund advisory committee) was called to order by Chairman, Randy Hayzlett on Wednesday, April 6th, 2016 at 1:35 pm. The meeting was held at the Southwest Kansas Groundwater Management District Office located at 2009 E. Spruce Street, Garden City, KS.

Introductions: Introductions were completed.

Members Present by phone or in person (*Voting):

Randy Hayzlett *	Committee Chairman and South Side Ditch Representative
Troy Dumler*	Committee Vice-Chairman and Great Eastern Representative
Steve Hines*	Frontier Ditch Representative
Shane Knoll *	Garden City Ditch Representative
Hal Scheuerman*	Amazon Ditch Representative
David Becker*	Finney County Water Users / Farmers Ditch Representative
Diane Knowles	KWO Planner
Mike Meyer	Water Commissioner, KDA/DWR
Kevin Salter	Interstate water engineer, KDA /DWR
Mark Rude	Committee Treasurer, GMD3 Executive Director
Patty Stapleton	Committee Recording Secretary, GMD3 Office Administrator

Others in Attendance

Brandy Cole	KDA/DWR
Trevor Ahring	GMD3 Engineer
Dave Brenn	Kansas Water Congress
Tracy Streeter	Director of Kansas Water Office
Lane Letourneau	KDA/DWR
Harold Knoll	Water user
Susan Metzger	Assistant Secretary Kansas Department of Agriculture
David Barfield	Chief Engineer, DWR
Richard Rockel	KWO
Jason Norquest	GMD3 Assistant Manager

Absent: None

Agenda and Meeting Minutes Approval

Chairman Randy Hayzlett asked for discussion on the meeting agenda. Kevin Salter asked for consideration to add a line item for discussion regarding South Side Ditch and / or Associated Ditches proposed application. Garden City Company would like time to discuss Holly Farms and Randy Hayzlett would like to add South Side Application approval for replacement of gates/check structures.

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Steve Hines moved to approve the agenda as revised with the following:

- e. South Side Operational Funds / Compensation DWR, Kevin Salter
- f. Holly Farms Garden City Company, Troy Dumler
- g. South Side application for gates, Randy

Hal Scheuerman seconded. Motion passed with all in favor.

September 9th, 2015 Minutes Review

Mark Rude read the minutes from the September 9th, 2015 meeting. Several additions, corrections and deletions were completed throughout the reading.

Steve Hines moved to approve the September 9th, 2015 minutes with the corrections noted. Troy Dumler seconded. Motion passed to accept the revised minutes.

Financial Report

Mark Rude reported on the financials from September 2015 to April 2016. Steve Hines moved to approve the financials as presented. Troy Dumler seconded. Motion passed with all in favor.

Mark discussed the local expertise of Hal Scheuerman and the payments made to him as Project Manager for the Amazon Flume Project. Correspondence from the engineer regarding approval of Hal Scheuerman as Project Manager was received in office.

2015 Audit by Lewis, Hooper and Dick

Mr. Rude stated the 2015 Audit that was completed in January came back exceptional with only one concern. There was an in house error on the transfer of CD funds. This has been corrected and discussed amongst the auditors and staff.

Annual Reports

Mr. Rude advised the annual reports were not completed last year or to date this year. Mark is working on completing the two years and will present it to the house and senate after providing it to the Kansas Water Office as required by the grant agreement.

David Brenn asked what the repercussions of not completing the annual reports are. Diane Knowles stated there is none listed, however, KWO could ask for the money back since the agreement is not being fulfilled.

Administration Fee

Mark presented a payment voucher for GMD3 administration fee. The total of the fee came to \$19,599.72 and has already been included in the 2015 audit. Hal Scheuerman moved to approve the GMD3 administration fee payment voucher and submit for payment. Steve Hines seconded. Motion passed with all in favor.

Hal Scheuerman brought to the committee's attention that Troy Dumler was voted in as Vice Chairman, but not as an alternative signor. Adding Troy Dumler as an alternative signor, would allow him to sign a payment voucher in the case that Chairman Randy Hayzlett was unavailable. Discussion occurred. Hal Scheuerman moved to make Troy Dumler the second authorized signature in case Randy Hayzlett is unavailable. Steve Hines seconded. Motion passed with all in favor.

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Update: Active Projects approved for funding

Amazon Flume Replacement over Sand Creek

Hal Scheuerman reported on the Amazon Flume Replacement over Sand Creek. Several changes had to be made throughout the process, such as: date of start (from September to October), added walkways between the new flume and jump off/access, chain-link fence, and a new head house.

Hal reviewed the Bridges Inc. expense sheet (handout) which totaled \$105,590.00. The total excludes building electrical removal, relocation and connection at new building. This price assumes that three of the original quantity of the four walkways will be installed. Bridges Inc. requested 25 additional working days to be added to the project for the work described. They will focus their efforts on work critical to the use of the ditch. Amazon Ditch will be responsible for removal of existing building and backfill of stilling well.

Along with the \$105,590 from Bridges Inc. additional expenses such as Terracon, 5 Star Electric, Wright Water Engineers, Kearny County Farmers Irrigation along with Hal Scheuerman Project Manager Fees bring the total overrun to \$135,287.82

After some discussion, Steve Hines moved to approve overrun of \$135,300.00. Shane Knoll seconded. Motion passed with all in favor.

South Side Phase II Engineering

Randy Hayzlett stated engineering of the project is almost complete and this project has not utilized the budgeted \$70,000.00. An application and diagrams will be reviewed later in the meeting. See *South Side Application for [gates/check structure] replacement* below.

KDA LAWMA Decree Application

Mark stated that LAWMA Decree is an active project however there is nothing to report.

Applications & Potential applications for consideration or follow-up

Farmers Application Potential

David Becker stated he is in the very beginning of research for head gates replacement. Mr. Becker sought guidance from other members on submittal of application, engineer contacts and the benefit of a feasibility study.

Tom Willis Water Technology Farm Demonstration and Roth / Garden City Company Water Technology Farm

Tracy Streeter from the Kansas Water Office stated the 50 Year Water Vision has a piece of the plan calling for the Development of Water Technology Farms. A lot of farmers have implied they want to adopt technology but unsure of what to use and how to proceed. KWO is actively pursuing one [Southwest Kansas] demonstration farm in 2016 on Tom Willis lands. Mr. Willis has planned the demonstration on a tract of land that he owns south of Garden City. The 3-year project will use 8 tower sprinkler systems, side by side, demonstrating the differences of Dragon-Line™ to regular nozzles. Moisture probes, weather stations, and pressure transducers in well will also be used. Mr. Willis is working with Mike Meyer to develop a water conservation area plan, which would include the water use reduction that Mr. Willis has already taken along with the technology farm project. Many people are involved in the day-to-day technology, such as, Warren Seaman (lead technical support), Kansas Experiment Stations, and Servi-Tech. A web-site will be available

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for review. Many partners are included in this project: Kansas Farm Bureau, Kansas Corn Commission, Tom Willis, KWO, Conestoga, Teeter Irrigation, Kelly Warren, Syngenta, Kansas Grain Sorghum Producers, and Netafim™ to name a few.

Cash and in-kind revenue is being collected, however a deficit of approximately \$30,000 remains. Mr. Streeter asked if this program is something the Ark River Funds would like to contribute to and become a partner.

Troy Dumler with Garden City Company is working with Roth Farms to also have a water technology farm, focusing on surface and groundwater. Instead of having multiple sprinklers with Dragon-Line™ they will have one set up with Dragon-Line™ on one span, two spans with bubblers and the rest of the sprinkler set up with i-wobblers. Each of those spans will have different spacing on the nozzles. Three other sprinklers will be set up with different configurations. Soil moisture probes and telemetry will also be on all the sprinklers. Garden City Co-op has past satellite photos of the plot and will take satellite shots throughout the demonstration.

Mark Rude indicated there is some opportunity to evaluate water usability in terms of differing water quality from different sources with the Roth Farm project. GMD3 could work with Farm owner and manager, along with KSU and others to accomplish such an evaluation.

Mark Rude also discussed the accounting side of these projects. If the Ark River Funds would agree to provide financial assistance and become a partner in the farms, GMD3 would be happy to manage the fiduciary responsibilities of the farms. People can make donations to GMD3 and they can be considered a write off on their taxes. A sub-account be set up in the accounting system for financial tracking. Tracy Streeter added other agencies have expressed interest in handing the financials, some having higher handling fees, however, Kansas Farm Bureau stated they would waive the handling fee.

Hal Scheuerman moved to recommend approval of funding for Tom Willis Water Technology Farm Demonstration and Roth / Garden City Company Water Technology Farm up to \$10,000 each. Steve Hines seconded. Motion passed with all in favor. Diane Knowles will complete the applications and submit them for proper signature from Tom Willis and Duane Roth and proceed with approval.

Stateline Frontier Flume Replacement

Steve Hines brought to the committee's attention a letter from Nathan Sullivan with U.S. Geological Survey. In the letter Mr. Sullivan explained that the gaging station uses a steel Parshall flume structure built into the channel to measure the ditch flow. From the letter, "The existing steel flume structure has exceeded its useful life and is in very poor condition due to normal rust and deterioration. It has been patched and painted for the last several years to extend its usefulness..." To continue providing accurate and reliable discharge data at the gaging station a new concrete flume structure and stilling well would aid in continuous and accurate data.

Wright Water Engineers, Inc. provided a proposal for an engineering assessment and preliminary design for the Frontier Ditch Flume. The estimated cost from Wright Water Engineers came in at \$35,000. Mr. Hines would like to have Phase I completed by July, 2016 and Phase II, which would be bids and construction, completed by March, 2017.

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Discussion was held on who is responsible for the Frontier measuring station as this is one of two measuring stations used to determine Stateline flow under the Arkansas River Compact. Determining when the gage was installed and who paid for it might be beneficial in resolving who is responsible for the replacement of this gage. Mark Rude is going to Washington, D.C. and would be able to talk to the appropriate parties in figuring out who may be financially responsible for the gages.

The consensus of the advisory board was to table any action on the Frontier Ditch Parshall flume replacement to pursue federal funding.

Southside Operational Funds / Compensation

Brandy Cole with DWR handed out an application that was roughly drafted by her and Kevin Salter. Kevin stated the applicant could be submitted by either South Side Ditch or Associated Ditches. The project period would be on a year-to-year basis, to assisting in establishing an agreement framework. The draft application is a suggestion to help determine guidance, guidelines, or agreement needed for use of the South Side Ditch to deliver surface water to Farmers and / or Garden City ditches. The project will put into place framework for appropriate compensation to the South Side Ditch, basically providing more efficient use of the limited account water stored in John Martin Reservoir. Kevin reviewed the map, explaining the "pink line" is a lot straighter and more confined than the river, improving the efficiency of the water delivered down the system. Since every year is a little different this project could carry over for several years.

Randy Hayzlett stated South Side would probably not agree to be the applicant but he will take it to the South Side Board for discussion.

Holly Farms

Troy Dumler stated that the Great Eastern followed through with the Holly Farms situation in Colorado Water Court. Garden City Company put in an application several years ago that was denied to get reimbursed for their expenses. Great Eastern has continued following the substitute water supply plan (SWSP) and Water Court activities and presently considering ceasing involvement due to the expense. Currently Holly Farms is in the third year of a five year allowance for operation under a SWSP. Kansas has submitted concerns every year on the initial SWSP and subsequent renewals. After much discussion, Mark Rude will call and check status of what the current standing is on the case and will report back at next meeting.

South Side Application for [gates/check structure] replacement

Randy Hayzlett read through the South Side application for Diversion Structures Phase 2. The project is the total removal and reconstruction of the diversion structures along the entire length of the South Side Ditch. The new structures will utilize metal gates with a safer mechanism to raise and lower the gates to stop the water for diversion to users. The outdated deteriorated structures that use wooden jam board stops to control the water are inefficient and next to impossible to regulate the water as it is delivered to water users. The project period could run from August 2016 to April 2018.

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Mr. Hayzlett stated he would prefer to do local negotiations. He received an estimate of \$29,950.00 each from Joe Amos Construction, Inc. out of Holcomb, KS. That estimate covers labor and material to set and pour check gate (large version) and labor to remove existing gate structures.

Cox Guzzlers provided an estimate to have the gates locally built, painted and delivered to the various sites for \$37,750.00 each.

Randy summed up the estimated total per structure at \$77,250.00 (\$29,950 (cement) + \$37,750 (gates) + \$9,500 (for outlet gates and operators) = \$77,200 x 17 structures = \$1,313,250.00) the intent is to replace the structures needing the most urgency first and progress until all of the approximately 17 structures are replaced for a total estimated cost of \$1,313,250.00.

After discussion amongst the committee, Hal Scheuerman moved to approve project at 1.4 million. Shane Knoll seconded. Motion passed with all in favor.

Local Issue Matrix

No report was provided.

Review of Action Items

- Completion of two applications
 - Tom Willis Water Technology Farm
 - Roth/Garden City Company Water Technology Farm-water quality study element
- Two applications to GMD3 Board with recommendations for approval.
 - Amazon Flume Replacement over Sand Creek additional expenses
 - South Side Phase II Engineering
- Mark will discuss potential federal funding for the Frontier Parshall flume when he is in Washington, D.C.
- Mark to call Colorado Water Court and check status of Holly Farms case
- Completion of the 2014 and 2015 annual report for review by KWO

Public Forum

Dave Brenn stated that Water Congress will be held at Wichita State University, July 26th, 27th, 2016. An agenda is being worked on and will be placed on the web-site when completed. Mr. Brenn would like good representation of the Arkansas River Litigation Funds Advisory Committee for a presentation of what is occurring.

Documentary titled Thirsty Land will be released in August, 2016.

Mark stated still working on the water transfer fee, HB2059.

April 26th, 2016, several staff and GMD3 Board of Directors will tour WaterOne in Kansas City.

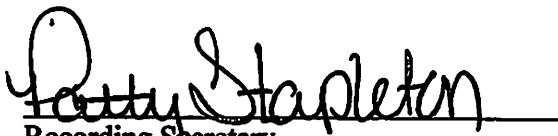
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Future Meeting

The next meeting of the Arkansas River Litigations Funds Committee is to be determined.

Adjournment

Shane Knoll moved to adjourn the meeting at 5:21 p.m. David Becker seconded. Motion passed. Meeting was adjourned.


Recording Secretary


Committee Chairman