

**Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
January 13th, 2017**

MEETING CALLED TO ORDER

The January 13th, 2017 Board of Directors meeting of the Southwest Kansas Groundwater Management District was called to order by President Kirk Heger at 9:00 a.m. The meeting was held in the Board Room of Southwest Kansas Groundwater Management District NO. 3.

Directors Present

Kirk Heger, President, Stevens County Representative

Mike O'Brate, Treasurer, Gray County Representative

Mike McNiece, Board Secretary, Industrial Representative

Clay Scott, Grant County Representative

Steve Stone, Finney County Representative

Kent Dunn, Seward County Representative

Randy Hayzlett, Surface Water Representative

Douglass Fox, Meade County Representative

Hal Scheuerman, Kearny County Representative

Fred Claassen, Morton County Representative

Directors Absent with Notice

Alan Schweitzer, Municipal Representative

Jeff Reinert, Ford County Representative

Bret Rooney, Vice President, Haskell County Representative

Zachary Gale, Hamilton 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

Brandi Sneath, Office Assistant

District Staff Absent

Trevor Ahring, Engineer

Others in Attendance

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

Jon Aquilar, KSU Research

Fred Jones, City of Garden City, KS

Kelly Warren, Water Right Consultant

BJ Gray, KU Anthropology

Mary Hill, KU (Groundwater and Uncertainty)

Misty Porter, KU Visualizing Hydrologic Data

Bob Johnson, Retired, Sunflower Electric

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APPROVE AGENDA

President Heger asked for consideration of the meeting Agenda. After some discussion, Clay Scott made a motion to approve the agenda as presented. Kent Dunn seconded. The motion was approved with all in favor.

APPROVAL OF MINUTES & GENERAL MONTHLY FINANCIAL REPORT

President Heger drew the attention of the Board to consider December 14th, 2016 draft minutes. Clarification of report and correction of WWCPF meeting date to December. Mike McNiece moved to approve the December 14th, 2016 minutes, as revised. Steve Stone seconded the motion. The motion was approved with all in favor.

President Heger next drew the attention of the Board to review the December, 2016 financial report documents. Mike McNiece made a motion as follows: Approve the financial reports and payments for the months of December as presented at this meeting, and to submit them for the annual audit. Clay Scott seconded the motion. The motion was approved with all in favor.

Mark reminded the board of the work at hand to develop the 2018 budget and encouraged the board to consider the planned 2 cent increase in groundwater user fee (from .14cents to .16cents per AF) to fund the District activities and how that may now affect members bottom line in 2018.

Mark updated the board regarding Blue Cross and Blue Shield Insurance renewal.

President Heger signed and submitted the financial documents.

Introductions were completed.

President's Report, President Kirk Heger

Water Commissioner's Report, Mike Meyer

Mike Meyer reported static water well measurements have been completed the last two weeks. The preliminary results from the Garden City, DWR office ranges from .5 feet to 2.5 feet decrease. This is close to the same percentage as last year, which is surprising due to the 2016 precipitation. Cascading waters caused several false readings, may need to do follow-up spot checks or possible re-checks.

DWR office in Garden City received about 21 MYFA's, several of them were likely rollovers from a previous MYFA.

Mike announced that the Kansas Water Office will be holding six Water Talk Meetings throughout Kansas in the months of January of February. Check out Kansas Water Office website for all the meeting dates, locations and times. [9 AM February 14 in Garden City Fairground and February 21 at Ulysses fairground.]

Water Use Reports have been sent out. Encourage producers to complete and submit on-line.

President Heger stepped aside and handed the gavel to Secretary, Mike McNiece:

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7917 D1 Betty Lee Trust, Distance Move waiver for a Reallocation

Jason Norquest reviewed 7,917 D1 reallocation, distance move for Betty Lee Trust. The high lights of the power point slide were:

- ❖ North well was re-drilled in corner after change application was approved January 26th, 2016
- ❖ This proposed change was first filed in August 2016 and then modified to current proposal letter
- ❖ Proposed move 32AF of authority from south well to north well, both under same water right
- ❖ Section 4 well: 288=32=320AF
- ❖ Section 9 well: 352-32=320AF
- ❖ Spacing between the wells is over 3200 feet
- ❖ Spacing to neighboring wells is met

After discussion, Kent Dunn moved to recommend approval of 7917 D1 distance move. Hal Scheuerman seconded. Motion passed. Kirk Heger abstained.

Secretary Mike McNiece handed the gavel back to President Heger.

Food-Energy Water Calculator, Senator Bud Estes Project: Mary [Hill], KU

Bob Johnson opened up with a summary of efforts and ideas of the project to exchange water use income for energy income and how it came about. Mary Hill with KU spoke about the Food-Energy-Water Calculator for Western Ks. She described the calculator to that of a mortgage calculator but only more complicated. Wind energy income increases with the possible change in Kansas regulations while agricultural income decreases as farmers relinquish some water rights. The “calculator” provides analysis of farm income tradeoffs.

The goals for the wind turbines or solar panels would be to:

- Conserve and extend usable life of the Ogallala
- Maintain crop production into the future with less irrigation
- Establish cover crops before the water is too depleted.
- Keep farmer revenues healthy by also harvesting wind energy.

B.J. Gray: demonstrated the calculator. Mary finished by stating for the grant she would need a GMD3 agreement to provide assistance with surveys and such.

Committee Reports

Policy and Legal

Mark reviewed the 2017 Legislative Priorities & Proposed Legislation. WCA is supportable as long as it is presented to groundwater neighborhoods correctly. Mark will notify the Directors as soon as legislative language is available.

GMD2 would like to raise the assessment cap, as discussed at the last GMD3 Board meeting. The directors agreed no comment would be made at this time as it doesn't really affect GMD3 since we are currently so low on the assessment. Clay Scott stressed that the water is already taxed (assessed) by GMD's and water users should not be taxed again. The water use map demonstrates that our area would be paying the most. The State needs to look at the user fees and where they are allotted.

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Mark turned the board's attention to the DWR Administrative Initial Report and comment response from GMD 3 Board of Directors. The Board provided general comments regarding vested and senior water rights: if the vested isn't being satisfied then the others shouldn't be added until the vested is satisfied.

The consensus of the directors was to be more specific to the review, completed the few edits as proposed throughout the reading and hold until the end of the month and see if the court hands down the final verdict.

Management Program Document Revision

A lot in how that (Garretson Brothers call to secure groundwater) proceeds depends on how we respond to the court case and dealing with impairment. GMD3 is interested in getting a review back on the management plan within 2 weeks of being submitted to them.

Finance Committee

Mr. Rude stated that a Finance Committee meeting is needed in the very near future to draft a 2018 budget.

Old Business

There was no old business to bring off the table.

New Business

There was no new business to bring to the table.

Executive Director Report, Mark Rude

Four States Conference, Ft. Collins, Travel for Trevor Ahring.

Mark requested out of state travel for Trevor Ahring to attend the Four States Conference in Fort Collins, Colorado. Kent Dunn moved to approve out of state travel for Trevor Ahring. Clay Scott seconded. Motion passed with all in favor.

NWRA Federal Water Issues Conference, March 20-22, Washington DC

Mark requested out of state travel for at least two board of directors and two staff to attend the NWRA Federal Water Issues Conference which will be held in Washington D.C., March 20-22. Clay Scott moved to authorize 2 board members and 2 staff out of state travel to attend the NWRA Federal Water Issues Conference in Washington D.C. March 20-22. Randy Hayzlett 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, Mike O'Brate moved to accept the December financial report and payments as presented and submit them for annual audit. Doug Fox seconded. Motion passed with all in favor.

Annual Legislative Report

The Western Water Conservation Projects Funds annual Legislative report was handed out for the Board's review.

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Board Member Report

There were no board member reports announced.

Public Forum

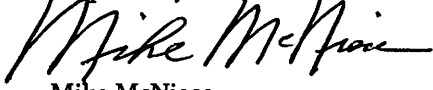
No public forum was brought up for discussion

ADJOURNMENT

Fred Claassen made a motion to adjourn the meeting. Steve Stone seconded.

The meeting was adjourned at 12:37 p.m.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF THE HISTORY OF ARTS
AND ARCHITECTURE

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