

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

MEETING CALLED TO ORDER

9:01a.m President Kirk Heger called to order the June 14, 2017 Board of Directors meeting of the Southwest Kansas Groundwater Management District at 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

Randy Hayzlett, Surface Water Representative

Fred Claassen, Morton County Representative

Fred Jones, Municipal Representative

Hal Scheurman, Kearny County Representative

Directors Absent with Notice

Bret Rooney, Vice President, Haskell County Representative

Kent Dunn, Seward County Representative

Zachary Gale, Hamilton County Representative

Douglass Fox, Meade County Representative

Seth Nelson, Stanton 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

Trevor Ahring, Engineer

Brandi Sneath, Office Assistant

Others in Attendance

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

Armondo Zarco, Garden City KDA/DWR

Frank Mercurio, KLA Environmental Services, LLC

Todd Ploeger

Russell Komlofsky, KFB Representative

Keith Bryant, Reeve Cattle

Lora Norquest, Pioneer

Travis Lee, Pioneer

Jill George, High Plains Feedyard

Steve Rome, Producer

KFL Representation

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

APPROVE AGENDA

President Heger asked for consideration of the meeting Agenda. After some discussion, Mike O'Brate made a motion to approve the agenda as revised adding Russel Komlofsky Representation of KFB presentation under Presidents Report B iii. Clay Scott seconded. All voted in favor, motion approved.

APPROVAL OF MINUTES & GENERAL MONTHLY FINANCIAL REPORT

President Heger drew the attention of the Board to consider May 10, 2017 draft minutes. Mike McNiece moved to approve the May 10, 2017 minutes, as presented. Fred Jones seconded. All voted in favor, motion approved.

President Heger next drew the attention of the Board to review the May 2017 financial report documents. Randy Hayzlett made a motion as follows: Approve the financial reports and payments for the month of May as presented, and submit them for the annual audit. Hal Scheuerman seconded the motion. All voted in favor, motion approved.

President Heger signed and submitted the financial documents.

President's Report, President Kirk Heger

Board resignation of Ford County member & filing of unexpired term:

President Heger brought notice to a resignation letter from Ford County Representative Jeff Reinert. Fred Jones moved to accept resignation. Fred Claassen seconded. Resignation of Jeff Reinert passed. Mike O'Brate asked if there was a replacement in mind. President Heger stated staff would notify the person and have him attend the next meeting.

Kearny / Finney LEMA Discussion Update

The Kearny/Finney County LEMA committee held a public meeting on June 6, in Deerfield, KS. This meeting provided open discussion on the Kearny-Finney LEMA discussion elements. Throughout the day, presentations along with vendor displays were present to highlight the newest technology and equipment. Duane Roth believes that people would be more receptive if the LEMA would be proposed District wide. He also suggested adding talk about the Aqueduct water transfer concepts at the public meetings. Duane Roth would like guidelines and support from the GMD3 board.

Jill George with HyPlains Feedyard spoke about the issues the feed yard is having with water. Several wells supply water to the feed yard, with one being shallow and pumping air. They are currently moving cattle out due to water shortage in the yard. HyPlains Feedyard's goal is to produce the best quality beef for the world, therefore implementing practices that collect the run-off water / overflow water and using it as efficient as possible by recycling.

Todd Ploeger stated the letter in the board packet sums up his thoughts regarding the KF-LEMA. He stressed his concern of how the committee meetings have been advertised. Public involvement and taking comments at the public meetings would help the public to state their questions and concerns. Kirk Heger hopes these issues are resolved to demonstrate a vested, precise and smoothed out plan prior to being the plan presented to the board of directors.

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

Russel Komlofsky with Kansas Farm Bureau (ninth District Board Member) remarked that KFB had a meeting and the question was asked why this [conservation discussion] is not a whole district LEMA. GMD3 needs to start having discussions, educating the people in all areas. KFB would like to assist with possibly starting another round of talks in the GMD3 District and helping get the work out, realizing there are many differences throughout the district. Mr. Komlofsky noted that Kent Askren is the water guru at Farm Bureau. He would be very beneficial as a resource in getting the talks started and following through with them.

Mark reviewed the GMD3 Board of Directors LEMA Management Plan Guidance for proposals. Armando Zarco noted if the LEMA would be implemented producers might ramp up their water use without a set of past years adopted for LEMA evaluations.

Clay Scott moved to adopt the Draft GMD3 Board of Directors LEMA Management Plan Guidance for Proposals from within the boundaries of the Southwest Kansas Groundwater Management District NO. 3. Mike O'Brate seconded. With all in favor the Motion passed.

Board Resolution:

Mark Rude brought to the table Resolution 2017-2. The resolution covers rules needed to implement water conservation areas and provisions in SB46. He pointed out it is important that standards / rules are implemented as soon as possible. Mike Meyer asked is this covering LEMA's, realizing that every LEMA and WCA proposal is different. President Heger added that LEMA's have more detailed process where as there is not much detailing for WCA plans that the GMD3 and members can review and comment on.

Fred Jones moved to approve Resolution 2017-2. Randy Hayzlett seconded. Motion passed with all in favor.

Water Commissioner's Report: Mike Meyer

Water Commissioner Meyer announced the hiring of the Interstate support employee in the Garden City Field Office. He also announced DWR advertised for a Water Conservation Specialist to help with WCA's. Interviews for that position will start next week.

Annual review of past over pumpers have been completed. About 40 water rights were flagged for overpumping in 2016; with probably half being penalized.

To date there are 12 Water Conservation Areas in the state. Approval of the Wichita County WCA additional addendums are expected to completed in the near future.

JMR (John Martin Reservoir) will release 600cfs tomorrow, with majority of the water going to the KFL area.

A public hearing on Consumptive Use Revision Rules will be on July 25 at 10am at DWR office.

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

Water Right 49,729 Pioneer, Spacing waiver to neighboring well

Lora Norquest and Travis Lee from Pioneer were present. Jason reviewed the details of the application:

- New application for 12AF
- At time of submittal, one 2AF app already submitted, USD 457, since certified 1.67AF
- New facility is required by KDHE, due to number of people they could have, couple months/year
- Neighboring well not meeting spacing has long term lease by Pioneer
- Owner of the well submitted letter of support
- No other response from letter

Mr. Meyer questioned the hydraulic contact, noting the confined Dakota has to be 1/2 mile to point of contact. Clay Scott moved to recommend approval of waiver. Mike McNiece seconded. Motion stands.

Water Right 13,690, Penner Cattle, Spacing waiver to neighboring well

Representing Penner Cattle was Dennis Penner. Jason Norquest outline the spacing waiver application:

- Converting 10AF from IRR to STK for sale of the stock pens
- Moving that 10AF to the battery of STK wells (25553.01 & 39663)
- Spacing not met to a domestic, which will be owner by the buyer
- Spacing not met to 13690(1570'), Penner's waive that for the sale (302AF needs 1900', 300AF still needs 1600')
- Currently 320AF IRR, 10AF to STK, 302AF remain IRR after 8AF reduction for calculation.
- No other response from notification letter.

Mike McNiece moved to recommend approval of spacing waiver for Penner Cattle, water right 13,690. Hal Scheuerman seconded. Motion passed.

11511D2, Cimarron Crossing, Spacing waiver to neighboring well

Turning the boards' attention to Water Right 11511D2, Cimarron Crossing spacing waiver to neighboring well, Jason reviewed the following facts:

- Prior Term Permit, discussed the plan to re-drill and split 11511
- Completed, converted 200AF from 11511D2 to STK and request moving back to vacated hole
- 272.8AF kept at current location for IRR
- Spacing to each other not met
- 2 mile pipeline to feed yard is complete and storage tank on north side
- Current term request is safety net while adjusting pressures in the system
- Used the proposed consumptive use map in change
- 496AF=>472.8AF total (23.2AF Reduction)
- No response from notification letter

He added this would be a long-term solution for the supply challenges of the yard.

Clay Scott moved to recommend approval. Mike O'Brate seconded. Motion passed.

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

Water Right 31,499, Reeves Cattle, Consumptive Use Calculation

Representing Reeves Cattle was Keith Bryant. Reeves Cattle proposes to convert use of water from irrigation to livestock, which would cover the expansion of the feed yard, in addition, complete overlap in place of use with water right 10601.08.

- Prior Term Permit, discussed the plan to re-drill and split Water Right, File No. 11,511
- Completed, converted 200AF from 11511D2 to STK and request moving back to vacated hole
- 272.8AF kept at current location for IRR
- Spacing to each other not met
- 2 mile pipeline to feed yard is complete and storage tank on north side
- Current term request is safety net while adjusting pressures in the system
- Used the proposed consumptive use map in change
- 496AF=>472.8AF total (23.2AF Reduction)
- No response from letter

Mike O'Brate moved to recommend approval of the consumptive use calculation. Fred Claassen seconded. Motion passed with all in favor.

Committee Reports

Executive Committee

President Heger announced the Executive Committee met this morning. They reviewed Employment & Salary for Executive Director, Mark Rude. The committee recommended 2% increase in salary, retroactive to February 2017.

Randy Hayzlett moved to accept the committees' recommendation of a salary increase for Mark Rude at 2%, retroactive to February anniversary month, 2017. Fred Claassen seconded. Motion passed.

Old Business

Draft Revised Management Program Document

Mark advised the directors to be on the lookout for the newest Revised Draft Management Program Document. He will email it to the directors this afternoon. Mark welcomed comments from now until the final action date at the July Board Meeting.

New Business

There was no new business to bring to the table.

Executive Director Report, Mark Rude

Kansas Water Authority Meeting, May 17-18, 2017

Randy Hayzlett believed the Kansas Water Authority Meeting on May 17-18th went well. Tours of the Water Technology Farm, Flume and other locations were very informative and planned out. Kansas Water Office did provide a "Thank You" note to GMD3 and Aqueduct Coalition on the event sponsorship. WaterOne is still interested in a reciprocating tour of SW KS for a future date.

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

GMDA Summer Conference, May 24th-26, 2017

Mark Rude, Jason Norquest and Randy Hayzlett attend the GMDA Summer Conference, May 24th-26 in Albuquerque NM. Jason Norquest presented on Kansas LEMA's and WCA's, among many presenters.

DWR Rules Hearing

DWR Rules Hearing generated an ongoing discussion with KDA Legal for enforcement consent agreements that transfer overpump or other fines for conservation use by the board.

Legislative Update

Mark provide a summary of Water Issue in SB46 to become law July 1st: 1) dealt with seeking administrative remedy before a court injunction 2) posting of applications on DWR website. 3) Modification of WCA law for new groundwater use flexibility. Resolution 2017-2 just addressed those concerns earlier in the meeting.

Kansas Water Congress Summer Conference, July 27-28, Garden City Clarion Inn

Kansas Water Congress Summer Conference is July 27-28th at the Garden City Clarion Inn. Planned talks on implementing LEMA, WCA and such are on the agenda. GMD3 will cover cost for all Board of Directors that would like to attend.

NWRA Summer Conference, Santa Fe, NM, August 8-10

Mark brought to the table discussion regarding out of state travel to attend the NWRA Summer Conference, August 8-10, 2017 in Santa Fe, NM. Hal Scheuerman moved to approve travel to the NWRA Summer Conference in Santa Fe, NM for staff and directors. Randy Hayzlett seconded. Motion passed.

Summer Intern

Mark proposed a \$2,000 salary allotment for a part time summer intern. The intern would help with You-Tube videos and possibly create another documentary. Mike McNiece moved to approve hiring of intern, with a salary allotment of \$2,000. Clay Scott seconded. Motion passed.

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, Hal Scheuerman moved to accept the May financial report and payments as presented and submit them for annual audit. Mike O'Brate seconded. Motion passed with all in favor.

Board Member Report

KDA is working on a meeting with RMA about wheat streak mosaic in July.

Public Forum

Mike Meyer asked how the Bureau of Reclamation Grant ended. Trevor stated, "Still waiting for response."

Mr. Meyer also asked for a demonstration of how to get to KFL information on the GMD3 website.

Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
June 14th, 2017

Mike O'Brate asked "Is the over pumper list down from past year?" Mike Meyer replied that the number of over pumpers is down past years.

Trevor brought notice of the need for a Board Resolution for the Bureau of Reclamation Grant proposal on Ark River Breach Repair Project. The resolution is to support of funding of repair of a breach in the Arkansas River Bank in Finney County, Kansas subject to final project permitting and a contract with the Bureau of Reclamation for funding assistance under the WaterSMART grant program. Clay Scott moved to adopt the Resolution 2017-3, Bureau of Reclamation Grant in support of funding up to \$75,000. Mike McNiece seconded. Motion passed, with all in favor.

ADJOURNMENT

Fred Claassen made a motion to adjourn the meeting. Clay Scott seconded. Meeting adjourned at 11:54 a.m.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary