Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
November 6th, 2017

MEETING CALLED TO ORDER

9:00a.m. President Kirk Heger called to order the November 6th, 2017 Board of Directors meeting of the Southwest Kansas Groundwater Management District which was held in the Board Room of Southwest Kansas Groundwater Management District No. 3 in Garden City, Kansas.

Directors Present

Kirk Heger, President, Stevens County Representative
Bret Rooney, Vice President, Haskell County Representative
Clay Scott, Grant County Representative
Kent Dunn, Seward County Representative
Zachary Gale, Hamilton County Representative
Douglass Fox, Meade County Representative
Fred Claassen, Morton County Representative
Fred Jones, Municipal Representative
Hal Scheuerman, Kearny County Representative
Steve Stone, Finney County Representative

Directors Absent with Notice

Mike McNiece, Board Secretary, Industrial Representative
Mike O'Brate, Treasurer, Gray County Representative
Randy Hayzlett, Surface Water Representative
Dave Casterline, Ford 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
Trevor Ahring, Engineer
Brandi Sneath, Office Assistant

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS
Dwane Roth, KF LEMA Steering Committee
Abe Lollar, Biologist, Ducks Unlimited
Dave Brenn, Kansas Water Congress

APPROVE AGENDA

President Heger asked for consideration of the meeting Agenda. Bret Rooney made a motion to approve the agenda as presented. Clay Scott seconded. The motion passed.

APPROVAL OF MINUTES & GENERAL MONTHLY FINANCIAL REPORT

President Heger drew the attention of the Board to consider September 13th, 2017 draft minutes. Kent Dunn moved to approve the September 13th, 2017 minutes, as presented. Hal Scheuerman seconded. The motion passed.

President Heger next drew the attention of the Board to review the September and October 2017 financial report documents. Mark reported on the Finney County assessments, reading an email from Kelly Dress, Finney County Treasurer, it appears tax statements in Finney County for 2016 didn't include the GWM special assessment. It appears that any record with the water user fee was ok. It is the land assessment that was not included for collection on the Finney County tax rolls. A correction will be reviewed and implemented in the near future.

Mark Rude brought the following bills and new bank approval to the table for review and approval as part of the financial report:

1) Approval of $5,000.00 for the Kansas Water Congress financial supporting membership.
2) Travel approval for two board of directors and two staff to NWRA Groundwater Task Force October 24th, in Dallas Texas.
3) Tom Morison consulting for well evaluation training of $687.50.
4) Plains State Bank added as official depository of funds.

Clay Scott made a motion as follows: Approve the financial reports and payments for the month of September and October as presented at this meeting, and submit them for the annual audit. Bret Rooney seconded the motion. The motion passed

President Heger signed and submitted the financial documents.

President's Report, President Kirk Heger

Water Commissioner's Report, Mike Meyer

Chief Engineer, David Barfield is planning to have Management Plan comments back to GMD3 by Thanksgiving. Mr. Barfield will schedule a date in December to review the Plan with the GMD3 Board of Directors.

GMD4 will hold a second public hearing on November 14th, 2017 regarding the District-Wide LEMA. This hearing will determine adoption of the proposed LEMA plan for the area.

Mike noted the Arkansas River is running good and was at Raceway Road downstream of Garden City the last he knew.

Change Application 39,356, Roger Cline: Well Spacing Waiver
Jason Norquest reviewed the following highlights of change application, file no. 39,356, well spacing waiver for Roger Cline:

- Change applied to re-drill the well under 39356
- Authorized 108AF, Limited to 1054AF with 17248 & 23101
- Roughly 2335' move
- Spacing not met to WR 23101 (534AF), owned/operated by applicant
- 2300' needed, HAS roughly 1700'
- Current PD is 2089'
- Applicant response in packet
- One response from a neighboring wells, no concern just questions

The applicant proposes to change the well location for several reasons;

1) Test Hole was good in the area with spotty locations for good water
2) The location is flat land. A few hundred feet away the land is sloping.
3) Time line of drilling, would like to drill this year.
4) Moving closer to own well 23,101.

Roger Cline stated his plan is to put the project into a conservation plan to reduce water use in the near future, if a good well is established. Clay expressed concern over spacing waivers proposed just so good wells are established for the purpose of improving land value before a sale and spacing protections between wells were waived. Clay Scott moved to recommend waiver of well spacing for water right, file no. 39,356 with the understanding that conservation efforts and common ownership would occur. Doug Fox seconded. Motion passed.

New Appropriation 49863, David Batie: Well Spacing Waiver

- Change app for 13,330 filed for PU to cover the pivot
- Previous land owned by multiple owners
- Condition of signature, new appropriation for 15AF for IRR on 7.5 acres
- Spacing not met to 13,330 (420AF)
- Needs 2,100', only has just over 1,200'
- Additional well would require at least a 25AF reduction. Still be waiving spacing.
- No response from neighboring well notices sent out.

The water requested is to irrigate a 7.5-acre pasture. Water Commissioner Mike Meyer stated would give him a new appropriation allowing him to be the most junior on the block, and then he has to perfect it. If he does not perfect it, then the water right is gone.

Policy and Legal reviewed the change and concluded not recommending well spacing waiver and area exceeding 40% in 25 years depletion rate may necessitate a like reduction from existing water right proposed as a place of use change. Steve Stone moved to accept the Policy and Legal recommendation. Hal Scheuerman seconded. Motion passed with Zachary Gale abstaining from voting.

Committee Reports
Research and Development Committee
Research and Development Committee met on September 25th 2017 in the GMD3 Board Room. Mark turned the boards' attention to the meeting notes included in the board book.

GMD Mobile Data Acquisition Management Application is progressing. Full implementation is predicted early 2018.

KFL steering committee is currently on harvest break while GMD and State staff develop informational mailing for area members this fall. Mark Rude is currently chairing the committee. R&D Committee recommended a third party take over as chair of the steering committee after the mailing of the survey to area members.

Research and Development Committee reviewed the two allocation calculation options and recommended a third calculation option be included with no tie to actual recent irrigation use; a simple 50% of certified right annual quantity. Fred Jones recommended a revision in wording on page 5 of 8, switching sentence 2 and sentence 1 to be more consistent with committee recommendation.

Mark turned the boards' attention to the survey of the proposed Local Enhanced Management Area in Northern Kearny and Finney Counties with a brief review with the board. The results of the LEMA survey will inform the steering committee, GMD3 and DWR as to the response of the local water right owners and users in the area.

District-Wide reasonable need standard
Discussion occurred with the committee on a 10 year District-Wide modern reasonable need for irrigation conservation standards cap. The committee posed the question to the full board for the District to propose a district wide reasonable cap over 10 years? The cap would limit every use under irrigation rights to 10 times the county 80% NIR for corn value already in state regulation for each ten year period. The question was posed to the chief engineer if implementable by revising the management program and adopting a rule. An October 13 email from Chief Engineer Barfield regarding the proposal said it would not be as defendable as implementation through a LEMA process to set the standard. He provided background reasoning to justify his conclusion. The consensus was to further develop the concept in committee for a future recommendation to the board.

Monitoring well equipment
Research and Development committee reviewed monitoring well equipment expense and recommended to redirect past funds used for USGS annual groundwater gage contracts to be available for equipping KF LEMA wells for data collection. This would be subject to state monitoring well agreement with well owners. GMD3 would retain equipment. Clay Scott moved to funding of up to $6,700.00 for monitoring well equipping of KF LEMA wells for continuous data collection, with the stipulation we use wells that will provide the needed information and not just easily accessible wells. Doug Fox seconded. Motion passed.

Policy and Legal Committee
Mark brought the boards' attention to the Policy and Legal Committee Agenda and outcome notes.

A review of State Use of Multi-year Flex Account term permits occurred in the Policy and Legal meeting. The committees' stance on the following:

1. As a tool to manage overpump sanctions- Not Recommended
2. What about WCA use as better option- Not Recommended
3. Multiple well MYFA's tied together with over-arching limitation-Not Recommended and may be prohibited by law.

Referring to KSA 82a-736 and MYFA Use to Settle Agency Violation Sanctions, Mark highlighted the following:
(c) (1) *Any holder of a base water right* that has not been deposited or placed in a safe deposit account in a chartered water bank *may establish a multi-year flex account* where the holder may deposit, in advance, the authorized quantity of water from such water right for any five consecutive calendar years, *subject to all of the following*
(A) The water right must be vested or shall have been issued a certificate of appropriation;
(B) the withdrawal of water pursuant to the water right shall be properly and adequately metered;
(C) the water right is not deemed abandoned and *is in compliance with the terms and conditions of its certificate of appropriation, all applicable provisions of law and orders of the chief engineer;*

Consensus of the board was to table until the next meeting to allow for further review by the Policy committee and report back, due to new rules and regulations of overpumping.

Term Permit Temporary change of parts of base right (rules/compliance)
A review of Husband Term Permit 20179045 was completed and Policy and Legal determined it was a good use of the term permit tool as long as no effect to others authority and has end date for resolution of ownership interests.

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
Water Authority Update
Water Authority had a conference call in October; the next meeting will be December 12th, 10:00a.m. in McPherson Kansas.

The Ogallala Water CAP (Coordinated Agriculture Project) to Optimizing Water Use to Sustain Food Systems over 6 states will be holding its annual meeting November 6-7, in Manhattan, KS. Jason and Mark attending as advisors from Kansas. In addition, Governor's Water Conference is this week in Manhattan with Four Board of Directors and four GMD3 Staff attending.

Legislative report-Joint Interim Committee and Water Plan Funding
Mark reviewed for the board a state priority-finding project addressing the Districts 2016 work with the Kansas legislature on SB322 and SSUB HB 2059 that proposed amendments to the Kansas Water Appropriations Act process pertaining to proposed appropriations of waters leaving the state for water transfers. The original bill passed the Senate but died in conference committee. Kansas Water Authority asked the bill not leave conference committee so they could study it and make recommendations to the legislature.

Three attorneys and a past chief engineer teamed up and made a study proposal. Kansas Water Authority accepted the proposal from the study team and has included $200,000 in its' 2018 - 2019 fiscal year funding recommendations to the Governor and Legislature along with other funding priorities.

NWRA Annual Conference, November 15-17, Tucson, AR. (travel approval)
Kansas Water Congress may not have Kansas representation at the NWRA Annual Conference that will be November 15-17 in Tucson, AR. However, GMD3 staff and Board members would pass and focus on the Recommended Leadership Forum.

January 4-5th, 2018 NWRA Leadership Forum is in Las Vegas; Clay Scott plans to attend. Bret Rooney moved to fund registration and travel for GMD3 staff and Board of Directors that wish to attend the forum. Fred Claassen seconded. Motion passed.

Groundwater Management Districts Association winter conference will be in Baton Rouge, January 17 through 19th, 2018. Hal Scheuerman moved to approve registration and travel expense for GMD3 staff and Board of Directors. Clay Scott seconded.
Motion passed.

Mark reminded the directors the holiday luncheon reception for director and staff spouses would be on December 13th, at 12:30 at the Clarion Inn.

Monthly Western Water Conservation Projects Fund Business
Mark Rude drew the attention of the board to the September and October 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 September and October financial report and payments as presented and submit them for annual audit. Doug Fox seconded. Motion passed.

Board Member Report
There were no board member reports announced.

Public Forum
Abe Lollar, Biologist with Ducks Unlimited was present and expressed appreciation for allowing him to be present at the meeting. He stressed being in attendance allowed him a better understanding of many things that could happened and put that information to use with conservation in SW Kansas.

Mike Meyer added that there is a pilot project / Term permit for surface water recreational use for wetland enhancement in Hamilton County for ducks. Brief questions discussed of availability of new appropriations for such projects above GMD3.

Mark reminded the Board to mark their calendar to attend the Topeka Legislative Retreat February 6 and 7th, 2018 along with the Kansas Water Congress. Draft activities as follows:

Monday, February 5th:

GMD staff and others will deliver water bottles and reception invitations to each legislator office.

Tuesday, February 6th:

7:30a.m. to 9:00a.m: Rotunda / Statehouse Breakfast and Display
9:30a.m. to Lunch: Kansas Water Congress Meeting at the Dillon House
1:00p.m. to 4:00p.m: GMD Boards Round Table Meeting (Dillon House)
4:30p.m. to 6:30p.m: GMDs Legislative Reception at the Dillon House

Wednesday, February 7th:

8:00a.m. to 9:00a.m: GMD3 Board Meeting
9:30a.m. to TBD: State Water Agencies and GMD Boards' round table

ADJOURNMENT

Fred Jones made a motion to adjourn the meeting. Fred Claassen seconded. The meeting adjourned at 12:23p.m.

Respectfully Submitted,

Mike McNiece
GMD3 Board Secretary