

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

MEETING CALLED TO ORDER

The 39TH Annual Meeting of the Southwest Kansas Groundwater Management District was called to order by President Dunn at 9:26 a.m. The meeting was held at the Grant County Civic Center, Ulysses, KS.

Directors Present

Nathan Kells, Vice President, 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
Brand Sneath, Office Assistant

Others in Attendance

Brownie Wilson, Manager of Geohydrology Support Service, KGS
Mike Meyer, Water Commissioner, DWR, Garden City, KS
Tracy Streeter, KWO, Topeka, KS
Lane Letourneau, Director of Water Appropriation, DWR, Topeka, KS
Jackie McClaskey, Secretary of Agriculture, KDA, Topeka, KS
Charles Claar, Accountant with Lewis Hooper and Dick, Garden City, KS
Greg Graff, GMD1 Board Member
Gary Harshberger, Kansas Water Authority, Chairman
Diane Coe, KWO, Topeka, KS
Susan Stover, KWO, Topeka, KS
SW KS GMD3 Members

Welcome, Introductions and Sponsors

President Dunn welcomed all those in attendance.

APPROVE AGENDA

President Dunn asked for consideration of the Annual Meeting Agenda. After some discussion, Jay Garretson made a motion to approve the agenda as presented. Nathan Kells seconded. The motion was approved with all in favor.

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APPROVAL OF MINUTES & MONTHLY FINANCIAL REPORT

President Dunn drew the attention of the Board to consider the March 13th, 2013 draft minutes. Steve Stone made a motion to approve the March 13th, 2013 Annual Board Meeting minutes. Nathan Kells seconded the motion. The motion was approved with all in favor.

Report of District Activities

Executive Director, Mark Rude spoke to those in attendance through a power point presentation. Refreshing the members on the policy for Kansas Groundwater Management District Act is to preserve basic water use doctrine and establish the right of local water users to determine their destiny with respect to the use of groundwater.

The five purposes for which GMD3 was organized are to:

1. *organize and develop the efforts of the entire groundwater Management district for the proper management and conservation of its' groundwater resources;*
2. *Provide local input into the use and management of groundwater;*
3. *Provide for the greatest total social and economic benefits from the development, use and management of groundwater;*
4. *Support research and education concerning proper water management;*
5. *Work cooperatively with all federal, state and local units of government to accomplish the objectives of the District and the Groundwater Management District Act and amendments thereto.*

GMD3 Management Plan considered several objectives:

1. Promote a culture of conservation to reduce disincentives to conserve water and enhance incentives to budget use to meet present and future needs.
2. Protect and extend reasonable access to safe and usable groundwater.
3. Pursue the highest value for the water consumed.
4. Develop data and information for prudent water management decisions and target groundwater management programs and tools to meet local water needs in priority areas.

GMD3 offers many services and membership activities.

1. *Water policy development and recommendations*
2. *Water supply and water right evaluations*
3. *Balance: Is there enough due process?*
4. *Leadership in local, state and federal water projects and program development for members*
5. *Flowmeter assistance: Inspect, test, seal.*
6. *Compliance Monitoring Service*
7. *Hydrologic and Engineering evaluations*
8. *Water conservation program development*

Mark spoke to those in attendance about the Kansas Aqueduct project. He announced the Coalition office for the Aqueduct is located in Alma, Ks on Missouri Street. Having the coalition allows people the opportunity to get involved either financially or actively. Mark recapped the 1982 study which envisioned a river dam and lock, pump intakes and source reservoir. Water would move 5' per second, dropping ½ foot per mile west between lift stations.

Finance Report

2013 Audit Report, Charles Claar, LHD

Charles Claar, CPA with Lewis Hooper and Dick stated that Southwest Kansas Groundwater Management received an unqualified audit report. The funds were properly accounted for and audited for 2013. 97.17% of the general funds were invested in interest bearing accounts. 99.52% of the Water Conservation Project Funds were invested in interest bearing accounts. Mr. Claar highlighted that in 2013 general fund expenditures were less than budget authority by \$478,333. Demonstrating the district had funds but didn't spend them, a very aspect to financial management. There were no deposits in financial institutions at risk. Assessment receipts made up 94% of the years receipts, with reimbursement at 5% and interest bringing in 1%. 2013 expenditures were made up of 88% administration, 5.9% professional services, payroll taxes at 4.8% and water management programs at 1.3%. Mr. Claar ended by stating all in all a good audit for 2013. He then opened the floor up for discussion. No questions.

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Proposed 2015 Draft General Fund Budget and Member Assessments, Treasurer, Mike O'Brate

GMD3 Treasurer Mike O'Brate reviewed the 2015 draft general fund budget with the members. Questions from the floor were brought up for discussion regarding increasing the assessment amount to help fund the Aqueduct Project. Assessments can be increased for a specific project up to a certain dollar amount; anything above that amount will need statutory approval.

Election of Directors and Aquifer Closure,

Statements from Candidates

President Dunn provided time for each new candidate to introduce themselves. Darcy Alexander and Bret Rooney each introduced themselves and provide a bit of history about them.

Closure of High Plains Aquifer

Mark proposed to members and directors a proposal to close the high plains aquifer in the remaining area of the district. Several representatives from counties stated their opinions on closing the remaining open townships in the High Plains Aquifer to new appropriations of water. Kirk Heger from Stanton County stated "closing would help maintain right." Wayne Breeding from Morton mentioned "there is very little water and will allow more points for conservation." Kent Dunn from Seward added "rough terrain with little water."

Vote by Registered Voters

Kent Dunn called for a 20 minute break to collect and tally up the ballots for election of directors and closing the remaining open townships in the High Plains Aquifer to new appropriations of water.

Kent Dunn called the meeting back to order and announced the directors elected were:

Clay Scott
Seth Nelson
Ross Geubelle
Bret Rooney
Alan Schweitzer

The closing of the remaining open townships in the High Plains Aquifer passed.

Brownie Wilson, KGS

Brownie Wilson from the Kansas Geological Survey discussed the water levels for the GMD3 area. He reminded those in attendance about the 1400 wells that are measured every January by KGS and DWR and how each is measured. In Haskell County he noted a 120 feet difference between winter and summer water levels. As he demonstrated on a power point graph, minimum well elevations declined each year, until 2013. 2013 measured 3.2 feet higher, likely due from reduced pumping. The Hugoton index wells were similar in pattern to Haskell Index well in drawdown. Both showing confined behavior and both affected by same pumping stress.

Gary Harshberger

Gary Harshberger, appointed by Governor Sam Brownback for Chairman of the Kansas Water Authority, spoke to those in attendance about the Water Authority and his thoughts on the Aqueduct. The Water Authority is made up of a 13 member board who advises the Governor and Legislatures of water issues. Gary went on to say that he applauds GMD3 staff and directors in pursuing the Aqueduct Project. However, he feels it is premature in the process to start collecting funds.

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Jackie McClaskey, Agriculture Secretary of Kansas Department of Ag

Secretary of Ag, Jackie McClaskey stated the importance of being the voice for Agriculture, Producers, Districts and Ranchers and advocating for the largest industry in the state: Agriculture. Without water the number one industry of Kansas would not function. In October 2015, the Kansas Water Conference will be held. She ended by stating she is looking forward to the small group discussions and visiting with GMD3 members.

Tracy Streeter, KWO

Tracy Streeter with Kansas Water Office welcomed everyone for attending and thanked the GMD3 Board for the invitation to speak. Kansas Water Office has held many meetings over the past 6 months in many parts of Kansas to visit with stakeholders representing all water users.

Mr. Streeter added his thoughts on the aqueduct. He stressed a couple of points: 1. need to proceed and get study completed and proceed from there 2. Johnson County needs to be aware of details regarding the aqueduct project. 3. Proceed with water transfer ideas cautiously.

County Breakout Sessions and Surveys

Mark Rude directed the members to their appropriate meeting spot for the county breakout sessions. Kent Dunn called for the county breakout session to last 20 minutes.

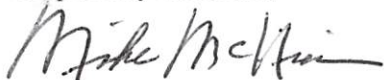
Public Forum

Suggestions from the county breakouts were brought to the floor for discussion and or further review.

ADJOURNMENT

Hal Sharman made a motion to adjourn the meeting. Clay Scott seconded. The meeting was adjourned at 12:52 p.m.

Respectfully Submitted,



Mike McNiece
Board Secretary