

**Southwest Kansas Groundwater Management District No. 3
Minutes of the Regular Meeting of the Board of Directors
August 8th, 2018**

MEETING CALLED TO ORDER

President Kirk Heger called to order the August 8, 2018 Board of Directors meeting of the Southwest Kansas Groundwater Management District to order at 9: 02 a.m. Which was in the Board Room of Southwest Kansas Groundwater Management District NO. 3.

Flag Salute

Directors Present

Kirk Heger, President, Stevens County Representative
Mike McNiece, Board Secretary, Industrial Representative
Bret Rooney, Vice President, Haskell County Representative
Clay Scott, Grant County Representative
Randy Hayzlett, Surface Water Representative
Fred Jones, Municipal Representative
Hal Scheuerman, Kearny County Representative
Dave Casterline, Ford County Representative
Steve Stone, Finney County Representative
Zachary Gale, Hamilton County Representative
Douglass Fox, Meade County Representative
Fred Claassen, Morton County Representative

Directors Absent with Notice

Mike O'Brate, Treasurer, Gray County Representative
Kent Dunn, Seward 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

District Staff Absent with Notice

Brandi Sneath, Office Assistant

Others in Attendance

Mike Meyer, Water Commissioner, Division of Water Resources, Garden City, KS
Armando Zarco, KWO
Lexi Kiniston, DWR
Austin McColloch, DWR

APPROVE AGENDA

President Heger asked for consideration of the meeting Agenda. Mark Rude advised for two additions. Adding C under IX Western Water Conservation "Revising 2018-2 Support grant of Farmers Headgate and an Executive Session with Legal Counsel at 11:30a.m. Brett Rooney made a motion to approve the agenda as amended. Randy Hayzlett seconded. The motion passed.

APPROVAL OF MINUTES & GENERAL MONTHLY FINANCIAL REPORT

President Heger drew the attention of the Board to consider the July 11, 2018 draft minutes. Mike Meyer stated that under Wheatland Electric Change it should read 37 file numbers and 37 wells. Clay Scott moved to approve the July 11, 2018 minutes, as revised. Doug Fox seconded the motion. Motion passed.

President Heger next drew the attention of the Board to review the **July 2018 financial report** documents. Brett Rooney made a motion as follows: Approve the financial reports and payments for the month of July as presented at this meeting and submit them for the annual audit. Zachary Gale seconded the motion. Motion passed.

President Heger signed and submitted the financial documents.

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**President's Report, President Kirk Heger
Water Commissioner's Report, Mike Meyer**

Water Commissioner Mike Meyer introduced Austin McColloch as the new member of DWR. Austin will be assisting with LEMA's, WCA's and general office duties.

Mike reported that late Water Use report notices have been mailed out, approximately 20 in this area. There is a \$1,000 fine for late reports and after 30 days, that water right is suspended.

Jason mentioned there has been an uptick in phone calls on possible MYFA's due to hail. The filing of a MYFA's can happen up to the date of December 31.

Board Review, Bartlett Farms WCA, Ford County

Jason Norquest reviewed the Barlett Farms WCA proposal with several power points. He noted the following:

- WR 19971: 338af (current)
- WR 31853: 320af (+57af)
- MOU was active from 2001-2011
- Both water rights currently authorized 314 acres
- Non-Compliance letter from DWR March 1, 2018 (unauthorized place of use)
- Drought Term Permit was issued 20118008DT

WCA Proposal

- WR 19971: still held at 338af (current)
- WR 31853: 320af (+57)
- 601af cap annually
- 2025af / 5-year total (2018-2022)
- Both held to current rate
- 333 acres to be authorized
- Goal was 405af/year or 2025af 5 years (10.36% reduction)
- Historic Use: 451.788af (2011-2016) average combine.
- WR 21195 is measuring well, shows rise in water level last 3 years.

Jason compared the past producer's MOU use to the proposed WCA use. The comparison demonstrated the MOU was more conservative. When Mr. Bartlett was asked why he did not want a MOU, he stated he did not want the extra layer of government with the MOU, he wants more flexibility. Much discussion occurred amongst the directors regarding water conservation, chasing water and mechanism of crediting producers doing a good job conserving.

A question was raised to the Board of Directors "what would it take for the board to approve the WCA?" Discussion was to seek more information from the producer and overall would like to see more conservation on WCA not just a permit of flexibility of water rights.

Brett Rooney moved to table the review until Mr. Bartlett could be in attendance. Steve Stone seconded. Motion passed.

Draft Revised Management Program Approval Discussion

Mark Rude turned the board's attention to the draft GMD3 Management Program and the stream of email correspondence in the board book. He reviewed the five stumbling blocks that he believes require additional work to discover the prohibitions in law and policy. Discussion occurred over the time spent on the document and the wording issues with the state / GMD3 along with a proposed second document called the 'guidance document'.

Committee Reports

Executive Committee:

Colorado GW Commission update, SSP&A Contract
Executive Committee did not meet. No report.

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Policy and Legal:

Resolution 2018-5

Mark read the revised Resolution 2018-5; the resolution requires offsets for new appropriations in closed aquifer areas. The resolution intended to be a policy statement not an implementation detail. Clay Scott moved to adopt Resolution 2018-5. Mike McNiece seconded. Clay Scott stated current rules and regulations be followed, until new rules and regulations are completed. Motion passed with all in favor.

Renewable Supplies

Still has not met, looking for a meeting with state officials.

Old Business

There was no Old Business to take from the table.

New Business

There was no new business to bring to the table.

Executive Director Report. Mark Rude

KS/OK Ark River Compact meeting, July 25, 2018

Mark attended meeting. Chief Engineer Barfield noted prior to meeting the compact does not govern groundwater in either state. Mark noted groundwater affects surface water flows.

2019 Assessments

Patty Stapleton noted the assessments are complete for 2019. There were 40 Verified Claims. She completed an audit on exclusions, deleting the exclusions that had no paper trail and ended up with 174 in total. Elkhart Forest Service was one taken off the exclusion list as it is not in statue nor no paper trail were on file.

Water Congress Summer Meeting

Mark Rude recognized that a couple of staff and directors attended at the Kansas Water Congress Summer Meeting. The meeting was in Hays, KS and was a very good meeting. Clay Scott provided a significant presentation on Friday regarding water transfer across Kansas to benefit multiple states.

Nex-Tech Contract

Jason Norquest presented the Nex-Tech proposed contract for updating computers and server. The office would keep all monitors and replace on a needed basis. A couple of changes from current;

1. Adding 4 solid-state laptops along with docking stations
2. Upgrading the server from a 16GB Ram to a 64GB Ram with a solid state
3. Changing from 3 year to a 5-year contract.

Nex-Tech would continue to manage anti-virus, software patch management, battery backup-surge protection and on call assistance. Currently data is saved off site for security. The current Nex-Tech cost per month is \$1211.00 this proposal for 5 years is \$1,444.00. After discussion of the directors consensus was to proceed with a 3-year contract instead of 5 year. Mark stated would go in that direction and develop 3-year contract options.

GIS Workshop Outstanding bill

Mark Rude brought to the table a collection notice from GIS Workshop. The 12% interest accruing since January will be waived if paid immediately by a certified cashier's check. Cashier's check will be mailed this week.

Executive Session

Doug Fox moved for a 20 minutes executive session that include Executive Director, Mark Rude. Brett Rooney seconded. Motion passed. Executive session began at 11:30.

Clay Scott moved to give Executive Committee the authority to proceed with the controversy with Colorado administrative process. Hal Scheuerman seconded. Motion passed.

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Monthly Western Water Conservation Projects Fund Business

Mark Rude drew the attention of the board to the July Financial documents of the Western Water Conservation Projects Fund and activity of the advisory committee. After some discussion of the Board, Brett Rooney moved to accept the July Financial Report and payments as presented and submit them for annual audit. Zachary Gale seconded. Motion passed.

Farmer headgate lit bids and only one came back. Will resubmit and bring bids to the committee.

Resolution 2018-2

Mark Rude presented a revised Resolution 2018-2 to the directors. Filed a grant application with the Bureau of Reclamation realizing the plan was to work with the Farmers Headgate and aid them in the 1.3 million dollar project. In leveraging those expenditures, Trevor completed the grant application with the Bureau of Reclamation for possibly \$300,000. However, the resolution initially submitted was not addressing the appropriate needs. Mark noted the conundrum was the Bureau wanted to know who has the authority to make expenditures under this grant application and the board has the dollars and the willingness to spend the dollars. The committee supports the project; however, the cost of the expenditure is unknown at this time. After much discussion, Fred Jones moved to approved to adopt the revised Resolution 2018-2. David Casterline seconded. Motion passed.

Board Member Report

Fred Jones suggested adding an informational spot on the agenda for RAC's.

Public Forum

No public forum brought to table.

Additional Items

GMDA 2019 Summer Conference Site-Visit

Mark Rude asked for out of state travel that may happen before the next board meeting. Travel request is for Patty Stapleton and Jason Norquest to attend a site - visit at Salt Lake City, Utah for the 2019 GMDA Summer Conference. Fred Jones moved to approve out of state travel for two staff to attend a site-visit for the 2019 GMDA Summer Conference, in Salt Lake City, Utah. David Casterline seconded. Motion passed with all in favor.

Board member participation for AG Summit

Brett Rooney moved to support board member participation for Kansas Ag Summit. Dug Fox seconded. Motion passed.

Nex-Tech

Mark Rude reported to the board that a three-year contract could be around \$1800.00 per email response with Kris Fair of Nex-Tech. Mark noted further work on the contract would be done.

ADIOURNMENT

David Casterline made a motion to adjourn the meeting. Fred Jones seconded. The meeting adjourned at 12:20 p.m.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary