

Southwest Kansas Groundwater Management District No. 3

Minutes of the Regular Meeting of the Board of Directors

November 16, 2018

MEETING CALLED TO ORDER

President Kirk Heger called to order the November 16, 2018 Board of Directors meeting of the Southwest Kansas Groundwater Management District to order at 9:07 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 O'Brate, Treasurer, Gray County Representative

Mike McNiece, Board Secretary, Industrial Representative

Clay Scott, Grant County Representative

Fred Jones, Municipal Representative

Seth Nelson, Stanton County Representative

Steve Stone, Finney County Representative

Kent Dunn, Seward County Representative (by phone)

Directors Absent with Notice

Douglass Fox, Meade County Representative

Fred Claassen, Morton County Representative

Randy Hayzlett, Surface Water Representative

Hal Scheuerman, Kearny County Representative

Bret Rooney, Vice President, Haskell County Representative

Kent Dunn, Seward County Representative

Dave Casterline, Ford County Representative

Zachary Gale, Hamilton 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

Austin McCollough, KDA

Armando Zarco, Kansas Water Office, Garden City, KS

Frank Mercurio, Livestock Engineer Consultant

Don Masten, Downey Drilling

Tom Downey, Downey Drilling

Ken Nickel

Gary Knechans, Downey Drilling

John Kleysteuber, KZ Farms

John Borth, producer

Meeting began without quorum

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President's Report, President Kirk Heger

Water Commissioner's Report, Mike Meyer

Water Commissioner Meyer announced that when Water Use Reports are mailed out in January, there will be a \$20.00 water report processing fee for paper Water Use Reports. On-Line water use reporting will be free. There are training videos along with other human resources being made available for assistance users and others providing assistance. Public Announcement will be posted by social media, radio and newspapers and an advance card sent out. Mark Rude read a draft letter from Kansas GMD's that was addressed to Chief Engineer Barfield opposing the paper water use report fee. Consensus of the board was to support the letter.

Multi Year Flex account deadline is December 31st. Most reminder letters have been sent.

Quorum was declared with attendance of Kent Dunn recognized.

APPROVE AGENDA

President Heger asked for consideration of the meeting Agenda. Mike O'Brate requested adding Executive Session for acquisition of property at the end of the agenda. Clay Scott made the motion to accept the agenda with the addition of Executive Session at the end of the agenda. Seth Nelson seconded. The motion passed.

APPROVAL OF MINUTES & GENERAL MONTHLY FINANCIAL REPORT

President Heger drew the attention of the Board to consider the October 10th, 2018 draft minutes. Fred Jones moved to approve the October 10th, 2018 minutes, as presented. Mike McNiece seconded the motion. Motion passed.

President Heger next drew the attention of the Board to review the **October 2018 financial report** documents.

Kent Dunn asked why Finney County was so much over on assessment payments. Patty Stapleton explained that is the difference of the 2017 Finney County land assessment accounting error.

Mark brought to the table two out-of-state travel needs: One is Marks travel to California to accept an award from NWRA. The second travel date is for the Ogallala CAP Conference, annual meeting held in Santa Fe, New Mexico. Clay Scott moved to authorize out of state travel to attend them. Kent Dunn seconded. Motion passed.

Clay Scott made a motion as follows: Approve the financial reports and payments for the month of October as presented at this meeting and submit them for the annual audit. Fred Jones seconded. Motion passed

President Heger signed and submitted the financial documents.

President's Report, President Kirk Heger (continued)

Board review, File NO. 3,816, Kenneth and Shirley Nickel

Jason Norquest opened the review for File No. 3,816 Kenneth and Shirley Nickel with the following information:

- move point of diversion 1,678 feet south
- authorized rate will remain at 1,319gpm,
- authorized quantity remains at 548acre feet
- average quantity pumped at current location is 225acre feet
- recent flow test show current well operates at 929gpm.

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Trevor explained the GMD3 well evaluations and calculations from the Theis analysis. Three irrigation wells and one Domestic well are within 1 mile. He calculated the proposed drawdown effects:

- File NO. 19,135: 50-year drawdown effect = 4.6 ft
- File NO. 28,674: 50-year drawdown effect = 2.4 ft
- File NO. 27,323: 50-year drawdown effect = 3.5 ft
- 30-28-31 Domestic well: 50-year drawdown effect = 2.1 ft

The calculated minimum drawdown allowance over 50 years is 4.0 ft. The only well that exceeds 4.0 is File NO. 19,135 with 4.6 therefore, further analysis is necessary for that well.

Evaluation of water right no. 19,135 consisted of the following calculations:

- Drawdown due to additional proposed pumping = 4.2 ft
- Drawdown due to existing pumping = 43.1 ft
- Dynamic drawdown = 5.0 ft
- Total drawdown = 52.3

Calculating the economical drawdown constraints (40% in 25 years) is 94 ft. Since the Economical drawdown constraints is more restrictive than the Physical Drawdown Constraint of 175 ft the maximum allowable drawdown is 94 ft. File NO. 19,135 is not a critical well since the total drawdown of 52.3 is less than the allowable drawdown of 94 ft for the evaluation time period.

Clay Scott stressed his concern and the intent of the application regarding battery well changes dis-allowed but not additional wells. It is a challenge in our aquifer to start allowing appropriations that appears to be going to a form of battery of wells. Mike Meyer defined that a battery of wells are 1 to 4 wells within a 300-foot radius circle. This could be a future policy discussion of an additional well rule, but today it is just a re-drill officially considered. Mark Rude added spacing of 3,816 does meet the basic spacing rule and at the staff level they would recommend approval. Consensus of the board is to affirm the well evaluation tool and staff recommending approval.

Board Review, WR File # 33,901 GCH INC

Jason highlighted the proposed change under Water Right 33,901 by GCH Inc. He noted it is a point of diversion 2,460 feet to the southwest. Authorized rate remains at 1,125gpm with the authorized quantity remaining at 511af. Average quantity recently pumped at current location is 268af.

Trevor Ahring explained the drawdown effects under the GMD3 well evaluations. The following are wells covered by water rights within the one-mile radius along with their drawdown effects:

- 33902
 - Distance from proposed location = 2556 ft
 - Drawdown effect = 4.8 ft
- Southern 13179 & 13443
 - Distance from proposed location = 3231 ft
 - Drawdown effect = 5.4 ft
- Northern 13179 & 13443
 - Distance from proposed location = 3421 ft
 - Drawdown effect = 5.1 ft
- 833
 - Distance from proposed location = 4416 ft
 - Drawdown effect = 4.5 ft
- 572 & 13443
 - Distance from proposed location = 3962 ft
 - Drawdown effect = 5.0 ft
- 20260, 20261, and 27393
 - Distance from proposed location = 5079 ft
 - Drawdown effect = 4.4 ft
- Domestic in section 36-26-32
 - Distance from proposed location = 2528 ft
 - Drawdown effect = 3.3 ft

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- Domestic in section 26-26-32
 - Distance from proposed location = 3073 ft
 - Drawdown effect = 4.7 ft

The drawdown allowance over 50 years is 4.0ft. The 50-year drawdown effects exceed 4.0 feet for all wells except for the domestic well in 36-26-32. Trevor reviewed his drawdown constraints on each well and stated water right file 13,179/13,443 Southern well is not a critical well, 13,179/13,443 Northern well is not a critical well, along with 883, 572 & 13,443. However, the drawdown constraints for Water Rights 20,260, 20,261 and 27,393 find the well is critical due to the total drawdown of 63.8ft exceeding the allowable drawdown of 60ft. Evaluating the domestic well in section 26-26-32 the total drawdown is 59.9ft with an allowable drawdown of 24.8feet. Therefore, the domestic well in section 26-26-32 is also a critical well.

Mark Rude stated spacing rule is met, and that well evaluation method being used, once the proper aquifer values were used, bring the critical well depletion effects to within the depletion allocation effect, so staff would recommend approval. Consensus of the directors was to affirm staff well evaluations and recommendation of spacing waiver.

Kleysteuber Farms WCA

John Kleysteuber was in attendance to answer any questions that may arise for his WCA review of 3,588.44 acres, 21 irrigated water rights and 23 irrigated wells. Jason Norquest reviewed the executive summary stating the historical period for pumping wells is 2003-2012 & non-pumping (low producing wells) wells 2007-2015. Prior Conservation consisted of; four water rights dismissed to CREP that averaged 310.675af/year; currently having 9 wells enrolled in state/federal conservation programs (AWEP or EQIP) or not being used that have a combined annual average use from 2007 – 2015of 130.005af and Kleysteuber Farms has switched to less water demanding crops. Jason discussed the corrective control that states Water Right 12,583 diverting up to 320af in any calendar year (currently capped at 175af), which is further limited with Water right 16,187 to pump no more than 2800af over a 5-year period between the two wells. Which averages out to 520 per well / per average. Total water conserved over the WCA period (based on historical use) is 3,428.895af. While in the WCA program the well would be junior but when it comes out of the WCA it goes back to senior right in a further depleted local source of supply.

Engineer Trevor Ahring presented his calculations and demonstrated that due to the effect of potential additional local pumping, two wells would be evaluated. A domestic well which is located 1,800 feet away and an irrigation well (Water Right 13,569) which is 3,610 feet away.

Water Right 13,569 has a current saturated thickness of 248ft (based upon well measurement approximately 1 mile away). This is 4 feet less than the GMD3 model predicts, so future projections will be reduced by 4ft. The drawdown allowance over 50 years is 4.0ft, which exceeds maximum drawdown allowance, so more evaluation is needed. The drawdown evaluation based upon 25-year Theis analysis is 6.9 ft. Drawdown due to existing pumping is 58ft (based upon the declines shown in the GMD3 model). 30.4 feet is the dynamic drawdown which is based upon a Theis analysis under current aquifer conditions at a distance of 1ft from the well and assuming a well efficiency of 70%. Bringing the total drawdown to 95.3ft. Calculating the drawdown constraints for Water Right 13,569 the economical drawdown (40% in 25 years) is 92ft, with the Physical drawdown constraint being 190ft. Since the EDC (economical drawdown constraint) is more restrictive than the PDC (physical drawdown constraint) the maximum allowable drawdown is 92ft. The total drawdown exceeds the allowable drawdown making the well a critical well.

The domestic well was drilled in 2002 with 100ft of water column. The drawdown allowance over 50 years is 4.0ft, while the 50-year drawdown effect on the domestic well is 7.2ft. Since the drawdown effect is more than the drawdown allowance further evaluation is necessary. The drawdown due to additional proposed pumping is 7.2ft (based upon 25-year Theis analysis). Drawdown effect due to existing pumping (based upon water level declines predicted by the GMD3 model over the next 25 years) is 58ft. The dynamic drawdown is not calculated, instead, it is assumed a water column of 20ft is necessary for the operation of a domestic well. Total drawdown is calculating at 85.2ft. Calculating the constraints, the economical drawdown is more restrictive at 92ft making this a non-critical well since the total drawdown does not exceed the allowable drawdown.

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Mark Rude explained the Policy and Legal Committee concerns of the WCA with the directors.

1. Chasing water: There is proposed new appropriation with unspecified offsets to increase pumping of the well under WR 12,583.
2. Adequate consideration of statues and rules that protect member well water supply(management by rule program).
3. Question local source of supply demonstration required under K.S.A. 82a-708b.
4. Prior Conservation consideration accounting in the plan.
5. Multiple and variable periods of when the historic use was calculated.
6. Priority Call: WR 12,583 will be junior if enrolled in WCA then senior when not enrolled in WCA and with self-imposed depleted supply
7. Lack of no-impairment demonstration and evaluation criteria by DWR.

Mark added that a rule waiver is needed, and that committee and staff provided 3 options:

1. Approve the goals of the WCA Plan subject to an agreement with the neighbor irrigation 13,569 and domestic right for no priority call on the wells by 12,583 and mitigation of new depletion effects on 12,568.
2. Approve the goals of the WCA Plan with the exception of the term permit adding quantity onto wells 12,583.
3. Approve the goals of the WCA Plan, including the added appropriation onto 12,583.

Clay Scott asked producer John Kleysteuber why he is asking for more allocation? John replied, "Being more efficient with the resources." Clay also asked if he (Mr. Kleysteuber) tracks his static water levels every fall? John stated they do not. Discussion continued on the producer giving up acre-feet and all the additional wells there is an agreement to give up acre-feet and that is acre-feet that will no longer be available.

Clay Scott asked would Mr. Kleysteuber be willing to submit annual static water level reports. John agreed that would be beneficial information for his operation as well as GMD3 and DWR. Clay also asked, "What are the chances of Mr. Kleysteuber renewing the WCA after 5 years if there is no impairment on the neighboring well?" John replied, "If the program is working and they are not impairing others they would consider it." John also stated he would not be willing to permanently give up authorized acre feet at this time.

Mike McNiece moved to recommend approving the goals of the WCA plan presented today including the added appropriation and flexibility of 12,583 along with reporting annual static water level reports on all wells in the WCA. Clay Scott seconded. Motion passed.

Mike O'Brate asked Mr. Kleysteuber what happens if the domestic well goes dry in three years due to impairment from the WCA? John Kleysteuber stated if the cause of impairment is from them adding more acre feet to the area, they would assist the domestic well owner. Mark asked if any intent to call against the junior neighbors to secure water after the WCA? Mr. Kleysteuber indicated he would not.

City of Johnson City

Mark noted the City of Johnson was placed on the agenda to try to accommodate a past Board of Director and the board may consider putting the item onto the next month agenda. Parliamentary procedure was discussed regarding Seth Nelson being in attendance, voting or recusing himself. Consensus of the board was to proceed with the review with Seth Nelson in attendance but abstaining from the vote.

Jason Norquest stated File No. 10,459 is a 2-step process. Application for point of diversion was filed on Water Right 10,459 which currently authorizes 3 points of diversions, two authorized wells and one standby well. The first application to re-allocation between the two wells, which means a waiver of distance is needed. The second application that will come is for an additional well to meet the city demand for capacity. Quantity is not the issue it is rate.

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Trevor Ahring discussed the drawdown effects and constraints calculations. Recapping the proposal: remove 250gpm rate and 78.773mgd quantity from the well authorized under WR 10,459 in NE NW NE of 36-28-41 and creating an additional well authorized under WR 10,459 with a rate of 350gpm and a quantity of 78.856mgd. The only effects to be considered are from the proposed new well since the remaining rate and quantity authorized under the well losing authority, when combined with WR ST1, is greater than the current utilized well. He demonstrated the wells within 1 mile and the proposed drawdown effects. Out of 14 wells 9 were identified as critical. The following are the evaluations for those 9 wells:

WR 10,459 (south well):

- Total drawdown 79.3ft.
- Drawdown constraint:
 - PDC = 72ft
 - EDC = 44.8ft

Since the EDC is more restrictive this is a critical well. The effects of this well may be allowable since most of the drawdown effects is needed to support a rate that is probably higher than can be sustained.

WR 30,805:

- Total drawdown 43.9ft.
- Drawdown constraint:
 - PDC = 27.9ft
 - EDC = 27.2ft

This is a critical well since the total drawdown of 43.9ft is greater than the allowable drawdown.

WR 4,892:

- Total drawdown 86.4ft.
- Drawdown Constraints
 - PDC = 47.5ft
 - EDC = 35.0ft

This is a critical well since the total drawdown is 86.4ft and greater than the maximum allowable drawdown.

WR 4,792:

- Total drawdown 84.9ft
- Drawdown Constraints
 - PDC = 47.5ft
 - EDC = 35.0ft

WR 4,792 is also a critical well since the total drawdown is greater than the maximum allowable drawdown.

WR 16,851 (east well):

- Total drawdown 100.3ft
- Drawdown Constraints
 - PDC = 74.7ft
 - EDC = 45.9ft

Total drawdown is greater than the EDC therefore, this is a critical well.

WR 16,851 (west well):

- Total drawdown 52.8ft
- Drawdown Constraints
 - PDC = 77.2ft
 - EDC = 46.9ft

Since the total drawdown is greater than the EDC this is a critical well.

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Executive Session

Mike O'Brate moved to begin Executive session to consider acquisition of real property at 12:00pm for 15 minutes, with Mark Rude and Jason Norquest attending. Clay Scott seconded. Motion passed. Executive session was extended for 10 minutes by motion of Mike O'Brate and second by Clay Scott starting at 12:15.

Quorum was lost at 12: 25.

Meeting was ended and lunch was served.

Respectfully Submitted,



Mike McNiece
GMD3 Board Secretary

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30-28-40 Domestic (west well)

- Total drawdown 38.2ft
- Drawdown Constraints
 - PDC=27.9ft
 - EDC=27.2ft

38.2ft total drawdown is greater than the allowable drawdown, therefore this is a critical well.

30-28-40 Domestic (east well)

- Total drawdown 38.2ft
- Drawdown Constraints
 - PDC=27.9
 - EDC=27.2

The east domestic well is also a critical well since the total drawdown is greater than the allowable.

32-28-40 Domestic:

- Total drawdown 71.7ft
- Drawdown Constraints
 - PDC=47.5ft
 - EDC=35.0ft

Since the total drawdown is greater than the EDC, this is a critical well.

Seth added that the additional well is 250gpm adding about 150af. Acre-feet is based on population and the total acre-feet has been reduced in the past. Mike O'Brate asked if the city does anything for conservation. Seth Nelson added that everyone seems to be conservative, this is mainly for future use, another storage tank.

After much discussion, Clay Scott moved to recommend approval of move and additional well based on the fact it will not affect the aquifer but allow regulation of water pumped from wells. Mike O'Brate seconded. Seth Nelson abstained. Motion passed.

Executive Director Report, Mark Rude

Healthcare Benefits: Proposed New Plan

Mark Rude brought to the table a possible Blue Cross and Blue Shield policy change. The current "grandfathered" policy has continued to increase in premium while the benefits have stagnated. The proposed new policy is a little less in premium per month and has added benefits along with some coverage changes, for example co-pay charges. Mike McNiece moved to implement the new policy effective January 1, 2019. Fred Jones seconded. Motion passed.

Interstate River Resource Meetings on 27th and 28th

Cimarron River Interstate Water Resources public meeting will be held Tuesday, November 27th, at the Morton County Civic Center in Elkhart, KS. The meeting will start at 6:30 and go until 8:00p.m.

Arkansas River Interstate Water Resources and Compact public meeting will be held Wednesday 28th, at the Clarion Inn with a start time of 9:00a.m. to 11:00a.m.

ARCA Annual Meeting

Annual ARCA meeting will be held in Garden City, KS, December 6th and 7th, 2018.

Monthly Western Water Conservation Projects Fund Business

Mark Rude drew the attention of the board to the October Financial documents of the Western Water Conservation Projects Fund and activity of the advisory committee. After some discussion of the Board, Clay Scott moved to accept the October Financial Report and payments as presented and submit them for annual audit. Mike O'Brate seconded. Motion passed.