

Minutes: _____ Northwest Kansas Groundwater Management District 4 July 12, 2007 Board Meeting

1. OPEN MEETING, ATTENDANCE AND AGENDA

The July board meeting was opened at 10:00 a.m. CDT, July 12, 2007 in the district offices, Colby, KS by President Scott Maurath.

Board members present for some or all of the meeting were: Jeff Deeds, Shane Mann, Dave Rietcheck, Scott Maurath, Lon Frahm, Monty Biggs, Jon Friesen, Mitch Baalman and Roger Zweygardt.

Board Members absent were: Bill Nondorf and Doug David

Others present for some or all of the meeting were: Ray Luhman and Dan Simmering – GMD 4 staff; Scott Voss and Scott Ross – DWR; Diane Coe – KWO; Bill Golden and Dan Obrien - KSU.

There were no additions to the agenda. Ray Luhman did say that the GMD staff would have comments for the budget hearing.

2. CONSENT AGENDA

Jeff Deeds moved for approval of the consent agenda including: 1) the May 31, 2007 minutes; 2) the May financial report including the May, 2007 expenditures totaling \$25,262.17; and 3) the June financial report including the June, 2007 expenditures totaling \$31,913.54. Mitch Baalman seconded the motion which passed unanimously.

3. MANAGER'S REPORT

Assistant Manager covered the items within the board packet. The board had questions regarding the purpose for the URRBCPAE (item a). It was explained that the purpose was to hopefully have an organized group in place to successfully compete for any forthcoming RRCA funds. Diane Coe gave some background on similar efforts in SW Kansas in regard to the Arkansas River settlement.

The board decided to handle the Foundation Grant Update and the RWEP proposal at a Foundation Board meeting following the August 9 GMD Board Meeting.

4. UNFINISHED BUSINESS

NONE

5. NEW BUSINESS

b. Economic Model Update: Bill Golden made a presentation to the Board of his latest efforts in the economic model. The presentation consisted of explanation of the economic/hydrological model interaction, base assumptions for the various parameters, and presentation of results for 5 scenarios focused on HPA 6. Discussion on methodology and impacts followed. The discussion was interrupted at 11:30 in order to hold the budget hearing.

a. 2008 Budget Hearing: Scott Maurath opened the public hearing on the 2008 Operating Budget at 11:33 AM CDT, July 12, 2007. He asked for any testimony. Ray Luhman made the following comments on the proposed budget. The line item 221 (Administrative COOP Programs) should be changed to \$407,665.60 to reflect the actual amount of the current

Foundation Funds (\$330,165.60) and the proposed additional \$77,500.00 to be added in 2008. This change would then increase the budget total to \$763,130.50. He further discussed the possibility of trading in the district's 4 wheeler for a new model at the cost of \$4,500.00, and the acquisition of a new groundwater model for \$1,500.00.

There being no further testimony or comments President Maurath closed the public hearing at 11:38 AM CDT, July 12, 2007.

Following the hearing the Board discussed the comments and other expenditures. Jon Friesen asked why the flow model is not used more. It was explained that GMD staff makes every effort to present the model upon request. Lon Frahm said that he thought the model should be upgraded. Several on the Board expressed the opinion that the foundation line item could be funded for one more year, but additional funding beyond 2008 should be contingent on the use of some or all of the funds. Dan Simmering answered some questions on the proposed new 4 wheeler.

Following the discussion Lon Frahm made a motion to pass the following resolution numbered AR-07-2:

WHEREAS the district membership during the 32nd Annual Meeting adopted the proposed 2008 operating budget of \$756,552.70 for consideration at a subsequent public hearing; and

WHEREAS the board scheduled, duly noticed and conducted a lawful public hearing regarding the tentatively adopted, proposed 2008 operating budget pursuant to KSA 82a-1030 on July 12, 2007; and

WHEREAS all testimony and public comment was duly considered - consisting of the suggestions of: changing line item 221 to \$407,665.60 to more accurately reflect the Foundation account total; and changing line item 241 to \$6,500.00 to authorize a replacement 4-wheel drive 4-wheeler in addition to the proposed budget figure; and changing line item 242 to \$4,500.00 to authorize the purchase of a new groundwater model for education purposes (also in addition to the proposed budget figure); and changing the bottom line budget figure to \$769,130.60 to reflect the suggested changes.

BE IT THEREFORE RESOLVED THAT the 2008 operating budget for the Northwest Kansas Groundwater Management District No. 4 shall be approved for \$769,130.60 as recommended by testimony provided during the public hearing.

Shane Mann seconded the motion which passed unanimously.

Next the Board discussed the assessments rates necessary to fund the budget. In order to fully fund the budget the assessments need to be \$438,965.00 (bottom line of \$769,130.60 minus \$330,165.60 foundation CD). Staff reported that there are 2,733,950 assessable acres and 857,345 assessable acre-feet. Using \$.05 per acre land assessment results in the need for \$.353 per acre-foot to fully fund the budget. Following discussion Monte Biggs made a motion to adopt the following resolution:

Lon Frahm moved that the following resolution, numbered AR-07-3, be adopted:

WHEREAS the board of directors held a lawful budget hearing on July 12, 2007 and considered all public testimony offered and duly adopted a 2008 total operating budget of \$769,130.60; and

WHEREAS KSA 82a-1030 requires that a land assessment and/or water user charge be levied in order to fund the approved budget; and

WHEREAS there exists as of July 12, 2007 2,733,950 acres of land eligible for assessment and 857,345 acre-feet of water eligible for the water user charge for the 2008 operating budget;

WHEREAS \$407,665.60 already exist in the district accounts and need not be assessed for, leaving \$438,965.00 needing assessment support;

BE IT THEREFORE RESOLVED THAT the land and water assessments shall be set at:

***\$.05 per acre of assessable land; and
\$.353 per assessable acre-foot of water.***

Monty Biggs seconded the motion which passed unanimously.

c. **WTAP HPA RESOLUTIONS:** Staff briefed the Board on the current WTAP situation. It was reported that a letter requesting DWR guidance for co-development of priority areas for potential funding (originally sent to David Pope and later re-sent to Dave Barfield) had resulted in a response from DWR that it was their intention to target only the Rattlesnake and Prairie Dog basins for initial WTAP eligibility. In order to protect the District's interests in WTAP funding, staff is recommending that the board pass resolutions requesting inclusion of the GMD 4 high priority areas as WTAP eligible areas. Following discussion Monte Biggs made a motion to adopt the following resolutions numbered collectively as PR-07-1:

Area 1 – Sherman County:

Whereas Area 1, using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -9.58 feet; and

Whereas Area 1 meets or exceeds the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program that was approved and adopted by the chief engineer, DWR on November 23, 2005; and

Whereas Area 1 is closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 1 meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program; and

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Area 2 – Sherman County:

Whereas Area 2, using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -5.95 feet; and

Whereas Area 2 is closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas Area 2 meets or exceeds the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 2 meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program.

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Area 3 – Cheyenne County:

Whereas Area 3, using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -4.59 feet; and

Whereas Area 3 is closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas Area 3 meets or exceeds the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 3 meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program.

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Area 4 – Thomas County:

Whereas Area 4, using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -8.58 feet; and

Whereas Area 4 is closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas Area 4 meets or exceeds the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 4 meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program.

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Area 5 – Thomas County:

Whereas Area 5 combined (protocol trigger driven process plus the 4-township area), using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -4.51 feet; and

Whereas high priority areas of Area 5 designated by the protocol trigger process (including only the triggered, ¼ township areas containing 2 or more high priority sections (those areas shaded in red on Figure 1)) are closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas Area 5 (protocol trigger process area only) meets the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 5 (including only the triggered, ¼ township areas containing 2 or more high priority sections) meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program.

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Area 6 – Sheridan County:

Whereas Area 6, using the Kansas Geological Survey Section-level data set, has an average annual decline rate between the years 1996 and 2002 of -5.96 feet; and

Whereas Area 6 is closed to all new, non-domestic water right appropriations except for term and temporary permits per GMD 4 regulations KAR 5-24-2 and KAR 5-24-10; and

Whereas Area 6 meets or exceeds the GMD4 established high priority trigger established by the board on March 8, 2007 based upon our current revised management program; and

Whereas the entire GMD is considered a Target Area of which this high priority area has been further designated as a priority area;

Be it Therefore Resolved that: Area 6 meets all the criteria of a closed area for new appropriations and a high priority area under the Northwest Kansas Groundwater Management District enhanced management process as contained in its March 9, 2005 Revised Management Program and should be designated a high priority area by the chief engineer, division of water resources, Kansas Department of Agriculture for the purposes of the WTAP program.

Be it Further Resolved that DWR should co-designate this area as a high priority area and as an area in need of aquifer restoration and forward said designations to the State Conservation Commission Director as expressed in KSA 2-1930 and authorized regulations.

Shane Mann seconded and the motion passed unanimously.

b. Economic Model Update (continued from earlier): Discussion of the economic model continued after lunch. Bill Golden further explained some of the model assumptions and asked for Board input on the parameters. Several of the members questioned the “trigger” GPM values and requested that these be adjusted for some areas. More in depth discussion about the regional economic impacts of different management strategies was discussed. Bill noted that strategies involving reduced pumping (as opposed to water right buy-outs or CREP) seem to have the least negative impact on the regional economy. He further stated that his work so far has shown that some strategies may work in some areas but not others, depending the stage of declines in any given area. He encouraged the Board to consider the work he has done so far, and to contact him or GMD4 staff if they would like to see any other changes made.

6. DWR REPORT

NONE

7. OPEN SESSION - PUBLIC QUESTIONS/COMMENTS

No discussion.

8. SET NEXT MEETING DATE AND CONSIDER FUTURE AGENDA ITEMS

September 13, 2007 was set for the September board meeting date. It was announced that a Groundwater Foundation would likely be held after the regular Board meeting during the August 9, 2007 meeting.

9. ADJOURNMENT

Without objection, Scott Maurath declared the meeting adjourned at 2:20 P.M., July 12, 2007.

Respectfully submitted:

Bill Nondorf, Secretary