

**EQUUS BEDS GROUNDWATER MANAGEMENT DISTRICT NO. 2
JANUARY 10, 2018**

The Board of Directors for the Equus Beds Groundwater Management District No. 2 held a monthly meeting January 10, 2018, in the conference room of the Equus Beds Groundwater Management District No. 2 in Halstead, Kansas. President Jeff Winter called the meeting to order at 9:33 a.m.

Directors and staff present during all or portions of the meeting:

Jeff Winter, President	Vin Kissick, Vice President
Alan Burghart, Secretary	Mike McGinn, Treasurer
David Bogner, Member	Joe Pajor, Member
Dale Schmidt, Member	Bob Seiler, Member
Tom Adrian, Attorney	Tim Boese, Manager
Steve Flaherty, Hydrogeologist	Rebecca Wilson, Admin. Assistant

Directors absent: David Stroberg, Member

Others attending the meeting or portions thereof were:

Jeff Lanterman, KDA-DWR
Brian Klager, USGS
Daniel Clement, Burns & McDonnell
Byron Warta, Equus-Walnut RAC
Ted Saranchuk, Public

ITEM 1 -- APPROVAL OF MEETING MINUTES

a) DECEMBER 13TH MEETING MINUTES

Moved by Vin Kissick and seconded by Dale Schmidt to approve the Minutes as amended. Motion carried with 5 Directors for, 0 Directors against, 0 Directors abstained, and 4 Directors absent.

b) DECEMBER 20TH MEETING MINUTES

The Board reviewed the minutes and requested some changes. District staff will update the minutes and bring back to the Board for review at the next meeting.

ITEM 2 -- APPROVAL OF AGENDA

Moved by Alan Burghart and seconded by Bob Seiler to approve the Agenda. Motion carried with 7 Directors for, 0 Directors against, 0 Directors abstained, and 2 Directors absent.

ITEM 3 -- FINANCIAL REPORT

December Financial Report

Moved by Joe Pajor and seconded by Vin Kissick to approve the December Financial Report. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

ITEM 4 -- APPROVAL OF EXPENDITURES

Moved by Vin Kissick and seconded by Alan Burghart to approve the January expenditures. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

ITEM 5 -- PUBLIC FORUM - NONE

ITEM 6 -- APPEAL REVIEW - NONE

ITEM 7 -- OLD BUSINESS

a) KANSAS GROUNDWATER MANAGEMENT DISTRICTS' LEGISLATIVE RECEPTION – FEBRUARY 6 & 7, 2018

Manager Tim Boese reviewed the Proposed Legislative Reception Agenda with the Board. Discussion by the Board followed. Manager Tim Boese will attend both days, as well as the Water Congress meeting on February 6th. Board President Jeff Winter, Board Vice President Vin Kissick, and Board members David Bogner and Dale Schmidt advised that they will all try to attend the Water Congress meeting and reception on February 6th as well.

ITEM 8 -- NEW BUSINESS

a) KANSAS DEPARTMENT OF AGRICULTURE 2018 LEGISLATIVE AGENDA

Manager Tim Boese reviewed for the Board the information from the Kansas Department of Agriculture (KDA) 2018 Legislative Agenda meeting. The information included:

1. The current deadline for the Multi Year Flex Account application is Oct 1st of each year. KDA is considering moving the deadline to December 31st of each year.
2. The Division of Water Resources is currently required by law to notify surrounding well owners within one-half mile on new applications, change in place of use applications, change in point of diversion applications, and change in use made of water applications. A modification to this law may be requested to exclude notifying surrounding well owners on a change in place of use application and a use made of water application. Tim will keep the Board updated on this possible recommendation.
3. A bill might be introduced to allow the State of Kansas to manage a water bank if requested by a group or organization in order to facilitate leasing of water. There is currently only one water bank in the state, which is located in and managed by GMD 5 right now.
4. The sand and gravel industry would like clarification on who owns the water right associated with the sand and gravel operation and a bill may be introduced.

Moved by Mike McGinn and seconded by David Bogner to recommend to the Kansas Department of Agriculture (KDA) that the deadline to submit a Multi Year Flex Account (MYFA) be moved to December 31st of each year, and also recommend that KDA send notifications of a MYFA expiration date six months in advance of the expiration date. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

b) DRAFT DWR/GMD2 MONITORING MOU

Manager Tim Boese reviewed the draft Memorandum of Understanding (MOU) Regarding Monitoring Responsibilities of the Equus Beds Groundwater Management District No. 2 from the Kansas Department of Agriculture Division of Water Resources (KDA DWR). Tim informed the Board that for the past approximately 20 years, the District has been doing required monitoring for change in place of use applications that exceed 10 acres or 10% through agreements with individual water right well owners. The KDA DWR would now like to formalize the monitoring with an MOU. Tim explained that the District utilizes service contracts, for which they charge a nominal fee of hourly rate plus mileage. Tim stated that he would like Attorney Tom Adrian to review the MOU before finalizing. Joe Pajor mentioned that he would like to see a requirement for notice

of termination added to section five of the MOU. Discussion by the Board followed regarding what amount should be charged for the service contracts, what is considered a service, and for what the District does and does not charge. Tim will put that topic on the agenda of a future meeting, including a presentation of what the District does and does not currently charge.

Moved by Dale Schmidt and seconded by Alan Burghart for Attorney Tom Adrian to review the MOU and for District staff to research the cost for the service. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

ITEM 9 -- AGENCY & COMMITTEE REPORTS

a) DIVISION OF WATER RESOURCES

Jeff Lanterman, DWR – Stafford Field Office, informed the Board that they are finishing the almost 500 annual well measurements this week. Jeff stated that they should have the data by the end of the week.

b) KANSAS WATER AUTHORITY

Board Vice President Vin Kissick informed the Board that the next KWA meeting is scheduled for January 24, 2018. Members of the KWA will be canvassing legislators on January 23, 2018.

c) EQUUS – WALNUT REGIONAL ADVISORY COMMITTEE

Bob Seiler informed the Board that the Equus-Walnut RAC met on January 8, 2018, in Newton. Board member and RAC member Joe Pajor attended the meeting, as well as Manager Tim Boese. The meeting covered budget items as requested by the Kansas Water Authority, as well as a review of the draft State of the Resource report. Tim stated that he offered to review the report at a staff level to ensure accuracy prior to approval. Vin stated that comments were made regarding this being the most diverse RAC in the state, which should lead to a very interesting State of the Resource report.

ITEM 10 -- MANAGER'S REPORT

a) ASR Project Report

Tim Boese, Manager, advised the Recharge for December was: 0 acre-feet recharged in Phase I and Phase II due to current drought. Cheney Reservoir: Conservation pool is 92.99% full. Cheney release is 0 CFS. Flow today: Little Ark - Highway 50 is 10.6 CFS; Valley Center is at 38.3 CFS.

Tim advised that the City of Wichita has not yet submitted ASR permit modifications request to DWR.

b) ADMINISTRATIVE FIELD TASKS

Tim Boese, Manager, reported that in December, staff assisted completing two new/change/division applications, completed 11 Notice of Completion forms or extension request forms, conducted five application reviews, 20 water permit consultations, and processed a total of 43 files including VI cards, new applications, approvals, dismissals, certificates, and new area files. Staff also fielded 30 assessment questions, mostly regarding Sedgwick County real estate tax assessments. Hydrogeologist Steve Flaherty spoke to Shari Masterson at the Sedgwick County Clerk's office and discussed the county adding itemized water assessment charges to the county property tax statements before they are sent next year.

Tim informed the Board that the District office foundation repairs are now complete and that Nathan Boese has surveyed the interior of the office and is confident that he can complete the necessary repairs within the \$1,000 limit that was previously approved by the Board. The general consensus of the Board was to have Nathan complete the work.

Tim informed the Board that he will be speaking at the Kansas Ground Water Association (KGWA) Convention at the Kansas Star Casino in Mulvane on January 19, 2018.

Tim informed the Board that the Annual Meeting will be in March. There was discussion regarding a specific date, and the Board consensus was Wednesday, March 7, 2018. District staff will confirm the date with Halstead High School, where the meeting will be held. Vin Kissick, Mike McGinn, and David Bogner are all up for reelection. They will notify the Board next month whether or not they plan to seek reelection. The Board discussed possible speakers and topics for the Annual Meeting included an ASR presentation, information regarding the District Boundaries Expansion, a Regional Advisory Committee State of the Resource presentation, and information regarding the Burrton salt plume. Tim will follow up on these suggestions and present the Board with a draft Annual Meeting agenda next month.

Tim reported that District staff is working with the City of Wichita to develop a plan to repair the monitoring well issue in the Eagle Drainage District, as the groundwater has now lowered enough to begin work. District staff will continue planning once the weather is warmer.

c) REVIEW OF TERM PERMIT APPLICATIONS

Tim Boese, Manager, advised that there were no term permit replacement/renewal applications reviewed by the District staff in December.

d) MONTHLY INFORMATION & SERVICE REPORT

Tim Boese, Manager, presented customer service requests for the month of December.

ITEM 11 -- ADDITIONS TO THE AGENDA - NONE

ITEM 12 -- BOARD ROUND TABLE DISCUSSION – JEFF WINTER, PRESIDENT

Vice President Vin Kissick shared that Sedgwick County Farm Bureau had a meeting in January that was attended by 50 people, including approximately 15 legislators and two county commissioners. The attendees had various water-related questions, including several related to ASR. Vin took the opportunity to speak with Senator Kerschen and Senator McGinn about the GMD Assessment Cap legislation, and he stated that they seemed well informed on the issue. Tim informed the Board that the Assessment Cap revised language has been sent to Senator Kerschen for review. Vin informed the Board of an article he read in the Kansas Farmer about how the State of Nebraska turned its water management into Natural Resource Districts, which he thought was an interesting approach and a good idea. Vin questioned whether there would be any interest in a presentation by the Water Protection Association of Central Kansas (PACK). Tim stated that there were previously some local individuals involved with Water PACK, and that he will contact Water PACK to coordinate a possible future presentation to the Board.

Board member David Bogner stated that he had questions following the Chief Engineer's ASR presentation last month, and he is concerned that they have overestimated the amount of water they will take out of Cheney Reservoir each year, which will eventually pump the lake dry. Tim informed the Board that District staff have asked for clarification of the model inputs regarding the starting level of Cheney Reservoir and inflows into Cheney during a drought.

Tim also informed the Board that District staff met with Kansas Geological Survey (KGS) staff to review the model work progress on December 21, 2017 and advised that KGS is in the data input process. Tim also advised that the District staff plan to spend the next three weeks analyzing the data for the Application Processing Suspension area and provide information to the Board prior to the March 1, 2018, expiration date.

ITEM 13 -- EXECUTIVE SESSION

Moved by David Bogner and seconded by Alan Burghart to recess into Executive Session from 11:30 a.m. until 12:00 p.m. to discuss personnel matters with the District's attorney for the purpose of protecting the privacy of that information. Those present during this Executive Session were the members of the Board and Tom Adrian, Legal Counsel.

Time in Executive Session: 11:30 a.m.
Time out of Executive Session: 12:00 p.m.

Moved by Mike McGinn and seconded by David Bogner to extend the executive session 30 minutes. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent. Those present during this Executive Session were the members of the Board and Tom Adrian, Legal Counsel.

Time in Executive Session: 12:00 p.m.
Time out of Executive Session: 12:30 p.m.

Moved by Joe Pajor and seconded by David Bogner to extend the executive session 15 minutes. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent. Those present during this Executive Session were the members of the Board, Manager Tim Boese, and Tom Adrian, Legal Counsel.

Time in Executive Session: 12:30 p.m.
Time out of Executive Session: 12:40 p.m.

No action was taken as a result of the Executive Session.

Moved by Joe Pajor and seconded by David Bogner to adjourn the meeting. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent. Jeff Winter, President, adjourned the Board meeting at 12:40 p.m.

Alan Burghart
Secretary
AB/TDB/rsw

