

Minutes: Northwest Kansas Groundwater Management District 4

January 10, 2019 Board Meeting

1. OPEN MEETING, ATTENDANCE AND AGENDA

The January 10, 2019 board meeting was opened at the GMD 4 office in Colby, Kansas by President, Brent Rogers

Board members present for some or all of the meeting were:

Brent Rogers, Nate Emig, Roger Zwegardt, Mitchell Baalman, Shane Mann, and Scott Maurath

Board members absent: Jeff Deeds, Ted Nighswonger, Karen Flanagan, Lynn Goossen, and Monty Biggs

Others present for some or all of the meeting were: Ray Luhman, Shannon Kenyon, Jody McCain and Dan Simmering – GMD 4 staff; Adam Dees – GMD 4 attorney; Kelly Stewart & Steven Walters– DWR; Armando Zarco – KWO; Rob Aiken & Dan O'Brien – KSU

Several additions to the agenda were noted: Pheasants Forever, RAM Workshop, and RAC Meeting in Garden City need to be added to Manager's Report; Attorney Contract, GAAP Waiver, and Management Program need to be added to New Business.

Shane Mann moved to appoint Mitchell Baalman as Acting Secretary. The motion was seconded by Roger Zwegardt and passed unanimously by voice vote (no "nay" votes).

2. CONSENT AGENDA

Brent Rogers asked if there were any concerns over the consent agenda, consisting of the December 6, 2018 Minutes and December expenditures. Receipt of the December financial report was distributed showing monthly expenditures totaling \$44,027.08 in December were approved.

One correction needed to be made to the December minutes. It was noted that Dan Simmering was in attendance at that meeting and he was absent.

Scott Maurath moved the minutes for December and expenditures be accepted as amended. The motion was seconded by Shane Mann and passed unanimously by voice vote (no "nay" votes).

3. OPEN FORUM

Shane Mann urged other board members to contact eligible voters and encourage them to attend the annual meeting in February.

Scott Maurath noted that he was not going to re-run for the board.

4. MANAGER'S REPORT

Ray Luhman discussed the meeting attended in Burlington, Colorado. The focus of the meeting was on water conservation with attendance from several states. Overall there were good presentations with Ray, Roch Meir, and Brett Oelke also presenting.

GMD 4 staff have had one training session on using the online water use reporting website. A few producers have been in to file their water use reports online. It was noted that if a water use report is mailed in without the fee that it is considered an "incomplete" water use report and subject to the fines beginning March 1st.

The new copier/scanner is working well. It was initially thought the warranty was one year but is actually only 90 days. Considering the change in warranty period it was discussed that a maintenance agreement may be beneficial as it would cost about \$600 annually. That fee includes all maintenance and repairs with the exception of toner.

Mitchell Baalman moved to sign-up for a maintenance agreement on the copier/scanner. The motion was seconded by Nate Emig and passed unanimously by voice vote (no "nay" votes).

February 4th – 6th is the legislative retreat in Topeka that all GMD's are participating in. There has been a large turnover in legislature with the majority of legislators needing education. Hotel reservations are needed by January 11th for anyone interested in attending.

Pheasants Forever contacted Shannon Kenyon on their Corners for Wildlife program. Handouts were distributed to board members showing benefits to GMD 4 LEMA affected areas and the cost-share benefits for planting pivot corners to a variety of wildlife friendly crops/grasses.

There will be three RAM (Risk-Assessed Marketing) workshops throughout western Kansas with one being held in Colby on January 31st. A flyer was distributed showing the details of the event. GMD 4 has contributed \$100 for sponsorship of the event.

January 25th, 2019 will be a joint RAC meeting with the Cimarron and Upper Ark committees. Shannon has been asked to speak at this meeting and concern was had with GMD 4 staff presenting in GMD 3 area. Armando Zarco stated the RAC committees requested it. After discussion of the limitations of presentation at that meeting Shannon will attend.

5. UNFINISHED BUSINESS:

a. District LEMA

Adam Dees gave an update on the two pending lawsuits. The Thomas County lawsuit was dismissed but the Petitioners have until January 28th to appeal. If they do not appeal then the lawsuit is done. The other lawsuit has until January 21st to submit written arguments. DWR/GMD 4 has until March 22nd to respond with their response due April 22nd. May 24th will hear oral arguments in Hays, Kansas at the Ellis County courthouse. An opinion is expected in June or July.

b. Kitchen Floor

Ray presented three bids received. One from Office Works and two from Northwest Decorating Center. He recommended the bid from Northwest Decorating with the "float" flooring.

Roger Zweygardt moved to sign the bid from Northwest Decorating Center for the float flooring with the condition of removal. The motion was seconded by Mitchell Baalman and passed unanimously by voice vote (no "nay" votes).

c. Rob Aiken – KSU

Rob gave a presentation on the model he is working with on recalculating ET rates. Several slides were shown on what irrigators were doing in a portion of Sherman County via the model. He inquired with the board on how this information could be useful and several suggestions were discussed.

6. NEW BUSINESS

a. Revised Budget Hearing

Shane Mann moved to open the budget hearing at 10:30 am. The motion was seconded by Scott Maurath and passed unanimously by voice vote (no "nay" votes).

Ray Luhman reported there was no pre-filed testimony. Ray provided his testimony and passed around the budget showing the 2018 expenses, the 2019 final assessed, and the 2019 revised to include the 2018 carry-over.

Roger Zweygardt moved to close the budget hearing at 10:33 am. The motion was seconded by Mitchell Baalman and passed unanimously by voice vote (no "nay" votes).

Following discussion, Mitchell Baalman moved to adopt the following resolution:

WHEREAS the 2019 budget of \$530,455 approved originally on August 2, 2018 requires amending in order to incorporate the 2018 cash carryover funds; and

WHEREAS the district lawfully scheduled and conducted a public hearing to consider all testimony regarding the budgeting of carryover funds and other issues;

BE IT THEREFORE RESOLVED THAT the 2019 final operating budget shall be adopted as revised based on its presentation by GMD 4 staff during the lawfully conducted public hearing. The final 2019 operating budget of \$721,062 shall be:

2018 Expended	2019 Final Assessed		2019 Revised	
110 POSTAGE		\$5,000.00		\$5,000.00

1474	111 Newsletter	\$3,000.00		\$3,000.00	
1552	112 General	\$2,000.00		\$2,000.00	
	120 PRINTING		\$2,800.00		\$2,800.00
1887	121 Newsletter	\$2,200.00		\$2,200.00	
455	122 Administrative	\$600.00		\$600.00	
350	130 DUES	\$500.00	\$500.00	\$500.00	\$500.00
1924	140 SUBSCRIPTIONS	\$3,700.00	\$3,700.00	\$3,700.00	\$3,700.00
	150 INSURANCE		\$12,400.00		\$13,400.00
12515	151 Office	\$12,000.00		\$13,000.00	
	152 Public Officials' Liability				
	153 Auto				
	154 Workmans' Comp.				
	155 Inland Marine				
273	156 Unemployment	\$400.00		\$400.00	
3807	160 TELEPHONE	\$4,500.00	\$4,500.00	\$4,000.00	\$4,000.00
324833	170 SALARIES AND BENEFITS		\$341,000.00		\$341,000.00
	171 Gross Sal, Kpers, SS, Etc.	\$341,000.00		\$341,000.00	
	172 Health Insurance				
	180 TRAVEL		\$12,000.00		\$12,000.00
4972	181 Board	\$10,000.00		\$10,000.00	
1248	182 Staff	\$2,000.00		\$2,000.00	
	190 VEHICLES		\$4,165.00		\$4,465.00
409	191 Repairs/Maintenance	\$1,600.00		\$1,600.00	
2528	192 Operation	\$2,400.00		\$2,700.00	
157	193 Tags	\$165.00		\$165.00	
	194 Purchase/Lease				
	200 CONTRACTED SERVICES		\$108,700.00		\$111,700.00

6155	201 Accounting	\$6,700.00		\$6,700.00	
18565	202 Legal	\$40,000.00		\$40,000.00	
22017	203 Misc. Support	\$47,000.00		\$50,000.00	
11628	204 Legislative Support	\$15,000.00		\$15,000.00	
	205 Drilling				
	206 Weather Modification				
	210 PUBLICATIONS		\$1,000.00		\$1,000.00
564	211 Legal Notices	\$1,000.00		\$1,000.00	
	220 COOP PROGRAMS		\$2,000.00		\$2,000.00
	221 Administrative				
	222 Equipment				
	223 Contracted Studies				
330	224 Education Program	\$2,000.00		\$2,000.00	
	230 ADMINISTRATIVE		\$6,850.00		\$8,350.00
3772	231 Office Supplies	\$2,500.00		\$4,000.00	
631	232 Copy Machine	\$1,200.00		\$1,200.00	
94	233 Computer Maint	\$1,000.00		\$1,000.00	
608	234 Postage Meter Lease	\$650.00		\$650.00	
	235 Bank Charges				
1330	236 Field Supplies	\$1,500.00		\$1,500.00	
	240 NEW EQUIPMENT		\$4,000.00		\$13,000.00
	241 Field	\$1,000.00			
4151	242 Office	\$3,000.00		\$13,000.00	
226	250 CONTINGENCY RESERVE		\$0.00		\$171,807.00
	260 FACILITY		\$21,840.00		\$26,340.00
840	261 Rent	\$840.00		\$840.00	
9966	262 Maintenance	\$14,000.00		\$18,500.00	

	263 Remodel/Purchase			
5819	264 Building Utilities	\$7,000.00		\$7,000.00
	REIMBURSED EXPENSES			
	300 FOUNDATION		\$0.00	\$0.00
	305 Foundation Subscriptions			
	325 Foundation Telephone			
	345 Foundation Accounting			
	350 Foundation Legal			
	370 Foundation Tech Support			
		\$530,455.00	\$530,455.00	\$721,062.00

\$445,080.00

wtr_rt =	847424	2019 assessed for	529707
land =	2856631	2018 carryover	191355
		2019 Budget cap:	721062
wtr (.4565) =	386850		
land (.05) =	142857		
	529707		
deficit =	748		

Shane Mann seconded the motion which passed unanimously by voice vote (no "nay" votes).

b. GAAP Resolution

WHEREAS the Board of Directors of Northwest Kansas Groundwater Management District No. 4, Colby, Kansas, has determined that the financial statements and financial reports for the year ended 2018 to be prepared in conformity with the requirements of K.S.A. 75-1120a(a) are not relevant to the requirements of the cash basis and budget laws of this state and are of no significant value to the Board of Directors or the members of the general public of the Northwest Kansas Groundwater Management District No. 4 and

WHEREAS there are no revenue bond ordinances or resolutions or other ordinances or resolutions of the municipality which require financial statements and financial reports to be prepared in conformity with K.S.A. 75-1120a(a) for the year ended 2018.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of Northwest Kansas Groundwater Management District No. 4, Colby, Kansas, in regular meeting duly assembled this 10th day of January, 2019 that the Board of Directors waives the requirements of K.S.A. 75-1120a(a) as they apply to the Northwest Kansas Groundwater Management District No. 4, for the year ended 2018.

BE IT FURTHER RESOLVED that the Board of Directors shall cause the financial statements and financial reports of the Northwest Kansas Groundwater Management District No. 4 to be prepared on the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of this State.

Mitchell Baalman moved to adopt the resolution. The motion was seconded by Nate Emig and passed unanimously by voice vote (no abstentions or "nay" votes).

c. Annual Meeting

The meeting will be held on February 13, 2019 in Hoxie at the Elks Lodge. Chip Redmond will be presenting on Mesonet. Several nominating petitions were distributed for signatures. Roger Zwegardt will conduct the audit and budget, Jeff Deeds will present the 2018 annual meeting minutes, and Lynn Goossen will conduct the election.

d. Management Program

The management program is required to be reviewed annually. It was suggested that GMD 4 maintain the existing management program until the lawsuits are over. When those have concluded the management program will be updated with the GMD 4 LEMA and voter resolution.

Mitchell Baalman moved to readopt the current management program. The motion was seconded by Scott Maurath and passed unanimously by voice vote (no abstentions or "nay" votes).

e. Attorney Contract

Adam Dees discussed the annual attorney contract. The only change from the previous year was a clause about how email is confidential but could be hacked into.

Scott Maurath moved to accept the attorney contract. The motion was seconded by Mitchell Baalman and passed unanimously by voice vote (no abstentions or "nay" votes).

7. Agency Reports

Kelly Stewart reported that the current Secretary of Ag, Jackie McClasky, will no longer be secretary. DWR is currently conducting annual well measurements and it has been challenging due to weather conditions. Preliminary results are showing a varied increase in the water table in some areas. The Stockton Field Office is also trying to schedule some

outreach out west for online water use reporting. At this time no dates have been determined. They are also working through some meter repair forms to determine what meter readings were in 2017 so that the GMD 4 LEMA accounting is accurate.

Armando Zarco with the KWO informed the board that there will be a combination RAC meeting in Oakley on January 23rd. The Cimarron and Upper Ark joint RAC meeting will be in Garden City on January 25th. There will be KWA meeting in Topeka January 30-31st. Earl Lewis is currently the interim director after the retirement of Tracy Streeter. GMD 1 will present a draft LEMA for Wichita County at their annual meeting February 20th in Leoti. They hope to submit to DWR by March. Discussion was also had on the GMD 5 LEMA.

8. OPEN SESSION-Public Questions/Comments:

A thank you note was passed around from the Baalman family for the memorial of Howard Baalman.

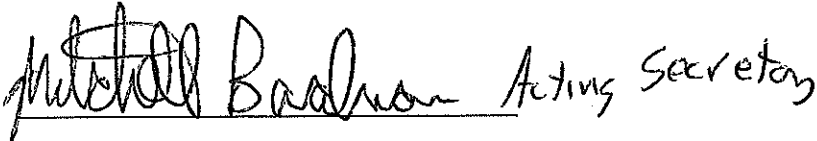
9. Scheduling Future Meetings:

A board meeting was scheduled for February 13th at 9 am in Hoxie at the Elks Lodge with the Annual Meeting at 1:30 pm.

10. ADJOURNMENT

With no other business and no objections, Mitchell Baalman moved to adjourn the meeting. The motion was seconded by Roger Zwegardt and passed unanimously by voice vote (no "nay" votes).

Respectfully submitted:

 Mitchell Baalman Acting Secretary

Mitchell Baalman, Acting Secretary