

The Peoples Bank

The Peoples Bank
Pratt, KS. 67124

Phone: 800 362-2625
FAX:
email:

RECEIVED

Feb 27 2018

Big Bend GMD #5

February 27, 2018
Orrin Feril, Mgr.
Big Bend GMD #5
Stafford, KS. 67578

Dear Mr. Feril:

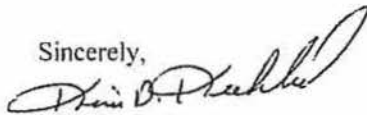
I am writing concerning the LEMA discussion that has been front and center for several months. I know that you and the Board do your very best to try and balance the needs of the local irrigators and the demands made by the State. It puts you in a very difficult position and I am glad that we have a great team moving forward on this.

I do have one concern that has been brought to my attention, however. It is my understanding that all irrigators no matter what water usage rights they legally are entitled to, may be restricted to a lower number based on actual usage. From a banker standpoint, this is VERY concerning. When we value irrigated land whether it is in the Rattlesnake basin or in any other location, we look at how much water is legally available on that piece of land. That is one of several factors in which we decide what we are willing to value the property at for purposes of loan valuations. It would be an economic taking if by the stroke of a pen, this number is diminished without compensation.

In the current difficult price situation for grain farmers, it would seem that this would just be one more difficult circumstance to overcome. If I can ever help the Board understand the stance of the financial institution, please feel free to contact me. I will be glad to help if I can.

I do appreciate the hard work you do for the irrigators within this proposed LEMA. If you have questions please feel free to call at 620 672- 5611.

Sincerely,



Kim D. Krehbiel,

Vice President

The Peoples Bank