

MINUTES – April 8, 2014
BIG BEND GROUNDWATER MANAGEMENT DISTRICT #5
MEETING OF THE BOARD OF DIRECTORS

The monthly board meeting of the Big Bend Groundwater Management District #5 was held at the District office in Stafford on Thursday April 8, 2014. Board members present were Darrell Wood, Curtis Tobias, Tom Taylor, Fred Grunder, Phillip Martin, Kent Lamb, Justin Gatz and Bob Standish. Board member John Janssen was not present. District staffs present were Orrin Feril. Guests present were Jeff Lanterman, Richard Wenstrom, Raymond Flickner, and Tim Boese.

The April regular board meeting was called to order at 7:04 p.m.

Kent Lamb noted the following amendments to the March minutes. The amended portions are underlined.

Page 2 paragraph 1: The board conducted an election of officers for the upcoming year. Bob Standish moved and Phil Martin seconded to re-elect the current officers for another one-year term. Motion carried 7-1-0. The District board of directors' officers are Darrell Wood as President, Fred Grunder as Vice-President, Curtis Tobias as Secretary and John Janssen as Treasurer.

Page 3 paragraph 4: Following discussion the motion was amended to “obtain a scope of work from Balleau Groundwater Inc. to determine the hydrologic impact to the area should the IGUCA allocations be amended as previously stated.” The amended motion carried 6-0-1. Manager Feril will contact Balleau Groundwater Inc. to obtain the scope of work.

Page 3 paragraph 5: Next, the board discussed the Central Kansas Water Bank Association's (CKWBA) deadline of December 31 for the establishment of a Safe Deposit Account while the District is closed per the Personnel policy. The board advised staff that the CKWBA procedures be amended to allow District staff to close the office for the week between December 25 and January 1. Additionally, CKWBA board asked the District board if they would like reimbursed for a special edition newsletter that was mailed out in December. The December edition focused solely on the CKWBA programs. By consensus, the District board agreed that as the CKWBA is only available within the District and is a part of the management program for the District, this type of newsletter can be treated as an in-kind service by the District.

Justin Gatz moved and Bob Standish seconded to accept the March minutes as amended. Motion carried 7-0-1.

Bob Standish moved and Tom Taylor seconded to accept the April treasurer's report. Following discussion, the motion carried 7-0-1.

The following Personnel Policy amendment was discussed by the board.

L. Health and Life Insurance Benefits

The district shall pay to full time employees, health insurance of up to \$6600 per year, or up to \$300 per year for life insurance. Employees must submit documentation of proof of health insurance for payment on an annual basis to qualify for exemption status from gross income.

EMPLOYER CONTRIBUTIONS FOR MEDICAL INSURANCE

Exclusions from gross income under sections 106(a) or 105(b) of the Internal Revenue Code.

Section 106(a) provides that gross income of an employee does not include employer provided coverage under a health plan.

Section 106 exclusion applies to an employer's reimbursement of an employee for individual accident and health insurance premiums paid by the employee to an insurer if (1) the employer has an accident and health plan under which it permits such reimbursements (must be included in personnel policy) and (2) any reimbursement is of premiums actually paid by the employee.

For those employees who are not covered by an employer's group policy but have other types of hospital and medical insurance for which they pay the premiums directly to the insurers, the employer pays a part of such premiums upon proof that the insurance is in force and is being paid for by the employees.

The employer could make payment in the following manner: Reimburse each employee directly once or twice a year for the employer's share of the insurance premiums upon proof of prior payment of the premiums by the employee.

Payments made by employer constitute employer payments of health insurance premiums for employees if the payments are shown to be in reimbursement of premiums actually paid by the employees to the insurers. Amounts paid are excludable from the gross income of the employees under the IRS code if the amounts have not been previously excluded.

Bob Standish moved and Kent Lamb seconded to adopt the amended policy as written. Motion carried 7-0-1.

The following Administrative Policy amendment was discussed by the board.

R. Approval of Expenditures:

Adopted February 19, 2004
Amended April 08, 2014

- a. All monthly expenditures shall be reviewed by the board at their

monthly meeting.

- b. All purchases must be approved by the manager.
- c. Purchases of over \$1500 must have prior board approval.

Curtis Tobias moved and Tom Taylor seconded to adopt the amended policy as written. Motion carried 7-0-1.

The next agenda item for discussion was a proposed Multiyear Flex Account (MYFA) option utilizing K.S.A. 82a-736 (c)(1)(D)(iii). The proposal is for producers, within Big Bend Groundwater Management District #5, who willingly remove or plug their end gun throughout the term of the MYFA program, their MYFA allocation would be 450% of their authorized appropriation. Additionally the District would require that the maximum number of acres authorized to be irrigated during the term of the MYFA be calculated as the maximum number of acres legally irrigated by the center pivot system for the previous 5 calendar years minus the number of acres irrigated by the center pivot system's end gun and not be allowed to be increased during the term of the MYFA. Following discussion, Fred Grunder moved, Justin Gatz seconded to submit this proposal to the Chief Engineer of KDA-DWR. Motion carried 7-0-1.

Balleau Groundwater Inc. (BGI) recently submitted a proposed scope of work to utilize the District Model to examine the hydrologic effects of modifying the Walnut Creek Intensive Groundwater Use Control Area (IGUCA) allocations. The proposed scope of work was presented to the board and discussed. Following discussion, Phil Martin moved and Bob Standish seconded to approve the proposed scope of work with an amendment to focus the study on Barton County only. Motion carried 7-0-1.

Balleau Groundwater Inc. (BGI) recently submitted a proposed scope of work to utilize the District Model to examine the hydrologic effect of increasing the current groundwater appropriation in Rice County within GMD#5. Following discussion of the proposed scope of work, Justin Gatz moved and Curtis Tobias seconded to approve the proposed scope of work with no amendments. Motion carried 7-0-1.

Manager Feril discussed staff activities for the past month and upcoming months. The District's website is in the process of being restructured and updated to incorporate additional information and make that information easier to access by the public. The results from the baseline water quality sampling were presented to the board. These samples were taken in Southern Reno County over the past 4 months. At this point, the samples do not show evidence of the commonly used chemicals in hydrologic fracturing fluids. The upcoming *Vision* work session meeting in Manhattan was discussed briefly as well. Recent correspondence from USFWS regarding the Rattlesnake Creek Partnership was discussed by the board. No action was taken by the board on these issues. It was the consensus of the board to send a letter to the Senators and Representatives who represent the District area regarding HB2695.

Jeff Lanterman, representing the Division of Water Resources, was on hand to update the board on current issues. DWR will be sending water use enforcement letters from the 2012 water use season to correspondents soon.

Raymond Flickner discussed the upcoming Vision meeting in Manhattan briefly.

Richard Wenstrom noted that a new meter has been recently approved by KDA–DWR for use within the State. He requested whether there was recent data on how much water trees use along stream banks per day. This information might be critical when discussing the various uses that impact streamflow from day to day. Water Pack is planning to present the economic impact of irrigation to the area for the Vision document being drafted by Kansas Water Office in order to highlight the unique nature of the Great Bend Prairie Aquifer.

Phil Martin took the opportunity to read a statement he had prepared which reaffirms his dedication to represent the water users within Barton County.

With no further items to discuss, the board adjourned at 8:49 p.m.