

MINUTES – FEBRUARY 15, 2018  
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, February 15, 2018. Board members present were Darrell Wood, Fred Grunder, Tom Taylor, Kent Lamb, Bob Standish, Phil Martin, Jerry Cullop, and Justin Gatz. Board member John Janssen was not present. District staff present was Orrin Feril. Guests present were Jeff Lanterman, Richard Wenstrom, Berry Bortz, Pat Janssen, Aaron Koehn, Peter Balleau, Calvin Kissick, Christina Hansen, Lynn Preheim, Matt Unruh, Robert Neeland, Leah Chadd, David Traster, Ron Ashworth, Dale Zortman, Micah Schwalb, and John Donley (phone).

The February regular board meeting was called to order at 1:00 p.m. by Darrell Wood.

A discussion with John Donley at 2:00 p.m. via phone was added to the agenda.

Justin Gatz moved and Bob Standish seconded to approve the January minutes as presented. Motion carried 6-0-1.

Fred Grunder moved and Justin Gatz seconded to accept the February treasurer's report as presented. Following discussion, the motion carried 6-0-1.

Jerry Cullop arrived at the meeting at 1:10 p.m.

Aaron Koehn, VonFeldt, Bauer, & VonFeldt, Chartered, presented the audit report to the board for fiscal year 2017. A few questions were answered before Bob Standish moved and Kent Lamb seconded to accept the audit report as presented. Motion carried 7-0-1.

Justin Gatz moved and Tom Taylor seconded to adopt the following resolution to conduct the 2018 audit using the cash basis and budget laws of Kansas. Motion carried 7-0-1.

RESOLUTION NO. 2018-1

WHEREAS the Big Bend Groundwater Management District No. 5, Stafford, 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) (as amended) 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 Big Bend Groundwater Management District No. 5 and

WHEREAS there are no revenue bond ordinances 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) (as amended) for the year ended 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Big Bend Groundwater Management District No. 5, Stafford, Kansas, in the regular meeting duly assembled this 15th day of February, 2018 that the Board of Directors waives the requirements of K.S.A. 75-1120a(a) (as amended) as they apply to the Big Bend Groundwater Management District No. 5 for the year ended 2018.

BE IT FURTHER RESOLVED THAT THE Board of Directors shall cause the financial statements and financial reports of the Big Bend Groundwater Management District No. 5 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.

There has been a recent change in staff in the office and there will be a change in board members at the annual meeting. Orrin Feril outlined the current entity authorizations for each bank with which the District is involved. Following discussion, Fred Grunder moved and Justin Gatz seconded to update the entity authorizations to represent the board members following the annual meeting and to replace Regan Harris with Michaela Kirmer as well for Prairie Bank of Kansas. Motion carried 7-0-1. Fred Grunder moved and Justin Gatz seconded to update the entity authorizations to represent the board members following the annual meeting and to replace Regan Harris with Michaela Kirmer as well for St John National Bank. Motion carried 7-0-1.

In October 2017, the District board, by formal motion, agreed to accept the purchase proposal for the land immediately surrounding the observation wells for water quality site number 38. In January 2018, the District board, by formal motion, approved the purchase agreement and authorized Orrin Feril to sign the agreement and any necessary documents to close the transaction on behalf of the District. Justin Gatz moved and Tom Taylor seconded to the following resolution. Motion carried 7-0-1.

RESOLUTION NO. 2018-2

RESOLVED, that the Big Bend Groundwater Management District No. 5, a body politic and corporate organized and existing under the K.S.A. 82a-1020 et seq. and the laws of the State of Kansas ("GMD5") hereby authorizes the purchase of that certain parcel of real estate together with all improvements thereon all as more fully contemplated by that Real Estate Sale and Purchase Contract by and between GMD5 and Terry E. and Cindy A. Studer, (the "Agreement") attached hereto as Exhibit A and made a part hereof as if more fully set forth herein;

RESOLVED, that the terms of the Agreement attached hereto as Exhibit A, and any written amendments, are hereby approved and ratified; and

RESOLVED, that the Manager GMD5, Orrin Feril, is authorized and directed to execute any and all documents necessary or reasonably required to complete the transaction contemplated by this Resolution and the Agreement and any amendments thereto.

SECRETARY'S CERTIFICATE


The undersigned hereby certifies that he is the duly appointed, qualified and acting Secretary of the Big Bend Groundwater Management District No. 5, a body politic and corporate organized and existing under the K.S.A. 82a-1020 et seq. and the laws of the State of Kansas ("GMD5") and hereby further certifies for and on behalf of GMD5 and not in his individual capacity that:

1. Above is a true, correct and complete copy of the resolution of the "GMD5," authorizing the execution, delivery and performance of the Real Estate Sale and Purchase Contract by and between GMD5 and Terry E. and Cindy A. Studer, (the "Agreement") attached hereto as Exhibit A.
2. The name and title and signature of the officer authorized to act on behalf of GMD5 is:

Name	Title	Signature
Orrin Feril	Manager	_____

IN WITNESS WHEREOF, the undersigned has executed this Secretary's Certificate as of the date first set forth above

Big Bend Groundwater Management District No. 5, a body politic and corporate organized and existing under the K.S.A. 82a-1020 et seq. and the laws of the State of Kansas

  
Secretary

Manager Feril presented a revised draft 2019 budget for the board's review and discussion. Following a discussion regarding the changes since January, the board agreed by consensus to present the following draft budget to the public at the annual meeting.

EXPENDITURES

PERSONNEL SERVICES

SALARIES	\$	200,000
EMPLOYEE BENEFITS		40,000
PAYROLL TAXES		20,000

ADMINISTRATION

TRAVEL & CONFERENCE	\$	20,000
UTILITIES		9,000
PRINTING & PUBLICATIONS		8,000
OFFICE SUPPLIES		5,000
OFFICE EQUIPMENT		4,000
BUILDING EXPENSE		3,000
FIELD EQUIPMENT		10,000

OTHER EXPENSES

WATER MANAGEMENT	\$	850,000
PROFESSIONAL FEES		300,000
WEATHER STATION EXPENSE		15,000
INSURANCE		11,000
DUES & MEMBERSHIPS		500
BUSINESS DINNERS		1,500
OTHER		1,500
POSTAGE		1,500

TOTAL BUDGET \$ 1,500,000

ASSESSMENT RATES

PER ACRE	\$	0.05
PER ACRE-FOOT		1.00

Orrin Feril presented the latest draft agenda for consideration by the board for the evening's annual meeting. There were several substitutions and adjustments made due to sickness and travel arrangements.

Orrin Feril discussed staff activities for the past month and upcoming months. There has been work preparing the proper paperwork to close the purchase of the immediate area surrounding WQS38. It has taken extra time this month to prepare for the District's annual meeting. The Groundwater Management District roundtable event and Legislative reception in Topeka was very well attended.

Orrin Feril and the LEMA committee provided a brief update on the current status of the Rattlesnake Creek LEMA. The LEMA committee, with the help of David Barfield, Peter Balleau, and Lynn Preheim, will be presenting the current draft of the LEMA document to the

public at the annual meeting for review and feedback from the public. The public present requested an early copy of the document for review. Copies of the document were ready and handed out. Lynn Preheim provided a brief overview of the draft LEMA document. The public in attendance were encouraged to attend the annual meeting to be a part of the discussions.

Jeff Lanterman, representing KDA–DWR, stated that KDA staff is assisting several water users with completing the water use reports that are due at the end of this month.

Vin Kissick provided an update on the KWA activities to the board. The KWA members recently had the opportunity to visit several legislators to express the importance of water and water project funding. Mr. Kissick provided the board with a brief overview of some legislative bills regarding water. No action was taken by the board.

Matt Unruh, representing the Great Bend Prairie RAC, provided an update to the board. Mr. Unruh stated the next RAC meeting will be on March 12, 2018 in Pratt. At that meeting, there will be a “State of the Resource” document that will be presented and reviewed. No action was taken by the board.

Richard Wenstrom, representing WaterPACK, highlighted the activities at their annual meeting on February 12. WaterPACK is continuing to work on CREP and WTAP to get additional funding directed to the Rattlesnake Creek area. Heidi Mehl, The Nature Conservancy, highlighted TNC’s goals to be proactively involved in finding solutions through partnerships. Brian Dunn and Chad Fisher are newly elected board members representing Stafford County.

John Donley, Devine Donley and Murray LLC, joined the meeting via phone at 2:00 p.m. to provide an update to the board and public relating to the legislative activities in Topeka. There are several bills that have been introduced into this session that warrant the water community’s attention.

- SB194 – [Groundwater Management District assessment cap] – Recently passed out of the Senate (34-5) and will be moving over to the House Agriculture committee soon.
- HB2732 – [Division of Conservation administering water banks] – The House Water and Environment tabled discussion on this bill in order to provide agencies and stakeholders to further refine the language.
- HB2726 – [Non-Corn irrigation grant / KWO issue bonds] – This bill was opposed by the agriculture community and did not make it out of the House Water and Environment committee.
- SB379 – [Kansas water law study commission] – This bill is still in the Senate Agriculture and Natural Resources committee and will likely not move out before turn around.
- HB2691 – [MYFA / Change Notifications] – The section regarding the modification to the nearby landowner notification requirements was removed in House Water and Environment committee before being sent to the House floor for a vote.

The legislature is approaching the turnaround date of February 22. Any bills that aren’t passed out of the house of origin will no longer be eligible for consideration by committees. It is expected that there will be a rush to work bills in the final week leading up to turnaround. Mr.

Donley indicated that he would be at the annual meeting to provide a similar update to the public in attendance.

The next District board meeting was tentatively set for March 8, 2018 at 7:00 p.m.

With no further items to discuss the board adjourned at 2:10 p.m.

Attest by:  Dated 3/7/18