

**PROPOSED AGENDA
BOARD OF DIRECTORS MEETING
EQUUS BEDS GROUNDWATER MANAGEMENT DISTRICT NO. 2**

**Wednesday, January 16, 2019
9:30 a.m.**

313 Spruce Street • Halstead, KS 67056-1925
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1. APPROVAL OF MINUTES

2. APPROVAL OF AGENDA

3. FINANCIAL REPORT

4. APPROVAL OF EXPENDITURES

5. PUBLIC FORUM – *Persons may present written or verbal comments concerning non-agenda business. Presentations are limited to five minutes.*

6. APPEAL REVIEW - None

7. EXECUTIVE SESSION – Consultation with Attorney

8. OLD BUSINESS

- a) City of Wichita Aquifer Storage & Recovery (ASR) Proposed Permit Modifications
- b) Craig Steven, New Application No. 49793, 29-24S-3W, Harvey Co.

9. NEW BUSINESS

- a) Knudsen Monroe & Company LLC Audit Engagement Letter
- b) Audit Accounting Resolution – GAAP Waiver
- c) GMD Legislative Reception and Winter Water Congress Meeting – February 5 & 6, 2019
- d) February Board Meeting
- e) Annual Meeting

10. AGENCY & COMMITTEE REPORTS

- a) Division of Water Resources
- b) Kansas Water Authority
- c) Equus - Walnut Regional Advisory Committee

11. MANAGER'S REPORT

- a) ASR Project Report
- b) Administrative and Field Tasks
- c) Review of Term Permit Applications
- d) Monthly Information and Service Report

12. ADDITIONS TO THE AGENDA

13. BOARD ROUND TABLE DISCUSSION

14. EXECUTIVE SESSION – Consultation with Attorney

15. EXECUTIVE SESSION – Consultation with Attorney

NOTICE: All Board of Directors meeting and any portion thereof are open to the public, except for closed or executive meetings, as prescribed by K.S.A. 75-4319. Please complete a meeting notice form, if you wish to be notified of Board of Directors meetings, hearings, work sessions or other business meetings. Notice forms may be obtained by contacting the Equus Beds Groundwater Management District No. 2.

EQUUS BEDS GROUNDWATER MANAGEMENT DISTRICT NO. 2

JANUARY 16, 2019

The Board of Directors for the Equus Beds Groundwater Management District No. 2 held a monthly meeting January 16, 2019, 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 9:30 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
David Stroberg, Member	Tom Adrian, Attorney
Tim Boese, Manager	Rebecca Wilson, Admin. Assistant

Others attending the meeting or portions thereof were:

Cameron Conant, DWR – Stafford	Brian Meier, Burns & McDonnell
Scott Macey, City of Wichita	Randall Harris, CCUA
Byron Warta, Equus Walnut RAC	Ron Graber, KSRE
Tessa Wendling, Public	Ted Saranchuk, Public
Charlie Peaster, Public	

ITEM 1A -- APPROVAL OF DECEMBER 5, 2018 MEETING MINUTES

Moved by Bob Seiler and seconded by David Stroberg to approve the Minutes. Motion carried with 7 Directors for, 0 Directors against, 0 Directors abstained, and 2 Directors absent.

ITEM 2 -- APPROVAL OF AGENDA

Moved by Bob Seiler and seconded by Alan Burghart to approve the Agenda as amended with the removal of Item #15 Executive Session. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

ITEM 3 -- FINANCIAL REPORT

December Financial Report

Discussion by the Board regarding Manager Tim Boese developing a formal resolution to request that Sedgwick County itemize the groundwater district special assessment charges on the tax statements of District members. Moved by Vin Kissick and seconded by David Stroberg to approve the December Financial Report. Motion carried with 9 Directors for, 0 Directors against, 0 Directors abstained, and 0 Directors absent.

ITEM 4 -- APPROVAL OF EXPENDITURES

Moved by Vin Kissick and seconded by Mike McGinn to approve the January expenditures, except the payment to gWorks in the amount of \$4,000. Discussion by the Board regarding the performance of the gWorks product and the cost to terminate the gWorks contract. Manager Tim Boese will discuss the gWorks product with the other GMD Managers and will research potential termination options. Motion carried with 9 Directors for, 0 Directors against, 0 Directors abstained, and 0 Directors absent.

ITEM 5 -- PUBLIC FORUM

Charles Peaster of rural Sedgwick County addressed the Board with questions about the depth of his well and how the City of Wichita's Aquifer Storage & Recovery (ASR) Proposed Permit Modifications will affect his water rights. Mr. Peaster also had questions regarding the amount of water the City of Wichita has taken out of the river and put back into the aquifer, as well as comments about how the City of Wichita sells water to 14 entities, including three water districts. Mr. Peaster expressed his belief that it is the responsibility of the Board of GMD2 to ensure that the City of Wichita's ASR Proposed Permit Modifications are not approved. The Board thanked Mr. Peaster for his comments and questions.

ITEM 6 -- APPEAL REVIEW – NONE

ITEM 7 – EXECUTIVE SESSION

Moved by David Stroberg and seconded by Alan Burghart to recess into Executive Session for consultation with the District Attorney regarding the ASR Hearing for the public body which would be deemed privileged in the attorney-client relationship pursuant to the attorney consultation exception under the Kansas Open Meeting Act, and the open meeting will resume in the conference room at 10:30 a.m. Those present in Executive Session are: Members of the Board (except Joe Pajor), the District Manager Tim Boese, and the District Attorney Tom Adrian. Motion carried with 8 Directors for, 0 Directors against, 1 Director abstained (Joe Pajor), and 0 Directors absent.

Time in Executive Session: 9:58 a.m.

Time out of Executive Session: 10:30 a.m.

Moved by David Stroberg and seconded by Bob Seiler to extend the Executive Session for 10 minutes and to resume the open meeting at 10:40 a.m. Motion carried with 8 Directors for, 0 Directors against, 1 Director abstained (Joe Pajor), and 0 Directors absent.

Time in Executive Session: 10:30 a.m.

Time out of Executive Session: 10:40 a.m.

There was no action by the Board as a result of the Executive Session.

ITEM 8 -- OLD BUSINESS

a) CITY OF WICHITA AQUIFER STORAGE & RECOVERY (ASR) PROPOSED PERMIT MODIFICATIONS

Manager Tim Boese provided the Board with a Notice of Final Hearing Schedule for the City of Wichita Aquifer Storage & Recovery (ASR) Proposed Permit Modifications, which was recently filed by the Chief Engineer. The Formal Phase of the Public Hearing is scheduled for March 26, 2019, and March 27, 2019, if necessary. Discussion by the Board regarding the location of the hearing, as it is still to be determined. District staff continues to review the proposal.

b) CRAIG STEVEN, NEW APPLICATION NO. 49793, 29-24S-3W, HARVEY COUNTY

Manager Tim Boese reviewed the application and history for the Board. Mr. Stevens was notified in writing of the Board meeting, but he was not in attendance. Tim reported that he has been in contact with Mr. Stevens, who stated that he has not had the seepage

test completed, that he does not want to complete the seepage test as he feels it is too costly, and that he is talking to the Natural Resources Conservation Service (NRCS) regarding other options. Tim reported that Mr. Stevens asked him verbally for a one-month extension to consider options, and Tim asked Mr. Stevens to provide the request in writing in order to share it with the Board. To date, the District has not received a written request from Mr. Stevens. The Board previously tabled the application review for six months, which ends on February 8, 2019. Tim reported that the staff's previous recommendation was to not grant a waiver of the safe yield regulation and that the application be denied. Moved by Joe Pajor and seconded by Mike McGinn for Manager Tim Boese to notify Mr. Stevens that he has to provide a written extension of time request to the District by February 8, 2019, in order for the application to be reviewed at the February Board meeting, or if no written request is received, the Board will follow staff recommendations to not grant a waiver of the safe yield regulation and deny the application. Motion carried with 9 Directors for, 0 Directors against, 0 Directors abstained, and 0 Directors absent.

ITEM 9 -- NEW BUSINESS

a) Knudsen Monroe & Company, LLC Audit Engagement Letter

Manager Tim Boese reviewed the Knudsen Monroe & Company, LLC Audit Engagement Letter with the Board. Moved by Bob Seiler and seconded by David Stroberg to approve the Audit Engagement letter terms with Knudsen Monroe & Company, LLC. Motion carried with 9 Directors for, 0 Directors against, 0 Directors abstained, and 0 Directors absent.

b) AUDIT ACCOUNTING RESOLUTION – GAAP WAIVER

Manager Tim Boese reviewed the Audit Accounting Resolution – GAAP Waiver with the Board. Moved by Vin Kissick and seconded by Bob Seiler to approve the GAAP Waiver. Motion carried with 9 Directors for, 0 Directors against, 0 Directors abstained, and 0 Directors absent.

c) GMD LEGISLATIVE RECEPTION AND WINTER WATER CONGRESS MEETING – FEB. 5 & 6, 2019

Manager Tim Boese reviewed the GMD Legislative Reception and Winter Water Congress meeting schedule of events with the Board. Tim asked that any Board members interested in attending the reception let him or Rebecca know by the end of next week so that appropriate accommodations can be made.

d) FEBRUARY BOARD MEETING

It was the consensus of the Board for the February Board meeting to remain as scheduled on Wednesday, February 13, 2019, at 9:30 a.m.

e) ANNUAL MEETING

Discussion by the Board regarding potential dates for the Annual Meeting. District staff will check with Halstead High School regarding availability of the auditorium and will confirm the date with Board members.

ITEM 10 -- AGENCY & COMMITTEE REPORTS

a) DIVISION OF WATER RESOURCES

Cameron Conant, DWR – Stafford Field Office, informed the Board that DWR staff are currently conducting annual water level measurements. Cameron reported that water levels in Pawnee and Ness counties are up generally between one and three feet from

measurements last year. Cameron also informed the Board that KDA-DWR Stafford Field Office Water Commissioner Jeff Lanterman continues to conduct many settlement conferences regarding over pumping penalties and suspensions. Regarding annual water use reporting, Cameron reported that online reporting is up from this time last year, DWR staff will be at various outreach locations to assist water users in online reporting, and so far, they have received 11 negative written comments regarding water use reporting. DWR staff will be at GMD2 on January 31, 2019, and February 14, 2019, to assist with online water use reporting.

b) KANSAS WATER AUTHORITY

Board Vice President Vin Kissick informed the Board that the Kansas Water Authority (KWA) met on December 19, 2018, in Wichita. Vin reported that this was the first meeting for Earl Lewis, the Interim Director of the Kansas Water Office, since Tracy Streeter retired in December. Vin stated that the meeting had an overall feeling of uncertainty for how the KWA will be impacted by the appointments made by the newly elected state administration, but that the Kansas Water Office is most likely not a top priority in regard to making appointments. Vin reported that there was discussion regarding a Regional Advisory Committee (RAC) training program for members, which Vin does not consider a substitute for needed guidelines for the RACs. Vin was informed that those were two separate issues, so he will continue to advocate for set guidelines for the RACs. Vin reported that the meeting involved a good rundown of upcoming changes regarding the Waters of the United States, including information about Environmental Quality Incentives Program (EQIP) incentives for irrigation efficiency, which may be of interest to Board members. Vin informed the Board that individuals from the KU School of Medicine interested in improving and protecting domestic water wells gave a briefing regarding private water wells. The brief reported that there are many unsafe private wells that need to be inspected and tested and noted a desired provision to shut down the unsafe private wells. Vin reported that most of the information was well received by meeting participants, but that the talk about being granted authority to shut down the unsafe private wells created quite a discussion. Manager Tim Boese stated that he was previously on the advisory committee for this study, and that one of the main purposes was to create uniform sanitation codes for each county in the state, not to shut down private wells. Brief discussion by the Board followed. Vin informed the Board that the KWA developed a handout to provide to legislators on January 30th, but that he noted the handout was missing information regarding the City of Wichita ASR project, an important topic of which the legislators need to be made aware. Vin stated that the KWA agreed to add the information to the handout in a factual and neutral manner, and the handout is available for review on the KWA website. Vin also reported that there have been several questions raised regarding the status of members of the KWA Board in regard to the new state administration. Vin and Tim reported that GMD5 wants Vin to continue to represent their District on the KWA Board. GMD2 will allow GMD5 to take the lead on making a motion to retain Vin on the KWA Board, and then GMD2 will follow with a motion of their own. Vin informed the Board that the next KWA meeting is scheduled for January 31, 2019, in Topeka.

c) EQUUS – WALNUT REGIONAL ADVISORY COMMITTEE

Bob Seiler informed the Board that there is nothing new to report for the Equus-Walnut RAC.

ITEM 11 -- MANAGER'S REPORT

a) ASR Project Report

Tim Boese, Manager, advised the he has not received the December recharge report. November Recharge: Phase I recharge is 42.9 AF (97.4% into RB2); Phase II recharge is 78.8 AF (69.8% into RB36). Cheney Reservoir: Conservation pool is 100.00% full and the flood pool is 4.7% full. Cheney release is 370 CFS. Flow today: Little Ark - Highway 50 is 158 CFS; Valley Center is at 268 CFS. The river was above minimum flow for recharge activities all of December, with two higher flow events in early and late December. GMD2 received the 2017 ASR Accounting Report on January 2, 2019 (electronically received on December 27, 2018). District staff will begin reviewing the report and will schedule it for Board review.

b) ADMINISTRATIVE FIELD TASKS

Tim Boese, Manager, reported that in December, staff assisted completing two new/change/division applications, 12 MYFA applications, 17 completions and extensions, conducted 10 application reviews, performed 20 water permit consultations (many related to over-pumping and MYFAs), completed two preliminary safe yields, fielded 11 ASR questions, and processed a total of 52 files including VI cards, new applications, ownership and address changes, certificates, and compliance orders/civil penalties.

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 12 -- ADDITIONS TO THE AGENDA – NONE

ITEM 13 -- BOARD ROUND TABLE DISCUSSION – JEFF WINTER, PRESIDENT

Manager Tim Boese informed the Board that he will continue to work with the Kansas Water Office in completing the scope of services for the remediation of the Burrton chloride plume and the transfer of the \$50,000 funds to GMD2. Tim also informed the Board that Mike Beam was recently appointed as the new Secretary of the Kansas Department of Agriculture, pending final approval. Mr. Beam was formerly the Senior Vice President of the Kansas Livestock Association. Tim reported that David Randolph, District Hydrologic Technician, is currently conducting annual water measurements and has noted that water levels are up in the Partridge area. Tim also reported that he is updating the position description in his continued search for a new District Hydrologist. Board member Dale Schmidt inquired into the City of Canton, which is within GMD2, discovering arsenic in their water wells. Tim reported that he has been working with individuals from the City of Canton to assist with researching possible treatment options and/or relocation of the wells.

ITEM 14 – EXECUTIVE SESSION

Moved by David Stroberg and seconded by Dale Schmidt to recess into executive session for consultation with the District attorney regarding pending litigation for the public body which would be deemed privileged in the attorney-client relationship pursuant to the attorney consultation exception under the Kansas Open Meeting Act, and the open meeting will resume in the conference room at 11:58 a.m. Those


present in Executive Session are: Members of the Board, the District Manager Tim Boese, and the District Attorney Tom Adrian. Motion carried with 8 Directors for, 0 Directors against, 0 Directors abstained, and 1 Director absent.

Time in Executive Session: 11:53 a.m.

Time out of Executive Session: 11:58 a.m.

There was no action by the Board as a result of the Executive Session.

Moved by David Stroberg 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 11:59 a.m.



Alan Burghart
Secretary
AB/TDB/rsw