

approved: 3-17-98
Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Vice-Chairperson Steve Morris at 8:12 a.m. on March 13, 1998 in Room 254-E of the Capitol.

All members were present except: Senator Corbin and Senator Pugh

Committee staff present: Raney Gilliland, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
Lila McClafin, Committee Secretary

Conferees appearing before the committee:
Steve Williams, Secretary, Kansas Department of Wildlife and Parks
Representative Laura McClure
John A. Bond, Kansas Department of Wildlife and Parks
Rich Bailey, Kansas Wildscape Foundation

Others attending: See attached list

A motion was made by Senator Schraad with a second by Senator Tyson to approve the minutes of March 10 and 11. The motion carried.

HB 2783--Authorizing state involvement in certain a. Lake wetlands; designating an area as the Steve Lloyd Wetlands.

Vice-Chairperson Morris called on Secretary Williams.

Secretary Williams supported the legislation which would authorize the Kansas Department of Wildlife and Parks (KDWP) to enter into a cooperative agreement with the U.S. Army Corps of Engineers to modify and restore approximately 2,550 acres at Milford Reservoir into seasonal and permanent wetlands. The project has been prioritized into three stages. The bill restricts the amount of State General Fund expenditures for the total project to \$361,512. This amount has been submitted by the Governor as a FY 1999 budget amendment and would need to be included in SB 665. The bill requires that the remaining nonfederal costs of the project be financed from nonstate monies (Attachment 1).

Representative Laura McClure asked for support of **HB 2783**.

John A. Bond, Kansas Department of Wildlife and Parks showed slides of the proposed project. He discussed the positive impact for both the natural resources and area economies. In 1992 a nongovernmental committee was formed to pursue alternative funding sources. In 1992 this group approached the Kansas Wildscape Foundation to assist with the project and assist in pursuing both public and private funding sources (Attachment 2). Mr. Bond responding to questions stressed the benefits of the wetland. He told the committee the irrigation wells involved would only need to be pumped during the fall seasons that were short on rainfall, and the existing water right holder would have senior rights. The wetlands would all be on federal land. At the present time some of the land is leased for agriculture purposes and should those individuals want to continue to lease land then Wildlife and Parks would look for other acreage for them. The U. S. Corp of Engineers is very enthused about this project as it would be a world class project.

Rich Bailey, Kansas Wildscape Foundation, supported the bill. He said the Foundation are about halfway to reaching their goal. They are very optimist that they can reach it.

A motion was made by Senator Biggs with a second from Senator Karr that **HB 2783** be passed. The motion carried.

The next meeting is scheduled for March 16, 1998. The meeting adjourned at 8:50 a.m.



STATE OF KANSAS

DEPARTMENT OF WILDLIFE & PARKS

Office of the Secretary
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Topeka, KS 66612
913/296-2281 FAX 913/296-6953



March 13, 1998

Senator David Corbin, Chairperson
Senate Committee on Energy and Natural Resources
Senate Chamber
State Capitol Building
Topeka, Kansas 66612

Dear Senator Corbin:

House Bill No. 2783 is legislation which would authorize the Kansas Department of Wildlife and Parks (KDWP) to enter into a cooperative agreement with the U.S. Army Corps of Engineers (COE) to modify and restore approximately 2,550 acres at Milford Reservoir into seasonal and permanent wetlands. The project would be developed in three stages as defined within the bill. The bill restricts the amount of State General Fund expenditures for the total project to \$361,512. This amount has been submitted by the Governor as a FY 1999 budget amendment and would need to be included in Senate Bill No. 665. The bill requires that the remaining nonfederal costs of the project be financed from nonstate moneys

The bill includes a requirement that the Cane Creek area within stage I of the Milford wetlands development project be designated as the Steve Lloyd Wetlands. The intent of this section is to honor Representative Lloyd for his service to the citizens of Kansas and his dedication to preserving the natural resources of the State.

The intent of House Bill No. 2783 is to allow the KDWP to cooperate with the COE and the WILDSCAPE Foundation to develop the Milford Wetlands project. The Governor's Budget Amendment and the provisions of HB 2783 limit the state financing of the project to providing the matching funds required to develop the first stage of the project which would be approximately 1,30 acres. WILDSCAPE would be responsible for obtaining the remaining nonfederal funding for the project.

The amount to be appropriated would be the required match for the first stage of the project. The amount is for non-federal construction costs of the first stage and includes the cost associated with preparation of the engineering report for the project and the development of plans and specifications. Those cost are estimated at \$2,054,048. Of this amount, \$728,000 would be for pre-construction costs of which \$30,000 would be from non-federal sources. The construction cost for the first stage are estimated at \$1,326,048 of which \$331,512 would be from non-federal sources. Federal funding required for development of the first stage is estimated at \$1,692,536.

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The total appropriation required from the State General Fund for development of the first stage is \$361,512. In addition, development of the first stage would require additional KDWP annual expenditures for O/M costs of \$20,000. These expenses could be financed from the Wildlife Fee Fund and would be required after completion of construction. It should be noted that the total construction costs for development of the Milford Wetlands is estimated to be \$5,000,000. Of this amount, \$1,250,000 would be from non-federal sources.

Sincerely,



Steven A. Williams
Secretary of Wildlife and Parks

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MILFORD LAKE HABITAT RESTORATION PROJECT
(CWIS No. 096118)
CORPS OF ENGINEERS KANSAS CITY DISTRICT
SECTION 1135 (b) / WATER RESOURCES DEVELOPMENT ACT OF 1986
PROJECT MODIFICATIONS FOR IMPROVEMENT OF THE ENVIRONMENT

PROJECT OVERVIEW
up-date December 2, 1997

Project Location: Milford Lake is located on the Republican River at river mile 7.7, approximately 65 miles west of Topeka, Kansas. The restoration project is north of the Highway 82 causeway on the upper reaches of the Republican River arm of Milford Lake, immediately east of the town of Wakefield, Clay County, Kansas.

Project Background: The initial concept for this project was created by Corps of Engineer (Corps) and Kansas Department of Wildlife and Parks (KDWP) employees in response to a Federal mandate of "no net loss" of wetlands issued in 1991. Proposals were sent through the regular budgeting processes of the individual agencies but were turned back due to the magnitude and projected costs of the project.

Because of the great potential for positive impact on both the resource and area economies, a nongovernmental committee (Committee) was formed in 1992 to pursue alternative funding sources. Membership in this group includes representatives from local governments and civic groups as well as interested individuals from all four of the communities surrounding the lake. In the spring of 1992 this group approached the Kansas WILDSCAPE Foundation (WILDSCAPE), a non-profit 501(c)(3) dedicated to Kansas natural resource related projects, to assist with the project. The WILDSCAPE Board of Directors agreed to facilitate the project and assist in pursuing both public and private funding sources.

Through an ongoing series of meetings including the Committee, WILDSCAPE, KDWP, the U.S. Fish and Wildlife Service and the Corps, it was determined that the project fit best within the parameters of the CORPS Section 1135 (b) program. In June of 1992 the CORPS received a letter of endorsement from the Kansas State Supervisor for the U.S. Fish and Wildlife Service which stated "the wetland project would contribute significantly to the waterfowl habitat objectives of the North American Waterfowl Management Plan without compromising Milford Lake's overall project purposes".

The Secretary of the Kansas Department of Wildlife and Parks, with the support of the agency's Commission, agreed to become the local sponsor for this project and submitted a letter to the CORPS in May of 1994 requesting that a feasibility study be conducted under the Section 1135 (b) program.

One year later in May of 1995 confirmation was received from the Kansas City CORPS office that the Section 1135 (b) Wetlands Restoration feasibility funding application for the Milford Wetlands project had been approved. Since that time, all entities involved have worked continuously with Kansas City CORPS staff to complete this feasibility study. Through-out the time period from spring of 1992 to the present,

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WILDSCAPE has made preliminary matching fund overtures to a wide variety of potential donors. The proposal process can now be formalized with the information contained in the completed study.

Mr. John G. Montgomery, Junction City, Editor/Publisher of The Daily Union and Wildscape board member will be the regional fundraising liason.

Project Description: The Milford Wetlands Restoration Project would provide for an estimated 2,400 acres of wetland habitat suitable for usage by waterfowl and shorebird populations as a migratory stop-over and as a production area. In addition it would provide additional habitat for furbearer, game and non-game wildlife species associated with wetland habitat types and restore a high-quality habitat suitable for game and non-game fish spawning and nursery areas. Depending on the final project size, implementation of this project would create the second or third largest wetland in the State of Kansas.

No fee title land acquisition is anticipated for the project. The proposed modification would be on lands owned in fee by the United States of America, administered by the U.S. Army Corps of Engineers. A portion of the land which would be seasonally inundated by this project is licensed by the Corps to the Kansas Department of Wildlife and Parks.

The modification would restore wetlands in a chain of naturally occurring land cells currently dominated by plant species such as cattails and annual and early successional stages of vegetation. Water level manipulation of up to three feet would be managed through the construction of a series of levees through-out the land cells.

The Kansas Electric Utilities Research Program has committed substantial funds to study the feasibility of utilizing solar powered pumps to assist with water management needs. This study has occurred as a companion effort to the CORPS project feasibility study.

The total project cost has been estimated at approximately \$4.5 million with 75% of this amount covered through the Section 1135 (b) Wetlands Restoration funding. The Kansas Wildscape Foundation will be responsible for raising the remaining 25% through a combination of cash and in-kind non-Federal funding sources.

Mr. Chad Luce, Public Information Officer for the Kansas Department of Wildlife and Parks, will serve as the information clearinghouse contact for this project.

Chad can be reached at the Topeka KDWP offices:

**Mr. Chad Luce
Kansas Department of Wildlife and Parks
900 Jackson Suite 502
Topeka, Kansas 66612-1233**

Phone: 785-296-2281

**MILFORD WETLANDS
SECTION 1135 PROJECT**

STAGE 1

<u>WETLAND AREA</u>	<u>ACRES</u>	<u>COST</u>	<u>NON-FED COST</u>
Develop Lower Refuge	360	408,623	102,156
Upgrade Cain Creek	170	223,808	55,952
Upgrade Mall Creek	330	483,357	120,839
<u>Upgrade wetland at Smith Bottoms</u>	<u>170</u>	<u>210,261</u>	<u>52,565</u>
TOTAL	1030	1,326,048	331,512

STAGE 2

<u>WETLAND AREA</u>	<u>ACRES</u>	<u>COST</u>	<u>NON-FED COST</u>
Develop Quimby Creek	160	456,376	114,094
Smith Bottoms addition	300	722,824	180,706
Beichter Bottom Upgrade	125	144,857	36,214
East Broughton 1 and 3	175	320,944	80,236
<u>West Broughton 1 and 2</u>	<u>135</u>	<u>348,483</u>	<u>87,121</u>
TOTAL	895	1,993,484	498,371

STAGE 3

<u>WETLAND AREA</u>	<u>ACRES</u>	<u>COST</u>	<u>NON-FED COST</u>
West Broughton 3 and 4	120	413,677	103,419
Martin Wetland	180	385,393	96,348
East Broughton 2 and 4	55	119,194	29,799
<u>Sugar Bowl Upgrade</u>	<u>60</u>	<u>13,821</u>	<u>3,455</u>
TOTAL	415	932,075	233,021

Construction Costs	2340	4,251,607	1,062,904
Nesting Structures (Islands)		20,365	5,091
Plans and Specs		478,000	119,500
<u>Feasibility Report</u>		<u>250,000</u>	<u>62,500</u>
GRAND TOTALS	2340	4,999,972	1,249,995

**MILFORD WETLANDS
STATE COST BY FISCAL YEAR**

<u>YEAR</u>	<u>DESCRIPTION</u>	<u>NON-FED COST</u>
FY99	Feasibility Report	\$ 62,500
	Plans and Specs	\$119,500
	O&M Budget Increase	\$20,000
	<u>25% of Constructing Stage 1</u>	<u>\$331,512</u>
	TOTAL	\$533,512

<u>YEAR</u>	<u>DESCRIPTION</u>	<u>NON-FED COST</u>
FY00	Labor Costs	\$30,000
	Additional O&M Budget Increase	\$20,000
	25% of Constructing Stage 2	\$498,371
	25% of Constructing Stage 3	\$233,021
	<u>25% of Constructing Nesting Islands</u>	<u>\$ 5,091</u>
	TOTAL	\$781,483

The Department will continue to look to private entities for partnerships to help financially with all phases of the project. The potential exists for private partners to fund the entire 1.25 million for construction. The COE currently has the funding set aside to do plans and specs for their next fiscal year which starts on October 1, 1997. If the Department does not utilize these funds, there is no guarantee that the funds will be available the following year. It is likely that the funds will still be available, but the cost share may be reduced to 65/35 or 50/50 cost ratio, which would require more Department or non-federal funds.

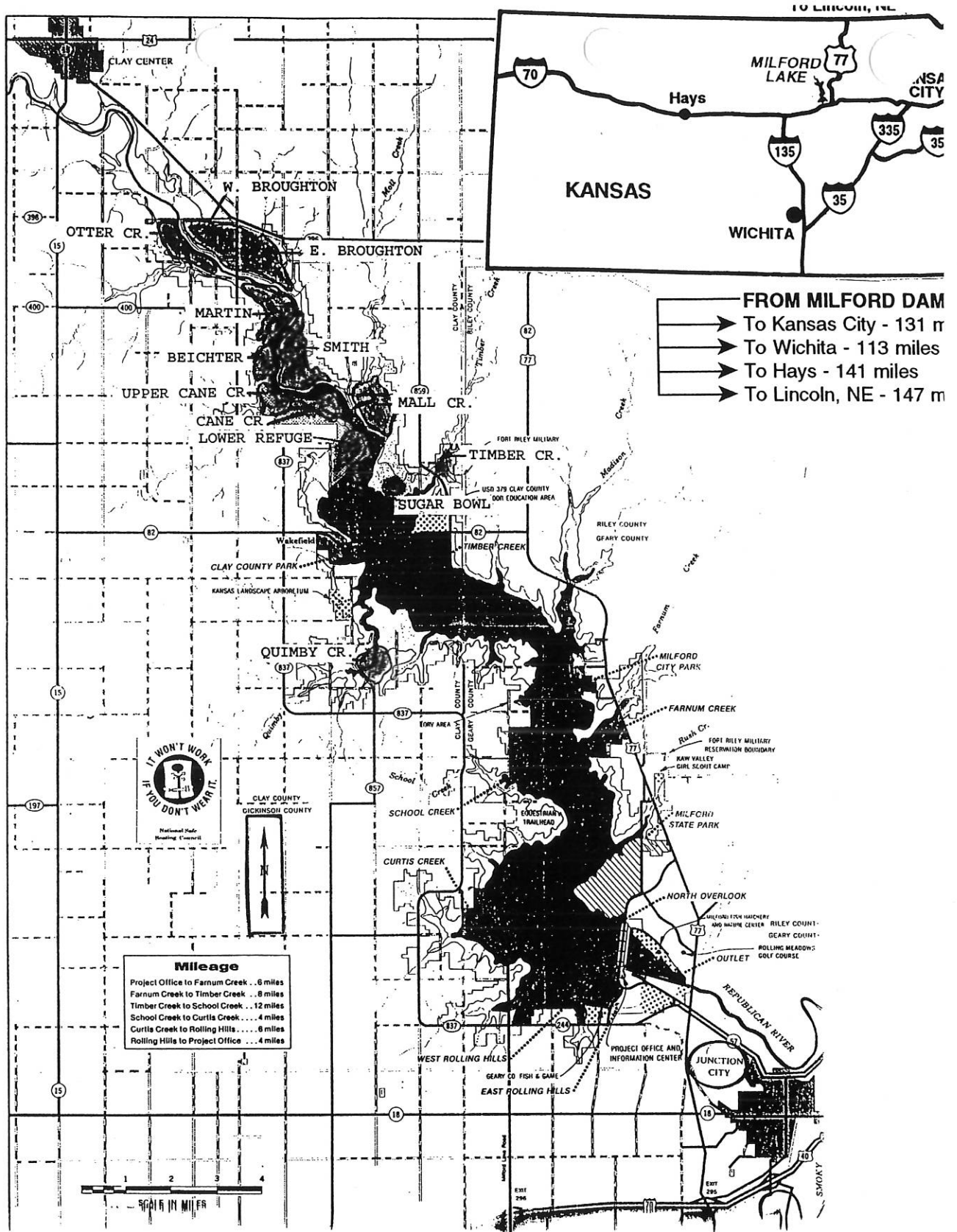
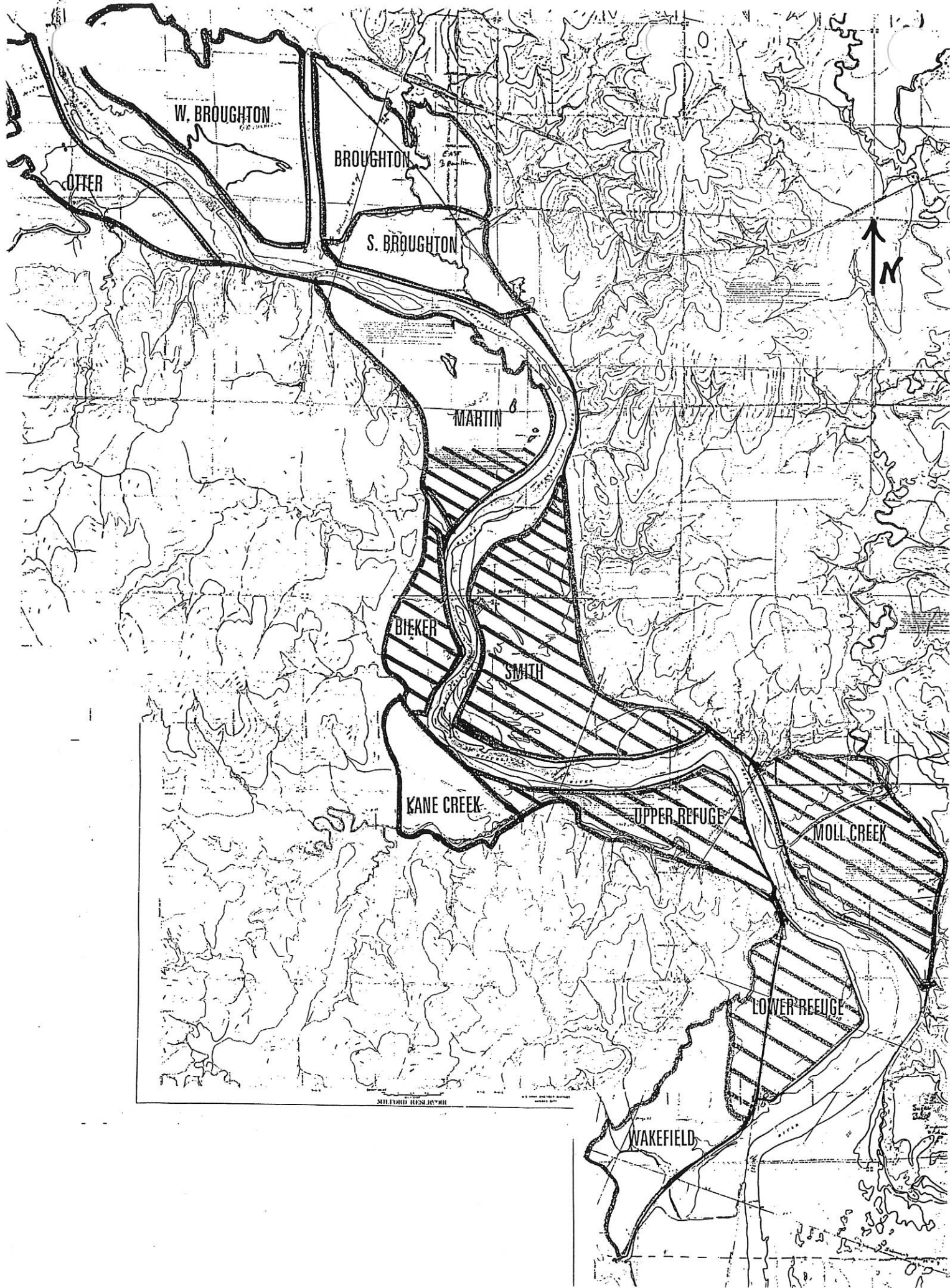


Figure 1. Milford Lake Location Map



W. BROUGHTON

BROUGHTON

S. BROUGHTON

OTTER

MARTIN

BIEKER

SMITH

KANE CREEK

UPPER REFUGE

MOLL CREEK

LOWER REFUGE

WAKEFIELD



UNITED STATES GEOLOGICAL SURVEY
WASHINGTON, D. C.

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