

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on January 22, 2003, in Room 423-S of the Capitol.

All members were present except: Representative Showalter - Excused

Committee staff present: Raney Gilliland, Legislative Research Department
Amy VanHouse, Legislative Research Department
Gordon Self, Revisor of Statutes Office
Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Cindy McAsey, Experience Works
John Moore, Lt. Governor and Secretary, Kansas Department of Commerce & Housing
Connie Fischer, Director, Agriculture Products Development Division, Kansas Department of Commerce & Housing
Greg Krissek, Kansas Corn Growers Association
Ted Zielke, Chairman, Kansas Corn Commission
Kent Lamb, Chairman, Kansas Water Authority
Clark Duffy, Director, Kansas Water Office

Others attending: See attached list

Minutes of the January 15 meeting were distributed. Members were asked to notify the committee secretary of any corrections or additions prior to 5:00 p.m. January 24, or the minutes will be considered approved as presented.

Chairman Johnson called for introduction of committee bills. On behalf of Representative Tom Sloan, the Chairman requested introduction of a committee bill concerning historic preservation of property in its relationship to agricultural land. Representative Powell moved to introduce this proposal as a committee bill. Seconded by Representative Feuerborn, the motion carried.

Representative Faber requested introduction of a committee bill to ban packer ownership of livestock in Kansas. Seconded by Representative Larkin, the motion carried.

Representative Faber requested introduction of a committee bill to move the Federal Packers and Stockyards Act back down to state statutes. Seconded by Representative Gatewood, the motion carried.

Representative Thimesch requested introduction of a committee bill, similar to a Minnesota law, to encourage gas stations to sell ethanol. Seconded by Representative James Miller, the motion carried.

Cindy McAsey, Experience Works, requested introduction of a committee resolution in support of their competitive grant application to continue to operate the senior community service employment program in Kansas helping those 55 and older with limited income get training and employment. They are funded by the Department of Labor and for the first time in 30 years, their grant is up for competitive bid. Representative Powell, seconded by Representative Compton, moved to introduce this request as a committee resolution. The motion carried.

John Moore, Lt. Governor and Secretary, Kansas Department of Commerce & Housing, discussed the Kansas agriculture trade mission to Cuba in December 2002. He indicated that the department will be asking the committee to introduce a resolution urging Congress and the President of the United States to normalize trade relations with Cuba.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE at 3:30 p.m. on January 22, 2003, in Room 423-S of the Capitol.

Connie Fischer, Director, Agriculture Products Development Division, Kansas Department of Commerce & Housing, presented the division's Fiscal Year 2002 Annual Report, as well as an update for FY 2003. She discussed the division's various programs to help improve the economic conditions of Kansas agriculture producers while boosting the prosperity of rural communities through the Agricultural Value Added Center, the *From the Land of Kansas* trademark program, International Trade Development and Domestic Marketing programs. (Attachment 1) The department's entire FY 2002 Annual Report can be accessed on the internet at: [http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch annual report 2002.pdf](http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch%20annual%20report%202002.pdf).

Greg Krissek, Kansas Corn Growers Association, invited committee members to the Ethanol Education Seminar to be held Thursday, January 23, 2003, at the Capitol Plaza Hotel and introduced the Chairman of the Kansas Corn Commission.

Ted Zielke, Chairman, Kansas Corn Commission, presented the commission's annual report outlining their goals and objectives, highlighting major projects, and reviewing their budget and financial information. A copy of the commission's annual report, bylaws and operating procedures, roles and responsibilities, budget and financial information can be obtained from the Kansas Corn Commission or the Kansas Department of Agriculture. (Attachment 2)

Kent Lamb, Chairman, Kansas Water Authority, provided a roster of Kansas Water Authority members, reviewed Kansas Water Office and Kansas Water Authority responsibilities, discussed the Kansas Water Plan and the role of the Basin Advisory Committees. (Attachment 3)

Clark Duffy, Director, Kansas Water Office, discussed the organization of state water agencies, the water management process, key water issues, and legislative responsibilities. (Attachment 4) There was much discussion concerning federal actions necessary for the conservation and environmental preservation of the High Plains Aquifer and management of the Ogallala Aquifer in Kansas.

The meeting adjourned at 5:23 p.m. The next meeting is scheduled for January 27, 2003.

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: January 22, 2003

NAME	REPRESENTING
Ken Peterson	KS Petroleum Council
Tom Bruno	Farm Credit
Sustis Holstin	Propane Marketers Ass'n of KS
Ray Hamalud	Kansas Dept. of Comm.
Lubeca Reed	KS Dept of Agriculture
Sarah Robben	KS Dept. of Commerce
Janet McPherson	KS Farm Bureau
Cindy McAsey	Experience Works Inc.
Bill Hamm	KWA-SAKW
Donn Teske	KS. Farmers Union
Jerry Blair	KS Water Authority
Ronald Blaesi	KS Corn Commission
Greg Kressek	KS Corn Growers
Ted Zielke	KS Corn Commission
Berici Rhoades	KS Dept. of Commerce
Connie Fischer	" " " "
John Moore	Lt. Gov.
Rae Anne Davis	KDOCH
Jerry Dudley	Ag Prod Div - KD 00

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: January 22, 2003

NAME	REPRESENTING
HANK HANSEN	GMD3 GARDEN CITY, KS.
Cliff Mayo	Ks Water Auth. (Garden City, KS)
Don Palson	Ks W. Auth. Lawrence, KS.

Agriculture Products Development Division

FY 2002 Review

BUDGET: \$1.372 Million

FTE'S: 9

Introduction and Overview

The mission of the Agriculture Products Development Division is to “help improve the economic conditions of Kansas agriculture producers while boosting the prosperity of rural communities.” This vital function is accomplished by utilizing the unique talents of the Division to leverage State resources to capture additional revenue for agriculture producers. Further, by diversifying the agricultural economy, rural Kansas becomes a more resilient and robust business environment. The resources of the Agriculture Value Added Center (AVAC), the *From the Land of Kansas* trademark program, International Trade Development, and Domestic Marketing programs are the tools available to assist rural Kansas in its efforts. These programs, administered and directed by the Topeka staff and the Western Kansas Field Office in Hays, provide the direction and momentum to accomplish these goals.

FY02 marked the sixth year of existence for the Division, and this year added to the strong foundation of previous years. Division client sales, patronage, and premiums totaled \$58,911,640 for FY02. In addition, the Division facilitated \$154,000 in export grants for two food companies through participation in the Mid-America International Trade Council (MIATCO).

For the fourth year, the Division, in cooperation with USDA Rural Development, sponsored the fourth annual Value-Added Conference in Garden City, Kansas. In addition to the conference, this year's activities were expanded to include a Southwest Kansas Value-Added Tour. This successful and well-received tour provided a unique opportunity for Kansas producers and other stakeholders to see firsthand the efforts of Kansas producers engaged in value-added ventures and to witness the opportunities realized. The conference offered keynote presentations on U.S. Premium Beef and AgraMarke, along with breakout sessions addressing business and marketing issues with value-added agriculture.

The Western Kansas Field Office provided a vital link to Kansas producers and agribusinesses to access the opportunities and resources available from the Division. Continued efforts in the areas of ethanol, meat marketing, and specialty grains represent a small portion of the economic spectrum of western Kansas agriculture, and the Field Office continues to provide a critical link to expedite inquiries and to capitalize on the unique talents and resources available in western Kansas.

In addition to the Agriculture Products Development Division, other divisions of the KDOC&H assisted agriculture clients with funding of \$3,445,543.92 through the programs of Workforce Training, the Kansas Economic Opportunity Initiatives Fund, Community Development Block Grants, and the Kansas International Trade Show Assistance Program.

Domestic Marketing

Dairy Processing Study

In response to the requests of small dairy producers, the Division has undertaken a study of the feasibility of small-scale processing in Kansas. By leveraging state funds with a USDA grant of \$30,000, the Division was able to explore the entire value chain from inputs to customer demand. The consumer survey component of the study was completed in FY02, and results are positive. It revealed that there is a demand for high-quality milk products, including organic products, within an acceptable marketing area of Kansas producers. The study also highlights the techniques that are required for marketing and supply chain relationships necessary to penetrate and capture market share for these differentiated products.

The Division has completed the production portion of the report and is nearing completion of the processing component. When finished, this feasibility summary will be one of the few public domain resources available in the U.S. for use by producers wishing to capture additional value for their efforts. This report illustrates how cooperative efforts between the public and private sectors can benefit producers on a statewide scope. The published report will be available in Fall 2002.

Specialty Crop Grant Program

Through efforts of the Division, along with the United States Department of Agriculture (USDA) and the Kansas Department of Agriculture, the Specialty Crop Grant Program enhanced the diversification of the agriculture economy. A one-time appropriation of \$210,000 from the USDA was provided for the specialty crop industry. The focus of this grant program was to assist farmers in establishing or expanding farm infrastructure for specialty crop production and marketing. Thirteen organizations in Kansas were provided funding by this program to augment existing enterprises, expand into new markets, and diversify their product offerings by utilizing grant funds.

The following organizations will utilize the grants to accomplish their goals:

- **Atchison Farmer's Market, Inc. (Atchison County), \$1,684** – This market will utilize funds to increase consumer awareness of the variety of available produce, the nutritional benefits of the products, preservation and preparation tips, and the value that local food production represents to the community.
- **Downtown Topeka Farmer's Market (Shawnee County), \$1,850** – The goal of this group is to increase the customer base of the market, expand the use of billboards and printed materials, and to further educational efforts with the USD 501 and USD 345 school districts.

- **Salina Farmer's Market Association (Saline County)**, \$5,630 – Increased advertising and promotional materials with grant funding will enhance the already expanding customer base for this farmer's market.
- **Fieldstone Enterprises (Osage County)**, \$21,751 – A hi-density fruit orchard is the foundation of Fieldstone's efforts. By utilizing grant funds, this enterprise will expand and enhance a "U-pick" harvesting program, as well as maintaining and improving existing plantings.
- **Garden Variety Greenhouse (Osborne County)**, \$24,163 – More cost-effective heating for two existing greenhouses is the goal of this project. By utilizing water and corn for heating, Garden Variety hopes to both decrease expenses and increase production.
- **Keolzer Bee Farm (Nemaha County)**, \$12,122 – Funds will be utilized to expand the companies honey production.
- **North American Turf (Gray County)**, \$22,967 – This project will assist in marketing efforts by North American Turf, increasing both advertising and trade territory to Colorado and north central Kansas.
- **Brenda's Berries (Cherokee County)**, \$15,850 – By utilizing funds to install drip irrigation and spraying equipment, the establishment of fruit crops will best utilize available resources and climate.
- **Smoky Hills Bison Co. (McPherson County)**, \$20,000 – Expanding tourism and increasing production facilities is the goal of this project.
- **Gary's Berries (Jefferson County)**, \$20,000 – The grant will provide Gary's Berries with the opportunity to expand sales of berries and other specialty crop products. Funds will be used to build an enclosed structure to expand its product line.
- **4 Star Hydroponics (Stafford County)**, \$18,983 – This company needs to cover its greenhouses with Dyna-Glass to increase tomato production. This will result in an additional one to four hours of lighting for extra production.
- **Davenport Orchard and Vineyard (Douglas County)**, \$25,000 – Funds will be used to purchase larger, more efficient wine processing equipment, which will be added to current production. This additional equipment will contribute to current and future growth in sales.
- **Kansas State University (statewide)**, \$20,000 – K-State research and extension in Olathe will purchase equipment to evaluate post-harvest handling of horticulture crops. Funds will be used to purchase high grove tunnels, walk-in coolers, and washing facilities.

Technical Assistance

Technical assistance is a hallmark of the Division. The Division staff brings a varied and wide-ranging skill set to agriculture marketing inquiries. By providing this assistance, the opportunity to have an immediate and lasting impact on value-added projects is enhanced. Many times the obstacles to value-added ventures are not solely monetary in nature. Many producers, whether individuals or groups, have sought the expertise of the Division in finding solutions to challenges. The staff has provided technical assistance in a number of key areas in Kansas agriculture:

- Inquiries regarding meat processing and marketing continue to dominate the daily work of the Division. Many producers can, and do, capture additional farm-gate value, either through direct marketing of meat products, or through additional processing of a unique processed meat item for which they intend to capture a premium. However, establishing or upgrading a program such as this requires financial and marketing expertise, as well as certain technical and regulatory awareness. The Division staff has built considerable insight and expertise in the area of meat marketing and processing. A group of northeast Kansas bison producers benefited from the insights and network of the KDOC&H in its efforts to locate products in retail outlets in the Kansas City Metropolitan area.
- An increasing desire on the part of Kansas dairy producers to further process raw milk into either fluid milk or manufactured dairy products is another area of growing awareness. From upgrading an operation from incidental farm sales to a state inspected plant, to locating used equipment and regulatory insight, the Division assists a rising wave of dairy clients with alternative marketing ideas.
- In cooperation with independent consultants, the KDOC&H performed standard industrial classification research for the Kansas Organic Producers (KOP). KOP is currently constructing a survey of midwestern livestock feed dealers to determine demand for organic grain and forage products. Utilizing the Division staff and research resources of the agency, this request was expedited to establish a baseline for the survey's target audience.

Agriculture Value Added Center

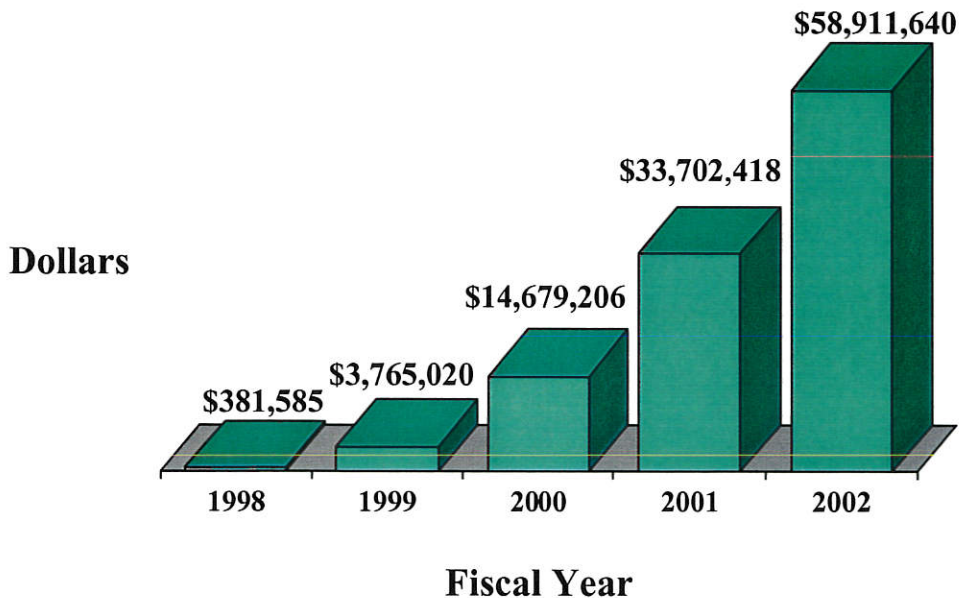
Value-added businesses and producer groups are an increasingly important part of today's agriculture marketplace. The ability of agriculture producers to participate in additional segments of the agriculture supply chain affords them the opportunity for additional revenue sources. The Value Added Center at the KDOC&H is instrumental in assisting these producer efforts by providing both technical and financial support to producer-driven projects. The Foods & Feeds program, the Industrial Agriculture program, and the Cooperative Development program are available to assist in financial analysis, marketing research, and technical assistance to help producers in capturing additional value from their efforts. Financial assistance in the form of bridge loans, commercialization loans, and market development loans are available to assist producers in their value-added ventures.

In FY02, the Division provided \$490,000 in the form of commercialization loans to six Kansas business groups. In addition, the Division provided \$60,000 to Kansas State University for pilot plant work in labeling, nutritional analysis, and regulatory compliance. An additional \$72,000 was granted to the Kansas Livestock Association for feasibility analysis of large-scale composting.

The results of these efforts are impressive. For FY02, projects financed by the Agriculture Products Development Division processed 673,412 head of beef cattle; 26,916 bushels of soybeans; 262,881 pounds of wheat, barley, rye and oat grass; 49,802 pounds of alfalfa; 101,756 bushels of wheat; 1,636,405 bushels of corn; 2,144 hogs; 58,937,894 pounds of milk; 4,000 pounds of tomatoes; and utilized 750,000 pounds of wheat resin from Kansas suppliers.

The graph below highlights the increase in sales by Division clients over previous years. Sales, patronage, and dividends in FY02 totaled \$58,911,640, an increase of 75 percent over FY01 levels.

Agriculture Value Added Center Client Sales, Patronage & Premiums



FY02 Agriculture Value Added Center Projects

KSU Food Science Pilot Plant: Many Kansas companies need technical assistance in the areas of food labeling, nutritional analysis, shelf-life testing, and product development. By providing the KSU Food Science Pilot Plant with \$50,000 to conduct these services, 942 clients saved over \$440,028.

KSU Meat Science Pilot Plant: Similar needs are being met on behalf of producers interested in value-added ventures with meat products. By providing the KSU Meat Science Pilot Plant with \$10,000 to perform these needed technical services, 411 clients saved over \$36,600.

Prairie Forrest Products, Hutchinson: The Value Added Center provided Prairie Forrest Products with a commercialization loan for \$60,000 to purchase a panel saw for correct sizing of fiberboard products that are produced from wheat straw available in Kansas.

Ethanol Project Funding: Interest in ethanol production continues to grow in Kansas. With continued concern regarding MTBE oxygenate in fuel contaminating ground water, the use of ethanol as a gasoline additive for cleaner-burning fuel is growing. The Division continues to provide technical assistance and funding to groups interested in exploring ethanol production. In addition, by utilizing the FY00 Ethanol Template, developed by the KDOC&H and the Kansas Grain Sorghum and Corn commissions, interested groups can determine the suitability of locating an ethanol facility in their communities.

The following groups received funding for development of their ethanol projects:

Central Kansas Renewable Fuels, McPherson: This group received a commercialization loan for \$50,000 for the purchase of technical services and other start-up costs for establishment of an ethanol plant based on grain sorghum usage.

Western Kansas Agri-Energy, Hoxie: This group has proceeded to the equity drive stage and has received a commercialization loan for \$100,000 for professional services and start-up costs for the plant to be located near Campus, Kansas.

East Kansas Agri-Energy, Garnett: This is another group that has proceeded to the equity drive phase and has received \$75,000 for professional services and start-up costs for its ethanol project. This project has over 100 members contributing capital to the business.

Heartland Mills, Marienthal: This established firm received a commercialization loan for \$85,000 to purchase a pneumatic grain handling system for the mill it is constructing in Marienthal, Kansas. The mill will be used to process organic grains that the company has been marketing for a number of years to downstream clients in niche marketing of bread and other grain-based products. The mill they are constructing will replace the milling that is currently being performed by an outside firm. By having their own mill, they will reduce their transportation costs and will be better able to schedule operations to meet customer demand.

Companion Baking, Shawnee: Providing artisan baked goods to a diverse customer base is the goal of a market expansion of Companion Baking. By targeting existing retail channels and establishing new market opportunities, Companion Baking will be providing the Kansas City Metropolitan area with special bread products derived from unique quality ingredients from Kansas producers. The commercialization loan will provide \$120,000 for the purchase of specialized ovens needed for the preparation of their distinctive product offerings. Companion Baking expects the Kansas City market will utilize 538,000 pounds of flour in 2003.

Composting Feasibility Study: Cooperating with the Kansas Livestock Association (KLA), the Kansas Department of Health and Environment, and the Environmental Protection Agency, the Division provided a \$72,000 grant to the KLA for a marketing feasibility study of a commercial-size compost pilot project. The project will research the viability of composting livestock waste on a commercial scale with the ultimate goal of turning a perceived environmental hazard into a profit center.

International Program

Mid-America International Agriculture Trade Council (MIATCO)

International marketing of Kansas agriculture products is a vital part of the work conducted by the Division. As a leader in international marketing efforts for the state of Kansas, the KDOC&H has maintained its relationship with the Mid-America International Trade Council (MIATCO) and has utilized grant funding from MIATCO to assist two companies in their international marketing efforts. A total of \$154,000 was obtained by Kansas companies to assist in their efforts. The companies are required to match funding contributions.

The companies receiving funding are:

- Natural Life Pet Products, Frontenac - \$117,500
- Original Juan Specialty Foods, Inc., Kansas City - \$36,500

The results of the efforts of the Division and these companies are indeed impressive. For the \$154,000 in funding obtained, actual sales as a result increased by \$944,501, or a six-dollar return for every dollar obtained.

Mexican Specialty Corn Survey

The Agriculture Products Development Division undertook an initiative to research and analyze the potential market for specialty corn varieties in the Mexican market. In cooperation with the Trade Division and our Mexican field office, the study included a survey of corn importers, distributors, and processors in Mexico to determine current types of corn used, consumption volumes, purchasing patterns, and logistic factors. In addition, government and industry leaders were interviewed to add additional insight into potential Mexican markets.

The Mexican market represents an evolving market where the consumer base continues to build the amount of disposable income and, hence, the demand trends are shifting to a higher quality baseline. As the world's fourth largest consumer of corn, Mexico has increased the utilization of both ISO-9000 and NMX-CC-004 protocols and moved toward specialized grain utilization for manufactured corn products and derivatives. The marketplace in Mexico represents an additional opportunity for specialty corn production and identity preservation efforts for Kansas producers.

Trade Teams

The international trade staff of the Agriculture Products Development Division, in concert with the Trade Division, continues to host a number of trade delegations that are interested in trade opportunities with the state of Kansas. In FY02, these delegations included:

- French West African delegation
- Kazakhstan Ambassador agriculture tour
- International grain team from Latin American and Asia
- Turkish agriculture tour of Kansas City Board of Trade and Pine's turf farm
- Sub-Saharan African trade delegation
- Brazilian and Chinese agriculture officials
- Japanese Consul General

From the Land of Kansas Trademark Program

This well-known program continues to have a positive impact on the Kansas economy. The loyalty and dedication to the *From the Land of Kansas (FLOK)* program is a true indicator of the impact it has had on small businesses in the state of Kansas. The diversity of products and the talent of the members of this program is a testament to the skill, ambition, and ingenuity the Kansas economy continues to foster. Through the Trade Show Assistance program, the Business Enhancement Fund, and services provided by the Value Added Center, small businesses in Kansas benefit from assistance in technical areas, marketing, and finances. In FY02, 648 *FLOK* companies utilized Division services to assist in their business development efforts.

The 16th Annual Buy Kansas, Buy America Expo again proved to be a resounding success with all participants and the general public. This annual display of talent and innovation hosted 42 *FLOK* companies, whose products were displayed in a centerpiece booth at the trade show. The display of *FLOK* products in one booth under a unified theme was a hit with show attendees.

The Trade Show Assistance program helped ten *FLOK* clients in FY02 with cumulative awards of \$2,469.86. In turn, these clients generated \$10,354.25 in sales from their respective shows. The companies utilizing FY02 Trade Show Assistance program funds are as follows:

Magnificent Metal	Scranton	\$250.00
Jim's Iron Art	Topeka	\$250.00
The Button Man	Lawrence	\$250.00
Fancy T's and More	Waterville	\$250.00
Harvest Lark Company	Chapman	\$250.00
Kreative Stitches	Ensign	\$219.86
Kansas Wheat House	Cimarron	\$250.00
Grannie's Homemade Mustard	Hillsboro	\$250.00
Treehouse Berry Farms	Linwood	\$250.00
Central Supply	Great Bend	\$250.00

The *From the Land of Kansas* program also includes the Business Enhancement program, which provides a dollar-for-dollar match for businesses to explore market development, business development, and many other areas deemed appropriate by the Division. The following companies utilized Business Enhancement program funds in FY02:

Magnificent Metal	Scranton	\$500.00
The Button Man	Lawrence	\$500.00
Pome on the Range	Williamsburg	\$500.00

Western Kansas Field Office

The Western Kansas Field Office, located on the campus of Ft. Hays State University, continues to play an integral part in the efforts of the Division to highlight and capture the benefits and rewards a diverse state like Kansas has to offer. The Field Office was the coordinating force behind the Heartland Mills project, which brings another alternative market venue and value-adding options to western Kansas producers.

Dairy Recruitment

The Western Kansas Field Office plays a vital role in the efforts to recruit dairies to western Kansas. By working in concert with the western Kansas Rural Economic Development Alliance (wKREDA), the dairy industry in western Kansas is expanding its role in the economy and the diversity of the state. From hosting visiting producers and groups interested in

relocating to western Kansas and working with wKREDA to study the ancillary industries related to dairying; to replacement heifer production and dairy processing, this partnership continues to reap dividends.

The efforts of the KDOC&H and wKREDA have played an important part in the growth and health of the Kansas dairy industry. Because of these efforts, Kansas ranks sixth in yearly gains for milk production in the U.S., with an increase of 4.5 percent. Total milk production by Kansas dairies has increased by 34.2 percent. The number of cows in Kansas has increased by 13.4 percent, to a total of 93,000 head. Per cow production of milk has increased 2,678 pounds, as measured on a yearly basis.

Ethanol

The Western Kansas Field Office continues to act as a clearinghouse for ethanol inquiries from that portion of the state. Many producers realize the opportunities that ethanol production represents to them and their communities, and they see ethanol production as another opportunity to capture additional value for their production. Western Kansas has an existing market for distiller's grain, a by-product of ethanol production, in the feedlot and dairy industries in the state. The Field Office continues to assist producers in feasibility studies, in equity drives, and with technical assistance.

Update for Fiscal Year 2003

Budget: \$1.347 Million

FTE'S: 9

Events:

2002 Agriculture Value Added Conference/Kansas Commodities Classic: The Division joined forces with Kansas producer associations to host the annual value added conference in conjunction with the annual Kansas Commodity Classic in Wichita. The conference, attended by approximately 200 persons, focused on marketing, risk management, and value added activities for agriculture producers.

2002 Direct Marketing Seminar: In December of 2002, the Division partnered with Farm Bureau District #2 to host a seminar for producers interested in directly marketing their agricultural products. Approximately 75 people attended the one-day conference held at Johnson County Community College.

Kansas Ethanol Workshop: Continuing its commitment to growing the ethanol industry in Kansas, the Division has partnered with the coordinators of the *Kansas Ethanol Workshop*, to be held at the Capital Plaza Hotel in Topeka, Kansas, on January 23, 2003.

International:

Japan: In September of 2002, the Division, in coordination with the KDOC&H Japan Office, spearheaded a series of beef promotion events in Tokyo, Japan. These events were planned in conjunction with the 34th Annual Midwest US Japan Conference.

Cuba: In December of 2002, the Agriculture and Trade Divisions facilitated an agriculture trade mission to Cuba, led by then Lt. Governor Gary Sherrer and Lt. Governor John Moore. The mission also included representatives of the Kansas Soybean Commission, Kansas Pork Producers Association, Kansas Corn Commission, Kansas Wheat Commission, Kansas Grain Sorghum Producers Association, and the Kansas Farm Bureau. The delegation met with Pedro Alvarez, Chairman of Alimport, the Cuban state organization responsible for importing agriculture commodities, and Eduardo Bencomo, Chairman of Cimex Corporation, the Cuban company responsible for importing processed food products, as well as other government leaders. The Division is currently following up with Kansas companies on the opportunities to sell both agriculture commodities and processed food products to Cuba.

MIATCO: The Division has assisted five Kansas companies in receiving \$137,060 in grant financing from the Midwest International Agriculture Trade Council for international market development. The following companies have received funding:

- Natural Life Pet Products
- Original Juan Specialty Foods, Inc.
- S&M NuTec, LLC
- The Pantry Shelf Co.
- Wyldewood Cellars

Agriculture Value Added Center:

The Division has funded the following value-added projects in FY03:

2003-01 KSU Meat Science Pilot Plant

Grant Amount: \$10,000

State of Kansas

This grant funds the KSU Meat Extension lab and is very important to the state's meat processors. In fiscal year 2002, the lab served 411 clients, saving them over \$36,600.

2003-02 KSU Food Science Pilot Plant

Grant Amount: \$50,000

State of Kansas

The lab serves a variety of needs of food processors, including food labeling, nutritional analysis, shelf life testing, and product development. The pilot plant saved 942 clients over \$440,028.

2003-05 Jason Wiebe Dairy

Loan Amount: \$30,000

Durham, Kansas

Jason Wiebe began selling fresh cheese from his farm in November 2000. Since that time he has had over 200 different customers. The cheese is made from Wiebe's 100-head cowherd. With this loan, Wiebe will expand his cheese making to utilize more of his milk production. He will sell the cheese directly to consumers through grocery stores in Hillsboro, Abilene, Salina, Wichita, and McPherson.

2003-06 Dinah's Noodles

Loan Amount: \$79,500

Clyde, Kansas

Dinah Terrill will use the loan to expand her egg noodle and dressings business. Specifically, the funds will purchase a larger pasta machine and a CO2 tunnel for production purposes.

2003-07 Cooperative Agricultural Services, Inc. Loan Amount: \$90,986

Oakley, Kansas

The loan was used to purchase the Insta-Pro conveyor package system for a soybean processing plant serving Northwest Kansas.

2003-08 Prairie Pride, Inc.

Loan Amount: \$60,000

Potwin, Kansas

The loan was awarded to Prairie Pride, Inc. to purchase and install a universal dairy processing facility. The business will be able to produce a wide variety of dairy products such as cheese, yogurt, bottled milk and sour cream. The processing unit will use 4,000 pounds of milk per day the first year, and 12,000 pounds of milk per day thereafter.

2003-09 Davenport Orchards & Vineyards

Loan Amount: \$75,000

Eudora, Kansas

The loan will be used to construct a grape harvesting & wine production building. The winery opened commercially in 1997. Since that time, they have operated out of a converted garage for sales, a machine shed for crushing, & a basement for cellar operations. The winery is currently producing 2,000 – 2,500 gallons per year. They plan to build a 30' x 50' facility for the production and sales of wine. With the expansion, Davenport will increase production to 10,000 gallons per year.

Domestic Marketing:

Utilizing funding from the USDA Block grant allocated to Kansas, the Division partnered with the Kansas Department of Agriculture to administer \$125,000 in grant financing to the following entities:

RWH Farms Inc. (D.B.A. R-W Milling Company) \$25,000

“Value Added Marketing of Kansas Alfalfa in Organic Fertilizers.” The grant provided R-W Milling Company with funding for marketing and market development. The company has been developing new products that are targeted to reach the market in the fall of 2002. This project will help move alfalfa into a relatively new, rapidly growing, high value added market for Kansas alfalfa. *Pottawatomie County*

Beaver Creek Ranch and Hunting Lodge \$22,000

“Direct Marketing Kansas Resources through Tourism.” The grant provided Beaver Creek Ranch and Hunting Lodge with funding for the upgrade to a commercial-sized kitchen. Beaver Creek has plans to hire a full-time chef to prepare home grown produce, chickens, and beef to market directly to hunting and vacation guests.

Rawlins County

KanSoy LLC \$22,000

“Soybean Oil Marketing and New Product Plan.” The grant provided KanSoy LLC with funding for marketing and equipment of its soybean processing facility. The business has identified the need to transform the operation into a more sophisticated, professional marketing and new product entity. With funding, KanSoy LLC will be able to more aggressively brand and package current products while continually developing new products.

Washington County

Wiedmann Farm Fresh Meats \$6,000

“Wiedmann Farm Fresh Meats Diversification.” The grant provided Wiedmann Farm Fresh Meats funding for equipment and marketing for its direct marketing meat company. An opportunity for an increase in storage equipment is needed for the business to continue with the current demand for their product, as well as provide for expansion. In addition, Wiedmann will address new marketing avenues for their products.

Nemaha County

Natural Path Food Market (formerly Grassland Farms) \$25,000

“Business Expansion.” Grassland Farms is using the grant funding to expand its organic beef and pork operation to include an on-farm retail facility. They have identified the need for a certified kitchen to prepare fresh products from homegrown commodities. Grassland Farms will utilize the funding for the purchase of equipment and marketing.

Cowley County

Wakarusa Valley Farm \$22,000

“Specialty Mushroom Cultivation.” Wakarusa Valley Farm will utilize the grant funding for an indoor mushroom operation. Wakarusa Valley has identified an untapped market with fresh local produce in the Topeka, Lawrence, and Kansas City areas. The current market strategies include: subscription service, farmers’ markets, Community Mercantile, and local restaurants.

Douglas County

Kansas Christmas Tree Growers Association, Inc.

\$6,000

“Marketing Kansas Christmas Trees.” The Christmas Tree Growers Association is utilizing the grant for a marketing campaign. With the increase in artificial Christmas tree usage, the association would like to target funds for an advertising campaign through television. The funds will assist with the cost of television ad space.

Shawnee County

KANSAS DEPARTMENT OF COMMERCE & HOUSING (KDOC&H)

FY02 Annual Report

[http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch annual report 2002.pdf](http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch_annual_report_2002.pdf)

FY02 Executive Summary

[http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch executive summary 2002.pdf](http://kdoch.state.ks.us/KDOCHdocs/AD/kdoch_executive_summary_2002.pdf)

Testimony of Ted Zielke, Chairman

Mr. Chairman and members of the committee, my name is Ted Zielke. My family and I farm near St. Francis and I am currently serving as the Chairman of the Kansas Corn Commission (KCC). I appreciate the opportunity to appear before you today and present the corn commission's annual legislative report.

Attached with my testimony today, we have also provided you with copies of the commission's FY 2002 financial audit and the 2002 annual report to producers. This report includes a description of current projects in the areas of Production/New Use Research, Domestic Market Development, Foreign Market Development, and Promotion and Education.

The commissions are proceeding through the initial three-year cycle for elections of commissioners by Kansas producers. We believe these elections, for 2003 in the three western agricultural statistics reporting districts, significantly expands the number of producers participating in the commissions' process. Next year's elections in the three eastern districts will complete this first cycle of the elections process.

Since its creation in 1977, the KCC has taken the approach of using this fiscal year's revenue to fund the next fiscal year's programs. With lower production due to the drought, we project this year's revenue to be over \$200,000 below last year's revenue. Because of this historic fiscal policy, the commission is well prepared to maintain current levels of program support, and even voted recently to increase research funded to KSU by \$70,000 for FY 04, despite these lower revenues.

During the previous fiscal year, the KCC processed refunds to 1218 different producers, many of whom submitted multiple requests. These refunds are typically processed and checks mailed within 2-3 working days of receipt at our office, with any rarely taking longer than five working days to complete. FY 02's checkoff refund percentage was approximately sixteen percent (16%).

The commission utilizes check-off funds to enhance corn demand and opportunities with our customers. Use in livestock feed remains the largest market for corn. Exports remain the second largest market for corn. The commission funds cooperators like the U.S. Grains Council and the U.S. Meat Export Federation to gain broader access to international markets. These groups are able to use Federal matching funds, thus giving Kansas producers more bang for their bucks.

Another significant opportunity exists with growing ethanol production. The commission is providing technical support to numerous local groups and Kansas communities that are currently pursuing potential ethanol plants. We are cautiously optimistic that several of these proposed plants will be under construction later this calendar year. We are also excited to be a cosponsor of the U.S. Department of Energy Ethanol Workshop at the Topeka Capitol Plaza conference center beginning this evening and continuing throughout the day tomorrow. We hope you can join us as your schedule permits.

Finally, last summer we began a new promotion campaign for Kansas fuel retailers and the public highlighting the benefits of using ethanol-blended, or as we are promoting, E-10 Unleaded Fuel. Kansas traditionally has had low-market penetration of E-10 Unleaded but we are striving to increase usage here in the state. Some examples of this marketing campaign's brochures are included in your folder.

At the Kansas Corn Commission, we continue to move forward on behalf of Kansas corn producers and look forward to continuing these efforts in the years to come.

WATER
BRIEFING TO THE
HOUSE AGRICULTURE COMMITTEE
Kent Lamb, Chairman, Kansas Water Authority
January 22, 2003, 3:30 P.M.

- Kansas Water Authority Members
- Kansas Water Office & Kansas Water Authority Responsibilities
- *The Kansas Water Plan*
- Basin Advisory Committees

THE KANSAS WATER AUTHORITY

NAME	OCCUPATION	REPRESENTING	TERM EXPIRES
Kent Lamb, Chairman (620) 348-2315 RR 1, Box 69 Macksville, KS 67557-9402	Farmer/Irrigator	Governor	Pleasure
Clark Duffy, Acting Secretary (785) 296-3185 901 S. Kansas Avenue Topeka, KS 66612-1249 cduffy@kwo.state.ks.us	Acting Director	Kansas Water Office	Ex Officio
Dr. M. Lee Allison (785) 864-2108 University of Kansas – Campus West 1930 Constant Avenue Lawrence, KS 66047-3726 lallison@kgs.ukans.edu	Director	KS Geological Survey	Ex Officio
Gerald Blain (316) 268-4578 455 N. Main, 8 th Floor Wichita, KS 67202 jblain@wichita.gov	City of Wichita	GMD's #2 & #5	05/01/06
Dr. Roger L. Boyd (785) 594-3172 (h) P. O. Box 65 (785) 594-4547 (w) Baldwin City, KS 66006-0065 boyd@harvey.bakeru.edu	Professor of Biology Baker University	Environment/ Conservation	01/15/05
David Brenn (620) 275-7460 (h) 1710 Pheasant Court Garden City, KS 67846 dbrenn@gcnet.com	President, Western Kansas Resource Management, LLC	GMD's #1, #3, and #4	01/15/03
Greg Foley (785) 296-3558 109 SW 9 th Street, Suite 400 Topeka, KS 66612 gfoley@kda.state.ks.us	Acting Secretary	KS Department of Agriculture	Ex Officio
Craig Gibson (620) 662-3584 4013 E. Illinois Hutchinson, KS 67501	Farmer	President of the Senate	07/01/04
William R. Hamm (316) 284-0707 400 S. Main Street, Suite 100 Newton, KS 67114-3771 billh@hammandassoc.com	Insurance/ Investments	State Association of KS Watersheds	05/01/06
Dr. Ron Hammerschmidt (785) 296-1535 KS Dept. of Health & Environment Charles Curtis State Office Building 1000 SW Jackson Street, Suite 400 Topeka, KS 66612-1367 rhammers@kdhe.state.ks.us	Director	Division of Environment	Ex Officio
Mike Hayden (785) 296-2281 900 SW Jackson, Suite 502 Topeka, KS 66612 mike.hayden@wp.state.ks.us	Secretary	KS Department of Wildlife and Parks	Ex Officio
Dr. Marc Johnson (785) 532-7137 113 Waters Hall Kansas State University Manhattan, KS 66506 agdean@ksu.edu	Director	Agricultural Experiment Station	Ex Officio

NAME	OCCUPATION	REPRESENTING	TERM EXPIR
Mike Mayberry (620) 825-4715 409 S. 10 th Street Kiowa, KS 67070 mikkiowa@sctelcom.net	Sunflower Enterprise Facilitation	Kansas Rural Water Association	05/01/04
Cliff Mayo (620) 276-7583 1909 Grandview East Garden City, KS 67846-8325	Farmer/Stockman	Speaker of the House	07/12/03
John Moore (785) 296-3482 KS Dept. of Commerce & Housing Charles Curtis State Office Building 1000 SW Jackson Street, Suite 100 Topeka, KS 66612-1367 jmoore@kansascommerce.com	Secretary	Department of Commerce & Housing	Ex Officio
Don Paxson (785) 421-2364 P. O. Box 487 Penokee, KS 67659-0487 dpaxson@ruraltel.net	Businessman/ Farmer	KS Assoc. of Conservation Districts	05/01/04
David L. Pope (785) 296-3717 Kansas Department of Ag 109 SW 9 th Street, 2 nd Floor Topeka, KS 66612 dpope@kda.state.ks.us	Chief Engineer	Division of Water Resources	Ex Officio
Paul Sasse (620) 331-2253 (h) 215 N Second Street (620) 332-2506 (w) Independence, KS 67301 citymgr@comgen.com	City Manager City of Independence	League of Municipalities	01/15/05
Gordon Schmidt (620) 543-2628 10320 N Wheat State Road Inman, KS 67546-8109	Farmer	Public	08/31/04
Sharon Steele (785) 462-2558 965 Prairie View Colby, KS 67701-4303 psteel@colby.ixks.com	Farmer	Public	01/15/04
Tracy Streeter (785) 296-3600 109 SW 9 th Street, Suite 500 Topeka, KS 66612 tstreeter@scc.state.ks.us	Executive Director	State Conservation Commission	Ex Officio
Paul Tobia (316) 722-8528 12102 Ridgepoint Wichita, KS 67235 tobia@southwind.net	General Partner RML Partnership, LP	KS Association of Commerce and Industry	01/15/03
John Wine (785) 271-3100 1500 SW Arrowhead Road Topeka, KS 66604 j.wine@kcc.state.ks.us	Chair	Kansas Corporation Commission	Ex Officio

The Kansas Water Authority

The Kansas Water Authority is within and a part of the Kansas Water Office. It is responsible for advising the Governor, the Legislature, and the Director of the Kansas Water Office on water policy issues, for approving the *Kansas Water Plan* and revisions thereto, for approving water storage sales, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office.

KANSAS WATER OFFICE & KANSAS WATER AUTHORITY RESPONSIBILITIES

Fact Sheet No. 3

July 2002

Kansas Water Office

BACKGROUND

The Kansas Water Office and the Kansas Water Authority were established in 1981. The Kansas Water Office with 22.5 employees is the water planning, policy, coordination and marketing agency for the state. The Kansas Water Authority is statutorily within and a part of the Kansas Water Office. It advises the Governor, Legislature and the Director of the Kansas Water Office on water policy issues. The Kansas Water Authority is responsible for approving water storage sales, the State Water Plan, federal contracts, regulations and legislation proposed by the Kansas Water Office.

The primary statutory function of the agency is the development and implementation of the State Water Plan. State law requires the Kansas Water Office to "Formulate on a continuing basis a comprehensive State Water Plan for the management, conservation and development of the water resources of the state. Such State Water Plan shall include sections corresponding with water planning areas as determined by the office." (K.S.A. 74-2608 *et seq.*)

To accomplish this goal, the agency is given further statutory responsibility to:

KEY RESPONSIBILITIES OF THE KANSAS WATER OFFICE

1. Administer the State Water Resources Plan Act. K.S.A. 82a-901 *et seq.*
2. Conduct public water supply planning. (K.S.A. 74-2616)
3. Administer the State Water Plan Storage Act (Water Marketing Program) (K.S.A. 82a-1301 *et seq.*)
4. Administer the Water Assurance Program Act. (K.S.A. 82a-1345 *et seq.*)
5. Manage the State Water Plan Fund. (K.S.A. 82a-951)
6. Administer the Weather Modification Program. (K.S.A. 82a-1411)
7. Coordinate water related activities of state, local and federal government. (K.S.A. 82a-931)
8. Negotiate water related agreements with the federal government. (K.S.A. 82a-915 & 82a-933)
9. Coordinate water related research. (K.S.A. 82a-941)
10. Issue water related revenue bonds. (K.S.A. 82a-1316)
11. Collect and compile information pertaining to the water resources of the state. (K.S.A. 74-2608 *et seq.*)
12. Work out a plan of water resources management, conservation and development for water planning areas in the state. (K.S.A. 74-2608 *et seq.*)
13. Develop and maintain guidelines for water conservation plans and practices. (K.S.A. 74-2608 *et seq.*)
14. Establish guidelines for conditions indicative of drought. When such conditions are met, advise the Governor, and recommend that the Governor's Drought Response Team be assembled. (K.S.A. 74-2608 *et seq.*)

KEY RESPONSIBILITIES OF THE KANSAS WATER AUTHORITY

1. Consult with and be advisory to the Governor, Legislature and Director of the Kansas Water Office on water management issues. (K.S.A. 82a-2622(d)(1))
2. Review plans of any state or local agency related to the water resources of the state. (K.S.A. 82a-2662(d)(2))
3. Study laws related to water resources management issues and make recommendations on such issues and make recommendations on such issues to the Governor and Legislature. (K.S.A. 82a-2622(d)(3))
4. Make recommendations to other state agencies and political subdivisions of the state for the coordination of their activities related to water resources management. (K.S.A. 82a-2622(d)(4))
5. Review and furnish recommendations to the Governor and Legislature on program plans

pertaining to the state's water resource of any agency of the state.

(K.S.A. 82a-26622(d) *et seq.*)

The Kansas Water Authority is also responsible for prior approval of the following: Kansas Water Office contracts related to the State Water Plan storage act; amendments to the State Water Plan on water planning act and other legislation that the Kansas Water Office may propose; pricing of water for sale under the marketing program; federal contracts with the Kansas Water Office; Kansas Water Office proposed rules and regulations; and Kansas Water Office conservation plan guidelines and practices. (K.S.A. 82a-2622(d) *et seq.*)

Kansas Water Authority Membership

The 23-member Kansas Water Authority is comprised of 13 private citizen members and ten ex officio members. The 13 private citizen members serve as follows:

- 1) appointment by the Governor (this member serves as chairperson of the Kansas Water Authority);
- 2) appointment by the President of the Senate;
- 3) appointment by the Speaker of the House of Representatives;
- 4) a representative of large municipal water uses;
- 5) a representative of small municipal water users;
- 6) a board member of western Kansas groundwater management district;
- 7) a board member of a central Kansas groundwater management district;
- 8) a member of the Kansas Association of Conservation Districts;
- 9) a representative of industrial water users;

- 10) a member of the State Association of Watershed Districts;
- 11) a member with a demonstrated background and interest in water use, conservation and environmental issues;
- 12 and 13) two representatives of the general public.

The 10 ex officio members are as follows:

- 1) the State Geologist;
- 2) the Chief Engineer of the Division of Water Resources of the Kansas Department of Agriculture;
- 3) the Secretary of the Kansas Department of Health and Environment;
- 4) the Director of the Kansas Water Office (this member serves as Secretary of the Kansas Water Authority);
- 5) the Director of the Agricultural Experiment Station of Kansas State University;
- 6) Chairman of the Kansas Corporation Commission;
- 7) Secretary of the Kansas Department of Wildlife and Parks;
- 8) the Secretary of the Kansas Department of Commerce;
- 9) the Executive Director of the State Conservation Commission; and
- 10) the Secretary of the Kansas Department of Agriculture. (K.S.A. 74-2622 *et seq.*)

ADDITIONAL INFORMATION

Further information on this and other *Kansas Water Plan*- related programs can be obtained from the Kansas Water Office, 901 S. Kansas Ave., Topeka, KS 66612-1249. Call (785) 296-3185 or toll free (888) KAN-WATER. The Kansas Water Office WEB site is www.kwo.org.

THE KANSAS WATER PLAN

Fact Sheet No. 1

July 2002

Kansas Water Office

The *Kansas Water Plan* is annually updated to document how the state intends to “. . . best achieve the proper utilization and control of the water resources of the state . . .” The *Kansas Water Plan* is prepared in accordance with K.S.A. 82a-901 *et seq.*, the State Water Resources Planning Act.

The Kansas Water Office is the water planning agency for the state, and is mandated under K.S.A. 82a-903 to “formulate on a continuing basis a state water plan for the management, conservation and development of the water resources of the state. Within and a part of the Kansas Water Office is the Kansas Water Authority which is comprised of 23 members.

One of the primary duties of the Kansas Water Authority is to annually approve *the Kansas Water Plan*. Once the *Kansas Water Plan* has been approved, the Kansas Water Office submits it to the Governor and Legislature for implementation.

The *Kansas Water Plan* is formulated and used for the general purpose of accomplishing the coordinated management, conservation and development of the water resources of the state. The Division of Water Resources of the Kansas Department of Agriculture, State Geological Survey, the Division of Environment, Department of Wildlife and Parks, State Conservation Commission and all other interested state agencies cooperate with the office in formulation of the *Kansas Water Plan*. (K.S.A. 82a-903)

PURPOSE

The *Kansas Water Plan* is used to coordinate management, conservation and development of the water resources of the state. The *Kansas Water Plan* sets out to achieve the goals identified in the State Water Resources Planning Act (K.S.A. 82a-901, *et seq.*).

The Kansas Water Authority approved objectives for the year 2010 and 2015 as part of the *Kansas Water Plan*. These objectives will be used

as guidance for assessment of the condition of the water resources of the state; for development of measurable objectives for each basin; and for incorporating site specific information for implementing targeted programs in each basin.

The policy sections of the *Kansas Water Plan* contain an overview of state programs in place to meet the 2010 and 2015 Objectives. The policy sections serve as a guide for new water policy that would be implemented after passage of authorizing legislation and/or budgetary appropriations. The sections also contain recommendations on implementation of programs that have statewide application.

The purpose of the basin sections of the *Kansas Water Plan* is to make recommendations for the operation of state programs that can assist in addressing priority issues and in meeting the 2010 and 2015 Objectives for a basin.

PROCESS

The need to seek public input in the planning process is set out in K.S.A. 82a-903 and states that: “.The Kansas Water Office and the Kansas Water Authority shall seek advice from the general public and from committees consisting of individuals with knowledge of and interest in water issues and in the water planning areas.”

The *Kansas Water Plan* is formulated through an established planning process, which emphasizes public participation through basin advisory committees, public meetings and public hearings. Basin Advisory Committees are made up of volunteer citizens located within each of the 12 major river basins in the state to provide advice on formulation and implementation of the Basin Sections of the *Kansas Water Plan*. Each committee has 11 members representing water use categories of municipal, other public water suppliers, domestic, irrigation, industry and recreation, as well as at large members.

IMPLEMENTATION

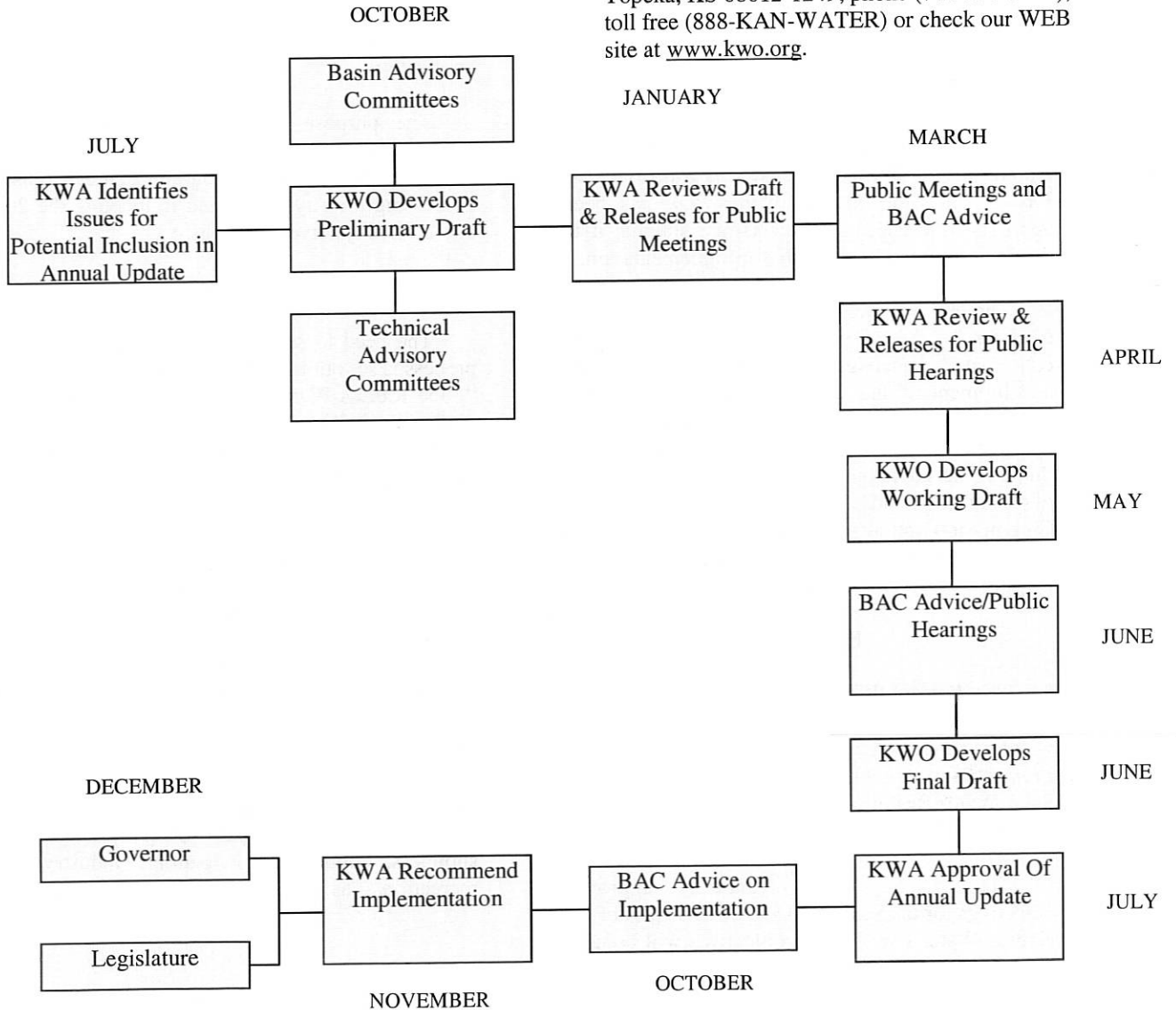
Implementation of the *Kansas Water Plan* is accomplished in part by the passage of necessary legislation and through funding of specific programs or projects. Creation of the State Water Plan Fund in 1989 provided a dedicated source of revenue to supplement funding for implementation of the *Kansas Water Plan*. The *Kansas Water Plan* serves as guidance to the agencies for preparation of budgets to implement the *Kansas Water Plan*. Following submission of agency budgets in September, the Kansas Water Authority reviews the agencies' requests and prepares recommendations to the Governor and Legislature on actions necessary to implement the Plan, including legislation, coordination and appropriations of money, especially from the State Water Plan Fund (K.S.A. 74-2622(d)).

ASSESSMENT

The Kansas Water Plan 2010 and 2015 Objectives provide a means to quantify the condition of water resources in the state through the assessment of each objective. The assessments will provide valuable information to planners and program managers to target funding and efforts to meet the 2010 and 2015 Objectives. Each completed assessment will be summarized in assessment notebooks for the state and by the basin, and published on the Internet at <http://www/kwo.org>.

ADDITIONAL INFORMATION

Further information on this subject or other Kansas Water Plan related programs can be obtained from: Kansas Water Office, 901 S. Kansas Avenue, Topeka, KS 66612-1249, phone (785-296-3185), toll free (888-KAN-WATER) or check our WEB site at www.kwo.org.



BASIN ADVISORY COMMITTEES

Fact Sheet No. 4

January 2001

Kansas Water Office

Introduction

The Kansas Water Office is directed to “formulate on a continuing basis, a comprehensive State Water Plan for the management, conservation and development of the water resources of the state. Such State Water Plan shall include sections corresponding with water planning areas as determined by the office” (K.S.A. 82a-903). Major river basins as shown in Figure 1 have been established as the water planning areas for this purpose.

In 1985, K.S.A. 82a-903 was amended as recommended in the *Kansas Water Plan* to require the Kansas Water Office and the Kansas Water Authority seek advice from the general public and from committees consisting of individuals with knowledge of and interest in water issues in the water planning areas. Basin advisory committees were first established in each of the 12 river basins in Kansas on June 28, 1985. The 11-member committee for each basin consists of at least one member representing each of the following six water user categories: domestic; municipal; other public water supplier; industrial; irrigation and recreation, fish and wildlife. The remaining five members are selected based on user category, geographic distribution and other criteria at the discretion of the basin advisory committee.

Employees of state agencies represented by ex-officio members of the Kansas Water Authority are not eligible for membership on basin advisory committees. This does not include individuals associated with organizations represented by voting members on the Kansas Water Authority. Ex-officio agencies assign staff to serve as advisors to each of the basin advisory committees.

Role of the Basin Advisory Committee

The basin advisory committees provide the working link between the Kansas Water Office staff and the public. The committees:

1. Advise the Kansas Water Office and the Kansas Water Authority in identification of water-related problems, issues, and concerns within their basin and the objectives to be used to direct planning efforts in their basin.
2. Advise the Kansas Water Office and the Kansas Water Authority in the formulation of revisions to the Basin Plan for their basin.
3. Advise the Kansas Water Office and the Kansas Water Authority in the determination of *Kansas Water Plan* implementation priorities and actions necessary to implement the Plan in their basin.
4. Advise the Kansas Water Office and the Kansas Water Authority on the promotion of public awareness of the importance of water resources in their basin.
5. Advise the Kansas Water Office and the Kansas Water Authority on any other water-related matter considered to be of importance by the Basin Advisory Committee.
6. Serve as a link to the public in the basin through interaction with various groups and individuals. The committee members also carry information on concerns and issues to citizens in the basin.

Selection Process

All members are nominated by the basin advisory committee from applications on file. The chairperson is nominated by the basin advisory committee from the existing membership. The Kansas Water Authority considers confirmations of all nominations. All members, including the chairperson, serve staggered four-year terms. Terms expire on June 30 of alternate odd years.

Procedures used to fill vacancies on basin advisory committees are as follows:

A. Procedure to fill expired terms.

1. April, odd number years –Basin advisory committee members whose terms are expiring are contacted to determine if they wish to continue serving. All individuals with applications on file will be contacted to determine if they wish to remain on file. If not, their applications will be discarded. Notices are provided to individuals and targeted media on the Kansas Water Office mailing list that applications for basin advisory committee membership are being solicited. Organizations that have membership that would qualify to meet the water user categories may request to be placed on a list to be contacted to encourage applications from their members. This list is reviewed annually by the Kansas Water Office to keep it up to date.

Applications may be received at any time and remain on file until the next renewal process.

2. June – Applications on file at the time of the June basin advisory committee meetings are considered for filling any existing vacancies and the positions of members whose terms are expiring and who do not wish to continue serving as members. Nominations for membership

are forwarded to the Kansas Water Authority for confirmation.

3. July – The Kansas Water Authority reviews all nominations for Basin Advisory Committee Membership and take appropriate action.

B. Procedure to fill unexpired terms.

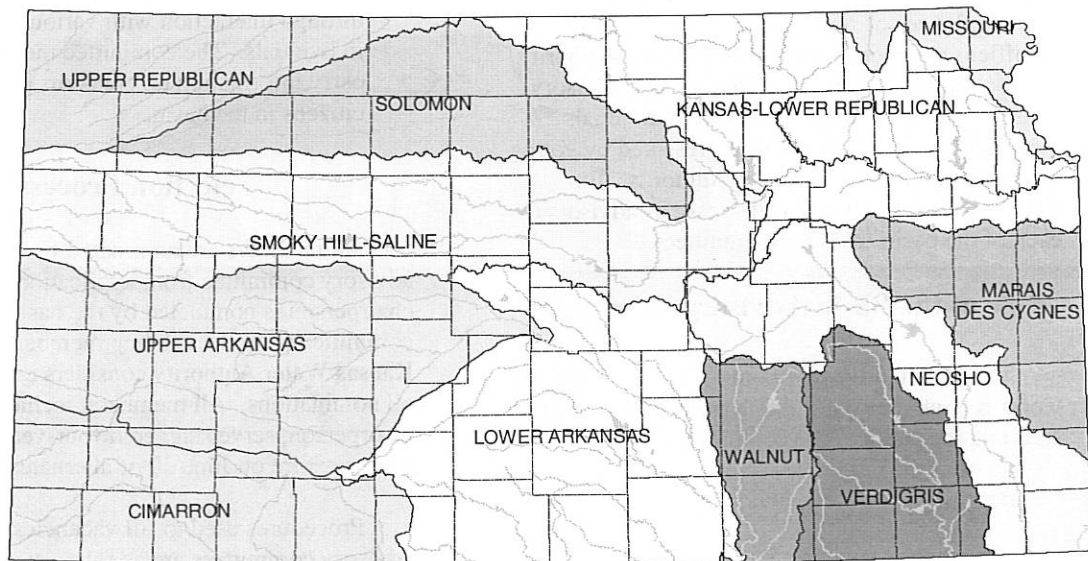
Upon resignation or discontinuation of a basin advisory committee member serving on a committee for any reason, the basin advisory committee shall nominate a replacement to fill the unexpired term from the applications on file. All basin advisory committee nominations are subject to confirmation by the Kansas Water Authority. The Authority may consider Basin Advisory Committee nominations at any meeting.

Additional Information

Fact sheets are also available on the *Kansas Water Plan Purpose & Process* and the Kansas Water Office and the Kansas Water Authority.

Further information on this subject or on many other *Kansas Water Plan* related programs can be obtained from: Kansas Water Office, 901 S. Kansas Avenue, Topeka, KS 66612-1249, phone (785-296-3185), toll free (888-KAN-WATER) or check our WEB site at www.kwo.org.

MAJOR RIVER BASINS IN KANSAS



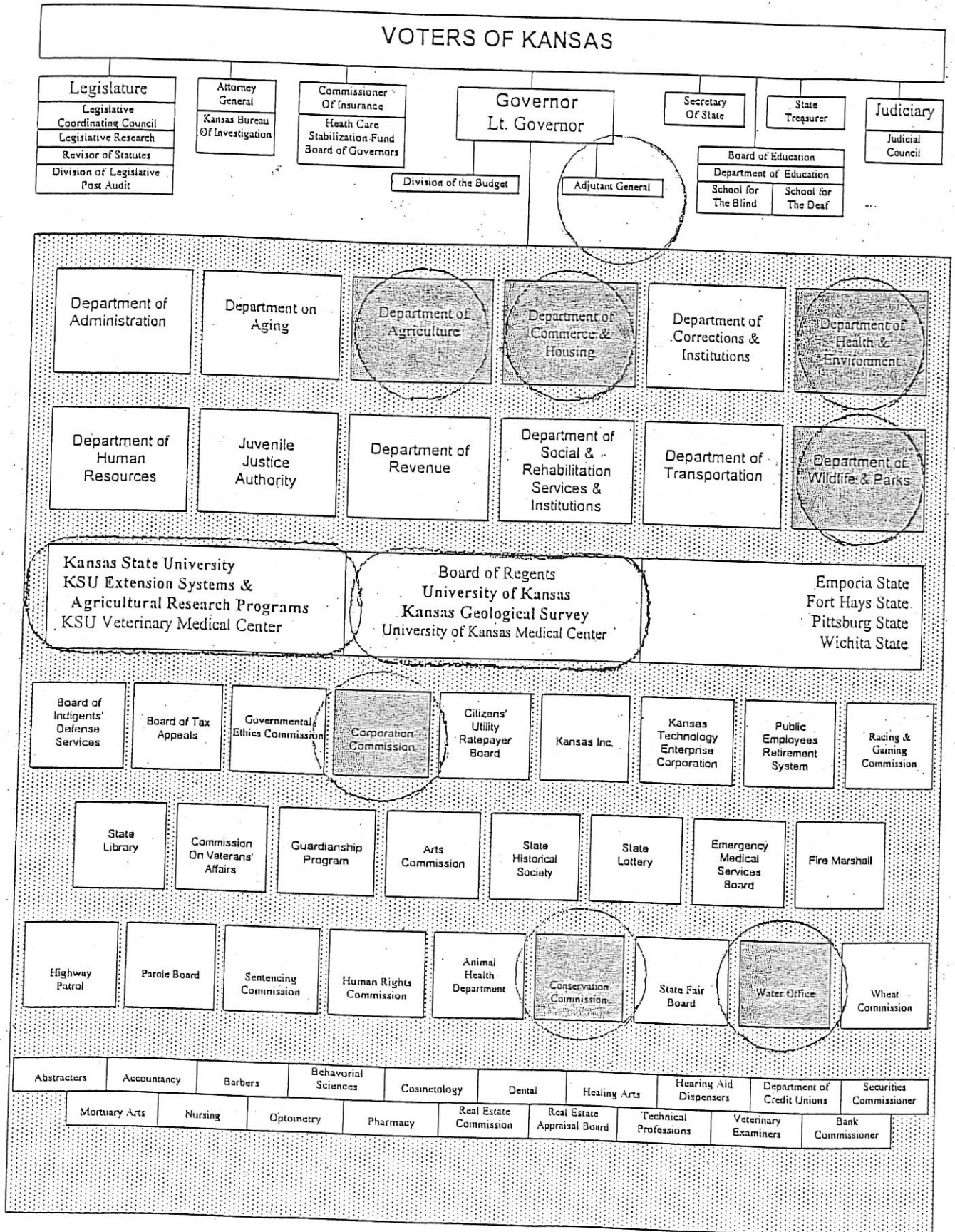
Kansas Water Office, July 1999
This map intended for planning purposes only.

Figure 1

WATER
BRIEFING TO THE
HOUSE AGRICULTURE COMMITTEE
Clark Duffy, Director, Kansas Water Office
January 22, 2003, 3:30 P.M.

- Organization of Water Agencies
- Water Management Process
- Key Water Issues
- Legislative Issues

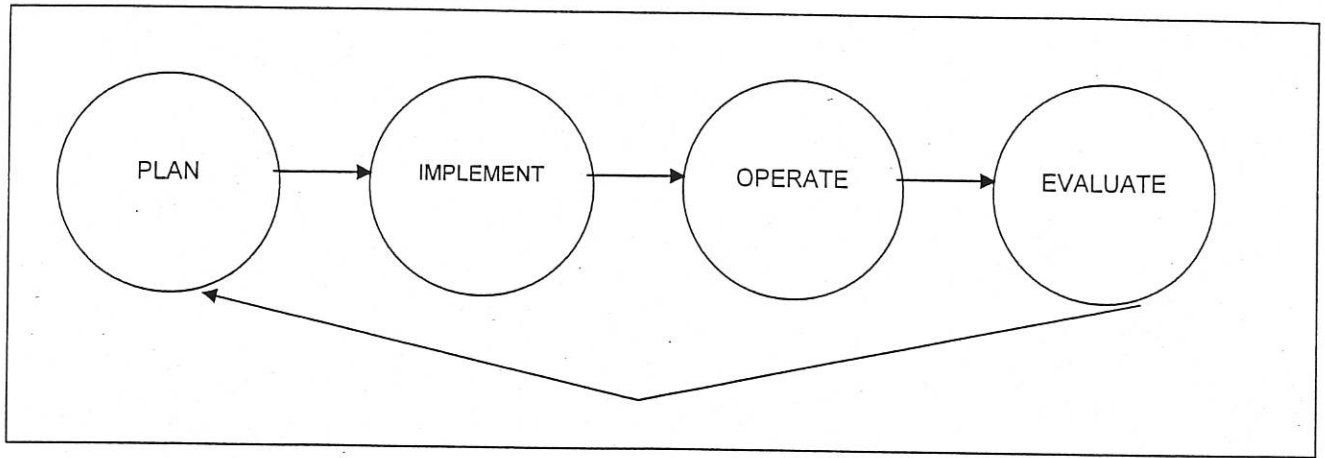
ORGANIZATION OF STATE WATER AGENCIES



MISSION & RESPONSIBILITIES

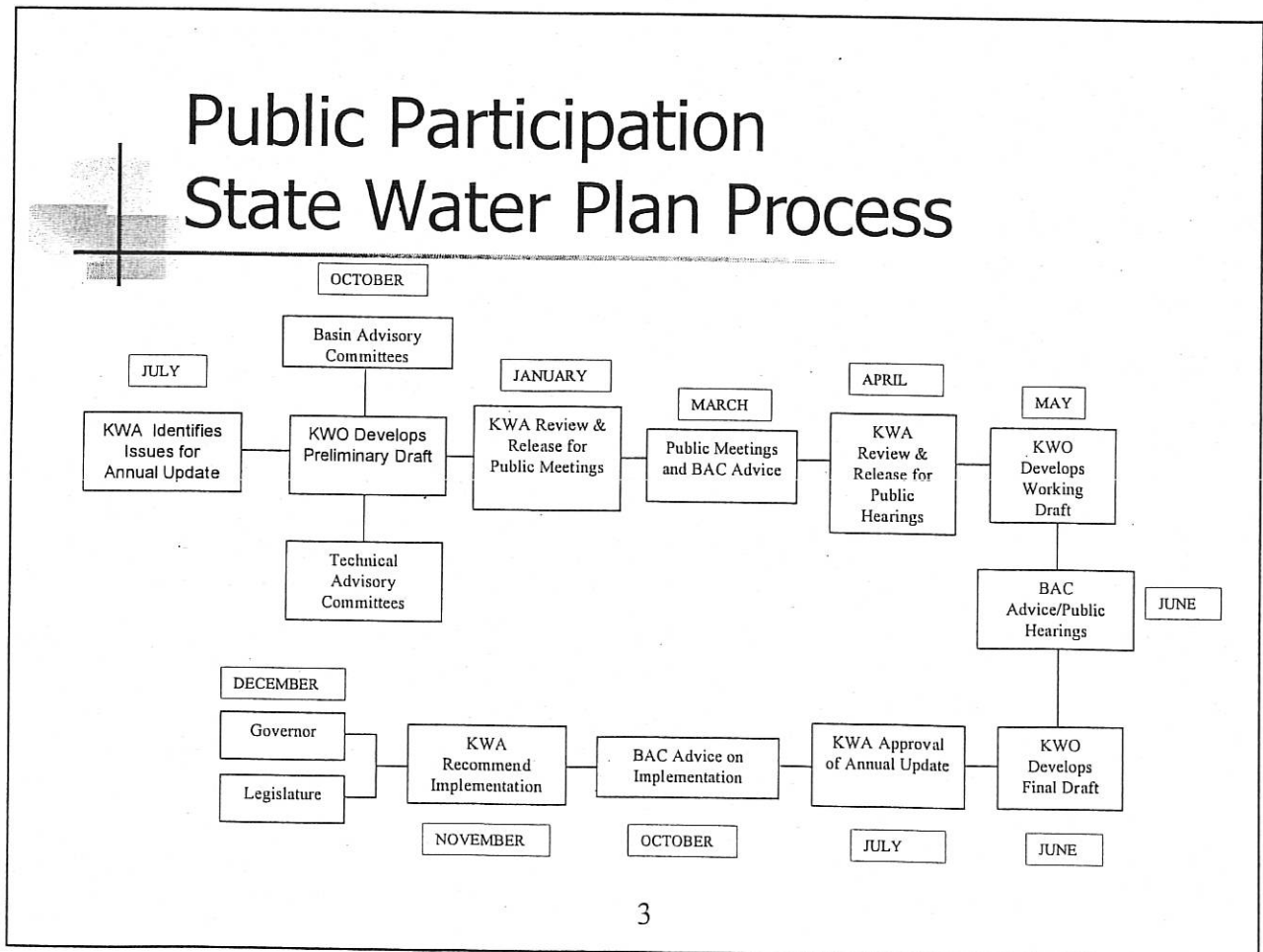
KANSAS WATER OFFICE/ KANSAS WATER AUTHORITY

- To coordinate the water resource operations of agencies at all levels of government, and to achieve pro-active solutions for water resource issues of the state.
- Develop a State Water Plan for the management, conservation, and development of the water resources of the state.
- Consult with and be advisory to the Governor and Legislature.
- Study and make recommendations on any law, plan or budget estimate pertaining to the State's water resources.



PRODUCTS

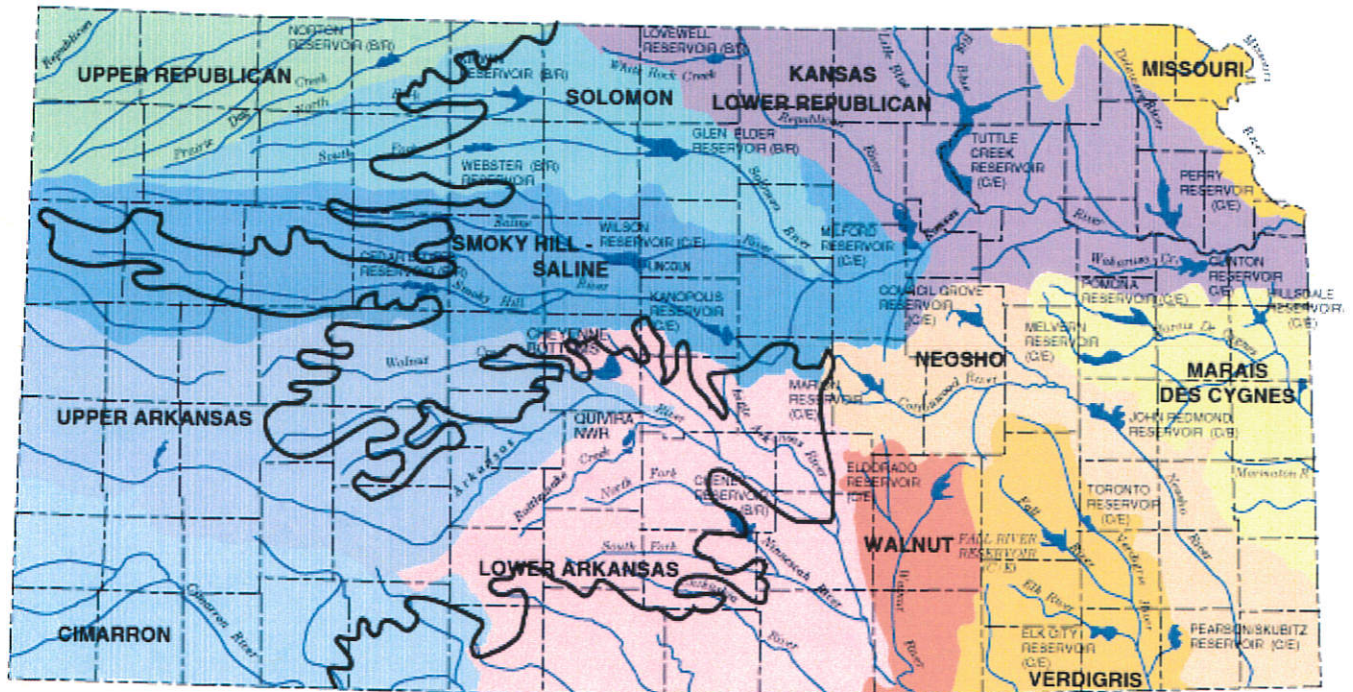
- Plan: Kansas Water Plan
- Implement: Kansas Water Authority Report to the Governor and Legislature
- Operate: Status Report
- Evaluate: Kansas Water Resource Conditions



4-4

MANAGEMENT OBJECTIVE IS TO:

MANAGE THE RESOURCE



PRIORITY BASIN ISSUES

- Cimarron – Ogallala Management; Recreational Opportunities
- KS Lower Republican – Reservoir Operations/Mgmt.
- Lower Arkansas – Rattlesnake Creek Mgmt. Program
- Marais des Cygnes – TMDLs; Ft. Scott Flooding
- Missouri – Missouri River Management
- Neosho – TMDLs; Public Water Supply
- Smoky Hill-Saline – Reservoir and Ogallala Management
- Solomon – Alluvial and Ogallala Management
- Upper Arkansas – Ogallala Management
- Upper Republican – Ground Water Management
- Verdigris – TMDLs; Regional Public Water Supplies
- Walnut – TMDLs; Wetland & Riparian Management

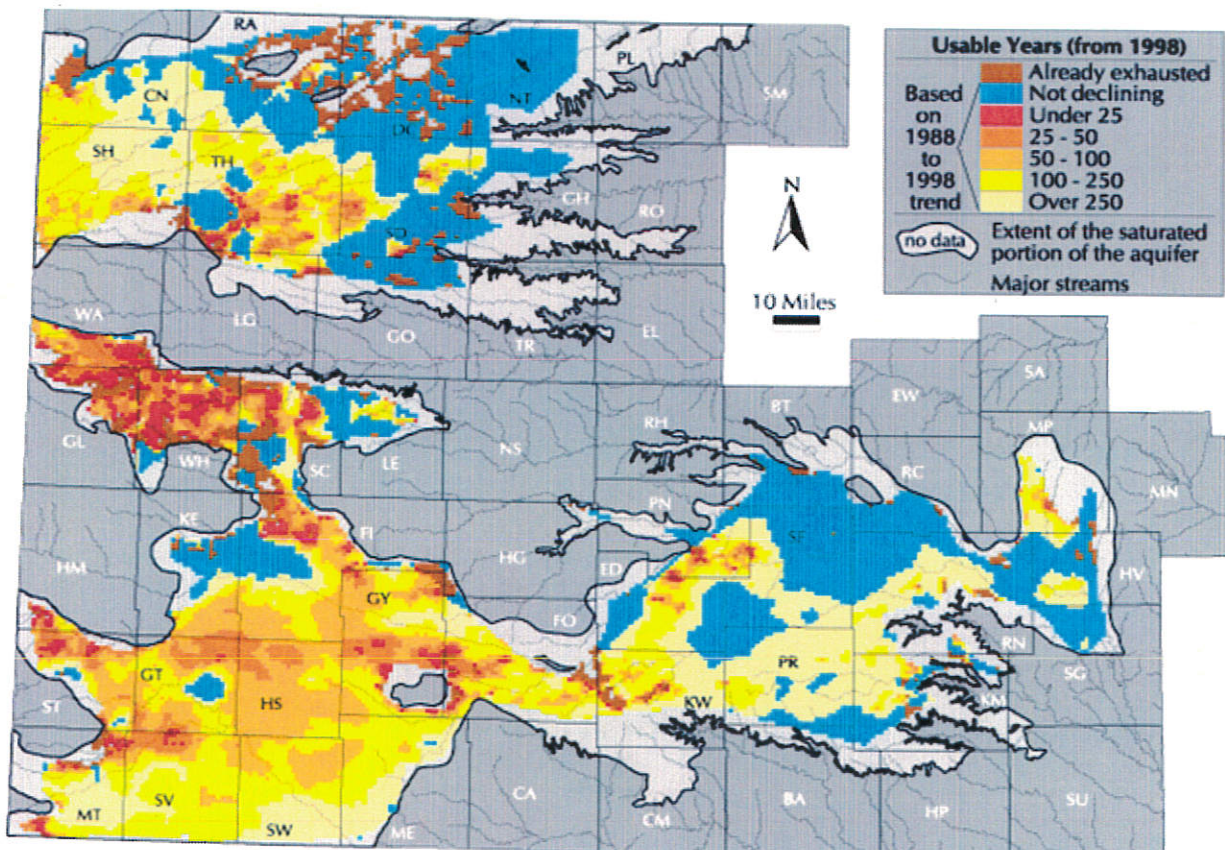
KEY WATER ISSUES

Achieve sustainable yield management of surface and groundwater in all areas outside the Ogallala by 2015 and within the Ogallala based on hydrologic conditions.

- River/Reservoir System
- Streams without Reservoirs
- Aquifers Outside the Ogallala
- The Ogallala Aquifer

A New Idea for Ogallala Management – Estimated Usable Lifetime

Estimated Usable Lifetime for large volume pumping from the High Plains Aquifer, assuming current water-level trends continue and the aquifer is exhausted when saturated thickness is 30 feet or less.



- State Management Programs in “Partnership” with Groundwater Management Districts
- Federal Assistance Programs

Bogner Committee Report Managing the Aquifer in Kansas

1. Delineate Ogallala into aquifer subunits
2. Establish water use goals for each subunit
3. Identify subunit priorities to extend the life of the aquifer and sustain the vitality of the region
4. Implement programs from a menu of options to conserve and extend the Ogallala Aquifer

6

Mayo Committee Report

Federal Actions Necessary for the Conservation and Environmental Preservation of the High Plains Aquifer

- 2002 Farm Bill NRCS: EQIP “highest priority” to High Plains Aquifer
IMPLEMENTED
- Geohydrology Research
INTRODUCED
- Conservation Block Grants to States, Ag Research, and Education
STILL NEEDED

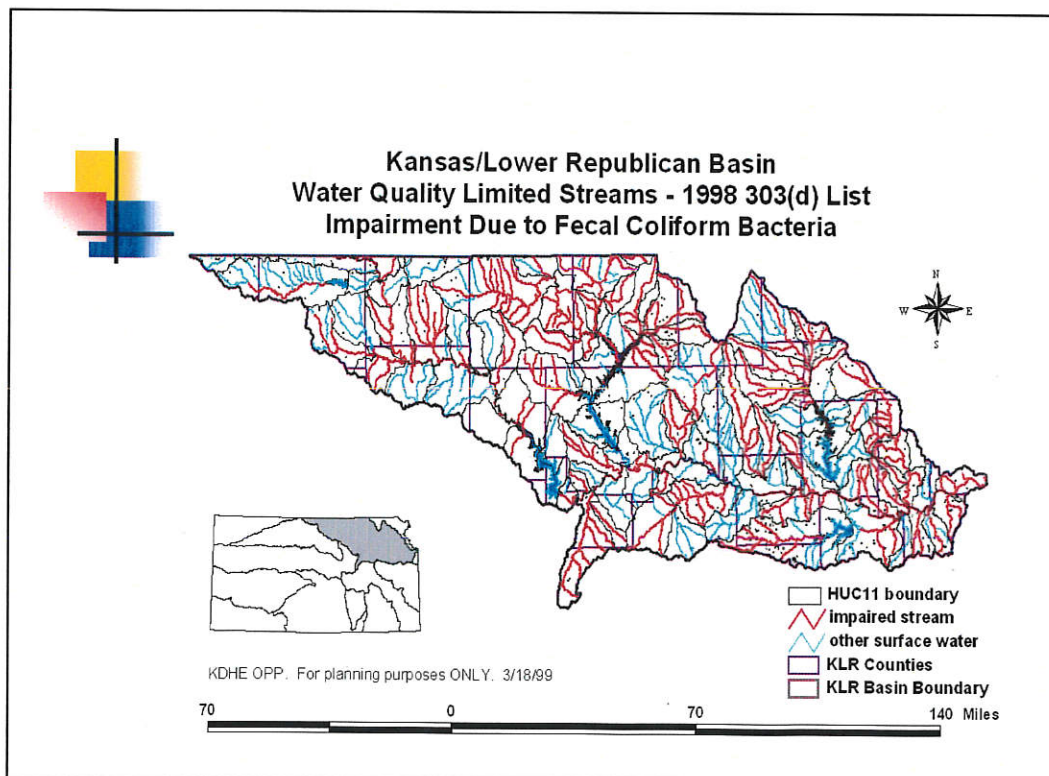


KEY WATER ISSUES

By 2010, reduce the contaminants that adversely affect the water quality of Kansas lakes, streams and aquifers.

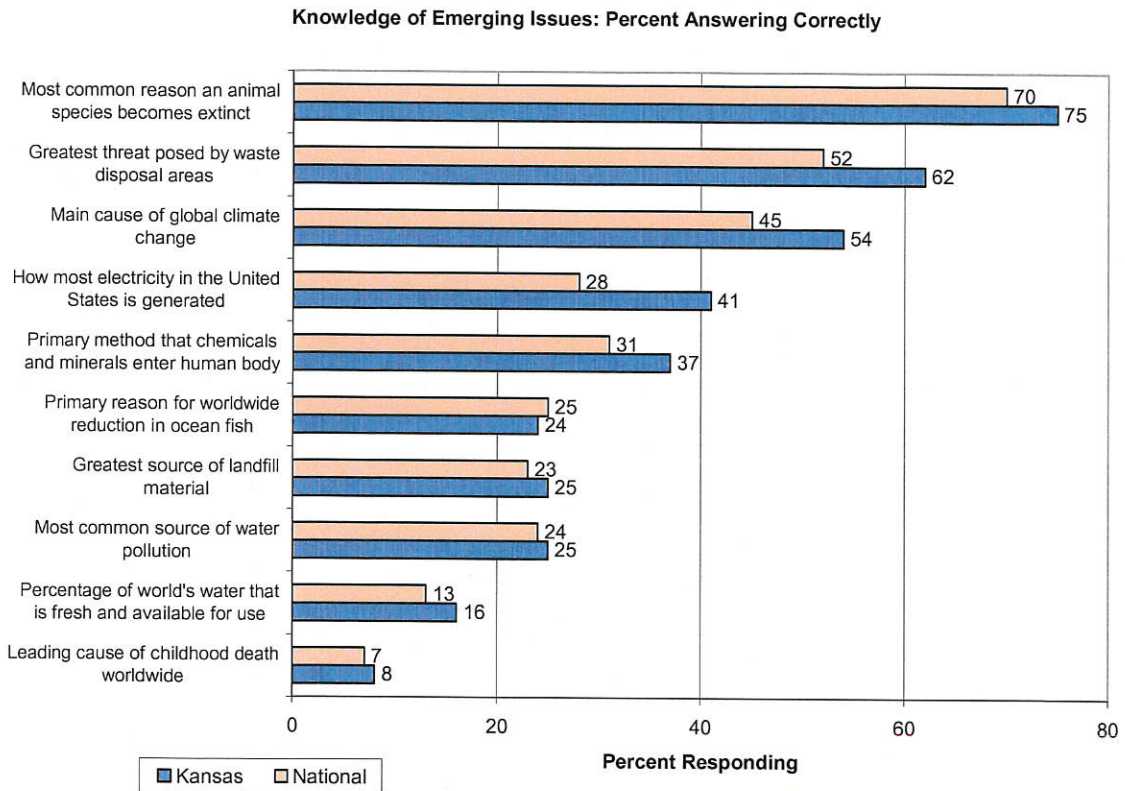
Water Quality Total Maximum Daily Loads (TMDL) of Pollutants

Impairing Pollutant	Criteria	Impaired Designated Use
Alachlor	2 ug/L	Domestic Water Supply
Ammonia	0.254mg/L – 3.480 mg/L depending on pH	Aquatic Life Support (Chronic)
Aquatic Plants	.	Excessive biomass of macrophytes sufficient to interfere with designated uses of aquatic life support and recreation
Atrazine	3 ug/L	Drinking Water, Aquatic Life Support (Chronic)
Boron	750 ug/L	Irrigation
Cadmium	5 ug/L	Drinking Water
Chloride	250 mg/L; 352 mg/L	Drinking Water, Aquatic Life Support (Chronic)
Dissolved Oxygen	5 mg/L	Aquatic Life Support
Eutrophy (Nutrients)	Narrative	Aquatic Life Support, Recreation, Drinking Water
Fecal Coliform Bacteria	2000 colonies/100mL	Recreation (non-contact)
Fluoride	1,000 ug/L	Irrigation
Nutrients/Biochemical Oxygen Demand	MBI of 4.5	Aquatic Life Support
pH	6.5 < > 8.5	Aquatic Life Support
Selenium	5 ug/L	Aquatic Life Support (Chronic)
Siltation/Sediment (Suspended Solids or Turbidity)	Narrative	Aquatic Life Support
Sulfate	250 mg/L	Domestic Water Supply
Zinc	2 mg/L	Irrigation



KEY WATER ISSUES

By 2010, provide educational activities to increase Kansans knowledge of water to enable them to make better decisions.

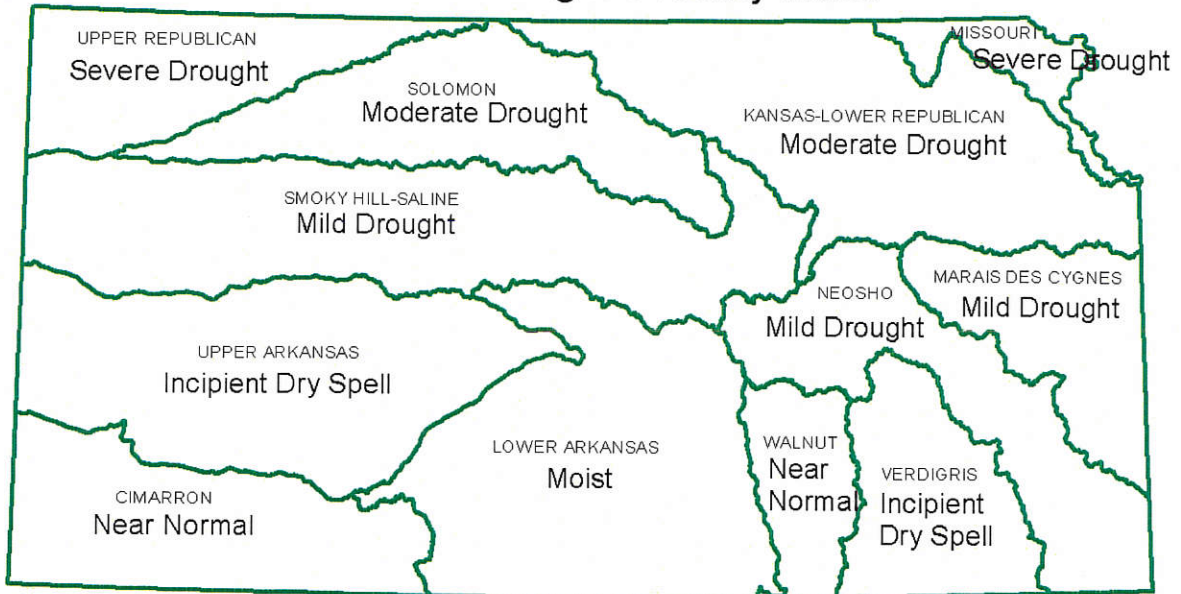


- Kansas Association for Conservation and Environmental Education – Programs such as Project WET
- Kansas State University - Kansas Environmental Leadership Program
- Kansas Geological Survey – Field Conference

DROUGHT

An Immediate Issue

Palmer Drought Severity Index



Based on drought index for week ending January 18, 2003

LEGISLATIVE ISSUES

- OVERSITE: Make sure the intent of state policies are carried out in a coordinated, efficient manner.
- DIRECTION: Such as 1999 House Substitute for Senate Bill 287
- ALLOCATION OF FUNDS: Coordination of expenditures of State Water Plan Funds with state agencies, as well as other state and federal funds.
- LEGISLATION: Amendments to existing state policies and programs. New state policies.
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KANSAS WATER OFFICE CONTACT INFORMATION

Kansas Water Office

901 S. Kansas Avenue

Topeka, Kansas 66612

Phone: (785) 296-3185

Fax: (785) 296-0878

Website: www.kwo.org

Clark Duffy, Director

E-mail: cduffy@kwo.state.ks.us

Ken Grotewiel, Assistant Director

E-mail: kgrotewiel@kwo.state.ks.us

Earl Lewis, Manager, Hydrology & Evaluation

Phone: (785) 296-0867

E-mail: elewis@kwo.state.ks.us

Margaret Fast, Manager, State Water Planning

Phone: (785) 296-0865

E-mail: mfast@kwo.state.ks.us

Joe Fund, Chief Fiscal Officer

Phone: (785) 296-0872

Cell: (785) 633-2439

E-mail: jfund@kwo.state.ks.us