

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT

The meeting was called to order by Chairman Tim Huelskamp at 1:32 P.M. on March 10, 2005 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Martha Dorsey, Kansas Legislative Research Department
Mike Heim, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes
Janet Engel, Committee Secretary

Conferees appearing before the committee:

Representative Kenny Wilk
David VanParys, Lan-Del Water District
Ken Grotewiel, Assistant Director Kansas Water Office
Dennis Dutton, Water Protection Association of Central KS
Chris Wilson, SW Kansas Groundwater Management Dist. 3
Gary Hansen, Kansas Rural Water Association

Others attending:

Hearing on HB 2243 - Lan-Del joint water districts; transfer of assets, liability and territory.

Proponents:

Representative Kenny Wilk provided testimony (Attachment 1).

Staff Recap:

Ken Wilke provided a summary and answered questions.

Proponent (continued):

David VanParys, Lan-Del Water District, provided testimony (Attachment 2) and answered questions.

Opponents:

There were no opponents. Chairman Huelskamp closed the hearing.

Hearing on HB 2018 - Acquisition of rural water district by another district.

Ken Wilke, committee staff summarized the bill and answered questions.

Proponents:

Representative Tom Sloan provided written testimony (Attachment 3).

Ken Grotewiel, Assistant Director Kansas Water Office, provided testimony (Attachment 4) and answered questions.

Gary Hansen, Kansas Rural Water Association, provided testimony (Attachment 5) and answered questions.

Dennis Dutton, Water Protection Association of Central Kansas, provided testimony requesting an amendment related to flex accounts (Attachment 6).

Chris Wilson, Southwest Kansas Groundwater Management District 3, provided testimony (Attachment 7).

Opponents:

There were no opponents. Chairman Huelskamp closed the hearing.

HB 2118 - Cemetery merchandise trust funds; disclosure of certain information.

A memo from Representative Sharon Schwartz, explaining her amendment, was distributed (Attachment 8).

Closing

CONTINUATION SHEET

MINUTES OF THE Senate Elections and Local Government at 1:32 P.M. on March 10, 2005 in Room 423-S of the Capitol.

The committee was reminded about a meeting of the Subcommittee for SB 80 tomorrow at 10 am in 423-S.

The next meeting is Tuesday, March 15, 2005.

There being no further business, the meeting was adjourned at 2:22 p.m.

STATE OF KANSAS
HOUSE OF REPRESENTATIVES

KENNY A. WILK
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State Representative
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State Capitol, Room 426-S
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CHAIRMAN
Taxation Committee
March 4, 2005

COMMITTEE ASSIGNMENTS
Federal and State Affairs

Website: kennywilk.com
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Chairman Tim Huelskamp
Senate Committee on Elections and Local Government
Statehouse, Room 128-S
300 SW 10th Avenue
Topeka, KS 66441

Dear Chairman Huelskamp:

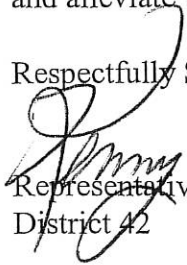
I submit the following as written testimony in support of HB 2243- Lan-Del joint water districts; transfer of assets, liability and territory. The passage of this piece of legislation will only clarify whether the Lan-Del water district, formed by the City of Lansing and the Delaware Township, can provide water service within the boundary of the City of Lansing given the city expands beyond the borders of Delaware Township.

Legislation was passed in 1987 which formed a joint water district between the City of Lansing and Delaware Township. The district has been successful since that time and has grown sizeably due to the connection of land underutilized by adjoining water districts.

The City of Lansing continues to grow at a swift rate and the directors of the water district desire to legally give water service to the city should the city outgrow the boundaries of Delaware township. The current legislation does not give clear jurisdiction in this matter. HB 2243 gives specific guidelines about acquiring service territory. The district could only accept service territory voluntarily or through transfer by the city should the city acquire water services through it's powers of annexation.

This legislation is local and according to the district, has no fiscal impact. I ask you to report favorably on HB 2243 to allow clarity in regards to potential future growth of the district and alleviate the chance of future litigation on this issue.

Respectfully Submitted,


Representative Kenny Wilk
District 42

Senate Elections & Local Govt.
Date: 3 / 10 / 2005
Attachment 1

LAN-DEL WATER DISTRICT
601 Holiday Plaza
Lansing, Kansas 66043
913-727-3350

February 16, 2005

Hon. Tim Huelskamp , Chairperson
Senate Committee on Elections and Local Government
State Capitol Bldg., Rm 128-s
Members of the Committee

Re: HB No. 2243

Dear Chairperson Huelskamp and
Members of the Committee,

Please accept the following as testimony in support of the approval of House Bill No. 2243. It is the belief of the Lan-Del Water District that passage of this legislation will clarify the issue of whether the district, formed by the City of Lansing and Delaware Township of Leavenworth County, can provide service within the boundaries of the City of Lansing in the event that the city expands beyond the boundaries of the township.

HISTORY

The Lan-Del Water District was formed through passage of legislation in 1987 which amended earlier legislation to mandate the formation of a joint water district between the City of Lansing and Delaware Township. At the time of the passage of the legislation the city and township were in multi-year litigation over whether such a joint district could be formed. The district has functioned since that date and has grown incrementally through the attachment of lands underserved by adjoining rural water districts. The City of Lansing is a growing community and the directors of the district wish to be in a position to legally provide water service to the city should the city expand past the boundaries of the township. Under the existing legislation it is unclear as to whether this could occur.

EFFECT OF THE BILL

The effect of the proposed legislation is to specify that the joint water district of the city and township (Lan-Del) could provide service outside of the boundaries of the township. The legislation does not create any powers on the part of the district to detach lands from existing water service providers, but rather specifies that the district could accept such services voluntarily or through transfer by the city in the event that the city were to acquire water services through the use of its

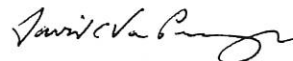
powers of annexation. This legislation **does not** allow the district to “grab” service territory. The legislation specifies and clarifies the issue of whether the district can grow with the city outside of the township boundaries.

FISCAL IMPACT

It is the position of the district that this legislation has no fiscal impact

In closing I would ask, on behalf of the district, that this committee favorably consider this legislation as a means of clarifying the potential future growth of the district and significantly reducing the chances of future litigation. I apologize for being unable to appear before you on this matter but wish to express the thanks of the district for your time and consideration.

Sincerely,



David C. Van Parys

300 Walnut

Leavenworth, KS 66048

913-684-0415

Fax 680-2748

Attorney for the Lan-Del Water Distr.



TOPEKA
—
HOUSE OF
REPRESENTATIVES

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Testimony on HB 2018
March 7, 2005
Senate Elections and Government Organizations

Mr. Chairman, Members of the Committee:

I am Chairman of a rural water district and have previously successfully sponsored legislation to update the statutes under which water districts operate.

HB 2018 provides the means by which two or more rural water districts may voluntarily merge. It mirrors language passed in 2004 for the merger of a water district into a municipal system.

The bill outlines the process for public notification, merger, appeals and, if necessary, vote by the districts' members. The key issues for me as a Rural Water District Director as well as State Legislator are:

- 1). The Boards of both District's must vote to approve the merger.
- 2). Each District patron receives notice of the proposed merger and the reasons for the action.
- 3). Notice must be published in the newspaper.
- 4). Protest petition is authorized with a vote by the membership subsequently required.

In summary, this bill mirrors the process by which rural water districts and city systems merge; it is voluntary; and protest petition/election procedures safeguard all patrons.

Thank you for your consideration of HB 2018. I regret that I must be engaged in legislative activities that prevent me from appearing before you today. If you have questions, please do not hesitate to call me.

**Testimony to
The Senate Elections and Local Government Committee
On**

HB 2018

**by Ken Grotewiel, Assistant Director
Kansas Water Office
March 10, 2005**

Senator Huelskamp and members of the Committee. I am Ken Grotewiel, Assistant Director at the Kansas Water Office. I am pleased to appear in support of HB 2018.

Section 1 provides an alternative process to the one outlined in K.S.A. 82a-640 for rural water districts to use when they have an interest in consolidating.

The Kansas Water Office recognizes the challenges of rural water districts in meeting demands for drinking water in an environment of strict regulation, aging infrastructure and limited supply sources. This bill provides an additional tool for rural water districts to use in meeting the ever-changing needs of their customers.

Section 2 is a technical clean-up of K.S.A. 82a-647 which we feel is warranted.

I would like to thank you, Senator Huelskamp and members of the Committee, for your time and attention today. I would be happy to stand for questions.



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March 10, 2005

Senate Committee on Elections
and Local Government

Re: House Bill 2018

Dear Chairman Huelskamp and Members of the Committee:

The Kansas Rural Water Association (KRWA) has received requests from several of its rural water district members for an alternative procedure for combining of rural water districts. We recognize the goal of reducing the number of rural water districts in order to insure the long-term viability of public water supplies. Frequently, efficiencies can be realized by combining of smaller systems into larger ones.

The only option available under current law is for consolidation under K.S.A. 82a-639 et seq. This process allows for the boards of directors of two or more rwd's to agree to consolidate, followed by a meeting of the members of each district where the question is placed to a vote, followed by a petition for approval by the board of county commissioners of a county in which at least one of the districts is located.

This statute has been used successfully in a number of instances, but is awkward in others. For example, that consolidation statute provides that following action by the county commissioners ordering consolidation, the district is to be governed by a board of directors consisting of the combined boards of the consolidated districts until the next annual meeting of the consolidated district. We believe this provision alone is preventing some consolidations from occurring as the prospect of, for example, nine members of the board of directors of a district serving 50 customers could be combined with a district having a five-member board serving 3,000 customers, resulting in the smaller districts board effectively controlling the management of this complex business enterprise for as much as a year. We believe that at least in some of these instances, the smaller district wants no part of the management of the larger enterprise, and welcomes the opportunity to end those responsibilities, but are unable to do so under the current law.

House Bill 2018 is modeled after K.S.A. 19-3512 and K.S.A. (2004 Supp.) 82a-649, providing for the annexation of territory by Water District No. 1, Johnson County (WaterOne) and acquisition of rural water districts by cities, respectively. As is provided by those statutes, H.B.

Senate Elections & Local Govt.
Date: 3 / 10 / 2005
Attachment 5

2018 provides for acquisition of the assets and territory, assumption of the debts and liabilities of the acquired district, and assumption of service responsibilities to its customers. The process is streamlined, providing for acquisition to occur upon agreement of both districts' boards of directors, subject to a protest petition by 10% of the customers of the district to be acquired. In the event of a valid protest, the matter would be placed to a vote.

House Bill 2018 provides an alternative procedure, and not a replacement for the current consolidation statute. We believe that the current consolidation statute would continue to be used in those instances where neighboring districts are comparable in terms of territory and/or customers being served, and that H.B. 2018 would be most useful in those other situations where it is appropriate for a larger system to essentially assume the assets, liabilities and responsibility for service to a smaller system's customers.

Section 2 of H.B. 2018 corrects what we believe to have been an error in K.S.A. (2004 Supp.) 82a-647. Currently, that statute provides for an alternative, streamlined procedure for release of territory from one rural water district and attachment to another. Unfortunately, the reference to "K.S.A. 82a-640" has the effect of requiring notice of the proposed release and attachment to be mailed to every member of the district rather than just those being affected by the proposed attachment and release. This is not consistent with the other attachment and release statutes, and can present a considerable burden and expense on districts trying to comply. The change proposed by Section 2 of H.B. 2018 cures this problem.

For the reasons summarized above, the Kansas Rural Water Association respectfully requests that the Committee favorably act on H.B. 2018.

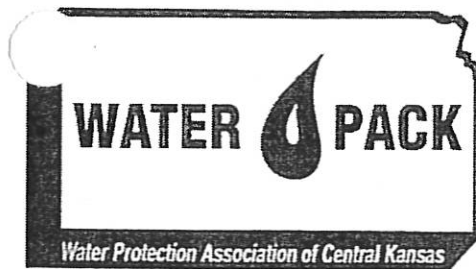
Very truly yours,



GARY H. HANSON

GHH:de

cc: Elmer Ronnebaum, General Manager
Kansas Rural Water Association



Senate Local Governmental Affairs Committee

Thursday, March 10, 2005

Chairman Huelskamp and Committee Members:

Thank you for the opportunity to testify today as a proponent of the Amendment to HB 2018 concerning Flex Accounts. My name is Dennis Dutton. I am an owner-operator of an irrigated farming operation in the Stafford/Edwards county area. I am also the President of the Water Protection Association of Central Kansas (Water PACK).

With your leadership and effort, a program was developed several years ago that would have provided water users the opportunity to achieve multi-year water use flexibility while reducing consumptive water use. It is my understanding that there has been no participation in the program to date. Water PACK strongly feels that this is still a good conservation concept. However, perhaps we can add something to enhance the water users participation.

After conferring with the Division of Water Resources, western Kansas ground water management district personnel, and our membership, Water PACK supports the two indicated changes. The change from the original plan using the five year period to the proposed "base average usage" of 1992 through 2002 will more accurately reflect the true consumptive water use. We feel that this change would increase the water users participation because the eleven year base period more accurately reflects variable precipitation levels. The second change would allow local entities to provide incentives that would encourage the water user to reduce his water usage to less than 90% of the holder's base average usage. The result would be an even greater conservation component than originally required.

Water PACK was a partner in the development of the Rattlesnake Creek Management Plan. The Flex Account Program is one of seven voluntary conservation initiatives to be implemented for water use reduction. We feel that the indicated changes will allow water users the option of participating in the Flex Account Program.

Thank you for the opportunity for testimony on behalf of the amendment. I will stand for questions if you so desire.

Dennis Dutton
Water PACK
Macksville, KS
620-348-4871

Senate Elections & Local Govt.
Date: 3 / 10 / 2005
Attachment 6



Southwest Kansas Groundwater Management District #3

Mark Rude, Executive Director
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**STATEMENT OF SOUTHWEST KANSAS
GROUNDWATER MANAGEMENT DISTRICT 3**

TO THE SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE

SENATOR TIM HUELSKAMP, CHAIR

**REGARDING H.B. 2018
MARCH 10, 2005**

Mr. Chairman and Members of the Committee, I am Chris Wilson, lobbyist representing the Southwest Kansas Groundwater Management District 3. We understand that there may be amendments considered to H.B. 2018 regarding the flex account statute in the Water Appropriation Act.

The multi-year flex account was authorized in 2001 to encourage water conservation by allowing the holder of a groundwater right to place the amount of water saved through water conservation measures into a flex account, and to provide a term permit for such water right holders to authorize the use of water in a flex account, if needed, over a five-year period.

The flex account provisions have not been utilized to date, and some change is needed to provide the flexibility to encourage water right holders to establish flex accounts.

GMD 3 is in support of the concepts to amend the multi-year flex account statute, K.S.A. 82a-736 through 1) extending the timeframe for averaging in determining the amount, and 2) allowing a greater than 10% water conservation reduction.

Thank you for your consideration of these amendments.

STATE OF KANSAS



TOPEKA

HOUSE OF
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COMMITTEE ASSIGNMENTS
CHAIRPERSON: AGRICULTURE AND NATURAL
RESOURCES BUDGET
MEMBER: APPROPRIATIONS
ENVIRONMENT

To: Chairman Huelskamp and Members of the Committee

From: Representative Sharon Schwartz

Subject: Amendment on HB 2118

I was the author of the amendment added to HB 2118 by the House Committee of the Whole. The purpose of this amendment is to make sure heirs and family members are able to visit and maintain cemeteries that are surrounded by private property. It assures that owners and heirs of any lot located in a cemetery completely surrounded by private property may enter and exit the cemetery through or across the private property.

Circumstances under which the right to enter and leave such a cemetery would be necessary could be a situation where a family has sold off all of the surrounding land and still wants to be able to take care of and visit the cemetery. Another situation could be a person doing genealogical research and traveling to Kansas to see where their ancestors are buried.

I am not opposed to language that would ensure that private property would not be damaged, limit the entrances to such a cemetery to one, or clarify the types of cemeteries considered under this bill to be private cemeteries. I believe that it is important to allow people to pay their respects to family members, but I also understand the need to protect private property.

Thank you for your time, and I urge you to continue to consider HB 2118.

A handwritten signature in blue ink that reads "Sharon Schwartz".