

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 17, 2008, in Room 123-S of the Capitol.

All members were present except:

Senator Jay Emler - excused  
Senator Laura Kelly - excused  
Senator Steve Morris - excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes  
Kristen Clarke Kellems, Assistant Revisor of Statutes  
Amy Deckard, Kansas Legislative Research Department  
Audrey Dunkel, Kansas Legislative Research Department  
Heather O'Hara, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Jarod Waltner, Kansas Legislative Research Department  
Melinda Gaul, Chief of Staff, Senate Ways & Means  
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Steve Irsik, Chair, Kansas Water Authority  
Don Paxson, Chair, Kansas Water Authority Budget Committee  
Tracy Streeter, Secretary Kansas Water Authority and Director, Kansas Water Office

Others attending:

See attached list.

Chairman Umbarger opened the meeting with a briefing by the Kansas Water Authority.

Steve Irsik, Chair, Kansas Water Authority, presented information regarding the Water Authority (Attachment 1). Last year they addressed the following items and their thinking is long term.

Conservation Reserve Enhancement Program  
Water Transition Assistance Program  
Watershed Protection and Restoration  
Small Lake Restoration

Don Paxson, Chair, Kansas Water Authority Budget Committee, presented budget information. He noted that there are statewide water issues that they have to track. The Authority's recommendations for the FY 2009 State Water Plan Fund closely mirror the FY 2008 appropriations approved last year by the Legislature.

Tracy Streeter, Secretary, Kansas Water Authority and Director, Kansas Water Office, mentioned that he had addressed the Kansas Reservoir Summit. Mr. Streeter noted that the Neosho Basin has the most concern and the supply is going down. The Neosho Basin will be under consideration and more accurate figures regarding it will be attained.

Aquifer Resource Efforts. There have been congressional efforts regarding funding. The benefits are for a more stable water level and water quality. A list of Water Plan Fund Programs are provided in one of the charts in the written testimony. Committee questions and discussion followed.

In closing, Mr. Irsik noted that there are no more spots to drill wells. The reservoirs are appropriate, but they are losing water space due to siltation. The amount of money needed to fund water in Kansas is a drop in the bucket. Kansas is fortunate to have the water authority to strategically look at things along with the water office. Chairman Umbarger noted that the Committee considers the water issues seriously.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 17, 2008 in Room 123-S of the Capitol.

Copies of the Kansas Water Authority 2008 Annual Report to the Governor and Legislature were distributed to the Committee and copies of the report are available with the Kansas Water Office.

The meeting adjourned at 11:10 a.m. The next meeting was a Joint Meeting with the House Appropriations Committee the same day, January 17, 2008, beginning at 12:00 p.m.

**SENATE WAYS AND MEANS  
GUEST LIST**

Date January 17, 2008

NAME	REPRESENTING
<i>Julia Thomas</i>	<del>IB</del>
<i>Dary L. Baker</i>	<i>KWFI</i>
<i>Lisa French</i>	<i>KWA</i>
<i>Don Fabron</i>	<i>KWA</i>
<i>Joseph Schmidt</i>	<i>KWA</i>
<i>Trump Stuhl</i>	<i>KW</i>
<i>Chris Wilson</i>	<i>SW Ks GMD 3</i>
<i>Nathan Milburn</i>	<i>Stinger</i>
<i>Emily Geier</i>	<i>Hein Law Firm</i>
<i>Tom Bruno</i>	<i>REAP</i>
<i>MARK BORANYAK</i>	<i>CAPITOL STRATEGIES</i>
<i>Leslie Kaufman</i>	<i>Ks Co-op Council</i>
<i>Mike Howard</i>	<i>PDWT</i>
<i>SHERBY SMITH</i>	
<i>Dennis Schwartz</i>	<i>KS Water Authority</i>
<i>Kim Christiansen</i>	<i>Kansas Water Office</i>
<i>Dave Barfield</i>	<i>KS Dept of Agriculture</i>
<i>Kristin Mize</i>	<i>John Finegan</i>
<i>Dale Dotter</i>	<i>City of Wichita</i>

# KANSAS WATER AUTHORITY

901 South Kansas Avenue, Topeka, KS 66612-1210 (785) 296-3185



## **Steve Irsik, Chairman**

5405 Six Road, Ingalls, KS 67853  
(620) 335-5363 - [steve@ucom.net](mailto:steve@ucom.net)

### Kansas Water Authority Briefing To The Senate Ways and Means Committee

**January 17, 2008**

Mr. Steve Irsik, Chair, Kansas Water Authority  
Mr. Don Paxson, Chair, Kansas Water Authority Budget Committee  
Mr. Tracy Streeter, Secretary, Kansas Water Authority and Director, Kansas Water Office

Senator Umbarger and members of the committee, we are pleased to appear before you today in support of the proposed budget for the Kansas Water Plan Fund and other budget recommendations of the Kansas Water Authority (KWA).

The KWA was established 1981 and authorized in K.S.A. 74-2606 *et seq.*, to assist the state in stewardship of water resources, now and for the future. The Authority consists of 24 members representing water issues interest throughout Kansas. 13 members of its members are private citizens, appointed to represent the public and various Kansas water interests; and the remaining 11 members are ex-officio members representing state agencies involved in water resource management. A map showing the citizen representatives and the ex-officio members is illustrated on the back cover of the Annual Report.

The Kansas Water Authority is statutorily responsible for providing this Annual Report to the Governor and Legislature. This report highlights state, federal and local agency cooperation and efforts to preserve and protect Kansas' water resources. A copy has been provided to each member. In addition, this document is posted on the Kansas Water Office webpage at [www.kwo.org](http://www.kwo.org).

The primary function of the KWA is to consider and approve policy recommendations for inclusion in *the Kansas Water Plan*. Once approved, the KWA submits these recommendations to the Governor and Legislature for their consideration. In addition to other functions, the Authority also makes recommendations on spending priorities for the State Water Plan Fund.

Great strides have been made over the past several years in revitalizing the Kansas water planning process. The KWA appreciates the previous support of the Legislature in restoring State Water Plan Fund and providing funding for new projects including:

- Conservation Reserve Enhancement Program
- Water Transition Assistance Program
- Watershed Protection and Restoration
- Small Lake Restoration

### **Strategic Planning**

In an effort to insure that Kansas has adequate water resources, now and in the future, the Authority has undertaken a strategic planning initiative, designed to examine, reassess and prioritize efforts to enhance Kansas' water resources. In the end, five issues were identified for further review and efforts: The identified strategic planning issues are:

Senate Ways and Means  
1-17-08  
Attachment 1

Surface Water Management  
Reservoir Sediment Management  
Demand Management for Public Water Supplies  
Reduced Water Consumption in Western Kansas through Diversification  
Impact of Climate Change on Water Supply

All of the identified issues, except climate change, have been addressed by the KWA in the past, in one form or another. Strategic planning will build on these past efforts. During the past year, the Authority has also collaborated with the Kansas, Inc. to incorporate key water planning goals into their strategic plan.

The Kansas Water Authority will continue to address all of the aforementioned water resource issues but has determined that the initial emphasis of the planning process should focus on reservoir sedimentation and surface water management.

### **The Budget**

The Kansas Water Authority process for the State Water Plan Fund budget begins in June with a meeting of its Budget Committee. The Committee met twice to review projected revenues and anticipated program and project needs. At the August meeting of the KWA, held in Independence, Kansas, the full KWA adopted the State Water Plan Fund recommendations for FY 2009.

The Authority's recommendations for the FY 2009 State Water Plan Fund closely mirror the FY 2008 appropriations approved last year by the Legislature. In order to fund the projects and programs at last year's level, it requires additional revenue into the Fund. As a result, the KWA recommended an added appropriation from the State General Fund of \$3.6 million to fully finance the FY 2009 SWPF. In addition, the Authority recommends that \$1 million in State General Funds be appropriated for the Equus Beds Aquifer Storage and Recovery project (ASR) located in the Lower Arkansas River Basin. The full KWA budget recommendations for the fiscal year 2009 State Water Plan Fund are summarized in the table contained on page 23 of the Annual Report.

### **Kansas Reservoirs**

Two thirds of Kansans get their water from the state's reservoirs. The reservoirs system in the state of Kansas is vital to the health and wellbeing of Kansas. However, when the reservoirs were built, one fact was acknowledged; siltation and sedimentation would be issues for the future storage capacity and life of these reservoirs. Because reservoirs have become such a valuable water resource, the Kansas Water Authority has been challenged to find ways to maximize the reservoirs, including efforts to restore the valuable water storage lost to the effects of sedimentation.

Reservoirs, however, are joint projects of federal and state government. The federal entity that built the reservoir has ultimate control over reservoir operations. In many cases, the federal rules that govern reservoir operations are antiquated. The Kansas Water Authority's strategic planning, recognized that any number of state and federal policy and programmatic changes would need to be identified and addressed.

### **Kansas Reservoir Summit**

The initial step in the strategic planning process was the Kansas Reservoir Summit, held on October 17, 2007. 115 federal, state and local stakeholders attended the Reservoir Summit. The Summit made it clear that Kansas has taken a number of well defined steps to decrease the impact of sedimentation and to reduce sedimentation rates. Watershed activities are in place above 22 reservoirs. Watershed activities decrease sediment flowing into the reservoirs, thus, reducing sedimentation rates. Working relationships between local stakeholders and the state are strong.

ansas has also fostered healthy working relationships between the state and four federal partners. The Reservoir Summit brought all stakeholders together to receive presentations; hear discussions on current policy and necessary changes. Further, the Summit focused attention to the need to address sedimentation and for improved, flexible reservoir management.

In concert with this sedimentation issues, the Kansas Water Office has been reviewing, revising and renewing water resources supply and demand projections for each of the 12 river basins in Kansas. The task of identifying available water resources and their potential supply is not easy. However, understanding supply and demand is crucial to efficient planning of any natural resources.

The supply / demand studies meet a fairly simple objective: to identify problem areas in sufficient time to devote time, effort and resources to appropriate solutions. There are some limitations to any projection, including, but not limited to, the problems associated with using past data to project future actions and the inability to review peak demands at multiple site, among others. Identifying projected needs in advance allows Kansas the luxury of testing, searching and developing solutions geared toward the needs of the impacted basin solutions. Supply and demand studies use data on the current basin water supplies, including any reservoir storage and combine this data with the demand projections.

Supply and demand projections provide indicia of sufficiency of water resources in an area. Attachments 1, 2 and 3 highlight preliminary data from the Neosho River Basin, in Southeast Kansas. It is clear, however, that a focus on water resources should begin immediately. The Neosho projections show how vital it is to address reservoir sedimentation and to do so with urgency.

### **Clean Drinking Water Fee Fund**

The Clean Drinking Water Fee Fund, (CDWFF,) K.S.A. 82a-2101, was authorized by the legislature in 2001. The fees are to be divided between the highway fund and the state water plan fund. No less than 15 % of the CDWFF for technical assistance to public water supply systems and the remainder for renovation and protection of lakes capable of providing public water supply. Last year funds were appropriated for the restoration of Mission Lake at Horton as well as a low-head dam for Washington County Rural Water District No. 1. Estimated fund receipts for fiscal year 2009 are \$3.4 million.

### **Aquifer Resource Efforts**

*The Equus Beds: The Aquifer Storage and Recovery Initiative (ASR) Annual Report, Page 8*

The Equus Beds Aquifer, in south central Kansas, provides water to a significant portion of that population and has been a major source of water for Wichita since 1940. The City of Wichita has undertaken an ambitious project to stabilize and enhance south central Kansas' water supply. The plan, officially the Integrated Local Water Supply Plan, is intended to meet the Wichita's water supply needs through 2050, calls for using water from a variety of local resources, including the Equus Beds aquifer, Cheney Reservoir, and the Little Arkansas River.

The project will enhance both the quantity and quality of available water in the region. A key component of the plan is an Aquifer Storage and Recovery (ASR) Project in the Equus Beds Aquifer. Surplus water is captured when the Little Arkansas River is at high flow, treated, and injected into the aquifer. Wichita anticipates that they will be able, when the project is fully operational, to capture and recharge the Aquifer with up to 100 million gallons per day in high flow periods. The project's water supply benefits can be summarized in three areas:

- Maintain quality water supply for 500,000 citizens users though 2050
- Protect the water supply from saltwater contamination
- Provide a more dependable water supply for other users of the Equus Beds

Phase I of the ASR project, which has the capacity to capture and recharge up to 10 million gallons a day, has been completed at a cost of \$27 million. Work has begun on Phase II of the project, estimated to cost about \$125 million. The City of Wichita worked Kansas Congressional delegation to secure authorization for up to \$30 million during the 2006 Congress. A federal appropriation is being sought to help cost-share on the ASR Project. As previously mentioned, the KWA recommended \$1 million in State General Funds for the project.

*The Ogallala/High Plains Aquifer, Annual Report, Page 11*

The Ogallala/High Plains Aquifer provides water to much of the western half of Kansas. The Aquifer, which lays under 8 states, has been a valuable source of water for agricultural pursuits and has provided economic benefits for several decades. As you know, the water levels are declining and to extend the life of the aquifer and to sustain the resource in some areas, the KWA has prescribed voluntary, incentive-based tools to reduced water use. Through your efforts, several programs are now in place, including the Water Transition Assistance Program and the Conservation Reserve Enhancement Program, which is highlighted in this testimony.

*Conservation Reserve Enhancement Program*

Approved by the Legislature last year, the Upper Arkansas Conservation Reserve Enhancement Program (CREP) is a voluntary program that pays irrigators to put land into grass and other conservation practices to reduce stress on the aquifer and river along the upper Arkansas River valley. Participants volunteering for the program will retire water rights associated with the enrolled land, except for domestic uses, in exchange for 14 or 15 years of payments. Farmers also agree to maintain conservation practices on the land enrolled. This federal-state-local program provides water conservation and other benefits to water quality and wildlife habitat to the region.

Under last year's legislation, the Upper Arkansas River CREP was approved for an overall enrollment of 40,000 acres. With an a full enrollment at the 40,000 acre level, federal payments to participants will exceed \$45 million, and state upfront payments will add another \$2 million. Estimated water savings from an enrollment of 40,000 acres is estimated to exceed 50,000 acre-feet annually.

However, due to provisions contained in the 2006 legislation, we were only able to negotiate a 20,000 program with USDA. Last year's legislation provided two limitations; one affecting the overall CREP acreage and one affecting the current enrollment in two counties (Kearny and Gray). Under current state authority, the CREP program will end on June 30, 2008.

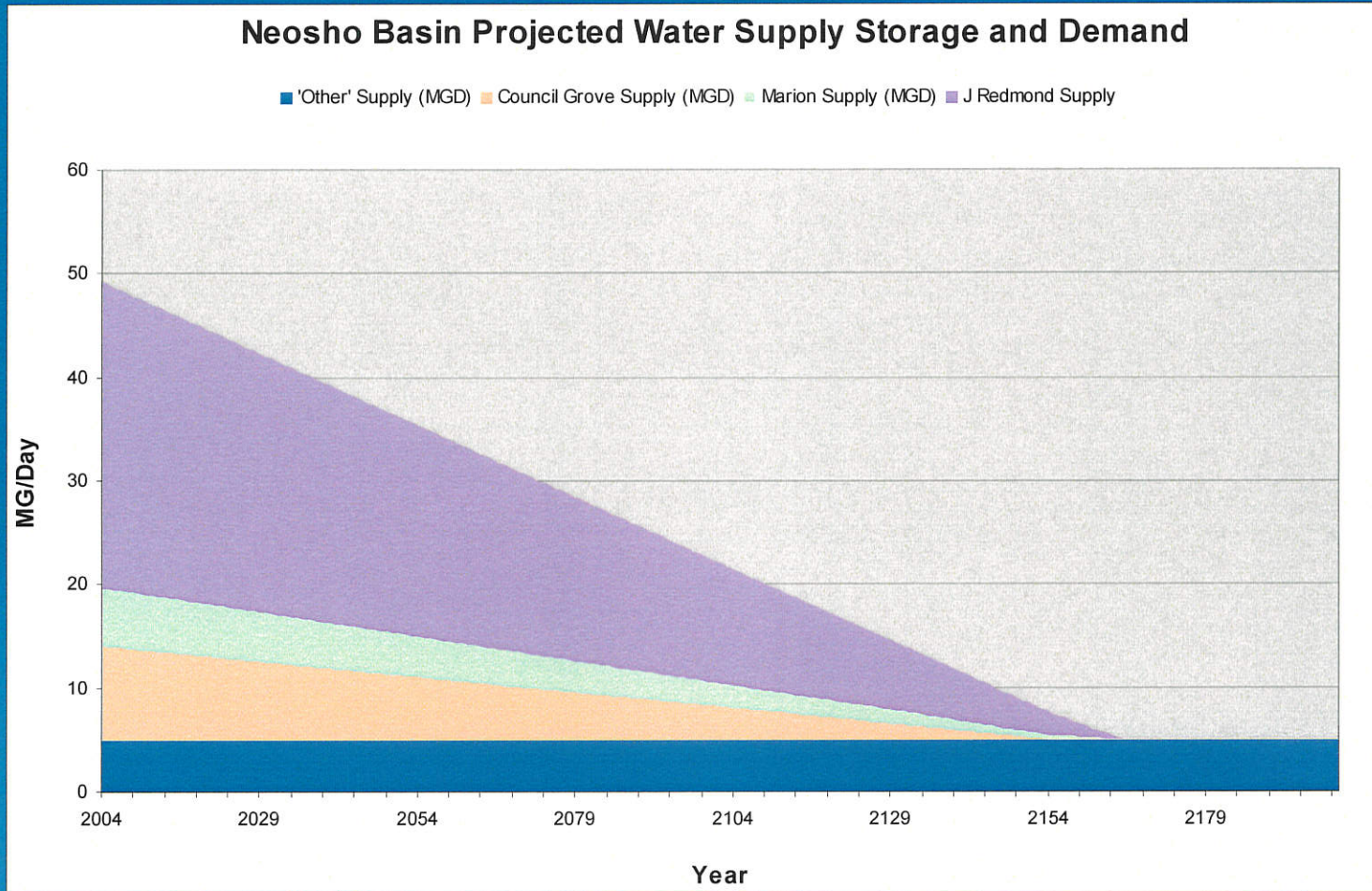
In order to continue the program and realize the maximum benefits authorized, we respectfully request your consideration of the following items as your Sub-Committee and full Committee deliberates the budget:

- Re-appropriate all uncommitted FY 2008 CREP funds to FY 2009.
- Include authorization to implement CREP.
- Remove the limitation requiring two acres of existing CRP lands to expire from contract before enrolling one acre into CREP
- Consider removing the provision limiting CREP enrollment in any one county to 25 percent of the total CREP program.

On behalf of the Kansas Water Authority, we appreciate your support of our efforts to address Kansas' most critical water resource issues. Thank you.

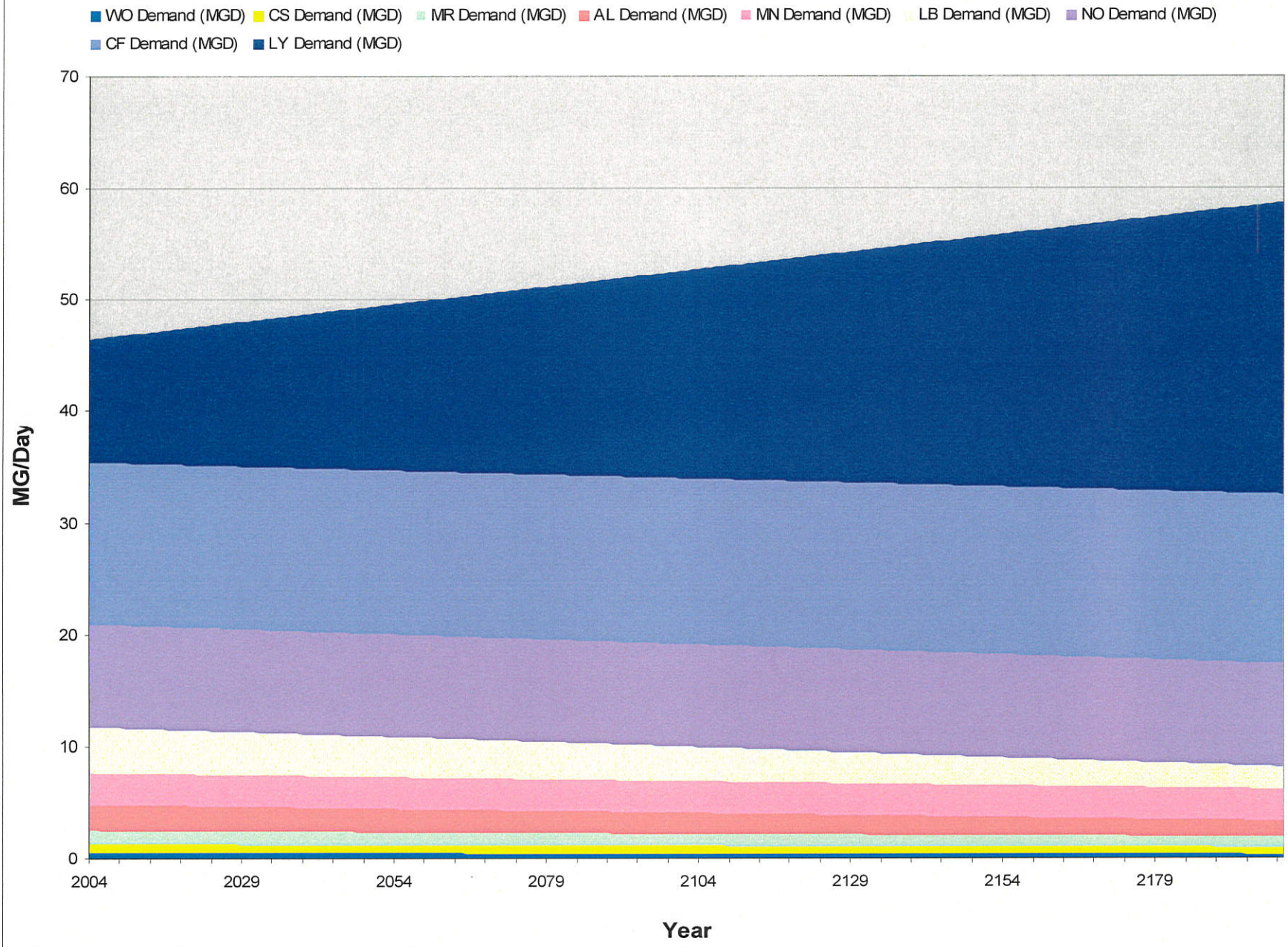
# Neosho Supply

- Neosho Reservoir sedimentation rates are (relatively) high





### Neosho Basin Projected County (SW) Demand



# Neosho Basin Projected Water Supply Storage and Demand

