Approved: _	January 18, 2007
	Date

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

Joint Meeting of the House Agriculture & Natural Resources Committee Senate Natural Resources and Agriculture Committees Kansas Water Authority

A joint meeting of the House Agriculture & Natural Resources Committee, the Senate Natural Resources and Agriculture Committees, and the Kansas Water Authority was held on January 10, 2007, in Room 313-S of the State House. Senator Carolyn McGinn chaired the meeting. Other Committee chairs and members presiding included Senators Ralph Ostmeyer, Mark Taddiken, Roger Pine, and Marci Francisco; and Representatives John Faber, Forrest Knox, and Josh Svaty.

Senators attending the meeting included Senators Dennis Pyle, Tim Huelskamp, and Janis Lee. Representatives attending included Representatives Don Schroeder, Rocky Fund, William Wolf, Elaine Bowers, Shirley Palmer, Carl Holmes, Larry Powell, Tom Moxley, John Grange, Bill Light, Doug Gatewood, and Steve Lukert.

Senator McGinn introduced Committee Assistants, and called on Raney Gilliland to introduce Legislative Research and Revisor's Office staff.

Steve Irsik, Chairman of the Kansas Water Authority, provided an update on programs to preserve the quality and quantity of water in Kansas, and the agency's efforts to provide information to give direction to the Legislature as it deals with this issue in the future. He referenced the Annual Report of the Kansas Water Authority provided to the Governor and Legislature, copies of which were distributed to the group.

Mr. Irsik introduced the Basin Chairs, the citizens serving on the Authority, and the staff of the Kansas Water Office. Mr. Irsik noted that the planning for many water projects starts with the Basin chairmen.

Mr. Irsik commented that interest in water is increasing due to the development of new ethanol and coal-fired utility plants, packing plants, and the demand for water recreational facilities. He felt that the water planning process is alive and well in Kansas, and told the group that water projects are long term, covering 50-100 years. He said once a system is polluted, or once an aquifer if pumped out, there's little that can be done.

Tracy Streeter, Director of the Kansas Water Authority, reported on the Water Plan Projects Initiative 2005 and 2006 accomplishments, and a one-time payment from Colorado of \$5 million to the State Water Fund. He detailed some programs which include an environmental protection plan, contamination remediation program, and an enhanced program on reservoir sedimentation. With regard to the public water supply, Mr. Streeter discussed how money paid to the State Water Fund was distributed between lake restoration, technical assistance for maintenance of the water supply, and the debt on reservoirs. He mentioned that the Perry Reservoir, built in 1968, had significant sedimentation which would need addressed in the future.

Mr. Streeter discussed the Conservation Reserve Enhancement Program (CREP) in the Upper Arkansas River. The voluntary program provides annual payments to landowners, permanent water right retirement, the potential to conserve water, and repair stream flow and aquifer decline.

Mr. Streeter told the group that there is a moratorium on water rights in the Ozark Plateau Aquifer due to development in adjacent states, and that Salina had water restrictions due to drouth conditions which contributed to low water levels and stream flows. In short, the demand for water exceeds the supply. Because of competing water rights and the increasing demand for water recreation, Wilson Reservoir has bought rights to protect water level at the Keith Sebelius Reservoir.

Greg Foley, Executive Director, State Conservation Commission, spoke on the Water Transition Assistance Program. The mission of this program is to provide a voluntary tool that will work together with the State Water Planning efforts to reduce consumptive use of groundwater in Kansas. He stated that the High Plains Aquifer areas of Prairie Dog Creek and Rattlesnake Creek have priority for funding. He mentioned the program initially focused on construction of new lakes for flood control, public water

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supply and recreation. The program now includes renovation of public water supply lakes. Under the Small Lake Restoration program, Horse Thief lake was constructed and a dozen structures renovated,. Additionally, rehabilitation efforts for FY 2008 will include six watershed districts and eleven sites, and Inundation maps approved for 14 Watershed Districts and 159 sites.

David Pope, Chief Engineer, Kansas Department of Agriculture, Division of Water Resources, addressed dam safety. A proposal to amend KSA 2-1915 would allow grants to any owner other than state agencies, an 80% maximum cost share rate, and would be administered by SCC in cooperation with the Chief Engineer. The Interim Committee recommended the proposal be approved and that the SCC prepare breach inundation maps.

Mr. Pope discussed enhanced water management which would protect water rights and public interest in target areas, impact soil and water conservation with regard to bed and bank degradation and flows, recreational and navigational uses, and monitor compliance and enforcement activities involving interstate water issues. With regard to the Kansas v. Colorado Arkansas River litigation, a draft decree is now before the Special Master. The 10-year compact running from 1997-2006 is almost up, and he anticipates future conflicts. Regarding the Tri-State (Kansas, Colorado, Nebraska) Republican River Compact, Colorado and Nebraska overused their allocation in the first three years, and Kansas must seek enforcement of the settlement decreed by the Supreme Court. In FY 2007, budget enhancement is being sought to monitor and deal with compliance using technical and legal outside assistance.

He told the Committee that problems would arise no matter what is done, but the Legislature needs to find solutions. He mentioned the Southeast Kansas water problems which are heightened by recurring drought conditions.

Adrian Polansky, Secretary, Kansas Department of Agriculture, spoke on renewable fuel production (ethanol plants) as a value added product that brings jobs and economic growth to rural communities. There are currently eight ethanol plants in production that produce 240 million gallons of fuel. It takes 3-4 gallons of water to produce one gallon of ethanol, and a 50-million gallon ethanol plant may use 200 million gallons (613 acre feet) of water, comparable to water usage of a 15,000 cow dairy, three feedlots, or a town of 4,000. This same 613 acre feet of water would irrigate 3 million acres of crop land in an average year.

Ethanol production is energy efficient, yielding a return of 16 units of fuel energy output for each unit of energy input. Corn production continues to increase in Kansas, making it a source for renewable fuel production. In addition, more than half of Kansas ethanol is made from sorghum.

New ventures planned in areas closed to new appropriation for water consumption must be approved by the Chief Engineer and a review of how it will impact the net consumptive usage of the water source.

Secretary Polansky summed up his presentation by suggesting that state government continue to provide strong oversight over siting of renewable fuel plants with regard to water supply and availability.

Senator McGinn thanked the Kansas Water Authority staff for their concise presentation and opened the floor to questions.

Senator Taddiken asked how a determination is made as to who gets water if there is a shortage. Tracy Streeter answered that a preliminary finding on the application would justify the allocation.

Representative Svaty asked what role the Basin committees have in allocating water. Mr. Streeter replied that they have no role.

Representative _____ asked about the costs for dam repairs and for dredging. Mr. Streeter deferred the question to Greg Foley who said it takes \$40,000 to repair small dams, and dredging costs \$5,600 per acre foot.

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Senator Huelskamp asked about the development across the state line in Oklahoma and if it draws on our water, and how do we deal with it. Secretary Polansky answered that the Kansas water system in that area is fine, and that moving a state line doesn't help the situation.

Representative Schroeder asked about how big a threat is contamination to future water supply. Ron Hammerschmidt answered that there is contamination in certain areas, with Hutchinson the worst. He said Hutchinson has invested a lot of money in making their water safe.

Senator McGinn thanked the attendees for coming and sharing information, those who traveled a distance to attend, and to the Water office for their expertise.

The meeting adjourned at 8:30 a.m.

Judy Holliday, Committee Assistant