

WORD FROM THE STREET: WATER BILL UPDATE



Tracy Streeter, Director
Kansas Water Office

We are several weeks into the 2012 Legislature and so far, water has been a popular topic in the Statehouse. With the KWA and BAC chairs in town recently, over 80 appointments were made, 120+ individual legislators were visited with, as well as a few committee briefings attended. Thanks to all who were present and participated in those legislative discussions. While our staff in the various agencies do a great job of explaining the issues to legislators, the conversations you have with your elected officials regarding our water issues are the

most productive and appreciated. Gov. Brownback's water legislation, as proposed by the KWA and the Ogallala Aquifer Advisory Committee are moving forward nicely. All the bills have been introduced, received a hearing and passed out of Committee. Two bills; HB 2451 dealing with the "Use it or Lost it" provisions under the Water Appropriations Act and SB 272 dealing with Multiyear Flex Accounts, have both cleared their respective House of origin and have already passed out of Committee in the other Chamber. SB 310 which establishes the Local Enhanced Management Area provisions under the IGUCA statutes, was passed by the Senate Natural Resources Committee. HBs 2516 and 2517 have cleared the House Agriculture and Natural Resources Committee and

await final action on the House floor. These bills address amendments to the Water Banking Act and Water Transition Assistance Program.

In addition to these policy bills, agencies receiving State Water Plan Funds began their budget hearings last week. The KWO appeared this week to present its budget to both the House and Senate subcommittees. Weather modification and water resource education programs received significant attention in both hearings.

We will make every effort to keep you apprised of the progress on these and other water-related proposals. Check out our website periodically for legislative updates as well. Thanks again for all of your efforts in promoting the 2012 water legislation!

STATE NEWS: COPING WITH THE DROUGHT

Kansans were hit hard by the drought of 2011. Records were broken for temperature and precipitation throughout the state. Southwest and south central Kansas experienced the driest six month period from January to July, and the hottest July in the past 118 years. July was the fourth warmest for central and southeast Kansas. The 2011 year also racked up the most days of 100 degree weather.

To help farmers salvage crops under these intense conditions, the Kansas Department of Agriculture, Division of Water Resources allowed water right owners to apply for a special two-year drought term permit. The drought term permit allowed the application of their entire 2011 water allo-

cation plus up to 100 percent of their 2012 allocation. The term permits were extremely valuable, with more than 2,200 drought terms issued.

Multi-year Flex Accounts (MYFA) can help irrigators who entered into drought term permits. A MYFA allows producers to flexibly manage five years of their average water use. There are changes under consideration by the Legislature to make the program more attractive

(see SB 272): 1) remove its required 10 percent conservation, and 2) give additional options on ways to determine the average water use. Removal of the conservation component, while holding the flex accounts to average water use, should result in an option that is "aquifer neutral" (doesn't increase total use). Importantly, it gives producers greater ability to manage their crop water. Due to the extreme conditions of 2011, the Senate Agriculture and Natural Resource Committee also support no reduction in the five year MYFA for water used under a drought term permit.



Winter Wheat-2011

NATIONAL NEWS: EPA SSO PROPOSAL & TESTIMONY PROVIDED

On Jan. 4, 2001 EPA Administrator Carol Browner proposed regulations for sanitary sewer overflows (SSOs). The EPA defines SSO as a "release of sewage from a collection system, including pipes, before it reaches a municipal wastewater treatment plant.

Once again this is being discussed for proposal to direct municipal wastewater treatment plant operators in developing and/or improving capacity (of the wastewater treatment plants) assurance and adequate operation and maintenance protocols intended to significantly reduce or eliminate overflows of raw sewage into lakes, rivers, streams, public or private buildings or onto beaches.

EPA estimates this will cost local government between \$93.5 million and \$126.5 million/year.

Recently Mayor Joe Reardon, Unified Government of Wyandotte Co., Kansas City, KS (KCK) testified before Congress in opposition to these costly mandates EPA pro-

posed to impose on cities to repair their aging sewer systems. The Mayor of Omaha and officials with the National Leagues of Cities also expressed to a Congressional subcommittee the regulations are too stringent and expensive for local taxpayers to afford. The city officials asked the EPA to be more flexible and partner with local governments to repair the aging sewers.

"Let's choose a new approach of cooperation and partnership over adversarial mandates. Let's design a solution which is cost-effective and affordable over a massive unfunded mandate which the citizens I represent can't afford," Reardon stated in his written testimony to the House Transportation and Infrastructure Committee's Subcommittee on Water Resources and Environment.

The EPA and the Department of Justice are forcing KCK, KCMO,

Omaha, St. Louis and other cities to spend billions of dollars to repair old sewer systems which could pollute rivers and other waterways. The EPA mandate for KCK alone is estimated to cost \$850 million. KCMO

has already agreed to spend more than \$2 billion over the next 25 years to fix its sewer system.

Reardon told the Congressional members the cost of the

EPA mandated repair plan is nearly four times the entire unified Government annual budget.

"We would spend more fixing the combined sewer problem than we spend in four years on police and fire protection, the courts and jail, roads and bridges, parks and recreation, social service programs and every other function of municipal government," the testimony states.



GREG GRAFF, NEW KANSAS WATER AUTHORITY MEMBER

Governor Sam Brownback recently appointed Greg Graff to serve on the Kansas Water Authority (KWA).

Graff is a lifetime resident of Leoti, KS and Wichita Co. He attended Wichita Co. High School and graduated from Kansas State University in 1973 with a B.S. in Agricultural Mechanization.

Following graduation at K-State, he returned to Leoti to farm and feed cattle with his father Vic and brother Gary.

Graff has served on and been chairman of several boards including the

Scott Coop Association, SW KS Experiment Station Advisory Board, Groundwater Management District No.1 and the Western Kansas Modification Board.

He currently serves on the Kansas Grain Sorghum Commission which helps to fund sorghum research at K-State.

Graff is also the Kansas sorghum representative to the U.S. Grains Council doing foreign market development for grain sorghum. He has also been involved with ethanol as well as food grade grain sorghum.



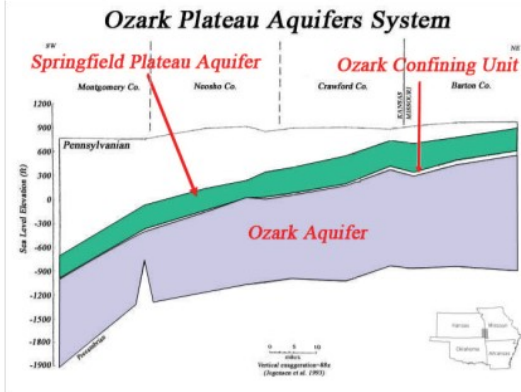
Greg Graff, KWA Member

"I was honored to be considered and appointed to the KWA. There has been lots of discussion in the past in regards to the depleting Ogallala aquifer and with the current folks in office in Topeka there is potential to truly get something done to "conserve and extend" this vital resource," Graff said. "I also look forward to helping address the surface water issues occurring in eastern Kansas."

Greg and his wife Kathy have two children whose families work at Kennedy & Coe CPA firm, the Stafford school system and Koch Industries. They have two grandsons in fourth and eighth grade at Hays and Pratt.

BPI ARTICLE: WATER SUPPLY IN SOUTHEAST KANSAS

In Crawford and Cherokee Counties the main source of water supply for municipalities is the Ozark aquifer, which is the lower portion of the Ozark Plateau aquifer system. The Ozark system underlies the four-state region of Missouri, Arkansas, Oklahoma and Kansas. The Spring River is also an important water source that is the water supply for two municipalities and industries in Kansas.



State Water Plan funded studies (completed 2009) of the Ozark system were undertaken by the U.S. Geological Survey to evaluate the extent of groundwater declines, associated water quality problems and develop a model used to assist in management deci-

sions. The following links give findings of the two studies.

<http://pubs.usgs.gov/sir/2009/5148/>
<http://pubs.usgs.gov/sir/2009/5093/>

Between States

The Ozark aquifer and the Spring River are significant sources of water supply for Cherokee and Crawford counties, as well as MO and OK. To ensure the quantity and quality of the aquifer and river remain adequate for all three states, cooperation is essential. All three states participate in

the Tri-State Water Resource Coalition and have drafted a Memorandum of Agreement (MOA) to develop a regional water plan for the area. The idea of the MOA is to draft an agreement that would allow the states to work together to find a reliable, quality water

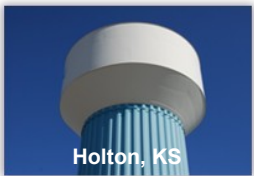
supply. The MOA would foster a relationship where resources could be shared. This would create open communication between states and limit the duplication of efforts and wasting of resources.

Coordination and communication with the KWO, the Spring River WRAPS and Grand Lake Watershed Alliance Foundation is ongoing. A draft MOA to develop a regional water plan, concerning water quality for the Watershed is also in review. This MOA would encourage the same type of resource sharing and open communication, in reference to the water quality in Grand Lake as well as the entire Neosho Basin.

With the MOA's in place this would assist in KWO's efforts to work on Priority Issues: water supply, poultry litter and blue green algae blooms, which have been a concern in the SE KS area and Neosho basin. All which require interstate cooperation.

WATER 101: WHO FUNDS LOCAL INFRASTRUCTURE?

An adequate supply of good quality water and a healthy, environmentally safe way to dispose of human waste – these are infrastructure needs all citizens of Kansas deserve. A variety of programs are available to assist communities with funding water and wastewater projects. There is generally a mix of federal, state and in some cases, local funds utilized. However it is important to note ultimately the customers of the waste water system are who carry the majority of the bill for these projects. Revolving loan funds are available at competitive interest rates through KDHE for both water and sewer pro-



jects. These loan funds are capitalized by the Environmental Protection Agency. In the last few years, agreements for loans for drinking water projects have ranged between \$23 and \$36 million in total loans to 15 to 20 communities each year; wastewater project loan totals have ranged between \$17 and \$100 million for 12 to 15 communities each year. These loans have a 20 year repayment.



Community Development Block Grants are administered by the KS Department of Commerce. These grants are available for up to \$500,000 to low and moderate income communities to address both water and sewer needs.

The number of communities who have been funded each year has ranged from 12 to 21 and the amount available for granting has varied from just over \$4 million to a high of almost \$8 million.

The USDA Rural Development also provides loans, grants and loan guarantees for drinking water and sanitary sewers in rural areas, cities and towns of 10,000 or less. The loans are repayable over a 40 year period. In 2010, almost \$16 million in loans and \$10 million in grants were awarded to 18 communities; in 2009 there were over \$15 million in loans and \$7 million in grants awarded to nine communities.



THE WATERFRONT CALENDAR

FEBRUARY

29– Kansas Water Issues Forum - *Wichita, KS*

MARCH

1 - Kansas Water Issues Forum - *Hays, KS*

30 - Missouri BAC - *Hiawatha, KS*

APRIL

3 - Cimarron BAC - *Montezuma, KS*

3 - Marias des Cygnes BAC - *TBD, KS*

4 - Upper Arkansas BAC - *Jetmore, KS*

5 - Smoky Hill-Saline BAC - *Hays, KS*

5 - Kansas-Lower Republican BAC - *Manhattan KS*

10 - Solomon BAC - *Stockton, KS*

11 - Lower Arkansas BAC - *Hutchinson, KS*

11– Upper Republican BAC - *Atwood, KS*

11– Walnut BAC - *Eldorado, KS*

12 - Neosho BAC - *Council Grove, KS*

12 - Verdigris BAC - *Neodesha, KS*

MAY

17 - Kansas Water Authority - *Hillsboro, KS*

For comments or questions on the WaterFront please contact Katie Patterson-Ingels at Katie.Ingels@kwo.ks.gov

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KANSAS WATER ISSUES FORUM

Just Add Water: Kansas and the Economy

The Kansas Water Issues Forum is an annual event that brings together experts and citizens to learn and discuss current topics in water and the related fields of energy, climate, economy and the environment.

Water has always been key to Kansas' economy, and that is especially true with oil and gas development. This year's forum: *Just Add Water: Kansas and the Economy* will explore the energy development in Kansas, particularly the new technologies of horizontal drilling and hydraulic fracturing (fracking) and its potential impact on water supplies. The economic boom from the new development is welcome, yet there are questions as to the impacts on water and land.

Industry experts and state agencies will present fact based information on oil and

gas development, trends and potential in Kansas, water issues and permitting processes.

Oklahoma will share their experiences with the recent boom of the shale gas development.

The forum will also explore related questions on how an energy company identifies energy sources to meet future demands

A townhall discussion of what the government's role should be in energy development will complete the day.

The forum will be held in two locations for your convenience:

Wednesday, Feb. 29 in Wichita and Thursday, March 1 in Hays.

To register and pay online visit: www.kwo.org. The registration fee is waived for KWA and BAC members.

For more information call: 1-888-526-9283 or contact us at: kwo-info@kwo.ks.gov

Registration fee covers lunch, refreshments and meeting materials. **Registration deadline is Feb. 22.**

Anyone involved with water, energy or growth issues is encouraged to attend.

