



BOARD OF DIRECTORS MEETING
November 23, 2008 – 1:00 p.m.
Wichita Airport Hilton Hotel

Board of Directors Present:

LaVern Wetzel, President
Gene Albers, Vice President
Ronald Brown, Secretary/Treasurer
Jon Starns, Director
Bevin Law, Director
Pat Lehman, Executive Director

Guests present:

Eric Banks, State Conservationist, NRCS
Greg Foley, Director, State Conservation Commission
Scott Carlson, Assistant Director, State Conservation Commission
Wayne Lukert, Supervisor, Shawnee County
Gayla Speer, EO President
Don Paxson, KACD Representative to the Kansas Water Authority
Jack Majeres, NACD Executive Board Member, Northern Plains Representative
Deb Bogar, Region Representative, NACD
Larry Biles, Kansas State Forester
Dan Meyerhoff, Assistant State Conservationist, NRCS
Lyman Nuss, Supervisor, Russell County; Chairman, KACD Endowment Committee

Meeting Called to Order:

LaVern Wetzel, President, called the meeting to order at 1:00 pm at the 2008 KACD Convention located at the Wichita Airport Hilton Hotel.

Approval of Agenda:

Ronald Brown moved to approve the agenda as presented. Bevin Law seconded the motion. Motion approved.

Approval of Minutes:

Jon Starns moved to approve the minutes as presented. Ronald Brown seconded. Motion approved.

Financial Report:

KACD Executive Director Pat Lehman presented the financial report. The 2009 KACD Budget was presented to the Finance Committee on November 6, 2008. The Certificate of Deposit, held by Sunflower Bank, accrues interest at 3.20% for one year. The interest from the CD is automatically transferred to a savings account, also at the Sunflower Bank, each month. Starns moved to approve the financial report. Brown seconded the motion. Motion approved.

Resolution-Water Office

Lehman reported receiving a resolution from the Kansas Water Office asking KACD to support the fiscal year 2010 budget and future State Water Plan Fund enhancement recommendations of the Kansas Water Authority. Rather than send it to a committee, the resolution will be handled by the KACD Board of Directors, which also serves as the Legislative Committee for the association. Don Paxson, KACD representative to the Kansas Water Authority, discussed the importance of the resolution. The Kansas Water Authority has determined that increased and dedicated funding is important. Water resources infrastructure must be addressed across the state. While it may be a few years to fruition, the state's new expanded gaming laws may provide that critical funding. The Expanded Lottery and Revenues Fund (ELARF) can be used for three things: debt relief, infrastructure and property tax relief. KWA is asking the Legislature to dedicate 10 percent of this fund to the State Water Plan Fund.

The KWA is recommending a 50-percent increase in fees that support the State Water Plan. The principal recipient is the State Conservation Commission. The SCC uses State Water Plan funds for projects in conservation districts across the state. As water resources concerns grow, existing fees have become inadequate to meet challenges.

The federal reservoirs in Kansas are vital to our lifestyle and our economy, providing water to two-thirds of the Kansas population. As reservoirs age, it is important to protect and restore current Kansas storage as well as secure additional storage. The KWA and the KWO have created a new initiative, the Kansas Reservoir Sustainability Initiative.

A pilot project dredging at Mission Lake in Horton, Kansas, is underway to examine the possibility of removing accumulated sedimentation to increase storage capacity. This project will provide valuable insight and data for future dredging projects.

Three programs for voluntary retirement of water rights are targeted for the High Plains. CREP, WTAP and EQIP all provide monetary and other incentives to landowners who voluntarily relinquish all or part of their water rights. Jon Starns moved to approve the resolution and to remove the last "Be it Resolved." The resolution will be sent to the leadership of the House and Senate and the Governor at the appropriate time. Ron Brown seconded the motion. Motion Approved. This resolution will be presented at the General Session by the Legislative Committee.

NRCS Report – Eric Banks

Personnel:

Reassignments: Rhonda G. Sulsar, Contract Specialist, Salina, has been selected as the new State Administrative Officer effective November 23, 2008.

Operations:

All supervisory district conservationists met with the state conservationist and management team members for a two-day training and discussion. Topics in the session centered on operation

and management of the multi-county management units. Beginning in October 2007, Kansas went to a system of 34 management units with two to four counties per management unit. This has created efficiencies that are allowing the state to keep more individuals employed and able to spend more time in the field with producers. Kansas has received its initial budget allocation for FY 2009. We are operating under a Continuing Resolution authority through March 6, 2009. This accounts for 43.01 percent of the year. Allocations for Discretionary Funds (programs include Conservation Technical Assistance [CTA], Soil Survey, Plant Materials Program, Resource Conservation and Development [RC&D], Watershed Planning and Watershed Operations) were received at 43.01% of our anticipated yearly allocation. Mandatory programs (Conservation Reserve Program, Farm and Ranch Lands Protection Program, Wildlife Habitat Incentives Program, Environmental Quality Incentives Program, Wetlands Reserve Program, Grassland Reserve Program, and Conservation Security Program) were funded with an estimated annual allocation. Several programs, including the Agricultural Water Enhancement Program and the Conservation Stewardship Program, both of which are new programs, will be funded once the final rules are established. Based on the budget allocations, it appears that the budget for Kansas may be cut by \$2 million. We are in wait-and-see mode as to the final allocations, so issues such as filling vacant staff positions, vehicle and equipment purchases, and computer updates are not yet determined. Travel and other non-essential expenditures are being kept to a minimum.

SCC Update – Scott Carlson

Budget Cut; Budget Request:

On November 5, 2008, the Governor announced three-percent cuts to the FY 2009 budget due to state revenue shortfalls. Her office is projecting a five-percent reduction in FY 2010. Current revenue estimates indicate a \$211 million shortfall in FY 2010. The SCC budget request for FY 2010 is \$14.5 million, with \$4.5 million in enhancements for a total FY 2010 budget request of \$18.8 million.

Legislative Post Audit:

The Kansas Division of Legislative Post Audit is performing an audit to determine potential cost savings by consolidating the Animal Health Department and the State Conservation Commission with the Kansas Department of Agriculture. Their findings will be presented to the Legislative Post Audit Committee on December 19th. The final report will be submitted to multiple legislative committees.

Key Issues for the SCC in the 2009 Session:

Primary issues for the 2009 legislative session are the possible consolidation of SCC into KDA, the KWO request for enhancement funding from ELARF (Expanded Lottery Act Revenue Funds), and the KWO requesting an increase in fees for the State Water Plan Contribution and Cooperative agreements.

Contribution and Cooperative Agreement Updates:

The Contribution Agreement with NRCS to provide SCC field staff is in effect until September 30, 2009. Three positions are currently filled and a fourth is being advertised. SCC has a cooperative agreement with NRCS and conservation districts to provide clerical assistance on EQIP and CSP applications and contracts. The agreement is in effect until June 30, 2009. During the period October 2007 to September 2008, participating conservation districts provided 5,056.25 hours and received \$18/hr, for a total of \$91,012.50 in payments for assistance.

Spring Workshop Dates/Locations:

Area I: Hays, March 11
Area II: Garden City, March 10
Area III: Salina, March 5
Area IV: Topeka, March 3
Area V: Iola, March 4

EO Report – Gayla Speer

Gayla report that the 2009 statewide employees meeting will be held in Topeka in April.

Board Member Reports

LaVern Wetzel reported that he was elected Edwards County Commissioner in the last election and he will be resigning as Area II director. The KACD Board of Directors will appoint a director for Area II. No other board member reports.

Guest Report

Dan Meyerhoff reported on the Kansas Natural Resources Conference to be held in late January. No action by the directors.

Old Business:

Conservation Day at the Capitol

Lehman announced that Conservation Day at the Capitol will be Tuesday, January 20, 2009. Lehman reported that the day will not include booth displays or lunch because of the construction in the Capitol. We can still have district personnel come in to meet with their legislators to discuss legislative issues.

Convention Registration

Lehman gave an update on the convention planning.

New Business:

NACD Convention-Registration

Lehman reported that he had sent the registrations for the NACD Convention in New Orleans, LA, February 1-4, 2009 for four directors. No action by directors.

Executive Director's Contract

Starns moved to accept the association management contract with Pat Lehman of Lehman Communications, Inc., for two years. Gene Albers seconded the motion. Motion approved.

Next Board Meeting

The next KACD board meeting will be January 21, 2009, at 9:00 a.m. in Topeka, KS. The location will be announced later.

Adjournment

Brown moved to adjourn the meeting at 4:00 pm. Starns seconded the motion. Motion approved