

MEMO



DATE: July 5, 2018
TO: Regional Advisory Committees
FROM: Earl Lewis, Assistant Director
RE: State Water Plan Fund Budget Recommendations

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The Kansas Water Authority (KWA) is developing recommendations for how the State Water Plan Fund (SWPF) should be allocated during state fiscal years 2020 and 2021. This includes requesting restoration of the full \$6 million State General Fund and \$2 million Economic Development Initiatives Fund demand transfers to the SWPF.

During the April KWA meeting, action was taken setting a budget recommendation development timeline, including seeking regional advisory committee (RAC) input into the process before the KWA finalizes their recommendations. The KWA will take action at the August meeting to finalize budget recommendations so that agencies may include the recommendations in agency requests in September.

Attached are two spreadsheets covering the historic fee funding portion of the SWPF and requests that have been made regarding the full restoration of the demand transfers.

Recognizing the unique role RACs serve in representing local interest in identifying issues and developing action plans to solve those issues, the KWA is seeking your input regarding the SWPF budget. In particular, for the requests regarding restoration of the demand transfers:

1. Which projects/programs are the highest priorities for your region?
2. What is an appropriate level of funding for those high priority items that will be effective and can be implemented?
3. Are there actions, projects or programs that your RAC feels should be included that are not, or that are getting too much attention?

The KWA Budget Committee will meet in early August to review RAC and agency feedback to what has been requested. This will be a difficult task as I believe we all understand that there is more demand for funds than there is money available. Your input is very important to this process of identifying the most effective and critical funding needs.

We are asking that any RAC providing recommendations do so by action of the committee. This will help to insure that the wishes of the committee are clearly communicated to the KWA Budget Committee.

Thank you for your continued work on our common water resource issues.

State Water Plan Fund

	FY2017 Actuals	FY2017 Carry forward	FY2018 Appropriated	FY2018 w/Carry Forward	FY2019 Appropriated	FY2020 Recs	FY2021 Recs
Department of Health and Environment							
Contamination Remediation-1802	\$ 654,095	\$ 34,206	\$ 602,824	\$ 637,030	\$ 688,301	\$ 688,301	\$ 688,301
TMDL Initiatives-1805	\$ 244,057	\$ 34,250	\$ 216,114	\$ 250,364	\$ 276,307	\$ 276,307	\$ 276,307
Nonpoint Source Program-1804	\$ 297,768	\$ 7,000	\$ 238,540	\$ 245,540	\$ 298,980	\$ 298,980	\$ 298,980
Harmful Algae Bloom Pilot					\$ 450,000	\$ -	\$ -
Watershed Restoration and Protection Strategy	\$ 555,884	\$ -	\$ 555,000	\$ 555,000	\$ 730,884	\$ 555,884	\$ 555,884
Total--Department of Health and Environment	\$ 1,751,804	\$ 75,455	\$ 1,612,478	\$ 1,687,933	\$ 2,444,472	\$ 1,819,472	\$ 1,819,472
University of Kansas--Geological Survey	\$ 26,841	\$ -	\$ 26,841	\$ 26,841	\$ 26,841	\$ 26,841	\$ 26,841
Department of Agriculture							
Interstate Water Issues-0070	\$ 451,841	\$ 37,884	\$ 392,413	\$ 430,297	\$ 492,000	\$ 492,000	\$ 492,000
Subbasin Water Resources Management-80	\$ 781,007	\$ 132,688	\$ 407,149	\$ 539,837	\$ 610,808	\$ 610,808	\$ 610,808
Water Use-75	\$ 107,488	\$ 55,810	\$ 64,368	\$ 120,178	\$ 72,600	\$ 72,600	\$ 72,600
Water Resources Cost Share-1205	\$ 2,041,643	\$ 81,023	\$ 1,727,387	\$ 1,808,410	\$ 1,948,289	\$ 1,948,289	\$ 1,948,289
Nonpoint Source Pollution Asst.-1210	\$ 1,866,556	\$ 128,109	\$ 1,502,909	\$ 1,631,018	\$ 1,858,350	\$ 1,858,350	\$ 1,858,350
Aid to Conservation Districts-1220	\$ 2,092,637	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,092,637	\$ 2,092,637	\$ 2,092,637
Watershed Dam Construction-1240	\$ 559,353	\$ 17,081	\$ 511,076	\$ 528,157	\$ 550,000	\$ 550,000	\$ 550,000
Water Quality Buffer Initiative-1250	\$ 179,893	\$ 177,008	\$ 88,662	\$ 265,670	\$ 200,000	\$ 200,000	\$ 200,000
Riparian and Wetland Program-1260	\$ 158,892	\$ 203	\$ 416,655	\$ 416,858	\$ 152,651	\$ 152,651	\$ 152,651
Water Supply Restoration Program-1275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Transition Assistance Program/CREP	\$ 178,572	\$ 71,114	\$ 177,141	\$ 248,255	\$ 200,000	\$ 200,000	\$ 200,000
Irrigation Technology					\$ 100,000		
Hemp Research					\$ 100,000		
Sorghum Crop Research					\$ 150,000		
Streambank Stabilization					\$ 500,000		
Total--Department of Agriculture	\$ 8,417,882	\$ 700,920	\$ 7,287,760	\$ 7,988,680	\$ 9,027,335	\$ 8,177,335	\$ 8,177,335
Kansas Water Office							
Assessment and Evaluation	\$ 545,732	\$ 94,023	\$ 500,000	\$ 594,023	\$ 450,000	\$ 500,000	\$ 500,000
GIS Database Development	\$ 112,306	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
MOU - Storage Operations & Maintenance	\$ 302,066	\$ -	\$ 363,699	\$ 363,699	\$ 350,000	\$ 522,000	\$ 520,000
Stream Gaging	\$ 431,282	\$ -	\$ 350,000	\$ 350,000	\$ 431,282	\$ 430,000	\$ 430,000
Technical Assistance to Water Users	\$ 377,646	\$ 96,479	\$ 325,000	\$ 421,479	\$ 325,000	\$ 325,000	\$ 325,000
Vision Education Strategy					\$ 100,000		
Water Tech Farms					\$ 75,000		
Kansas Alluvial			\$ 100,000	\$ 100,000	\$ 50,000	\$ -	\$ -
Streambank Study					\$ 100,000		
Bathymetric Study			\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ -
Harmful Algae Bloom Study					\$ 100,000		
Watershed Conservation Practice Imp					\$ 900,000		
Equus Beds Chloride Plume Project					\$ 50,000		
Milford Lake Watershed RCPP			\$ 200,000	\$ 200,000	\$ 200,000		
Water Resource Planner					\$ 100,000		
Streambank Stabilization	\$ 400,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -
Total--Kansas Water Office	\$ 2,169,032	\$ 190,502	\$ 2,988,699	\$ 3,179,201	\$ 3,331,282	\$ 1,777,000	\$ 1,775,000
Total State Water Plan Expenditures	\$ 12,365,559	\$ 966,877	\$ 11,915,778	\$ 12,882,655	\$ 14,829,930	\$ 11,800,648	\$ 11,798,648
State Water Plan Resource Estimate	FY2017 Actual	FY2017 w/Carry Forward	FY2018 Appropriated	w/Carry Forward	FY2019 Projected	FY2020 Projected	FY2021 Projected
Beginning Balance	\$ 582,946		\$ 718,547	\$ 718,547	\$ 630,325	\$ 562,570	\$ 319,021
Adjustments							
Division of Budget- released PY Enc. Not recorded	\$ 702,377						
Release of Prior Year Encumbrance	\$ 549,091		\$ 520,935	\$ 520,935			
Reduced Resources							
Other Service Charges	\$ 28,255		\$ 203,255	\$ 203,255	\$ 28,255	\$ 28,255	\$ 28,255
Transfers to SGF - John Redmond Bond	\$ (916,550)		\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)	\$ (1,260,426)
Subtotal--Adjustments	\$ 363,174	\$ -	\$ (536,235)	\$ (536,235)	\$ (1,232,171)	\$ (1,232,171)	\$ (1,232,171)
Revenues							
State General Fund Transfer	\$ -		\$ 1,400,000	\$ 1,400,000	\$ 2,750,000	\$ -	\$ -
Economic Development Fund Transfer	\$ -		\$ -	\$ -	\$ 500,000	\$ -	\$ -
Municipal Water Fees	\$ 3,028,509		\$ 2,993,852	\$ 2,993,852	\$ 3,267,271	\$ 3,263,401	\$ 3,259,532
Clean Drinking Water Fee Fund	\$ 2,724,051		\$ 2,701,067	\$ 2,701,067	\$ 2,820,674	\$ 2,807,300	\$ 2,793,926
Industrial Water Fees	\$ 973,133		\$ 905,165	\$ 905,165	\$ 1,120,701	\$ 1,121,943	\$ 1,123,185
Stock Water Fees	\$ 387,655		\$ 370,429	\$ 370,429	\$ 464,256	\$ 473,391	\$ 482,526
Pesticide Registration Fees	\$ 1,359,410		\$ 1,431,093	\$ 1,431,093	\$ 1,334,523	\$ 1,341,267	\$ 1,362,786
Fertilizer Registration Fees	\$ 3,491,049		\$ 3,354,186	\$ 3,354,186	\$ 3,568,921	\$ 3,611,299	\$ 3,653,678
Pollution Fines and Penalties	\$ 152,205		\$ 158,470	\$ 158,470	\$ 152,000	\$ 150,000	\$ 150,000
Sand Royalties	\$ 21,975		\$ 16,407	\$ 16,407	\$ 16,000	\$ 20,668	\$ 9,863
Total Receipts	\$ 12,137,986	\$ -	\$ 13,330,669	\$ 13,330,669	\$ 15,994,346	\$ 12,789,270	\$ 12,835,494
Total Available	\$ 13,084,106	\$ -	\$ 13,512,980	\$ 13,512,980	\$ 15,392,500	\$ 12,119,669	\$ 11,922,345
Less: Expenditures	\$ 12,365,559	\$ -	\$ 11,915,778	\$ 12,882,655	\$ 14,829,930	\$ 11,800,648	\$ 11,798,648
Ending Balance	\$ 718,547	\$ -	\$ 1,597,202	\$ 630,325	\$ 562,570	\$ 319,021	\$ 123,697

State Water Plan Fund Transfer Request (SGF/EDIF)

Totals \$ 15,059,075 \$ 8,000,000

Water Conservation

<i>Funding Agency</i>	<i>Requesting Agency</i>	<i>Description</i>	<i>FY2019 Legislature Approved</i>	<i>FY2020 Agency Request</i>	<i>KWA Rec.</i>	<i>Explanation and Justification</i>
KWO	KGS/KBS	Streambank stabilization effectiveness	\$ 100,000	\$ 200,000		Contributes to data collection/analyses and helps identify relations between reservoir conditions and environmental change/watershed management to this collaborative effort.
KWO	KBS	Historical Aerial Imagery		\$ 75,000		Collection, scanning, and geo-referencing historical aerial photography would be used to further evaluate stream migration over time, when various conservation practices were put in place, and historical reservoir sites. More recent imagery has been the basis for identification of streambank hotspots as an example.
KDA	KDA	Water Conservation Manager		\$ 125,000		To support, coordinate and supervise water conservation specialists in the field offices by performing targeted outreach and promotion for WCAs and LEMAs. Cost includes travel.
KDA	KDA	Non-Point Source Pollution		\$ 300,000		To implement additional soil health education activities in 105 county conservation districts as well as increasing landowner/operator scholarships to soil health educational seminars such as the annual No-Till on the Plains conference (\$100K). Additional technical assistance in high priority areas through the use of contribution agreement conservation technician positions in partnership with NRCS (\$200K).
KDA	KDA	Riparian and Wetland		\$ 250,000		To enroll an additional 1,111 Tier 1 acres in new sediment & nutrient reduction program.
KDA	KDA	Water Resource Cost Share		\$ 500,000		To increase implementation of best management conservation practices that reduce sediment, phosphorus and other specified pollutants in high priority HUC 12 watersheds. Also increasing the implementation of practices that aid in the conservation of surface and ground water through the adoption of irrigation technology such as soil moisture probes.
KDHE	KDHE	WRAPS Program	\$ 175,000	\$ 250,000		WRAPS contributes to the Kansas NPS Management Plan through the implementation of a voluntary targeted watershed-based program funded by CWA 319 and State Water Plan Funds. This program is unique because it works to seek citizen and stakeholder input and participation on watershed management and protection issues.
KDA	KWO	Streambank Stabilization	\$ 500,000	\$ 1,000,000		Efforts continue to be concentrated in the following priority Kansas watersheds above Federal reservoirs: Big Blue/Little Blue Rivers above Tuttle Creek Reservoir, Delaware River above Perry Lake, and Neosho/Cottonwood Rivers above John Redmond Reservoir.
KWO	KWO	BMP Implementation	\$ 900,000	\$ 1,800,000		To protect water supply storage and improve water quality in reservoirs across Kansas that provides water to municipal and industrial customers through implementation of watershed conservation practices within Vision priority watersheds.
KDA	KDA	Watershed Dam Construction		\$ 900,000		To meet unmet needs in unfunded dam construction (over a 1,000 new sites) and rehabilitation of existing flood control dams (there are approximately 1,500 existing dams).
KWO	KWO	Milford Lake RCPP	\$ 200,000	\$ 200,000		Nutrient runoff within the Milford Lake watershed in Kansas is a source of nutrient loading contributing to aquatic conditions which promote formation of harmful algal blooms (HABs) within Milford Lake. This RCPP project will look to implement conservation practices within the Milford Lake watershed to decrease nutrient runoff, thus decreasing the introduction of new nutrient loading contributing to the formation of HABs in Milford Lake.
KDA	KDA	CREP		\$ 400,000		Prioritize enrollment of 4,000 additional acres (6,000 ac-ft of water rights) in the mid-Arkansas River region adjacent to the hydraulically connected Rattlesnake Creek impairment area. DOC will partner with landowners, TNC, Water Pack, GMD#5 and other interest groups to conserve limited water resources.
KDA	KDA	Water TAP		\$ 200,000		Start-up funds for permanent water right retirements (partial or whole) in the Rattlesnake Creek impairment area. DOC will partner with landowners, TNC, Water Pack, GMD#5 and other interest groups to conserve limited water resources.
KWO		Vision Education Strategy	\$ 100,000	\$ 250,000		Raise awareness of water issues within the state and increase the knowledge of those working within water-related careers.
Sub-Total			\$ 1,975,000	\$ 6,450,000	\$ 3,750,000	

Water Management

<i>Funding Agency</i>	<i>Requesting Agency</i>	<i>Description</i>	<i>FY2019 Legislature Approved</i>	<i>FY2020 Agency Request</i>	<i>KWA Rec.</i>	<i>Explanation and Justification</i>
KWO	KGS	Kansas River Alluvial Aquifer	\$ 50,000	\$ 60,000		The two main components of this program are the development and expansion of the Kansas River Alluvial Index Well Network and the development and maintenance of the Kansas River Stream Aquifer Model. The objective of the program is to improve the understanding of the alluvial aquifer to allow for better system decisions, and to be able to examine the effects of future development and management on groundwater and river water levels in the Kansas River system.
KWO	KBS	Harmful Algal Bloom Research	\$ 100,000	\$ 100,000		Examining long-term HAB trends using sediment cores and conducting cause-and effect and mitigation experiments in large tanks and ponds at the KU Field Station.
KWO	KGS	Master Well Inventory Data Portal		\$ 67,675		Effort to greatly expand the mapping, querying, and analysis functions for data provided through the Kansas Master Well Inventory (MWI). The final deliverable for this project would be an operational web site/data portal that provides near real-time data access and enhanced data integration of information related to the State's water rights, driller's logs, and depth-to-water measurements.
KWO	KBS	LiDAR Inundation Mapping		\$ 100,000		Expand and update SLIE coverage across the state utilizing best-available LiDAR elevation data. This will include first-time development across most of the western Kansas in addition to updated mapping for the remainder of the state. With the large LiDAR acquisition effort that is underway, along with other recent LiDAR projects, the state will soon have complete coverage of LiDAR elevation at the QL2 Quality Level.
KDA	KDA	Real-Time Water Management	\$ -	\$ 125,000		Purchase equipment to replace aging and deteriorating water pressure transducers, rate loggers, data loggers, and telemetry. Would be same equipment as KGS uses to bring consistency to mutual data collection efforts and economy of scale for maintenance.
KDA	KDA	Interstate Water Engineer	\$ -	\$ 100,000		Will enhance the existing interstate team to help administer and enforce the Kansas-Colorado Arkansas River Compact.
KWO	KWO	Water Resource Planner	\$ 100,000	\$ 100,000		Provide planning support for the four western Kansas regions as well as assist with water technology farm administration and water conservation area development.

KDA	KDA	DWR Application Specialist		\$ 85,000		Programmer that will work on WRIS, WRIS Mobile, WSI, and GIS-related applications.
KDA	KDA	Public Access to Water Right Information		\$ 150,000		To preserve and provide comprehensive public access to water right information by scanning existing paper files and making them electronically accessible through online services
KDA	KDA	Water Appropriations Operating Budget		\$ 750,000		Program has been operating at a deficit for several consecutive years due to SWP cuts and funding of LEMAs and WCAs with non-SWP resources. Resources from other parts of KDA have been exhausted. (Approximately \$350K in cuts and \$400K in WCA/LEMA programs.)
KDA	KDA	Aid to Conservation Districts		\$ 31,400		To maintain and enhance conservation district operations by addressing annual inflationary costs. This enhancement provides opportunities for matching by county governments as per K.S.A. 2-1907b.
KDHE	KDHE	Onsite Environmental Support		\$ 100,000		Contract a state-wide engineer in partnership with KSU to be available to each Kansas county for technical assistance regarding new technology design, review and education. Domestic graywater reuse, education and design review assistance. In addition training and education opportunities for county environmental officers
KDHE	KDHE	Harmful Algae Bloom Pilot	\$ 450,000	\$ 450,000		Investigate and demonstrate in-lake treatment options such as ultrasound, superoxide or other chemical treatments in Reservoir. The objective is to assess the effectiveness of such treatment options at minimizing the impact of Harmful Algae Blooms (HABs).
Sub-Total			\$ 700,000	\$ 2,219,075	\$ 1,750,000	

Technology and Crop Varieties

<i>Funding Agency</i>	<i>Requesting Agency</i>	<i>Description</i>	<i>FY2019 Legislature Approved</i>	<i>FY2020 Agency Request</i>	<i>KWA Rec.</i>	<i>Explanation and Justification</i>
KDA	KDA	Crop and Livestock Research		\$ 250,000		Work on research projects as identified by industry. See below for some current ideas.
KDA	KDA	Sorghum Crop Research	\$ 150,000	\$ 150,000		
KDA	KDA	Hemp Research	\$ 100,000	\$ 100,000		
KDA	KWO	Irrigation Technology	\$ 100,000	\$ 500,000		Promote adoption of irrigation efficiency technologies, implement research-based technology, and develop career and technical education programming related to water resource management and technology to build the needed workforce.
KWO	KWO	Water Technology Farms	\$ 75,000	\$ 75,000		Continued development and enhancement of demonstration farms that allow the installation and testing of the latest irrigation technologies and soil moisture management, as well as the opportunity to evaluate the effectiveness of conservation practice implementation in reducing sediment and nutrient runoff on a whole field scale.
Sub-Total			\$ 425,000	\$ 1,075,000	\$ 750,000	

Additional Sources of Supply

<i>Funding Agency</i>	<i>Requesting Agency</i>	<i>Description</i>	<i>FY2019 Legislature Approved</i>	<i>FY2020 Agency Request</i>	<i>KWA Rec.</i>	<i>Explanation and Justification</i>
KWO	KBS	Reservoir Bathymetric Surveys	\$ 100,000	\$ 300,000		To put tools in place, such as sediment monitoring gages, bathymetric surveys, and sediment coring, to monitor sediment entering water supply reservoirs and to evaluate the benefits of sedimentation reduction practices.
KWO	KBS	Sediment Coring		\$ 200,000		Serve as a direct measure of infill thickness and a layered timeline of sedimentation and harmful algal bloom (HAB) events.
KDA	KDA	Water Structures Professional Engineer	\$ -	\$ 100,000		The activities include independent review of complex engineering calculations and construction documents for dams, channel changes, stream obstructions, floodplain fills and levees in order to process water structure permits. The work includes field inspections of construction and completed projects, safety inspections, resolution of conflicts, and communication with landowners, contractors and other engineers. This position would ensure that succession in staff is appropriately and responsibly planned for.
KWO	KWO	Water Injection Dredging		\$ 1,500,000		WID injects water in the bottom of the reservoir, creating hereby density currents which are capable of transporting large amounts of sediment. The sediments are sluiced out of the reservoir.
KDA	KDA	Water Supply Restoration		\$ 465,000		Partner with the City of Augusta to rehabilitate Santa Fe Lake which serves as one of their water supply reservoirs.
KWO	KWO	Reservoir Reallocation		\$ 200,000		Complete analysis to reallocate storage in Milford and Perry reservoirs to water quality storage and reduce unfunded liability.
KWO	KWO	Storage Purchase		\$ 1,350,000		Call into service storage not needed for water quality purposes in Milford Reservoir. This is currently shown as an unfunded liability with a end of contract balloon payment in 2034.
KDHE	KDHE	Contamination Remediation	\$ -	\$ 400,000		Evaluation, monitoring, and remediation of contaminated soil and groundwater sites when the responsible party is unknown or is unable to undertake the necessary action.
KDHE	KDHE	Drinking Water Protection		\$ 800,000		The program purpose is to insure all Kansas communities have a source of clean, healthy, affordable drinking water by planning and implementing strategies to prevent and mitigate contamination.
KWO	KWO	Equus Beds Chloride Plume Project	\$ 50,000	\$ -		
Sub-Total			\$ 150,000	\$ 5,315,000	\$ 1,750,000	

Total \$ 3,250,000 \$ 15,059,075 \$ 8,000,000