

Carl Holmes

Water

(Background)

The development of leadership is by studying, reading, listening, participating, and the association with people who are smarter than your self. Leaders take that knowledge, educate others and motivate people to use the information to accomplish a task because they want to do it.

It is always best to anticipate a potential problem, develop solutions, and act before it becomes a problem. CDH

I had the opportunity to prepare for public service when I was young and this helped me in later years more than I could ever have known.

When I was in junior high school, I would spend much time around oil and gas drilling and production facilities. Dad was always interested even though it was not his career. I spent time on the rigs talking to the drillers, roustabouts, and geologists. My learning of different geological formations, what could go right and wrong, and all the processes of drilling, testing, and production operations was a new educational process. Little did I know that that knowledge would come to my benefit when they had the natural gas explosions in Hutchinson while I was in the legislature?

During the summer of 1957, I was selected to attend Boy's State and this was my first experience at government operation procedures.

I worked as an instructor at Boy Scout summer camps for 5 years, as a teenager and taught in the Conservation and Natural Resources area.

My senior high school year (1958), I was elected to represent the Southwest Kansas Santa Fe Trail Boy Scout Council to a meeting and presentation with Governor George Docking in his office in the Capitol building and dinner in the (old) Governors mansion. Dad was a personal friend of the Speaker of the House, Jess Taylor; it was the last night of the Budget session of the legislature and they could not come to an agreement to pass the budget. That night, I spent several hours observing the discussions in the Speakers office with Speaker Taylor, who at one time took me to the House floor and had me sit in the Speakers Chair. Little did I know the lessons I observed I would be a part of years later.

The summer of 1960, I took a college course in "Conservation of Natural Resources" at Colorado State College and I was among the youngest in the class and a seatmate was a college professor from the University of Nebraska. (I was proud I had a higher test score than the college professor.)

In 1965, I worked a short time on an irrigation-drilling rig with roustabout duties. This gave me an appreciation of what went into ground water drilling responsibilities.

On July 24, 1974, State Senator Ross Doyen and I were in Washington, DC at the request of Senator Dole to testify before a Senate committee concerning natural gas production and availability in SW Kansas. As we walked down Pennsylvania Avenue, the big news that day was the Supreme Court ordered Nixon to turn over the tapes. The Chairman of the committee was the recently defeated Senator for President, George McGovern. We had lunch in the Senators private dining room and then walked into the Vice-Presidents office. This started a long term working relationship with "Ross" and when he became President of the Senate, I always had priority to his office no matter his schedule.

In 1977, I was elected to the Plains city council, and appointed to the Southwest Kansas Regional Planning commission, which I chaired four years later. And became Mayor of Plains in 1982 after having been president of the city council 4 years. I worked on bringing up to date the Plains city water rights. During this process, I had several meetings with the Chief Engineer Division of Water Resources, Guy Gibson in the early 1980's in a discussion of water rights and water law (both municipal and agriculture.)

In 1981, I was appointed to the new Water Policy Committee of the League of Kansas Municipalities and served on that committee until 1988. That committee ended up with several future presidents of the League and indicated the importance of water to Kansas' cities.

In 1981, the Kansas Legislature proposed a severance tax on oil and production. County commissioners in SW Kansas were opposed to the tax and in the late spring, I spent several days in Topeka in opposition to the severance tax. During the 1982 session of the legislature, I spent a large amount of time in Topeka—enough that I appeared in a picture on the front page on the Topeka Capitol Journal sitting on the floor in the Supreme Court chamber during one of the Kansas House Tax Committee hearings Chaired by future Speaker Braden. During this time, I met many of the principal players in the legislature. Charlie Angell of Plains was vice-president of the Senate. In the spring of 1984, Senator Angell told me weeks before he made the public announcement, he was going to announce he was going to retire from the legislature and he wanted me to run for the legislature.

In 1983, Dave Pope became the new Chief Engineer of DWR. We had a problem with artisan salt-water intrusion in southeastern Seward County into fresh water zones at a shallow depth and I wanted to stop water wells from being drilled too deep and causing new pathways for the salt water to contaminate the fresh water zone. I set up a meeting with Dave and what started as simple meeting, ended up being 3 separate meetings over a several month time period (each lasting several hours each) where we discussed state water policy in depth and really gave me a lot of educational background concerning water.

In the early spring of 1984, I was elected to the “at large” position of the Groundwater Management District #3 and served in that position for 4 years.

In 1987, I had the opportunity to participate in a briefing with President Reagan in the Old Executive Building.

In 1989, I had the opportunity to meet with my Russian Federation counterpart for energy and water. We discussed energy and water issues, the fear of the other country to make a “first nuclear strike”, and the future fall of the Soviet Union which took place two year later.

The information I had been exposed to really provided me with a basis for my future positions in the legislature.

Before I came to the legislature in 1985, there were two separate committees: Energy and Utilities; and Natural Resources. A decision was made to combine the two committees into one committee, as there was not enough work for two separate committees and the overlap of some issues.

1985

(Note—Senator Charlie Angell of Plains—my hometown—included me in meetings in the summer of 1984 dealing with the proposed water plan and purchasing and pricing of water in federal water projects) At the time I was running for state legislature for the first time. I was appointed to the Kansas House Energy and Natural Resources Committee in 1985.

The committee held in depth hearing, meetings, and study in the 1985 session concerning the new water plan and how it should be implemented.

Multipurpose Small Lakes Program includes authorization for Kansas Water Office to acquire water right for the purpose of providing public water supply storage in either federally funded or non federal multipurpose small lakes including purchase of water storage in federal projects.

Authorized the Kansas Water Office with the authority of the Kansas Water Authority to update the Water Plan.

Requires Kansas Water Office and Kansas Water Authority to seek advice from the general public and required the Kansas Water Office to submit annually to the Legislature recommendations necessary to achieve the goals, objectives, conservation, and development of the waters of the state.

I was one of five legislators selected to attend the first fuel loading at the Wolf Creek Nuclear Power Plant and the importance of good water for the plant was discussed.

1986

Authorized Kansas Water Office to finance the purchase of water storage in existing reservoirs.

Granted the State Corporation Commission exclusive authority to regulate oil and gas activities and the Department of Health and Environment shall cooperate with the KCC. (This legislation caused problems in later years).

Created the Water Assurance Program to implement the Large Reservoir Management section of the State Water Plan and allows state to contract with Federal government for storage.

The Water Marketing Program provides for the sale of water from state-owned storage in federal reservoirs.

(Note---Most of the 1985 and 1986 new water statutes were a result of the study committee before the 1985 legislative session.

1987

I was appointed as a vice-chair of the Energy and Natural Resources committee of which I was vice-chair of the Energy subcommittee. At that time in the legislature there were 2 subcommittees of the Energy and Natural Resources committee—(Natural Resources and Energy).

The Conservation Easement program was enacted to create a conservation easement to extend permanent easements for protection of wetlands and riparian areas.

Established the Desirable Stream flow for nine streams in Kansas.

1988

Created the Water Pollution Control Revolving Fund to provide loans to Kansas's municipalities for the construction of wastewater collection and treatment facilities. Federal seed money is used along with revenue bonds issued by the Kansas Development Finance Authority for funding the loan program. (This model was used several times in later years to develop revolving loan programs for several

environmental projects. I was opposed to grant programs from the federal government to finance one time environmental project and always felt putting the federal money into revolving loan programs was a better choice and use the funds to develop more future project.)

1989

Established the Kansas Storage Tank Act provides for the removal of leaking petroleum storage tanks to protect water supplies.

Established the State Water Plan fund and puts into place a fee structure. This was a hard fought battle in the legislature and I was in the middle of this fight. The plan was to raise about \$8 million in new fees to fund the State Water Plan. I was opposed to the plan funding unless \$8 million dollars was also transferred from the general fund, as in previous years approximately \$8 million dollars were used previously for funding the water plan projects. We had many projects, which had gone unfunded for many years. Finally, a compromise was made to transfer \$6 million from the state general fund and \$2 million from the Economic Development Initiative Fund to make a total of \$16 million for water projects. John Strickler and I had a running battle until we came to a compromise along with Joe Harkins of the State Water Office. The compromise between the house and senate also got involved with other issues and was not resolved until the end of the session. At the time, I did not realize that the Appropriations Committee could undo any previous law on an annual basis.

1990

After 1989, 1990 was a slow year.

1991

(Ranking minority leader appointment.) This was the first year of Democrat control of the House by 63 to 62 in several years and as a result, the committee makeup was 11 to 10. Chairman Rep. Ken Grotewiel and I did not start off on very good terms. We first clashed on a solid waste tipping bill, which had major fee increase and then on a couple of other environmental bills. The solid waste bill saw a “tearing apart” of most of the bill with committee amendments as the Democrats did not vote as a block and Ken had to adjourn the meeting to get his members in line. Then, the environmental bills passed out of the committee on party line votes. The discussions between Ken and I were not going well as his Democrat Vice-chairmen felt they could do as they please since they had a majority vote. (11 to 10) When several Energy and Natural Resources committee bills were killed on the House floor upon a motion to adopt the committee report one day, Ken and I avoided each other for several weeks. Then one day we met in passing on a stairway, Ken expressed that the entire time he was minority committee leader, he never won a committee vote and the first bills out of the committee were killed on the House floor, which embarrassed him. I expressed that it did not have to be that way if only we could discuss committee issues in a reasonable manner. Why do I bring this up? After that, Ken and I worked very well together on several issues both in the Legislature and then nationally on solid waste landfills and low-level nuclear waste issues that were good for the state (Ken was anti Wolf Creek). It even developed that when the Republicans took back control of the House in 1993 and I needed support on the House floor, Ken would call me and ask me if I could use some help from the Democrat side of the floor on tough issues. Ken and I observed that the same stories sometimes were not being told to the Energy and Natural Resources committee and the Appropriations committee concerning fiscal issues. When available, we started attending budget committee meetings of the Energy and Natural Resources Budget Committee to listen in. No major water legislation was passed in 1991.

I was appointed to the Joint Committee on Administrative Rules and Regulation in 1991 and would later alternate as Chair or Vice-chair until I left the legislature in 2013. As it is a 6-hour drive from Liberal to

Topeka, I would review all the committee material while my wife drove us to Topeka (sometimes over 400 pages). With the committee's responsibilities to monitor all the states Administrative Rules and Regulations, I became one of three members who the agencies labeled as a "nitpickers". I used up many pads of sticky notes over the years. This committee really helped me to understand state government as a whole better.

1992

This was the year for major amendments to the solid waste landfill act. The Federal government came out with major requirements for solid waste landfills to prevent contamination of ground water.

1993

I was finally Chairman of the Energy and Natural Resources Committee. As the workload had increased, I several times used the two vice-chairman to hold separate meetings to have hearings on the bills that were low priority, they would make recommendations to the whole committee and then the whole committee would vote on the issues. On high profile bills, I would hold entire committee hearings. The custom was for House-Senate Conference committees to meet with just the Chairman, Vice-chairman and ranking Minority members to conference. I changed that procedure for my Conference Committees putting different committee members on the Conference Committees. It was common practice to bundle like bills into one bill during conference, but this practice stopped the bundling practice. I would sit in on all conference committee meetings and after the conference committee met, I would critique the members. Several times during the House-Senate conference committee meetings, I would have most of the committee members in the room and they would switch when they went from one bill to another. This became a training ground for future Chairman.

At the beginning of the session, I would meet with my vice-chairman, and ranking minority leaders to go over operations of the committee, establish committee rules, seating charts, etc. for the committee. The seating chart attempted to seat new committee members next to seasoned committee members of the opposite party. New committee members were encouraged that no question was a dumb question and if they were afraid to ask the question during hearings, to ask the member sitting next to them the question without disrupting the committee meeting. I also brought into my office in small groups, the new members to discuss committee operations and what was expected of them. I pushed for committee members to make requests for committee bills before the session started so staff could develop the bills and we could start hearings at the beginning of the session instead of it being a "dead time"—the legislature has a tight time schedule and I didn't want to waste that time. Sub committee's I appointed for various bills were made up of members, which would cause them to have different ideas, but not necessary strong beliefs to cause failures.

Another tactic I used during the committee meetings, after the presentations, I would hold my questioning of the presenter until all the committee members had their questions answered. When a committee member asked one of my questions, I would cross it off my list. If the question was not answered in full by the conferee, I would jump in and make sure the members question was answered to the full extent possible. By holding my questions until last, I felt it made the committee members more involved in the process than the members just sitting back while the Chairman of the Committee asked the questions first.

Legislation was passed to require the Director of the Kansas Water Office to acquire the conservation water supply capacity in Tuttle Creek, Melvern, and Pomana reservoirs. The agreement with the Federal government gave Kansas the ability to acquire the water and it had been activated. Some of this discussion went back to the meetings I had in the summer of 1984 with Charlie Angell. Time was

running out to accept the purchase option. I felt very strongly this water supply was needed for the future supply of Eastern Kansas Cities.

Required a study as the financing and acquisition of conservation storage water supply capacity in all federal reservoirs.

Made major modifications to the Kansas Water Transfer Act. I was concerned about an attempt to transfer underground water from Western Kansas to Central Kansas and further deplete the western Kansas Aquifer. This became a compromise with Senator Bob Vancrum who was concerned about its effect on Johnson County Water District future water supply. The Kansas Water Transfer Act required very strict procedures to allow the water to be transferred from one basin to another basin.

Met with EPA in Washington, DC to postpone and revise solid waste landfill requirements to meet a more reasonable schedule to meet the new requirements.

I asked Senate President Bud Burke to establish a summer interim committee to study the 1993 flood and review possible ways to lower damages in future flooding. The Kansas River flood of 1993 caused me to believe there was a better way to manage floods than to continue to rebuild houses and businesses along the rivers. We established that Federal money for flood damages should be used to acquire flooded land and put the flooded property to use as recreation areas, etc. instead of being used to rebuild structures in the flooded areas. After the 2007 flood a Coffeyville causing over \$50 million damages, most of the property was purchased and not rebuilt on.

In Liberal, contamination was discovered in a water supply well for National Beef. I worked closely with KDHE, National Beef, and the city of Liberal for the source of the contamination, which was never discovered. During the discovery period, we learned about many other possible sources of VOC's in Liberal from old contamination sites. An air-stripper system was installed on their well and over 533 million gallons of water were treated on the site and used in National Beef operations. In the following years, I worked to establish several more revolving loan programs to clean up old contamination sites statewide as a result of the information I discovered in the contamination sites around Liberal.

1994

Established a revolving loan fund for public water supply systems. I had a strong bias against Federal Water grant money being handed out to local public water supply systems on a one-time basis. This bias was a result of how the city of Plains was treated in a grant application when Plains had the highest property tax rate, very high city water and waste water rates in Kansas. The city of Plains lost out on a grant application to a city that had almost the lowest property tax and lowest water rates in Kansas. The city of Plains had gone to the Kansas Legislature in early 1980's to seek legislation (which passed) to allow Plains to go above the maximum bonded indebtedness rate limit for Kansas's cities. The program took Federal Grant money, money appropriated by the legislature, and bond proceeds by the fund to make revolving loans for public water supplies. By doing this, the fund could continue to reuse the federal funds and buy down interest rates for public water supply needs in the state.

The legislature set up a method of acquiring money needed to purchase water supply storage in federal reservoirs with funding from State Water Plan Fund, State Economic Development Fund, State General Fund and allowed for loans through the Pooled Money Investment Board.

1995

Established the Drycleaner Environmental Response Act modeled after the revolving loan fund for public water supply systems. Many environmental sites had been located in the state where dry cleaners

dumped dry cleaning liquids outside their facilities and thus entered groundwater supplies. The funding for the act came from taxes and fees on dry cleaners, and other misc. sources.

Legislation states that if a company finds environmental contamination on their property and begins cleanup operations, KDHE will not throw the book at them and the information will be considered privileged information.

Passed a requirement that sand gravel operators pay a usage fee into the State Water Plan for the evaporation of water from sand and gravel pits.

Committee bills were introduced to turn over primacy to EPA to have primacy and enforce the Clean Water and Safe Drinking Water Acts were held after there were rumors of those who wanted to turn Kansas's primacy over to the EPA. After the hearings, KDHE turned out not being the bad guys and bills to turn over primacy to EPA died. The reasons for the hearings were that many individuals and groups were complaining about how tough KDHE was administrating the Clean Water and Safe Drinking Water Acts. A working group was formed to identify obsolete statues for repeal, statues that needed to be kept, and identify statues, which need to be modified. The working group was charged to return in the fall with recommendations for the next session of the Legislature. In later years, I had industry and state agencies to study all legislation that involved committees I chaired to identify obsolete statues for repeal, statues that needed to be kept, and identify statues, which need to be modified.

The past several years, I had been involved in strategy meetings for the Supreme Court case, concerning Colorado water issues, with the Attorney General's office, the Division of Water Resources, Kansas Water Office, Professor from Kansas University (John Peck, water), and others. I attended the oral hearings June 21st before the US Supreme Court with two invitations—as guest of Justice Clarence Thomas and a guest of Carla Stovall, Kansas Attorney General. After the oral arguments, I met in the U.S. Marshal's office and was given a private tour of the entire working area of the Supreme Court building, including the justice's private offices, library, and the real highest court of the land---the top floor of the Supreme Court building is a basketball court.

After the US Supreme Court arguments, I met with Senator Dole concerning problems between Kansas and the Army Corps of Engineers, Tulsa Division over the purchase of reservoir water for Kansas. It may take Congressional pressure to get the Tulsa Corps to move forward with the water purchases for Kansas.

Strategy meetings and meetings with Nebraska were now beginning to discuss the problems with Nebraska concerning the water in the Republican River Basin.

1996

Legislation was passed to fund oil and gas remediation and well plugging. This was a compromise between the Governor, budget director and my self to fund \$400,000 per year from the State Water Plan for plugging oil and gas well, which had been abandoned. Part of the compromise was to put a tax on sand dredged from Kansas rivers (the river beds were property of the State of Kansas) and put the funds into the State Water Plan. The tax was based on the amount private property owners received as royalty for sand mined on their property (.15 cents per ton.)

Legislation was passed to establish an Interstate Water Litigation Fund to transfer any money as a result of a lawsuit with the State of Colorado be deposited 1/3 to the Interstate Water Litigation Fund and 2/3 to the Water Conservation Projects Fund. The Interstate Water Litigation Fund was to be used for court costs in the lawsuit and the Water Conservation Projects Fund would be used to fund water conservation projects in the Upper Arkansas River Basin.

I remember the end of the legislative session, we held a committee meeting at 7:10am in the morning to debate a controversial environmental bill. The debate lasted almost 3 hours and during that time, most of the committee members were involved in the debate. Nearing the end of the debate, Bob Krehbiel, the ranking minority member of the committee leaned over to me and said, "I think this is going to be a tie vote; what are you going to do". My response was, "I agree it will be a tie vote and you will find out when I break the tie." I never asked a committee member to vote for or against any legislation in committee. If a vote failed, I blamed myself for not getting the information I had to the committee.

This was the last year for me to Chair the House Energy and Natural Resources Committee. The Speaker removed me for the 1997 and later sessions. The committee was split into to committees—Environment Committee and the Energy Committee. Several Republican committee members were opposed to me being "fair" to the minority party.

1997

Appointed to: Administrative Rules and Regulations, Appropriations, Chairman-House Appropriations Agriculture and Natural Resource Budget Committee, and Chairman-House Fiscal Oversight Committee. I continued on the House Appropriations Agriculture and Natural Resources Budget Committee until I left the legislature in 2013.

As Chairman of the House Fiscal Oversight Committee, our responsibility was to review all the fiscal notes of all bills introduced in the House for accuracy, as there was a strong belief the fiscal notes were sometimes slanted. I developed a computer program to track, review and study all bills introduced in the House and all Senate bills reaching the House. The budget office gave us access to their information to help track the fiscal notes. I was given the use of two interns to do the data entry required of each introduced bill.

Since I lived a 12 hour around trip from Topeka, I only went home a couple of times during the legislative sessions. Now, as Chairman of the House Appropriations Agriculture and Natural Resources Budget Committee, on weekends I would review all DA400's for all the committee appropriations. (The DA400 is a very detailed budget by each agency containing all expenditures, requests, etc. for the agency and sometimes were over 400 pages of 11 by 14 pages of information.) Agencies, upon coming into a committee hearing would try to look to see how many sticky notes I had on their documents. At the end of the session, I felt we were not asking uniform questions of each agency on the Budget Committee. I got the Budget Committee members together and we developed a standard set of questions that was required of agencies to answer before their hearings before the committee in the future. (This was used every year until I left the legislature. I had a legislative research member, who later worked for the South Dakota legislature, and when their legislators asked about a set of questions, I later learned our Kansas questions were being used in South Dakota Legislature.)

1998

Required to file a lawsuit against Nebraska concerning the Republican River Compact.

1999

I had the honor of being selected to be in the first Kansas Environmental Leadership Program (the pilot class). This program is a background based, study program in environmental leadership.

2000

I requested and had passed legislation that set up strict criteria for transfer of water to another state. In my home county, there was a proposal to transfer ground water to Oklahoma for which Oklahoma blocked the usage of water for a new swine operation. Land had been acquired in Kansas to extract groundwater and transport it to Oklahoma. This act established strict control of water proposed to be transferred out of state.

2001

The legislature passed legislation for the regulation of Underground Storage of Hydrocarbons and Liquefied Petroleum Gas in non-porosity storage by the Kansas Department of Health and Environment. The Kansas Corporation Commission will regulate the underground porosity storage of natural gas. This came about as a result of the natural gas explosions in Hutchinson. I conducted hearings on the issue and will never forget when I asked which agency was responsible for oversight of underground storage of liquefied petroleum gas, representatives of both the Kansas Corporation Commission and the Kansas Department of Health and Environment pointed fingers at each other. My entire questioning during the hearing was recorded and later used in court documents. The knowledge gained as a teenager of the oil and gas industry came in handy for both committee questioning and later the administrative rules and regulations committee hearings.

The first proposal of the federal regulations of landfills, were serious, unrealistic requirements that would require closure of most landfills in Kansas and presented a real problem for county governments. I traveled to Washington, DC to meet with a small group of legislators from other states in a meeting with an EPA representative. I explained what I felt the problems were and what needed to be adjusted to make them realistic. At the end of the meeting, the EPA representative said changes would be made and what the changes would be. I asked when they would be effective and the representative said now. The legislature then passed a comprehensive bill for solid waste management. Also, during this time, I started traveling throughout the United States with the secretary of the Kansas Department of Health and Environment as we were in a fight with Nebraska and North Carolina for the disposal of low-level radioactive waste. Most of these meetings were off the record.