2018 KLAMATH PROJECT DROUGHT RESPONSE AGENCY 2018 Groundwater Program Policy

A. Program Summary

President Trump signed an Omnibus Bill on March 23, 2018, authorizing Drought Relief Funding for the farmers in the Klamath Reclamation Project. The 2018 Klamath Project Drought Response Agency (KPDRA) was organized to contract with the U.S. Bureau of Reclamation (USBR) to receive the Drought Relief Funds from USBR to be distributed to Applicants who pumped groundwater in 2018 to irrigate farm land that would normally have been irrigated with water from Upper Klamath Lake if water had been available. KPDRA has contracted with MBK Engineers, Inc. to assist with the implementation and management of this Groundwater Program and the Land Idling Program.

The purpose of this Groundwater Program is to provide Drought Relief Funds to well owners who pumped groundwater to augment Project water supplies during the irrigation season. The distribution of funds will occur through an Application process. Funds for this program will come from water made available through deliveries to the Tule Lake and Lower Klamath National Wildlife Refuges and through other approved methods. The amount of Drought Relief Funds available for this Program will not be known until the end of 2018. The purpose of this Policy and the 2018 Land Idling Policy is to provide the available assistance in a manner that the KPDRA Board of Directors, in its discretion, has determined to be fair and reasonable. This Program will reimburse a percentage of the well owner's power costs.

B. Eligibility:

MBK Engineers, on behalf of KPDRA, will solicit the submittal of Applications for voluntary participation in the 2018 Groundwater Program. The Applicant and the associated groundwater well must meet the following criteria:

- To be eligible to participate in this program, the land which was irrigated with groundwater during 2018 must normally irrigate with surface water from Upper Klamath Lake or Klamath River. Wells east of Olene Gap are not included in this program.
- 2) The parcel to which the groundwater was applied must be identified in the Final Order of Determination (FOD), or have filed an exception to the FOD.
- 3) The parcel **MUST** have been irrigated with surface water from Upper Klamath Lake and produced an irrigated crop in 2015, 2016, or 2017, or participated in the 2015 WUMP.
- 4) The claimant and the parcel must have been ready, willing, and able to use surface water.
- 5) The Applicant must be legally authorized to apply for and receive funds under this program and must so warrant to KPDRA.

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- 6) Well owners in Oregon must be able to demonstrate the legal right to produce and use groundwater in the form of a water right permit, water right certificate, or drought permit from Oregon Water Resources Department (OWRD).
- 7) A well that is used to irrigate land both within the On-Project Plan Area as defined by the Klamath River Restoration Agreement (Project land) as well as Off-Project land will have payments prorated so as to only pay for water irrigating eligible land, which is the On-Project land.

The following lands are **ineligible** to participate:

- Land only irrigated by groundwater does not qualify;
- Refuge lease lands do not qualify;
- Land in walking wetlands or other similar programs where water is applied and no agricultural crop is produced and harvested **does not qualify.**

C. Application and Qualification Process

- 1) KPDRA will notify irrigators through public notice and local media selected by MBK that Application forms for voluntary participation in the 2018 KPDRA Groundwater Program area available. The Application period will be October 19 through November 9, 2018.
- 2) The Applicant shall complete and submit the Application for participation in the 2018 Groundwater Program, provided by the KPDRA. All information requested on the Application form must be completed and all documentation required by the Application must be provided with the form. Incomplete Applications may be rejected. Application forms are available at the office of the Klamath Irrigation District, Tulelake Irrigation District, and MBK. Application forms will also be available for download from the KPDRA website: www.klamathwaterbank.com, or by calling 541-363-1880, or by emailing info@klamathwaterbank.com.
- 3) Applications will be reviewed for completeness and reasonableness. The Applicant may be asked to provide additional information to aid in the processing of the claim. MBK will notify the Applicant with a request for additional information. The Applicant will have 10 calendar days to respond. Failure to respond may result in the Application being rejected.
- 4) The Applicant shall provide a map showing the location of the well and place of use.
- 5) MBK may create GIS maps or create other summaries based on the information contained in the Application. Maps and other information will be shared with the District in which the parcel is located for verification purposes, as needed.
- 6) The Applicant shall submit copies of all power bills for the applicable pump's electric meter with the Application form. If the bill with the annual demand charge has not been received by the due date of November 9, 2018, KPDRA will accept this bill after it has been received.

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- 7) Oregon claimants will provide proof of water right.
- 8) The KPDRA Board of Directors retains the authority to reject any or all Applications.
- 9) By completing and submitting an Application, the Applicant is deemed to represent and warrant to the 2018 Klamath Project Drought Response Agency ("KPDRA") and MBK Engineers, Inc.:
 - a. That the Applicant has the legal right to claim and receive any proceeds from this program that may be paid by KPDRA to Applicant for the well described in the Application;
 - That the information included on the Application is complete and correct, and that the Applicant and the well described on this Application form comply with all of the criteria set forth in the Policy for participation in this program;
 - c. Applicant agrees that neither KPDRA nor MBK Engineers has an obligation to verify the information provided by the Applicant or to otherwise investigate, correct, supplement, or verify the information provided on or with the Application form. Applicant waives any claims, counterclaims, other assertions, or defenses Applicant may now have or may hereafter discover that KPDRA or MBK Engineers failed in any manner to independently investigate and determine that the Applicant or the well qualify for participation in this program.

Applicant agrees and warrants that Applicant shall indemnify and hold harmless KPDRA, its officers, contractors, consultants, advisors, and agents from any loss or damage, including, but not limited to attorney fees and costs of suit, and from any claim or liability arising from Applicant's submittal of the Application and Applicant's participation or non-participation in this program, including but not limited to, disputes relating to more than one applicant submitting an application relating to the same property, or properties. This application is submitted solely for the purpose of determining the availability of aid. In the event a dispute arises amongst Applicants, the KPDRA reserves the right to make payment jointly to Applicants to allow for adjudication as and between the parties as to the respective right or rights to payments by an appropriate adjudicator, without further obligation by the KPDRA.

D. Payment Structure

It is a goal of KPDRA to payout the funds received from USBR without delay. However, KPDRA will not know how much money is available or how much each Program participant will receive until the end of 2018 at the earliest. KPDRA makes no representations of when payment will be made or how much money and Applicant may receive. Payment(s) will be mailed to qualified Applicants at the address shown on the Application form.

 KPDRA is not responsible for the payment of taxes, assessments, irrigation district charges, and any other obligations related to participating in this 2018 Groundwater Program.

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- 2) If KPDRA discovers that any of the information provided on the Application was not accurate, the groundwater well will be disqualified from the program and no payment will be made to the Applicant.
- 3) Well owners/lessees shall submit a copy of their monthly Pacific Power bill for the applicable pump's electric meter with submittal of the Application. KPDRA will reimburse a percentage of the power bills for groundwater pumping during the irrigation season of about March 1 through October 31, 2018. The Applicant is responsible for paying their own Pacific Power bill.
 - a. This program will reimburse the cost of power for the motor on the well only. If there are other power loads on the same power meter, there will be a prorated formula with which to calculate the amount of power applicable for well pumping only.
 - b. A well that is used to irrigate both eligible land as well as land ineligible under Section B above, will have the payment prorated so as to only pay for groundwater pumping for eligible land.
 - c. KPDRA may reimburse the well owner for the annual load size charge/demand charge billed in November 2018 to the extent it is attributable to the well pump motor only that may be incurred as a result of pumping in the Groundwater Pumping program (the demand charge will be prorated to the amount of water pumped according to the contract). If the well also irrigates non-Project land the demand charge will be prorated to the percentage of the land irrigated by the well that qualifies for this program.

E. Other Provisions

The funding for this program is being provided by the United States Bureau of Reclamation. KPDRA shall have no liability whatsoever for any damage to the Applicant that results in whole or in part from the failure of Reclamation to provide the funding KPDRA requires to operate this program.

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2018 KLAMATH PROJECT DROUGHT RESPONSE AGENCY APPLICATION for GROUNDWATER PROGRAM

~Submit Application Form via <u>Certified Mail</u>, electronically, by fax, or in person at the Workshops~ no later than NOVEMBER 9, 2018

Submit via Certified Mail postmarked by November 9, 2018 to:

Klamath Water Bank c/o MBK Engineers 455 University Ave, Suite 100 Sacramento, CA 95825 Submit Electronically to: info@klamathwaterbank.com

Submit by Fax to: 916-456-0253

Note: If you do not receive a verification email within 48 hours, please call (541) 363-1880. Submit in person at Workshops hosted by the 2018 KPDRA.

See <u>www.klamathwaterbank.com</u> for additional information including dates and locations of Workshops.

APPLICANT CONTACT INFORMATION					
Applicant:					
Mailing Address:					
City:	State:		ZIP Code:		
Phone:	Cell:		Email:		
LEGAL OWNER OF PROPERTY / CONTACT INFORMATION					
Owner (If other than Applicant):					
Mailing address:					
City:	State:		ZIP Code:		
Phone:	Cell:	E-mail			
PUMP & FLOW METER INFORMATION					
Location (Circle): OR or CA Well Name: (if you identify by a name i.e. West field)					
If in OR, list OWRD KLAM # If in CA, list TID #					
Pumping of this well required a OWRD Drought Permit? (Circle) Yes No					
Pacific Power Meter# for this well pump					
Provide copies of power bills for the 2018 irrigation season (March 1 through October 31, 2018) for the power meter listed above. If you have not received your final bill with the annual demand charge, you may provide that when it is received. Please enter the date you anticipate receiving the final power bill. *** I expect to receive my final irrigation season bill by, 2018.***					
 Provide a map showing the well location and lands irrigated by this well. Name of District or Ditch Company that charges or assesses this land for irrigation water: 					
2. Does your well irrigate On Project land as well as Off Project land? (Circle One) YES or NO					
a) If yes, is the water metered separately? (Circle) YES NO					
b) Is the p	ower metered separately?	(Ci	rcle) YES NO		
3. Did this groundwater well participate in the 2015 KWAPA WUMP? (Circle) YES NO					
a) If so, identify the 2015 KWAPA WUMP Contract No					
Note: It is the Applicant's responsibility to prove the legal right to provide supplemental water for Klamath Reclamation Project irrigated land.					

PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE SET-UP OF YOUR WELL.				
Well motor HP	Were booster pump(s) in use for 2018 season? HP / /			
GPM flow from well	Are these boosters metered separately from the well pump? Yes No			
	Is the well connected to a VFD? Yes No			
WARRANTY and SIGNATURE				
☐ This parcel is normally irrigated with surface water from UKL or the Klamath River. Land was irrigated with surface water and produced an agricultural crop in 2015, 2016, and/or 2017. ☐ This parcel was ready, willing, and able to use surface water to produce the crop if water had been available in 2018.				
☐ All requirements to legally use this well were obtained.				
	p withholding and Applicant certifies that its social security number or tax			
 Applicant represents and warrants to the 2018 Klamath Project Drought Response Agency ("KPDRA") and MBK Engineers, Inc.: That the Applicant has the legal right to claim and receive any proceeds from this program that may be paid by KPDRA to Applicant for the well described in this Application; That the information included on this Application is complete and correct, and that the Applicant and the well described on this Application form comply with all of the criteria set forth in the Policy for participation in this program; Applicant agrees that neither KPDRA nor MBK Engineers has an obligation to verify the information provided by the Applicant or to otherwise investigate, correct, supplement, or verify the information provided on or with this Application form. Applicant waives any claims, counterclaims, other assertions, or defenses Applicant may now have or may hereafter discover that KPDRA or MBK Engineers failed in any manner to independently investigate and determine that the Applicant or the well qualify for participation in this program. 				
Applicant agrees and warrants that Applicant shall indemnify and hold harmless KPDRA, its officers, contractors, consultants, advisors, and agents from any loss or damage, including, but not limited to attorney fees and costs of suit, and from any claim or liability arising from Applicant's submittal of the Application and Applicant's participation or non-participation in this program, including but not limited to, disputes relating to more than one applicant submitting an application relating to the same property, or properties. This application is submitted solely for the purpose of determining the availability of aid. In the event a dispute arises amongst Applicants, the KPDRA reserves the right to make payment jointly to Applicants to allow for adjudication as and between the parties as to the respective right or rights to payments by an appropriate adjudicator, without further obligation by the KPDRA. Applicant Signature:				
Make sure you have submitte ☐ Application form				
☐ Map <u>CLEARLY</u> marked with an outline of the land irrigated by the well (Google Earth Map, County Tax Lot Map).				
☐ Power Records for which you are requesting reimbursement				

Please Note:

- **COMPLETED** and **SIGNED** Application forms and **ALL** of the requested documentation must be received by the due date above. *Incomplete Application forms may be returned.*
- You may be asked to provide additional information to aid in the processing of your Application. If we notify you that additional information is necessary, you will have 10 calendar days to respond.