

KLAMATH PROJECT DROUGHT RESPONSE AGENCY

2020 DOMESTIC WELL MITIGATION PROGRAM

(Revised October 2020)

INTRODUCTION:

The Klamath Reclamation Project provides irrigation water to approximately 180,000 acres of agricultural land from Upper Klamath Lake. In 2020, the Project area was severely impacted by a lack of surface water and supplemental irrigation wells are being used to irrigate some of the land.

Many domestic wells in this area are relatively shallow and/or the pumping systems do not utilize the full depth of the well. As a result of the use of irrigation wells and the inadequacy of the domestic well or pumping system, some domestic wells are failing to provide adequate supplies of domestic water or are otherwise negatively affected. In some instances, the use of agricultural wells was suspended to mitigate the impact on domestic wells.

A. PURPOSE:

The purpose of this Domestic Well Mitigation Program (DWMP) is to provide financial assistance to the owners of domestic wells located in or near the Klamath Reclamation Project who experienced problems with their wells as a result of the use of nearby irrigation wells during the 2020 irrigation season. The goal of this Program is to eliminate future impacts to those wells by providing financial assistance to deepen the wells and/or the intake and pumping equipment so that future agricultural use of the groundwater resources will not conflict with the domestic use of the resource.

B. DEFINITIONS:

1. “Klamath Project” means the United States Department of the Interior, Bureau of Reclamation Project constructed pursuant to the Reclamation Act of 1902 located in Klamath County, Oregon and Siskiyou and Modoc Counties in California.

2. “Domestic Well” means a well used primarily for residential use and the irrigation of not more than half an acre of lawn and garden, and producing not more than 15,000 gallons per day.

3. “Affected Area” means the area, determined by the Oregon Department of Water Resources, where measurable impacts to domestic wells, which share the aquifer with irrigation wells located within the Klamath Reclamation Project, have been observed. Wells impacted by non-Project wells or the natural lack of precipitation and groundwater recharge are not subject to the benefits of this Program.

4. “Impacted Wells” means a domestic well that has been unable to produce the volume of water identified in number 2, above, whether in whole or in part, and is likely to be impacted in future years by on-Project supplemental use of groundwater.

5. “Period of Impact” means March 1, 2020 and October 31, 2020. Only Impacted Wells that first experience problems during the Period of Impact are eligible to participate in this program.

C. PROCESS:

1. Application. An interested well owner may obtain an application form from the Klamath Project Drought Response Agency (KPDRA) website: www.klamathwaterbank.com, by calling 541-363-1880, by emailing info@klamathwaterbank.com, or from the office of Parks and Ratliff, PC., 620 Main Street, Klamath Falls, Oregon. The well owner must complete the form and provide all the requested information necessary to allow KPDRA consultants and the Oregon Water Resources Department (OWRD) or the California Department of Water Resources (CDWR) to evaluate the merits of the application. The application and all supporting documentation must be returned to KPDRA’s office by October 30, 2020. Incomplete applications will be returned to the applicant.

2. Map. Using information provided by the applicant, KPDRA will develop a GIS map of the well location for use in its technical review.

3. Submittal. KPDRA will review the application and all supporting documentation. The Board may approve the application if the technical review shows that the domestic well lies within an area likely to be impacted by agricultural wells participating in 2020 KPDRA Groundwater programs. The Board reserves the right to seek additional verification in the event the review does not provide a sufficient basis to allow for a decision in relation to a particular application. The Board may submit the materials and applications to OWRD and/or CDWR for technical review and construction recommendations.

KPDRA will determine:

a. If the subject well has been impacted by supplemental groundwater pumping by Project wells during the 2020 irrigation season; and

b. What construction requirements should be included in the Contract between KPDRA and the well owner to ensure that future pumping of supplemental groundwater does not impact the well.

4. Contract. Based upon its determination in Section C(above), KPDRA may contract with the well owner to perform specified improvements determined to be, in its sole discretion, necessary to provide a reliable water supply.

5. Completion. Well owner will proceed with completion of work as authorized in the Contract. Well owner may commence the work prior to authorization at the well owner’s sole risk.

6. Inspection. KPDRA reserves the right to inspect the work to ensure Contract compliance.

7. Payment (2 options).

a. If the well owner has completed the work necessary to correct the problem, then the well owner must provide all information requested by KPDRA. If it is determined that the work completed corrected the problem, then KPDRA will pay the cost share provided by this Program to the well owner, as provided below.

b. If the well owner has not corrected the problem, then the well owner may contract with the well driller or pump company to do the work, and KPDRA will reimburse well owner when the work has been completed and inspected; or the well owner may authorize KPDRA to pay its cost share, as provided below, to the well or pump contractor directly when the work has been completed and inspected.

c. All work to correct the problem must be completed and all information requested by KPDRA must be submitted to KPDRA on or before December 31, 2020. No cost share will be paid to applicants who fail to meet this deadline.

E. PROGRAM COST SHARE:

KPDRA will pay 50% of the actual cost of the work specified in the Contract up to \$2,500 per well. Funds currently available to KPDRA for this program and other drought response programs provided by KPDRA in 2020 are limited. If additional funds become available which the Board of Directors of KPDRA, in its sole and absolute discretion, deem available for this program, then the program cost share may be increased to not more than 75% of the actual cost of work specified in the Contract, but not to exceed \$10,000.

F. DISCLAIMERS:

The applicant-well owner shall hold KPDRA its consultants harmless from injuries or damages arising from the implementation of this Program. KPDRA makes no representations or warranties that the specified well improvements will produce an adequate water supply, that domestic water will be available, or that quality of the water produced by the improved well will be fit for domestic use.

G. APPEAL:

All decisions made by or on behalf of KPDRA will be made by its Board of Directors. Consultants may provide such assistance to the Board of Directors as it may request, however, the consultants are not authorized to make and will not make any decisions during this Program. Any decision made by KPDRA or any action taken by or on behalf of KPDRA may be appealed to the Board of Directors of KPDRA for reconsideration, which will hear such appeal after due notice at a public meeting. Any Applicant for assistance from this Program may initiate an appeal for reconsideration by written notice provided to Nathan Ratliff, Parks and Ratliff PC., 620 Main Street, Klamath Falls, Oregon 97601, legal counsel for KPDRA. Any Notice may be delivered or mailed to Counsel at said address. Any Notice must be delivered in a timely manner and should describe the decision or action being appealed and provide detailed information describing the impact of the decision on the person appealing the decision. Mr. Ratliff may

request additional information and will provide a full copy of the appeal Notice and information to the members of the Board of Directors. Mr. Ratliff will provide timely Notice of the date, place, and time of the meeting at which the Board of Directors will consider the appeal for reconsideration. Although it is the intent of KPDRRA that any such hearing be informal with a goal of timely resolving the appeal for reconsideration, the person making the appeal may be represented by legal counsel and may provide additional information and witnesses at the appeal hearing. The Board of Directors will consider the information provided, shall make a decision on the appeal for reconsideration, and will notify the person making the appeal of its decision.

KLAMATH PROJECT DROUGHT RESPONSE AGENCY

2020 DOMESTIC WELL MITIGATION PROGRAM CONTRACT

THIS CONTRACT is made this ____ day of _____, 20__ by and between the Klamath Project Drought Response Agency (“KPDRA”) and the well owner, whose name, address, and signature appear below (“Well Owner”).

RECITALS:

A. KPDRA is a governmental agency formed pursuant to an Intergovernmental Cooperation Agreement.

B. Well Owner is the owner of a domestic well, as that term is defined in the 2020 Domestic Well Mitigation Program policy adopted by the Board of Directors of KPDRA, the terms and conditions of which are incorporated herein by this reference. Well Owner has been adversely affected by a decrease in the water level of the aquifer from which Well Owner’s well draws water, and Well Owner may be similarly impacted in future years as a result of the use of groundwater for irrigation within the Klamath Reclamation Project.

C. Well Owner filed an application with KPDRA for assistance pursuant to the said mitigation program. KPDRA has processed that application and agrees that Well Owner is qualified to receive financial assistance pursuant to the terms of the Program.

D. By this Contract, the parties desire to provide for the payment by KPDRA of an allowance to Well Owner as mitigation for the costs Well Owner has incurred or will incur in remedying the impact on Well Owner’s well.

AGREEMENT

1. Allowance. In consideration for Well Owner’s full and strict compliance with the terms and conditions set forth below, KPDRA agrees to pay to Well Owner the lesser of TWO THOUSAND DOLLARS FIVE HUNDRED (\$2,500) or 50 percent of the actual documented cost incurred by Well Owner in completing the work described on Exhibit “A” attached hereto and incorporated herein by this reference.

2. Correction of Problem. Exhibit “A” attached hereto describes the work that must be completed to remedy the impact on the well and to Well Owner that has resulted from a decrease in the level of the groundwater aquifer and the estimated or actual cost of completing the work. Well Owner agrees, as a condition to the receipt and retention of funds paid by KPDRA pursuant to this Agreement, that he/she shall undertake and complete the work described on Exhibit “A”

3. Inspection of Work. Upon notice from Well Owner that Well Owner has completed the work described on Exhibit “A,” KPDRA may arrange with Well Owner to inspect the work and confirm that the work was completed in the manner described on Exhibit “A.” Well Owner grants to KPDRA or its designee the right to come onto Well Owner’s land and undertake such tests and inspections of the well and do all other acts reasonably determined by

KPDRA to confirm that Well Owner has complied with the construction requirements set forth on Exhibit "A." If KPDRA determines that Well Owner is not in compliance with Exhibit "A," KPDRA shall advise Well Owner of its findings and describe the necessary work Well Owner must undertake to complete the requirements set forth on Exhibit "A." Well Owner shall, thereafter, have a reasonable time to complete said work and request another inspection of the well by KPDRA. Upon the request for another inspection, KPDRA may conduct such further inspection and review as KPDRA deems appropriate.

4. Payment of Allowance. Upon Well Owner's successful completion of the work described on Exhibit "A" and KPDRA's finding that the work has been completed, KPDRA shall pay said amount either to Well Owner or, if so directed by Well Owner, to the well driller and/or pump company that performed the work described on Exhibit "A."

5. Documentation of Expense. As a condition precedent to the payment of any funds under this Contract, Well Owner shall provide to KPDRA true, correct, and complete photocopies of all invoices, statements, receipts, checks, and other documentation of the actual expenses incurred by Well Owner in completing the work described on Exhibit "A." Well Owner shall provide said information to KPDRA within 30 days after completion of the work described on Exhibit "A." Notwithstanding any other condition herein to the contrary, said work must be completed and the requisite documentation provided to KPDRA on or before December 31, 2020. Failure to complete the work and/or provide the documentation by said date shall terminate all obligations of KPDRA pursuant to the terms of this Contract.

6. Payment for Work Already Completed. If as of the date of this Contract Well Owner has completed the work described on Exhibit "A," then within 30 days of the date of this Contract, Well Owner shall provide to KPDRA the proof of the documentation described in paragraph 5. KPDRA may conduct the inspection of the work described in paragraph 3, above. Upon approval of the work and review of the documentation provided by Well Owner, KPDRA shall pay the amount of money due to Well Owner under the terms of this Contract.

7. Disclaimer. KPDRA does not represent or warrant that the work described on Exhibit "A" will produce an adequate water supply to Well Owner, or that domestic water will be available to Well Owner from his/her well, or that the quality of the water produced by the improved well and/or pump will be fit for domestic use.

8. Release of Claims and Indemnification. In consideration for the execution and performance of this Contract by KPDRA, Well Owner hereby releases KPDRA and its agents and designees from any and all claims of damages or injury arising from the implementation of this program and from the implementation of any and all programs heretofore or hereafter administered by KPDRA for the use of groundwater for irrigation within the Klamath Reclamation Project. Well Owner shall indemnify KPDRA, its officers, agents, and contractors and hold them harmless from any and all claims, demands, losses, damages, causes of action, suits, and liabilities of every kind arising from or related to Well Owner's participation in this program.

9. Miscellaneous Provisions.

A. Notices or other communications required under this Contract may be provided by first-class mail, postage prepaid, and addressed to the party at the addresses set forth below. Any mailed notice shall be deemed to have been received on the third business day following mailing.

To KPDRA: Klamath Project Drought Response Agency
PO Box 1044
Klamath Falls OR 97601
Telephone: 541-363-1880

To WELL OWNER: _____
Name

Street Address

City, State, Zip

Telephone Number

B. Well Owner represents and warrants to KPDRA that he/she is the legal owner of the well and has authority to enter into this Contract with KPDRA, and that the adverse impact to Well Owner's land from the decrease in the level of the aquifer that supplies the well occurred on or after March 1, 2020 and before October 31, 2020.

D. Well Owner's social security number or tax identification number is: _____
_____. Under penalties of perjury, Well Owner certifies that:

1. The number shown on this form is my correct taxpayer identification number; and

2. I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding, and I am a U.S. citizen or other U.S. person.

E. Well Owner acknowledges that Well Owner is responsible for all taxes, assessments, and/or other obligations, if any, related to the payment of assistance under the terms of this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first-above written.

KLAMATH PROJECT DROUGHT
RESPONSE AGENCY

WELL OWNER

By: _____
Its: _____

KLAMATH PROJECT DROUGHT RESPONSE AGENCY

2020 DOMESTIC MITIGATION PROGRAM APPLICATION

APPLICANT CONTACT INFORMATION

Applicant: _____

(If applicant is not the well owner, must provide authorization to represent owner)

Mailing Address: _____

City: _____ State: _____

ZIP Code: _____

Phone: _____ Cell: _____

Email: _____

OWNER CONTACT INFORMATION

Well Owner (if other than applicant): _____

Well Owner mailing address: _____

City: _____ State: _____

ZIP Code: _____

Phone: _____ Cell: _____

E-mail: _____

WELL LOCATION

Address where well is located (if different than mailing address): _____

City: _____ State: _____ ZIP Code: _____

(Location of Well) Township: _____ Range: _____ Section: _____

****Please attach a County Tax lot Map showing the well location**

WELL INFORMATION

****Please attach a copy of the well report(s) and pump depths (if available)**

Well Tag Number: _____ Well Log ID (ex. KLAM9999): _____

Depth of well when limited water production occurred: _____

Pump depth at time limited production occurred: _____ Year drilled: _____

Use(s) of existing well (Circle all that apply): Domestic Livestock

Landscape/garden –How many acres are irrigated by well? _____ Other (list below):

Is the well located near a well being used to pump groundwater for irrigation? (circle): YES NO Don't Know

WELL STATUS

Initial date when well owner experienced limited water production: _____

What problem was experienced? (Circle all that apply):

Dry

Pumping an inadequate amount of water

Air or sediment in water

Other (please explain): _____

Did the limited production or other problems end or improve? (Circle): YES or NO --- If yes when? _____

ACTION TAKEN

Has any action been taken to deepen, repair or alter the well or pump? (circle) YES or NO

What was the (circle which) estimated cost or actual cost? \$ _____

Applicant Signature: _____

Date: _____

ADDITIONAL COMMENTS

Please provide any other information that may assist in reviewing this Application:

Application Checklist – Please Provide:

Application

Authorization from Well Owner (if different than applicant)

County Tax Lot Map

Well location on Tax Lot Map (mark on map the location of well)

Copies of the well log report(s) (if available)

Well Tag Number (Oregon)

Well Log ID

Depth of well when limited production first occurred

Depth of pump when limited production first occurred

Date when limited production first occurred

Estimated or actual cost to fix the problem permanently outlining