

Regular Meeting Minutes

**Klamath Project
Drought Response Agency
Regular Board Meeting
February 9, 2022
10:00 am**

MEETING CALLED TO ORDER

Marc Staunton, the President, called the regular scheduled Board of Directors meeting of the Klamath Project Drought Response Agency (KPDRA) to order on Wednesday, February 9, 2022, at 10:14 am, at KWUA boardroom at 2312 South Sixth Street and via the on-line conference platform called Zoom.

ROLL CALL

Directors Present: Marc Staunton, Luther Horsley, Paul Crawford, Ryan Hartman (via zoom), Rob Unruh, and Mike McKoen
Guests: Chelsea Shearer, Kyle Knutson, Gene Souza, Nathan Ratliff, Mike Neuman, Moss Driscoll, Pat Nue, Marcy Anderson, Lynn Long, Ty Kliewer, Frank Hammerich, Nick Grounds, and Scott White

Ryan Hartman was sworn into his KID-appointed position. He assumes the position of Jerry Enman. Jerry Enman's departure also leaves the KPDRA Vice President position vacant. Ryan will stop by Mr. Ratliff's office to sign the document. '

Marc Staunton opens the floor for nominations of Vice President. Luther Horsley nominates Paul Crawford

Motion: To nominate Paul Crawford for Vice President.

Motion by: Luther Horsley Second: Rob Unruh

Discussion: Paul respectfully declines the position as this year his time of participation will be limited.

Motion dies.

Mike McKoen stated that given the lack of nominations, he would accept a nomination.

Motion: To nominate Mike McKoen, close the nominations and cast a unanimous ballot for Mike McKoen as Vice President.

Motion by: Luther Horsley Second: Paul Crawford

Roll Call: Unanimous Aye

Motion carried.

Agenda

Approved unanimously

Update Regarding CARES Act and No Irrigation Payment Processing and Program Next Steps

MBK Staff reviewed the Contested applications with the board.

Application CA-0352-01/ CA 0352-02- Mr. Horton's application was filed late and is located in an eligible district, Langell Valley.

Nathan Ratliff recommends the board deny as the application is late and on eligible ground.

Motion: To deny applications CA-0352-01/ CA 0352-02.

Motion by: Mike McKoen Second: Luther Horsley

Roll call: Unanimous

Motion Carried

Pat Neu stated that the application for Kerley – CA0405-01, CA0405-02, and CA0405-03 should be revised to show the acreage of 35.8 Acres instead of the mapped 17.5 due to an MBK mapping error.

Motion: To amend approval of application Kerley – CA0405-01, CA0405-02, and CA0405-03 to revised acreage: 35.8 acres, provided FSA provides confirmation that payment is in accord with grant terms

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Motion by: Mike McKoen Second: Luther Horsley
Roll call: Unanimous
Motion Passes

Pat Neu stated that the application for Bagg - CA0072-07 should be revised to show the acreage of 75.3 acres instead of the mapped due to a transposed number error on MBK mapping.

Motion: To amend approval of application Bagg - CA0072-07 to revised acreage: 75.3 acres, provided FSA provides confirmation that payment is in accord with grant terms
Motion by: Mike McKoen Second: Luther Horsley
Roll call: Unanimous
Motion Passes

Pat Neu stated that the application for Kliewer- CA0072-07 had a mapping error. The mapped line was the same color as the field and was overlooked by staff. This would result in an increase in acres to 290.90. This same issue would apply to application S0467 for 106.8 acres as well.

Motion: To approve application regarding Kliewer - CA0247-02 to Revised Acreage: 290.9, provided FSA provides confirmation that payment is in accord with grant terms.
Motion by: Mike McKoen Second: Rob Unruh
Roll call: Unanimous
Motion Passes

Motion: Motion to approve application S0467 – Kliewer to Revised Acreage: 106.8 Acres, subject to verification that acreage qualifies as unirrigated per policy.
Motion by: Mike McKoen Second: Rob Unruh
Roll call: Unanimous
Motion Passes

Pat Neu stated that the application CA-0399-01,02,03-Hammerich was denied originally for acres in LVID. Frank Hammerich stated that he believes the DRA acted in error and excluded him. Nathan stated that his application was excluded based on the terms of application and Reclamation language.

Nathan recommends the board take no action. Frank argued that LVID had the right to operate private facilities. He feels it is not fair as LVID has been hit worse than others. He requested that Nathan send him a copy of the policy. Marc Staunton stated that the DRA fought to have the language excluded, but that was unsuccessful. They did not want that language, but Reclamation insisted or they would not receive any grants. Reclamation sent a letter listing the districts that, in their opinion, were not in compliance with the 2021 Operations Plan. The Board took no action on this application.

Pat Neu stated that the application CA-0424-01 (Long) used the FOD mapping for consideration of land boundaries. It used the 1858 meander line as the KDD boundary. North of that is Klamath Hills Drainage District, which withdrew its land in the FOD. Therefore they don't receive water from Reclamation. But they are mapped in the FOD then they withdrew. Bill Ganong stated that they have no water right in the FOD. The question would be does the policy go off the mapping in the FOD or the Finals. Mike Neuman, a Reclamation employee, added that only lands with Reclamation contracts should have been mapped.

Marc Staunton suggested that the matter be tabled, as it could have greater implications on other applications paid or denied. Nathan, Bill, Mike Neuman, and Moss Driscoll will get together and formulate a plan to move forward. Lynn Long stated he feels there are some unresolved issues. He would be in favor of a review and be involved in that as well.

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Mr. Long added that he believes "that since the DRA accepted the language which makes them erroneous. The DRA should have taken zero funds and stood on the principle of not excluding others. It is fundamentally unconstitutional. He did not get to irrigate but because his neighbors did, he is being punished. Klamath Hills is not part of KDD, it may not be in the FOD, but has a 1983 priority permit giving them the right."

Mr. Long asked the board to task staff to (1) have MBK staff re-evaluate KHD lands, (2) seek retroactive authorization to pay claims such as his as it was wrong to deny those districts because someone in the Secretary's office doesn't like Klamath.

Nathan suggested that Mr. Long & Mr. Sukraw's application (s0469) be set aside. Mike McKoen agrees to table and refer to counsel, MBK, and Moss Driscoll and have them give a recommendation. The board agreed unanimously.

Pat Neu stated that the application Kliewer- S0467 is proposed to have acreage added. Pat stated that he mapped what he thought the side note stated, but he misunderstood the intention of the applicant, which was to apply for all the fields except the highlighted. MBK staff paid on the highlighted acres. Satellite imagery confirmed the total land.

Motion: To revise acreage: 106.8 acres, subject to verification that acreage qualifies as unirrigated per policy.

Motion by: Paul Crawford Second: Luther Horsley

Roll Call: unanimous

Motion Carried

Pat Neu stated that the application O'Keefe- S0722 submitted the map to MBK and they mapped off the black line on map. Mr. O'Keefe contacted them and stated he meant to include all. 37 acres would increase to 56 acres. He did apply for all 56 acres on the application but submitted a map not inclusive of all 56 acres. Brad Kiby, manager of TID, confirmed the parcel did not receive any water.

Motion: Revised Acreage: 51.4 (if approved) subject to verification that acreage qualifies as unirrigated per policy.

Motion by: Paul Crawford Second: Luther Horsley

Roll Call: unanimous

Motion Carried

Minutes

The board reviewed the prior minutes from February 10, 2021, November 23, 2021, and December 9, 2021.

Motion: To approve the meeting minutes from February 10, 2021, November 23, 2021, and December 9, 2021, as presented.

Motion by: Mike McKoen Second: Luther Horsley

Roll Call: unanimous

Motion Carried

Financials

The board reviewed the financial statement provided. Nathan stated that there are some checks that have been lost in the mail. Once they are confirmed to not have been cashed, a stop payment will need to be issued on each and then reprinted (with FSA approval).

Motion: To approve the financial statement as presented.

Motion by: Mike McKoen Second: Rob Unruh

Roll Call: unanimous

Motion Carried

Discuss Status of Future Programs/Funding

A resolution was presented authorizing Marc Staunton, Chairperson of the Board of Directors of Klamath Project Drought Response Agency to execute Agreement No. 107-2021-5561-11 with the State of Oregon, Department of Administrative Services.

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Recitals: The Oregon Legislature at its 2021 2nd Special Session approved Senate Bill 5561 providing an appropriation to reimburse districts and companies in the Klamath Irrigation (Reclamation) Project that provide irrigation and drainage services to farmers in the Project for the operation, maintenance, and other charges and assessments levied for the 2021 irrigation season; and

The Oregon Department of Administrative Services provided an Agreement, referenced above, providing a grant in the sum of \$4,000,000 to the Klamath Project Drought Response Agency for the distribution of said funds to said districts and companies in the Project; and

The Board of Directors of the Klamath Project Drought Response Agency having reviewed the Agreement and desiring to enter into the Agreement on the terms and conditions set forth therein, acting at a duly called public meeting;

Motion: To accept the Resolution Agreement No. 107-2021-5561-11

Motion by: Mike McKoen Second: Luther Horsley

Discussion:

A motion was made to delegate to Marc Staunton the authority to approve program policy and payment in accordance with pro-rata assessment disbursement amongst districts to assure payment in accordance with the working group proposal.

Nathan Ratliff stated that he recommends a policy be written to administer the funds, such as a letter. If the board delegates Marc S. to approve the policy once it's written, and assuming the funds are in the account, money could go out to districts next month. Motion amended

Amended Motion: Motion to delegate to Marc Staunton the authority to approve program policy and payment in accordance with pro-rata assessment disbursement amongst districts to assure payment in accordance with the working group proposal.

Motion by: Luther Horsley Second: Mike McKoen

Discussion:

Rob Unruh asked for clarity that he can't change what is in accordance with the spreadsheet submitted to the state. He doesn't like voting to approve this without seeing a contract. Marc Staunton agreed and suggested holding a special meeting once the policy is drafted.

Motion Withdrawn

Mike Neuman stated that he has done a mark-up of the 2022-2026 Draft agreement and has sent that up the chain of command for approval. He will start pushing for meetings to discuss the draft. He stated that the agreement must have considerable flexibility for modifications down the road. Lynn Long asks Mr. Neuman to allow districts to have input to a 5-year contract.

Being no further business, the meeting was adjourned the meeting at 12:41 pm.

Motion: To adjourn the meeting.

Motion by: Mike McKoen Second: Rob Unruh

Motion Carried.

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton , President

Approved: Rob Unruh , Secretary