

Regular Meeting Minutes

**Klamath Project Drought Response Agency
Regular Board Meeting
March 17, 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 Thursday, March 17, 2022, at 10:08 am at KWUA boardroom at 2312 South Sixth Street and via the on-line conference platform called Zoom.

ROLL CALL

Directors Present: Marc Staunton, Sam Henzel, Paul Crawford, Ryan Hartman, Rob Unruh, and Mike McKoen
Guests: Chelsea Shearer, Gene Souza, Nathan Ratliff, Mike Neuman, Pat Neu, Marcy Anderson, Lynn Long, Paul Simmons, Rod Owens, Brian Person, Moss Driscoll, Robert Jones, Lee Sukraw, Bill Ganong, Haley Grohs, Hannah Whitley, Kyle Knutson, Valerie Vickery, Pat Lunde, Marc VanCamp, and Tracey Liskey.

Agenda

An agenda change was suggested that #5 (review denied applications of Lynn/Sukraw involving KHDIC) to move after the public comment period.

Sam Henzel was sworn into his KDD-appointed position. He assumes the position of Luther Horsley.

Motion: To amend the agenda as suggested.

Motion by: Mike McKoen Second: Ryan Hartman

Roll call: Unanimous

Motion Carried

Public Comment

Rod Owens commented that he has not been able to run cattle for two years because of no water. He had 4.8 acres that did not get compensated. He feels that it is unfair that the DRA does not allow under 5. Whether it's one acre or a hundred, the DRA needs to allow all acres into the program.

Pat Lunde stated that she is in the same position of not having qualified acres. She stated, "I was not allowed to apply, and that is discrimination, I pay taxes, it should be paid as we all contribute. This agency needs fairness for all, not just some."

Lynn Long stated he farms the lower Klamath Lake in the Klamath Hills District. He attempted to arrive at a contract with DRA, but he is "currently not allowed to play, and Reclamation can't possibly achieve their goal (to deliver water to the basin) if they don't allow people, like Klamath Hills to participate as an individual." He continued that the DRA should gain acceptance of a 5-year contract under certain circumstances, such as 2021. He urges the DRA not to accept the current contract with the current language.

Robert Jones stated that he farms 20 acres on the Lower Klamath on his grandmother's homestead. In 2020 his land qualified. Under the assumption that his land would continue to qualify in 2021, he submitted an application. He was agitated that it took the DRA 6 months to let him know that he was declined. Allowing him no time to plan accordingly. He stated, "that is not right, and you need to change something."

Lee Sukraw stated that he has all the same issues as previous comments and supports all their comments.

Pat Lunde expressed her passion that the DRA does not sign a contract that excludes people. Do not allow any language that says the DRA must follow Reclamations' language.

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Valery Vickery addressed the board in the matter of her approved application in relation to which a garnishment was filed. She asked the board if a decision to release it to her was made. Nathan stated that he addressed the court on the matter, and there is a signed court order that denied her challenges to the garnishment, but that the Court had ordered the funds held until it directed payment.

Gene Souza spoke to "reiterate the displeasure of the same thing everyone else was talking about." His comment was embraced by many guests that did not speak.

Review of Denied Applications Long/Sukraw involving KHDIC

Pat Neu of MBK staff stated that it is staff recommended to rescind the agreement of the previous approval of subject applications and then deny the applications in full. No land north of the 1858 meander line should be approved. This was an area mapped by OWRD in the FOD, but it is an error in the FOD. Moss Driscoll conceded that there are exceptions filed that have yet to be approved; until they are decided on, they are still the law. Bill Ganong gave his thoughts on the three criteria to meet. A conversation ensued.

The board chooses to take no action on applications CA-0424-02,03,04, S0634,635,636, S0469, and S0631 and bring back more internal discussions. Staff will report back after future discussions and review of the conflicting information, with the intention of resolving the issue regarding Long/Sukraw, and as to future applications.

Review Prior Meeting Minutes

No minutes to approve.

Review/Approve Financial Statement, Payment of Outstanding Invoices, Ratification of Invoices Paid

Nathan stated that there was a statement of asset of revenue in the report from March 15. As of today, the statement balance was \$453,277 in the checking account.

Motion: Approve payment of outstanding invoices and ratify payments made.

Motion by: Mike McKoen Second: Sam Henzel

Discussion: Nathan asked if the motion also includes the approval of the financials submitted by accountant Amy Chipman

Motion: To amend the prior motion to include the approval of financials submitted by Ms. Chipman.

Motion by: Mike McKoen Second: Ryan Horsley

Roll call: Unanimous

Motion Passes

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

Nathan reports that the payments that were lost have been reissued along with a note that they need to be cashed asap. Nathan recommends that the DRA change banks as there are no business hours or in-person appointments at US Bank.

Discussion and Update regarding Assessment Reimbursement from State of Oregon a. Review and Approve Program Policy

Nathan stated that the board needs to review and approve the RICOD program Policy. Marc Staunton stated that the reimbursements would pass through the DRA. Checks will be deposited in U.S. Bank, but the DRA needs a policy in place. Nathan stated that he sent a draft for the board to review. He stated there is no language that states that KDD is excluded. Moss and Paul have reviewed the draft policy. There are no conditions on how the funds are to be used. These funds are a direct result of KWUA and the Oregon Farm Bureau and were funded based on the cost of assessments assessed by districts even with no water delivered. The purpose was to reimburse patrons for 2021, offset or reduce assessments in the future, or cover costs of unpaid assessment costs for 2021.

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Staff will set up a simple application with a deadline of April 30, 2022, that districts can use to apply for the funds. The districts will be given a deadline will be April 30, 2023, to use funds. Chelsea Shearer of KWUA will make the phone calls to each district to get them to apply as soon as they can so the funds can be issued.

Motion: To approve the 2021 RICOD Program Policy and authorize staff to implement the program, subject to the approval of at least one Board members, including minor revisions

Motion by: Mike McKoen Second: Sam Henzel

Roll call: Unanimous

Motion Passes

Discuss Status of Future Programs/Funding

Nathan stated that the quickest way to get funds is to make an amendment to 10.a. The board has seen the proposed amendment; it does include the district exclusion language of 2021. He also stated that the DRA needs to update the budget and admin services as they are way under budget. KWUA has asked for \$27 million; doing an amendment avoids the 4-6 months of waiting for new policy approval. Marc Staunton also stated that he's tired of the DRA always working in the rears, and he would like to see us moving forward so we can avoid the "Robert Jones" of the basin. Mike Neuman stated that the non-qualifying district language is written into the policy. He stated that the local office supports the exclusion of it; however, the "higher-ups" insist it is in the contract. He stated the DRA could try to amend the agreement but it is most likely that it will be denied.

Sam Henzel asked for a meeting with the board members to talk candidly and wants the discussion done privately. Members of the board reminded Sam that it is not allowed. Such conversations must be public and noticed. Sam then asked the board to think about asking to have congressional oversight of the DRA process. He stated that it would achieve a congressional person present, and that's why he wants a discussion. Sam continued that he wants to "educate the delegation on the problems of the Klamath Basin, relationships with tribes, if they are aware then they may pass legislation. It could solve the relationships of the Basin and Reclamation would know that they would have congressional oversight. That is why I want a conversation with members. I am willing to try everything to get the people to survive in the Project."

Marc suggested this is something for KWUA, not the DRA; the DRA cannot work with lobby groups or anything outside of the scope. After a brief discussion of what is allowed by a DRA member and at meetings, the board moved to the next topic.

Motion: To approve the statement of work for the 2021 Agreement BOR Amendment.

Motion by: Mike McKoen Second: Paul Crawford

Roll call: Unanimous

Motion Carried.

The board reviewed the budget for modification.

Motion: Approve Budget for Modification to Agreement as presented to accompany SOW already approved.

Motion by: Mike McKoen Second: Rob Unruh

Roll call: Unanimous

Motion Carried.

Sam Henzel leaves the meeting at 12:32 pm.

The next meeting will be on April 13, 2022, at 10 am in the KWUA boardroom. Being no further business, the meeting was adjourned the meeting at 12:39 pm.

Motion: To adjourn the meeting.

Motion by: Mike McKoen Second: Ryan Hartman

Motion Carried Unanimously.

Minutes prepared by Chelsea Shearer

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Approved: Marc Staunton _____, President

Approved: Rob Unruh  _____, Secretary