

Regular Meeting Minutes

**Klamath Project Drought Response Agency
Regular Board Meeting
September 15, 2022
1:00 pm**

MEETING CALLED TO ORDER

Marc Staunton, the President, called the regularly scheduled Board of Directors meeting of the Klamath Project Drought Response Agency (KPDRA) to order on Thursday, September 15, 2022, at 1:07 pm at KWUA boardroom at 2312 South Sixth Street and via the on-line conference platform called Zoom.

ROLL CALL

Directors Present: Marc Staunton, Paul Crawford, Sam Henzel, Ryan Hartman, and Mike McKoen

Guests: Chelsea Shearer, Nathan Ratliff, Pat Neu, Paul Simmons, Kyle Knutson, Joh Dey, Mike Neuman, Tom Fuller, Alen Heck, and Frank Hammerich.

Agenda

The board approved the proposed agenda by consensus.

Public Comment

No public comment

Consider Appeal for denied application and take action as deemed appropriate, if any & reconsider approve acreage amounts challenged.

The board was presented with the reconsideration of the denial of KDR220703. Pat Neu indicated that the initial mapping indicated acreage applied for outside of the project and the application was denied. Follow-up concluded that acres are within the USBR project service area. And the conclusion was confirmed with local BOR. Staff recommended the board rescind the denial of application KDR220703-14 acres.

Motion: Approve application KDR220703 which was previously denied.

Motion by: Sam Henzel Second: Paul Crawford

Roll call: Unanimous

Motion Passes

The board was presented with the reconsideration of the denial of KDR220047. Initial mapping indicated acreage applied for was less than 4 acres, and the application was denied. Pat stated that follow-up and review of mapping program information concluded that the total acreage is greater than 4 acres. Staff recommended the board rescind the denial of Application KDR220047 for 4 acres.

Motion: Approve application KDR220703 which was previously denied.

Motion by: Sam Henzel Second: Paul Crawford

Roll call: Unanimous

Motion Passes

The board was presented with the reconsideration of the denial of applications KPDR220465 and KDR220466. The initial spreadsheet indicated applied for parcels were located in an ineligible district. Follow-up review determined that mapping showed parcels were not within an ineligible district, but that the initial spreadsheet entry contained an incorrect district. Staff recommended the board rescind the denials of Applications KDR220465 for 22.1 acres and KDR2200466 for 4.9 acres.

Motion: Approve application KDR220465 and KDR220046 which were previously denied.

Motion by: Sam Henzel Second: Paul Crawford

Roll call: Unanimous

Motion Passes

Regular Meeting Minutes

Staff presented a request for consideration to amend to add additional acreage to applications, KDR220107 and KDR220451. Applicants recently contacted staff and asked to include additional acreage, explaining that the applicant was unaware that additional ground was eligible for the program at the time of initial application. Additional ground is contiguous to ground contained in the initial application. Staff stated that the DRA's practice has been to use acreage based on the lesser of either the applicant's claimed acreage or eligible acreage determine by staff. By allowing the inclusion of additional parcels, it may require notice and an opportunity for other applicants to augment their applications. Staff did not have a recommendation and suggested the board take one of 3 options (1) Take no action (2) A motion for amended acreage to be included for applications KDR220107-35 Acres and KDR220451-8 Acres, or (3) Other options the board deems.

Mr. Tom Fuller addressed the board and asked them to consider allowing his 35 acres of land that has a spring flow water right. He was unaware he could add that. It is confirmed that his land is included in the FOD.

Nathan Ratliff stated that if the board allows the acres to be included, they are opening the door for others by setting a precedent. The board asks to clarify how this is just not extending the boundary line and not adding another application. There was discussion regarding past practices and the effects of adding acres to an application, and how that was different from someone trying to submit a late application for a parcel previously excluded. There was consensus that it was appropriate to review the matter at a subsequent meeting and take no action today.

Paul Crawford suggests the DRA open a 2nd round of applications at a lower cost as funds are available. His suggestion did not materialize into a motion.

Staff asks for the reconsideration of the denials for applications KDR2200770 and KDR220771. The application was mailed on June 10, postmarked on June 11, and not received by the deadline. Staff checked the mailbox on June 16 and the application was not received. The mailbox was checked again on August 3 and the application had been delivered in the interim period. Staff stated that the DRA Policy and application indicated that the application must be received by 5:00 pm, June 15, 2022. There is no staff recommendation but the board could take no action and the application remains denied. Or they could move to rescind denial of Application KDR220770 for 27.1 Acres and application 220771 for 25.6 Acres.

Sam Henzel stated it was postmarked prior to the close of the application period, this is a technicality.

Motion: Approve application KDR220770 for 27.1 Acres and application 220771 for 25.6 Acres

Motion by: Sam Henzel Second: Paul Crawford

Roll call: Unanimous

Motion Passes

Update regarding No Irrigation Program Administration

Pat Neu gave an update on the potentially approved applications. He stated that there are a total of 771 applications totaling 46,095.5 applied acres, currently, there are 40,450.4 recommended for approval, subject to verification.

- 277 applications approved in full for 14,176 acres
- 457 applications approved in part for 26,274.4 acres (29,964.6 acres applied)
- 3 late applications for 141 acres
- 7 applications outside the FOD/USBR contacts for 809 acres
- 8 applications with less than 4 acres for 31.2
- 11 applications in in-eligible district(s) for 973.6 acres

Pat also stated that small acre program will be verified in October, at that time he could give a more definitive answer of quantity. In a good faith estimate of acres given by districts, he thinks that program will be about \$394,000, but that is subject to change.

Regular Meeting Minutes

Paul Simmons stated that he sent a memo to everyone about the fiscal year ending on September 30. KWUA's overwhelming priority is adequate water for irrigation in the Project. KWUA's seeks funding to mitigate the adverse impacts of federal curtailments. The recently enacted Deficit Reduction Act, Congress appropriated \$4 billion for western drought relief. The language is general, other than to express the intent that the Colorado River is the highest priority and that reduction in water diversion is the primary focus west-wide. One significant limitation is that the statute creates no new spending authority. This means that, unless something changes, Reclamation will have to use already-existing program authority.

Paul stat that he has spoken to the Ferguson Group about this funding. They believe, and believe that the Commissioner's office believes, that the Klamath Project should be able to garner some of this funding. Paul recommended that focused discussions on this topic, including at least district managers and a subset of the DRA board. In addition, in December, Congress may enact appropriations for fiscal year 2023. It is possible there will be additional drought funding in that legislation. KWUA will remain in contact with that process.

Mike Neuman with Reclamation, encouraged the DRA to work on the 2023 program as it takes about five months to push things through now. Alen Heck, also with Reclamation, stated now that the 2022 season is over, KDD is back to being eligible to participate. Sam Henzel shamed Reclamation for punitively exploiting an entire district instead of an individual farmer. Heck replied that is the reason that he wants this contract to expire.

Pat Nue stated that if the program pays our \$450 per acre, the tentatively approved acres will result in a total of \$18,160,355, the tentatively partially approved total is \$21,172.50, and the unverified small acre program total is \$394,797.76. This will leave \$1,656,512.74 of unused funds. March Staunton asked if it can roll over to 2023. Mike Neuman stated he believes it can or be spent in winter 2022.

Paul Crawford asked again in light of extra funds if the DRA could open up a round of partial season applications so we don't repeat last year with all the late filers. Mike McKoen asked Mike Neuman if he feels it is logical to open a second round after the fact as we are arguing "supply and demand". Mike Neuman stated that he would need to talk it over with others as the program is view differently by local staff for hurting people, or gaining water. Both McKoen and Neuman do not think it would pass an IG Audit since the season is open. A long discussion ensued on the topic with no formal action in the end.

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

The board reviewed the financials that were provided. Mike McKoen moved to have the ratification of the invoices approved. Marc Staunton wants Amy to prepare a report showing why there are negatives in the report. Nathan stated he will ask for clarification and ask her to show up to the next meeting.

Motion: Approve making payment of outstanding invoices and ratification of invoiced paid.

Motion by: Mike McKoen Second: Paul Crawford

Roll call: Unanimous

Motion Passes

There were no minutes to approve.

The next meeting will be in October, the date to be announced. Being no further business, the meeting was adjourned by consensus at 3:35 pm.

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton  , President

Approved: Rob Unruh  , Secretary