

# Regular Meeting Minutes

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

## **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 Wednesday, November 9, 2022, at 10:07 am at KWUA boardroom at 2312 South Sixth Street and via the on-line conference platform called Zoom.

## **ROLL CALL**

Directors Present: Marc Staunton, Luke Robison, Sam Henzel, and Mike McKoen

Guests: Chelsea Shearer, Nathan Ratliff, Kyle Knutson, Gene Souza, Mike Neuman, Bill Ganong, Alen Heck, Brad Kirby, Baylee Mockridge, and Amy Chipman.

## **Agenda**

The board approved the proposed agenda by consensus.

## **Public Comment**

No public comment

## **Minutes**

The board was presented with four sets of minutes for May, June, July, and September all of 2022.

Motion: Approve minutes for May, June, July, and September 2022.

Motion by: Mike McKoen                      Second: Luke Robison

Roll call: Unanimous

Motion Passes

## **Financials**

The board approved payment for 3 invoices. Nathan stated that he is dealing with 2 fraudulent ACH's that have been blocked. One in July for \$137.00 and one in September for \$1000. He is waiting on the bank to send reports.

Amy Chipman was not able to attend in person. She provided Nathan with an expense report by program through 10-21-2022. The report shows a negative for BOR, Nathan stated that is because they have not received reimbursement since April. Amy joined via zoom and will get back to the group with their questions on the FSA lines, calendar year cumulative vs just a per-program expense, Marc Staunton wants to see reports per program not the ladder. She will also review the general water rights line and make sure all the items are coded correctly. She stated that she can start doing reports per program and even put them in subcategories to help read them easier. However, she may need some help clarifying items. It was agreed that the financials would be tabled until there was clarification.

Motion: Approve paying invoices for 3 checks

Motion by: Mike McKoen                      Second: Luke Robison

Roll call: Unanimous

Motion Passes

## **Review/Consider Approval of 2021-2022 Audit Proposal from MSP**

The board was presented the 2021-2022 Audit proposal from MSP. There were no responses to the RFP. The policy states that the DRA can solicit business if no responses are received. Nathan approached MSP who stated that they could contact DRA to perform the services for \$20,000.

Motion: Approve the audit proposal from MSP

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Motion by: Mike McKoen                      Second: Sam Henzel  
Roll call: Unanimous  
Motion Passes

## **Update regarding No Irrigation Program Administration**

Kyle Knutson with MBK asked the board to authorize or Provide Staff guidance regarding processing, approval, and payment. There was also a request from applicants to amend their application acreage. Kyle stated that he has received the districts' verifications. They are currently waiting on Van Brimmer and Tulelake verifications. Once those are received they can schedule a time to review, potentially on November 28, they could review and approve.

The small acreage program still needs information from, Langell Valley, SVID, MID, and Van Brimmer for verification. Kyle believes 2-3 weeks is a reasonable time frame to get checks out once the board has approved them.

Kyle also stated that with the current acreage, the program is still trending to \$450 per acre. The goal will be to issue payment in this calendar year. A question was raised about having a double payment in the 2022 tax year which would include the 2021 program and the current year. The board generally agreed that it is the DRA's responsibility to issue payment as soon as possible once funds are released from Reclamation and let applicants work with their individual accountants.

The board agreed to a special meeting on December 1<sup>st</sup> to review applications for payment.

Kyle stated that there was also a request from an applicant to amend their application acreage. Nathan Ratliff was instructed to go back and see if the acres were allowed to be added. Some board members had concerns on how that would be any different than having a new application. This subject was tabled from the last meeting. Luke, Bill Ganong, Nathan, and Mick McKoen all agreed to "just move on" and not set a precedent.

Kyle stated that on September 21, 2022 a late application was received for 39 acres with no explanation why it was late. Application KDR220 was for 39 acres in Malin on the East side of Drazil rd.

Motion: Motion to deny application KDR 220772 received late, and send applicant notice of denial

Motion by: Mike McKoen                      Second: Sam Henzel

Roll call: Unanimous

Motion Passes

## **Review and discussion regarding Long Term Scope of Work and Agreement with the Bureau of Reclamation**

Nathan stated that the draft for a five-year agreement with the Bureau of Reclamation is a skeleton scope without a lot of details. It was noted that the "non-complaint" languages are not included but it did state it would "limit districts, not in good standing with Reclamation". Marc Staunton stated to Mike Neuman that is basically the same thing. Marc continued that the language is still divisive and we need to spend some time to re-tool the language to have participation, otherwise, he is fearful there will not be a lot of participation in coming years. Alan Heck, Interim Manager of the local Klamath office of Reclamation stated that he does not believe the language will be allowed to be removed. Marc stated that the DRA can not have language as if a "district is disqualified so is all those they serve" such as what happened with the threatening letter he sent out to KID with SVID and MID. Gene Souza agreed with Marc and stated that the letter sent was blackmail from the government.


Alan stated that "Reclamation's goal is to reduce demand and increase supply. It goes back to the contractual agreement. If they provide compensation, then you must abide by Reclamations directive whether it is a district or an individual." Mike McKoen asked Alan what directive did the districts served by KID violate to get a threatening letter?" Gene stated the threat Reclamation made to KID was legal, but to come after the districts that KID serves is wrong and had no place in a contract." Alan stated that he will go back and see what path forward they can do. He also stated that he has no issues with "rolling unused funds to the next fiscal year. The contract will be looked at again next meeting.

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The next meeting will be in October, the date to be announced. Being no further business, the meeting was adjourned by consensus at 11:48 am.

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton  , President

Approved: Rob Unruh  , Secretary