

# Regular Meeting Minutes

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2018 Klamath Project Drought Response Agency  
Regular Board Meeting  
February 15, 2019  
2:00 PM

## MEETING CALLED TO ORDER

Marc Staunton called the regular scheduled Board of Directors meeting of the 2019 Klamath Project Drought Response Agency (KPDRA) to order on Friday, February 15, 2019 at 2:01pm at the KWUA conference room, located 735 Commercial Street, Klamath Falls Oregon.

## ROLL CALL

Directors Present: Michael McKoen, Paul Crawford, Marc Staunton, Rob Unruh, Luke Robison, Luther Horsley & Jerry Enman.  
Guests: Kyle Knutson, Marc VanCamp and Angela Bezzone (all via phone), Chelsea Shearer, Gary Derry, Nathan Ratliff, Bill Ganong, Tyler Swan, Ben Duval, and Ryan Hartman.  
Media Presence: none

The board was presented with the February agenda and approved by consensus.

The Board entered executive session at 2:04pm regarding pending litigation pursuant to ORD 192.660(2)(h). The board exited executive session at 2:23pm and resumed regular session.

Minutes from January 9, 2019 were presented for review. Corrections need to be made under MBK Staff K00252 application needs to be verified correct name to match motion. In addition, a wording change under Other, Total groundwater "damage" should be changed to demand.

Motion: To accept the January minutes with corrections.

Motion by: Luther Horsley                      Second: Jerry Enman

Motion Carried.

## STATUS REPORT OF ADMINISTRATION

Nathan Ratliff stated that the bookkeeper has paid all approved claims submitted with the exception of 3 that are in process. There was a slight issue with checks printed, some were omitted; which required a 3<sup>rd</sup> round of clarification. Marc Staunton suggested there seems to be a discrepancy with improper amounts on the summary sheet presented. Mike McKoen asked to a detailed profit and loss be submitted to the board. It is suggested that financials be tabled until proper numbers can be submitted. Nathan Ratliff reviewed the outstanding bills which had been submitted for payment. The board noted that the first CPA invoice be held for payment until sufficient assurances are received regarding the status of the finances, the second invoice to CPA will be paid.

Motion: To table the consideration of financials.

Motion by: Jerry Enman                      Second: Luke Robison

Motion Carried.

Motion: To approve payment on bills submitted .

Motion by: Luther Horsley                      Second: Jerry Enman

Motion Carried.

## Status Report Regarding Distribution of Aid Monies

Nathan Ratliff stated that all checks were mailed to applicants by February 1<sup>st</sup>. Baley Trotman submitted nine claims and only six land idling claims were processed. Kyle Knutson stated that was an inadvertent oversight and it appears the claims are qualified

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and submitted on time. Two claims (one for 81.7 acres and other for 27 acres) in TID and one claim (19.9 acres) in KBID have been referred to the districts and waiting confirmation.

Motion: To approve processing payment for Baley Troutman once districts approve.

Motion by: Luther Horsley                      Second: Jerry Enman

Motion Carried

Concerns regarding denied claims: Application L0040 Sara Seus, denied for 2016 booster pump connected. Seus provided information showing the booster pump not connected. Angela from MBK recommends the board approved the claim.

Motion: To approve Sara Seus L0040 application with updated information

Motion by: Luther Horsley                      Second: Jerry Enman

Motion Carried.

Board member Luke Robison asked the board to invite Ryan Hartman to come before the board to appeal his Hartman claim and Drost well claim. The board listened to Mr. Hartman's appeal to denied/late claims. After a lengthy discussion on claims K00277, K00278, K00197 and K00198, legal counsel stated those applications have been recorded as received and a note by MBK on applications verified that they were received in a timely matter and indicated it was part of another application. Ryan Hartman indicated that he was instructed to file a new claim, rather than initially seek inclusion in claims K00197 and K00198. The parcels of land contained in K00277 and K00278 are the same parcels contained in K00197 and K00198, and Ryan Hartman's interest in those parcels is referenced therein. K00197 and K00198 fulfill the policy requirements for approval of the claims as to the entirety parcels, including the portion claimed by Ryan Hartman. Kody Hartman, the original claimant for K00197 and K00198 was already paid.

Motion: To move to recognize the inclusion of the entire portion of parcels claimed claim K00197 and K00198, and approving that portion of those claims relating to the portion claim by Ryan Hartman

Motion by: Luke Robison                      Second: Luther Horsley

Motion Carried.

Mr. Hartman appealed to the board regarding his denied Drost well located east of Olene gap. Mr. Hartman stated that the well pumped to support the program which is in KBID and KID. They did not operate this well in 2015, this was the 1<sup>st</sup> time running the well which is a supplemental right well. He complied with all OWRD rules and regulations and used no UKL water. The board discussed the appeal in detail and concluded that they could not adjust their policy. The board agreed not to vote on this item. Mr. Hartman thanked the board for their time and congratulated them for putting a program together so quickly for the Basin.

Nathan Ratliff stated that there are no longer pending claims to review as they have been withdrawn. He also stated that agendas and approved minutes will now be published on the KPDR website.

### RFP Auditing Services

Nathan Ratliff indicated that a draft of the RFP was sent to the board for review along with purposed firms to send to. A discussion of date for reply took place.

Motion: To move to approve to send out RFP with due date of March 1, 2019

Motion by: Luther Horsley                      Second: Jerry Enman

Motion Carried.

### Further Discussion and Decision Regarding Expenditure of Remaining Funds & Continuing the Agency for 2019 Season

The board discussed options for the remaining \$1.3 million plus funding the agency has. Jerry Enman spoke about the 2019 Operations for the Project being very convoluted. KWUA is working on options that the Project could participate in for 2019 water year. He stated that it is safe to assume under current guidelines and weather there will be a late start to the Project. Mike McKoen asked if there is a need for that money to be used in 2019 with another program? The option to put those funds into an interest-

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bearing account as also discussed with no results. Mike McKoen stated that Congressman Greg Walden wants to see the KPDR continue past the 2019 expiration date.

Motion: To drop the 2018 from the name and omit sunset clause, open for business.

Motion by: Jerry Enman                      Second: Mike McKoen

Discussion:

Discussion ensued on the opportunity to continue the KPDR past its expiration date. Marc Staunton asks about incorporating it into KWUA, however KWUA board needs to be involved in a planning session style meeting to see how it would/could work differently than KWAPA. Jerry Enman exerts this is not a fold into KWUA but a partnership, while Mike McKoen questions why people want to fold it into KWUA given his patrons feel they are dysfunctional. Marc wielded that is the exact reason why we need KWUA in the room during these discussions so that there is not another dysfunctional relationship as there was with KWUA and KWAPA.

Gary Derry was invited to speak as he was a former KWAPA board member and KWUA board member. Mr. Derry stated that the group needs to get the format they would like to see put together and have ready to go should that day come. Jerry Enman stated that Paul Simmons, KWUA legal counsel, has some thoughts and he felt the board should have him here to present them in a work session type meeting which would include all the districts. Mike McKoen asks the board to for a vote to force the conversation to the districts.

Motion Amended

Amended Motion: To go to originating districts and present the request to drop the 2018 from the name and omit sunset clause.

Motion by: Jerry Enman                      Second: Mike McKoen

Motion Carried.

*Action Item: Marc Staunton will coordinate a meeting with KWUA and others, Nathan Ratliff will coordinate a meeting with district attorneys.*

### Public Comment

No public comment

Being no further business, the meeting was adjourned the meeting at 5:00pm.

Motion: To adjourn meeting.

Motion By: Luther Horsley                      Second: Jerry Enman

Motion Carried

### Next Meeting

*Meeting will be held March 11, 2019 at 10am at KWUA board room.*

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton  , President

Approved: Rob Unruh  , Secretary