

# Regular Meeting Minutes

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Klamath Project Drought Response Agency  
Special Board Meeting  
February 25, 2021  
1:00 pm

## MEETING CALLED TO ORDER

Marc Staunton, President, called the Special Board of Directors meeting of the Klamath Project Drought Response Agency (KPDRA) to order on Thursday, February 25, 2021, at 9:00 am at 2312 South Sixth Street and via the on-line conference platform called Zoom.

## ROLL CALL

Directors Present: Luther Horsley, Paul Crawford, Jerry Enmnan, Marc Staunton, Mike McKoen, and Rob Unruh  
Guests: Chelsea Shearer, Kyle Knutson, Gene Souza, Brad Kirby, Nathan Ratliff, Bill Ganong, Haley Grohs, Marc VanCamp, Pat Neu, Mie Neuman, Moss Driscoll, Mark Johnson, and Bill

Nathan Ratliff stated that agenda item 2.a, the discussion/authorization of Bureau of Reclamation (BOR) Grant request by staff, to wait until the end of the meeting to discuss. KPDRA will discuss and approve 2021 programs that the Board was sent out via emails. Bill Ganong is working on financial forms for the 2021 program, he is going through the 2020 programs to format and make sure that they are no current conflicts of policies. The Board was presented with the programs, the parts highlighted in yellow need board attention. The discussed as set forth below and directed staff to continue working on developing policies and finalizing grant application.

## Draft Policy language 2021 Groundwater Supplementation Policy:

Nathan screen shared a copy of general issues on the overhead display. The first issue is to establish priorities for the use of available funds. The current draft policy states, *KPDRA will use whatever funds that become available to pay the costs of administrating its Programs, then to its groundwater programs, and then to its No Irrigation and Partial Irrigation programs. KPDRA will not know how much money is available or how much each Program participant will receive until the end of 2021, at the earliest. To the extent funds become available, all contracted well owners will be reimbursed for the actual cost of the energy required to operate the well pump and cost of energy for any booster pump in a closed delivery system necessary to transport the water to the place of use. Subject to the availability of funds, it is KPDRA's intent to pay an amount to reimburse the well owner for the depreciation and wear and tear on the well, well pump, and other improvements related to the operation of the well. ... KPDRA will ... pay the well owner \$20 per acre-foot of water provided by the well ...*

Moss and Bill Ganong both remind the Board that there is a NEPA procedure that will have to take place if they do a whole new program. Moss suggested that the Board use the programs that were used in 2018 and 2020, but state "were doing something different, but keeping the benefits of last years program." That will help speed up the review process.

Marc Staunton shares his idea of letting the districts choose what type of Program they want to administer. For example, KID and TID needs are vastly different in filling their districts gaps. Marc receives push back from the other board members. Jerry feel this conversation is a bad use of time and thought the process takes us backwards. Mike and Luther agree their districts do not want to administer programs, that is something KWUA pr KPDRA should do not the districts. KDD and Van Brimmer's duty is to deliver water and drain water. That is their sole purpose. Conclusion- the group chooses to move on after a standstill on the subject.

Marc Staunton states that he feels if the districts use the same amount water as last year, if they use the same Program, every district will be shut off midseason. He feels that if we don't change the Program or let districts choose how to fill their gap, then we will be in the same if not worse spot as last year. Mike McKoen states he is confused in what Marc is talking about with creating a new program. If he can explain it to where it makes sense the districts don't shut down midseason, he will keep an open mind. Bill Ganong states the language needs to be clear so that people are not misled or perceived. It's paying for something.

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Nathan refocuses group to choose the drafted language or the following alternative language. Alternative Policy language suggested to the Board would read: *KPDRA will offer this Groundwater Supplementation Program, a Program to assist landowners who do not irrigate in 2021, and a Program to assist landowners who applied winter irrigation water but will not irrigate after February 28, 2021. In November 2021 (the Board chooses to strike the date of November 2021), or such other time as KPDRA knows how much money it will receive from the United States for its Programs and how many landowners and well owners have enrolled in the 2021 Programs, KPDRA will allocate the available funds among the Programs as KPDRA, in its sole and absolute discretion, determines fair and equitable.*

Bill Ganong states he the KPDRA started with the language from the 2020 policy for the targeted wells, that policy says reimbursement of energy cost plus \$20 an acre-foot. He stated that the Board shouldn't want to put that in a 2021 policy unless they ready to do that specific dollar amount. Therefore whatever the KPDRA gives reclamation, or whatever the KPDRA puts on the shelf. He doesn't want language in there that to lead some people to believe that's what you're going to pay.

Jerry states that if we prioritize payment to groundwater pumping over land idling you do not give the landowners a dollar figure prior to the start of pumping groundwater, it's his opinion that the Program will not provide any extra water to the project other than the water that would have been pumped without a program. Landowners will not be content in waiting until end of November to know how much they will be compensated. Jerry also asked the question that, how will we do this Program if there is a late start and the Project gets no water until June. If we pay people with supplemental wells to pump before the canals are charged, then their lands will already be wet and the demand was reduced. The Board did not have any comment. KPDRA does not have any updates from OWRD, just that they are working on it. Marc Staunton agrees and and that is why he feels the alternative language is a better option.

Paul Crawford stated that it sounds like it's going to be impossible with out a \$18 Million dollar budget to bridge the gaps of demand and supply. He then questions if this Program is not going to mitigate water shortages and the Program doesn't have the money to do both in a year like this, he asks if KPDRA focuses on groundwater pumping, does it do the Project enough good to sacrifice land idling money. Luther stated that we need flexibility to choose the programs each year. Paul is not comfortable prioritizing pumping over land idling, locking us in or paying priority programs when we are all facing a lack of water. Paul feels there is a loss mitigation and a demand management program at the same time. Jerry reiterates that he was not suggesting they prioritize well water and have a land idling program, just merely stating that if we doing prioritize groundwater, then we might as well cut it from the Program as it would be pumped anyways. Moss Driscoll agrees that this year the demand management program probably won't to make water available this year to "B" water users at large, but don't lose sight the Program is to a line supply and demand in the Klamath Project consistent with their authorities, but it may in effect more like a compensation program this year.

Bill Ganong stating he is asking for 18 million, yet there's only 10 million to be allotted. Part of that will go to the Eastside, so in reality it may only be 8 to 9.3 million available. Moss reiterated that they are trying to get to \$10 million dollars. Moss stated aligning supply and demand for the project does include Eastside, however, right now they have supply sufficient for their needs of 35,000 acre feet from both reservoirs. However, they know others will ask for water from the Eastside, which will result in a shortage to them. Nathan states technically, based on the Project, the east side is included, and DRA could include them in the programs.

Bill Ganong states that if we don't decide which language to use, he will use the alternative language under number one. Jerry Enmen feels that that would be best and most recommend removing the date of November 2021. Conclusion- The Board agrees to use the alternative language striking November 2021.

Nathan stated the Board needs to establish actual or targeted payment rates or leave some or all rates to be determined when funding and participation are known, such as reimburse energy cost plus 10%, 20%, maximum of \$400 per acre for no irrigation. Nathan stated he's not sure what type of participation you will get if patrons don't know what the percentage they will receive.

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The second issue was to establish target payment rates, Bill stated that we can skip, and we are not going to include that for now.  
Conclusion- skip for now

### **Draft Groundwater Supplementation Policy:**

The third issue is who and to what extent do we verify qualification in the Program. This proposed language puts more pressure on the district to verify, and to make sure that water saved on some lands was not transferred to other lands.

Current language stated: *KPDRA will provide a map showing the location of each parcel to the district that delivers water to the parcel for the district's verification of the following information: (1) That the district delivers water to the parcel; (2) That all charges and assessments owed to the district have been paid in full; (3) That the parcel is normally irrigated by surface water delivered by the district; and (4) That the landowner (or lessee/tenant) has not applied to transfer the water appurtenant to the parcel to other land for use during the irrigation season on other lands.*

*The proposed language is:*

*For wells and/or parcels that are within the Project, but not served by a district, the verification process provided in this section and the "Payment" section, below, will be performed by KPDRA consultants or other people designated by the Board of Directors.*

### **Draft No Irrigation Policy:**

Issues for the district's verification of the following information:

1. That the district delivers water to the parcel;
2. That all charges and assessments owed to the district have been paid in full; and

There is a discussion about #2 and assessments; in the past, this was omitted as TID stated that it's not the KPDRA's job to "big brother" assessments. Mike McKoen stated that he wants #2 in there as in 2018, one person received a six-figure check who hasn't paid district assessment in years. He does not feel that is right. Conclusion- leave assessments must be paid.

3. That the boundaries of the parcel are distinct so that the district will be able to periodically observe the parcel during the irrigation season to verify that it received no water except natural precipitation during the irrigation season; and

Conclusion- leave as written

4. That the landowner (or lessee/tenant) has not applied to transfer the water appurtenant to the parcel to other land for use during the irrigation season on other land. Conclusion- There is also a consensus that if the water is transferred from a piece of idle land, it shouldn't be used on any other land.

Bill asked should the KPDRA require that the owner of a well or parcel must sign the Application form. Currently, we do not require the landowner to sign the application form. Conclusion- leave as written

The Board also discussed the issue of hard and fast rules? *For example, add to the No Irrigation Policy: If any portion of the parcel receives (Board chooses to change the word receives to applies) any water from any source except natural precipitation during the irrigation season, the entire parcel will be disqualified from participating in this Program.*

*If KPDRA discovers that any of the information provided on the Application was not accurate, the land will be disqualified from the Program, and no payment will be made to the Applicant. Conclusion: The Board stated that after the last year's issues, yes add: If any portion of the parcel applies any water from any source except natural precipitation during the irrigation season, the entire parcel will be disqualified from participating in this Program.*

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## Groundwater Program Issues:

Marc Staunton moves to the next series of questions.

1. Do you want to cap the amount of groundwater that is pumped under KPDR's Program?

2. Do you want to open to all groundwater wells the opportunity to receive reimbursement of power plus a fixed amount per acre-foot (\$20 in 2020)?

*Draft language for Groundwater Supplementation Policy:*

*The well owners shall elect on the Application form whether to be compensated based on the quantity of water provided by the well or on their energy cost.*

The Board agrees to cap the amount. The amended Enhancement Act has language that may cover this. The second question the Board chose to deal with it later as they prefer to have a dollar detail.

11:06 am Rob Unruh leaves the meeting, creating a lack of a quorum.

3. Does land served under a "C contract" or rental water contract qualify for groundwater program? Verification?

Luther and Jerry felt the KPDR needs to be making programs that are consistent. Such as; if they are not eligible to pump with OWRD, why would we pay them to idle that same ground? It would be dry nonetheless. They both commented on the need to add some language to the idling land policy - if the applicant is already in the groundwater program policy. Marc Staunton and is concerned about making any changes to policies without all the Board here. Bill stated that we can leave it for now and change it later. Moss suggested to leave it out, for now, keep both to make it broad as it can be so that more are eligible, and you can add it in later. Conclusion- leave as written

4. Do you want a deadline for applying to the Program? March 31, 2021? Conclusion- The Board recommends not putting the application deadline in if we don't know when it will happen. Omit the date.

Bill Ganong believes he has sufficient guidance to move forward and finish the contracts. Jerry requested to have a budget reflect 20 million, not 18 million. Luther stated that he is comfortable giving President the authorization to make any other changes and submit forms.

Moss stated that it generally takes three to four months for DOI to process polices and the total time to have the application process finalized is a standard four to six months. BOR local office will try to get it expedited. Moss added that it is not reasonable to think that they will have the approval to roll the Program out by April 30. Moss will see what he can expedite with pre-occurrence of cost allowed. Moss thinks we should include Eastside so that we look as inclusive as possible. He believes we can find out from regional by Friday to know if the east side needs to be included.

## Discuss Approve 2021 Budget/Authorize

The Board agrees that Bill should submit a budget based on \$20 million so we don't have to go back during a special board meeting. The Board set another special board meeting for Monday, March 1, 2021.

Paul Crawford is gathered back on the phone for the vote, unsure when he dropped off the zoom call.

Motion: Motion to authorize staff to draft RFP for legal, engineering, accounting and audit in accordance with 2020 processes, and designate Jerry Enman to approve and authorize sending out.

Motion by: Mike McKoen Second: Luther Horsley

Motion Carried.

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**Discuss/Approve 2021 Public Outreach. Authorize Board Member to approve public communications regarding 2021 programs. The matter is tabled to March 10, 2021 meeting.**

Further Discussion regarding authorization of other steps necessary to get 2021 programs underway- Conclusion- no discussion.

Public comment none.


Being no further business, the meeting was adjourned the meeting at 12:26 pm.

Motion: To adjourn the meeting.

Motion by: Mike Mckoen Second: Luther Horsley

Motion Carried.

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton , President

Approved: Rob Unruh  Secretary