

KPDRA Strategic Planning Session

Klamath Project Drought Response Agency
Strategic Planning Session
November 19, 2025
2:00 pm

Worksession Introduction

Marc Staunton, Board President, began the worksession with the Board of Directors of the Klamath Project Drought Response Agency (KPDRA) on Wednesday, November 19, 2025, at 2:03 pm via the online conference platform called Zoom.

Present Members

Directors Present: Marc Staunton, Scotty Fenters, Tricia Walker, Paul Crawford, and Mike McKoen

Guests: Kyle Knuntson, Nathan Ratliff, Elizabeth Nielsen, Wyatt Kane, Chelsea Shearer, Ry Kliewer, Rob Unruh, Gary Derry, Gene Souza

Worksession Notes

The work session began with status updates on two key funding initiatives. The first was the "Water to the Refuge" program, where the Bureau of Reclamation has interpreted the contract to allow reimbursement only from the date of its signature, August 12th, not retroactively. The board, following legal advice, decided not to contest this interpretation, as an estimated \$6 million is available for invoicing through September and October alone, providing a substantial initial sum.

The second initiative discussed was the \$750,000 pumping reimbursement program. The funds are designated specifically for pumping costs, with limited flexibility. A new submission portal is ready, and an application is being prepared for a Friday deadline. The primary task for the board is to develop a clear administrative policy defining eligibility, such as which districts or pumps qualify, a pre-approval process in coordination with the U.S. Fish and Wildlife Service (USFWS), and a method for allocating funds if requests exceed the available \$750,000. USFWS prefers that the DRA administer the program and will have oversight but is expected to grant the board significant trust in its implementation.

Strategic Design of the IRA Long-Term Program:

The board dedicated significant discussion to establishing the foundational principles of the new multi-year land idling program funded by the Inflation Reduction Act (IRA). A consensus was reached to position it as a "premium" program designed to create "wet water" by idling productive, irrigated agricultural land, rather than serving as a program for marginal or "low-hanging fruit" properties.

This consensus directly created a debate on strict eligibility criteria. The board leaned toward excluding "C-lands" (parcels with lower-priority water rights) due to potential scrutiny from the Bureau of Reclamation and the uncertainty of their water availability. To ensure the program targets active, productive farmland, proposed requirements included:

- **Geographic Scope:** Limiting eligibility to lands within the Project FOD (Facts of Determination).
- **Irrigation History:** Requiring that enrolled land has a documented history of receiving irrigation water and producing a crop within the last five years.
- **Producer Definition:** Mandating that applicants meet the FSA's definition of a "producer," a rule intended to direct funds to active farmers in the basin rather than out-of-town, non-producing landowners.

The board designed a framework of participation rules and a multi-tiered payment structure. A key decision was to limit any single parcel to being idled for a maximum of three out of the five program years. This rule provides producers with flexibility for crop rotations and organic transitions while preventing land from being fallowed for the entire program duration, which was a significant concern.

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The payment structure was discussed to incentivize active land management and meet contractual obligations. The proposed model splits the total payment:

- **Base Payment (e.g., 50%):** For the act of idling the land.
- **Action-Based Payments (e.g., 50%):** Awarded for performing "modified practices." A primary practice discussed was planting a cover crop. This portion could be further divided (e.g., 30% for planting and 20% for management) based on how the cover crop is utilized, such as being tilled under for soil health, grazed by livestock, or partially left standing for wildlife benefit. This tiered approach aims to ensure that idled lands remain healthy and provide conservation value, preventing them from becoming unmanaged "weed patches."

To manage the program's practical implementation, the board developed a strategy for the application and enrollment process. To ensure fairness and equitable access for producers of all sizes, they devised a "bottom-up" acceptance method. Under this system, all applicants would be accepted in 50-acre increments until the program's total acreage target is met. This prevents a few large contracts from consuming the entire budget and ensures smaller producers can participate. Both Paul Crawford and Scotty Fenters asked not to have a bid process.

The board also addressed other operational logistics. A discussion was held on establishing a minimum contract size, with 35 to 50 acres being considered, to ensure administrative efficiency and program impact while still being accessible. While partial fields can be enrolled, they must be clearly delineated and meet a minimum size (e.g., five contiguous acres) to be verifiable by irrigation districts. Finally, to ensure accountability, the board agreed that failure to fulfill a contract would result in the producer being barred from participating in all DRA programs, both the long-term and any future annual programs.

Action Items

@NathanRatliff

- Finalize and submit the application for the \$750,000 pumping reimbursement program through the new portal
- Draft a template policy for the pumping reimbursement program, outlining eligibility, the pre-approval process, and qualifying activities for board review

@MBK

- Review language from prior programs to refine the definition of eligible "Project FOD" lands and determine how to formally exclude C-lands from the new long-term program

@Board

- Develop a formal draft of the IRA Long-Term Program policy, incorporating decisions on eligibility, the three-out-of-five-year rule, the tiered payment structure, and the bottom-up application process
- Define the minimum contract size and minimum partial-field size for the IRA Long-Term Program
- Structure the "modified practice" incentive payments, including how to verify actions like cover cropping and how these actions will satisfy the dual funding requirements in the grant agreement

The worksession was adjourned at 4:38 pm

Summary prepared by Chelsea Shearer

