

Regular Meeting Minutes

2018 Klamath Project Drought Response Agency
Regular Board Meeting
August 22, 2018
11:00 PM

MEETING CALLED TO ORDER

Marc Staunton called the regular scheduled Board of Directors meeting of the 2018 Klamath Project Drought Response Agency (DRA) to order on Wednesday August 22, 2018 at 11:01 am in the KDD conference room, located 250 Main Street, Klamath Falls Oregon.

ROLL CALL

Directors Present: Luther Horsley, Michael McKoen, Luke Robison, Gary Derry, Marc Staunton & Jerry Enman.

Guests: Chelsea Shearer, Marc VanCamp, Angela Bezzone, Kyle Knutson, Debbie Caldwell, Paul Hanson, Richard Deitchman (via phone), Deanne Bogart, Moss Driscoll, Lee Berget, Jeff Nettleton & Nathan Ratliff.

Legal Counsel suggested to table the review of minutes to next meeting once revisions to draft are received. Nathan Ratliff will send those revisions via email to board for approval during next scheduled meeting.

Motion: To table review of minutes until next meeting.

Motion by: Jerry Enman Second by: Mike McKoen

Action: Motion carried unanimously

REPORT STATUS OF ADMINISTRATIVE MATTERS

Bill Ganong reported that he has received a Tax ID number for the agency and he has also submitted all required documents with Oregon's Secretary of State. He also stated that the DRA has a post office box and he is working with US Bank to open a commercial checking account in which he anticipates having signature cards today. All board members will have check signing authority. Bill will be the registered agent with US Bank until the board reviews account. KID, TID, and KDD will remit start up funds to Bill for opening account. Nathan Ratliff will maintain a central filing for all hard copies pertaining the agency.

CONSULTANTS

Luther Horsley asked the board to consider Deanna Bogart as Treasurer. After hearing a brief recap of the amount of checks written in 2015 WUMP program, Deanna stated that she would write a proposal for services and submit that at the next board meeting.

In the matter of consideration of insurance agent, Mike McKoen stated that Matt Hurley has submitted a quote to Special Districts for insurance. If quote falls within voted limited to execute, the policy will be retroactive to the formation date of the agency.

In the matter of consideration of engineering consultant(s), including Request for Proposals, Marc Staunton suggests that topic be tabled until the agency has reviewed and signed the contract with the US Government. By consensus, the board agrees with no motion made.

MBK Engineer staff, Marc VanCamp, Angela Bezzone and Kyle Knutson prepared a presentation of examples on how to distribute the funds as KWAPA did in 2015. Once the presentation concluded, Marc VanCamp stated that the DRA should to outline the purpose and goals of the agency before a conclusive program could be developed.

Regular Meeting Minutes

CONTRACT WITH THE UNITED STATES

Nathan Ratliff stated the DRA has before them what is believed to be a legal and sufficient draft form of the contract between the DRA and the United States. The Bureau has an internal review in progress of the contract to avoid an OIG audit as KWAPA received. Moss Driscoll of the local BOR office, stated that he doesn't feel that will be an issue with this contract and the OIG is comfortable in executing the contract without them reviewing it. Jeff Nettleton, Area manager of the local BOR office, stated that OIG is comfortable with the controls in place, and the upper solicitor review will take a few days. He believes he can deliver a final copy by week end.

Contract details are for Reclamation purchasing *up to* 26,355 AF of water from the DRA for fish and wildlife beneficial use at the price of \$360 an acre foot. The contract total value is \$9,487,800. Of the \$1.4 Million of allocated funds, \$800,000 went to the East side. Moss stated that Reclamation would like to start taking water under this contract ASAP due to the botulism outbreak on the Refuge. Under this contract water must be made available but not physically be present on the refuge before payment can be issued.

Nathan Ratliff reads Resolution #18-01 which authorizes the DRA chairman to execute the contract between the United States and the DRA for acquisition of water for protection and restoring fish and wildlife resources due to the drought condition. Discussion ensued about the unknown amount of water that will be able to be provided verses the contract amount needed. Marc Staunton stated the contract states up to not a certain amount. Mike McKoen feels he cannot act on the contract without knowing the amount we have to provide. Gary Derry voiced his concern along with Mike. He would like to see a hydrologic assessment before proceeding into a contract. Reclamation stated they will provide a current demands and deliveries sheet to the DRA.

Luke Robison is concerned this is "little too late" for patrons of SVID and MID. Luke asks for Ritch Deitchman legal take on the contract. Ritch stated, "the contract has defiantly put the DRA in an undesirable position, however the contract is not going to change and to move thing along he would recommend signing the contact." He confirmed that the contract quotes "up to" therefore they will take anything "up to" the designated amount. He does not think that the DRA will receive the full \$9.4 million, but anything will help the Klamath Basin. Nathan Ratliff agrees.

Marc Staunton polled the board and asked if board should proceed or table the vote:

Mike McKoen: proceed

Rob Unruh: proceed

Jerry Enman: proceed (let the record show reluctance)

Gary Derry: no vote

Luke Robison: proceed

Motion: To approve and accept Resolution #18-01

Motion by: Jerry Enman Second by: Mike McKoen

Action: Motion carried

PUBLIC COMMENT: none heard

Bill Ganong recommends a formation of a committee that can meet and confer for delivery of water when it comes available. Moss Driscoll recaps the process with a September 1st timeline

Motion: To attend meeting to confer and discuss delivery of water with Reclamation.

Motion by: Gary Derry Second by: Luther Horsley

Action: Motion carried unanimously

Luther Horsley and Marc Staunton will attend the committee meeting. Nathan will schedule the meeting. Being no further business, Marc Staunton adjourned the meeting at 2:46pm.


Regular Meeting Minutes

Motion: To adjourn meeting.
Motion by: Luther Horsley Second by: Mike McKoen
Action: Motion carried unanimously

Next Meeting

Meetings will be held every 2nd and 4th Wednesday of the month at 11am with locations to be announced.

Minutes prepared by Chelsea Shearer

Approved: Marc Staunton , President

Approved: Rob Unruh , Secretary