

AGENDA
KLAMATH BASIN COORDINATING COUNCIL MEETING

September 9, 2011, 9 am to 3 pm
Hilton Garden Hotel, Redding, California

1. Introductions and review agenda.
2. General public comment.
3. Approve summary from June 17, 2011 KBCC meeting (Ed Sheets).
4. Review status of implementing the Klamath Hydroelectric Settlement Agreement (Tim Hemstreet).
5. Discussion of potential amendments to the Klamath Basin Agreements (Ed Sheets)
6. Update on Drought Plan (Drought Plan Lead Entity).
7. Forest Service presentation on priority watersheds identified by the Watershed Condition Framework (Christine Mai and Jerry Bird).
8. Status report on the Wood River Wetland studies pursuant to Klamath Basin Restoration Agreement Section 18.2.3 (Renee Snyder and Andy Hamilton)
9. Review workplan and schedule for implementing Restoration Agreement (Ed Sheets).
10. Discuss communications and outreach plan (Craig Tucker and Glen Spain).
11. Public comment period.
12. Discuss next steps and next KBCC meeting.

DRAFT
Summary and Follow Up Actions
June 17, 2011 KBCC Meeting in Ashland, Oregon

Next Meeting

The KBCC identified potential dates on August 18th and October 20th. The facilitator will work with the parties to confirm the dates for the next meeting.

KBCC Actions

The KBCC reviewed the results of revisions to the cost estimates to implement the Klamath Basin Restoration Agreement (KBRA).

Follow Up Actions

1. The Drought Plan Lead Entity will continue to revise the Drought Plan.
2. The Communications Committee will continue to work on an improved website.
3. The Department of the Interior will continue to work on the FACA charters for the Klamath Basin Advisory Council and Technical Advisory Team and will report on the status at the next meeting.
4. Ed Sheets will update the workplan and schedule for the next meeting.
5. Comments on this draft meeting summary should be sent to Ed Sheets by July 15th.

Summary of KBCC Meeting

- The KBCC approved the summary of the April 7, 2011 meeting.
- The KBCC reviewed the status of the implementation of the Klamath Hydroelectric Settlement Agreement. The California Public Utility Commission has approved the collection of the rate surcharge to go into a trust account for Facilities Removal. The CPUC decision found, among other things, that: “Through the use of the KHSA cost cap, ratepayers are protected from the uncertain costs of relicensing, litigation, and decommissioning that customers may be responsible for sans the KHSA. If the KHSA surcharge is not instituted, ratepayers would be exposed to an uncertain amount of costs.”
- The Drought Plan Lead Entity provided a status report on the draft Drought Plan.
- The KBCC reviewed the results of revisions to the cost estimates to implement the KBRA.

- In 2011, the Non-Federal Parties to The Klamath Agreements pursued these cost estimate revisions in part to update the preliminary estimates created in 2007, and in part based on the desire to ensure cost efficiencies, budget feasibility, and consistency with current circumstances.
- As of May 2011, the KBRA Non-Federal Parties have revised the estimated costs for these activities that were originally set forth in the 2010 KBRA. The revised total cost estimate for implementing the KBRA is \$798.5 million for 2012 through 2026; this is an 18 percent reduction from the cost estimates in the 2010 KBRA.
- The budget revisions are based on various factors.
 - First, the KBRA Appendix C-2 line-by-line cost estimates no longer include all funding called for by KBRA, but only Federal funding through the Federal entities that would be Parties to the agreement if approved by Congress (*see* KBRA Section 1.1.2). As a result, items that were previously shown in Appendix C-2 that would be funded by states have been removed. This change does not, for example, change the state funding commitments to Counties that other parties will support. Similarly, items currently fully funded by Non-Party Federal agencies (such as the U.S. Environmental Protection Agency) are excluded in the revised Appendix C-2 on the assumption that this funding would continue.
 - Second, the KBRA cost estimates have been revised to reflect a 15-year implementation plan (rather than the 10 years assumed in the original KBRA Appendix C-2). This change harmonizes the KBRA implementation with the companion KHSA and results in a more focused and realistic schedule for implementing habitat restoration.
 - Third, the Non-Federal Parties refined prior estimates to create a more focused and tighter budget. For example, a thorough cost estimate review produced changes in the assumptions about the quantity of aquatic habitat that would be restored and the costs of those actions and resulted in savings. This review also resulted in cost savings by removing overlaps between proposed KBRA programs and expenditures for interim measures in the KHSA that are being funded by PacifiCorp. Additional savings since the execution of KBRA in February 2010 were also identified.
 - Fourth, consistent with the terms of the KBRA and letters of support received from the Secretaries of the Interior, Agriculture, and NOAA, a limited number of existing authorities have been redirected or reprogrammed to enhance the efficiency of the existing Federal effort in the basin and resulted in savings.

- If funding changes in the future, the Non-Federal Parties may adjust Appendix C-2 again.
- The KBRA Parties are developing an extensive monitoring and evaluation program. The results of the monitoring information will be used to adaptively manage the implementation of the program. If changes in the program are needed or if there is new information that affects costs, feasibility, or benefits of actions under the KBRA, the KBCC would revise the agreement or amend the estimated funding in Appendix C-2 in the future.
- The KBCC reviewed the draft workplan and schedule, highlights included:
 - KWAPA reported that the contractor for developing the On-Project Plan has been selected and work will begin soon.
 - KBPA reported that the contractor to analyze the loads that would be served by Federal power purchases has been selected and work will begin soon.

The KBCC heard public comment from Tom Guarino, Counsel for Siskiyou County.

A copy of the meeting attendees is attached.

KLAMATH BASIN COORDINATING COUNCIL MEETING

June 17, 2011 - Ashland, OR

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KLAMATH BASIN COORDINATING COUNCIL MEETING

June 17, 2011 - Ashland, OR

[illegible]

Memorandum

September 6, 2011

From: Ed Sheets, facilitator

To: Klamath Basin Coordinating Council

Subject: Status report from the Klamath Basin Agreements Drafting Committee

Summary:

This memorandum provides an update on potential amendments to the Klamath Basin Agreements and a recommendation from the Amendments Drafting Committee on a process to address these issues.

The Drafting Committee will report to the KBCC at the September 9, 2011 meeting.

Background

The Klamath Tribes by request on August 15, 2011 have proposed amendments related to relinquishment and release of claims against the United States under Section 15.3.5. This proposal relates to the Klamath Tribes' dissent from the June 17, 2011 revision by the KBCC to Appendix C-2, and specifically, the Klamath Tribes concern that future budget revisions may adversely affect their relinquishment and release of claims under Section 15.3.5. These amendments were detailed in a memorandum from me to the Klamath Basin Agreements Parties dated August 16, 2011. The Karuk and Yurok tribes are seeking similar provisions in Sections 15.3.6, and 15.3.7.

In addition, the Drafting Committee has identified other potential amendments that would update the Klamath Basin Restoration Agreement (KBRA) and Klamath Hydroelectric Settlement Agreement (KHSA) in light of developments since February 2010. These proposed amendments would 1) clarify the dispute resolution provisions, 2) delete references to organizations that did not sign the KBRA and KHSA, 3) amend the funding references to Appendix C-2, 4) clarify the reference to the Fund Administration Entity and the process to adopt the Drought Plan and 5) other amendments to update changes in responsibility or schedules (the Amendment Drafting Committee would prepare recommendations).

Next Steps

The Drafting Committee has worked with the Parties preparing draft Authorizing Legislation to develop language to address the issues raised by the tribes that require legislation.

The Drafting Committee recommends initiating a process to amend the KBRA this winter to address the issues between the United States and the three signatory tribes related to the relinquishment and release of claims and other potential amendments.

The tribal changes would be to Sections 4.1.2 (to require the affected tribe and Secretary of the Interior to concur in any change to Appendix C-2 that affects the requirements for the release of claims), Section 7.2.1.F (clarifying the schedule for the dispute resolutions procedure) and Sections 15.3.5, 15.3.6 and 15.3.7 (dealing with the relinquishment and release of claims for each tribe).

The Drafting Committee would also prepare a comprehensive clean up of the Klamath Agreements. The drafting committee will work over the next two months to prepare the language for the amendments and bring draft language to the KBCC for review prior to initiating an amendment process.

Klamath Basin Restoration Agreement Drought Plan

Status Report

Drought Plan Lead Entity

September 9, 2011

Background

- ◆ KBRA includes programs related to water diversion and use, and improvements in fish habitat and passage.
- ◆ Parties recognized that additional measures needed in certain low-water years.
- ◆ KBRA Section 19.2 provides guidance for development of Drought Plan.

KBRA Drought Plan Provisions

- ◆ Address Drought and Extreme Drought
- ◆ Intent that no Klamath Basin Interest would bear an unreasonable portion of burdens
- ◆ No limit on applicability of ESA
- ◆ Not affect water use from Clear Lake or Gerber Reservoirs, or operation of Harpold Dam
- ◆ No responsibility created for non-parties
- ◆ Subject to provisions of KBRA
- ◆ Not alter authorities of and Party or non-party
- ◆ Incorporate KBRA, but not amend it.

Drought Plan Lead Entity

- ◆ The Lead Entity is comprised of:
 - Klamath Tribes,
 - Karuk Tribe,
 - Yurok Tribe,
 - Upper Klamath Water Users Association,
 - the Klamath Water and Power Agency,
 - the Klamath Basin National Wildlife Refuges,
 - Oregon Water Resources Department,
 - California Department of Fish and Game,
 - and Trout Unlimited, as the representative of the conservation and non-tribal fishing Parties to the Restoration Agreement.

Process

- ◆ Draft Plan completed February 28, 2011
 - Distributed to KBRA Parties and the public
 - Comment at April 7, 2011 KBCC meeting
- ◆ Lead Entity circulated Drought Plan to Parties on July 11, 2011 for 30 day review
- ◆ Lead Entity forwarded Drought Plan to Department of the Interior on August 29, 2011

Section 3: Implementation of Plan

- ◆ OWRD responsible for declaring and revoking declarations of Drought or Extreme Drought
- ◆ Drought Fund Administration and Funding procedures
- ◆ Role of the Technical Advisory Team

Section 4: Declaration Process

- ◆ TAT will monitor water conditions
 - End of growing season through March 1st
 - Recommend measures for early action
- ◆ OWRD preliminary determination
 - January, February, and March
- ◆ OWRD declaration by April 5th

Section 5: Drought Response

- ◆ Quantification of available water
 - From voluntary measures in Section 6
 - From measures in Section 7
- ◆ Fishery Management considerations
 - Hydrological and climate conditions
 - Data on status of fish species
 - Risk assessment of alternative water management scenarios

Section 6: Voluntary Measures

- ◆ Conservation and management programs
- ◆ Stored water
- ◆ Reductions of use of surface water
- ◆ Water management measures
- ◆ Next priority for other measures

Section 7: Limits on Diversions

- ◆ In Extreme Drought, if voluntary measures are not sufficient
- ◆ After diversion limits are in place
- ◆ Section describes
 - General principles and terms
 - Process to determine reductions
 - Fish managers determination
 - Conditions

Section 8: Adaptive Management

◆ Elements

- Clear restoration goals and targets;
- Sound baseline/reference conditions;
- An effective process for learning from restoration and management actions;
- An explicit process for refining and improving future restoration actions; and
- An effective peer review process.

Section 9: Review and Amendment

- ◆ Drought Plan Lead Entity may propose amendments
- ◆ Follow process and time periods in Section 19.2.3.B through 19.2.3.L of KBRA

Next Steps

- ◆ Under KBRA Sections 19.2.3.D and E the Department of the Interior will review the Drought Plan:
 - complete any necessary environmental review,
 - ensure that the provisions of Section 19.2.2 regarding the content of the plan had been addressed, and
 - make a decision on whether to provide Federal funding to implement the Drought Plan, including providing funding for the Klamath Drought Fund under Section 14.3.3.

- ◆ Once the Department of the Interior decision has been made:
 - Klamath Drought Fund would be administered by the National Fish and Wildlife Foundation
 - the United States would have no liability arising from the implementation of the Drought Plan by the Enforcement Entities.

US Forest Service Watershed Condition Framework

The Forest Service has released the first national [Watershed Condition Framework](#) and the accompanying [Watershed Condition Classification Technical Guide](#). The Watershed Condition Framework establishes a new consistent, comparable, and credible process for improving the health of watersheds on national forests and grasslands. This framework focuses new restoration investments to provide economic and environmental benefits to local communities. The technical guide ensures consistent application of the framework.

The Watershed Condition Framework (WCF) is improving the way the Forest Service approaches watershed restoration. The WCF includes a nationally consistent reconnaissance-level watershed condition classification system, using a set of 12 indicators representing the underlying ecological, hydrological, and geomorphic functions and processes affecting watershed condition. Emphasis is on implementing integrated suites of restoration activities in priority watersheds that focus on the aquatic and terrestrial processes and conditions that Forest Service management activities can influence. The approach is aimed at fostering integrated ecosystem-based watershed assessments; targeting programs of work in watersheds identified for restoration; enhancing communication and coordination with external agencies and partners; and improving national-scale reporting and monitoring of program accomplishments. The WCF provides the Forest Service with an outcome-based performance measure for documenting improvement to watershed condition at forest, regional, and national scales (Executive Summary, Watershed Condition Framework, USDA Forest Service, 2011).

Watershed Condition Classification Maps

The U.S. Forest Service's Watershed Condition Classification maps are the agency's first national assessment of watershed condition across all 193 million acres of National Forest System lands; characterizing the health and condition of National Forest System lands in more than 15,000 watersheds across the country. These maps are the baseline conditions to use along with information on ecological, social and economic factors and partnership opportunities to establish watershed restoration priorities.

Watershed Condition Classification Interactive Map

The results of the Forest Service's Watershed Condition Classification process are now available in an interactive mapping website where users can see the overall condition classification rankings as well the ranking of each of the 12 watershed condition indicators.

This interactive mapping capability provides current and future partners important information on potential needs for watershed restoration and maintenance and increases the public's awareness of their local watershed conditions and the role they can play in contributing to the improvements.

- The [USDA Forest Service Watershed Condition Interactive map](#)
- [Interactive Mapping User Guide](#) (PDF | 432KB)
- [Download a table containing the WCC information](#) (HTML | 5MB)
- For GIS Application [download a shapefile with WCC information](#) (ZIP | 227MB)

The rating factors used are: Aquatic Biota Condition, Riparian Wetland Vegetation Condition, Water Quality Condition, Water Quantity Condition, Aquatic Habitat Condition, Road and Trail Condition, Soil Condition, Fire Effects/Regime Condition, Forest Cover Condition, Forest Health Condition, Terrestrial Invasive Species Condition, and Rangeland Vegetation Condition.

Forest Watershed Prioritization

The Forests within the agency, including the seven forests within the Klamath Basin, were directed to determine initial priority watersheds for work in FY 12. Factors considered in determining initial priorities include choosing watersheds where: opportunities are great, resistance to recovery is low, high resource values exist, priorities overlap with other entities and resources, and there is a high potential for partnerships and favorable collaboration.

The Klamath River Basin, a 3rd-field Hydrologic Unit Code (HUC), with an area of about 15,500 square miles, consists of 12 sub-basins (4th-field HUC). These sub-basins are further divided into watersheds (5th-field HUC) and sub-watersheds (6th-field HUC). The initial Forest Service assessment is at the sub-watershed, or 6th-field scale.

Four forests with lands in the Klamath Basin have chosen nine priority watersheds within 8 of the 12 Klamath sub-basins:

USFS Klamath Basin Priority Watersheds for Restoration 08/2011					
	Forest	Priority Watersheds	HUC 6	Sub-basin	HUC 4
1	Fremont Winema	Headwaters Sycan River	180102020103	Sprague River	18010202
2	Fremont Winema	Sevenmile/Dry/Short	180102030104	Upper Klamath L.	18010203
3	Klamath	Antelope Creek	180102050202	Butte Creek	18010205
4	Klamath	Seiad Creek	180102061102	Upper Klamath R.	18010206
5	Shasta Trinity	Parks Cr	180102070407	Shasta River	18010207
6	Klamath	South Fork Scott River	180102080201	Scott River	18010208
7	Klamath	Sugar Creek	180102080204	Scott River	18010208
8	Six Rivers	Bluff Creek	180102090804	Lower Klamath R.	18010209
9	Klamath	Main East Fork South Fork Salmon River	180102100103	Salmon River	18010210

Status Report on the Wood River Restoration studies

At the September 9, 2011 KBCC meeting, Andy Hamilton will report out on the progress being made on the Wood River Wetland studies specified in Section 18.2.3 of the KBRA and get some guidance on how to engage the KBAC/TAT which is called for in Section 18.2.3.

18.2.3. Wood River Wetland Restoration Project

To achieve water management outcomes consistent with this Agreement, the Parties ultimate goal is to reconnect Wood River Wetland to Agency Lake when physical and biotic conditions are sufficient to provide the wetland restoration benefits for which the property was acquired. BLM currently manages the Wood River Wetland to restore wetlands adjacent to Agency Lake.

In furtherance of this Agreement and the ultimate goal, BLM, in collaboration with the KBAC and TAT will complete a study, by March 31, 2012, that evaluates options for enhancing water management flexibility in providing benefits for water storage, fish, wildlife and wetlands habitat from the Effective Date until the date on which the On-Project Plan is fully implemented pursuant to Section 15.2.2.B.ii, or an additional 30,000 acre-feet of water inflow is being provided in UKL on an average annual basis as determined by OWRD pursuant to Section 16.2.2.F. This study will consider options, among others, whether diked and drained areas of Wood River Wetland that once comprised Agency Lake should be operated as pumped storage within existing dikes, or fully reconnected to Agency Lake by breaching dikes. Either option would result in a total water volume of approximately 16,000 acre-feet of gross storage between elevations 4143.3 and 4136.0 feet, but would provide differing arrays of water management opportunities and ecosystem benefits.

The BLM will commence its environmental analysis of the options considered in the above study within 60 days of an Affirmative Determination by the Secretary, as described in Section 3.3 of the Hydroelectric Settlement. It will undertake to complete such review within 2 years after commencement.

BLM will implement the selected alternative in a Timely manner. All actions described in this section are contingent upon adequate funding.

DRAFT
**Status Report and Workplan for Implementing Klamath Basin
Restoration Agreement**

September 2, 2011

Introduction

This is an updated draft list of the tasks to implement the Klamath Basin Restoration Agreement. The purpose is to track the status of the tasks to implement the Restoration Agreement.

The Restoration Agreement includes a number of commitments, obligations, program design provisions, and understandings that are not included in the tasks for specific actions below.

The KBCC/Interim KBAC needs to fill in dates and other details in [brackets]. Near term milestones are highlighted in yellow.

Klamath Basin Restoration Agreement

General Provisions

Form Klamath Basin Coordinating Council and Interim Advisory Council (see Appendix D).

1. Develop protocols. (Completed on October 7, 2010)
2. Prepare FACA Charter for KBAC and TAT.
 - 2.1. KBAC members have provided comments.
 - 2.2. DOI is preparing a FACA charter.
3. Form TAT
 - 3.1. Identify Interim TAT representatives. First meeting on February 24, 2011.
 - 3.2. Develop workplan and schedule when Environmental Water program begins.
4. Develop procedures to add new Parties (Sections 1.1.3, 7.2.2, and 38).
 - 4.1. Discussed with KBCC/Interim KBAC at first meeting at July meeting.
 - 4.2. Develop draft procedures (Sheets convened Bonham, Roos-Collins, Ullman)
 - 4.3. Parties are identifying potential other organizations.
 - 4.4. Review and adoption by KBCC/Interim KBAC at [fill in schedule].
5. Prepare public information and involvement plan.
 - 5.1. Notice meetings on website. Ongoing.
 - 5.2. Completed communications protocols and communications plan.

Adopt workplan and schedule for implementation of Klamath Basin Settlement Agreement. (See Appendix C-1)

The KBCC is using this document to track implementation; it is revised and reviewed at each meeting.

Legislation (Section 3.1.1.B)

1. Assist legislative offices and committees in the introduction and passage of legislation [ongoing].
2. Coordinate activities to support implementing legislation [ongoing].

Funding

1. Non-Federal Parties support funding for Agreement (Section 3.2.4.B.ii).
2. Relevant Federal agencies implement funding (Section 4).
 - 2.1. Federal Team working on FY 2013 budget.
 - 2.2. Federal Team working on base funding analysis.
3. Develop procedures for specific funds (Section 14.3) [Completion date in conjunction with legislation].
 - 3.1. On-Project and Power for Water Management (Section 14.3.1)
 - 3.1.1. Develop administrative provisions (BOR)
 - 3.1.2. KWAPA and Management Entity submit expenditure plan.
 - 3.2. Water Use Retirement and Off-Project Reliance (Section 14.3.2)
 - 3.2.1. [FWS] Develop administrative provisions.
 - 3.2.2. UBT and UKWUA submit expenditure plan.
 - 3.3. Klamath Drought Fund (Section 14.3.3)
 - 3.3.1. Reclamation develop contract with National Fish and Wildlife Foundation.
 - 3.3.2. National Fish and Wildlife Foundation develop administrative provisions.
 - 3.3.2.1. Enforcement Entity submits expenditure plan [date].
 - 3.3.2.2. Enforcement Entity submits annual report [annual date].
4. Periodically adopt and recommend a successor to budget in C-2 (Section 4.1.2.A and B).
 - 4.1. KBCC workgroup developed revised cost estimates.
 - 4.2. KBCC adopted revised cost estimates.
5. Klamath Basin Restoration Agreement Fund (Section 4.2)
 - 5.1. Establish Fund to receive non-federal funding.
 - 5.2. Establish committee to design and implement fund raising program.
 - 5.3. Designate manager and procedures for disbursement and accounting.

- 5.4. Bonham and Roos-Collins have contacted National Fish and Wildlife Foundation.

Coordination and Oversight

1. KBCC will adopt procedures to report on the status of performance of each obligation under the Agreement and identify issues to be resolved (Section 5.1). Ongoing
2. KBCC track the progress of all components in real-time (Section 5.4.2.A). Ongoing
3. KBCC prepared first Annual Report (Section 5.4.2.B).

Fisheries Programs

Fisheries Restoration Program

1. Fish Managers prepare Fisheries Restoration Phase I Plan (Section 10.1).
 - 1.1. Fish managers prepared outline for December 15, 2010 meeting, sought KBCC comments and finalized outline and approach.
 - 1.2. Fish Managers adopted outline and approach on February 9, 2011.
 - 1.3. Federal Team working on identifying funding.
 - 1.4. Draft Phase I Plan was due on February 18, 2011; there is no budget for the Plan so Fish Managers have requested an extension until 18 months after funding is available.

Fishery Program funding and reporting

1. Fish Managers establish process to determine Fisheries Program funding needs (Section 13.1 and 13.3).
 - 1.1. After legislation passes, convene meeting of Fish Managers to determine initial budget and develop funding plan (see Section 13.1).
 - 1.1.1. Develop procedures for annual funding (see Sections 13.2, 13.3 and 13.5).
 - 1.1.1.1.[Fill in steps and schedule after Restoration and Monitoring Plan is complete]
2. Annual Reporting on funding and implementation (Section 13.4)
 - 2.1.1.1.Prepare draft report [fill in steps and schedule after Restoration and Monitoring Plan is complete]
 - 2.2. Fishery Managers review.
 - 2.3. Final report to KBAC.

Fisheries Monitoring Plan

The Monitoring Plan under Section 12 is being developed in coordination with the Fisheries Restoration Plan.

Fisheries Reintroduction Plan

1. Oregon Plan (Section 11.3)
 - 1.1. ODFW and Klamath Tribes, in collaboration with Tribes and other Fish Managers initiate plan development when funding is available, but no later than State Concurrence of an Affirmative Declaration by Secretary of Interior under KHSA Section 3.3.
 - 1.1.1. [Fill in steps and schedule later]
 - 1.2. Seek input from interested Parties and others with technical expertise.
 - 1.3. Complete Phase I Plan within 12 months.
2. California Plan (Section 11.4)
 - 2.1. CDFG, in collaboration with other Fish Managers initiate when State Concurrence of an Affirmative Declaration by Secretary of Interior under KHSA Section 3.3.
 - 2.1.1. [Fill in steps and schedule closer to 2012]
 - 2.2. Seek input from other Parties and public.
 - 2.3. Complete plan within 24 months.

Water Resources

File validation actions (Section 15.3.1.B): Completed.

Collaboration on Irrigation Diversions and Environmental Water.

1. KWAPA complete analysis of historical data by February 18, 2011 (based on availability of funding). (Section 15.1.1.A.ii.a)
 - 1.1.1. This analysis will be included as part of the Drought Plan Tech Assistance contract Reclamation is going to award
- 1.2. [Fill in steps and schedule when funding is available]
2. KWAPA, in cooperation with others, develop predictive techniques for use by TAT. (Section 15.1.1.A.ii.b).
 - 2.1. [Fill in steps and schedule]
3. KWAPA participates in TAT activities. (Section 15.1.1.A.ii.c)

Collaboration to benefit agriculture and Wildlife Refuges.

1. FWS and KPWA working on interim actions under 15.1.2.J to resolve outstanding issues related to water rights for the Refuges.
2. Other provisions will on a schedule that will allow implement when Appendix E-1 becomes effective, not in 2010 or 2011. (Section 15.1.2.C)

On-Project Plan

1. KWAPA preparing draft On-Project Plan within 18 months of funding available. (Section 15.2.2.B.i)
 - 1.1. Funding under the Enhancement Act authority and funding.
 - 1.2. KWAPA present workplan and schedule on April 7, 2011.
 - 1.3. Preparation of On-Project Plan:
 - 1.3.1. KWAPA is reviewing qualifications from contractors to prepare the Plan.
 - 1.3.2. Proposals from contractors are due May 24, 2011.
 - 1.3.3. KWAPA will review recommendations to award contract on June 7, 2011.
 - 1.3.4. Project began in 2011; completion date is September 30, 2012.
1. Reclamation evaluates and approves plan within 60 days of completion of any environmental review. (Section 15.2.2.B.i)
 - 1.1. [Potential activity for 2012]
1. KWAPA adopts plan within 45 days of Reclamation approval and provides notice to Parties. (Section 15.2.2.B.i)

Groundwater Technical Investigations

1. USGS, in cooperation with OWRD, initiates groundwater investigations pursuant to workplan in Appendix E-2. (Section 15.2.4.B).
 - 1.1. Parts of the study have been completed, other sections are awaiting funding (See Appendix E-2 for workplan)
 - 1.2. Complete as expeditiously as possible to inform On-Project Plan.
2. KWAPA will meet with OWRD and other interested Parties at least once during development of On-Project Plan and at least 30 days prior to completion of On-Project Plan (Section 15.2.4.B.iv.a)

Klamath Basin Adjudication Process

1. KPWU and Klamath Tribes file amended stipulations by May 18, 2010 (Section 15.3.2.B). These Parties sent notice on May 19th that this action would be delayed [check on new schedule].

D Pumping Plant Costs

1. Reclamation, with TID, LKNWR Review and adjust cost allocation in Section 15.4.2.A by February 18, 2011.
 - 1.1. Initial review complete.

Klamath Reclamation Project operations

1. The Secretary will consult with Project contracts and establish a process to analyze costs by February 18, 2011. (Section 15.4.7).

- 1.1. Review complete.

OPWAS negotiations.

1. OPWAS Parties Negotiate OPWAS. (Section 16.2)
 - 1.1. OPWAS Parties will provide steps and schedule to develop OPWAS.
 - 1.2. Deadline for OPWAS is February 18, 2012.
2. As part of OPWAS, develop Water Use Retirement Program.

Power Resources

1. KWAPA and UKWUA have formed the Management Entity (known as the Klamath Basin Power Alliance or KBPA) and developed operating protocols by December 1, 2010. (Section 17.4.1)
2. KBPA adopted some of the guidelines by January 15, 2011. (Section 17.4.3).
 - 2.1. KBPA has adopted guidelines on accounting policies, purchasing procedures and board of directors manual.
 - 2.2. KBPA has developed a communications plan.
 - 2.3. Other guidelines are pending completion of the power sales contract between Reclamation and BPA.
3. KBPA will identify eligible customers (Section 17.3)
 - 3.1. Status report provided at February 24th meeting
 - 3.2. Draft eligibility for on-project and off-project future KBCC meeting.
4. KBPA will develop system to distribute funds to eligible customers (Section 17.4.4).
 - 4.1. KBPA develop program with PacifiCorp, pending funding of interim power program and Federal power program.
 - 4.2. [Fill in steps and schedule]
 - 4.3. Support necessary Regulatory Approvals.
5. KBPA to implementation Interim Power Program (Section 17.5).
 - 5.1. Implementation pending funding of interim power program
 - 5.2. [Fill in steps and schedule]
6. Reclamation negotiate contract with BPA (Section 17.6)
 - 6.1. Reclamation working on interconnection agreement with BPA
 - 6.2. KWAPA preparing technical information:
 - 6.2.1. Pre-bid conference was April 6, 2011.
 - 6.2.2. Proposals are due May 24, 2011.
 - 6.2.3. Recommendations to Board on June 7, 2011.
 - 6.2.4. Project begins June 2011.
7. KBPA will prepare financial and engineering plan; funding is anticipated in FY 2011. (Section 17.7.2).

- 7.1. Reclamation entering into cooperative agreement for power that will include the ability to conduct financial and engineering plan.
 - 7.2. Reclamation entering into contract with Cal Poly on biomass study.
 - 7.3. [Fill in steps and schedule]
8. KBPA implements renewable resource project and conservation. [Check to confirm that this will be after 2012]

Williamson River Delta: Support monitoring (Section 18.2.1)

Agency Lake and Barnes Ranch

1. Reclamation and FWS completed transfer agreement and are working to transfer Reclamation lands. (Section 18.2.2.B)
 - 1.1. Reclamation and FWS completed transfer agreement.
 - 1.2. Reclamation transferring data and documentation.
 - 1.3. [Fill in steps and schedule]
2. FWS complete study by March 31, 2012 on options identified in Section 18.2.2.C.
 - 2.1. FWS is having area mapped using LIDAR system which will give new detailed elevation and cover data. Scheduled to be completed spring 2011.
 - 2.2. FWS has received preliminary Engineering surveys detailing the inadequacies of the dikes surrounding the Barnes-Agency ranches. The draft engineering assessment states: the dikes are not built to engineering specifications and are subject to catastrophic failure if used to contain water. Estimates to replace dikes may be cost-prohibitive. Final assessment to be completed fall 2011.
3. FWS commence environmental analysis within 60 days of Affirmative Determination by Secretary.

Wood River Wetland

1. BLM complete study by March 31, 2012 (Section 18.2.3).
 - 1.1. [Fill in steps and schedule]
2. BLM commence environmental analysis within 60 days of Affirmative Determination by Secretary. [Assumed to be in 2012]

Future Storage

1. Reclamation is working on study and will provide progress reports every six months after Effective Date. (Section 18.3.1)

Develop Drought Plan. (Section 19.2)

1. Lead Entity Process

- 1.1. Lead Entity prepared draft Drought Plan and distributed to KBRA Parties and the public.
2. KBCC review and public comment at April 7, 2011 KBCC meeting.
3. Lead Entity completed plan in July 2011.
 - 3.1. No Party issued a Dispute Initiation Notice within the 30 day review period.
4. Lead Entity submitted adopted Drought Plan to Department of the Interior on August 29, 2011.
5. Department of the Interior working on review. Under KBRA Sections 19.2.3.D and E the review the Drought Plan will address the following issues: 1) complete any necessary environmental review, 2) ensure that the provisions of Section 19.2.2 regarding the content of the plan had been addressed, and 3) make a decision on whether to provide Federal funding to implement the Drought Plan, including providing funding for the Klamath Drought Fund under Section 14.3.3.
6. If Plan is not approved, adopt revised Plan by [fill in new schedule].

Prepare Emergency Response Plan.

1. Reclamation and KWAPA are Lead Parties for developing a draft Emergency Plan by February 18, 2011. (Section 19.3). KWAPA does not have funding to work on the plan and has requested an extension until 12 months after funding is available.
2. Review material from Klamath County Emergency Response Plan and fill in additional steps to prepare draft.
3. Parties provide comment by [update new schedule].
4. Reclamation adopts Plan by [update new schedule].

Climate Change

1. OWRD and CDFG, in coordination with Water Managers and Fish Managers are co-Lead Parties.
2. Co-Lead Parties seek input from interested Parties.
3. Initiate assessment process by February, 2012.

Off-Project Reliance Program

1. UKWUA to complete plan prior to OWRD determination that the WURP purposes have been achieved under Section 16.2.2.F.

Interim Flow and Lake Level Program [develop details after legislation enacted]

1. The Secretary will plan and implement a water leasing and purchase program under Section 20.4.
2. The Interim Flow and Lake Level program (IFLLP) will require Reclamation to receive new authority in order to administer this program. Additionally, KWAPA will need to agree to the TAT being incorporated in their existing process.
 - 2.1. [Fill in steps and schedule].
 - 2.2. Take into account recommendations of TAT.
3. The Secretary will provide updates to the Parties and stakeholders.
4. OWRD actions to protect Environmental Water (Section 20.5.2)
5. Parties will support petition by PacifiCorp to SWRCB to dedicate Environmental Water to instream use (Section 20.5.3).

State TMDLs

Parties support development and implementation of appropriate TMDLs (Section 20.5.4.B). This is the responsibility of the individual Parties and not a KBCC workplan item.

Regulatory Assurances

Fish Entrainment Alleviation

1. Reclamation will evaluate methods and locations and construct facilities (Section 21.1.3.A)
 - 1.1. Reclamation working with Denver engineering office to develop strategies.
 - 1.2. [Reclamation will update steps and schedule]
2. Reclamation evaluates measures to prevent adverse impacts in Klamath Straights Drain. (Section 21.1.3.B)
 - 2.1. [Fill in steps and schedule]

Endangered Species Act (Section 22)

1. Federal agencies will consult with FWS and NMFS on Barnes Range/Agency Lake, Wood River Wetlands Project, and Off-Project Water Use Retirement Program. (Section 22.1.1). Services need to prepare to implement this action.
1.1. [Fill in steps and schedule]
2. Reclamation, at an appropriate time in consultation with KWAPA, will request reinitiation of consultation. (Section 22.1.2) [Implementation on standby.]
3. [Need to discuss schedule for General Conservation Plan and Habitat Conservation Plan. Budget assumes action beginning in 2013](Section 22.2)

Bald and Golden Eagle and Migratory Bird Protection (Section 23)

1. The actions under Section 23 are expected to occur on a schedule related to the potential removal of the Klamath River dams. KBRA Parties will develop a workplan.

California Laws (Section 24)

1. California Endangered Species Act: DFG will evaluate the necessity for incidental take coverage following concurrence with an affirmative Secretarial Determination, by the Governor of California. Within 90 days of such concurrence, DFG will advise the Parties of its determination and recommend specific procedures for obtaining any necessary coverage.
2. California Fully Protected Species: DFG will initiate discussions with legislative staff and key stakeholders, including interested Parties, regarding the scope and methods of proposed legislation, beginning in March 2011.

Oregon Laws (Section 25)

- 1.1. [ODFW will determine schedule in coordination with potential facilities removal].

Counties Program

Klamath County

1. Klamath County will develop and adopt Klamath County Program by June 30, 2012. (Section 27.2).
1.1. [Klamath County will fill in steps and schedule after Secretarial Determination process is complete]
2. Non-Federal Parties seek funding by July 1, 2012. (Section 27.3)
3. Non-Federal Parties support funding for property tax impacts to be dispersed by July 1, 2016.

Tribal Program

Tribal Participation in Fisheries and Other Programs

1. Tribes implement fisheries capacity building and conservation management programs (Section 32).
 - 1.1. [Fill in steps and schedule]

Economic Revitalization

1. Non-Federal Parties support funding. Budget assumes funding FY 2013. (Section 33.1)
2. Klamath Tribes' implementation of Mazama Forest Project. (Section 33.2)

Klamath Tribes' Interim Fishing Site

1. CDFG, Klamath Tribes and relevant agencies of U.S. have met to discuss process for joint petition to California Fish and Game Commission. CDFG letter to Jeff Mitchell on May 10, 2010 to extend time line to establish an interim fishery by September 30, 2011. (Section 34)

Memo

To: Ed Sheets, KBCC
From: Julie Matthews, Executive Assistant, KWAPA
CC:
Date: 9/7/2011
Re: Eligibility –Affordable Power User

Ed, please present the attached KBPA eligibility criteria in the September KBCC Meeting Proposed action as outlined in KBRA Section 17:

17.3.1 On-Project Power Users

B....provided that KBCC will create a mechanism by which a Power User within any such entity may become eligible by supporting this Agreement and the Hydroelectric Settlement.

17.3.2 Off-Project Power Users

A. ...KBCC shall adopt procedures for the Off-Project Power User to provide written support of these agreements and specification of such obligations.

B. ...provided such Off-Project Power User has complied with (A) above, and enrolled in the Power for Water Management Program, as appropriate. For this purpose, within three months of the Effective Date, the KBCC shall adopt procedures for enrollment.

KBCC Action is requested at the November KBCC meeting unless, the power project requires a conference call in two weeks. The Power Interconnection Project is moving forward on a tight schedule.

On Project Eligibility

August 25, 2011

Eligibility for the KBRA Power Program is contingent on the pump being classified as an On Project pump, pumping irrigation or drainage water onto or from Project land. Eligibility of On Project is further described in KBRA section 17.3.1, and "On Project Power User" is defined in pp 10-11 of the KBRA.

Districts named in the KBRA as a potential party who chose not to sign the agreements are not eligible for the KBRA Power Program. Individual landowners within any of those districts will be eligible for the power program provided they affirm, via signature their support of the settlement agreements.

KBPA

Klamath Basin Power Alliance

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w/ rev. of BOD 3-22-11

Eligibility -Off-Project Power Users

Klamath Basin Restoration Agreement

Section 17, Power for Water Management Program

A. The Off-Project Power User shall support the KBRA and KHSA.

Participants in the Power Program recognize that the program was not designed to be a subsidy or give away program to agricultural power users. The Power Program does not rely directly on the financial support by either Pacific Corp ratepayer or tax payers of Oregon or California.

In exchange for participation in the Power Program as *[authorized]* in Section 17 of the KBRA, the agricultural power user will agree to the following:

- 1) Supports the KBRA Section 1.3, "Goals of the Agreements".
 - (i) Restore and sustain natural production and provide for Full Participation in Harvest Opportunities of Fish Species throughout the Klamath Basin;
 - (ii) Establish reliable water and power supplies which sustain agricultural uses and communities and National Wildlife Refuges;
 - (iii) Contribute to the public welfare and the sustainability of all Klamath Basin communities.
- 2) Voluntarily participate in activities and programs which promote the above goals specific to designated participating lands.