

Oregon Water Resources Department
Water Conservation, Reuse and Storage Grant Program
Evaluation for September 2, 2008 Applications

APPLICANT:	Klamath Basin Rangeland Trust		
STUDY TYPE:	Water Conservation		
APPLICATION NO.:	GC0013 09		
STUDY NAME:	Planning study for the establishment of a water transaction program in the Upper Klamath Basin		
BASIN:	Klamath	WRD DISTRICT:	17
WRD FUNDS REQUESTED:	\$71,500	TOTAL COST:	\$151,239

APPLICATION DESCRIPTION:

This planning study is to design a water transaction program for the Upper Klamath Lake watershed. Previous modeling determined that an additional 30,000 acre-feet of water needs to flow into the lake each year in order to balance fishery, agriculture, and Tribal needs in, around and downstream from the lake. Klamath Basin Rangeland Trust will build upon existing data, short-term instream leases, and partnerships to develop a plan for a water transactions program to keep needed water instream and flowing to the lake. The National Fish and Wildlife Foundation currently administer a water transactions program in the Columbia Basin and are interested in expanding their program to the Upper Klamath Basin. The planning study will be used to identify flow targets, develop an administrative transaction structure, a pricing framework, and a funding structure for the program.

APPLICATION REVIEW TEAM EVALUATION:

The Application Review Team found this application to be unique because while most applications sought to address the Department's co-equal goal of addressing Oregon's water supply needs, this application, more than any other application, sought to address the Department's co-equal goal of restoring and protecting streamflows and watersheds. Klamath Basin Rangeland Trust (KBRT) has been involved in leasing water rights instream since 2004. In the last five years, KBRT has a remarkably successful record of restoring streamflows. In 2007, KBRT was involved in instream leases that restored more streamflows in Oregon than any other non-profit organization. KBRT was second only to leases that were done directly with WRD in the total quantity of streamflows restored. If this feasibility study is successful, it could serve as a model for other areas of the state.

The application could have been strengthened with additional letters of support (there was only one letter from the Klamath Watershed Partnership). However, the application indicates that cooperators in the study include: the National Fish and Wildlife Foundation, Oregon Watershed Enhancement Board, Sustainable Northwest, Klamath Watershed Partnership (who wrote a letter of support), and the Klamath Tribes. Information from other organizations, including the Oregon Department of Fish and Wildlife and Klamath Water Users Association, is planned to be used.

The study is a priority for funding under SB 1069 because it is identified on the Department's statewide water assessment and inventory of potential conservation opportunities. The study could begin on January 1, 2009 and be completed by December 31, 2010.

Application Review Team Funding Recommendation: Do Fund: High Priority at \$71,500.

COMMENTS:

None received.

STAFF RECOMMENDATION:

Do Fund at \$67,925.

The staff recommendation reflects a 5 percent across the board funding reduction on all studies.

Commission Action:

On December 5, 2008, the Water Resources Commission took action to:

“Release funding to all feasibility study applicants the Commission authorized at its’ November 20 meeting, at a level representing 95% of staff recommendations, and move forward with grant agreement negotiations and signatures.”

This feasibility study received an award amount of \$64,528.