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2010 Land Idling Program

March 22, 2010

This program is intended to assist Klamath Project irrigation water users during an emergency situation for the year 2010. Upper Klamath Lake stands at a level that likely will prevent the delivery of irrigation water to the Klamath Reclamation Project in amounts sufficient to sustain the production of crops. Current conditions indicate that deliveries of surface water from Upper Klamath Lake will be delayed and in insufficient quantity to produce crops on the land not irrigated by ground water. The Klamath Basin is facing an agricultural economic disaster. Therefore it is appropriate to implement a program to provide some amount of financial assistance to people who will agree to not irrigate some or all of their land with surface water during the 2010 irrigation season ("land idling") to decrease the demand for surface and ground water in the Klamath Reclamation Project.

To implement the land idling program, KWAPA will solicit applications for financial assistance for voluntary idling of irrigated land that meets the following criteria:

- 1) The parcel must be within the Klamath Reclamation Project and normally irrigated with surface water from Upper Klamath Lake or the Klamath River;
- 2) The parcel must be 20 or more contiguous acres in size and must have clear boundaries separating it from adjoining and adjacent irrigated land;
- 3) The parcel must be land that would have been irrigated except for land idling;
- 4) If the applicant is not the land owner, the applicant must present a letter authorizing the applicant to idle owner's land. The letter must state to whom and the address payment will be made;
- 5) The parcel must have been irrigated with surface water in 2009; and
- 6) If the parcel is accepted into the land idling program it may not be irrigated during the 2010.
- 7) The parcel to be idled has not received any irrigation water between November 1, 2009 and the date of the contract.

The process for selecting applications for which financial assistance will be provided will be:

- 1) The Applicant shall submit a written bid on a form provided by KWAPA. An acceptable bid will contain the following:
 - a) Name and contract information of applicant;
 - b) Name and contract information of landowner if different than applicant;
 - c) Description of the land to be idled including site address and tax lots;
 - d) Type of crop that was irrigated in 2009;
 - e) Type of crop that intended to be grown in 2010;
 - f) Acres offered to be idled; and

- g) The amount of financial assistance per acre the Applicant is requesting to idle.
- 2) The Applicant must present a map showing the land to be idled and the Point of Delivery from the corresponding irrigation district's system.
- 3) Applications must be submitted in sealed envelopes and must be received in the office of KWAPA on or before the date and time to be set.
- 4) The Applications will be opened in public on the date and time to be set.
- 5) After opening the bids KWAPA will provide a map showing the location of each parcel offered to each irrigation district for the district's review and comment.
- 6) Qualified bids will be listed by least cost first and the available funds will be applied until the funds available are dispersed or the acreage set by the KWAPA Board to be idled has been reached. Least cost shall be based on the cost per acre foot of water not used. This will be calculated by the KWAPA Executive Director taking into account the crop, soil type, evapotranspiration, and such other criteria as the Executive Director shall determine appropriate. The determination of the Executive Director of KWAPA, in his sole and absolute discretion, and shall not be set aside unless a qualified bidder challenging that decision demonstrates with clear and convincing evidence that the Director acted in bad faith and in an arbitrary and capricious manner. KWAPA will be allowed reasonable access to the parcels included in the Program to confirm compliance with the Program criteria and rules.

Each Applicant whose parcel is accepted into the Program shall:

- 1) Sign and enter into KWAPA's Land Idling Program Contract. Applicants may review a copy of the Contract at KWAPA's office;
- 2) Institute measures designed for the prevention of erosion and the control of weeds on the parcel in compliance with State and County ordinances;
- 3) The Applicant may plant such crops as will grow with no irrigation and to derive such economic benefit as is possible in addition to the idling payment;
- 4) Institute reasonable measures to prevent wildfire and control pests on the parcel; and
- 5) The Applicant is responsible for the payment of all taxes, assessments, and any other obligations related to participating in this program.

KWAPA may terminate Applicant's participation in the land idling program due to the failure of the Applicant to abide by the terms and conditions of the program and the Contract; and/or refusal of the Applicant to allow KWAPA and/or district access to the parcel to monitor compliance with the program and contract.

The Applicant shall indemnify and hold KWAPA harmless from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death, or property damage of any nature arising from Applicant's participation in this Program or related to or arising out of the contract between KWAPA and Applicant.

This program is not yet funded. Payment for idling is subject to funding.