



## County of Siskiyou Staff Report

### Lower Klamath Hydroelectric Decommissioning Project

March 28, 2023

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The purpose of this staff report is to inform the Board of Supervisors and the public of the Lower Klamath Hydroelectric Decommissioning Project's (Project) progress every month. The report also includes an update on the County Staff's involvement in the Project, as well as an outline of upcoming activities. While not all areas of interest or concern may be addressed in this report, any questions, comments, or concerns can be directed to the County's email address for the project: [lkinfo@co.siskiyou.ca.us](mailto:lkinfo@co.siskiyou.ca.us).

### Project Progress

As a reminder, FERC has encouraged KRRC and their contractors to endeavor to comply with local ordinances and permits, although this was not a requirement through the FERC Order. To the extent that local laws or permitting requirements make compliance with FERC's Order impossible or unduly difficult, FERC concluded that such local requirements are preempted. County Staff have been working closely with KRRC and their contractors to urge permit application submittals and good neighbor policies, particularly for those permits that are related to public safety (such as transportation and encroachment permits). For those activities that may be exempt through the FERC Order, County staff has asked for a written factual/legal justification for why County permits are preempted.

Below is an outline of the major project activities that have occurred over the past month:

- FERC authorized the start of construction for the Project on March 8<sup>th</sup>.
- Construction work has started at the Labor Camp in the vicinity of Copco 2.
- Updated draft of the Roads and Bridges MOU submitted to the County.
- Bridge Improvements and shoring work on the Dry Creek Bridge (#2C-144) was completed. McMillen is providing Public Works with written confirmation from a California Professional Engineer (PE) certifying that the work completed substantially conforms to the engineered design, and that the material and workmanship are satisfactory.
  - This letter needs to be received by the County prior to approving any transportation permits for excessive loads.
- A road survey was completed using a 360 degree camera. This survey is to document road conditions prior to major construction work occurring.
  - Additional footage using a GoPro camera was also captured.
- Site layout drawings and electrical drawings for the labor camp near Copco 2 were submitted to the County for review.
- A percolation test for the septic system of the labor camp was conducted on 3/15.

### Recent FERC Actions

Below is a list of recent project actions that have been submitted through FERC's eLibrary (<https://elibrary.ferc.gov/eLibrary/search>). All reports and actions are included in Appendix A of this Report.



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- February 27, 2023: Letter from the United States Fish and Wildlife Service (USFWS) - Response to Request for Modification of Receiving Locations for Salvaged Suckers Under the Biological Opinion for the Surrender and Decommissioning of the Lower Klamath Hydroelectric Project, Nos. 14803-001, 2082-063
- March 7, 2023: Partial Authorization for Construction, Removal, and Decommissioning, Lower Klamath Project.
- March 8, 2023: Authorization for Construction, Substation and Switchyard Site Investigation, Lower Klamath Project.
- March 8<sup>th</sup>, 2023: PacifiCorp Letter to FERC - Lower Klamath Hydroelectric Project (FERC No. P-14803), Pre-Drawdown Period Owners Dam Safety Program (March 2023), PacifiCorp Review of Owners Dam Safety Program
- March 9, 2023: State Water Resources Control Board - Approval of Modified Water Quality Monitoring and Protection Plan for Bridge and Culvert Improvements.
- March 10, 2023: PerkinsCoie Letter to FERC - Pre-Drawdown Period Owner's Dam Safety Program; Lower Klamath Project, FERC Project No. 14803-001.
- March 10, 2023: KRRC submittal of: Lower Klamath Hydroelectric Project (FERC No. P-14803-001) February 2023 Monthly Report for the California Terrestrial and Wildlife Management Plan.
- March 13, 2023: Signed Acceptance of License Transfer.
- March 14, 2023: FERC Order Approving California Erosion and Sediment Control Plan.
- March 15, 2023: KRRC submittal of: Lower Klamath Hydroelectric Project (FERC No. P-14803-001), February 2023 Initial Monthly Report for the California Water Quality Monitoring Plan.
- March 16, 2023: KRRC submittal of: Lower Klamath Hydroelectric Project (FERC No. P-14803-001) Water Quality Monitoring and Protection Plan - Bridge and Culvert Improvements.
- March 17, 2023: PerkinsCoie Letter to FERC - Lower Klamath Project, FERC Project No. 14803-000, 004; Co-Licensee Contact Information and Response to Comments Regarding Compliance with Transfer Order



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#### County Actions

The County continues to have regularly scheduled update meetings with KRRC and their contractors. Specific topic meetings (i.e. roads and bridges, etc.) have been scheduled throughout March, and will continue throughout the life of the Project as the need arises.

- The Klamath PM position was contracted at the end of February to help support the County with the Project.
  - The PM is working on creating a form for justification for an exemption of a permit. This form will be to streamline and document permit exemptions based on the FERC Order.
  - The PM is working on creating a permit table that will account for which permits have been submitted to the County, the status of the permit approval, and any upcoming permits that will be required by the County for the Project.
  - The PM is working on a project-wide permit table (information provided to the PM by Camas and McMillen) for the County.
- Project overview meeting was held between County Staff, KRRC, McMillen, Kiewit, Camas and PacifiCorps, on March 8<sup>th</sup>.
  - Meeting focused on the project timeline and pre-drawdown activities, which are occurring in 2023.
  - These activities will include:
    - Mobilize and setup offices and construction laydown
    - Construct road improvements
    - Install arch culvert 24' x 60' at Fall Creek
    - Install prefabricated truss bridge over the Klamath River at Daggett Road
    - Remove danger trees in Wards Canyon (C2 bypass reach)
    - Install 24" steel waterline for the City of Yreka
    - Removal of Recreational Facilities
    - Drill & Blast a tunnel at base of Copco 1 Dam (to prepare for 2024 drawdown)
    - Removal of Copco 2 Dam
    - Construct improvements within Irongate Dam low level outlet tunnel.
- RES (restoration contractor for the Project) submitted a preliminary draft of an “application for development review” of the installation of two trailers associated with the Project. The Planning Department review the submittal and has requested additional information.
- County staff attended the percolation test for septic at the proposed labor camp site on 3/15.

#### Roads and Bridges

- An updated draft of the Roads and Bridges MOU was submitted by KRRC to the Department of Public Works. Public works is currently reviewing.



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- Public Works is waiting on an updated mobilization schedule with updated dates of transport for large loads on the roadways from McMillen.
- Speed limit signage (35 MPH) has been installed along Copco Road.
- County is awaiting additional information regarding increased traffic along roadway due to upcoming recreational facility removal in the spring/early summer.

### Upcoming Activities - April 2023

#### Project Activities

- Project-wide signage plan to be submitted to the County.
- Project signage to be installed along roadways within the Project boundary.
- PacifiCorp to install a changeable message board at either end of the Fall Creek Hatchery Project with project information.
- Hazardous Materials Business Plan will be submitted to Community Development for review for the labor camp near Copco 2.

#### County Activities

- The PM is scheduled to have bi-weekly calls with McMillen (Construction Project Management Company) to receive Project updates and to discuss permits and approvals.
- The PM will be submitting monthly staffing reports to the Board - starting in March and continuing throughout the Project.
- County Project Site Visit - Scheduled for March 29<sup>th</sup>.
- Review and discussions on Roads and Bridges MOU, with intent to finalize MOU in April.
- Review and approval of Project-wide signage plan. The County will assess if encroachment permits are needed for the signage.
- Dept Public Works continuing to review transportation and encroachment permits.
- To follow up with the public on property value loss (as discussed in the February Board Meeting), the County will work on finding documents that the County can provide the public as it related to increased values.
- The County and PM will work with the Agricultural Commissioner to see if the local air board can present about project activities on an upcoming Board Meeting.

### Fish Hatchery Project Progress

As a reminder, the construction activities that are occurring as part of the relocation of the Iron Gate Fish Hatchery to the Fall Creek location, while associated with the Project, are not being completed by KRRC or their contractors. Per the FERC Order, the removal of the facilities at Iron Gate, and new build at Fall Creek is the responsibility of PacifiCorp. PacifiCorp will retain ownership of the lands occupied by the Fall Creek Hatchery, with the California Department of Fish and Wildlife (CDFW) leasing the lands and facilities need to operate the hatchery (see FERC Order, page 61, Section HH, Subsection II).



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Below is an outline of the major activities that have occurred as part of the fish hatchery relocation project over the past month:

- Aggregate crushing operations at Fall Creek have begun.
  - Contractor and Camas are providing justification for exemption under the FERC order for the crushing activities.
  - The County has asked that if a permit exemption is justified, that the contractor adhere to the type of mitigation/conditions that would normally be associated with that use permit to protect the community (in this case a Conditional Use Permit).
- A CA Water Quality Protection Plan is currently in development for work that is proposed at the Fall Creek site.

#### Upcoming Fish Hatchery Activities

- PacifiCorp working with the Air Pollution Control District for a permit for a propane tank that will be located with the buildings at the Fall Creek site.
- Three buildings are being planning - Coho, Chinook, and Spawning - at the Fall Creek site. The Building Department is working with the contractors on permitting these buildings.

In 2023, during the pre-drawdown period, the following work is proposed to occur at the Fall Creek Hatchery Site:

- Install temporary erosion and sediment controls
- Clearing and grubbing
- Grading and mass excavation
- Water supply meter vault forming/rebar
- In-water work (June)

In addition, the following regulatory compliance actions are proposed to occur in 2023:

- CA NPDES CGP
- USACE Section 404 Permit
- Hatcheries Management Operations Plan
- Bald and Golden Eagle Conservation Plan
- Historic Properties Management Plan
- CA Terrestrial and Wildlife Management Plan
- County Permits



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#### Klamath Mitigation Fund

The County understands that additional letters to landowners have been delivered, or will be delivered shortly. These letters are focused on landowners with specific impacts (such as impacts to groundwater wells).

Based on comments from February's Special Board of Supervisors meeting, County Staff reached out to the Fund Administrators with a series of questions regarding the Fund and its administration. Below are the questions and answers received. The Fund Administrators communicated to the County their preference for all questions and concerns about the fund be directed to them at: [klamathmitigationfund@gmail.com](mailto:klamathmitigationfund@gmail.com).

**Q:** How was it determined that the Local Impact Mitigation Fund become the Klamath Mitigation Fund, and more specifically, how was it determined that the Fund would be managed and administered in the form it is today?

**A:** The change in title was a preference of the Administrators. However, the name change does not affect the goal of the program; to compensate eligible claimants via a private settlement process. In a 2019 letter to homeowners it was explained that: "If your property is directly impacted by the Project, the Fund may be available to offset or mitigate that impact, with the Fund administered by an independent third party. This approach has been used with other complex projects elsewhere, resolving damage claims in a fair, transparent, and timely manner." The Administrators are the independent third party mentioned in the letter sent to homeowners. We have access to prior data collected on potentially impacted properties, we have access to technical experts as well as legal counsel, and, in setting up the Fund, we provided our input into the management and administration of the Fund in consultation with various specialists.

**Q:** How were the Fund Administrators selected? Understanding that the funds used are public funds was there a Request for Proposals, or another similar process, completed to select the Administrators?

**A:** A third party put together a list of 9 potential candidates for the position of Fund administrators. The Administrators were selected based on their history with the County, familiarity with presentations to the public, records of public service, and other related factors. There was not an RFP, nor was an RFP required. While the Fund utilizes public dollars, those dollars are not administered by a state or federal program.

**Q:** How much funding is available through the Klamath Mitigation Fund?

**A:** The more relevant question for the affected claimants is not how much money is in the fund, but whether we are prepared to issue checks expeditiously to every eligible claimant when settlements are reached. And the answer to that question is yes. As noted on our



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website: “The Fund amount was calculated to address all eligible claims. This amount was arrived at by identifying all potentially eligible properties, along with probable impacts and costs (such as the cost to implement flood mitigation measures on each affected property).”

Q: Will there be compensation for those who experience a loss of property/home value? How will this be determined, and will a property/home value assessment of other comparable areas be completed to determine value?

A: As noted on the Fund website: “The Fund consists of public funds dedicated to the public purpose of the Klamath dam removal project. These funds may not be used to compensate property owners for a real or perceived loss in property value that does not involve physical damages. Therefore, the Fund Administrators will not provide compensation for these nonphysical impacts.” By way of example, let’s suppose a state or municipality authorized a new road or highway and homeowners near the project experienced a real or perceived reduction in property value due to the loss of what had formerly been quiet open space. There is no legal requirement to compensate people for that reduction in property value. As the Administrators, we are constrained by the limits on how public funds may be used.

Q: How will well monitoring occur, and how will this be coordinated with the public?

A: Whether anyone chooses to have a well monitored is a private decision by the property owner and we will not share that private information. We can say that some people have participated in a well monitoring program.

Q: What parameters were used to determine who are local property owners, and please provide a map that outlines the boundaries of the local property owners?

A: We delineated the area of potential impacts around the reservoirs and along the river below Iron Gate based on the technical analyses and engagement with some cooperating property owners to monitor wells and otherwise assess conditions, then relied on public records to obtain land ownership information to facilitate contacting those property owners.

Q: Please provide phone number contact information for the Fund Administrators? There are several members of the public who do not utilize the internet or email.

A: As noted on our website, we have a mailing address, an email address and are working on getting a phone line that provides that contact information and instructions on how eligible claimants may reach us.

The contact information is:

Klamath Mitigation Fund

PO Box 1532

Yreka, CA 96097



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Email: [klamathmitigationfund@gmail.com](mailto:klamathmitigationfund@gmail.com)

We prefer to use written communication as a default, because it makes for more clear communication and provides a record for both parties. When eligible claimants contact us and provide their phone number, we will call them as appropriate. In general, we will not respond to noneligible parties. Again, our focus is on reaching settlements with eligible participants. We will conduct virtual meetings for each category of eligible claimants and also have private meetings (in person or virtually, based on communication we have with the claimants on an individual basis. There will be no meetings for the general public.

Q: What is the turnaround response time from Fund Administrators regarding public inquiries? Members of the public have submitted questions through the email contact provided, and as of a week ago have not received a response.

A: We do apologize that we have had a slower initial response time than we wished. This is a new program and we are still ramping up. We fully intend to improve our response time. In some cases, research is required so the response may be along the lines of an acknowledgement of the inquiry and noting plans to get in touch with the claimant.

Q: How was it determined that those property owners compensated for well impacts would need to be located within 1,000 feet of Iron Gate Reservoir?

A: The Fund parameter emanated from the State Water Resources Control Board Water Quality Certification (the 401 permit): "To determine Project effects on surrounding groundwater wells, the Licensee shall, within a 1,000-foot range of the reservoirs' OHWM, monitor groundwater levels before, during, and after drawing down the reservoirs. To identify groundwater wells, the Licensee shall outreach to all residents and landowners within 1,000 feet of the California Project reservoirs to inquire about their groundwater wells. The outreach effort shall include information regarding the Local Impact Mitigation Fund, including information on any prerequisites to access the fund (e.g., if funding is dependent on participation in the groundwater monitoring effort)."

Q: How will other wells located along the river and within the vicinity of the reservoirs, but outside of the 1,000 parameter, be compensated?

A: According to technical experts, properly installed wells located along the river are not expected to experience an impact. Because the river will continue to run before and after dam removal, the water level in the wells should not be affected even if the well is hydrologically connected to the river. But property owners in the first 18 miles below Iron Gate Dam can certainly contact us if there is an unanticipated impact. The fine sediment released during dam removal will not make its way through the earth and into a well on the river. The California State Water Resources Control Board concluded that most of the sediment that released will simply move down the river and to the ocean within about 24 months after reservoir drawdown and dam removal. The sediment is predominantly composed of dead algae and fine clay. There





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is no plan to compensate property owners outside the 1,000-foot parameter established by the State Water Resources Control Board Water.

As a reminder, the County does not have jurisdiction over, nor involvement in the Klamath Mitigation Fund. We understand that the public has had issues with communication with the Klamath Mitigation Fund Administrators. We will do what we can to inform the public about the Fund and assist in communication. If the public desires, they may notify the County of communication, challenges, and concerns via the Klamath Project email: [lkdinfo@co.siskiyou.ca.us](mailto:lkdinfo@co.siskiyou.ca.us).

### **Additional Information:**

Previous information about the Project, including prior Special Board Meeting Staff Reports are available at the [County's Klamath Dam Decommissioning Website](#). For ease of use, a quick link button directing users to the Project page has been added to the County's main landing page.