



Oregon

John A. Kitzhaber, MD, Governor

Water Resources Department

North Mall Office Building
725 Summer St. NE, Suite A
Salem, OR 97301
Phone 503-986-0900
FAX 503-986-0904
www.wrd.state.or.us

January 22, 2013

VIA E-MAIL

HILAND WATER CORPORATION
23875 NE DILLON RD
NEWBERG, OR 97132

SUBJECT: Water Right Transfer Application T-11491

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-11491. This document is an intermediate step in the approval process; water may not be used legally as proposed in the transfer application until a Final Order has been issued by the Department. Please read this entire letter carefully to determine your responsibility for additional action.

A public notice is being published in the Department's weekly publication and in the News Guard newspaper, simultaneously with issuance of the Preliminary Determination. The notice initiates a period in which any person may file either a protest opposing the decision proposed by the Department in the Preliminary Determination or a standing statement supporting the Department's decision. The protest period will end 30 days after the last date of newspaper publication.

If no protest is filed, the Department will issue a Final Order consistent with the Preliminary Determination. You should receive a copy of the Final Order about 30 days after the close of the protest period.

If a protest is filed, the application may be referred to a contested case proceeding. A contested case provides an opportunity for the proponents and opponents of the decision proposed in the Preliminary Determination to present information and arguments supporting their position in a quasi-judicial proceeding.

Please do not hesitate to contact me at 503-986-0886 or Patrick.K.Starnes@wrd.state.or.us if I may be of assistance.

Sincerely,

Kelly Starnes
Transfer Specialist

cc: T-11491
Greg Beaman, District 1 Watermaster (*via e-mail*)
John Bordon, CWRE/Agent for the applicant (*via e-mail*)

encs



Authorized Place of Use:

DOMESTIC EXPANDED				
Twp	Rng	Mer	Sec	Q-Q
6 S	10 W	WM	29	SW SE
6 S	10 W	WM	32	NE NE

3. Transfer Application T-11491 proposes to change the character of use to quasi-municipal use.
4. Notice of the application for transfer was published on November 27, 2012, pursuant to OAR 690-380-4000. No comments were filed in response to the notice.
5. On January 19, 2013, the Department e-mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-11491 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of February 16, 2013, for the applicant to respond. The applicant requested that the Department proceed with issuance of a Preliminary Determination.

Transfer Review Criteria [OAR 690-380-4010(2)]

6. Water has been used within the last five years. There is no information in the record that would demonstrate that the right is subject to forfeiture under ORS 540.610.
7. A diversion structure and ditch sufficient to use the full amount of water allowed under the existing right were present within the five-year period prior to submittal of Transfer T-11491.
8. The proposed change would not result in enlargement of the right.
9. The proposed change would not result in injury to other water rights.

Determination and Proposed Action

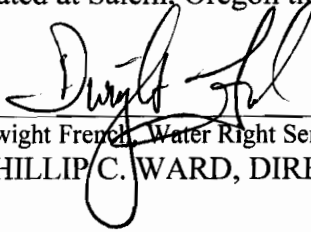
The change in character of use proposed in Transfer Application T-11491 appears to be consistent with the requirements of ORS 540.505 to 540.580 and OAR 690-380-5000. If protests are not filed pursuant to OAR 690-380-4030, the transfer application will be approved.

If Transfer Application T-11491 is approved, the final order will include the following:

1. *The change in character of use proposed in Transfer Application T-11491 is approved.*
2. *The right to the use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Certificate 58388 and any related decree.*
3. *Water right certificate 58388 is cancelled.*

4. *Full beneficial use of the water shall be made, consistent with the terms of this order, on or before **October 1, 2018**. A Claim of Beneficial Use prepared by a Certified Water Right Examiner shall be submitted by the applicant to the Department within one year after the deadline for completion of the change and full beneficial use of the water.*
5. *After satisfactory proof of beneficial use is received, a new certificate confirming the right transferred will be issued.*

Dated at Salem, Oregon this 22 day of January 2013.



Dwight French, Water Right Services Administrator, for
PHILLIP C. WARD, DIRECTOR

This Preliminary Determination was prepared by Kelly Starnes. If you have questions about the information in this document, you may reach me at 503-986-0886 or Patrick.K.Starnes@wrd.state.or.us.