# Application for

# Water Right Instream Transfer

Part 1 of 6 - Minimum Requirements Checklist



**Oregon Water Resources Department** 725 Summer Street NE, Suite A Salem, Oregon 97301-1266 (503) 986-0900 www.oregon.gov/OWRD

This transfer application will be returned if Parts 1 through 6 and all required attachments are not completed and included.

For questions, please call (503) 986-0900, and ask for Transfer Section.

#### FOR ALL INSTREAM TRANSFER APPLICATIONS

Check all iten	ns included with this application. (N/A = Not Applicable)
$\overline{\mathbf{X}}$	Part 1 – Completed Minimum Requirements Checklist.
X	Part 2 – Completed Map Checklist.
	Part 3 – Application Fee, payable by check to the Oregon Water Resources Department, and completed Fee Worksheet, page 3. Try the new online fee calculator at: <a href="http://apps.wrd.state.or.us/apps/misc/wrd_fee_calculator">http://apps.wrd.state.or.us/apps/misc/wrd_fee_calculator</a> . If you have questions, call Customer Service at (503) 986-0801. Submitted with original application in Nov 2023.
	Note: Instream transfers are considered both a change in place of use and character of use. In addition, an automatic 50% fee waiver applies to all instream transfers.
	Part 4 – Completed Applicant Information and Signature.
$\leq$	Part 5 – Completed Instream Use Information.
	Part 6 – Information about the Transferred Water Rights: <b>How many water rights are to be transferred?</b> Two List them here: Portions of Cert. 98527 (formerly 87480) and Cert. 25786 Please include a separate Part 6 for each water right. (See instructions on page 8)
	Attachments:
	Completed Instream Transfer Application Map. Separate Map for Each Right (Att. 1-2)
	Completed Evidence of Use Affidavit and supporting documentation. (Att. 3)
□ N/A	Affidavit(s) of Consent from Landowner(s) (if the applicant does not own the land the water right is on.)
□ N/A	Supplemental Form D – For water rights served by or issued in the name of an irrigation district. Complete when the transfer applicant is not the irrigation district.
	Land Use Notice - Notice of the intent to file an instream transfer application must be provided to each affected local government along the proposed reach. Copies of the notices must be enclosed with the instream transfer application. (Att. 4)
NA/E 0.5	(For Staff Use Only)
	E RETURNING YOUR APPLICATION FOR THE FOLLOWING REASON(S):  pplication fee not enclosed/insufficient Map not included or incomplete
	and Use Form not enclosed or incomplete

\_\_\_\_ Additional signature(s) required

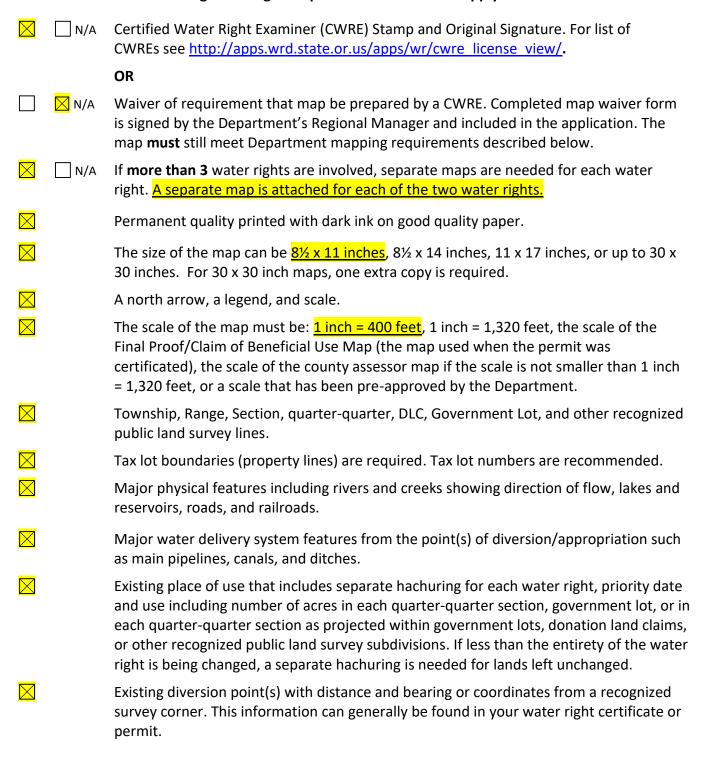
Other/Explanation \_\_\_\_\_\_\_Staff:

\_\_\_\_ Part \_\_\_\_\_ is incomplete

503-\_\_\_\_\_ Date: \_\_\_\_/\_ /

Your transfer application will be returned if any of the map requirements listed below are not met.

Please be sure that the transfer application map you submit includes all the required items and matches the existing water right map. Check all boxes that apply.



#### Part 3 of 6 - Fee Worksheet

	FEE WORKSHEET for INSTREAM TRANSFER		
1	Base Fee (includes Place of Use and Character of Use to Instream changes to one water right for up to 1 cfs)	1	\$2,450
	Number of water rights included in transfer 2 (2a)		
	Subtract 1 from the number in 2a above: $\frac{1}{2}$ (2b) If only one water right, this will be 0		
2	Multiply line 2b by \$610 and enter » » » » » » » » » » » » » »	2	\$610
	Enter the cfs for the portions of the rights to be transferred (see example below*): $\frac{0.271 + 0.095 = 0.366 \text{ cfs}}{0.366 \text{ cfs}} (3a)$		
	Subtract 1.0 from the number in 3a above: 0 cfs (3b)		
	If 3b is 0, enter 0 on line 3 » » » » » » » » » » » » » » »		
	If 3b is greater than 0, round up to the nearest whole number: 0 (3c)		
3	and multiply 3c by \$410, then enter on line 3 » » » » » » » »	3	\$0
4	Add entries on lines 1 through 3 above » » » » » » » » » Subtotal:	4	\$3,060
5	Multiply line 4 by 0.5 and enter on line 5 » » » » » » » » » » » » »	5	\$1,530
6	Subtract line 5 from line 4 » » » » » » » » » » » » Transfer Fee:	6	\$1,530

- \*Example for Line 3a calculation to transfer 45.0 acres of Primary Certificate 12345 (total 1.25 cfs for 100 acres) and 45.0 acres of Supplemental Certificate 87654 (1/80 cfs per acre) on the same land:
- 1. For irrigation calculate cfs for each water right involved as follows:
  - a. Divide total authorized cfs by total acres in the water right (for C12345, 1.25 cfs  $\div$ 100 ac); then multiply by the number of acres to be transferred to get the transfer cfs (x 45 ac= 0.56 cfs).
  - b. If the water right certificate does not list total cfs, but identifies the allowable use as 1/40 or 1/80 of a cfs per acre; multiply number of acres proposed for change by either 0.025 (1/40) or 0.0125 (1/80). (For C87654, 45.0 ac x 0.0125 cfs/ac = 0.56 cfs)
- 2. Add cfs for the portions of water rights on all the land included in the transfer; however **do not count cfs for supplemental rights on acreage for which you have already calculated the cfs fee for the primary right on the same land**. The fee should be assessed only once for each "on the ground" acre included in the transfer. (In this example, blank 3a would be only 0.56 cfs, since both rights serve the same 45.0 acres. Blank 3b would be 0 and Line 3 would then also become 0).

# Part 4 of 6 – Applicant Information and Signature

Is this a Permanen	it Instrea	m Transfer or	<b></b> Time-Limited	Instream Transfer?
			10-Year	
Applicant Information				_
APPLICANT/BUSINESS NAME			PHONE NO.	ADDITIONAL CONTACT NO.
City of John Day (c/o: Melissa Be	ethel <i>, City N</i>	Aanager)		FAX NO.
450 East Main Street	ı			
CITY John Day	STATE OR	ZIP <b>97845</b>	E-MAIL	
BY PROVIDING AN E-MAIL ADDRES			 ALL CORRESPONDENCE FRO	OM THE DEPARTMENT
ELECTRONICALLY. COPIES OF THE F				
<b>Agent Information</b> – The age application.	ent is auth	orized to represen	t the applicant in all m	atters relating to this
AGENT/BUSINESS NAME ROBERT LONG, CWRE (CWM-H2O, I	LLC)		PHONE NO. (503) 954 – 1326	ADDITIONAL CONTACT NO.
ADDRESS 311 B Avenue, Suite P	•			FAX NO.
CITY	STATE	ZIP	E-MAIL	
LAKE OSWEGO	OR	97034	bob.long@cwmh2o.c	
BY PROVIDING AN E-MAIL ADDRES ELECTRONICALLY. COPIES OF THE F				JIM THE DEPARTMENT
why:  In November 2023, the City of properties, instream in the John condition, which is no longer in included in T-14346 were not erights, Certificates 25786 and 8 process. Both have had a portion This application seeks to amend Certificate 98527 and to update year instream transfer instead of the Check this box if this process.	n Day Rive place. The ligible and 7480, are on of their d T-14346 e other info of a perma	r (T-14346). This act e Department's initi were cancelled by eligible, but the app rate cancelled and to include only the ormation within the inent transfer.	tion was taken as part of al review determined to final order in August 20 plication must be amend Cert. 87480 has been re remaining portions of Co e application. The City n	of a grant funding hat two of the four rights 124. The remaining two ded to continue the eissued as Cert. 98527. Certificates 26786 and now also proposes a 10-
Reinvestment Act. (Fed	eral stimu	ulus dollars)		
By signing this application, I Department approval of the am authorized to pursue the I affirm the applicant is a mu the name of the municipality I affirm that the applicant is acquiring by condemnation appurtenant and have support	transfer, I transfer as nicipality a y or a prede an entity w the propert	will be required to p s identified in OAR 6 s defined in ORS 540 ecessor; <b>OR</b> ith the authority to o ty to which the wate	of the draft preliminary of rovide landownership in 90-380-4010(5); <b>OR</b> 0.510(3)(b) and that the occurrence of the condemn property and is	formation and evidence that I right is in

I understand that prior to Department approval of the transfer, I may be required to submit payment to the Department for publication of a notice in a newspaper with general circulation in the area where the water right is located, once per week for two consecutive weeks. If more than one qualifying newspaper is available, I suggest publishing the notice in the following newspaper: **Blue Mountain Eagle.** 

I (we) affirm that the information contained in this application is true and accurate.

Applicant Signature	Melissa Bethel; City Ma	anager <u>6/9/</u> 25 <sub>Date</sub>	SIGN HER
Applicant Signature	Print Name (and Title if applicable)	Date	
Is the applicant the sole owner of for transfer is located? $igt igt igt $ Yes, S		ter right, or portion the	ereof, proposed

If NO, include signatures of all deeded landowners (and mailing and/or e-mail addresses if different than the applicant's) or attach affidavits of consent (and mailing and/or e-mail addresses) from all landowners or individuals/entities to which the water right(s) were conveyed.

- Two water rights are included in this instream lease application:
  - Certificate 98527
  - o Certificate 25786
- Certificate 98527 is located completely within properties owned by the City of John Day, the Applicant.
- A portion of Certificate 25786 falls within City property, while a portion of the POU falls within
  adjacent properties not owned by the City. This instream transfer application only relates to the
  section of the water right which exists on City property.
- The remaining portion of Certificate 25786 falls within three adjacent taxlots in T13S, R31E,
   Section 23 NW-SW, though these landowners are not affected by this proposed transfer:
  - o Taxlot 0503: Owned by David & Lisa Holland
  - o Taxlot 0504: Owned by Steven & Judith Schuette
  - o Taxlot 0505: Owned by Brandon & Christal Culley

Check the following boxes that apply:											
<ul> <li>Check here if any of the water rights properties irrigation district or other water district I Supplemental Form D.) N/A</li> </ul>	•	•									
IRRIGATION DISTRICT NAME	<del>ADDRESS</del>										
CITY	STATE	<del>ZIP</del>									
CITY	STATE	<del></del>									
	Check here if water for any of the rights is supplied under a water service agreement or other contract for stored water with a federal agency or other entity. N/A										
ENTITY NAME	ADDRESS										
CITY	STATE	ZIP									



To meet State Land Use Consistency Requirements, you must list <u>all</u> local governments (each county, city, municipal corporation, or tribal government) within whose jurisdiction the proposed instream reach will be located.

ENTITY NAME	ADDRESS				
CITY OF JOHN DAY	450 EAST MAIN STREET				
CITY	STATE	ZIP			
JOHN DAY	OR	97845			

<sup>\*</sup>All of the POUs for the water rights included in this instream transfer are located completely within the City Limits of the City of John Day, Applicant. The proposed instream transfer reach is also located completely within the City of John Day City Limits.

# Part 5 of 6 – Proposed Instream Use Information

Iden	tifv the Public	Use for which	the instream right	is requested (chec	k at least o	ne box):
	Conservation,	maintenance		of aquatic and fish		•
$\neg$	Recreation		orogram varacor			
_	Navigation					
	Pollution Abat	tement				
	rollution Abai	terrient				
nst	ream use propo	osed to be crea	ated by the instrea	m transfer:		
	iginating Water Right Number	Priority Date	Source	Proposed Instream Period	Rate (cfs)*	Volume (ac-ft)**
	Cert. 98527	0.271	98.04			
	Cert. 25786	12/31/1889	John Day River	(Apr 1 – Sep 30)	0.095	34.37
				TOTAL	0.366 cfs	132.41 AF
	•	-	otected at a point. diversion (POD) – u	se the POD Name o	or Number	from Table
	Location of upstream are The from 118.	proposed reac nd downstrean instream lease n an upstream <sub>l</sub> 95932) to a do	n extent of the read is requested to be point at the conflue wnstream point ap	ater right reach is r	reach of th ek (approx. City's west	e John Day Riv 44.42239, ern City Limit
Reco	ommendations	for conditions	on instream use t	o avoid taking awa	y/impairin	g existing righ
$\times$	None					
	in cfs per mon	th or total ac-ft	, the effective reach	imited to, reduction n(es) or lake levels o ring the instream flo	f the instrea	am flow,

	e any existing instream water rights on the same point or within the same requested ) or lake, or on a portion thereof?
☐ No	Yes (identify other instream water rights): Cert. 59787 (Mult. Instream Uses)
establisho conserve agency ap	ew instream water rights are generally (but not always) additive to instream water rights ed under ORS 537.348 (instream transfer application process) and ORS 537.470 (allocation of d water) and replace a portion of instream water rights established under ORS 537.341 (state pplication process) or ORS 537.346 (conversion of minimum perennial streamflows) with an iority date.
right esta	intent to have the proposed instream water right transfer be additive to any instream water ablished under ORS 537.348 and ORS 537.470 and replace a portion of any instream water right ed under ORS 537.341 and ORS 537.346 with an earlier priority date?
X Yes	No. If no, please explain your intent:
under OR are neces and Wild	posed conversion would add to the amounts of an existing instream water right(s) established RS 537.341 or 537.346, provide documentation demonstrating why additional instream flows ssary. Supporting documentation should include information from the Oregon Dept. of Fish life (ODFW) (fish life), Dept. of Environmental Quality (DEQ) (pollution abatement), and/or discrepation Dept. (recreation).
occurring	quested instream flow intended to exceed the estimated average natural flow or level g from the drainage system?  OR
Yes	(Provide supporting documentation that demonstrates why additional flows are significant for public use requested.); <b>OR</b>
	, and it is presumed that flows that exceed the estimated average natural flow or natural lake els are significant because:
	The requested flow does not exceed the maximum amount of any instream water right application applied for under ORS 537.341 (state agency instream water right application process) for the same reach or portion thereof, and the requested public use is for the same public use as the afore mentioned instream water right application, and
	For the specified time period that flows are requested to exceed the estimated average natural flow or lake level, the stream is in an ODFW flow restoration priority watershed. A copy of the priority watershed map indicating the specific watershed involved should be included with the application. Priority watershed maps may be found on the OWRD web page; or
	The stream is listed as water quality limited and DEQ has provided scientific information that demonstrates that increased flows would improve water quality. The scientific information provided by DEQ should be included with the transfer application.

#### For a Time Limited Instream Transfer, please answer the following:

The time-limited instream transfer is for a specific number of years:

2025 Begin Year to 2035 End Year

Time-limited instream transfer is to terminate based upon other conditions:

Conditions: If the City identifies a municipal need for the water under these certificates, the City reserves the right to terminate the lease in order to initial a standard transfer. The right to terminate the instream transfer is also reserved for if the City sells the lands to which the certificates were originally appurtenant.

# Part 6 of 6 – Water Right Information

Please use a separate Part 6 for each water right being changed. See instructions on page 8, to copy and paste additional Part 6s, or to add additional rows to tables within the form.

## **CERTIFICATE** # <u>98527</u> (1 of 2)

Name on Certificate: Prairie Wood Products

\*The City of John Day City Council passed Resolution 20-850-23 to approve loans for the purchase of a portion of the Iron Triangle Property (TL 2700), on which a portion of this water right is located, on <u>December 8, 2020</u>. The City acquired the Oregon Pine Property (TL 0300), containing the remainder of the water right, earlier in 2017 (<u>Attachment 1</u>). Cert. 98527 is the remaining right from the partial cancellation of Cert. 87480.

**Date(s) of Priority:** <u>12/31/1863</u>

Source(s) of Water to be Affected by the Transfer: John Day River

**Description of Water Delivery System** 

System capacity: N/A cubic feet per second (cfs) OR

N/A gallons per minute (gpm)

Describe the current water delivery system or the system that was in place at some time within the last five years. Include information on the pumps, canals, pipelines and sprinklers used to divert, convey and apply the water at the authorized place of use:

- There currently is not a water delivery system in place to divert and utilize water in the manner of the original water right. However, the City is capable of installing and operating a diversion pump at the designated POD to divert water to the place of use in a short timeframe.
- The original water delivery system consisted of a pump station installed at the designated POD, which diverted water from the John Day River through a mainline to the place of use (Attachment 1).
- The Evidence of Use Affidavit includes more information on the site and history of water use.

#### **Other Water Rights**

Are there other water right certificates, water use permits or ground water registrations associated with the "from" lands? X Yes No

If YES, list the certificate, water use permit, or ground water registration numbers: <u>Certificate</u> 48135 (T-14447) currently has a place of use over roughly the same area. The source for Certificate 48135 is a shallow groundwater point of appropriation. The right is not supplemental to Certificate 98527.

Pursuant to ORS 540.510, any "layered" water use such as an irrigation right that is supplemental to a primary right proposed for transfer must be included in the transfer or be cancelled. Any change to a ground water registration must be filed separately in a ground water registration modification application.

## Table 1. Location of Authorized Point(s) of Diversion (POD)

(Note: If the POD name is not specified on the certificate, assign it a name or number here. Also, if the POD is not described in the Certificate, provide a description below)

POD Name	Priority Date	Tv	wp	Rı	ng	Sec	1/4	1/4	Tax Lot, DLC or Gov't Lot	Measured Distances (from a recognized survey corner)
POD 1	12/31/1863	13	S	31	E	22	SW	SE	0300/ 2700	1,160 ft N & 2,525 ft W from SE Corner, Sec 22

(see Attachment 1)

## Will the proposed instream transfer affect the entire water right?

Yes Then Table 2 on Page 10 does not need to be completed.

No Then complete all of Table 2 to describe the portion of the water right to be changed.

Please use additional pages of Table 2 as needed. See page 8 for instructions. If you have further questions about how to fill out the tables, contact the Department at 503-986-0900 and ask for Transfer Staff.

## Table 2. Description of Change to Water Right Certificate # 98572

List only the part of the right that will be changed. If more than one POD serves the lands, specify the acreage associated with each POD.

Tw	р	Rng	5	Sec	1/2	i ¼	Tax Lot	Gov't Lot or DLC	or Applicable listed on		Priority Date	POD(s) (name or number from Table 1)
13	S	31	E	22	2 SW SE 0300/ 2700 N/A 2.1		2.1	Industrial/ Manufacturing	12/31/1863	POD 1		
TOTAL ACRES								L ACRES	2.1			

**Additional remarks:** The entire water right, which includes 0.271 cfs for industrial uses limited to the irrigation season, specifically 2.1 acres of log deck watering (Attachment 1), is proposed for transfer instream.

# Part 6 of 6 – Water Right Information

Please use a separate Part 6 for each water right being changed. See instructions on page 8, to copy and paste additional Part 6s, or to add additional rows to tables within the form.

## **CERTIFICATE** # 25786 (2 of 2)

Name on Certificate: W. Shank

\*The place of use of Certificate 25786 is split between City property and private landowner property. The portion of the water right proposed for transfer in this application is located on the City's Wastewater Treatment Plant facility grounds (TL 1402 and 0700), which has been City property since prior to the facility's construction in 1978 (Attachment 2).

**Date(s) of Priority:** <u>12/31/1889</u>

Source(s) of Water to be Affected by the Transfer: John Day River

**Description of Water Delivery System** 

System capacity: N/A cubic feet per second (cfs) OR

N/A gallons per minute (gpm)

Describe the current water delivery system or the system that was in place at some time within the last five years. Include information on the pumps, canals, pipelines and sprinklers used to divert, convey and apply the water at the authorized place of use:

- There currently is not a water delivery system in place to divert and utilize water in the manner of the original water right. The POD is located on private property not owned by the City not the landowners of the properties also within the POU.
- The original water delivery system consisted of a low head dam in the John Day river several miles upstream of the POU (Section 25, NENE) which diverted water through an unnamed ditch. That POD ditch then flowed into Trowbridge Ditch, which carried water to the POU.
- The Evidence of Use Affidavit includes more information on the history of water use.

#### **Other Water Rights**

If YES, list the certificate, water use permit, or ground water registration numbers:

Pursuant to ORS 540.510, any "layered" water use such as an irrigation right that is supplemental to a primary right proposed for transfer must be included in the transfer or be cancelled. Any change to a

ground water registration must be filed separately in a ground water registration modification application.

## Table 1. Location of Authorized Point(s) of Diversion (POD)

(Note: If the POD name is not specified on the certificate, assign it a name or number here. Also, if the POD is not described in the Certificate, provide a description below)

POD Name	Priority Date	Τι	wp	Rı	ng	Sec	Ya Ya		Tax Lot, DLC or Gov't Lot	Measured Distances (from a recognized survey corner)	
POD 1	12/31/1889	13	S	31	E	25	NE	NE	*Approx. 780 ft S and 1,360 ft W from the NE Corner, Section 25		

<sup>\*</sup>This water right derived from the 1930 John Day River Decree. The exact location of the POD is not defined and is only described to the quarter-quarter. However, the POD appears to be related to one of multiple diversions for Trowbridge Ditch, which passes along the north edge of the POU. The 1930 decree lists the POD on an unnamed ditch on the John Day River (Attachment 2).

## Will the proposed instream transfer affect the entire water right?

Yes Then Table 2 on Page 10 does not need to be completed.

No Then complete all of Table 2 to describe the portion of the water right to be changed.

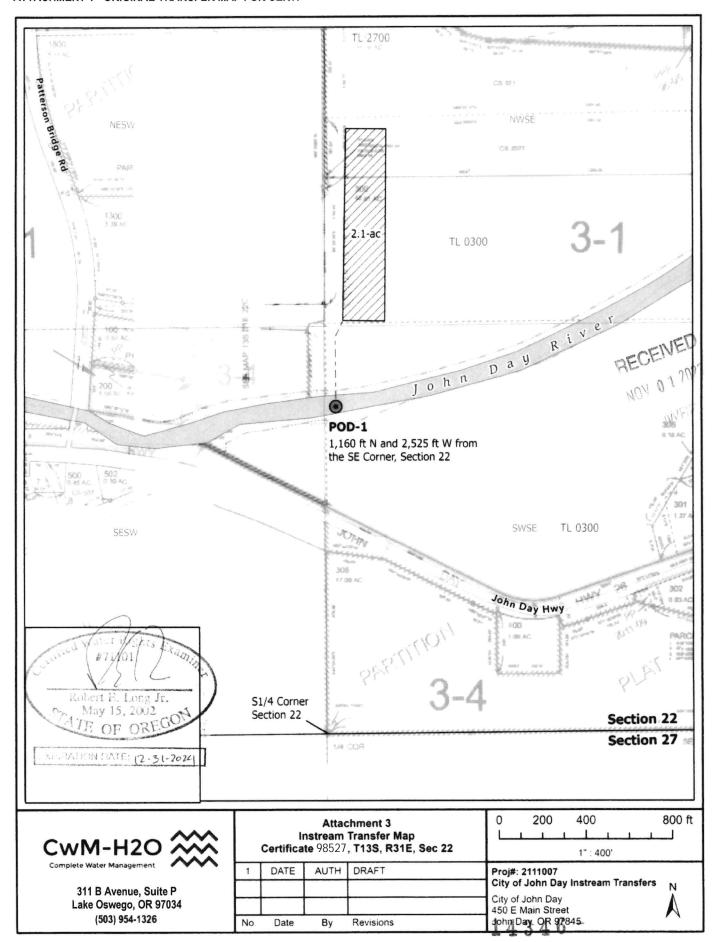
Please use additional pages of Table 2 as needed. See page 8 for instructions. If you have further questions about how to fill out the tables, contact the Department at 503-986-0900 and ask for Transfer Staff.

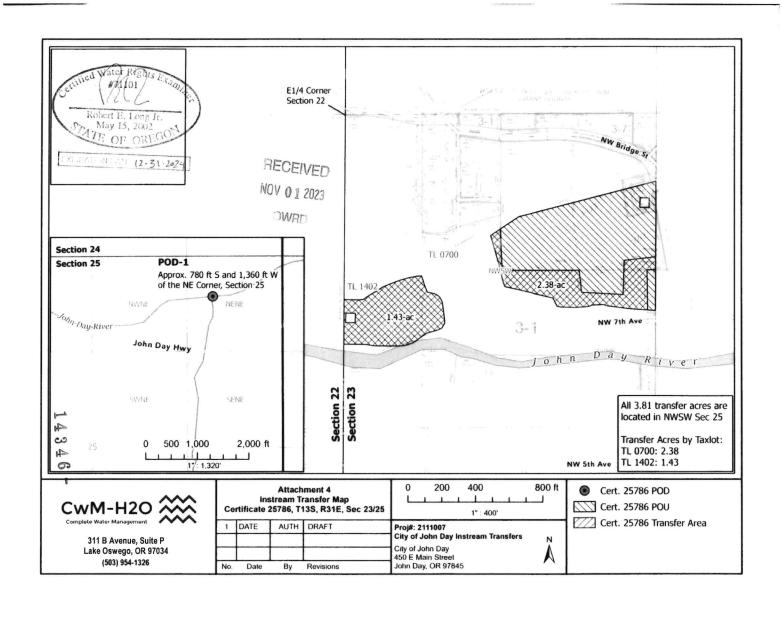
# Table 2. Description of Change to Water Right Certificate # 25786

List only the part of the right that will be changed. If more than one POD serves the lands, specify the acreage associated with each POD.

Twı	р	Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		Rng		; Sec		i 1⁄4	Tax Lot	Gov't Lot or DLC	Acres if Applicable	Type of USE listed on Certificate	Priority Date	POD(s) (name or number from Table 1)
13	S	31	Е	23	NW SW		1402	N/A	1.43	Irrigation	12/31/1889	POD 1																																
13	S	31	Е	23	NW	SW	0700	N/A	2.38	Irrigation	12/31/1889	POD 1																																
TOTAL ACRES							TOTA	L ACRES	3.81																																			

**Additional remarks:** The water right includes 6.5 acres of irrigation in the NWSW quarter-quarter of Section 25. Of the 6.5 acres, 3.81 acres are located on City property (TLs 0700 and 1402) and are proposed for instream transfer (Attachment 2). The 3.81 acres proposed for transfer accounts for 0.095 cfs (about 43 apm).





# **Application for Water Right**

# **Transfer**

# **Evidence of Use Affidavit**

# ATTACHMENT 3 INSTREAM TRANSFER APPLICATION FOR CERTIFICATES 87480 & 25786

Please print legibly or type. Be as specific as possible. Attach additional pages if you need more spacing. Supporting documentation must be attached.

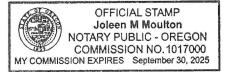
State c	of Oregon			)	SS						
County	of <u>GRANT</u> )			,	33						
l, <u>Meli</u> s	ssa Bethel, in n	ny capa	acity <u>as</u>	City N	lanag	er OF THE	CITY OF J	OHN DAY (APP	LICANT),		
mailing	g address <u>450 E</u>	EAST MA	AIN STRE	<u>ET</u>							
teleph	one number ( <u>5</u>	41) 57	5-0028	, bein	g first	duly swo	orn depos	se and say:			
1.	My knowledg	ge of th	ie exerc	ise or	status	s of the v	water rigl	nt is based o	n (check one):		
	Perso	onal ob	servati	on		$\boxtimes$	Profess	ional experti	se		
2.	I attest that:										
				ıring tl	he pre	vious fiv	e years c	n the <b>entire</b>	place of use f	or	
	Certi	ficate #	‡ ; OR								
	☐ My k	nowled	dge is sp	oecific	to the	e use of	water at	the following	g locations wit	hin the last five yea	ars:
	Certificate #	Certificate # Township		Ra	Range		Sec	1/4 1/4	Gov't Lot	Acres	
									or DLC	(if applicable)	
											-
											_
OR											
	Confirming Certificate # has been issued within the past five years; OR										
Ш	Part or all of the water right was leased instream at some time within the last five years. The instream lease number is: (Note: If the entire right proposed for										
_	transfer was not leased, additional evidence of use is needed for the portion <u>not</u> leased instream.); <b>OR</b>										
	The water right is not subject to forfeiture and documentation that a presumption of forfeiture for non-use would be rebutted under ORS 540.610(2) is attached for <b>Certificates</b> 98527 & 25786										
	Water has been used at the actual current point of diversion or appropriation for more than 10 years for Certificate #(For Historic POD/POA Transfers)										
3.	The water rig					rops, pa	sture, etc	): industrial	uses for lumb	er industry ( <b>Cert.</b> 98	3527)

4. I understand that if I do not attach one or more of the documents shown in the table below to support the above statements, my application will be considered incomplete.

Metul	6-10-25		
Signature of Affiant	Date		

SIGN HERE

Signed and sworn to (or affirmed) before me this 10 day of 500, 2025.



Notary Public for Oregon

My Commission Expires: September 392025

Supporting Documents	Examples			
Copy of a water right certificate that has been issued within the last five years.	Copy of <b>confirming</b> water right certificate that shows issue date			
Copies of receipts from sales of irrigated crops or for expenditures related to use of water	<ul> <li>Power use records for pumps associated with irrigation use</li> <li>Fertilizer or seed bills related to irrigated crops</li> <li>Farmers Co-op sales receipt</li> </ul>			
Records such as FSA crop reports, irrigation district records, NRCS farm management plan, or records of other water suppliers	<ul> <li>District assessment records for water delivered</li> <li>Crop reports submitted under a federal loan agreement</li> <li>Beneficial use reports from district</li> <li>IRS Farm Usage Deduction Report</li> <li>Agricultural Stabilization Plan</li> <li>CREP Report</li> </ul>			
Aerial photos containing sufficient detail to establish location and date of photograph	Multiple photos can be submitted to resolve different areas of a water right.  If the photograph does not print with a "date stamp" or without the source being identified, the date of the photograph and source should be added.  OSU –www.oregonexplorer.info/imagery OWRD – www.wrd.state.or.us Google Earth – earth.google.com TerraServer – www.terraserver.com			
Approved Lease establishing beneficial use within the last 5 years	Copy of instream lease or lease number			
Rebuttal of Presumption Forfeiture for Period of Non-use	Rebuttal of Forfeiture Letter			



September 13, 2023 (Updated June 3, 2025)

Oregon Water Resources Department Attn: Sarah Henderson - *Transfer and Conservation Section* 725 Summer St. NE Ste A Salem, Oregon 97301

#### RE: EVIDENCE OF USE AFFIDAVIT DOCUMENTATION - REBUTTAL OF CANCELATION PRESUMPTION

Dear OWRD Staff,

This letter is intended to act as a supporting document for the Evidence of Use Affidavit for the City of John Day's (City) time-limited instream transfer application. Specifically, the City intends to rebut the presumption of cancellation of the rights proposed for transfer due to non-use. The City's application proposes the transfer of two water rights instream in the John Day River for a period of up to 10 years. The two water rights included in this application are Certificates 87480 (industrial use) and 25786 (irrigation), both with points of diversion (PODs) on the John Day River.

The City acquired the properties on which these water rights are located through multiple purchases between about 2017 and 2020. A portion of Certificate 87480's POU is located within the former Oregon Pine Products property (Taxlot 0300). The City passed a resolution to appropriate funds to purchase the Oregon Pine property (Resolution 17-768-04) and did so in 2017. The remainder of Certificate 87480 is located on the former Iron Triangle property (Taxlot 2700), which was purchased by the City in 2020 (Resolution 20-850-23). In the case of Certificate 25786, the City already owned a portion of the place of use as part of the City's wastewater treatment plant.

The City acquired the properties described above in preparation for several major land improvement projects, including the City's Innovation Gateway Adaptive Water Reuse program (Gateway). As part of a 2021 grant application to OWRD for funding related to the Gateway project, the City proposed transferring the water rights associated with these properties instream. When the grant was approved, the OWRD added a condition (#17) to transfer the proposed rights instream if eligible. This grant did not come to fruition and the City is no longer held to condition #17, though they would like to place these rights instream in a time-limited transfer.

Certificate 87480 is an industrial use right related to former lumber mills and staging sites. The lumber industry at the properties in question was inactive for some time before the City purchased the land and acquired the water rights. Similarly, the irrigation right associated with the City's wastewater treatment plant area has not been applicable due to land use changes in the place of use, as well as between the upstream POD and place of use.

Although the City cannot demonstrate beneficial use within the last five years, the City can rebut the presumption of cancellation under ORS 540.610(2)(a) because the City acquired the rights and associated lands for municipal purposes:

"Upon a showing of failure to use beneficially for five successive years, the appropriator has the burden of rebutting the presumption of forfeiture by showing that the water right



is for use of water, or rights of use, acquired by cities and towns in this state, by appropriation or by purchase, for all reasonable and usual municipal purposes."

Because transferring these rights is part of the City's development plan and was, at the time the application was first files, directly connected to funding received *after* the land and water rights were acquired, the City can also rebut the presumption of cancellation under ORS 540.610(2)(b):

"Upon a showing of failure to use beneficially for five successive years, the appropriator has the burden of rebutting the presumption of forfeiture by showing that a finding of forfeiture would impair the rights of such cities and towns to the use of water, whether acquired by appropriation or purchase, or heretofore recognized by act of the legislature, or which may hereafter be acquired."

Cancellation of the water rights in this instream transfer application would hinder the City's ability to use the water for proposed conservation efforts and land improvements along the John Day River riparian area.

In the case of industrial use Certificate 87480, non-use of the water prior to the City's acquisition of the associated lands was due to economic hardship. The City is therefore also able to rebut cancellation under ORS 540.610(2)(d):

"Upon a showing of failure to use beneficially for five successive years, the appropriator has the burden of rebutting the presumption of forfeiture by showing that the use of water, or rights of use, under a water right, if the owner of the property to which the right is appurtenant is unable to use the water due to economic hardship as defined by rule by the Water Resources Commission."

The industrial use certificate is associated with the property that most recently became the D.R. Johnson Lumber facility. The lumber industry has been struggling in the John Day area for decades due to market shifts and forestry changes. Grant County lumber mills produced 290-300 million board-feet per year in the late 1980s. Production dropped to less than 100 million board-feet by the late 1990s and to only 20 million board-feet by the 2008 financial crisis (Blue Mountain Eagle, June 17, 2019). This dramatic decline in the lumber industry led to the closure of Prairie Wood Products mill in 2008, though some activity has recently been resumed by D.R. Johnson (Oregon Public Broadcasting, July 21, 2022; Blue Mountain Eagle, December 21, 2022). Two of the three major lumber mills in John Day closed due to the downturn in 2008 (Blue Mountain Eagle, December 20, 2018; Forest Policy, April 11, 2021), with the third, Malheur Lumber, only narrowly escaping the same result (Timber West, September 2017).

Because of the mill closures within the last 10-15 years, and since the City purchased the land in 2017, the industrial use water rights have not been put to full beneficial use. The root cause of the non-use is the economic hardship of the downturn in the lumber industry and in the nation-wide recession between 2008 and 2012.

The City's proposed instream transfers will conserve flow in the John Day River and provide an ecological benefit. The cancellation of these water rights through forfeiture would make that water

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subject to appropriation once again (ORS 540.610(5)). Approving the instream transfer with the above rebuttal of cancellation will therefore provide a greater benefit to the river and to the City.

Please let us know if there are any issues with processing this application or questions regarding the information included therein. Thank you for your assistance.

Sincerely,

CwM H2O, L.L.C.

Robert Long, CWRE

Timber West, September 2017 https://forestnet.com/TWissues/2017\_sept\_oct/riding.php

Blue Mountain Eagle, December 20, 2018 https://www.bluemountaineagle.com/news/editorial-speak-up-for-our-forests/article\_d2648712-8b24-5e92-b545-08510dc2553f.html

Blue Mountain Eagle, June 17, 2019

https://www.bluemountaineagle.com/specialsections/progress/progress-new-growth-emerging-in-timber-industry/article\_80796b5a-7c10-11e9-9555-4324441f569d.html

Forest Policy, April 11, 2021

https://forestpolicypub.com/2021/04/11/peace-breaking-out-in-john-day-new-york-times-op-ed/

Oregon Public Broadcasting, July 21, 2022

https://www.opb.org/article/2022/07/21/after-more-than-a-decade-a-sawmill-in-east-oregon-reopens/

Blue Mountain Eagle, December 21, 2022

https://www.bluemountaineagle.com/news/closed-for-15-years-prairie-wood-products-is-up-and-running-again/article\_3ac8173a-03a5-11ed-b809-47813b38e041.html