



Oregon

Tina Kotek, 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.oregon.gov/owrd

Water Right Application Initial Review

September 15, 2023

CITY OF DALLAS
ATTN: GARY MARKS
187 COURT ST
DALLAS OR 97338

Reference: Application R-89392

This document is to inform you of the preliminary analysis of the water-use permit application and to describe your options. In determining whether an application may be approved, the Water Resources Department (Department) must consider the factors listed below, all of which must be favorable to the proposed use if it is to be allowed. Based on the information supplied, the Department has made the following preliminary determinations:

Preliminary Determinations under Oregon Administrative Rule (OAR) 690-310-0080:

1. The application proposes the diversion of 5000.0 acre-feet (AF) of water from Rockhouse Creek, tributary to Rickreall Creek, and Rickreall Creek, tributary to the Willamette River, for storage in Mercer Reservoir, an enlargement of the reservoir constructed under Permit R-2283, for municipal and industrial storage, January 1 through December 31 of each year.
2. On August 18, 2023, the applicant's agent submitted an amended application Page 2, removing Rockhouse Creek as a source.
3. The proposed use is not prohibited by law or rule except where otherwise noted below.
4. Municipal and industrial storage is allowable under the Willamette Basin Program from November 1 through June 30 (OAR 690-502-0040(4)).
5. An assessment of water availability at 50% exceedance for the proposed use was completed using the Department's Water Availability Reporting System. A copy of this assessment is in the application file. This review is done consistent with OAR 690-410-0070(2)(c). The assessment established surface water is available during the period October 1 through July 31 of each year.
6. The proposed use is not located within or above any state scenic waterway.

7. Documentation has been submitted from the relevant land-use planning jurisdiction that indicates an approved land-use decision is not being pursued at this time.
8. Please refer to the **Additional Information Required** section below for specific information regarding deficiencies with the application.

Summary of Preliminary Determinations
The diversion of 5000.0 AF of water from Rickreall Creek, tributary to the Willamette River, for storage in Mercer Reservoir, an enlargement of the reservoir constructed under Permit R-2283, for municipal and industrial storage from November 1 through June 30 of each year may be allowable, contingent upon the submittal of additional information.

Additional Information Required

Additional information is required to process your application prior to issuance of any Proposed Final Order that may recommend permit approval. Please provide the following item(s):

1. Prior to the issuance of a permit, the Department must receive documentation that the proposed use complies with the local acknowledged comprehensive land-use plan. Please submit documentation from the relevant planning jurisdiction that either a) the proposed use is allowed outright or b) that an approved land-use decision has been obtained, and that either no administrative appeals were received, or all such appeals have concluded.
2. Prior to permit issuance, if one is issued, the Department must receive evidence that you have written authorization or an easement permitting access to lands not owned by you.
3. Prior to the issuance of a Proposed Final Order, the Department must receive a completed Form M with information needed to make findings related to ORS 537.153(3)(c).

Please submit the requested information listed above no later than October 19, 2023. If you are unable to meet this deadline, you may request an administrative hold for up to an additional 180 days. You must submit the request in writing, stating how much more time you will need and why you need additional time. If an administrative hold is granted, your application will not be processed further until the requested information is received or the extended deadline has passed. If we do not receive the items listed above or a request for an administrative hold by this date, the Department will likely proceed with a Proposed Final Order recommending denial or may reject the application.

Public Comment & Further Review:

Public interest issues and/or public comments will be addressed as the Department prepares a Proposed Final Order. If significant public interest issues are identified, they could have an impact on the eventual outcome of the application.

Division 33 Review – The Department’s Division 33 administrative rules (OAR 690-033) establish additional procedures and standards to aid the Department in determining whether a proposed use will impair or be detrimental to the public interest with regard to sensitive, threatened, or endangered

(STE) fish species. This Initial Review does not address the potential impact that your proposed use may have on these species.

Your application will now undergo an additional review from numerous federal, state, local, and tribal governmental entities. This review may cause your application to be limited, conditioned, or denied. Depending on the proposed use, you may be required to mitigate for potential impacts identified in the review.

Mitigation for impacts to STE Species – Mitigation is often complicated, time consuming, and expensive, and may include, but is not limited to, actions such as replacing the proposed amount of water within the impacted reach through purchasing or transferring an existing water right. Following the Initial Review, you will be notified if mitigation is required, due to impacts to STE fish species.

If you choose to pursue mitigation, you will likely need to place your application on administrative hold in order to explore options. There will be an additional fee of \$790 required with any mitigation proposal submitted.

At this time, you must decide whether to proceed or to withdraw the application.

- To Proceed - If you choose to proceed with the application, you do not have to notify the Department. The application will be placed on the Department's Public Notice to allow others the opportunity to comment. After the comment period the Department will complete a public interest review and issue a Proposed Final Order.
- To Withdraw - You may withdraw the application and receive a refund (minus a \$310 processing fee per application). You must notify the Department **in writing by September 29, 2023**. For your convenience you may use the enclosed "STOP PROCESSING" form.

If a permit is issued, it will likely include the following conditions:

1. Construction of the water system shall begin within ten years of the date of permit issuance. The deadline to begin construction may not be extended. A permit is subject to cancellation proceedings if the begin construction deadline is missed.
2. Consistent with ORS 537.248(1), you are not required to submit engineering plans and specifications before a permit is issued, if one is issued. However, you may not begin construction of the reservoir until the Department approves the engineering plans and specifications.
3. **Water Use Measurement, Recording, and Reporting:**
 - A. Before water use may begin under this permit, a staff gage that measures the entire range and stage between full reservoir level and dead-pool storage shall be installed in the reservoir. If no dead-pool, the gage must measure the full depth of the reservoir. The watermaster may determine an alternate measuring device is suitable. The permittee shall maintain the device in good working order.

- B. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The permittee shall keep a complete record of the volume of water stored each month, and shall submit a report which includes water-storage measurements to the Department annually (or more frequently as may be required by the Director). Further, the Director may require the permittee to report general water-use information, including the place and nature of use of water under the permit.
- D. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.

DAM CONDITIONS

1. Design work shall be completed by an Engineer registered in the State of Oregon. Written approval of the design, from the State Engineer, shall be obtained prior to the start of construction. No water shall be stored until the Department receives written certification from the engineer of record that construction has been completed in accordance with the approved plans and specifications.
2. Prior to commencing construction activity, all design reports, drawings of the dam and critical appurtenant structures, specifications, and plans for construction administration must be approved by the State Engineer as indicated by the State Engineer's stamp and a written letter of approval from the State Engineer.
3. All construction shall be performed under the supervision by the engineer of record. If the engineer of record cannot supervise construction, the Water Resources Department Dam Safety Engineer must be notified in writing, prior to construction activity, with the name of the engineer supervising construction.
4. No embankment fill shall be placed until preparation of the foundation and the excavation of the core trench has been completed and examined in entirety by the engineer of record, or by the Water Resources Dam Safety Engineer, or both.
5. The constructed works shall conform to the approved plans and specifications on file with the Water Resources Dam Safety Program. The engineer of record shall notify the Water Resources Dam Safety Program before making any significant change to the approved design prior to or during construction.
6. No water shall be stored until the Water Resources Department receives written confirmation from the engineer of record that construction has been completed in accordance with the approved plans and specifications. Or, if final construction deviates from the approved design, a set of reproducible as-built constructed drawings, including a revised reservoir capacity graph or table, must accompany the engineer's letter of completion.

7. Routine maintenance or repair of the dam, its spillway, and all appurtenant structures shall be performed to include, but not be limited to, removal of woody or high vegetation from the embankment, abutments and spillway; removal of debris from the reservoir, and annual or more frequent cycling of the valve or gate for the low level conduit.
8. Repair or replacement of defective or worn out equipment (including but not limited to gates, valves, and conduits) shall be completed as needed to keep the dam safe. If the dam is enlarged, modified, or otherwise altered, this work must be based on design plans and specifications prepared by a Registered Professional Engineer licensed in Oregon. These plans must be submitted to and approved by the State Engineer prior to such alterations of the dam, its spillway, or any appurtenant structure(s). No water shall be stored until the Department receives written certification from the engineer of record that construction has been completed in accordance with the approved plans and specifications.
9. No valve shall be installed at the downstream end of the low level conduit, and the low level conduit shall not be operated in a pressurized condition unless the dam has been designed for pressurized operation by the design engineer. There must be an operations manual for the dam that describes pressurized operation, and necessary inspections of pressurized conduits for the dam.
10. If used, flashboards shall be maintained in good condition, replaced as needed, and removed as necessary prior to potential winter storms, or unusual rainfall or snowmelt events at any time of the year.
11. Failure to comply with any portion of Oregon Revised Statute 540.443 through 540.491 and Oregon Administrative Rules Chapter 690 Division 20 may result in action including, but not limited to, restrictions on use, civil penalties, or cancellation of the permit.

RESERVOIR CONDITIONS

1. The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe (with a minimum diameter of 8" for any in-channel reservoir). This requirement may be waived if the Department determines other means have been provided to evacuate water when necessary.
2. The permittee shall pass all live flow outside the storage season described above.
3. The permittee shall not construct, operate or maintain any dam or artificial obstruction to fish passage in the channel of the subject stream without providing a fishway to ensure adequate upstream and downstream passage for fish, unless the permittee has requested and been granted a fish passage waiver by the Oregon Fish and Wildlife Commission. The permittee is hereby directed to contact an Oregon Department of Fish and Wildlife Fish Passage Coordinator, before beginning construction of any in-channel obstruction.
4. The permittee may be required in the future to install, maintain, and operate fish screening and bypass devices to prevent fish from entering the proposed diversion and to provide adequate upstream and downstream passage for fish.

5. This permit allows an annual appropriation (not to exceed the specified volume). This permit does not provide for the appropriation of water for out-of-reservoir uses, the maintenance of the water level or maintaining a suitable freshwater condition. If any water is to be used for out-of-reservoir purposes, a secondary water right is required. If any additional live flow is to be appropriated to maintain either the water level or a suitable freshwater condition, an additional water right is required.

The water source identified in the application may be affected by an Agricultural Water Quality Management Area Plan. These plans are developed by the Oregon Department of Agriculture (ODA) with the cooperation of local landowners and other interested stakeholders, and help to ensure that current and new appropriations of water are done in a way that does not adversely harm the environment. You are encouraged to explore ODA's Water Quality Program website at www.oregon.gov/ODA to learn more about the plans and how they may affect the proposed water use.

For Further Information:

Feel free to contact me at Adam.M.Frederick@water.oregon.gov or 971-707-8400 if you have any questions regarding the contents of this letter or the application. Please include the application number in all correspondence. General questions about water rights and water use permits should be directed to our customer service staff at 503-986-0900. When corresponding by mail, please use this address: Adam Frederick, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

Adam Frederick

Adam Frederick
Water Right Application Specialist
Oregon Water Resources Department

Enclosures: Application Process Description and Stop Processing Request Form
R-89392
WAB: 154
Proposed to Approve

APPLICATION FACT SHEET

Application File Number: R-89392

Applicant: CITY OF DALLAS

County: POLK

Watermaster: JOEL PLAHN, #22, NWR

Priority Date: AUGUST 9, 2023

Source: ROCKHOUSE CREEK, TRIBUTARY TO RICKREALL CREEK, AND RICKREALL CREEK, TRIBUTARY TO WILLAMETTE RIVER

Purpose or Use of the stored water: MUNICIPAL AND INDUSTRIAL STORAGE

Storage Facility Name: MERCER RESERVOIR

Maximum Dam Height: 115.0 FEET

Volume: 5000.0 ACRE-FEET

Period of Use: JANUARY 1 THROUGH DECEMBER 31

Basin Name & Number: WILLAMETTE, #2

WAB: 154

Point of Diversion:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances
8 S	6 W	WM	6	SE SW	1963 FEET NORTH AND 2770 FEET EAST FROM SW CORNER, SECTION 6

Dam Location:

Twp	Rng	Mer	Sec	Q-Q	Measured Distances	Dam Height (Feet)	Area Acres
8 S	6 W	WM	6	SE SW	1963 FEET NORTH AND 2770 FEET EAST FROM SW CORNER, SECTION 6	115.0	150.0

The Area to be submerged by the Reservoir:

Twp	Rng	Mer	Sec	Q-Q
8 S	6 W	WM	6	SW NW
8 S	6 W	WM	6	SE NW
8 S	6 W	WM	6	NW SW
8 S	6 W	WM	6	NE SW
8 S	6 W	WM	6	SE SW
8 S	6 W	WM	6	NW SE
8 S	6 W	WM	6	SW SE
8 S	7 W	WM	1	NW NE
8 S	7 W	WM	1	SW NE
8 S	7 W	WM	1	SE NE
8 S	7 W	WM	1	NE SW
8 S	7 W	WM	1	SW SW
8 S	7 W	WM	1	SE SW
8 S	7 W	WM	1	NE SE
8 S	7 W	WM	1	NW SE
8 S	7 W	WM	2	SE SE

PUBLIC NOTICE DATE: September 19, 2023

14 DAY STOP PROCESSING DEADLINE DATE: September 29, 2023

30 DAY COMMENT DEADLINE DATE: October 19, 2023

**APPLICATION PROCESS DESCRIPTION FOR
GROUNDWATER, SURFACE WATER AND REGULAR RESERVOIR APPLICATIONS**

In order to use the waters of Oregon, an application must be submitted and a permit obtained from the Water Resources Department. The water must be used for beneficial purpose without waste. For more information about water right topics, weekly public notice, forms and fees please visit our website at: www.oregon.gov/owrd

1. Pre-application considerations

- Follow instructions in the application packet.
- If you have questions about completing an application or would like to arrange a pre-application conference contact the Department's Water Rights Customer Service Group at (503) 986-0900.

2. Application filing

- Application with fee is received by the Department.
- Department determines completeness of application.
- If use is not allowed by statute (ORS 538), the application and fees are returned to the applicant.
- An incomplete application and fees are returned to the applicant.
- Only a complete application receives a tentative priority date, is assigned a caseworker, and moves forward for processing.

3. Initial Review (IR)

- Caseworker reviews application by considering basin plans, water availability, statutory restrictions, and all other appropriate factors.
- Caseworker sends IR report to Applicant.
- Four days after date of the IR, it is included in Department's weekly Public Notice.
- Public comments must be submitted within 30 days after the Public Notice.

4. Proposed Final Order (PFO)

- Caseworker evaluates application against required criteria and develops draft permit, if appropriate.
- PFO includes instructions for filing of protests.
- Caseworker considers public comments and mails PFO to Applicant.
- The PFO is included in Department's weekly Public Notice.
- Public protests to the PFO must be submitted within 45 days after the Public Notice.

5. Final Order (FO)

- If no protest is filed, Final Order is issued.

The protest process

If one or more protests are filed, the process consists of:

- settlement discussion;
- contested case hearing;
- proposed Order;
- period of time to file exceptions; or
- Possible hearing by Water Resources Commission.
- Final Order is issued.

Permit holder responsibilities

- Comply with all water use conditions of the permit.
- Advise Department of address change or assignment to new permit holder.
- If need arises, request extension of time or authorize cancellation of permit.
- Submit timely claim of beneficial use (COBU) to the Department.
- Most permits require COBU to be prepared by a Certified Water Right Examiner.
- Permits may be canceled by the permit holder or by the Department for failure to comply with or one or more permit conditions.

STOP PROCESSING REQUEST FORM

FOR GROUNDWATER, SURFACE WATER AND REGULAR RESERVOIR APPLICATIONS

- Stop processing deadline is within 14 days of Initial Review.

Applicant notification to withdraw Water Right Application **R-89392**.

After reviewing the Initial Review for my application, I request that processing be stopped and the fees be refunded (minus a \$310 examination fee.) I understand that without a valid permit I may not legally use the water as requested in my application.

Signature _____ Date _____

Signature _____ Date _____

Under ORS 537.150 (5) and 537.620 (5) timely submission of this request authorizes that the water right application process be stopped and all filing fees (except \$310 processing fee) be returned.

- This notice must be received at Water Resources Department by:

September 29, 2023

- Return the notice to:

OWRD, Water Right Services Division
STOP PROCESSING
725 Summer Street, NE - Suite A
Salem OR, 97301-1266
