



**E-RECEIVED**  
**DEC 31 2025**  
**OWRD**

December 31, 2025

Lucinda Vranizan  
 Oregon Water Resources Department  
 725 Summer Street NE, Suite A  
 Salem, OR 97301

RE: Avion Water Company, Inc. – Application G-19346

Response to Notice of Mitigation Obligation and Proposed Quasi-Municipal Incremental Development Plan

Dear Adam,

In response to the Department’s letter dated April 11, 2025, GSI Water Solutions, Inc. is providing this response on behalf of Avion Water Company, Inc. (Avion).

Table 1 below describes the timelines and increments for Avion’s proposed Incremental Development Plan. Avion intends to satisfy its mitigation obligation through permanent mitigation credits. Avion understands it has a General Zone of Impact obligation. Avion has access to 27.53 permanent mitigation credits from Mitigation Project (MP) 129. Avion intends to use credits from MP 129 to satisfy its mitigation obligation for Application G-19346.

Table 1. Avion Water Company, Inc. Proposed Timelines and Increments Incremental Development Plan (Application G-19346)			
Increment	Year	Estimated Annual Volume Appropriated (acre-feet) per Increment	OWRD’s estimated consumptive use (mitigation obligation)
1	2026-2029	20	8
2	2030-2034	10	4
3	2035-2039	10	4
<b>Total</b>		<b>40</b>	<b>16</b>

This proposed Incremental Development Plan assumes that Avion’s permit will be issued in 2025. To the extent this date varies, Avion would request to modify the dates accordingly. In addition, to the extent that projected water demand is greater or lesser than outlined in Table 1, the City will propose to update its Incremental Development Plan.

Please let me know if you have any questions regarding this information. You can reach me via email at [tgrandy@gsiws.com](mailto:tgrandy@gsiws.com)

Sincerely,  
GSI Water Solutions, Inc.



Trevor Grandy, RG, CWRE  
Hydrogeologist

Cc: Adam Jackson, Avion Water Company, Inc.

Enclosure: Response to Notice of Mitigation Obligation Municipal or Quasi-Municipal Incremental Development Plan



**RESPONSE TO NOTICE OF MITIGATION OBLIGATION  
MUNICIPAL OR QUASI-MUNICIPAL INCREMENTAL DEVELOPMENT PLAN**

Municipal or Quasi-Municipal groundwater permit applicants may satisfy a mitigation obligation by incrementally obtaining and providing mitigation to coincide with the incremental development of the permit, provided mitigation is provided prior to each stage of development of the permit, in accordance with the standards under OAR 690-505-0610(2)-(5). A mitigation obligation may be satisfied by obtaining mitigation credits, providing for implementation of a mitigation project, or both (OAR 690-505-0610(2)). Please read and complete this acknowledgment of mitigation obligation and return it to the Department at the address above.

Applicant(s): AVION WATER COMPANY, INC.

Applicant's agent (*if applicable*): GSI WATER SOLUTIONS / ATTN: TREVOR GRANDY

Application number: G-19346

Proposed Use: QUASI-MUNICIPAL USE

Period of Use requested: JANUARY 1 THROUGH DECEMBER 31

Rate requested: 0.11 CUBIC FOOT PER SECOND

Volume requested: 40.0 ACRE-FEET

Mitigation Obligation: 16.0 ACRE-FEET

Zone of Impact: GENERAL ZONE OF IMPACT (LOCATED ANYWHERE IN THE DESCHUTES BASIN ABOVE THE MADRAS GAGE, WHICH IS LOCATED ON THE DESCHUTES RIVER BELOW LAKE BILLY CHINOOK)



**Please read and initial the following statements:**

TG We intend to provide incremental mitigation.

TG We understand that mitigation must be provided prior to each stage of development of the permit and that the mitigation must meet the requirements of OAR 690-505-0610(2)-(5).

TG We understand that the first increment of mitigation must be obtained, submitted to the Department and legally protected instream prior to a permit being issued.

TG We understand that after receiving the water right permit, I (we) may not increase water use without providing the corresponding required mitigation.

TG We understand that we will be required to submit a new or update Water Management and Conservation Plan under OAR Chapter 690, Division 86 within 2 years of the Department issuing a permit.

TG We understand that may we modify the incremental development plan and related mitigation obligation only with prior written Departmental approval.

(over)

Please estimate the time schedule for development of the water right permit and the proposed source of mitigation that may be obtained and used prior to each stage of development (this proposed development schedule must describe 100% of the requested volume).

For the first increment of permit development we will need approximately 8 acre-feet of the 16 acre-feet requested in the application. The first increment of mitigation will be required by February 1, 2026 (date).

The proposed source of mitigation water for this increment of use will be (please check):

Purchase mitigation credits and / or  A mitigation project resulting in credits

Please describe the type of project (e.g., transfer, etc.) and any associated water-right certificate, if known:

Transfer T-10845 (MP-129)

E-RECEIVED
DEC 31 2025
OWRD

By 2030 (approximate year), for the second increment of permit development, I (we) will need approximately 4 additional acre-feet of the 16 total volume requested in the application.

The proposed mitigation source for this increment of use will be: (please check)

Purchase mitigation credits and / or  A mitigation project resulting in credits

Please describe the type of project (e.g., transfer, etc.) and any associated water-right certificate, if known:

Transfer T-10845 (MP-129)

**Please complete a section for each subsequent stage of Incremental Development beyond the first two using the additional page below.**

Applicant: \_\_\_\_\_ or Applicant's Agent: Trevor Grandy

Date: December 31, 2025

Mail to: Attn: Lucinda Vranizan  
Oregon Water Resources Department  
725 Summer St NE Suite A  
Salem OR 97301-1266

**INCREMENTAL DEVELOPMENT BEYOND INCREMENTS ONE AND TWO**

Application: G-19346      Applicant(s): AVION WATER COMPANY, INC.

By 2035 (approximate year), for the 3rd increment of permit development, we will need approximately 4 additional acre-feet of the 16 total volume requested in the application.

The proposed mitigation source for this increment of use will be (please check):

Purchase mitigation credits    and / or     A mitigation project resulting in credits

Please describe the type of project (e.g., transfer, etc.) and any associated water-right certificate, if known:

Transfer T-10845 (MP-129)



By \_\_\_\_\_ (approximate year), for the \_\_\_\_\_ increment of permit development, I (we) will need approximately \_\_\_\_\_ additional acre-feet of the \_\_\_\_\_ total volume requested in the application.

The proposed mitigation source for this increment of use will be (please check):

Purchase mitigation credits    and / or     A mitigation project resulting in credits

Please describe the type of project (e.g., transfer, etc.) and any associated water-right certificate, if known:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ATTACH ADDITIONAL PAGES AS NECESSARY**

Mail to:      Attn: Lucinda Vranizan  
                 Oregon Water Resources Department  
                 725 Summer St NE Suite A  
                 Salem OR 97301-1266