

**Oregon Water Resources Department  
Water Rights Division**

Water Rights Application  
Number S-87159

Prior to the issuance of a permit, the Department must receive permit recording fees in the amount of \$400.00. Please include your application number on your check made out to the Oregon Water Resources Department.

**Superseding Proposed Final Order**

*Summary of Recommendation:* The Department recommends that the attached draft permit be issued with conditions.

*Application History*

On April 24, 2008, McKee Family Ltd Partnership submitted an application to the Department for the following water use permit:

- Amount of Water: 9.19 ACRE FEET (AF) AND 0.1 CUBIC FOOT PER SECOND (CFS)
- Use of Water: IRRIGATION OF 110.0 ACRES; POND MAINTENANCE
- Source of Water: MCKEE RESERVOIR (CONSTRUCTED UNDER PERMIT R-14714) AND RUNOFF, TRIBUTARIES TO SALT CREEK
- Area of Proposed Use: YAMHILL COUNTY WITHIN SECTION 31 AND SECTION 32, TOWNSHIP 5 SOUTH, RANGE 4 WEST, W.M.

On March 6, 2009, the Department mailed the applicant notice of its Initial Review, determining that *"The use of 9.19 AF from McKee Reservoir, tributary to Salt Creek, for irrigation use on 110.0 acres is allowable March 1 through October 31, contingent on approval of application R-87158. The use of 0.09 CFS from runoff, tributary to Salt Creek, for pond maintenance is allowable from November 1 through May 31. The use of 0.1 CFS from runoff, tributary to Salt Creek, for irrigation on 110.0 acres is not allowable, and it appears unlikely that you will be issued a permit for the use of live flow for irrigation use."* The applicant did not notify the Department to stop processing the application within 14 days of that date.

On March 10, 2009, the Department gave public notice of the application in its weekly notice. The public notice included a request for comments, and information for interested persons about both obtaining future notices and a copy of the Proposed Final Order.

On August 18, 2009, the Department issued a Proposed Final Order recommending denial of the application because the proposed use does not comply with Oregon Administrative Rule (OAR) 690-310-0040(2), which requires an examination fee.

On August 24, 2009, the applicant paid the outstanding examination fee.

In reviewing applications, the Department may consider any relevant sources of information, including the following:

- recommendations by other state agencies
- any applicable basin program
- any applicable comprehensive plan or zoning ordinance
- the amount of water available
- the rate and duty for the proposed use
- pending senior applications and existing water rights of record
- the Scenic Waterway requirements of ORS 390.835
- applicable statutes, administrative rules, and case law
- any comments received

*Findings of Fact*

On April 9, 2009, the Department received written comments from Mike Freeman stating that he has no objections to proposed use of runoff or from excess flow from Salt Creek prior to May 1st.

The Willamette Basin Program allows irrigation and pond maintenance. However, the use of surface water (live flow) for irrigation is not allowed from May 1 through October 31 (OAR 690-502-0100(4)(a)). Water legally stored may be used for irrigation during the irrigation season, which is March 1 through October 31 (OAR 690-502-0040(4)).

Senior water rights exist on McKee Reservoir and runoff, tributaries to Salt Creek, or on downstream waters.

McKee Reservoir and runoff, tributaries to Salt Creek, are not within or above a State Scenic Waterway.

An assessment of water availability has been completed. This assessment compared a calculation of natural streamflow minus the consumptive portion of all relevant rights of record. A copy of this calculation is in the file. This calculation determined that water is available for further appropriation (at an 80 percent exceedance probability) from November 1 through May 31 per OAR 690-300(57).

Stored water, in the amount of 9.19 AF, is available for further appropriation from water legally stored under Permit R-14714.

In accordance with OAR 690-033-0330, an interagency team reviewed this proposed use for potential adverse impacts on sensitive, threatened and endangered fish populations. This team consisted of representatives from the Oregon Departments of Water Resources (WRD), Environmental Quality (DEQ), Fish and Wildlife (ODFW), and Agriculture. WRD and ODFW representatives included both technical and field staff. The interagency team recommended that additional limitations or conditions of use be imposed on this application as follows:

Limit the period of use from live flow to when water is available, being November 1 through May 31.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of diversion. The permittee shall maintain the meter in good working order.
- B. The permittee shall allow the watermaster access to the meter; provided however, where any meter is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used, and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water-use information the periods of water use and 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.

The use may be restricted if the quality of the source stream or downstream waters decreases to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

If the riparian area is disturbed in the process of developing a point of diversion, the permittee shall be responsible for restoration and enhancement of such riparian area in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR 635-415, shall be followed.

#### *Conclusions of Law*

Under the provisions of ORS 537.153, the Department must presume that a proposed use will not impair or be detrimental to the public interest if the proposed use is allowed in the applicable basin program established pursuant to ORS 536.300 and 536.340 or given a preference under ORS 536.310(12), if water is available, if the proposed use will not injure other water rights and if the proposed use complies with rules of the Water Resources Commission.

The proposed use requested in this application is allowed in the Willamette Basin Program, or a preference for this use is granted under the provisions of ORS 536.310(12).

Water is available for the proposed use.

The proposed use will not injure other water rights.

The proposed use complies with other rules of the Water Resources Commission not otherwise described above.

The proposed use complies with the State Agency Agreement for land use.

For these reasons, the required presumption has been established.

Once the required presumption has been established, under the provisions of ORS 537.153(2) it may be overcome by a preponderance of evidence that either:

- (a) One or more of the criteria for establishing the presumption are not satisfied; or
- (b) The proposed use will impair or be detrimental to the public interest as demonstrated in comments, in a protest . . . or in a finding of the department that shows:
  - (A) The specific public interest under ORS 537.170(8) that would be impaired or detrimentally affected; and
  - (B) Specifically how the identified public interest would be impaired or detrimentally affected.

In this application, all criteria for establishing the presumption have been satisfied, as noted above. The presumption has not been overcome by a preponderance of evidence that the proposed use will impair or be detrimental to the public interest.

The Department therefore concludes that water is available in the amount necessary for the proposed use; the proposed use will not result in injury to existing water rights; and the proposed use will not impair or be detrimental to the public interest as provided in ORS 537.170.

When issuing permits, ORS 537.211(1) authorizes the Department to include limitations and conditions which have been determined necessary to protect the public interest. The attached draft permit is conditioned accordingly.

Recommendation

The Department recommends that the attached draft permit be issued with conditions.

DATED October 6, 2009

*E. Timothy Wall.*

for Phillip C. Ward, Director  
Water Resources Department

*If you have any questions,  
please check the information  
box on the last page for the  
appropriate names and  
phone numbers.*

Protests

Under the provisions of ORS 537.153(7) (for surface water) or ORS 537.621(8) (for ground water), you can protest this Proposed Final Order. Protests must be received in the Water Resources Department no later than **November 20, 2009**. Protests must be in writing, and must include the following:

- Your name, address, and telephone number;
- A description of your interest in the Proposed Final Order, and, if you claim to represent the public interest, a precise statement of the public interest represented;
- A detailed description of how the action proposed in this Proposed Final Order would impair or be detrimental to your interest;
- A detailed description of how the Proposed Final Order is in error or deficient, and how to correct the alleged error or deficiency;
- Any citation of legal authority to support your protest, if known;
- If you are the applicant, the protest fee of \$300 required by ORS 536.050; and
- If you are not the applicant, the protest fee of \$600 required by ORS 536.050 and proof of service of the protest upon the applicant.
- If you are the applicant, a statement of whether or not you are requesting a contested case hearing. If you do not request a hearing, the Department will presume that you do not wish to contest the findings of the Proposed Final Order.

- *If you do not protest this Proposed Final Order and if no substantive changes are made in the Final Order, you will not have an opportunity for judicial review, protest or appeal of the Final Order when it is issued.*

#### Requests for Standing

Under the provisions of ORS 537.153(7) (for surface water) or ORS 537.621(8) (for ground water), persons other than the applicant who support a Proposed Final Order can request standing for purposes of participating in any contested case proceeding on the Proposed Final Order or for judicial review of a Final Order.

Requests for standing must be received in the Water Resources Department no later than **November 20, 2009**. Requests for standing must be in writing, and must include the following:

- The requester's name, mailing address and telephone number;
- If the requester is representing a group, association or other organization, the name, address and telephone number of the represented group;
- A statement that the requester supports the Proposed Final Order as issued;
- A detailed statement of how the requester would be harmed if the Proposed Final Order is modified; and
- A standing fee of \$150. If a hearing is scheduled, an additional fee of \$350 must be submitted along with a request for intervention.

After the protest period has ended, the Director will either issue a Final Order or schedule a contested case hearing. The contested case hearing will be scheduled only if a protest has been submitted and either:

- upon review of the issues, the director finds that there are significant disputes related to the proposed use of water, or
- the applicant requests a contested case hearing within 30 days after the close of the protest period.

If you do not request a hearing within 30 days after the close of the protest period, or if you withdraw a request for a hearing, notify the Department or the administrative law judge that you will not appear or fail to appear at a scheduled hearing, the Director may issue a Final Order by default. If the Director issues a Final Order by default, the Department designates the relevant portions of its files on this matter, including all materials that you have submitted relating to this matter, as the record for purpose of proving a *prima facie* case upon default.

*This document was prepared by Kerry Kavanagh. If you have any questions about any of the statements contained in this document I am most likely the best person to answer your questions. You can reach me at 503-986-0816.*

*If you have questions about how to file a protest or a request for standing, please refer to the respective sections in this Proposed Final Order entitled "Protests" and "Requests for Standing". If you have previously filed a protest and want to know its status, please contact Patricia McCarty at 503-986-0820.*

*If you have other questions about the Department or any of its programs please contact our Customer Service Group at 503-986-0801. Address all other correspondence to:*

*Water Rights Section, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266, Fax: 503-986-0901.*

DRAFT

This is not a permit.

DRAFT

STATE OF OREGON

COUNTY OF YAMHILL

DRAFT PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS DRAFT PERMIT IS HEREBY ISSUED TO

MCKEE FAMILY LTD PARTNERSHIP  
22450 SW MCKEE RD  
AMITY, OR 97101

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: S-87159

SOURCE OF WATER: MCKEE RESERVOIR (CONSTRUCTED UNDER PERMIT R-14714) AND  
RUNOFF, TRIBUTARIES TO SALT CREEK

PURPOSE OR USE: IRRIGATION OF 110.0 ACRES; POND MAINTENANCE

MAXIMUM VOLUME/RATE: 9.19 ACRE FEET; 0.1 CUBIC FOOT PER SECOND (CFS),  
FURTHER LIMITED TO 0.09 CFS FOR POND MAINTENANCE

PERIOD OF USE: STORED WATER - IRRIGATION - MARCH 1 THROUGH OCTOBER 31  
RUNOFF - IRRIGATION - MARCH 1 THROUGH APRIL 30  
RUNOFF - POND MAINTENANCE - NOVEMBER 1 THROUGH MAY 31

DATE OF PRIORITY: APRIL 24, 2008

POINT OF DIVERSION LOCATION: SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , SECTION 32, T5S, R4W, W.M.; 1800  
FEET SOUTH AND 1570 FEET EAST FROM NW CORNER, SECTION 32

The amount of water used for irrigation under this right, together with  
the amount secured under any other right existing for the same lands, is  
limited to a diversion of ONE-EIGHTIETH of one cubic foot per second and  
2.5 acre-feet for each acre irrigated during the irrigation season of  
each year.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

SE  $\frac{1}{4}$  NE  $\frac{1}{4}$  18.1 ACRES IRRIGATION  
NE  $\frac{1}{4}$  SE  $\frac{1}{4}$  5.4 ACRES IRRIGATION  
SECTION 31  
TOWNSHIP 5 SOUTH, RANGE 4 WEST, W.M.



THE PLACE OF USE IS LOCATED AS FOLLOWS (continued):

NE ¼ NW ¼ 0.6 ACRE IRRIGATION  
 SW ¼ NW ¼ 30.5 ACRES IRRIGATION  
 SE ¼ NW ¼ 21.6 ACRES IRRIGATION AND POND MAINTENANCE  
 NE ¼ SW ¼ 17.2 ACRES IRRIGATION  
 NW ¼ SW ¼ 16.6 ACRES IRRIGATION  
 SECTION 32  
 TOWNSHIP 5 SOUTH, RANGE 4 WEST, W.M.

Measurement, recording and reporting conditions:

- A. Before water use may begin under this permit, the permittee shall install a totalizing flow meter at each point of diversion. The permittee shall maintain the meter or measuring device in good working order.
- B. The permittee shall allow the watermaster access to the meter or measuring device; provided however, where the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.
- C. The Director may require the permittee to keep and maintain a record of the amount (volume) of water used, and may require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report general water-use information, the periods of water use and 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.

Notwithstanding that Oregon Department of Fish and Wildlife has made a determination that fish screens and/or by-pass devices are not necessary at the time of permit issuance, the permittee may be required in the future to install, maintain, and operate fish screening and/or by-pass devices to prevent fish from entering the proposed diversion, and to provide adequate upstream and downstream passage for fish.

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.

At the time of certification, the total rate allowed for pond maintenance may be reduced, in accordance with Departmental standards, so as to be commensurate with the certified volume(s) of the reservoir(s).

#### STANDARD CONDITIONS

Failure to comply with any of the provisions of this permit may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the permit.

Where two or more water users agree among themselves as to the manner of rotation in the use of water and such agreement is placed in writing and filed by such water users with the watermaster, and such rotation system does not infringe upon such prior rights of any water user not a party to such rotation plan, the watermaster shall distribute the water according to such agreement.

If the riparian area is disturbed in the process of developing a point of diversion, the permittee shall be responsible for restoration and enhancement of such riparian area in accordance with ODFW's Fish and Wildlife Habitat Mitigation Policy OAR 635-415. For purposes of mitigation, the ODFW Fish and Wildlife Habitat Mitigation Goals and Standards, OAR 635-415, shall be followed.

The use may be restricted if the quality of the source stream or downstream waters decreases to the point that those waters no longer meet existing state or federal water quality standards due to reduced flows.

This permit is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

The use of water allowed herein may be made only at times when sufficient water is available to satisfy all prior rights, including prior rights for maintaining instream flows.

Completion of construction and application of the water shall be made within five years of the date of permit issuance. If beneficial use of permitted water has not been made before this date, the permittee may submit an application for extension of time, which may be approved based upon the merit of the application.

Within one year after making beneficial use of water, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner.

Issued

DRAFT - THIS IS **NOT** A PERMIT

for Phillip C. Ward, Director  
Water Resources Department

# Mailing List for Superseding PFO Copies

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Application #S-87159

PFO Date October 6, 2009

**Original mailed to applicant:**

MCKEE FAMILY LTD PARTNERSHIP  
22450 SW MCKEE RD  
AMITY, OR 97101

Copies sent to:

1. WRD - File # S-87159
2. Water Availability: Ken Stahr

PFO and Map Sheet Copies sent to:

3. WRD - Watermaster # 16

Copies sent to Other Interested Persons (CWRE, Agent, Well Driller, Commenter, etc.)

4. Urstadt, Eric, CWRE #385  
Stuntzner Engineering & Forestry, LLC, 2137 19<sup>th</sup> Avenue, Forest Grove OR 97116

"\$10 LETTER" sent to Interested Persons who have not protested or paid for copies

|   |
|---|
| <p>Copies Mailed<br/>By: _____<br/>(SUPPORT STAFF)<br/>on: _____<br/>(DATE)</p> |
|---|

CASEWORKER : Kerry Kavanagh