

Application for a Permit to Use Surface Water



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

SECTION 1: APPLICANT INFORMATION AND SIGNATURE

Applicant Information

NAME ANDREW OR MARIAN OWENS		PHONE (HM) 541-832-2182	
PHONE (WK) 541-832-2183	CELL 541-218-0417	FAX	
ADDRESS 6523 AZALEA GLEN RD.			
CITY GLENDALE	STATE OR	ZIP 97442	E-MAIL BIGA@AMTRANSPORT.COM (ALL LOWER CASE)

Organization Information

NAME		PHONE	FAX
ADDRESS			CELL
CITY	STATE	ZIP	E-MAIL

Agent Information – The agent is authorized to represent the applicant in all matters relating to this application.

AGENT / BUSINESS NAME ANDY OWENS		PHONE 541-832-2183	FAX 541-832-3453
ADDRESS 6521 AZALEA GLEN RD.			CELL
CITY GLENDALE	STATE OR	ZIP 97442	E-MAIL ANDY@AMTRANSPORT.COM (ALL LOWER CASE)

Note: Attach multiple copies as needed

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By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application.
- I cannot use water legally until the Water Resources Department issues a permit.
- Acceptance of this application does not guarantee a permit will be issued.
- If I begin construction prior to the issuance of a permit, I assume all risks associated with my actions.
- If I get a permit, I must not waste water.
- If development of the water use is not according to the terms of the permit, the permit can be cancelled.
- The water use must be compatible with local comprehensive land-use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water-right holders to get water to which they are entitled.

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



[Signature]
Applicant Signature

ANDREW H. OWENS
Print Name and title if applicable

5-14-10
Date

Applicant Signature

Print Name and title if applicable

Date

App. No. <u>S-87613</u>	For Department Use Permit No. _____	Date _____
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SECTION 2: PROPERTY OWNERSHIP

Please indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used.

X Yes

- There are no encumbrances.
- This land is encumbered by easements, rights of way, roads or other encumbrances.

No

- I have a recorded easement or written authorization permitting access.
- I do not currently have written authorization or easement permitting access.
- Written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigation and/or domestic use only (ORS 274.040).
- Water is to be diverted, conveyed, and/or used only on federal lands.

List the names and mailing addresses of all affected landowners (*attach additional sheets if necessary*).

SECTION 3: SOURCE OF WATER

A. Proposed Source of Water

Provide the commonly used name of the water body from which water will be diverted, and the name of the stream or lake it flows into. If unnamed, say so:

Source 1: <u>Galesville Reservoir</u>	Tributary to: <u>Cow Creek</u>
Source 2: _____	Tributary to: _____
Source 3: _____	Tributary to: _____
Source 4: _____	Tributary to: _____

If any source listed above is stored water that is authorized under a water right permit, certificate, or decree, attach a copy of the document or list the document number (for decrees, list the volume, page and/or decree name).

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B. Applications to Use Stored Water

Do you, or will you, own the reservoir(s) described in item 3A above?

- Yes.
- No. (Please enclose a copy of your written notification to the operator of the reservoir of your intent to file this application, which you should have already mailed or delivered to the operator.)

If *all* sources listed in item 3A are stored water, the Department will review your application using the expedited process provided in ORS 537.147, unless you check the box below. Please see the instruction booklet for more information.

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By checking this box, you are requesting that the Department process your application under the standard process outlined in ORS 537.150 and 537.153, rather than the expedited process provided by ORS 537.147. To file an application under the standard process, you must enclose the following:

- A copy of a signed non-expired contract or other agreement with the owner of the reservoir (if not you) to impound the volume of water you propose to use in this application.
- A copy of your written agreement with the party (if any) delivering the water from the reservoir to you.

SECTION 4: WATER USE

Provide the amount of water you propose to use from each source, for each use, in cubic feet-per-second (cfs) or gallons-per-minute (gpm). If the proposed use is from storage, provide the amount in acre-feet (af):
(1 cfs equals 448.8 gpm. 1 acre-foot equals 325,851 gallons or 43,560 cubic feet)

SOURCE	USE	PERIOD OF USE	AMOUNT
Galesville Reservoir	Irrigation	March 1 – October 31	84.74 <input type="checkbox"/> cfs <input type="checkbox"/> gpm <input checked="" type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af
			<input type="checkbox"/> cfs <input type="checkbox"/> gpm <input type="checkbox"/> af

For irrigation use only:
 Please indicate the number of primary and supplemental acres to be irrigated.
 Primary: 38 Acres Supplemental: Acres
 List the Permit or Certificate number of the underlying primary water right(s): _____

 Indicate the maximum total number of acre-feet you expect to use in an irrigation season: 82.51

- If the use is **municipal or quasi-municipal**, attach **Form M**
- If the use is **domestic**, indicate the number of households: _____
- If the use is **mining**, describe what is being mined and the method(s) of extraction:

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SECTION 5: WATER MANAGEMENT

A. Diversion and Conveyance

What equipment will you use to pump water from your source?

X Pump (give horsepower and type): 50 Horsepower, three phase electric pump

Other means (describe): _____

Provide a description of the proposed means of diversion, construction, and operation of the diversion works and conveyance of water.

300 ft. 10" mainline and 5100 ft. of 8" mainline

B. Application Method

What equipment and method of application will be used? (e.g., drip, wheel line, high-pressure sprinkler)

Two Wheel lines with rainbird sprinklers.

C. Conservation

Please describe why the amount of water requested is needed and measures you propose to: prevent waste; measure the amount of water diverted; prevent adverse impact to public uses of affected surface waters.

Water is needed for irrigation purposes. Meter will be installed. Will use most efficient method of irrigation to minimize water use and prevent run off/erosion.

SECTION 6: RESOURCE PROTECTION

In granting permission to use water from a stream or lake, the state encourages, and in some instances requires, careful control of activities that may affect the waterway or streamside area. See instruction guide for a list of possible permit requirements from other agencies. Please indicate any of the practices you plan to undertake to protect water resources.

- X Diversion will be screened to prevent uptake of fish and other aquatic life.
Describe planned actions: ODFW approved fish screening will be installed on pump intake prior to diversion of water.

- X Excavation or clearing of banks will be kept to a minimum to protect riparian or streamside areas.
Describe planned actions: None planned

- X Operating equipment in a water body will be managed and timed to prevent damage to aquatic life.
Describe: None planned

- X Water quality will be protected by preventing erosion and run-off of waste or chemical products.
Describe: Will use best irrigation management practices to prevent erosion and run off.

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SECTION 7: PROJECT SCHEDULE

Date construction will begin: Existing system

Date construction will be completed: Existing system

Date beneficial water use will begin: Upon issuance of permit

SECTION 8: REMARKS

Use this space to clarify any information you have provided in the application (*attach additional sheets if necessary*).

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**CONTRACT FOR PURCHASE OF AGRICULTURAL WATER
FROM GALESVILLE PROJECT**

ECOPY

This contract is made on _____, 20 ____ between Douglas County, a political subdivision of the State of Oregon (County), and _____
Andrew Owens (Customer).

COUNTY AND CUSTOMER AGREE:

1. TERM AND RENEWAL:

1.1. The initial term of this contract shall begin on March 1, 20 10 and end on December 31, 2019, unless it is sooner terminated as provided herein.

1.2. As used in this contract, unless the context clearly indicates otherwise, "term" or "term of this contract" shall mean both the initial term and any extension.

1.3. Customer shall have the right to extend the term of this contract for two successive periods of ten years each upon the following conditions:

1.3.1. Approximately ninety days prior to expiration of the then current contract term, County shall notify Customer in writing that Customer has the right to extend the term at the price set pursuant to section 11.

1.3.2. Customer may elect to extend the contract term by written notice to County within thirty days after County gives notice of the right to extend. Concurrently with written notice of extension Customer may request the Board of Commissioners to review and reduce the price of water in accordance with subsection 11.5.

1.3.3. No other act or agreement shall be required of the parties to effect the extension after Customer gives proper notice of election to extend the contract term. Each extension shall take effect on January 1 after Customer gives notice of extension.

1.3.4. Each extension shall commence on the day following the termination date of the initial term or the preceding extension.

1.4. The provisions of this contract shall apply to any extension except for changes in the purchase price pursuant to section 11; modifications required to comply with federal or state statutes, regulations, or administrative rules; or modifications required to comply with any contract between County and the United States concerning the Galesville Project.

1.5. Customer shall not be entitled to extend the term of this contract if Customer is in default under this contract at the time extension is requested by Customer.

2. AUTHORITY OF PUBLIC WORKS DIRECTOR:

2.1. The Director of the County Public Works Department (the Director) has authority to administer this contract on behalf of County.

2.2. The Director may delegate authority to administer this contract to the Manager of the County Public Works Department, Natural Resources Division, (the Division Manager), except for authority to establish the price of water under section 11 of this contract. The Director shall retain the right to supersede any decision of the Division Manager in the administration and interpretation of this contract.

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2.3. References to the Director in this contract shall be deemed to include the Division Manager, to the extent the Director has delegated authority to the Division Manager.

3. WATER ALLOCATION: Each year during the term of this contract, County shall allocate sufficient acre feet of storage capacity in the Galesville Reservoir for Customer to irrigate 38 acres. This allocation shall not exceed 2.23 acre feet per acre per irrigation season as specified on the attached Exhibit A.

4. PERMITS AND CERTIFICATES OF WATER RIGHTS:

4.1. County shall file and maintain any reservoir water right permit (County's permit) and certificate to store water in the Galesville reservoir (County's certificate) allocated for the Customer's use, as required by the State of Oregon Water Resources Department or its successor (the State).

4.2. Customer, at Customer's expense, shall be responsible for obtaining any permit (Customer's permit) and certificate of water rights (Customer's certificate) for use of the stored water allocated under this contract as required by the State.

4.3. Within 6 months after the effective date of this contract, Customer shall provide County with a copy of the application map provided to the State.

5. RELEASE OF WATER:

5.1. Subject to the provisions of this contract, County will release into the natural channel of Cow Creek water comprising the allocation described in section 3. Water released for Customer's allocation shall be measured and delivered to Customer's point of diversion of record by County with equipment installed and maintained by County.

5.2. County shall report to the State of Oregon all allocated water stored and distributed to Customer's point of diversion of record, including reasonable losses. Customer shall report all water use as described on Customer's water right of record, or as otherwise may be required by the State.

5.3. The obligations of County to allocate capacity may be restricted by any lawful order, regulation, or ruling of any governmental agency or provisions of a contract between County and the United States. Such legal restrictions may impair the County's ability to perform its obligations under this contract. In that event, County shall be relieved of its obligations to the extent necessary to comply with the legal restrictions. Customer's payments under this contract shall be reduced proportionally to any reduction in Customer's allocation resulting from such legal restrictions.

5.4. Notwithstanding any other provision of this contract, County may suspend release and delivery of water to Customer upon written notice to Customer if Customer fails to make any payment for such water when due.

6. DIVERSION AND USE OF WATER:

6.1. Customer shall be wholly responsible for taking, diverting, conveying and utilizing its water and shall bear all losses from Customer's point of diversion.

6.2. Customer shall divert the water it is entitled to receive under this contract in accordance with schedules developed by the Customer and County.

6.3. The water diverted by Customer may be measured by County at the point of diversion. The point of diversion shall be accessible for inspection and measurement of water at all reasonable times by County. Any easement necessary for County to gain access to the point of diversion shall be provided by Customer when requested by County.

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6.4. The water shall be utilized for agricultural uses. Customer shall utilize the water only for the uses and only on the real property described in Customer's permit and certificate.

6.5. Customer shall be responsible for purchase and installation of a meter or other suitable measuring device if required by the Oregon State Water Resources Department (OWRD). Once installed, it shall be the customer's responsibility to maintain such device in good working order. If requested by OWRD, Customer shall maintain a record of the amount of water use and report water use on such periodic schedule as may be established by OWRD.

6.6. If required, Customer shall purchase, install, maintain and operate fish screening equipment and by-pass devices to prevent fish from entering the diversion. Any required screens and/or by-pass devices shall be in place, functional and approved by the requirer, prior to diversion of any water under this contract.

7. QUALITY OF WATER: County shall operate and maintain the Galesville dam, reservoir, and related facilities in a reasonable and prudent manner, and shall endeavor in good faith to take adequate measures to maintain the quality of raw stored water at the facilities. County is under no obligation to construct or furnish water treatment facilities to maintain or improve the quality of water. **COUNTY MAKES NO WARRANTIES, EXPRESS OR IMPLIED REGARDING THE QUALITY OF WATER RELEASED AND DELIVERED FROM GALESVILLE DAM, RESERVOIR, AND RELATED FACILITIES.**

8. WATER SHORTAGES: In any year in which a water shortage in the Galesville reservoir occurs, County shall apportion the available water supply among Customer and other users who are entitled to receive water from the reservoir. The quantity of water to be furnished for irrigation shall first be reduced as necessary, but not greater than 15%. Any further reduction in the reservoir water supply shall be shared by Customer and all other users entitled to water from the reservoir in the same proportion that the entitlement of each user, including Customer's entitlement under this contract, bears to the total entitlements of all users.

9. WATER CONSERVATION: Customer acknowledges the critical need for water conservation in the Umpqua River basin. Customer shall implement reasonable and prudent water conservation measures for agricultural activities.

10. COMPLIANCE WITH LAW: This contract will be governed by and construed in accordance with laws of the State of Oregon. Each party shall perform its obligations in accordance with all applicable state, federal and local laws, rules and regulations now, or hereafter in effect.

11. PRICE OF WATER:

11.1. During the initial term, the price for the allocation stated in section 3 shall be \$ 1,258.50 per year.

11.2. For each discrete ten year extension of the contract term, Customer shall pay the then current rate as established by County in accordance with this section. Notice of the right to extend under subsection 1.3.1 shall state the price of water during the extension.

11.3. The Director shall periodically review and adjust the price for water taking into account the following factors:

11.3.1. The current cost of operating and maintaining the Galesville dam, reservoir, and related facilities;

11.3.2. The projected costs for operating, maintaining, and replacing Galesville water storage and delivery facilities; and

11.3.3. The price of water sold by similar facilities for similar uses.

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11.4. The allocation price for each renewal term shall not be increased by more than 10% over the previous term.

11.5. Customer may request the Board of Commissioners to review and reduce the price of water established by the Director. Such request shall be in writing and shall be given with the notice of Customer's election to extend the contract term. After considering the factors listed in subsection 11.3, the Board of Commissioners may reduce or affirm the price established by the Director. If the Board of Commissioners fails to take any action on Customer's request to review and reduce the price of water within 30 days after Customer makes the request, the request shall be deemed denied. If Customer is not satisfied with the action of the Board of Commissioners, Customer may rescind Customer's election to extend the contract term and cancel the contract by written notice to County within sixty days after Customer requests the Board of Commissioners to review and reduce the price.

12. PAYMENT:

12.1. Customer shall pay County the annual price established by section 11 for the allocation stated in section 3 regardless of whether Customer uses any or all of the water allocated. Except as provided in subsection 12.2, payment shall be made no later than March 31 of each year.

12.2. If this contract is dated after March 2 in the year for which water is first to be released then the amount due for the first year only shall be payable within 30 days after the date the contract is signed by County.

12.3. Interest shall accrue on late payments at the rate of eighteen percent per annum commencing the day after the date payment is due. Customer shall pay all interest upon the request of County.

13. LIMITATIONS ON LIABILITY:

13.1. County shall not be liable for damages or other expenses sustained by Customer resulting from shortages in the quantity of water available for release, or interruptions in water deliveries to Customer, if such shortages or interruptions in deliveries are caused partially or entirely by hostile diversion, accidental damage to County facilities, operational failure of County facilities, or any cause beyond County's control.

13.2. Notwithstanding any other provision of this contract, County shall not be liable to Customer for damages caused by failure to comply with any obligation of County under this contract, if such failure results from lack of appropriation of funds necessary to perform such obligation pursuant to ORS 294.305 et seq. (Local Budget Law).

13.3. In no event shall County be liable to Customer for any indirect, special, or consequential damages even if Customer previously advised County of the possibility of such damages.

14. DEFAULT:

14.1. There shall be a default under this contract if either party materially fails to comply with any provision of this contract within thirty days after the other party gives written notice specifying the breach. If the breach specified in the notice cannot be completely cured within the thirty day period, no default shall occur if the party receiving the notice begins curative action within the thirty day period and thereafter proceeds with reasonable diligence and in good faith to cure the breach as soon as practicable.

14.2. If a default occurs, the party injured by the default may elect to terminate this contract and pursue any equitable or legal rights and remedies available under Oregon law, except that Customer's remedies shall be subject to the limitations on damages stated in section 13.

14.3. Any litigation arising out of this contract shall be conducted in Circuit Court of the State of Oregon for Douglas County.

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15. **SEVERABILITY:** If any provision of this contract is held to be invalid, that provision shall not affect any other provision of this contract. This contract shall be construed as if such invalid provision had never been included.

16. **NO WAIVER:** No provision of this contract shall be waived unless the waiver is written and signed by the party that waives its rights. Any waiver of a breach, whether express or implied, shall not constitute waiver of any other breach.

17. **SUCCESSORS:** The successors, assigns, and legal representatives of Customer and County shall be subject to all provisions of this contract. Customer shall not assign Customer's rights or obligations under this contract without prior written consent of County.

18. NOTICES:

18.1. Any notice required to be given under this contract shall be in writing and shall be given by personal delivery or mail, except that any notice required by law shall be given in the manner specified in the applicable law.

18.2. Notices to County shall be directed to Thomas R. Manton, Division Manager, Douglas County Public Works Department, Natural Resources Division, Room 306, Douglas County Courthouse, 1036 SE Douglas Street, Roseburg, OR, 97470.

18.3. Notices to Customer shall be directed to:

Andrew and Marian Owens

6523 Azalea Glen Rd., Glendale, OR 97442

19. **ENTIRE AGREEMENT:** This contract is the final and complete agreement of the parties and supersedes all prior and existing written or oral understandings. No modification of this contract shall be valid unless it is in writing and signed by the parties.

CUSTOMER

Name 

Date 5-14-10

**BOARD OF COUNTY COMMISSIONERS
OF DOUGLAS COUNTY, OREGON**

By _____

Robert G. Paul, PE, Director, Public Works
Department, Authority to sign agreement
Granted by Order of Board of Commissioners
dated June 26, 2002.

Date _____

REVIEWED AS TO CONTENT

By _____

Manager, Natural Resources Division

Date _____

Coding 215-0000-2810-00-012010

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EXHIBIT A

COMPUTATION OF RATE:

PRIMARY IRRIGATION

1. 38.00 acres of **primary irrigation**. This allocation shall not exceed **2.23** acre feet per acre each irrigation season.

Acre Feet: 84.74 Annual Cost: \$ 1,258.50

SUPPLEMENTAL IRRIGATION

2. Rights whose priority is between March 26, 1974, and November 3, 1983:

 acres of **supplemental irrigation**. This allocation shall not exceed **1.5** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **1.0** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

3. Rights whose priority is between October 24, 1958, and March 26, 1974:

 acres of **supplemental irrigation**. This allocation shall not exceed **1.0** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **0.6** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

4. Rights whose priority is prior to October 24, 1958:

 acres of **supplemental irrigation**. This allocation shall not exceed **0.5** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **0.3** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

Note: Instream delivery losses are not included in the above allocations.

Summary:

Total Acres:	<u>38.00</u>	acres
Total Allocation:	<u>84.74</u>	acre feet
Total Cost:	<u>\$ 1,258.50</u>	

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WS10-0372
RECEIPT 109100

Land Use Information Form



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

Applicant: Andrew and Marian Owens
First Last

Mailing Address: 6523 Azalea Glen Rd.

Glendale OR 97442 Daytime Phone: 541-832-2182
City State Zip

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	¼ ¼	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)	Water to be:			Proposed Land Use:
32S.	6W.	36		400		<input type="checkbox"/> Diverted	X Conveyed	X Used	
32S.	6W.	25		500		<input type="checkbox"/> Diverted	X Conveyed	X Used	
32S	6W.	25		1500		<input type="checkbox"/> Diverted	X Conveyed	<input type="checkbox"/> Used	
32S.	6W.	25		1300		X Diverted	X Conveyed	<input type="checkbox"/> Used	

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

Douglas County

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B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- X Permit to Use or Store Water Water Right Transfer Permit Amendment or Ground Water Registration Modification
 Limited Water Use License Allocation of Conserved Water Exchange of Water

Source of water: Reservoir/Pond Ground Water X Surface Water (name) Galesville Reservoir

Estimated quantity of water needed: 84.74 cubic feet per second gallons per minute X acre-feet

Intended use of water: X Irrigation Commercial Industrial Domestic for _____ household(s)
 Municipal Quasi-Municipal Instream Other _____

Briefly describe:

Water is need for irrigation of 38 acres.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

See bottom of Page 3. →

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For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

- Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s): 3.3.050
- Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) **If approvals have been obtained but all appeal periods have not ended, check "Being pursued."**

Type of Land-Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.)	Cite Most Significant, Applicable Plan Policies & Ordinance Section References	Land-Use Approval:	
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued
		<input type="checkbox"/> Obtained <input type="checkbox"/> Denied	<input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

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DOUGLAS COUNTY PLANNING DEPARTMENT
ROOM 106, JUSTICE BUILDING
DOUGLAS COUNTY COURTHOUSE
ROSEBURG, OR 97470

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Name: KRISTI GILBERT Title: PLANNING TECH

Signature: Kristi Gilbert Phone: 541-440-4289 Date: 05-14-10

Government Entity: DOUGLAS COUNTY

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.



Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____

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DOUGLAS COUNTY PLANNING & BUILDING

5/14/2010
10:06 am

Room 106, Justice Building
Douglas County Courthouse, Roseburg, Oregon 97470
Planning - (541) 440-4289
Building - (541) 440-4559

Permit Number: WS10-0372
Job Address: 0 SWAMP CREEK RD, GLENDALE

Receipt: P09100

R60712

Fee Description	Fee Amount
LAND USE COMPATABILITY STATEME	\$50.00
Total Fees Paid:	\$50.00

Paid By: **Andrew Owens**
Pay Method: **Check 4398**
Received By: **Debbi Garris**

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BARGAIN AND SALE DEED

ANDREW L. OWENS and MARIAN M. OWENS, Grantors, convey to ANDREW L. OWENS and MARIAN M. OWENS, husband and wife, Grantees as tenants in common not as tenants by the entirety, the real property located in Douglas County, Oregon, and more particularly described in Exhibit "A" attached hereto and made a part hereof.

The true consideration for this conveyance is none.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

DATED this 28 day of April, 2003.

Andrew L. Owens
ANDREW L. OWENS

Marian M. Owens
MARIAN M. OWENS

STATE OF OREGON)
County of Douglas) ss.

On this 28th day of April, 2003, personally appeared the above-named ANDREW L. OWENS and MARIAN M. OWENS and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

Christine A. Van Norman
Notary Public for Oregon

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MAY 17 2010

WATER RESOURCES DEPT
SALEM, OREGON



UNLESS A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO THE FOLLOWING ADDRESS:

No change.

AFTER RECORDING, RETURN TO
STUART E. FOSTER
Foster Denman, LLP
Post Office Box 1667
Medford, OR 97501

DOUGLAS COUNTY OFFICIAL RECORDS
BARBARA E. NIELSEN, COUNTY CLERK

2003-011376



\$51.00

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04/29/2003 11:38:11 AM
DEED-BS Cnt=1 Stn=1 RECEIPTCOUNTER
\$35.00 \$11.00 \$5.00

S-8763

EXHIBIT 'A'

PARCEL 1A:

The Northeast quarter of the Northwest quarter and the South half of the North half of Section 19, Township 32 South, Range 5 West, Willamette Meridian, Douglas County, Oregon.

EXCEPTING THEREFROM a parcel of land in Section 19, Township 32 South, Range 5 West, Willamette Meridian, Douglas County, Oregon, described as follows: Beginning at a 5/8 inch iron rod on the Northerly line of Barton D.L.C. No. 39, Township 32 South, Range 5 West, Willamette Meridian, said point of beginning is North 89° 32' East 752.70 feet from the Northwest corner of said D.L.C. No. 39; thence from the point of beginning North 0° 48' West 518.10 feet to a 5/8 inch iron rod; thence North 89° 29' East 850.35 feet to a 5/8 inch iron rod; thence South 0° 46' East 517.58 feet to a 5/8 inch iron rod on the Northerly line of said D.L.C. No. 39; thence along the Northerly line of said D.L.C. No. 39, South 89° 21' West 409.53 feet to a 1 inch iron pipe and South 89° 32' West 440.48 feet to the point of beginning.

EXCEPTING FURTHER THEREFROM a parcel of land lying in Section 19, Township 32 South, Range 5 West, Willamette Meridian, Douglas County, Oregon, and described as follows: Beginning at a 3/4 inch iron pipe, the Northeast corner of D.L. C. No. 39, said Township 32 South, Range 5 West, Willamette Meridian; thence South 89° 30' West 632.68 feet to a 3/4 inch iron pipe; thence South 89° 21' West 400.78 feet to a 5/8 inch iron rod; thence North 0° 46' West 470.14 feet to a point; thence South 63° 07' 26" East 100.92 feet to a point; thence along the arc of a 123.75 foot radius curve right (the long chord of which bears South 32° 15' 23" East 126.98 feet) 133.34 feet; thence South 1° 23' 22" East 58.56 feet; thence along the arc of a 176.01 foot radius curve left (the long chord of which bears South 31° 28' 36" East 176.47 feet) 184.85 feet; thence South 61° 33' 51" East 90.68 feet; thence along the arc of a 225.70 foot radius curve left (the long chord of which bears South 70° 46' 44" East 64.60 feet) 64.88 feet; thence South 79° 59' 39" East 43.17 feet; thence along the arc of a 169.55 foot radius curve left (the long chord of which bears North 76° 55' 19" East 132.95 feet) 136.62 feet; thence North 53° 50' 17" East 209.07 feet; thence along the arc of a 281.30 foot radius curve right (the long chord of which bears North 59° 08' 31" East 52.00 feet) 52.08 feet; thence North 64° 25' 44" East 68.57 feet; thence along the arc of a 76.32 foot radius curve right (the long chord of which bears South 67° 10' 02" East 114.12 feet) 128.90 feet; thence South 26° 20' 07" East 213.64 feet more or less to the true point of beginning.

T32S, R05W, S19 TL 200, 400 & 402

PARCEL 1B:

The Southeast quarter of the Northeast quarter, the East half of the Southeast quarter and the Southwest quarter of the Southeast quarter of Section 24, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon.

T32S, R06W, S24 TL 200

EXHIBIT A

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WATER RESOURCES DEPT
SALEM, OREGON

S-87613

PARCEL 1C:

That portion of Lots 1 & 7 lying Northwest of the Old-Pacific Highway in Section 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon.

EXCEPTING THEREFROM: A parcel of land situated in Section 25, Township 32 South, Range 6 West, Willamette Base and Meridian and being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 25; thence running South 320 feet to the Westerly line of the Old Pacific Highway; thence along said Westerly line South $64^{\circ} 48'$ West 750 feet and South $63^{\circ} 57'$ West 250 feet; thence leaving said Westerly line and running North $21^{\circ} 56'$ West 776.2 feet to the North section line of said Section 25; thence North $82^{\circ} 28'$ East 1200 feet more or less to the point of beginning.

ALSO EXCEPTING THEREFROM: A parcel of land lying in Section 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon, and being more particularly described as follows: Beginning at the North quarter corner of the above said Section 25; thence running along the North line of said Section 25, Easterly 1085.80 feet; thence leaving said North line and running South $18^{\circ} 18' 20''$ East 965.81 feet to the Westerly line of the Old Pacific Highway; thence along said Westerly line, South $40^{\circ} 38'$ West 678.2 feet and South $28^{\circ} 19' 17''$ West 183.40 feet; thence leaving said Westerly line and running North $72^{\circ} 23' 17''$ West 902.76 feet to the center North 1/16 corner of said Section 25; thence running along the centerline of said Section 25, North 1320 feet, more or less, to the point of beginning.

Portion of T32S, R06W, S25 TL 500

EXHIBIT A

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WATER RESOURCES DEPT
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S-87613

PARCEL 2:

That portion of Lot 2 lying Northwest of the Old Pacific Highway in Section 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon.

EXCEPTING THEREFROM: A parcel of land lying in Section 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon, and being more particularly described as follows: Beginning at the North quarter corner of the above said Section 25; thence running along the North line of said Section 25, Easterly 1085.80 feet; thence leaving said North line and running South $18^{\circ} 18' 20''$ East 965.81 feet to the Westerly line of the Old Pacific Highway; thence along said Westerly line, South $40^{\circ} 38'$ West 678.2 feet and South $28^{\circ} 19' 17''$ West 183.40 feet; thence leaving said Westerly line and running North $72^{\circ} 23' 17''$ West 902.76 feet to the center North 1/16 corner of said Section 25; thence running along the centerline of said Section 25, North 1320 feet, more or less, to the point of beginning.

ALSO EXCEPTING THEREFROM: A parcel of land situated in Section 25, Township 32 South, Range 6 West, Willamette Base and Meridian and being more particularly described as follows: Beginning at the center North 1/16 corner of said Section 25; thence running South $34^{\circ} 35'$ East 898.7 feet to the Westerly line of the Old Pacific Highway; thence along said Westerly line South $46^{\circ} 44'$ West 700 feet; thence leaving said Westerly line and running along the center line of said Section 25, North 480 feet; thence West 1800 feet; thence North 800 feet; thence East 1800 feet, to the point of beginning.

T32S, R06W, S25 TL 1000

EXHIBIT A

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S-87613

PARCEL 4 & 5

✓ All that part of Section 25 lying between the Old Pacific Highway and Interstate Highway No. 5 in Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon.

EXCEPTING THEREFROM: Beginning at a point South $0^{\circ} 24'$ West 313.5 feet from the Northeast corner of Section 25, Township 32 South, Range 6 West of the Willamette Meridian, in Douglas County, Oregon, said point being on the Section line between Section 25, Township 32 South, Range 6 West of the Willamette Meridian, Oregon, and Section 30, Township 32 South, Range 5 West of the Willamette Meridian, Oregon; thence South $73^{\circ} 28'$ West 100.0 feet along South line of Old Pacific Highway; thence South $0^{\circ} 24'$ West 166.2 feet; thence North $80^{\circ} 04'$ East 100.0 feet to the Section line; thence North $0^{\circ} 24'$ East 176.0 feet along Section line to the place of beginning.

ALSO EXCEPTING THEREFROM: Beginning at a point South $0^{\circ} 24'$ West 313.5 feet and South $73^{\circ} 28'$ West 100.0 feet from the Northeast corner of Section 25, Township 32 South, Range 6 West of the Willamette Meridian, in Douglas County, Oregon, said point being on the South line of the Old Pacific Highway; thence South $73^{\circ} 28'$ West 150.0 feet along said South line of highway; thence South $0^{\circ} 24'$ West 149.3 feet; thence North $80^{\circ} 04'$ East 150.0 feet; thence North $0^{\circ} 24'$ East 166.2 feet to the place of beginning.

ALSO EXCEPTING THEREFROM: Beginning at a point South $0^{\circ} 24'$ West 313.5 feet and South $73^{\circ} 28'$ West 250.0 feet from the Northeast corner of Section 25, Township 32 South, Range 6 West of the Willamette Meridian, in Douglas County, Oregon, said point being on the South line of the Old Pacific Highway; thence South $73^{\circ} 28'$ West 150.0 feet along said South line of highway; thence South $0^{\circ} 24'$ West 132.0 feet; thence North $80^{\circ} 04'$ East 150.0 feet; thence North $0^{\circ} 24'$ East 149.3 feet to the place of beginning.

ALSO EXCEPTING THEREFROM: Beginning at a point on the South line of the Old Pacific Highway marked by a 1/2 inch iron pipe, said point being South 1492.7 feet and East 983.6 feet from the quarter corner between Sections 24 and 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence North $37^{\circ} 44'$ East 139.4 feet; thence South $48^{\circ} 43'$ East 27.6 feet to a point which is 8.0 feet from the center of an irrigation ditch; thence South $44^{\circ} 57'$ West 33.2 feet along said 8.0 foot line of ditch; thence South $0^{\circ} 50'$ West 41.6 feet along said 8.0 foot line of ditch; thence South $17^{\circ} 28'$ West 97.4 feet along said 8.0 foot line of ditch; thence North $38^{\circ} 39'$ West 84.5 feet to the place of beginning.

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ALSO EXCEPTING THEREFROM: Beginning at a point on the South line of the Old Pacific Highway marked by a 3/4 inch iron pipe, said point being South 1513.2 feet and East 971.1 feet from the quarter corner between Sections 24 and 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence South 34° 26' West 193.0 feet along the South line of the Old Pacific Highway; thence South 72° 35' East 20.7 feet to a point 8.0 feet from an irrigation ditch; thence North 42° 15' East 104.0 feet along said 8.0 foot line from ditch; thence North 62° 55' East 69.7 feet along said 8.0 foot line from ditch; thence North 38° West 72.2 feet to the point of beginning.

ALSO EXCEPTING THEREFROM: Beginning at a 5/8 inch iron rod in the Southeasterly line of Old Pacific Highway and South 16° 32' 15" East 2166.98 feet from the quarter corner common to Sections 24 and 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence South 49° 55' 49" West 433.02 feet along said Southeasterly line to a 1/2 inch iron pipe; thence South 42° 23' 38" West 273.35 feet continuing along said Southeasterly line to a 5/8 inch iron rod; thence South 40° 26' 29" East 154.64 feet to a 5/8 inch iron rod; thence North 54° 55' 39" East 192.50 feet to a 5/8 inch iron rod; thence North 87° 52' 45" East 105.67 feet to a 3/4 inch iron pipe; thence North 26° 38' 44" East 412.03 feet to a 3/4 inch iron pipe; thence North 3° 22' 16" West 92.44 feet to a 3/4 inch iron pipe; thence North 49° 24' 15" West 35.72 feet to the point of beginning.

T32S, R06W, S25 TL 1200
Portion of T32S, R06W, S25 TL 500

ALSO, that portion of the North half of the Northwest quarter of Section 36, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon that lies Northwesterly of Interstate Highway No. 5.

T32S, R06W, S36 TL 400

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BEGINNING at a point South 0° 24' West 313.5 feet from the Northeast corner of Section 25, Township 32 South, Range 6 West, Willamette Meridian, in Douglas County, Oregon, said point being on the East section line of said Section 25; thence South 73° 28' West 100 feet along the South line of Old Pacific Highway; thence South 0° 24' West 166.2 feet; thence North 80° 04' East 100 feet to said East section line; thence North 0° 24' East 176 feet along said East section line to the place of beginning.

T32-R6-S25-TL200

BEGINNING at a point on the South line of the Old Pacific Highway marked by a ½ inch iron pipe, said point being South 1492.7 feet and East 983.6 feet from the quarter corner between Sections 24 and 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence North 37° 44' East 139.4 feet; thence South 48° 43' East 27.6 feet to a point which is 8.0 feet from the center of an irrigation ditch; thence South 44° 57' West 33.2 feet along said 8.0 foot line of ditch; thence South 0° 50' West 41.6 feet along said 8.0 foot line of ditch; thence South 17° 28' West 97.4 feet along said 8.0 foot line of ditch; thence North 38° 39' West 84.5 feet to the place of beginning.

T32-R6-S25-TL1100

ALSO BEGINNING at a point on the South line of the Old Pacific Highway marked by a 3/4 inch iron pipe, said point begin South 1513.2 feet, and East 971.1 feet from the quarter corner between Section 24 and 25, Township 32 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence South 34° 26' West 193.0 feet along the South line of the Old Pacific Highway; thence South 72° 35' East 20.7 feet to a point 8.0 feet from an irrigation ditch; thence North 42° 15' East 104.0 feet along said 8.0 foot line of ditch; thence North 62° 55' East 69.7 feet along said 8.0 foot line from ditch; thence North 38° West 72.2 feet to the point of beginning.

T32-R6-S25-TL1101

A parcel of land lying in Section 25, Township 32 South, Range 6 West, Willamette Meridian and being more particularly described as follows:

BEGINNING at the North quarter corner of the above said Section 25; thence running along the North line of said Section 25 Easterly 1085.80 feet; thence leaving said North line and running South 18° 18' 20" East 965.81 feet to the Westerly line of the Old Pacific Highway; thence along said Westerly line South 40° 38' West 678.2 feet and South 28° 19' 17" West 183.40 feet; thence leaving said Westerly line and running North 72° 23' 17" West 902.76 feet to the Center-North 1/16 corner of said Section 25; thence running along the center line of said Section 25 North 1320 feet, more or less, to the point of beginning.

T32-R6-S25-TL600 and TL700

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WATER RESOURCES DEPT
SALEM, OREGON

END OF DOCUMENT

EXHIBIT A
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S-87613

587613

I-2010-7

DOUGLAS COUNTY OREGON
FILED

**CONTRACT FOR PURCHASE OF AGRICULTURAL WATER
FROM GALESVILLE PROJECT**

MAY 14 2010

This contract is made on May 14, 2010 between BARBARA E. NIELSEN, COUNTY CLERK
subdivision of the State of Oregon (County) and _____
Andrew Owens (Customer).

COUNTY AND CUSTOMER AGREE:

1. TERM AND RENEWAL:

1.1. The initial term of this contract shall begin on March 1, 2010 and end on
December 31, 2019, unless it is sooner terminated as provided herein.

1.2. As used in this contract, unless the context clearly indicates otherwise, "term" or "term of this
contract" shall mean both the initial term and any extension.

1.3. Customer shall have the right to extend the term of this contract for two successive periods
of ten years each upon the following conditions:

1.3.1. Approximately ninety days prior to expiration of the then current contract
term, County shall notify Customer in writing that Customer has the right to extend the
term at the price set pursuant to section 11.

1.3.2. Customer may elect to extend the contract term by written notice to County
within thirty days after County gives notice of the right to extend. Concurrently with written
notice of extension Customer may request the Board of Commissioners to review and
reduce the price of water in accordance with subsection 11.5.

1.3.3. No other act or agreement shall be required of the parties to effect the
extension after Customer gives proper notice of election to extend the contract term.
Each extension shall take effect on January 1 after Customer gives notice of extension.

1.3.4. Each extension shall commence on the day following the termination date
of the initial term or the preceding extension.

1.4. The provisions of this contract shall apply to any extension except for changes in the
purchase price pursuant to section 11; modifications required to comply with federal or state statutes,
regulations, or administrative rules; or modifications required to comply with any contract between County
and the United States concerning the Galesville Project.

1.5. Customer shall not be entitled to extend the term of this contract if Customer is in default
under this contract at the time extension is requested by Customer.

2. AUTHORITY OF PUBLIC WORKS DIRECTOR:

2.1. The Director of the County Public Works Department (the Director) has authority to
administer this contract on behalf of County.

2.2. The Director may delegate authority to administer this contract to the Manager of the County
Public Works Department, Natural Resources Division, (the Division Manager), except for authority to
establish the price of water under section 11 of this contract. The Director shall retain the right to
supersede any decision of the Division Manager in the administration and interpretation of this contract.

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WATER RESOURCES DEPT
SALEM, OREGON

2.3. References to the Director in this contract shall be deemed to include the Division Manager, to the extent the Director has delegated authority to the Division Manager.

3. **WATER ALLOCATION:** Each year during the term of this contract, County shall allocate sufficient acre feet of storage capacity in the Galesville Reservoir for Customer to irrigate 38 acres. The allocation shall not exceed 2.23 acre feet per acre per irrigation season as specified on the attached Exhibit A.

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WATER RESOURCES DEPT
SALEM, OREGON

4. PERMITS AND CERTIFICATES OF WATER RIGHTS:

4.1. County shall file and maintain any reservoir water right permit (County's permit) and certificate to store water in the Galesville reservoir (County's certificate) allocated for the Customer's use, as required by the State of Oregon Water Resources Department or its successor (the State).

4.2. Customer, at Customer's expense, shall be responsible for obtaining any permit (Customer's permit) and certificate of water rights (Customer's certificate) for use of the stored water allocated under this contract as required by the State.

4.3. Within 6 months after the effective date of this contract, Customer shall provide County with a copy of the application map provided to the State.

5. RELEASE OF WATER:

5.1. Subject to the provisions of this contract, County will release into the natural channel of Cow Creek water comprising the allocation described in section 3. Water released for Customer's allocation shall be measured and delivered to Customer's point of diversion of record by County with equipment installed and maintained by County.

5.2. County shall report to the State of Oregon all allocated water stored and distributed to Customer's point of diversion of record, including reasonable losses. Customer shall report all water use as described on Customer's water right of record, or as otherwise may be required by the State.

5.3. The obligations of County to allocate capacity may be restricted by any lawful order, regulation, or ruling of any governmental agency or provisions of a contract between County and the United States. Such legal restrictions may impair the County's ability to perform its obligations under this contract. In that event, County shall be relieved of its obligations to the extent necessary to comply with the legal restrictions. Customer's payments under this contract shall be reduced proportionally to any reduction in Customer's allocation resulting from such legal restrictions.

5.4. Notwithstanding any other provision of this contract, County may suspend release and delivery of water to Customer upon written notice to Customer if Customer fails to make any payment for such water when due.

6. DIVERSION AND USE OF WATER:

6.1. Customer shall be wholly responsible for taking, diverting, conveying and utilizing its water and shall bear all losses from Customer's point of diversion.

6.2. Customer shall divert the water it is entitled to receive under this contract in accordance with schedules developed by the Customer and County.

6.3. The water diverted by Customer may be measured by County at the point of diversion. The point of diversion shall be accessible for inspection and measurement of water at all reasonable times by County. Any easement necessary for County to gain access to the point of diversion shall be provided by Customer when requested by County.

6.4. The water shall be utilized for agricultural uses. Customer shall utilize the water only for the uses and only on the real property described in Customer's permit and certificate.

6.5. Customer shall be responsible for purchase and installation of a meter or other suitable measuring device if required by the Oregon State Water Resources Department (OWRD). Once installed, it shall be the customer's responsibility to maintain such device in good working order. If requested by OWRD, Customer shall maintain a record of the amount of water use and report water use on such periodic schedule as may be established by OWRD.

6.6. If required, Customer shall purchase, install, maintain and operate fish screening equipment and by-pass devices to prevent fish from entering the diversion. Any required screens and/or by-pass devices shall be in place, functional and approved by the requirer, prior to diversion of any water under this contract.

7. QUALITY OF WATER: County shall operate and maintain the Galesville dam, reservoir, and related facilities in a reasonable and prudent manner, and shall endeavor in good faith to take adequate measures to maintain the quality of raw stored water at the facilities. County is under no obligation to construct or furnish water treatment facilities to maintain or improve the quality of water. **COUNTY MAKES NO WARRANTIES, EXPRESS OR IMPLIED REGARDING THE QUALITY OF WATER RELEASED AND DELIVERED FROM GALESVILLE DAM, RESERVOIR, AND RELATED FACILITIES.**

8. WATER SHORTAGES: In any year in which a water shortage in the Galesville reservoir occurs, County shall apportion the available water supply among Customer and other users who are entitled to receive water from the reservoir. The quantity of water to be furnished for irrigation shall first be reduced as necessary, but not greater than 15%. Any further reduction in the reservoir water supply shall be shared by Customer and all other users entitled to water from the reservoir in the same proportion that the entitlement of each user, including Customer's entitlement under this contract, bears to the total entitlements of all users.

9. WATER CONSERVATION: Customer acknowledges the critical need for water conservation in the Umpqua River basin. Customer shall implement reasonable and prudent water conservation measures for agricultural activities.

10. COMPLIANCE WITH LAW: This contract will be governed by and construed in accordance with laws of the State of Oregon. Each party shall perform its obligations in accordance with all applicable state, federal and local laws, rules and regulations now, or hereafter in effect.

11. PRICE OF WATER:

11.1. During the initial term, the price for the allocation stated in section 3 shall be \$ 1,258.50 per year.

11.2. For each discrete ten year extension of the contract term, Customer shall pay the then current rate as established by County in accordance with this section. Notice of the right to extend under subsection 1.3.1 shall state the price of water during the extension.

11.3. The Director shall periodically review and adjust the price for water taking into account the following factors:

11.3.1. The current cost of operating and maintaining the Galesville dam, reservoir, and related facilities;

11.3.2. The projected costs for operating, maintaining, and replacing Galesville water storage and delivery facilities; and

11.3.3. The price of water sold by similar facilities for similar uses.

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WATER RESOURCES DEPT
SALEM, OREGON

11.4. The allocation price for each renewal term shall not be increased by more than 10% over the previous term.

11.5. Customer may request the Board of Commissioners to review and reduce the price of water established by the Director. Such request shall be in writing and shall be given with the notice of Customer's election to extend the contract term. After considering the factors listed in subsection 11.3, the Board of Commissioners may reduce or affirm the price established by the Director. If the Board of Commissioners fails to take any action on Customer's request to review and reduce the price of water within 30 days after Customer makes the request, the request shall be deemed denied. If Customer is not satisfied with the action of the Board of Commissioners, Customer may rescind Customer's election to extend the contract term and cancel the contract by written notice to County within sixty days after Customer requests the Board of Commissioners to review and reduce the price.

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MAY 21 2010

12. PAYMENT:

12.1. Customer shall pay County the annual price established by section 11 for the allocation stated in section 3 regardless of whether Customer uses any or all of the water allocated. Except as provided in subsection 12.2, payment shall be made no later than March 31 of each year.

WATER RESOURCES DEPT
SALEM, OREGON

12.2. If this contract is dated after March 2 in the year for which water is first to be released then the amount due for the first year only shall be payable within 30 days after the date the contract is signed by County.

12.3. Interest shall accrue on late payments at the rate of eighteen percent per annum commencing the day after the date payment is due. Customer shall pay all interest upon the request of County.

13. LIMITATIONS ON LIABILITY:

13.1. County shall not be liable for damages or other expenses sustained by Customer resulting from shortages in the quantity of water available for release, or interruptions in water deliveries to Customer, if such shortages or interruptions in deliveries are caused partially or entirely by hostile diversion, accidental damage to County facilities, operational failure of County facilities, or any cause beyond County's control.

13.2. Notwithstanding any other provision of this contract, County shall not be liable to Customer for damages caused by failure to comply with any obligation of County under this contract, if such failure results from lack of appropriation of funds necessary to perform such obligation pursuant to ORS 294.305 et seq. (Local Budget Law).

13.3. In no event shall County be liable to Customer for any indirect, special, or consequential damages even if Customer previously advised County of the possibility of such damages.

14. DEFAULT:

14.1. There shall be a default under this contract if either party materially fails to comply with any provision of this contract within thirty days after the other party gives written notice specifying the breach. If the breach specified in the notice cannot be completely cured within the thirty day period, no default shall occur if the party receiving the notice begins curative action within the thirty day period and thereafter proceeds with reasonable diligence and in good faith to cure the breach as soon as practicable.

14.2. If a default occurs, the party injured by the default may elect to terminate this contract and pursue any equitable or legal rights and remedies available under Oregon law, except that Customer's remedies shall be subject to the limitations on damages stated in section 13.

14.3. Any litigation arising out of this contract shall be conducted in Circuit Court of the State of Oregon for Douglas County.

15. SEVERABILITY: If any provision of this contract is held to be invalid, that provision shall not affect any other provision of this contract. This contract shall be construed as if such invalid provision had never been included.

16. NO WAIVER: No provision of this contract shall be waived unless the waiver is written and signed by the party that waives its rights. Any waiver of a breach, whether express or implied, shall not constitute waiver of any other breach.

17. SUCCESSORS: The successors, assigns, and legal representatives of Customer and County shall be subject to all provisions of this contract. Customer shall not assign Customer's rights or obligations under this contract without prior written consent of County.

18. NOTICES:

18.1. Any notice required to be given under this contract shall be in writing and shall be given by personal delivery or mail, except that any notice required by law shall be given in the manner specified in the applicable law.

18.2. Notices to County shall be directed to Thomas R. Manton, Division Manager, Douglas County Public Works Department, Natural Resources Division, Room 306, Douglas County Courthouse, 1036 SE Douglas Street, Roseburg, OR, 97470.


18.3. Notices to Customer shall be directed to:

Andrew and Marian Owens

6523 Azalea Glen Rd., Glendale, OR 97442

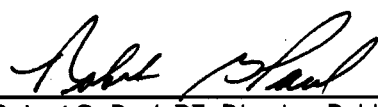
19. ENTIRE AGREEMENT: This contract is the final and complete agreement of the parties and supersedes all prior and existing written or oral understandings. No modification of this contract shall be valid unless it is in writing and signed by the parties.

CUSTOMER

Name 

Date 5/14/10

**BOARD OF COUNTY COMMISSIONERS
OF DOUGLAS COUNTY, OREGON**

By 
Robert G. Paul, PE, Director, Public Works
Department, Authority to sign agreement
Granted by Order of Board of Commissioners
dated June 26, 2002.

Date 5/14/2010


<p>REVIEWED AS TO CONTENT</p> <p>By <u></u> Manager, Natural Resources Division</p> <p>Date <u>5/14/10</u></p> <p>Coding <u>215-0000-2810-00-012010</u></p>	<p>RECEIVED</p> <p>MAY 21 2010</p> <p>WATER RESOURCES DEPT SALEM, OREGON</p>
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EXHIBIT A

COMPUTATION OF RATE:

PRIMARY IRRIGATION

- 1. 38.00 acres of **primary irrigation**. This allocation shall not exceed **2.23** acre feet per acre each irrigation season.

Acre Feet: 84.74 Annual Cost: \$ 1,258.50

SUPPLEMENTAL IRRIGATION

- 2. Rights whose priority is between March 26, 1974, and November 3, 1983:

 acres of **supplemental irrigation**. This allocation shall not exceed **1.5** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **1.0** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

- 3. Rights whose priority is between October 24, 1958, and March 26, 1974:

 acres of **supplemental irrigation**. This allocation shall not exceed **1.0** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **0.6** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

- 4. Rights whose priority is prior to October 24, 1958:

 acres of **supplemental irrigation**. This allocation shall not exceed **0.5** acre feet per acre each irrigation season on the South Umpqua River and/or Cow Creek or **0.3** acre foot per acre each irrigation season on the main stem, Umpqua River.

Acre Feet: Annual Cost: \$

Note: Instream delivery losses are not included in the above allocations.

Summary:

Total Acres:	<u>38.00</u>	acres
Total Allocation:	<u>84.74</u>	acre feet
Total Cost:	<u>\$ 1,258.50</u>	

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MAY 21 2010

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SALEM, OREGON