



ROBERT L. AND LEANN R. MCKEE
24903 SW PERRYDALE RD
AMITY, OR 97101

August 19, 2011

Reference: File R-87735

Dear Applicant:

**THIS IS NOT A PERMIT AND IS
SUBJECT TO CHANGE AT THE NEXT PHASE OF PROCESSING.**

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

Initial Review Determinations:

1. The application proposed year-round storage of 57.7 acre feet (AF) of water for irrigation and stock watering in two reservoirs, being 3.5 AF in Lower Reservoir (constructed under Application for Exempt Reservoir P-77020), having a dam height of 12.0 feet and inundating 8.4 acres, and 54.2 AF in Upper Reservoir, having a dam height of 19.0 feet and inundating 60.6 acres, from two unnamed springs and runoff, tributary to Salt Creek.

The total storage volume in Lower Reservoir will be 5.0 AF, when combined with the existing 1.5 AF of water currently stored for livestock watering, an exempt use under P-77020 (ORS 5357.535 (a)).

The total storage volume in Upper Reservoir will be 60.6 AF, contingent upon approval of the extraction and storage of 6.4 AF of ground water proposed in Application G-17474.

2. The proposed use is not prohibited by law or rule except where otherwise noted below.
3. The storage of water from two springs and runoff, tributary to Salt Creek for irrigation and stock watering is allowable from November 1 to June 30 under the Willamette Basin Program.
4. Surface water is not available during the period July 1 through October 31.
5. The application is subject to Section 4(d) of the Endangered Species Act.
6. Prior to issuance of a permit and construction of the project, final dam designs and specifications must be submitted to the Department and approved by the Department's dam-safety engineer.

Summary of Initial Determinations

The storage of 57.7 AF of water, being 3.5 AF in Lower Reservoir (constructed under Application for Exempt Reservoir P-77020) and 54.2 AF in Upper Reservoir from two springs and runoff, tributary to Salt Creek for irrigation is allowable from November 1 through June 30.

The additional 6.4 AF of ground water proposed for year-round storage in Upper Reservoir for irrigation may be allowed, contingent upon the approval of Application G-14734.

Because of the Department's determination, your application can be moved to the next phase of the water-rights application review process, where public interest factors will be evaluated. However, due to #3 and #4 above, your application will likely be limited accordingly.

Please reference the application number when sending any correspondence regarding the conclusions of this initial review. Comments received within the comment period will be evaluated at the next phase of the process.

At this time, you must decide whether to proceed or to withdraw your application as described below.

Withdrawal Refunds:

If you choose not to proceed, you may withdraw your application and receive a refund (minus a \$200 processing charge per application). To accomplish this you must notify the Department in writing by **Friday, September 2, 2011**. For your convenience you may use the enclosed "STOP PROCESSING" form.

To Proceed With Your Application:

If you choose to proceed with your application, you do not have to notify the Department. Your application will automatically be placed on the Department's Public Notice to allow others the opportunity to comment. After the comment period the Department will complete a public interest review and issue a Proposed Final Order.

If A Permit Is Issued It Will Likely Include The Following Conditions:

1. Measurement, recording and reporting conditions:
 - A. Before water use may begin under this permit, a staff gage that measures the entire range and stage between full reservoir level and dead-pool storage must be installed in the reservoir. The staff gage shall be United States Geological Survey style porcelain enamel iron staff gage style A, C, E or I.
 - B. The permittee shall maintain all required devices in good working order.
 - C. The permittee shall allow the watermaster access to the device; provided however, where any device is located within a private structure, the watermaster shall request access upon reasonable notice.
 - D. The Director may require the permittee to keep and maintain a record of the amount (volume) of water stored, and may require the permittee to report water storage 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.

- E. The Director may provide an opportunity for the permittee to submit alternative measuring and reporting procedures for review and approval.
2. You may be required to install fish screens at the point of diversion to meet Oregon Department of Fish and Wildlife specifications for adequate protection of aquatic life.
 3. The storage of water allowed herein is subject to the installation and maintenance of an outlet pipe, or the provision of other means to evacuate water when determined necessary by the Water Resources Director to satisfy prior downstream rights.
 4. Surface water shall not be appropriated to maintain the reservoir without a separate water right permitting the diversion of surface water for pond maintenance.
 5. The permittee is required to pass all surface water flow for which a water-use authorization does not exist.
 6. The permittee is required to pass all surface water for which a storage right does not exist. The Director may require the user to measure inflow and outflow, above and below the reservoir respectively, to ensure that surface-water flow is not impeded. Measurement devices and their implementation must be acceptable to the Director, and the Director may require that data be recorded on a specified periodic basis and reported to the Department annually or more frequently.
 7. 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.

This initial review does not attempt to address various public interest issues such as sensitive, threatened, or endangered fish species. These issues will be addressed as the Department reviews comments from the public and other agencies, and prepares a Proposed Final Order. You should be aware that, if significant public interest issues are found to exist, such a finding could have an impact on the eventual outcome of your application.

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

If you have any questions:

Feel free to call me at 503-986-0853 if you have any questions regarding the contents of this letter or your application. Please have your application number available if you call. General questions about water rights and water use permits should be directed to our customer service

staff at 503-986-0801. When corresponding by mail, please use this address: Michele McAleer, Oregon Water Resources Department, 725 Summer St NE Ste A, Salem OR 97301-1266. Our fax number is 503-986-0901.

Sincerely,

A handwritten signature in cursive script that reads "Michele R. McAleer".

Michele McAleer
Water Right Application Caseworker

enclosures: Application Process Description and Stop Processing Request Form

R-87735
WAB 2-73562
POU 2-73562

APPLICATION FACT SHEET

Application File Number: R-87735

Applicant: ROBERT L. AND LEANN R. MCKEE

County: YAMHILL

Watermaster: 16

Priority Date: JULY 6, 2011

Source: TWO SPRINGS AND RUNOFF, TRIBUTARY TO SALT CREEK

Use: STORAGE FOR IRRIGATION

Quantity: 57.70 ACRE FEET, BEING 3.5 AF IN LOWER RESERVOIR (CONSTRUCTED UNDER APPLICATION FOR EXEMPT RESERVOIR P-77020) AND 54.2 AF IN UPPER RESERVOIR

Basin Name & Number: WILLAMETTE, #2

Stream Index Reference: Volume 11A SALT CR

Point of Diversion Locations:

POD #1 (UPPER RESERVOIR): NWSE, SECTION 31, T5S, R4W, W.M.; 350 FEET SOUTH AND 400 FEET EAST FROM C1/4 CORNER, SECTION 31

POD #2 (LOWER RESERVOIR): SWNE, SECTION 31, T5S, R4W, W.M.; 1000 FEET NORTH AND 550 FEET EAST FROM C1/4 CORNER, SECTION 31

POD #3 (TWO UNNAMED SPRINGS/DIFFUSE SPRING AREA): NWSE, SECTION 31, T5S, R4W, W.M.; 100 FEET SOUTH AND 600 FEET EAST FROM C 1/4 CORNER, SECTION 31

Place of Use/Storage:

SW $\frac{1}{4}$ NE $\frac{1}{4}$ LOWER RESERVOIR
NW $\frac{1}{4}$ SE $\frac{1}{4}$ UPPER RESERVOIR
SECTION 31
TOWNSHIP 5 SOUTH, RANGE 4 WEST, W.M.

14 DAY STOP PROCESSING DEADLINE DATE: Friday, September 2, 2011

PUBLIC NOTICE DATE: Tuesday, August 23, 2011

30 DAY COMMENT DEADLINE DATE: Thursday, September 22, 2011

Mailing List for IR Copies

Application #R-87735

IR Date : August 19, 2011

Original mailed to applicant:

ROBERT L. AND LEANN R. MCKEE , 24903 SW PERRYDALE RD, AMITY, OR 97101

Copies sent to:

1. WRD - File # R-87735
2. WRD - Water Availability: Ken Stahr
3. WRD - Dam Safety

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

IR, Map, and Fact Sheet Copies sent to:

4. Department of Agriculture
5. Kim Kratz, Director, Oregon State Habitat Office, National Marine Fisheries Service, 1201 NE Lloyd Blvd, Portland, OR 97232
6. US Fish & Wildlife Service, Attn: Rollie White, Supervisor, Endangered Species Division, 2600 S.E. 98th Avenue, Suite 100, Portland, OR 97266

IR, Map, and Fact Sheet Copies sent VIA E-MAIL to:

7. WRD - Watermaster # 16 (include Division 33 form)
8. ODFW: Tom Murtaugh (include Division 33 form)
9. DEQ: Nancy Gramlich (include Division 33 form)

Affected Landowners (include "Notice of Initial Review--Affected Landowner"):

10. Mary A. (Freeman) Clow, 21200 SW McKee Road, Amity, OR 97101

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

11. Leland Hardy, PE, CWRE, H & R Engineering, LLC., 690 Loring Dr NW, Salem OR 97304

COPYSHT.IR

Caseworker: Michele McAleer