## **Oregon Water Resources Department**

Water Right Services Division

## **Application for Extension of Time**

In the Matter of the Application for an Extension of Time
for Permit S-54361, Water Right Application S-86339
in the name of Richard M. and Katherine Rader

) PROPOSED
FINAL
ORDER

#### **Permit Information**

Application:

S-86339

Permit:

S-54361

Basin:

Umpqua / Watermaster District 15

Date of Priority:

October 1, 2011

Source of Water:

North Umpqua River, a tributary of Umpqua River

Purpose or Use:

domestic use expanded

Maximum Rate/Volume:

0.01 cubic foot per second (cfs)

# Please read this Proposed Final Order in its entirety as it contains additional conditions not included in the original permit.

In summary, the Department proposes to:

- Grant an extension of time to apply water to full beneficial use from October 1, 2011, to October 1, 2024.<sup>1</sup>
- Make the extension subject to certain conditions set forth below.

This Extension of Time request is being processed in accordance with Oregon Revised Statute 537.230 and 539.010(5), and Oregon Administrative Rule Chapter 690, Division 315

<sup>&</sup>lt;sup>1</sup> Pursuant to ORS 537.230(5), upon the completion of beneficial use of water allowed under the permit, the permit holder shall hire a certified water rights examiner to survey the appropriation. Within one year after the complete application of water to a beneficial use (or by the date allowed for the complete application of water to a beneficial use), the permit holder shall submit a map of the survey and the claim of beneficial use.

#### **ACRONYM QUICK REFERENCE**

Application – Application for Extension of Time Department – Oregon Water Resources Department ODFW – Oregon Department of Fish and Wildlife PFO – Proposed Final Order FOF – Finding of Fact cfs - cubic foot per second

#### **AUTHORITY**

Generally, see ORS 537.230 and OAR Chapter 690 Division 315.

ORS 537.230(2) provides in pertinent part that the Oregon Water Resources Department (Department) may, for good cause shown, order an extension of time within which irrigation or other works shall be completed or the right perfected. In determining the extension, the Department shall give due weight to the considerations described under ORS 539.010(5) and to whether other governmental requirements relating to the project have significantly delayed completion of construction or perfection of the right.

ORS 539.010(5) instructs the Director to consider: the cost of the appropriation and application of the water to a beneficial purpose; the good faith of the appropriator; the market for water or power to be supplied; the present demands therefor; and the income or use that may be required to provide fair and reasonable returns upon the investment.

**OAR 690-315-0040** provides that in order to approve an application for an extension of time to complete construction or apply water to full beneficial use, the Department shall make the findings in OAR 690-315-0040(1) including a finding that there is "good cause" to approve the extension. OAR 690-315-0040(2)-(4) contains the factors that the Department must consider to make findings that support a "good cause" determination.

**OAR 690-315-0050(5)** states that extension orders may include, but are not limited to, any condition or provision needed to: ensure future diligence; mitigate the effects of the subsequent development on competing demands on the resource; and periodically document the continued need for the permit.

#### FINDINGS OF FACT

- 1. On November 3, 2006, Permit S-54361 was issued by the Department. The permit authorizes the use of up to 0.01 cfs of water from the North Umpqua River, a tributary of Umpqua River, for domestic use expanded. The permit specified complete application of water was to be made on or before October 1, 2011.
- 2. On February 1, 2022 an assignment from Scott Williams, to Richard M. and Katherine A. Rader was recorded in the records of the Water Resources Department.
- 3. On January 10, 2022, Richard M. and Katherine Rader, submitted an "Application for Extension of Time" (Application) to the Department, requesting the time to apply water

to full beneficial use under the terms and conditions of Permit S-54361 be extended from October 1, 2011 -OR-, to October 1, 2024. This is the first permit extension requested for Permit S-54361.

4. On March 15, 2022, notification of the Application for Permit S-54361 was published in the Department's Public Notice. No public comments were received.

## Review Criteria [OAR 690-315-0040]

In order to approve an Application for an Extension of Time to complete construction and/or apply water to full beneficial use pursuant to ORS 537.230 or 537.630, or to begin construction, pursuant to ORS 537.248, the Department must make the findings in OAR 690-315-0040(1)(a) – (d).

## Complete Extension of Time Application [OAR 690-315-0040(1)(a)]

5. On January 10, 2022, the Department received a completed Application and the fee specified in ORS 536.050 from the permit holder.

## Start of Construction [OAR 690-315-0040(1)(b) and 690-315-0040(5)]

6. The permit holder states, construction began in 2009, with the installation of a 1.5 inch pipeline and electrical conduit to the pump site by the previous owner.

Based on Findings of Fact (FOF) 6, the Department has determined the permit holder began construction prior to October 1, 2011.

## Good Cause [OAR 690-315-0040(1)(d)]

The Department must find that there is "good cause" to approve the extension. In making a "good cause" finding, the Department shall consider the requirements set forth under OAR 690-315-0040(2).

#### Reasonable Diligence of the Appropriator [OAR 690-315-0040(2)(a)]

In order to make a finding of "good cause" to approve the extension, the Department shall consider whether the applicant has demonstrated "reasonable diligence" in previous performance under the permit. OAR 690-315-0040(2)(a). In determining "reasonable diligence", the Department shall consider, but is not limited to, the following factors: a) The amount of construction completed within the time allowed in the permit or previous extension; b) The amount of beneficial use made of the water during the permit or previous extension time limits; c) Water right holder conformance with the permit or previous extension conditions; and d) Financial investments made toward developing the beneficial use of water.

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#### Amount of Construction [OAR 690-315-0040(3)(a)]

The amount of construction completed within the time allowed in the permit or previous extension.<sup>2</sup>

- 7. Construction of the water system or reservoir began prior to October 1, 2011.
- 8. During the original development time frame under Permit S-54361, a pipeline and conduit were installed.
- 9. Since October 1, 2011, a portable gas pump and hose.

The Application provides evidence that progress of physical work, enough to qualify as the minimum necessary, has been made towards completion of the water system for the Department to find good cause and reasonable diligence towards complete application of water to a beneficial use.

#### Compliance with Conditions [OAR 690-315-0040(3)(c)]

The water right permit holder's conformance with the permit or previous extension conditions.

10. The Department has considered the permit holder's compliance with conditions, and did not identify any concerns because water use has not yet begun.

Based on FOF 10, the Department has determined that the permit holder has not demonstrated compliance with the following permit condition as required by Permit S-54361 because water use has not yet begun.

• "The water user shall install, maintain, and operate fish screening and by-pass devices consistent with current Oregon Department of Fish and Wildlife (ODFW) standards. Fish screening is to prevent fish from entering the proposed diversion, while by-pass devices provide adequate upstream and downstream passage for fish. The required screen and by-pass devices are to be in place and functional, and approved in writing by ODFW <u>prior to</u> diversion of water. The water user may submit evidence in writing that ODFW has determined screens and/or by-pass devices are not necessary."

Beneficial use of water under this permit, has not yet been demonstrated. In order to legally perfect the use of water under this permit, the permit holder must demonstrate that all conditions of the permit have been satisfied.

<sup>&</sup>lt;sup>2</sup> "Actual Construction" is defined in OAR 690-315-0020(3)(d)(A)and(B) as physical work performed toward completion of the water system which demonstrates the water right permit holder's good faith and intention to complete the project with reasonable diligence. Actual construction does not include planning a diversion system, formulating a business plan, securing financing, letting contracts, purchasing but not installing equipment, surveying, clearing land or planting crops.

#### Beneficial Use of Water [OAR 690-315-0040(3)(b)]

The amount of beneficial use made of the water during the permit time limits or previous extension time limits.

11. No water has been diverted from the North Umpqua River, a tributary of Umpqua River for domestic use expanded under Permit S-54361.

Based on FOF 11, the Department has determined that beneficial use of water has not yet been demonstrated under this permit.

## Financial Investments to appropriate and Apply Water to a Beneficial Purpose [OAR 690-315-0040(2)(b),(3)(d),(4)(d)]

12. The permit holder has invested approximately \$5,000, which is about 45 percent of the total projected cost for complete development of this project. The permit holder anticipates an additional \$6,200 investment is needed for the completion of this project.

Based on FOF 12, the Department has determined an investment has been made, which provides evidence of good cause and reasonable diligence towards the complete application of water to a beneficial use.

#### Reasonable Diligence of the Appropriator [OAR 690-315-0040(2)(a)]

The Application provides evidence of progress towards completion of the water system; a financial investment has been made; the permit holder has not demonstrated compliance with all permit conditions, and; beneficial use has not been demonstrated. The Department has determined the applicant has demonstrated the minimum necessary for the Department to find reasonable diligence towards complete application of water to a beneficial use.

## The Market and Present Demands for Water [OAR 690-315-0040(4)(a-f)]

The Department's determinations of market and present demand for water or power to be supplied shall consider the requirements set forth under OAR 690-315-0040(4)(a-f). In accordance with OAR 690-315-0040(4), the Department shall consider, but is not limited to, the following factors when determining the market and the present demand for water or power to be supplied:

- (a) The amount of water available to satisfy other affected water rights and scenic waterway flows;
- (b) Special water use designations established since permit issuance, including but not limited to state scenic waterways, federal wild and scenic rivers, serious water management problem areas or water quality limited sources established under 33 U.S.C. 1313(d);
- (c) The habitat needs of sensitive, threatened or endangered species, in consultation with the Oregon Department of Fish and Wildlife;
- (d) Economic investment in the project to date;
- (e) Other economic interests dependent on completion of the project; and

• (f) Other factors relevant to the determination of the market and present demands for water and power.

#### OAR 690-315-0040(4)(a)

The amount of water available to satisfy other affected water rights and scenic waterway flows.

- 13. A review of the amount of water available to satisfy other affected water rights and scenic waterway flows was determined at the time of issuance of Permit S-54361; furthermore, water availability for other affected water rights and scenic waterway flows after the permit was issued is determined when an application for a new water right is submitted.
- 14. Current Water Availability Analysis for the North Umpqua River, (Tributary to Umpqua River) at the mouth (watershed ID 71174) show that no water is available during the months of July, through November at the 80% exceedance level.

#### OAR 690-315-0040(4)(b)

Special water use designations established since permit issuance, including but not limited to state scenic waterways, federal wild and scenic rivers, serious water management problem areas or water quality limited sources established under 33 U.S.C. 1313(d).

- 15. The point of diversion is located on North Umpqua River, a tributary of Umpqua River, and is not located within a Withdrawn Area.
- 16. The North Umpqua River, a tributary of Umpqua River is not located within or above a state or federal scenic waterway.
- 17. The point of diversion is in a location listed by the Department of Environmental Quality as a water quality limited stream.
  - a. North Umpqua River (River Mile 0, to 32.8) is listed as water quality limited for Temperature
  - b. North Umpqua River (River Mile 0, to 52.3) is listed as water quality limited for Flow Modification
  - c. North Umpqua River (River Mile 0, to 68.9) is listed as water quality limited for Temperature

#### OAR 690-315-0040(4)(c)

The habitat needs of sensitive, threatened or endangered species, in consultation with the Oregon Department of Fish and Wildlife.

18. North Umpqua River, a tributary of Umpqua River is located within an area ranked "high" for stream flow restoration needs as determined by the Department in consultation with the Oregon Department of Fish and Wildlife, and is located within a Sensitive,

Threatened or Endangered Fish Species Area as identified by the Department in consultation with Oregon Department of Fish and Wildlife.

#### OAR 690-315-0040(4)(d)

Economic interests dependent on completion of the project.

19. An approximate total of \$5,000 has been invested in the project.

#### OAR 690-315-0040(4)(e)

Other economic interests dependent on completion of the project.

20. Other economic interests dependent on the completion of the project have not been identified.

#### OAR 690-315-0040(4)(f)

Other factors relevant to the determination of the market and present demand for water and power.

21. No other factors relevant to the determination of the market and present demand for water and power have been identified.

#### Fair Return Upon Investment [OAR 690-315-0040(2)(f)]

22. The use and income from the permitted water development will likely result in reasonable returns upon the investment made to date.

#### Other Governmental Requirements [OAR 690-315-0042(2)(g)]

23. The delay in the timely completion of the timely application of water to full beneficial use was caused, in part, the original home constructed could not acquire flood certification.

#### <u>Unforeseen Events [OAR 690-315-0040(2)(h)]</u>

24. No unforeseen events were identified that extended the length of time needed to fully develop and perfect Permit S-54361.

#### Denial of an Extension Would Result in Undue Hardship [OAR 690-315-0040(2)(i)]

25. The property was purchased with the belief the domestic water supply permit was in good standing.

#### Good Faith of the Appropriator [OAR 690-315-0040(2)(c)]

26. The Application provides evidence of good faith of the appropriator under Permit S-54361.

Based on FOF 6, 7, 8, 12, and 19, the Department has determined that the applicant has shown good faith and reasonable diligence.

#### Duration of Extension [OAR 690-315-0040(1)(c)]

Under OAR 690-315-0040(1)(c), in order to approve an extension of time for water use permits the Department must find that the time requested is reasonable and the applicant can complete the project within the time requested.

27. As of January 10, 2022, the permit holder states the remaining work to be completed consists of completing construction of the water system, which includes installation of the required fish screen and approval from ODFW prior to the diversion of any water, and applying water to full beneficial use.

Given the amount of development left to occur, the Department has determined that the permit holder's request to have until October 1, 2024, to accomplish the application of water to beneficial use under the terms and conditions of Permit S-54361 is both reasonable and necessary.

#### Good Cause [OAR 690-315-0040(1)(d)]

The Department must find that there is "good cause" to approve the extension. In making a "good cause" finding, the Department shall consider the requirements set forth under OAR 690-315-0040(2).

The Department has considered the reasonable diligence and good faith of the appropriator, the cost to appropriate and apply water to a beneficial purpose, the market and present demands for water to be supplied, the financial investment made and fair and reasonable return upon the investment, the requirements of other governmental agencies, and unforeseen events over which the permit holder had no control, whether denial of the extension will result in undue hardship to the applicant and whether there are no other reasonable alternatives for meeting water use needs, any other factors relevant to a determination of good cause, and has determined that the applicant has shown that good cause exists for an extension of time to complete construction and apply water to full beneficial use pursuant to OAR 690-315-0040(1)(d).

#### LIMITATIONS AND CONDITIONS

1. OAR 690-315-0050(5) provides for extension orders to include, but are not limited to, any condition or provision needed to ensure future diligence, and/or mitigate the effects of the subsequent development on competing demands on the resource. Based on FOF 11, the Department determined the need to place a "Water Use Condition" on this extension of time in order to ensure diligence is exercised in the development and perfection of the water use permit. This condition, specified under Item 1 of the "Conditions" section of this PFO, was determined to be necessary due to no water use in the 16 years since permit issuance, and minimal work accomplished to develop the beneficial use.

#### CONCLUSIONS OF LAW

- 1. The Applicant has submitted a complete extension application form and the fee specified in ORS 536.050, as required by OAR 690-315-0040(1)(a).
- 2. The Applicant complied with construction timeline requirements to begin construction as required by ORS 537.230, OAR 690-315-0040(1)(b) and OAR 690-315-0040(5).
- 3. Based on Finding of Facts 6, through 26, completion of construction and full application of water to beneficial use can be accomplished by October 1, 2024<sup>3</sup>, as required by OAR 690-315-0040(1)(c).
- 4. The Applicant can complete the project within the time period requested for the extension on the project. OAR 690-315-0050(5).
- 5. The Applicant has demonstrated good cause for the extension, but the extension must be conditioned to ensure this is the last extension granted in order to ensure future diligence; OAR 690-315-0050(5).

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<sup>&</sup>lt;sup>3</sup>Pursuant to ORS 537.230(5), upon the completion of beneficial use of water allowed under the permit, the permittee shall hire a certified water rights examiner to survey the appropriation. Within one year after the complete application of water to a beneficial use (or by the date allowed for the complete application of water to a beneficial use), the permittee shall submit a map of the survey and a new or revised claim of beneficial use as deemed appropriate by the Department.

#### PROPOSED ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, the Department proposes to issue an order to:

Extend the time to apply water to beneficial use under Permit S-54361 from October 1, 2011, to October 1, 2024.

Subject to the following condition:

#### LIMITATIONS AND CONDITIONS

#### 1. Water Use Condition

If no water is applied to beneficial use under the terms and conditions of Permit S-54361 on or before October 1, 2024, this may be the be the last extension of time granted for Permit S-54361 Any future extensions of time request may be denied, unless the permit holder can provide the Department with evidence that beneficial use of the water, in compliance with the condition requiring the installation and approval of the required fish screen and by-pass devices, is shown during this extension period. In addition, all normal extension standards and rules will be evaluated. ORS 539.010(5); OAR 690-315-0040.

DATED: June 21, 2022

Dwight French, Administrator Water Right Services Division If you have any questions, please check the information box on the last page for the appropriate names and phone numbers.

#### Proposed Final Order Hearing Rights

- 1. Under the provisions of OAR 690-315-0100 and 690-315-0060, the applicant or any other person adversely affected or aggrieved by the proposed final order may submit a written protest to the proposed final order. The written protest must be received by the Water Resources Department no later than **August 5, 2022**, being 45 days from the date of publication of the proposed final order in the Department's weekly notice.
- 2. A written protest shall include:
  - a. The name, address and telephone number of the petitioner;
  - A description of the petitioner's interest in the proposed final order and if the
    protestant claims to represent the public interest, a precise statement of the public
    interest represented;

- A detailed description of how the action proposed in the proposed final order would adversely affect or aggrieve the petitioner's interest;
- d. A detailed description of how the proposed final order is in error or deficient and how to correct the alleged error or deficiency;
- e. Any citation of legal authority supporting the petitioner, if known;
- f. Proof of service of the protest upon the water right permit holder, if petitioner is other than the water right permit holder; and
- g. The applicant or non-applicant protest fee required under ORS 536.050.
- 3. Within 60 days after the close of the period for requesting a contested case hearing, the Director shall:
  - a. Issue a final order on the extension request; or
  - b. Schedule a contested case hearing if a protest has been submitted, and:
    - 1) Upon review of the issues, the Director finds there are significant disputes related to the proposed agency action; or
    - 2) The applicant submits a written request for a contested case hearing within 30 days after the close of the period for submitting protests.

**NOTICE TO ACTIVE DUTY SERVICEMEMBERS:** Active duty Servicemembers have a right to stay these proceedings under the federal Servicemembers Civil Relief Act. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 503-584-3571 or the nearest United States Armed Forces Legal Assistance Office through <a href="http://legalassistance.law.af.mil">http://legalassistance.law.af.mil</a>. The Oregon Military Department does not have a toll free telephone number.

- If you have any questions about statements contained in this document, please contact Jeffrey D. Pierceall at (503) 979-3213.
- If you have questions about how to file a protest or if you have previously filed a protest and you want to know the status, please contact Patricia McCarty at 503-979-9160.
- If you have any questions about the Department or any of its programs, please contact our Water Resources Customer Service Group at 503-986-0801.

Address any correspondence to :

Water Right Services Division

725 Summer St NE, Suite A

Fax: 503-986-0901

Salem, OR 97301-1266