



Davis Wright Tremaine LLP

ANCHORAGE BELLEVUE CHARLOTTE HOUSTON LOS ANGELES NEW YORK
DENVER SAN FRANCISCO SEATTLE WASHINGTON, D.C. SHANGHAI

RICHARD M. GLICK
Direct (503) 778-5310
r.glick@dwt.com

SUITE 2500
1300 SW FIFTH AVENUE
LINCOLN, OR 97301-5582

TEL (503) 254-2100
FAX (503) 778-1299
www.dwt.com

June 14, 2000

Weisha Mize, ALJ
Water Resources Department
158 12th Street NE
Salem, OR 97310

Re: In the Matter of Water Right Applications R-73407 and S-73409 in the name of the City of Lincoln City

Dear Ms. Mize:

In your Order dated December 7, 1999, you continued the contested case hearing in the referenced matter by 180 days. We are writing to request an additional 180-day continuance.

My letter to you of November 22, 1999 reported that the Cities of Newport and Lincoln City were recruiting other coastal communities to join an intergovernmental organization to develop the Rocky Creek project. Rocky Creek is intended as a regional water supply project, capable of serving all the coastal communities in Lincoln County. If successfully completed, Rocky Creek would replace the Treat River project as a long-term water source for Lincoln City. Thus, we have been asking your indulgence to defer a contested case hearing on the Treat River in order to allow Rocky Creek to develop. By doing so, we avoid needlessly using resources of the Department and the protestants.

Substantial progress has been made advancing the Rocky Creek Project. In addition to Newport and Lincoln City, three Lincoln County communities, the Cities of Yachats, Depoe Bay and Seal Rock, have adopted resolutions supporting formation of an intergovernmental entity under ORS Chapter 190. The purpose of the entity would be to develop, construct and operate the Rocky Creek Project. Three additional community water utilities are expected to consider similar resolutions within the next two weeks—the City of Toledo, the Kernville, Gleneden Beach and Lincoln Beach Water District, and the South Lincoln Water District.

Weisha Mize, ALJ
June 14, 2000
Page 2



During the next 180 days, we expect to achieve an executed intergovernmental agreement, form the new entry and resume the administrative process for securing water rights for Rocky Creek. We will also be meeting with state and federal resource agencies, as well as interested citizens, to identify and resolve issues

I have spoken with Renee Moulun, Bill Holmes and David Shannon, and none object to continuing the contested case hearing. For the reasons stated above, we respectfully request continuing the hearing for an additional 180 days. Thank you for your consideration.

Very truly yours,

Davis Wright Tremaine LLP

Richard M. Glick

RMG:jb

- Cc Renee Moulun
- Sharyl Kammerzell
- Bill Holmes
- David Shannon
- David Hawker
- Bob Fuller