

MEMO

TO: File 63-33077

FROM: CPadilla

DATE: ~~October 22, 2010~~ Feb, 4, 2011 CP

RE: Licensing Review Memo

Time Line:

Application for Permit Received: 7/29/2008

Permit Approved: 8/4/2009

Proof of Beneficial Use Received: 4/29/2010

Field Exam Conducted: 8/23/2010

POU Overlap Analysis: There are many overlapping water rights owned by United Water. The right holder still has access to United Water's water in case this right doesn't provide sufficient volume of water.

Conditioning

Comment	Water Permit Condition Report 63-33077
Carries to license	01M After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
Change to condition 103	121 The Director retains jurisdiction to require the right holder to provide purchased or leased natural flow or stored water to offset depletion of Lower Snake River flows if needed for salmon migration purposes. The amount of water required to be released into the Snake River or a tributary, if needed for this purpose, will be determined by the Director based upon the reduction in flow caused by the use of water pursuant to this permit.
Carries to license	004 This right does not grant any right-of-way or easement across the land of another.
Use confirmed, carry to license	Commercial use is for washing gravel.

PD Summary

Tag #	Location	Rights that Use PD	Uses
D0052917	2N2E Sec 22 NWNW	63-33077	Commercial for gravel pit

Volume and Diversion Rate: This right was permitted with a volume of 92 af in order to avoid a protest during advertising of the permit. The volumetric limit is based on an average of the last 5 years usage from United Water. Amyx submitted information to the department that confirmed the volume of water used during the development period was between 82.6 af to 94.2 af.

Ownership: The POU for this right is owned by Amyx Family Limited Partnership. Knife River holds a long-term lease for the gravel pit operation. In a letter to the department, Amyx agreed to the development of this permit. I spoke with Roxanne Brown of SPF on 10/22/10 to request that the ownership of this right be clarified between Amyx and Knife River. Roxanne stated that the letter submitted by Amyx is sufficient for both of them even though the ownership of the water right is not specified. I reminded Roxanne that this right is going to become appurtenant to the land owned by Amyx and that Amyx could have rights to this water right when licensed. The scenario I was concerned with is, if Knife River wanted to move their water right through a transfer many years from now, they may be impeded from doing so if Amyx does not release ownership of the right. Roxanne wasn't concerned and thought that in the event of such a transfer, the ownership issue can be dealt with at that time.

Amendment Needed?: NO