



November 3, 2022

Project No. 2111005

Corum Ketchum, Interim City Manager
City of John Day
450 East Main St
John Day, OR 97845

c/o: Aaron Lieuallen, Senior Project Manager
c/o: Nick Green, Catalyst Public Policy Advisors

RE: CLAIM OF BENEFICIAL USE APPLICATION FOR PERMIT G-15101

Dear Mr. Ketchum:

CwM H2O, LLC (CwM) is pleased to provide the City of John Day (City) with this scope of work for water rights consulting services. In the process of completing a water rights portfolio review for the City (Project 2111004, approved November 5, 2021), CwM identified a single production water right with remaining permit conditions. Groundwater Permit G-15101 for City Well #5 was approved in 2002 with an original completion date of October 1, 2006. An extension application submitted in 2014 was approved and changed completion date to October 1, 2019.

Although the City's communication records suggest a claim of beneficial use (CBU) was either prepared or submitted in 2008, our review of the OWRD water rights file for G-15101 did not identify a CBU application on record. However, the 2015 Water Management and Conservation Plan (WMCP) and monthly water use records indicate that the full rate available under G-15101 (2.23 cfs) had been put to beneficial use before October 2019.

This scope of work aims to certificate Permit G-15101 through three primary tasks:

- Task 1 – A site survey by a Certified Water Rights Examiner (CWRE) and hydrogeologist,
- Task 2 – A review of water production records associated with City Well #5, and
- Task 3 – A preparation of a claim of beneficial use application and map.

Scope of Work

Task 1 – Site Survey

A CWRE and hydrogeologist will complete a site visit to meet with City staff and observe Well #5, the point of appropriation (POA) under Permit G-15101, as well as related infrastructure. The purpose of the site survey is to examine and document the actual appropriation and use of water in accordance with permit conditions. Specifically, CwM staff will observe and document the existing supply well, flow and depth metering instruments, and the related water distribution system.

As part of the survey, CwM will need to observe the well pumping under typical operational conditions for at least a short period and note the presence and functionality of a flow meter. CwM will also require information regarding the dates of installation for the pump, motor, and flow meters.

Task 2 – Water Production Records Review

CwM will request daily or weekly water production records for Well #5 from the City for 2014 to 2019 (latest extension period). Analysis of these records is aimed at identifying the maximum instantaneous and maximum sustained rates of production (for a period of at least four hours) in order to certificate largest portion of the permit possible. Because the well is the primary groundwater source for the City, it is likely that the full rate of the permit has been produced regularly over this period.

Task 3 – Claim of Beneficial Use Application and Map

CwM will prepare an OWRD claim of beneficial use application to certificate Permit G-15101. The information gained in Tasks 1 and 2 to be used to complete this process. In addition, CwM will gather evidence that the other permit conditions have been satisfied by the City. One such condition is a required pump test for Well #5. A 26-hour pump test was conducted when the well was first constructed but the results do not appear to be on file with OWRD.

The application document must be accompanied by a CBU map stamped and signed by a CWRE. If the OWRD cannot provide confirmation that a Well #5 pump test has been previously submitted, a pump test exemption form will be prepared to satisfy the permit testing requirement. Other supporting documents may also be required. CwM will provide the complete CBU package to the City for review and signature before submitting it to the OWRD.

Cost Estimate and Schedule

Please see the attached time and materials cost estimate to provide the above services. CwM estimates that approximately 39 hours of professional time will be required to support the proposed services for an estimated cost of approximately **\$7,652**.

There will be an additional fee for the application for the OWRD review process. Based on the current fee schedule, the cost of CBU review is expected to be \$230. This cost is not included in this scope of work.

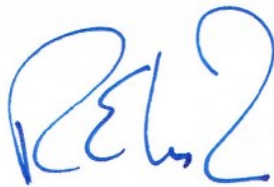
A breakdown of the cost estimate is included as Attachment 1 - Cost Estimate. We anticipate that the proposed tasks can be completed in approximately **8 weeks** of approval of this scope of work and receipt of all necessary documentation.

Contract and Work Order Authorization

Accompanying this scope of work, you will find CwM's Work Order Authorization (WOA) for the proposal (Attachment 2). Please sign a copy of the WOA and return it for our records. The work proposed will be completed under our Master Services Contract with the City of John Day (dated August 9, 2022). Please do not hesitate to call or email me with any questions.

Sincerely,

CwM H2O, L.L.C.



Robert Long, RG, LHG, CWRE
Principal Consultant

Attachments:

- 1) Cost Estimate
- 2) Work Order Authorization

Task	Description	Labor Hours	Labor	Outside Services, Affiliates and Expenses	Total
1	Site Visit and Survey	18	\$4,120	\$359	\$4,479
2	Usage Records Review	4	\$560	\$33	\$593
3	CBU Application	17	\$2,580	\$0	\$2,580
TOTALS	Project Total	39	\$7,260	\$392	\$7,652

Attachment 2
2111006 – City of John Day Permit G-15101 CBU
John Day, Oregon
Work Order Authorization 001

CwM H2O, LLC

Project Name and Site	Client Reference No.	CwM H2O Project No.
Claim of Beneficial Use for Permit G-15101	2111	2111006

SCOPE OF SERVICES

The scope of services is outlined in the attached proposal, dated November 3, 2022. This scope includes three tasks to complete a site survey, records review, and claim of beneficial use application to certificate City Permit G-15101.

AGREEMENT COST

Time and Materials estimate: \$7,652

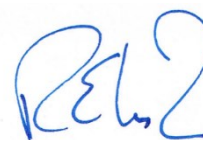
SCHEDULE

The project will commence once CwM receives the signed documents.
Estimated time of completion is approximately eight weeks.

The work covered by this Work Order Authorization shall be performed under the terms and conditions of our active contract with the City of John Day. Please endorse the signature page of this document and return to CwM-H2O, LLC. Thank you.

Corum Ketchum, Interim City Manager
City of John Day

CwM-H2O, LLC



By:
Authorized Representative

By:
Authorized Representative
Robert E. Long Jr.

Its:

Its: Member Manager

Date: _____

Date: November 3, 2022

Attachment 3

**CwM H2O, LLC
Professional Services Rate Schedule for Calendar Year 2022**

Invoices from CwM H2O, LLC include all labor charges, other direct costs, and costs associated with in-house services. Charges include only those services directly attributable to a client’s individual project. Time spent when traveling in the interest of work will be charged in accordance with the hourly rates.

An additional 50% will be added to the applicable labor rate for technical support of legal counsel when supporting litigation, preparing and providing expert testimony, and response to subpoena related to any client projects, including time spent preparing for and in depositions, and for the preparation of testimony.

Labor charges are based upon standard hourly billing rates for each category of staff. The billing rates include costs for salary, payroll taxes, insurance associated with employment, benefits (including holiday, sick leave, and vacation), administrative overheads, and profit. Rates by labor category are as follows:

<i>Personnel Level</i>	<i>Personnel Category</i>	<i>Hourly Rate (U.S. \$)</i>
LA1	Admin Support	\$75
LA2	Staff Admin Support	\$95
LT1	Technician	\$85
LT2	Staff Technician	\$100
LD1	CAD/Graphics	\$105
LD2	Staff CAD/Graphics	\$130
LV1	Engineer/Scientist	\$105
LV2	Staff Engineer/Scientist	\$115
LV3	Project Engineer/Scientist	\$140
LV4	Senior Project Engineer/Scientist	\$160
LV5	Senior Engineer/Scientist	\$180
LV6	Senior Consultant	\$215
LV7	Principal Consultant	\$240

Other approved direct costs, including materials, rental equipment, and approved subcontractor costs will be invoiced at cost plus a minimum general and administrative fee of 15% or as required by contract.

Rates for laboratory services and use of equipment owned by CwM H2O, LLC will be provided upon request.