STATE OF OREGON

COUNTY OF MULTNOMAH

PERMIT TO CONSTRUCT A RESERVOIR AND TO STORE FOR BENEFICIAL USE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO:

CITY OF GRESHAM COMMUNITY AND ECONOMIC DEVELOPMENT 1333 NW EASTMAN PARKWAY GRESHAM, OREGON 97030-3825

503-661-3000

to construct TWO RESERVOIRS and to store the waters of HEINEY CREEK, a tributary of JOHNSON CREEK, for AESTHETICS AND RECREATION.

This permit is issued approving Reservoir Application R-71519. The date of priority is APRIL 19, 1991. The amount of water entitled to be stored each year is not more than 31.02 ACRE-FEET (AF) for AESTHETICS OR RECREATION, BEING 30.0 AF IN RESERVOIR A AND 1.02 AF IN RESERVOIR B. The storage of water allowed herein may be made only between December 1 and June 1 of each year.

The dams will be located as follows:

SW 1/4 NE 1/4, SE 1/4 SE 1/4, SECTION 17, T 1 S, R 3 E, W.M.

The area submerged by the reservoir, when full, will be 3.0 ACRES IN RESERVOIR A AND 0.318 ACRE IN RESERVOIR B and the maximum depth of water will be 20.0 FEET IN RESERVOIR A AND 4.0 FEET IN RESERVOIR B.

The area to be submerged by the reservoir is located within:

SW 1/4 NE 1/4
. NW 1/4 SE 1/4
SE 1/4 SE 1/4
SECTION 17
TOWNSHIP 1 SOUTH, RANGE 3 EAST, W.M.

This development was reviewed and approved by the Water Resources Commission on APRIL 24, 1992.

The dam shall be constructed, operated, and maintained according to the approved plans and specifications and with the design intent.

The outlet gate shall be cycled at least once each year and shall be fully operational. The embankment and spillway shall be kept clear of brush, debris, and burrowing animals.

The water user shall install and maintain weirs, or other suitable devices for measuring and recording the quantities of water entering and leaving the reservoirs, or shall provide a method to bypass the direct flow of the stream.

Prior to October 1, 1993, the permit holder shall submit, to the Water Resources Department, authorization to cancel certificate 28265 and affidavits from two parties willing to testify as to the extent to which the irrigation use associated with certificates 28264 and 28265 has been abandoned due to non-use during a specific 5 consecutive year period. The permit holder must also submit evidence of an attempt to secure affidavits canceling these water rights from all affected land owners. The permit holder must also supply the Department with the names and addresses of the land owners and occupants of lands listed in these certificates for which cancellation affidavits have not been obtained.

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Actual construction work shall begin on or before April 27, 1993, and shall be completed on or before October 1, 1994. The reservoir shall be filled and complete application of the stored water to the use shall be made on or before October 1, 1995.

Failure to comply with any of the provisions of this permit may result in action including, but not limited to, restrictions on the use, civil penalties, or cancellation of the permit.

The permit is for the beneficial use of water without waste. The water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end.

By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan.

The storage of water allowed herin may be made only at times when sufficent water is available to satisfy all prior rights, including prior rights for maintaining instream flows.

Issued this date, APRIL 27, 1992.

/8/ WILLIAM H. YOUNG

Water Resources Department William H. Young Director

Water Resources Department