STATE OF OREGON

COUNTY OF HOOD RIVER

PERMIT TO APPROPRIATE THE PUBLIC WATERS

THIS PERMIT IS HEREBY ISSUED TO

MEADOWS WATER COMPANY PO BOX 470 MT. HOOD, OREGON 97041

(503)337-2222

The specific limits and conditions of the use are listed below.

APPLICATION FILE NUMBER: S-69976

SOURCE OF WATER: TWO UNNAMED RESERVOIRS TO BE CONSTRUCTED OR ENLARGED UNDER APPLICATION R-71657, PERMIT R-12758, AND TWO UNNAMED SPRINGS, TRIBUTARIES OF EAST FORK HOOD RIVER

PURPOSE OR USE: QUASI-MUNICIPAL USE

MAXIMUM RATE/VOLUME ALLOWED: LIVE FLOW - 0.27 CUBIC FOOT PER SECOND (CFS) TOTAL FROM ONE OR BOTH OF THE UNNAMED SPRINGS, FURTHER LIMITED TO NOT MORE THAN 0.055 CFS FOR EROSION CONTROL; STORED WATER - 2.48 ACREFEET (AF) FROM STORED WATER ONLY, BEING 1.54 AF FROM AN EXISTING RESERVOIR (TO BE ENLARGED) AND 0.94 AF FROM A PROPOSED RESERVOIR, FURTHER LIMITED TO A MAXIMUM CUMULATIVE TOTAL OF LIVE FLOW AND STORED WATER OF 166.0 AF PER YEAR.

PERIOD OF ALLOWED USE: LIVE FLOW - NOVEMBER 1 THROUGH JULY 31; STORED WATER - YEAR ROUND

DATE OF PRIORITY: JUNE 29, 1989

POINT OF DIVERSION LOCATION: SE 1/4 NE 1/4, SECTION 4, T3S, R9E, W.M.; 2730 FEET NORTH & 1000 FEET WEST; 2790 FEET NORTH & 990 FEET WEST, BOTH FROM THE SE CORNER OF SECTION 4

THE PLACE OF USE IS LOCATED AS FOLLOWS:

NE 1/4 SW 1/4 SW 1/4 SW 1/4 SE 1/4 SW 1/4

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SW 1/4 SE 1/4 SE 1/4 SE 1/4 SECTION 28

> ALLSECTION 33

SW 1/4 NE 1/4 NW 1/4 SW 1/4 SE 1/4

SECTION 34

SW 1/4 SW 1/4 SECTION 35 TOWNSHIP 2 SOUTH, RANGE 9 EAST, W.M.

> NW 1/4 NW 1/4 SW 1/4 NW 1/4 NW 1/4 SW 1/4 SW 1/4 SW 1/4 SE 1/4 SW 1/4 SECTION 2

> > ALL SECTION 3

ALLSECTION 4

NE 1/4 NE 1/4 SE 1/4 NE 1/4 NE 1/4 SE 1/4 SW 1/4 SE 1/4 SE 1/4 SE 1/4 SECTION 5

NE 1/4 NE 1/4 NW 1/4 NE 1/4 SE 1/4 NE 1/4 NE 1/4 SE 1/4 SECTION 8

> ALLSECTION 9

> > NE 1/4 NW 1/4

NE 1/4 SW 1/4 NW 1/4 SW 1/4 SW 1/4 SW 1/4 SE 1/4 SECTION 10

> ALL SECTION 11

NE 1/4 NW 1/4 NW 1/4 NW 1/4 SW 1/4 NW 1/4 SECTION 14

NE 1/4 NE 1/4 SE 1/4 NE 1/4 SECTION 15

NE 1/4 NE 1/4
NW 1/4 NE 1/4
SW 1/4 NE 1/4
NE 1/4 NW 1/4
NW 1/4 NW 1/4
SE 1/4 NW 1/4
SECTION 16

TOWNSHIP 3 SOUTH, RANGE 9 EAST, W.M.

SPECIAL CONDITIONS

- S1 The use of water allowed herein may be made only at times when sufficient water is available to satisfy all prior rights, including rights for maintaining instream flows. The use of water under this permit shall not have priority over instream water right Certificate 68457 (which superseded Certificate 59677), and no other preferences accorded municipal rights are applicable to this permit.
- S2 A maximum of 0.055 cfs may be used under this permit for erosion control.
- The permittee shall comply with all applicable DEQ and EQC statutes, rules, policies and permits in the use of water under this permit. If the permittee's waste water discharge permit issued by the DEQ is amended or revoked, the Department may review and modify this permit to reflect changes in the DEQ permit. No changes shall be required in this water right permit unless consistent with the findings, conclusions and opinion granting this permit.

- S4 Consistent with DEQ permit requirements and subject to its approval. monitoring and regulation, the permittee shall operate the sewage treatment plant at Mt. Hood Meadows ski facility to provide more continuous effluent releases and reduce the effect of batch processing.
- S5 Consistent with DEQ permit requirements and subject to its approval, monitoring and regulation, the permittee shall continue to operate the sewage treatment plant so as to maintain a minimum 90% return of waters used in the facilities which are tied to the sewage treatment plant. The permittee shall maintain a recording flow meter with totalizer to measure effluent discharge from the waste water treatment plant, shall retain the records for not less than two years, and shall make such records available to the watermaster on request in a format adequate to address compliance with applicable conditions of this permit.
- S6 The permittee shall obtain any necessary authorization, easement or special use permit and shall, under the supervision of the watermaster, purchase, install, operate and maintain to the watermaster's satisfaction, a recording device or devices at location(s) to be determined by the Department in consultation with the permittee and ODFW that enables measurement of and regulation to protect the instream water right on the East Fork Hood River. The installation shall be completed prior to use of water under this permit. The device or devices shall be operated from June 1 through October 31, unless the watermaster requests earlier or later operation after determining that operation will not result in undue risk to the facility. The permittee's obligation to pay for the operation and maintenance of the device or devices may be reduced to the extent of any contribution the Department may require in the future as a condition of any permit junior to this permit.
- This permit is for the beneficial use of water without waste. water user is advised that new regulations may require the use of best practical technologies or conservation practices to achieve this end. Any use which is to be supplied water under this permit shall use the best available water-saving devices.
- Before water use may begin under this permit, the permittee shall install a meter or other suitable measuring device above the first diversion on the transmission line as approved by the Director. The permittee shall maintain the meter or other approved measuring device in good working order.

S9 The permittee shall allow the watermaster access to the meter or measuring device. If the meter or measuring device is located within a private structure, the watermaster shall request access upon reasonable notice.

S10 The Director shall require the permittee to keep and maintain a record of the rate and duty of water used and shall require the permittee to report water use on a periodic schedule as established by the Director. In addition, the Director may require the permittee to report at least annually general water use information, the periods of water use and the place and nature of use of water under this permit. The Director may provide an opportunity for the permittee to submit alternative reporting procedures for review and approval.

S11 The permittee's municipal water management and conservation plan must be approved by the Department prior to permittee's first diversion of water under this permit. The permittee shall comply with Commission rules found at OAR Ch. 690 Div. 86.

S12 Any impacts to wetlands providing water-related recreational opportunities or flows to water-dependent resources which result from the use of water as herein allowed shall be avoided or mitigated pursuant to the terms of the FEIS, ROD and special use permit issued by the USFS.

STANDARD CONDITIONS

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

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.

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 Commission finds that the proposed use(s) of water described by this permit, as conditioned, will not impair or be detrimental to the public interest.

This permit is issued to correctly describe the name of the permittee, the priority date, and the amount stored water that is allowed. Permit

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53259, dated April 14, 1998 is superseded by this instrument and is of no further force or effect.

Actual construction work shall begin within one year from permit issuance. Complete application of water to the use shall be made on or before October 1, 2004. Within one year after complete application of water to the proposed use, the permittee shall submit a claim of beneficial use, which includes a map and report, prepared by a Certified Water Rights Examiner (CWRE).

Issued December, 7

Water Resources Department