

Application for Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

Pursuant to ORS 537.348(2) and OAR 690-077

Optional Identification by Lessor/Lessee: Lease Application Number (assigned by WRD): <u>TL-1263</u> The water right to be leased is located in Washington County. This Lease is between: Lessor #1: Name Joint Water Commission Mailing address 150 E Main Street City, State, Zip Code Hillsboro, OR 97123 Telephone number <u>503-615-6770</u> E-mail address** Niki.Iverson@hillsboro-oregon.gov Lessor #2, 3, etc. (provide same information as identified above) Lessee (if different than Oregon Water Resources Department): Name Mailing address City, State, Zip Code ______ Telephone number _______ E-mail address**

**BY PROVIDING AN E-MAIL ADDRESS, CONSENT IS GIVEN TO RECEIVE ALL CORRESPONDENCE FROM THE DEPARTMENT

ELECTRONICALLY. COPIES OF THE FINAL ORDER DOCUMENTS WILL ALSO BE MAILED.

Trustee:

Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, OR 97301-1266 (503) 986-0900

~I~ Water Right Holder and Water Right Information

1.1 Lessor #1 is the water right holder, or authorized agent for water right holder of the property located at: Township 1S, Range 4W, Sections 13, 23, and 24 and Tax Lot numbers 601 and 3500. If the water right appurtenant to these lands is also appurtenant to lands owned by others who are not included in this application, then Attachment 1 (Water Right Instream Leasing and Tax Lot Map), needs to be included.

1.2	⊠ N □ C the si	ot appli official rabject w	icable epresen vater rig				e irrigation dis		•	rater to
1.3		For the water right(s) being leased, list all water rights appurtenant to the same lands. Indicate if there are any supplemental or overlying rights.							s.	
	<u>Perm</u>	it S-357	792 (sur	plementa	<u>l) – Not</u>	being lea	sed, Permit S-	54737 (M	<u>U)</u>	
1.4							f a Conservation am? Yes. NR			
1.5	The force of the Certing (If) Lega	irst righ ficate N you need I Season	nt to be look 2991 to enter a of Use	5 r another le e: <u>May 1 to</u>	ntified i eased rig	n Section ht, please to the second s	1.3 is further ouse the additiona	al water rig		
	Is the entire water right certificate being leased? Yes No If no, list below the acres of the subject water right by legal description of township, range, section, and ¼ ¼ which will be dried up as part of this lease, and include a map (Attachment 1, Water Right Instream Leasing and Tax Lot Map) showing the lands which will not receive water.									
	Т	R	Sect		Tax Lot	Acres	Type of Use	*Page #	*Priority Date	*Previous Lease#
	*(Identify pertinent page numbers of certificate, if certificate is greater than 10 pages; identify priority date, if there is more than one on the certificate. If any portion of the right proposed to be leased was leased previously, the previous lease number may be identified. Identification of a previous lease is optional.)									
1.	1 S	4W	23	NESE	601	4.1	Irrigation	29915	10/30/1947	N/A
2.	18	4W	24	SWNW	601	29.4	Irrigation	29915	10/30/1947	N/A
3	15	4W	24	SENW	601	26.4	Irrigation	29915	10/30/1947	N/A

	T	R	Sect	1,1,	i ax	Acres	Type of Use	*Page #	THORIS	recytous
					Lot				Date	Lease #
*(1	*(Identify pertinent page numbers of certificate, if certificate is greater than 10 pages; identify priority date, if there is									
mo	more than one on the certificate. If any portion of the right proposed to be leased was leased previously, the previous									
		lea	ise numb	er may be id	lentified.	Identificati	on of a previous	lease is opti	onal.)	
1.	1 S	4W	23	NESE	601	4.1	Irrigation	29915	10/30/1947	N/A
2.	18	4W	24	SWNW	601	29.4	Irrigation	29915	10/30/1947	N/A
3.	18	4W	24	SENW	601	26.4	Irrigation	29915	10/30/1947	N/A
4.	1S	4W	24	NESW	601	34.5	Irrigation	29915	10/30/1947	N/A
5.	18	4W	24	NWSW	601	39.7	Irrigation	29915	10/30/1947	N/A
6.	1S	4W	24	swsw	601	40.0	Irrigation	29915	10/30/1947	N/A
7.	18	4W	24	SESW	601	39.5	Irrigation	29915	10/30/1947	N/A

[Attached maps must identify the water right holder, township, range, section, 1/4 1/4, tax lot number, map orientation, and scale.]

Total number of acres being leased, if for irrigation (or other acre equivalent uses): 213.6 Acre-feet of storage, if applicable: N/A

Maximum rate associated with the right to be leased (cfs): 1.65

(Use additional lines if there is more than one rate associated with the water right.)

Maximum duty associated with the right to be leased (ac-ft): 534

(Use additional lines if there is more than one duty associated with the water right.)

Conditions or other limitations, if any: None.
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1.6	Validity of rights to be leased as described in Section 1.5 of this form and on any Additional Water Right Form. Lessor(s) attests (mark one) that:								
	the water has been used over the past five years according to the terms and conditions of the water right certificate or as an instream water right or								
	the water has <u>not</u> been used over the past five years according to the terms and conditions of the water right certificate, however the water right is not subject to forfeiture under ORS 540.610(2)(<u>a</u>) (include necessary supporting documentation).								
	This water right was acquired by the Joint Water Commission for municipal purposes (See Attachment 2: Supporting Documentation Why Certificate 29915 is Valid and Not Subject to Forfeiture)).								
	~II~ Instream Water Right Information								
2.1	Public use. This lease will increase streamflows that will benefit:								
	 \int Conservation, maintenance and enhancement of aquatic and fish life, wildlife, and fish and wildlife habitat \int Pollution abatement \int Recreation and scenic attraction 								
2.2	Instream use created by lease of the water right described in Section 1.5. The instream use to be created is described as follows:								
	In the <u>Tualatin</u> River Tributary to <u>Willamette River</u> in the <u>Willamette River</u> Basin.								
	Instream volume in acre-feet (may be up to the same as the duty identified in Sec 1.5): <u>534</u> Instream rate in cfs (may be up to the same as the rate identified in Sec 1.5): <u>1.65</u>								
	(If not certain of the instream rate or volume, please contact the Department for more information on how to fill out this section of the application).								
	☐ Instream use protected at the point of diversion (POD).☐ Or within a proposed reach.								
	Describe the proposed reach (an instream reach generally begins at the POD and generally ends at the mouth of the source creek/river). If possible list the reach by river mile): POD to the mouth of the Tualatin River.								
	Please check this box if you are not sure of the proposed reach and want water to be protected within a reach below the POD, if possible.								
	(If no reach is identified or the above box is not checked, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD.)								
	If the POD is not described on the Certificate or if there is more than one POD listed on the certificate, then the specific POD must be described: See Certificate 29915 (Attachment 3)								
	Conditions to prevent injury, if any (use this section to indicate a more restrictive period of use than allowed by the water right): None								
	The instream flow will be allocated on a daily average basis up to the described rate from May 1 through September 30 Other (describe):								

(Note: The Department may identify additional conditions to prevent injury and/or enlargement.)

If you need to enter more instream uses, please use the additional water rights form.

- 2.3 Term of lease. This lease shall terminate on October 1, 2017.
- 2.4 Flow protection. The Trustee will regulate use of water from the source, subject to prior appropriation and the agency enforcement guidance, to assure the water is delivered to the point of diversion, and through the reach past junior downstream users, so long as flow is sufficient to meet the demand under priority date of the new instream use (see Section 2.2). As part of regulation activities the watermaster or a designee has access to the point of diversion and place of use for the water rights involved in this lease. No party is required to continuously measure the flow of the waterway described in Section 2.2.

~III~ Other Information

- 3.1 Accuracy. The Undersigned Lessor(s) and Lessee(s) declare that, to the best of their knowledge and belief, the information contained in this application is true, correct and complete. If after the lease order is signed, any information is determined to be false, the lease order may be modified or terminated. The lease only exercises the water rights being leased, for the term of the lease. It shall not be construed to overcome any claim that the water right may otherwise be subject to forfeiture for nonuse pursuant to ORS 540.610 during the period of time prior to the execution of the lease.
- 3.2 Lease. Lessor(s) and Lessee(s) agree to lease the water rights listed in Section(s) 1.5 for instream use for the term of this lease through Lessee to the Trustee, the Oregon Water Resources Department, pursuant to the provisions of ORS 537.348(2) and OAR 690-077.
- 3.3 Precedent. If a right which has been leased is later proposed to be leased again or transferred to an instream use under ORS 537.348 and OAR 690-077 a new injury review shall be required, and a prior lease shall not set a precedent for the amount of water to be leased or transferred instream.
- **3.4** Suspension of original use. During the period of the lease, the water right holder agrees to suspend use of water allowed under the subject water rights and under any water right that is supplemental to the subject water rights.

3.5 Termination provision.

- For multiyear leases, the Lessor(s) shall have the option of terminating the lease each year with written notice to the Department. The lease may be terminated at any time during the calendar year. However, if the termination request is received less then 30-days prior to the period of allowed instream use or after the period of allowed use has begun for the water right(s) being leased, water may not be used under the right(s) leased until the following calendar year, unless the Director determines that enlargement would not occur. The Department may also require:
 - Written notice to the Department;
 - Consent by all parties to the lease; and/or
 - Written notice to the Watermaster's office.
- For multiyear leases, the lessor shall not have the option of terminating the lease, without consent by all parties to the lease.

3.6	Modification to prevent injury. Allocation of water to the instream use described in Section 2.2 during the term of this lease is not reasonably expected to cause injury to other rights to use water from the same source. If injury is found after this lease is signed, the lease may be modified or terminated to prevent injury.					
3.7	\$400 for an application with four or more landowners or four or more water rights. \$250 for all other applications.					
Lessor	#1: Date: 2/4/13					
For add	ditional Lessors, type in space for signature and date					
Lessee	:Date:					
Attach						
Attachment 1: Water Right Instream Leasing and Tax Lot Map. Attachment 2: Supporting documentation indicating why a right is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years.						
Attachi	Attachment 3: Water Right Certificate 29915					

Instructions for the Standard Instream Leasing Form

When Do I Use This Form?

Most individuals will use the "Standard Lease Form." If you wish to lease more than one water right, then also use the "Additional Water Rights Form" for each additional water right to be leased. For more information on the different types of lease forms go to www.wrd.state.or.us/OWRD/mgmt_leases.shtml.

Instructions

<u>Lease Agreement Number:</u> Water Resources Department staff in Salem will assign this number.

Required Parties to the Lease

<u>Lessors:</u> The Lessor is the water right holder, or an authorized agent, of the property where, during the term of the lease:

- · Water use will be suspended; or
- Water stored in a reservoir will be released for instream use.

If the lands to which the subject water rights are attached fall within the boundaries of an irrigation district or other water purveyor, as defined in ORS Chapters 545, 547, 552, 553, or 554, that organization must be a party to the lease and should be listed as Lessor #2.

Spouses and immediate family can all be listed as Lessor #1. If another individual or organization also has an interest in the rights being leased, they should be listed as Lessor #2, #3, etc.

Lessee: The Lessee is normally an organization, agency or individual who may compensate (or provide other consideration of value to) the Lessor for leasing the subject right for instream use.

<u>Trustee:</u> The Trustee is the Oregon Water Resources Department. If a person leases a right to the State without third party

involvement, the Department will also be considered the Lessee.

Other Parties: Private ditch companies, mortgage holders and others may have an interest in the lease. The legally required parties may, at their discretion, add other parties as co-lessors.

Section One

- 1.1 Provide the legal description for the lands being leased. Attachment 1, Tax Lot Map, is only needed if a portion of the water right not included in the lease is appurtenant to lands owned by others or for which others have an interest in the water right. Tax lot maps can be found at www.ormap.org/maps/.
- **1.2** Identify who is Lessor #2, #3, etc., if necessary. If this section does not apply, indicate so.
- 1.3 Provide an inventory of all of the water rights appurtenant to the same lands as the water right(s) being leased. Water rights information may be found at http://www.wrd.state.or.us/OWRD/WR/wris.shtml. List all supplemental, as well as all primary rights, even if the supplemental rights are still in permit status. Indicate if the supplemental rights are not being leased instream.

Only water right certificates can be leased instream, with the exception that a secondary right to use stored water, even if in permit status, can be leased. If this type of permit is being leased, indicate that it is a permit and list its number.

1.4 Indicate if some or all of the lands are enrolled in the federal Conservation Reserve Enhancement Program. The Department will send a copy of the lease application and the associated order to the Farm Services Administration.



Additional Water Right Form Standard Application for

Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

JL-1263

~I~ Water Right Holder and Water Right Information

Section 1.5 continued from Standard Application for Instream Lease.
Subject Water Rights. Lessor proposes to lease the water rights listed in 1.3.
The next right to be leased is further described as follows:
Certificate No.: 22505
(If you need to enter another leased right, please use another additional water rights form.)
Priority date: 2/6/1951 Type of use: Irrigation
Legal Season of Use (if not listed on the certificate): May 1 to September 30
Is the entire water right certificate being leased? ⊠ Yes □ No
Number of acres, if for irrigation (or other acre equivalent use): 8.9
Acre-feet of storage, if applicable: N/A
Maximum Rate associated with leased rights (cfs): 0.11
(Use additional lines if there is more than one rate associated with the water right.)
Maximum Duty associated with leased rights (AF): 22.25
(Use additional lines if there is more than one duty associated with the water right.)
Conditions or other limitations, if any: None.
~II~ Instream Water Right Information
Section 2.2 continued from Standard Application for Short-Term Instream Lease. Instream use created by lease of the water right described in Section 1.5. The instream use to be created is described as follows:
In the Tualatin River
Tributary to Willamette River in the Willamette River Basin.
Maximum instream volume in acre-feet (may be same as duty identified in Sec 1.5): <u>22.25</u> Maximum instream rate in cfs (may be same as rate identified in Sec 1.5): <u>0.11</u>
(If not certain of the instream rate or volume, please contact the Department for more information on how to fill out this section of the application).
☐ Instream use at the point of diversion (POD). ☐ Or within a proposed reach.
Describe the proposed reach (an instream reach generally begins at the POD. If possible, list the reach by river mile): POD to the mouth of the Tualatin River Please check this box if you are not sure of the proposed reach and want water to be protected within a reach below the POD, if possible.
(If no reach is identified, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD.)
If the POD is not described on the Certificate or if there is more than one POD listed on the certificate, then the specific POD must be described: See Certificate 22505 (Attachment 4).

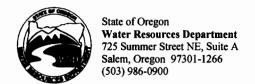
Conditions to prevent injury, if any (use this section to indicate a more restrictive period of use than allowed by the water right):					
□ None					
☐ The instream flow will be allocated on a daily average basis up to the described rate from					
June 21 through September 30 (102 days)					
☐ Other (describe):					
(Note: The Department may identify additional conditions to prevent injury and/or enlargement.)					
e Attachments					
achment 1: Water Right Instream Leasing and Tax Lot Map					

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Attachment 2: Supporting documentation indicating why a right is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years

Attachment 4: Water Right Certificate 22505



Additional Water Right Form Standard Application for

Instream Lease

A summary of review criteria and procedures that are generally applicable to these applications is available at www.wrd.state.or.us/OWRD/PUBS/forms.shtml.

IL-1263

~I~ Water Right Holder and Water Right Information

Section 1.5 continued from Standard Application for Instream Lease.
Subject Water Rights. Lessor proposes to lease the water rights listed in 1.3.
The next right to be leased is further described as follows:
Certificate No.: 22468
(If you need to enter another leased right, please use another additional water rights form.)
Priority date: 4/14/1949 Type of use: Irrigation
Legal Season of Use (if not listed on the certificate): May 1 to September 30
Is the entire water right certificate being leased? ☑ Yes ☐ No
Number of acres, if for irrigation (or other acre equivalent use): 18.0
Acre-feet of storage, if applicable: N/A
Maximum Rate associated with leased rights (cfs): 0.23
(Use additional lines if there is more than one rate associated with the water right.)
Maximum Duty associated with leased rights (AF): 45
(Use additional lines if there is more than one duty associated with the water right.)
Conditions or other limitations, if any: None.
~II~ Instream Water Right Information
Section 2.2 continued from Standard Application for Short-Term Instream Lease. Instream use created by lease of the water right described in Section 1.5. The instream use to be created is described as follows:
In the Tualatin River
Tributary to Willamette River in the Willamette River Basin.
• -
Maximum instream volume in acre-feet (may be same as duty identified in Sec 1.5): <u>45</u> Maximum instream rate in cfs (may be same as rate identified in Sec 1.5): <u>0.22</u>
(If not certain of the instream rate or volume, please contact the Department for more information on how to fill out this section of the application).
☐ Instream use at the point of diversion (POD). ☐ Or within a proposed reach.
Describe the proposed reach (an instream reach generally begins at the POD. If possible, list the reach by river mile): POD to the mouth of the Tualatin River
Please check this box if you are not sure of the proposed reach and want water to be protected within a reach below the POD, if possible.
(If no reach is identified, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD.)
If the POD is not described on the Certificate or if there is more than one POD listed on the certificate, then the specific POD must be described: See Certificate 22468 (Attachment 5).

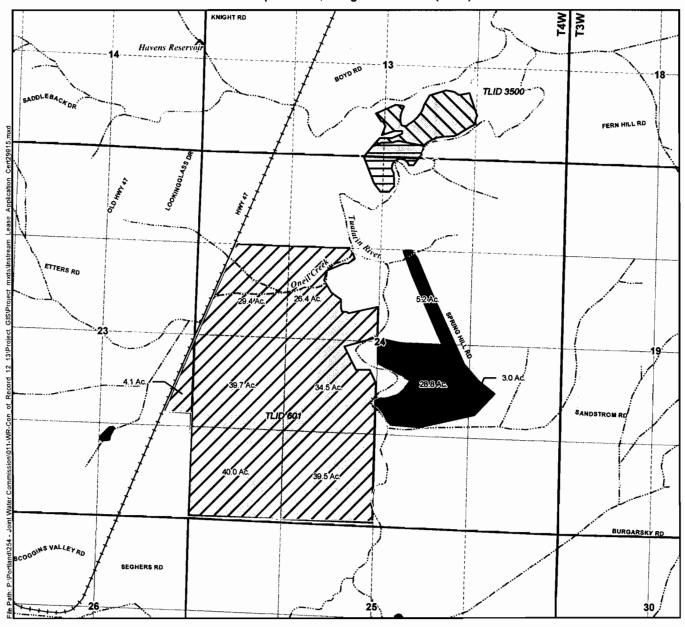
Conditions to prevent injury, if any (use this section to indicate a	a more restrictive period of use
than allowed by the water right):	_
□ None	
☐ The instream flow will be allocated on a daily average basis up t	to the described rate from
June 21 through September 30 (102 days).	
☐ Other (describe):	
(Note: The Department may identify additional conditions to prevent inju	ry and/or enlargement.)
	<i>j</i>
	<u>'</u>
See Attachments	•
Attachment 1: Water Right Instream Leasing and Tax Lot Map	•
Attachment 2: Supporting documentation indicating why a right is valid even though the right has not been exercised for five or right.	-
Attachment 5: Water Right Certificate 22468	

Attachment 1

Water Right Instream Leasing and Tax Lot Map

Water Right Instream Leasing and Tax Lot Map Certificate 29915, 22468, 22505 Water Right in the Name of: Joint Water Commission

Township 1 South, Range 3 & 4 West (W.M.)





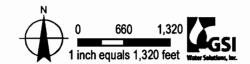
Map Information

Date: October 11, 2012 Prepared By: GSI Water Solutions, Inc.

Data Sources

OWRD, METRO RLIS, OGIC

 $\begin{tabular}{ll} \underline{\textbf{Disclaimer}}\\ \textbf{This map was prepared for the purpose of identifying the} \end{tabular}$ location of a water right only and it is not intended to provide legal dimensions or location of property ownership lines.



Attachment 2

Supporting documentation why
Certificates 29915, 22468, & 22505
are valid and not subject to
forfeiture



PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "Agreement") is made at Portland, Oregon, by and between Kent Hutchinson and Peggy Hutchinson whose address is 7050 SW Old Hwy 47, Gaston, Oregon 97119 ("Seller") and the Joint Water Commission – Hillsboro, Forest Grove, Beaverton, Tigard, Tualatin Valley Water District, whose address is 123 W. Main Street, Hillsboro, Oregon 97123 ("Purchaser"), this 5th day of January, 2005 ("Effective Date").

The parties agree as follows:

RECITAL

Seller owns certain real property in Washington County, Oregon measuring approximately 325 acres, described in the attached Exhibit A, together with all Improvements (defined below) located thereon, and together with all rights, rights of way, easements, licenses, privileges, water rights and appurtenances, related thereto (the "Property"). Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, on the terms and conditions set forth in this Agreement. The parties understand that the sale of the Property under this Agreement is subject to the approval of Judge Trish M. Brown, or such other Judge who may be appointed to preside over the Chapter 12 Bankruptcy Proceedings (the "Bankruptcy Court") affecting the Property.

AGREEMENT

- 1. <u>Definitions</u>. As used in this Agreement, the following terms shall have the following meanings:
- 1.1 <u>Improvements</u>. "Improvements" shall mean all structures, buildings, utilities, or other property of any kind which is located on and affixed to the Property.
- 2. <u>Purchase and Sale of Property</u>. Seller agrees to sell the Property to Purchaser, and Purchaser agrees to purchase the Property from Seller, on the terms and conditions set forth in this Agreement.
- 3. <u>Total Purchase Price</u>. The total purchase price for the Property is Seven Hundred Fifty Thousand Dollars (\$750,000) ("Purchase Price"). The Purchase Price shall be paid as follows:
- (a) Twenty Five Thousand Dollars (\$25,000) earnest money ("Earnest Money") will be paid by Purchaser into escrow immediately after execution of this Agreement by all parties. The Escrow Officer shall deposit such cash into an FDIC insured, interest-bearing money-market account. All Earnest Money paid by Purchaser and accrued interest shall be applied to the Purchase Price. Such amount shall be non-refundable to Purchaser in the event the transaction does not close, unless the failure to close is a result of Seller's default, or as otherwise provided in this Agreement.
 - (b) The balance of the Purchase price shall be paid in cash at Closing.

4. Seller's Title to the Property. Within three (3) days after the Effective Date, Seller, at its sole expense, shall order for delivery to Purchaser a preliminary title report (the "Preliminary Title Report") from Chicago Title ("Chicago") showing Chicago's willingness to issue title insurance on the Property, together with full copies of all exceptions. Purchaser shall have five (5) business days after receipt of the latest amended Preliminary Title Report and exceptions within which to notify Seller in writing of Purchaser's disapproval of any exceptions shown in the report. In the event of such disapproval, Seller shall have three (3) days to notify Purchaser whether Seller will remove the disapproved exception prior to Closing. If Seller cannot or fails to remedy such items prior to Closing, at Purchaser's option, Purchaser shall have no further obligation to purchase the Property. Failure of Purchaser to approve any exception within the five (5) day period shall be deemed a disapproval of the exceptions shown in the title report.

5. <u>Due Diligence</u>.

- 5.1 Investigation Materials. Immediately after the Effective Date, Seller shall deliver to Purchaser all information in Seller's possession or control regarding the Property, including, but not limited to: (i) appraisals and surveys; (ii) soil tests; (iii) engineering plans and reports; (iv) zoning ordinances, design guidelines, covenants and restrictions applicable to the Property; (v) notices, demands and other communications from any governmental agencies; (vi) permits issued by governmental authorities; (vii) environmental reports; (viii) leases and rental agreements; (ix) utility bills covering the past twelve months; (x) easements, rights of way or other interests or agreements relating thereto; and (xi) any other documents, books and records relating to the Property in Seller's possession. All such materials shall be considered by Purchaser confidential until the Closing Date and shall not be disclosed to third parties without Seller's written consent other than to representatives, employees, advisors and consultants who need access to such confidential information for purposes of evaluating the transactions described herein.
- 5.2 <u>Purchaser and Seller Contingency</u>. This Agreement shall be subject to and contingent upon the approval of this Agreement by the Bankruptcy Court. Immediately following execution of this Agreement, Seller shall submit this Agreement to the Bankruptcy Court for approval. Purchaser's and Seller's obligations to complete the transactions contemplated herein and close on the acquisition of the Property are subject to the approval of this Agreement by the Bankruptcy Court. If such approval has not been received by the Closing Date, then either Purchaser or Seller may terminate this Agreement, and if terminated, Purchaser's Earnest Money and any interest thereon shall be returned to Purchaser and neither party shall have any further obligation with respect to this Agreement.
- 6. <u>Inspection and Access</u>. After the Effective Date, Purchaser and its representatives shall be entitled, after notice the night before access to Seller (by contacting Seller's home phone and leaving a message if no one answers) and at reasonable times, to go upon the Property solely for the purpose of making or conducting any inspection, investigation, test or survey reasonably related to the purchase of the Property, provided only that: (a) all such activity shall be without expense to Seller; (b) Purchaser shall not unreasonably interfere with the current operation of or the use of the Property by occupants thereof, and shall not drive where crops are located; and

(c) Purchaser shall only authorize experienced and trained people to go upon the Property for the purposes set forth above. Purchaser shall keep a log of the dates, times and identity of persons entering the Property. Purchaser shall protect, defend and hold harmless Seller from any loss, liability or damage to persons or property arising out of or related to Purchaser's activities on the Property. If Purchaser fails to purchase the Property, Purchaser shall fully compensate Seller for any physical damage to the Property, or lien, encumbrance or charge thereon attributable to Purchaser's activities with respect thereto. Seller shall cooperate in all reasonable respects with Purchaser's efforts to inspect, investigate and test the Property during the term of this Agreement.

7. Factual Assumptions/Closing Conditions.

- 7.1 Factual Assumptions in Lieu of Representations and Warranties. Given that Purchaser is acquiring the Property from a bankruptcy estate, these factual assumptions as conditions to Closing are in lieu of representations and warranties from the Seller. If, at any time prior to the Closing Date, Purchaser determines that any of the factual assumptions are incorrect, then Purchaser may terminate this Agreement and receive a full refund of all of its Earnest Money, and in such event, neither Purchaser nor Seller shall have any further liability or obligations pursuant to this Agreement.
- (a) There are no actions, suits, claims, legal proceedings or any other proceedings affecting the Property, or any portion thereof, at law or in equity, before any court or governmental agency, domestic or foreign, nor is there any basis for any such proceeding which, if adversely determined, might affect the use or operation of the Property for Purchaser's intended purpose, the value of the Property, or adversely affect the ability of Seller to perform its obligations under this Agreement.
- (b) There are no pending or threatened governmental proceedings in eminent domain, for rezoning or otherwise, which would affect the Property, or any portion thereof, and no facts exist which might give rise to such an action or proceeding.
- (c) There are no liens, bonds, encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting the Property except as disclosed in the Preliminary Title Report.
- (d) There are no commitments or agreements with any governmental agencies, public utilities, or any third parties affecting the Property that have not been disclosed to Purchaser in writing, as shown in <u>Exhibit B</u> to this Agreement.
- (e) The Property has been operated in full compliance with all building, zoning, environmental, health and insurance laws and regulations which affect the use and operation thereof.
- (f) Except for the cleanup that has been disclosed to Purchaser, for which Purchaser has estimated \$15,000.00 is necessary to clean up, and for which Purchaser will pay \$15,000.00 to clean up, there are no Hazardous Materials on, under, or about the Property, and there are no environmental conditions on or about the Property that will cause adverse

consequences to Purchaser or to Purchaser's use of the Property. For purposes of this Agreement, Hazardous Materials means hazardous materials or toxic substances regulated by Federal, State or local law or regulations, including, without limitation, the Clean Water Act, as amended; the Resource Conservation and Recovery Act, as amended; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, or as amended in the future; and the Toxic Substance Control Act as amended; and rules of law, rules and regulations issued or propagated thereunder ("Hazardous Materials").

- (g) Seller has received no notices from governmental authorities pertaining to violations of law or governmental regulations with respect to the Property with which Seller has not fully complied or corrected.
- (h) Seller has the legal power, right and authority to enter into this Agreement and to consummate the transaction contemplated hereby, and the transaction will not violate or result in a breach of any other obligations or restrictions of Seller to any other party.
- (i) From the Effective Date until the Closing Date, Seller has maintained the Property in accordance with its usual and customary practices.
- (j) All documents and instruments delivered to Purchaser by Seller are complete and true copies of such documents or original counterparts thereof and accurately represent the matters purported to be contained therein.
- (k) Seller has not obligated itself in any manner to sell the Property to any party other than Purchaser and promises not to enter into an agreement with any other party for the sale or lease of any portion of the Property while this Agreement is in effect, except an agreement which is expressly subject to the rights of Purchaser as set forth herein.
- (I) Seller shall have complied with all of its covenants and agreements stated in this Agreement.

8. Risk of Loss; Condemnation.

8.1 Risk of Loss. Risk of loss of or damage to the Property shall be borne by Seller until the Closing. Thereafter, Purchaser shall bear the risk of loss. In the event of material loss of or damage to the Property prior to the date upon which Purchaser assumes the risk, Seller shall not be obligated to restore the Property nor pay damages to Purchaser by reason of such loss or damage, and Purchaser may terminate this Agreement by giving notice of such termination to Seller and Escrow Agent. Such termination shall be effective and the Earnest Money shall be refunded within ten (10) days thereafter. However, Purchaser may elect to purchase the Property in the damaged condition existing on the Closing Date and on Closing Seller shall assign to Purchaser the proceeds of any policy of insurance carried by or for the benefit of Seller covering any loss or damage to the Property occurring after the date hereof and prior to the Closing Date. If the loss or damage is covered by an insurance policy, Seller will submit an insurance claim and use its best efforts to obtain insurance proceeds. On Closing

Seller will pay to Purchaser, outside of escrow, the entire amount of insurance proceeds received prior to Closing from such claim.

- 8.2 <u>Condemnation</u>. If the Property is or becomes the subject of a condemnation proceeding or bona fide threat of condemnation prior to Closing, Purchaser may, at its option, terminate this Agreement by giving notice of such termination to Seller on or before the Closing Date, and upon such termination the Earnest Money shall be returned to Purchaser and this Agreement shall be of no further force or effect; provided, however, that Purchaser may elect to purchase the Property, in which case the total Purchase Price shall be reduced by the total of any condemnation award received by Seller at or prior to Closing. On Closing, Seller shall assign to Purchaser all Seller's rights in and to any future condemnation awards or other proceeds payable or to become payable by reason of any taking. Seller agrees to notify Purchaser of eminent domain proceedings or threat thereof within five (5) days after Seller learns thereof.
- Seller's Covenant. On or before May 1, 2005, Seller shall remove all equipment and debris from the Property. Debris includes garbage, waste, scrap metal and other materials not consistent with the present vegetative state of the Property. All of Seller's activities shall be without expense to Purchaser; Seller shall not unreasonably interfere with the current operation or use of the Property by occupants thereof, and Seller shall only authorize experienced and trained people to go on to the Property for the purposes set forth above. Seller shall protect, defend and hold Purchaser, City of Hillsboro and its officers, agents and employees harmless from any loss, liability or damage to persons or property arising out of or related to Seller's activities on the Property following the Closing Date. Additionally, Seller shall maintain its liability insurance on the Property with a combined single limit per occurrence of \$1,000,000, or the equivalent, during the time of such removal and shall at closing deliver to Purchaser a certificate that such insurance remains in effect and will remain in effect until May 1, 2005. Seller shall name Purchaser, City of Hillsboro and its officers, agents and employees as an additional insured under such policy. To support Seller's obligation under this Section 9, at Closing, \$10,000 of the Purchase Price shall be held in escrow. In the event Seller has not removed all equipment and debris from the Property on or before May 1, 2005, then Purchaser may contract for such removal and upon delivery of invoices to escrow, escrow will pay the invoices. Seller shall not be liable for costs of removal in excess of the escrowed amount. In the event Purchaser acknowledges that Seller has performed all obligations pursuant to this Section 9, the escrowed amount shall be delivered to Seller on May 1, 2005, or such earlier time as Purchaser acknowledges the work is completed. The parties will execute joint escrow instructions related to the escrowed amount.
- 10. <u>Waiver of Objection Thereto</u>. Seller understands that Purchaser is constructing a raw water pipeline on the Property and adjoining property (the "Project"). Seller hereby waives their right to remonstrate against the Project or the alignment thereof and shall not object to the Project or alignment thereof publicly or privately, through comment, appearance or otherwise.

11. Closing.

11.1 <u>Closing Date</u>. This transaction will be closed on January 13, 2005, or at such other date as is agreed by the parties (the "Closing Date").

- 11.2 <u>Manner and Place of Closing</u>. This transaction will be closed (the "Closing") in Chicago Title, 16100 NW Cornell Road, Suite 110, Beaverton, Oregon office or at such other place and by such other person as the parties may mutually select. Closing shall take place in the manner and in accordance with the provisions set forth in this Agreement.
- 11.3 <u>Prorations, Adjustments.</u> The then current year's ad valorem real property taxes shall be prorated and adjusted between the parties as of the Closing Date. All bonds or similar assessments, farm or timber real property tax deferrals, if any, and any transfer taxes payable as a result of this transaction, if any, shall be paid by Seller.
- 11.4 Events of Closing. Provided the Escrow Officer has received the sums and is in a position to cause the title insurance policy to be issued as described below, this transaction will be closed, pursuant to escrow instruction given to the Escrow Officer by the parties on the Closing Date as follows:
- (a) The Escrow Officer will perform the prorations and adjustments as described in Section 11.3 above, and the parties shall be charged and credited accordingly. Proration of utility charges and rents, if any, shall be apportioned between the parties outside of escrow as of the Closing Date;
- (b) Purchaser shall pay the balance of the Purchase Price owing to Seller, as provided in Section 3(b), adjusted for the charges and credits set forth in this Section 11:
- (c) Seller shall convey the Property to Purchaser by Special Warranty Deed ("Deed"), a form of which is attached as <u>Exhibit C</u> and incorporated by this reference, subject only to the encumbrances accepted by Purchaser pursuant to Section 4;
- (d) Chicago will deliver its letter committing to issue the policy of title insurance described in Section 11.5 below, upon recordation of the closing documents. The title insurance premium for a Standard Owner's Policy will be charged to Seller;
- (e) The Escrow Officer will record the Deed from Seller to Purchaser at Seller's expense;
- (f) The escrow fees and other closing costs not otherwise specifically provided for herein shall be divided equally between the parties.
- 11.5 <u>Title Insurance</u>. As soon as possible after the Closing Date, Chicago shall furnish Purchaser with a Standard Owner's Policy of Title Insurance in the amount of the total Purchase Price for the Property, subject only to the standard printed exceptions of the title company and exceptions for the matters accepted by Purchaser pursuant to Section 4 above. The cost of such policy shall be paid by Seller. In lieu of a Standard Owner's Policy, Purchaser may request that Seller provide an extended coverage title insurance policy ("ALTA Policy"), in which case Purchaser will pay the difference between the cost of a Standard Owner's Policy and the ALTA Policy.

- 11.6 <u>Possession</u>. Except as provided in Section 9, Seller shall deliver possession of the Property to Purchaser on the Closing Date. Unless otherwise agreed by Purchaser in writing, Seller shall deliver possession of the Property absent leasehold or any tenancy interests, with no holdover tenants or other parties in possession. Purchaser acknowledges that it will take the Property with a tenant located at 5932 SW Springhill Road Gaston OR 97119, and that Purchaser shall be responsible for the relocation, if any, of such tenant.
- 12. <u>Default</u>. If the transaction contemplated by this Agreement does not close, through the fault of one party, or if Purchaser decides to close the transaction even though Seller has breached this Agreement, the non-breaching party shall have the right to pursue all remedies available to it under Oregon law, including the right to damages or equitable relief, including specific performance. All remedies shall be cumulative.
- 13. <u>Indemnification</u>. Each party shall indemnify, defend, and hold harmless the other from any and all losses, claims, and actions, whether or not suit is brought against the party to be indemnified, for damages sustained (including attorney fees and costs) as a result of a party's breach of a covenant, representation or warranty contained in this Agreement.

14. General Provisions.

- 14.1 <u>Time of Essence</u>. Except as otherwise specifically provided in this Agreement, time is of the essence of each and every provision of this Agreement.
- 14.2 <u>Binding Effect</u>. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors, and assigns, as permitted.
- 14.3 <u>Notices</u>. Notices under this Agreement shall be in writing and shall be effective when actually delivered. If mailed, a notice shall be deemed effective on the second day after deposited as registered or certified mail, postage prepaid, directed to the other party at the addresses shown above. Either party may change its address for notice by written notice to the other.
- 14.4 <u>Waiver</u>. Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party's rights to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.
- 14.5 <u>Attorney Fees</u>. In the event suit or action is instituted to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sums as the court may adjudge reasonable as attorney's fees at trial, on any appeal, and on a petition for review, in addition to all other sums provided by law.
- 14.6 <u>Prior Agreements</u>. This Agreement supersedes and replaces all written and oral agreements previously made or existing between the parties.

- 14.7 <u>Applicable Law</u>. This Agreement shall be construed, applied and enforced in accordance with the laws of the State of Oregon, with venue in Washington County, Oregon.
- 14.8 <u>Brokers</u>. Seller will defend, indemnify, and hold the Purchaser harmless from any claim, loss, or liability made or imposed by any other party claiming a commission or fee in connection with this transaction.
- 14.9 <u>Changes in Writing</u>. This Agreement and any of its terms may only be changed, waived, discharged or terminated by a written instrument signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.
- 14.10 <u>Survival</u>. All representations and warranties set forth in this Agreement and all provisions of this Agreement, the full performance of which is not required prior to Closing, shall survive Closing and be fully enforceable thereafter.
- 14.11 Statutory Disclaimer. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.
- 14.12 <u>Construction</u>. This Agreement shall be interpreted according to its plain and clear meaning, and shall not be construed for or against either party because of the origin of the subject provision.
- 14.13 <u>Severability</u>. In the event any portion of this Agreement is adjudged void or unenforceable by a court of competent jurisdiction, such finding shall not render the remainder of this Agreement void or unenforceable.
- 14.14 <u>Assignable</u>. This Agreement is assignable by Purchaser, provided that the assignee agrees to be bound by all of the terms and conditions of this Agreement.
- 14.15 Third Party Benefit. Seller and Purchaser are the only parties to this Agreement and as such are the only parties entitled to enforce its terms. Nothing in the Agreement gives or shall be construed to give or provide any benefit, direct or indirect, or otherwise to third parties, except the specified Brokers, unless third persons are expressly described as intended to be a beneficiary of its terms.
- 15. <u>Expiration of Offer</u>. The offer made by Purchaser pursuant to this Agreement shall expire on January 7, 2005, at the hour of 5:00 p.m. Pacific Standard Time. This offer may not be accepted after its expiration.

SELLER:

PURCHASER:

Joint Water Commission

By: Jim Current

Name: Tim Erwert

Title: General Manager

Date: 1-4-05

Date: 01-05-05

Execution. This Agreement executed in duplicate on the day and date first written

16.

EXHIBIT C

RECORD AND RETURN TO: CONI S. RATHBONE Davis Wright Tremaine, LLP 1300 SW Fifth Avenue, Ste 2400 Portland, OR 97201

SPECIAL WARRANTY DEED

Kent Hutchinson and Peggy Hutchinson (collectively "Grantor") conveys and specially warrants to Joint Water Commission – Hillsboro, Forest Grove, Beaverton, Tigard, Tualatin Valley Water District (collectively "Grantee"), the real property described in the attached Exhibit A, free of encumbrances, except those liens and encumbrances set forth on Exhibit B.

The true and actual consideration for this conveyance is \$750,000.

Until a change is requested, all tax statements shall be sent to the following address:

City of Hillsboro Water Department 123 West Main Street Hillsboro, OR 97123 Attn: Peter Martins

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

EXHIBIT B

Commitments and Agreements

None

EXHIBIT A

PROPERTY

PARCEL I:

- (a) Beginning at the intersection of the center of the Southern Pacific Railroad right of way with the South line of the North half of the Northwest quarter of Section 24, Township 1 South, Range 4 West, of the Williamette Meridian, in the County of Washington and State of Oregon; thence East along the South line of the North half of said Northwest quarter to the center of the Tualatin River; thence Northeasterly along the center of said river to the East line of the Northwest quarter of said Section 24; thence North to the South line of the R.S. Tupper Donation Land Claim No. 42 in said township and range; thence North 89°07' West, 11.80 chains along the South line of said Tupper Claim; thence North 22°30' West to the center of said railroad right of way; thence Southwesterly along said right of way to the place of beginning.
- (b) Also that part of the R.S. Tupper Donation Land Claim No. 42, Township 1 South, Range 4 West, of the Willamette Meridian, beginning at a stone on the South line of said Donation Land Claim, distant North 89°07' West 9.03 chains from where said South line crosses the line between the East and West halves of Section 24 (from said stone a white fir 40 inches in diameter bears North 21° West, 2.86 chains distant); running thence North 22°15' West, 11.52 chains to center of slough; thence down slough to center of County Road; thence Southerly along County Road to South line of said Donation Land Claim; thence North 89°07' West, 6.25 chains, more or less, to the place of beginning.

EXCEPTING PORTION within said railroad right of way.

(c) That part of the R.S. Tupper Donation Land Claim No. 42 in Sections 13 and 24, Township 1 South, Range 4 West, of the Willamette Meridian, in the County of Washington and State of Oregon, as follows:

Beginning at a stone on the South line of said Donation Land Claim, distance North 89°07' West, 9.03 chains from where said South line crosses the line between the East and West halves of Section 24, (from said stone a white fir 40 inches in diameter bears North 21° West, 0.86 chains distant); thence continuing North 89°07' West, 2.77 chains; thence North 22°30' West to the Southeast line of the Southern Pacific Railroad right of way; thence Northeasterly along said railroad right of way to a line bearing North 22°15' West, from the point of beginning; thence South 22°15' East to the point of beginning.

EXCEPTING THEREFROM that portion, if any, lying within that certain parcel of land described in Deed from James E. Bryan to William F. Lodge, recorded July 21, 1927 in Book 136, page 393, Records of Washington County, Oregon.

PARCEL II:

Beginning at a stake on the left bank of slough, South 9°23' East, 3685.4 feet from a stone the Northwest comer of the R.S. Tupper Claim No. 42, Township 1 South, Range 4 West, of the Willamette Meridian; thence North 67°09' East, 45 feet, more or less, to the center of said slough; thence in the center of said slough up stream with all its meandering in a Southerly, Westerly and Northerly direction to a point South 67°09' West, 220 feet, more or less, from the beginning point; thence North 67°09' East, 220 feet, more or less, to the place of beginning.

PARCEL III:

Beginning at the intersection of the center of the Tualatin River with the South line of the R.S. Tupper Donation Land Claim No. 42 in Section 24, Township 1 South, Range 4 West, of the Willamette Meridian, in the County of Washington and State of Oregon; thence Northeasterly along the center of said river to the East line of said Tupper Claim at a point 2190.9 feet Northerly of the Southwest corner of the W.O. Gibson Donation Land Claim No. 44 in said Township and Range; thence North 23°15' West, 259.7 feet along the Easterly line of said Tupper Donation Land Claim to the center of a slough; thence Westerly along the center of said slough to the center of the Spring Hill County Road at the Southwest corner of a tract conveyed to J.W. Swift by Deed recorded December 18, 1904 in Book 66, page 298, Deed Records; thence Southeasterly along the center of said road to the South line of said Tupper Claim; thence East 4.46 chains, more or less, to the place of beginning.

EXCEPTING portion within said County Road.

PARCEL IV:

- (a) Beginning at the corner common to Sections 23, 24, 25 and 26, Township 1 South, Range 4 West, of the Willamette Meridian, in the County of Washington and State of Oregon; thence North 23.5 chains along the East line of Section 23 to the division line between the North and South halves of the Joshua Dickson, Donation Land Claim in said Section 23; thence West 6 chains along said division line to the Easterly right of way line of the Southern Pacific Railroad; thence South 22° West along the Easterly line of said railroad right of way to a point West of a point that is 6.00 chains North of the Southeast corner of said Dickson Claim in Section 26 of said Township and Range; thence East 16.85 chains, more or less, to the East line of said Dickson Claim; thence North 5.21 chains to the point of beginning.
- (b) ALSO beginning at the Southeast corner of premises in Section 26, Township 1 South, Range 4 West, of the Willamette Meridian, in the County of Washington and State of Oregon, described in Deed to Charles Wilson Tolson and Ward Quentin Tolson, recorded March 13, 1959 in Deed Book 415, page 235; thence North along the East line of said premises, 6 chains to the Northeast corner thereof; thence West on the North line of said premises, 30.0 feet to a point; thence South to a point on the South line thereof, which is West 30.0 feet from the Southeast corner of said tract; thence East 30.0 feet on said South line to the point of beginning.

EXCEPTING portions within the State Highway.

PARCEL V:

Beginning at the quarter Section corner on the East boundary of Section 24, Township 1 South, Range 4 West, of the Willamette Meridian, in the County of Washington and State of Oregon; thence South 14.25 chains to a stone in the center of the county road; thence North 76°20' West, 5.64 chains to a stone in the center of the county road; thence South 75°32' West, 32.70 chains to the center of the Tualatin River; thence Southerly along said river to the South line of said Section 24; thence West to the Southwest corner of said section; thence North to the division line between the North and South halves of the Joshua Dickson and wife Donation Land Claim in Section 23 of said Township and Range; thence along said division line West to the Easterly line of the Southern Pacific Railroad right of way; thence with the same Northeasterly to the North line of the South half of the Northwest quarter of said Section 24; thence East to the Northeast corner of said South half; thence North on the legal subdivision line to the South line of the R.S. Tupper Donation land Claim; thence East to the Southeast corner of said Tupper Claim; thence Southeasterly to the most Southerly corner of the W.O. Gibson Donation land Claim in said Section 24; thence North 66°45' East along the Southerly line of said Gibson claim to the East line of Section 24; thence South to the place of beginning.

EXCEPTING portions thereof conveyed to Donald George Schauermann, et ux, by Deed recorded February 3, 1958 in Book 401, page 703, Deed Records.

AND ALSO EXCEPTING that portion lying Easterly of the Tualatin River.





Date: April 25, 2005

CERTIFIED MAIL

Bill Duyck, Bob Duyck and Tammy Nelson

5932 SW Spring Hill Road

Forrest Grove, OR. 97119

File : Hutchinson

Project : Raw Water Pipeline

County: Washington

Dear Bill Duyck, Bob Duyck & Tammy Nelson:

30 - DAY NOTICE TO VACATE

The City of Hillsboro needs to proceed with its plans for the Raw Water Pipeline project. On February 26, 2005 you received a 90-Day Notice to Vacate, advising you that the City had acquired the property and you would need to relocate. It is necessary that you vacate the property on or before May 25, 2005.

I will continue to work with you on your move. Please contact me at 503-297-8342 as soon as possible regarding your plans for moving. I will need to inspect the replacement property to ensure you receive all the relocation benefits you are entitled to and will be available to discuss moving plans and assist with the relocation claim forms.

Sincerely.

Lynda R. Toland Right-of-Way Agent

Cc: City of Hillsboro





Ted A. Troutman MUIR & TROUTMAN Attorneys at Law One Willow Creek 16100 NW Cornell Rd, Ste 200 Beaverton, OR 97006

RE: Kent and Peggy Hutchinson

Business Relocation Benefits.

Dear Mr. Troutman:

Thank you for responding. Your letter indicated to me that they were going to pursue the in-lieu (fixed) payment of \$20,000. If they choose an in-lieu (fixed) payment, it will be all they are entitled to under business relocation, they will not also be able to claim reestablishment. Payment will be made once all the personal property, debris and garbage is removed.

I'm enclosing copies of the application for the in-lieu payment as well as the claim form. I will need copies of the last two year Oregon Income Tax returns to calculate their benefit.

I've forwarded your letter to the City to release the \$10,000 based on your clients pursuing the in-lieu payment. Mr. and Mrs. Hutchinson must understand that if this is their choice, they do not get the reestablishment payment of up to \$10,000 also.

If there is any confusion, I would be happy to meet with you and your clients to go over business relocation because it can be very confusing.

Sincerely,

Leske Benckendorf, SRWA

Regional Manager

Cc: Coni Rathbone Joe Thompson

Attachment 3

Certificate 29915

STATE OF OREGON

COUNTY OF JASHINGTON

CERTIFICATE OF WATER RIGHT

This Is to Certify, That GEORGE J. ZUNCHER

of Route 1, Box 102, Gaston , State of Oregon , has made proof to the satisfaction of the STATE ENGINEER of Oregon, of a right to the use of the waters of Tualatin River

a tributary of Willsmatte River

for the purpose of

irrigation of 250.6 scres

under Permit No. 18292 of the State Engineer, and that said right to the use of said waters has been perfected in accordance with the laws of Oregon; that the priority of the right hereby confirmed dates from October 30, 1947

that the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is limited to an amount actually beneficially used for said purposes, and shall not exceed 1.93 cubic feet per second

or its equivalent in case of rotation, measured at the point of diversion from the stream. The point of diversion is located in the NEL ST. Section 24, T. 15., R. 4 V., V. M.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to one-eightlighth of one cubic foot per second per sers, or its equivalent for each sore irrigated and shall be further limited to a diversion of not to exceed 2½ sore feet per sore for each sore irrigated during the irrigation sesson of each year,

and shall

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

A description of the place of use under the right hereby confirmed, and to which such right is appurtenant, is as follows:

li-1 acres HE SE Section 23

5.2 acres SW M2

29.1 acres SW M2

26.1 acres SE W
31.5 acres SE W
39.7 acres M2 SW
39.5 acres SE SW
39.5 acres SE SW
30.0 acres ME SE
30.0 acres ME SE
30.0 acres ME SE
50.8 acres ME SE
50.1 S., R. It W., W.H.

The right to the use of the water for the purposes aforesaid is restricted to the lands or place of use herein described.

WITNESS the signature of the State Engineer, affixed

this date. JULY 1962

CHRIS L WHEELER

State Engineer

Recorded in State Record of Water Right Certificates, Volume 21 , page 23915

Attachment 4

Certificate 22505

STATE OF OREGON

COUNTY OF WASHINGTON

CERTIFICATE OF WATER RIGHT

This Is to Certify, That N. P. DAUGHTERS & RIGHT R. DAUGHTERS

of Route 1, Box 103 A, Geston , State of Oregon , has made proof to the satisfaction of the STATE ENGINEER of Oregon, of a right to the use of the waters of Tualatin River

's tributary of: " Willamette River

for the purpose of

irrigation
under Permit No. 20099 of the State Engineer; and that said right to the use of said waters
has been perfected in accordance with the laws of Oregon; that the priority of the right hereby
confirmed dates from February 6, 1951

that the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, a limited to an amount actually beneficially used for said purposes, and shall not exceed 0.11 cubic foot per second

or its equivalent in case of rotation, measured at the point of diversion from the stream. The point of diversion is located in the SN4SR2, as projected within R. F. Tapper MC #12, Section 13, Tourship 1 South, Range 4 West, W. N.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to one-eightlighth of one cubic foot per second per sers, or its equivalent for each sere irrigated and shall be further limited to a diversion of not to exceed 25 sere feet per sere for each sere irrigated during the irrigation season of each year.

and shall

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

A description of the place of use under the right hereby confirmed, and to which such right is appurtenent, is as follows:2.1 acres in the SRIGHZ, as projected within R.F. Tupper IEC #12 2.0 acres in the SWIGHZ, as projected within R.F. Tupper IEC #12 Section 13

1.1 acres in the WWHE; as projected within R.F. Tapper DLC #12 3.7 acres in the HB#WW; as projected within R.F. Tapper DLC #12 Section 21

Township 1 South, Range & West, W. M.

Lend on which water is to be used is part of that described as follows:

Beginning at a point on the S. boundary of the R.F. Tupper Claim #12 in T. 1 S.,
R. h W., W.M. where the Tualatin River crosses the S. boundary & running thence W.
along said S. boundary h.h6 chains to the E. line of county road leading from Billay
to Caston; thence following the county road N. 22°30° W. 10.19 chains; thence H. 6h°
03° E. 33h.2 ft.; thence S. 26°15° E. 97.1 ft.; thence M. 6h°17° E. 215.2 ft. being
the S. boundary of the 20 foot roadway deeded from Stewart to Swift; thence S. 52°
08° E. 529.1 ft. to the W. bank of the Tualatin River; thence following the meanderings of said river in a S. & southwesterly direction to the place of beginning.

The right to the use of the water for the purposes aforesaid is restricted to the lands or place of use herein described.

WITNESS the signature of the State Engineer, affixed

this 8th day of May

, 1957 .

LENIS A. STANLEY

State Engineer

Recorded in State Record of Water Right Certificates, Volume 16 , page 22505.

Attachment 5

Certificate 22468

STATE OF OREGON

COUNTY OF WASHINGTON

CERTIFICATE OF WATER RIGHT

This Is to Certify, That M. P. DAUGHTERS & REMA R. DAUGHTERS

of Route 1. Box 103 A. Gaston , State of Gregon , has made proof to the satisfaction of the STATE ENGINEER of Gregon, of a right to the use of the waters of Tualstin River

a tributary of Willamette River irrigation

for the purpose of

under Permit No. 18722 of the State Engineer, and that said right to the use of said waters has been perfected in accordance with the laws of Oregon; that the priority of the right hereby confirmed dates from April 11, 1919

that the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid is limited to an amount actually beneficially used for said purposes, and shall not exceed 0.23 and foot per second

or its equivalent in case of rotation, measured at the point of diversion from the stream.

The point of diversion is located in the SECOLO as projected within Imper LLC \$12,

Section 13, Township 1 Bouth, Range h West, W. M.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lends, shall be limited to the editable of one cubic foot per second per acre or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 25 acre-feet per sare for each sare irrigated during the irrigation season of each year.

and shall

conform to such reasonable rotation system as may be ordered by the proper state efficer.

A description of the place of use under the right hereby confirmed, and to which such right is appurtenant, is as follows:

3.h sores in the SEISE2 lh.6 sores in the SEISE2 Section 13 Tounchip 1 South, Range h West, W. M. both as projected within R. F. Topper DIC #h2

The right to the use of the water for the purposes aforesaid is restricted to the lands or place of use herein described.

WITNESS the signature of the State Engineer, effixed

this 8th day of Ma

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LEKIS A. STARLEY

State Engineer

Recorded in State Record of Water Right Certificates, Volume 16 , page 22168.