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Application for a Permit to Store Water in a Reservoir



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1266 503-986-0900 www.oregon.gov/OWRD

(Standard Review)

Applicant

Dallas

You must use this form for any reservoir storing more than 9.2 acre-feet and with a dam more than 10 feet high.

SECTION 1: APPLICANT INFORMATION AND SIGNATURE

NAME Gary Marks, Public Works Dire	PHONE (HM) N/A				
PHONE (WK) CELL (503) 831-3555 (541) 405-5			1	FAX	
ADDRESS 187 Court St					
CTTY Dallas	STATE	ZIP 97338	E-MAIL* gary.marks@dallasor.gov		
Organization					
NAME City of Dallas			PHONE (503) 831-3555	FAX	
ADDRESS 187 Court St				CELL	
CITY	STATE	ZIP	E-MAIL*		

Agent - The agent is authorized to represent the applicant in all matters relating to this application.

OR

AGENT / BUSINESS NAME Craig Massie/Jacobs			PHONE (541) 768-3478	FAX
ADDRESS 1100 NE Circle Blvd Suite 300				CELL (541) 602-6895
CITY Corvallis	STATE OR	ZIP 97330	E-MAIL * craig.massie@jacobs.com	m

see above

97338

Note: Attach multiple copies as needed

* By providing an e-mail address, consent is given to receive all correspondence from the Department electronically. (Paper copies of the final order documents will also be mailed.)

By my signature below I confirm that I understand:

- I am asking to use water specifically as described in this application.
- Evaluation of this application will be based on information provided in the application packet. .
- . I cannot legally store water until the Water Resources Department issues a permit to me.
- The Department encourages all applicants to wait for a permit to be issued before beginning construction of any proposed diversion. Acceptance of this application does not guarantee a permit will be issued.
- If I begin construction prior to the issuance of a permit, I assume all risks associated with my actions.
- If I get a permit, I must not waste water. .
- If development of the water use is not according to the terms of the permit, the permit can be cancelled.
- The water use must be compatible with local comprehensive land use plans.
- Even if the Department issues a permit, I may have to stop using water to allow senior water right holders to get water to which they are entitled.

tirm that the hormation contained in this application is true and accurate.

Any I'l	Marks, Public Works Director	July 12	,2023
Applicant Signature	Print Name and Title if applicable Mark Anderson, CWRE	Date July 13	2023
Applicant Signature	Print Name and Title if applicable	Date	,

For Department Use: App. Number:

Store Water — Page 1 Rev. 07-21

SECTION 2: PROPERTY OWNERSHIP

Indicate if you own all the lands associated with the project from which the water is to be diverted, conveyed, and used.

- YES, there are no encumbrances.
- YES, the land is encumbered by easements, rights of way, roads or other encumbrances.

NO, I have a recorded easement or written authorization permitting access.

- NO, I do not currently have written authorization or easement permitting access.
- NO, written authorization or an easement is not necessary, because the only affected lands I do not own are state-owned submersible lands, and this application is for irrigation and/or domestic use only (ORS 274.040).
- NO, because water is to be diverted, conveyed, and/or used only on federal lands.

Affected Landowners: List the names and mailing addresses of all the owners of any lands that are not owned by the applicant and that are crossed by the proposed ditch, canal or other work, even if the applicant has obtained written authorization or an easement from the owner. (*Attach additional sheets if necessary*).

See Exhibit 1 attached for list of owners

Legal Description: You must provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

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SECTION 3: SOURCE OF WATER

A. Reservoir Name: Mercer Reservoir

B. Source: Provide the name of the water body or other source from which water will be diverted, and the name of the stream or lake it flows into. Indicate if source is run-off, seepage, or an unnamed stream or spring.

Source 1: Rickreall Creek	Tributary to: Willamette River
TRSQQ of POD: T8S R6W Section 6 NESW	
Source 2: Rockhouse Creek	Tributary to: Rickreall Creek
TRSQQ of POD: T8S R7W S1 SWSE	

- Is the proposed reservoir in a wetland (as determined by DSL)? ■Yes □Nc □Don't know
- Is the proposed reservoir an enlargement of an existing dam/reservoir? 🔳 Yes 🗌 No
- Is the proposed reservoir in-channel of a stream or off-channel: 🔳 In-channel 🗌 Off-Channel
- If the reservoir is proposed to be in-channel, is the stream: 🔳 Perennial 🗌 Intermittent 🗌 Ephemeral
- If the reservoir is proposed to be in-channel, has ODFW determined that native migratory fish are present?
 Yes No Don't know
- Is the reservoir in the 100-year floodplain? 🗌 Yes 🔳 No 🗌 Don't know
- If the reservoir is not in the channel of a stream, state how it is to be filled:

SECTION 4: SENSITIVE, THREATENED OR ENDANGERED FISH SPECIES PUBLIC INTEREST INFORMATION

This information must be provided for your application to be accepted as complete. The Water Resources Department will determine whether the proposed use will impair or be detrimental to the public interest with regard to sensitive, threatened or endangered fish species.

To answer the following questions, refer to the map shown on <u>Attachment 3</u> or the link below to determine whether the proposed point of diversion (POD) is located in an area where the Upper Columbia, the Lower Columbia, and/or the Statewide public interest rules apply.

For more detailed information, click on the following link and enter the TRSQQ or the Lat/Long of a POD and click on "Submit" to retrieve a report that will show which section, if any, of the rules apply: https://apps.wrd.state.or.us/apps/misc/lkp trsqq features/

If you need help to determine in which area the proposed POD is located, please call the customer service desk at (503) 986-0900.

Upper Columbia - OAR 690-033-0115 thru -0130

Is the POD located in an area where the Upper Columbia Rules apply?

🗌 Yes 🔳 No

If yes, you are notified that the Water Resources Department will consult with numerous federal, state, local and tribal governmental entities so it may determine whether the proposed use is consistent with the "Columbia River Basin Fish and Wildlife Program" adopted by the Northwest Power Planning Council in 1994 for the protection and recovery of listed fish species. The application may be denied, heavily conditioned, or if appropriate, mitigation for impacts may be needed to obtain approval for the proposed use.

If yes,

- I understand that the proposed use does <u>not</u> involve appropriation of direct streamflow during the time period April 15 to September 30, <u>except as provided in OAR 690-033-0140</u>.
- I understand that I will install, operate and maintain a fish screen and fish passage as listed in ORS 498.301 through 498.346, and 509.580 through 509.910, to the specifications and extent required by Oregon Department of Fish and Wildlife, prior to diversion of water under any permit issued pursuant to this application.
- I understand that the Oregon Department of Environmental Quality will review my application to determine if the proposed use complies with existing state and federal water quality standards.
- I understand that I will install and maintain water use measurement and recording devices as required by the Water Resources Department, and comply with recording and reporting permit condition requirements prior to diversion or use of water under any permit issued pursuant to this application.

Lower Columbia - OAR 690-033-0220 thru -0230

Is the POD located in an area where the Lower Columbia rules apply?

Yes		No
-----	--	----

If yes, you are notified that that the Water Resources Department will determine, by reviewing recovery plans, the Columbia River Basin Fish and Wildlife Program, and regional restoration programs applicable to threatened or endangered fish species, in coordination with state and federal agencies, as appropriate, whether the proposed use is detrimental to the protection or recovery of a threatened or endangered fish species and whether the use can be conditioned or mitigated to avoid the detriment.

If a permit is issued, it will likely contain conditions to ensure the water use complies with existing state and federal water quality standards; and water use measurement, recording and reporting required by the Water Resources Department. The application may be denied, or if appropriate, mitigation for impacts may be needed to obtain approval of the proposed use.

If yes, provide the following information (the information must be provided with the application to be considered complete).

Yes No The proposed use is for more than **one** cubic foot per second (448.8 gpm) and is not subject to the requirements of OAR 690, Division 86 (Water Management and Conservation Plans).

If yes, provide a description of the measures to be taken to assure reasonably efficient water use:

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<u>Statewide - OAR 690-033-0330 thru -0340</u>	AUG 0 9 2023
Is the POD located in an area where the Statewide rules apply?	
Yes 🔳 No	OWRD

If yes, the Water Resources Department will determine whether the proposed use will occur in an area where endangered, threatened or sensitive fish species are located. If so, the Water Resources Department, Department of Fish and Wildlife, Department of Environmental Quality, and the Department of Agriculture will recommend conditions required to achieve "no loss of essential habitat of threatened and endangered (T&E) fish species," or "no net loss of essential habitat of sensitive (S) fish species." If conditions cannot be identified that meet the standards of no loss of essential T&E fish habitat or no net loss of essential S fish habitat, the agencies will recommend denial of the application unless they conclude that the proposed use would not harm the species.

SECTION 5: WATER USE

- a) The use of the impounded water will be: Municipal and Industrial
- b) The amount of water to be stored is: 5,000 acre-feet.
- c) The area submerged by the reservoir, when filled, will be $\frac{150}{2}$ acres.

SECTION 6: DAM HEIGHT AND COMPOSITION

The maximum height of the structure will be $\frac{115}{1000}$ feet above streambed or ground surface at the centerline of the crest of the dam.

Attach preliminary plans, specifications and supporting information for the dam and impoundment area including 1) dam height, 2) width, 3) crest width, 4) surface area and 5) preliminary fish passage design. Note: If your dam height is greater than or equal to 10.0' above land surface **AND** your reservoir will store equal to or greater than 9.2 acre-feet, engineered plans and specifications must be approved by the Department' Dam Safety Section prior to storage of water.

The dam will be (check one): Earthfill Concrete Flash board Other

If "other," provide the description:

Earthfill or concrete, to be determined; See Figure 3 for conceptual layout.

SECTION 7: PRIMARY OUTLET WORKS

a) Describe the location and the dimensions of the outlet conduit through the dam: NOTE: Most dams across a natural stream channel will need an outlet conduit having a minimum diameter of 8 inches or greater.

Bottom screened outlet, size TBD, but larger than 42 inch anticipated

- b) How and when will the outlet be operated?
 - upstream control via a screened outlet gate, release will be year around
- c) If ODFW has determined fish are present in the stream, how do you propose to protect fish through the conduit (the conduit does not constitute fish passage)?

Fish Screening

SECTION 8: EMERGENCY SPILLWAY

a) Describe the location and the dimensions of the spillway channel.

TBD, to pass PMF and downstream fish passage seasonally

b) How will the emergency spillway be designed to prevent erosion?

Concrete or Bedrock

c) What is the maximum design flow for the spillway? (Should be able to handle high flow events. 10-year flood events? 50-year flood events?)

PMF

SECTION 9: WATER QUALITY

- a) Describe how the reservoir will be managed to maintain water quality in the reservoir and downstream.
 Reservoir will have continuous flow through from Rickreall and Rockhouse Creeks and their tributaries
- b) Describe how the perimeter of the reservoir will be buffered to limit nutrient and bacteria contamination.
 Setbacks for forest practices consistent with today's usage. City does little timber removal on their property

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c) Describe how annual maintenance of the reservoir will be accomplished without discharging contaminated water instream.

Debris and log removal will o	continue as is p	resently done	with no negative	effect for water	quality by
managing turbidity.					

SECTION 10: PROJECT SCHEDULE (List Month and Year)

- a) Proposed date construction work will begin: 2025 (Fish passage approval is necessary prior to construction.)
- b) Proposed date construction work will be completed: 2027
- c) Proposed date water use will be completed: 2027

SECTION 11: WITHIN A DISTRICT

Check here if the point of diversion or place of use are located within or are served by an irrigation or other water district.

Irrigation District Name	Address			
City	State	Zip		

SECTION 12: REMARKS

Use this space to clarify any information you have provided in the application.

The planned project would effectively replace Mercer Dam with a taller dam approximately 500 feet downstream of the current dam location. Benefits of the new dam and reservoir include:

1. Improve probable maximum flood passage capacity for the dam.

2. Improve upstream and downstream fish passage at the dam.

3. Increase stream flows in the downstream reach during low flow periods of the year, increasing water quality in the stream.

4. Replacing Mercer Dam with a dam designed to the current seismic and design standards.

5. Improve the city's climate resiliency using a very small portion of the vast watershed annual yield.

The adjacent landowners are investors who have two timber management companies, Hampton and Hancock managing the timber resources. Both have been contacted about the project. Hancock has provided the attached letter of support. Hampton and the City have established the attached memorandum of understanding regarding access to the affected property for the project.

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Minimum Requirements Checklist

Minimum Requirements (OAR 690-310-0040, OAR 690-310-0050 & ORS 537.140)

Include this checklist with the application

Check that each of the following sections are completed. The application will be returned if all required items are not included. If you have questions, please call the Water Rights Customer Service Group at (503) 986-0900.

Please submit the original application and signatures to the Water Resources Department. Applicants are encouraged to keep a copy of the completed application.

- SECTION 1: Applicant Information and Signature
- SECTION 2: Property Ownership
- SECTION 3: Source of Water
- SECTION 4: Sensitive, Threatened or Endangered Fish Species Public Interest Information
- SECTION 5: Water Use
- SECTION 6: Dam Height and Composition
- SECTION 7: Primary Outlet Works
- SECTION 8: **Emergency Spillway**
- SECTION 9: Water Quality
- SECTION 10: **Project Schedule**
- SECTION 11: Within a District
- SECTION 12: Remarks

Include the following additional items:

- Land Use Information Form with approval and signature of local planning department (*must be an original*) or signed receipt.
- Provide the legal description of: (1) the property from which the water is to be diverted, (2) any property crossed by the proposed ditch, canal or other work, and (3) any property on which the water is to be used as depicted on the map.

Fees - Amount enclosed: \$ 9492 See the Department's Fee Schedule at www.oregon.gov/owrd or call (503) 986-0900.

- Map that includes the following items:
 - Map must be prepared by a Certified Water Rights Examiner
 - Permanent quality and drawn in ink
 - Even map scale not less than 4" = 1 mile (example: 1" = 400 ft, 1" = 1320 ft, etc.)
 - North directional symbol
 - Township, Range, Section, Quarter/Quarter, Tax Lots
 - Reference public-land survey corner on map
 - Location of each dam by reference to a recognized public land survey corner (distances north/south and east/west)
 - Indicate the area of use by Quarter/Quarter and tax lot identified clearly
 - Number of acres per Quarter/Quarter and hatching to indicate area of use if for primary irrigation, supplemental irrigation, or nursery
 - Location of main canals, ditches, pipelines or flumes (if well is outside of the area of use)

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Please note that a secondary application is required if there are out-of-reservoir uses associated with this application.

Water-Use Permit Application Processing

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1. Completeness Determination

The Department evaluates whether the application and accompanying map contain all of the information required under OAR 690-310-0040 and OAR 690-310-0050. The Department also determines whether the proposed use is prohibited by statute. If the Department determines that the application is incomplete, all fees have not been paid, or the use is prohibited by statute, the application and all fees submitted are returned to the applicant.

2. Initial Review

The Department reviews the application to determine whether water is available during the period requested, whether the proposed use is restricted or limited by rule or statute, and whether other issues may preclude approval of or restrict the proposed use. An Initial Review (IR) containing preliminary determinations is mailed to the applicant. The applicant has 14 days from the mailing date to withdraw the application from further processing and receive a refund of all fees paid minus \$310. The applicant may put the application on hold for up to 180 days and may request additional time if necessary.

3. Public Notice

Within 7 days of the mailing of the initial review, the Department gives <u>public notice</u> of the application in the weekly notice published by the Department at <u>www.oregon.gov/owrd</u>. The public comment period is 30 days from publication in the weekly notice.

4. Proposed Final Order Issued

he Department reviews any comments received, including comments from other state agencies related to the protection of sensitive, threatened or endangered fish species. Within 60 days of completion of the IR, the Department issues a Proposed Final Order (PFO) explaining the proposed decision to deny or approve the application. A PFO proposing approval of an application will include a draft permit, and may request additional information or outstanding fees required prior to permit issuance.

5. Public Notice

Within 7 days of issuing the PFO, the Department gives public notice in the weekly notice. Notice includes information about the application and the PFO. Protest must be received by the Department within 45 days after publication of the PFO in the weekly notice. Anyone may file a protest. The protest filing fee is \$480.00 for the applicant and \$950.00 for non-applicants. Protests are filed on approximately 10 percent of Proposed Final Orders. If a protest is filed the Department will attempt to settle the protest but will schedule a contested case hearing if necessary.

6. Final Order Issued

If no protests are filed, the Department can issue a Final Order within 60 days of the close of the period for receiving protest. If the application is approved, a permit is issued. The permit specifies the details of the authorized use and any terms, limitations or conditions that the Department deems appropriate

Land Use Information Form



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1266 503-986-0900 www.oregon.gov/OWRD

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NOTE TO APPLICANTS

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In order for your application to be processed by the Water Resources Department (WRD), this Land Use Information Form must be completed by a local government planning official in the jurisdiction(s) where your water right will be used and developed. The planning official may choose to complete the form while you wait, or return the receipt stub to you. Applications received by WRD without the Land Use Form or the receipt stub will be returned to you. Please be aware that your application will not be approved without land use approval.

This form is NOT required if:

1) Water is to be diverted, conveyed, and/or used only on federal lands; OR

- 2) The application is for a water right transfer, allocation of conserved water, exchange, permit amendment, or groundwater registration modification, <u>and all</u> of the following apply:
 - a) The existing and proposed water use is located entirely within lands zoned for exclusive farm-use or within an irrigation district;
 - b) The application involves a change in place of use only;
 - c) The change does not involve the placement or modification of structures, including but not limited to water diversion, impoundment, distribution facilities, water wells and well houses; <u>and</u>
 - d) The application involves irrigation water uses only.

NOTE TO LOCAL GOVERNMENTS

The person presenting the attached Land Use Information Form is applying for or modifying a water right. The Water Resources Department (WRD) requires its applicants to obtain land use information to be sure the water rights do not result in land uses that are incompatible with your comprehensive plan. Please complete the form or detach the receipt stub and return it to the applicant for inclusion in their water right application. You will receive notice once the applicant formally submits his or her request to the WRD. The notice will give more information about WRD's water rights process and provide additional comment opportunities. You will have 30 days from the date of the notice to complete the land use form and return it to the WRD. If no land use information is received from you within that 30-day period, the WRD may presume the land use associated with the proposed water right is compatible with your comprehensive plan. Your attention to this request for information is greatly appreciated by the Water Resources Department. If you have any questions concerning this form, please contact the WRD's Customer Service Group at 503-986-0900.

Land Use Information Form



Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1266 503-986-0900 www.oregon.gov/OWRD

Applicant

NAME City of Dallas c/o Tom Gilson	PHONE (HM)				
PHONE (WK) (503) 831-3558	CE (50	LL 3) 480-4327		FAX	
ADDRESS 187 Court St					
CITY Dallas	STATE	ZIP 97338	E-MAIL* tom.gilson@dallasor.gov		

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

Township	Range	Section	16 16	Tax Lot #	Plan Designation (e.g., Rural Residential/RR-5)		Water to be:		Proposed Land Use:
8S	6W	6	NESW	See atlached	TC	Diverted	Conveyed	Used	storage
8S	7W	1	SWSE	See attached	TC	Diverted	Conveyed	Used	storage
						Diverted	Conveyed	Used Used	
						Diverted	Conveyed	Used	

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or develop RECEIVED

Dallas, Polk County. See attached service area map

B. Description of Proposed Use

Type of application to be filed with the Water Resources De	partment: OWRD
Permit to Use or Store Water Water Right Transfer Limited Water Use License Allocation of Conserved Water	Permit Amendment or Groundwater Registration Modification Ater Exchange of Water
Source of water: Reservoir/Pond Groundwater	Surface Water (name)_Roditious
Estimated quantity of water needed: 5000	cubic feet per second gallons per minute acre-feet
Intended use of water: Irrigation Commercial	Industrial Domestic for household(s) Instream Other
Briefly describe:	
Municipal, industrial use, plus a voluntary flow rel	ease to seasonly augment Rickreall Creek flows

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

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For Local Government Use Only

The **Given Project** in must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s):

Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land use approvals as listed in the table below. (Please attach documentation of applicable land use approvals which have already been obtained. Record of Action/land use decision and accompanying findings are sufficient.) If approvals have been obtained but all appeal periods have not ended, check "Being pursued."

Type of Land Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.)	Policies & Ordinance Se	Cite Most Significant, Applicable Plan Policies & Ordinance Section References		d Use Approval:
Conditional Use Remit	177.040(N), 177.050, 119.070		Denied	Being Pursued
Sha Management Plan	182.040(E)	182.050	Obtained	Being Pursued
			Obtained Denied	Being Pursued
			Denied	Being Pursued
			Obtained Denied	Being Pursued

Local governments are invited to express special land use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

* See Attached Comments

NAME Sidney Murder		TITLE: Planning Monager
SIGNATURE	PHONE: 553-623-0237	DATE: 0 1 3-1-23
GOVERNMENTERNTITY Rolt Canty		

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

ceipt for Request for Land Use Info	ormation
Staff conta	nct:
Phone:	Date:
	Staff conta

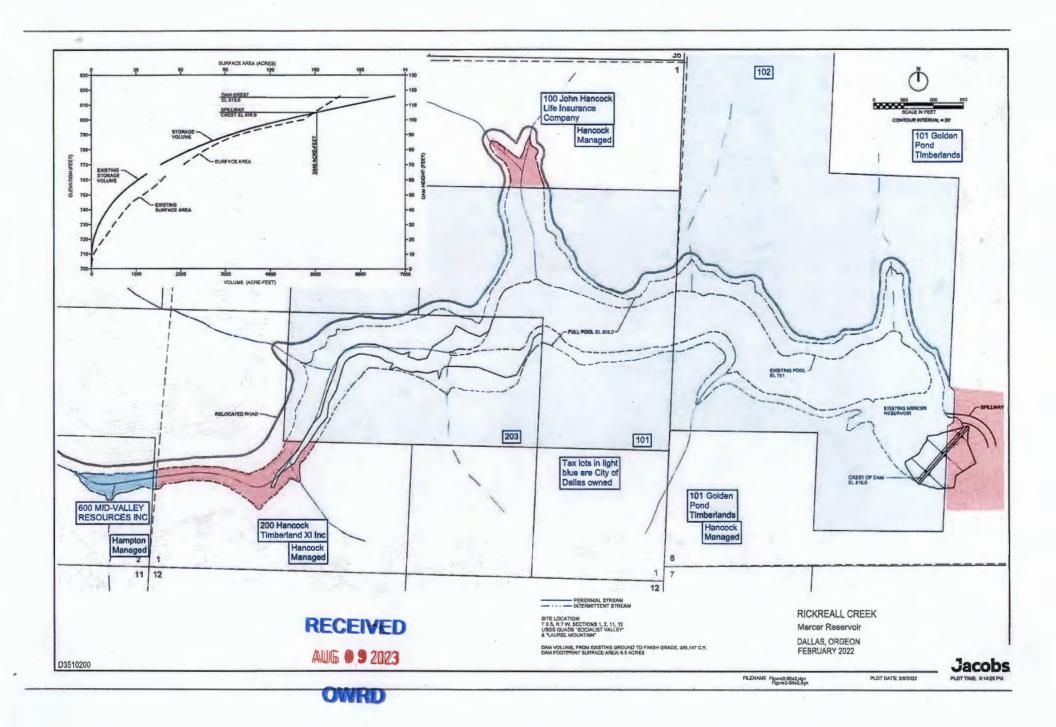
Land Use Information Form Page 1 of 3

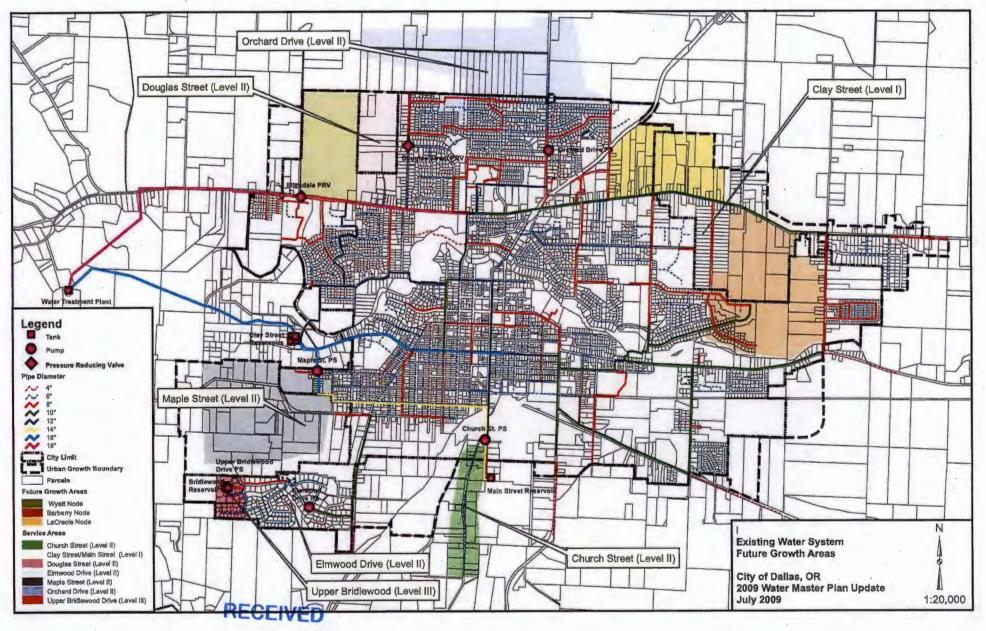
Polk County Planning Comments:

100

The subject properties are located within the Timber Conservation (TC) Zoning District. A conditional use permit is required for "Reservoirs and water impoundments" pursuant to the criteria found in Polk County Zoning Ordinance (PCZO) 177.040(N), 177.050(A),(B),(C), and (D), and 119.070.

According to the Polk County Significant Resources Area (SRA) map, the subject properties are located within the deer and elk habitat area and contain significant fish bearing streams. The proposed development includes "conflicting uses" within these significant resource area; therefore, a management plan to limit conflicting uses is required pursuant to the criteria listed in PCZO 182.040(E). Additional development standards are listed in PCZO 182.050.





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Owner	Address	Township	Range	Section	Tax lot
Hancock Timberland XI Inc	17700SEMILLPLAINBLVD 180 Vancouver, WA 98683	8 S	7 W	1&2	200
Mid – Valley Resources Inc	9600 SW BARNES RD 200 Portland, OR97225	8 S	7 W	2	600
		8 S	7 W	1	203
	187 COURT ST SE	85	&W	1	201
	Dallas, OR 97338	8 S	7 W	1	204
		8 S	7 W	1	101
		8 S	6 W	6	102
John Hancock Life Insurance Company USA	17700SEMILLPLAINBLVD 180 Vancouver, WA 98683	8 S	7 W	1&2	100
Golden Ponds Timberlands Inc	17700SEMILLPLAINBLVD 180 Vancouver, WA 98683	8 S	6 W	6	101

Exhibit 1: List of Affected Landowners and legal Descriptions

Legal Descriptions

Description of City of Dallas Property

The **following** real property situated in Polk County* Oregon, described as follows:

Tax lot 201:

ALL OF THAT TRACT CONVEYED TO THE CTTY OF DALLAS PER DEED VOLUME 171, PAGE 380, DEED RECORDS FOR POLK COUNTY, OREGON, LYING IN SECTION 1, TOWNSHIP 8 SOUTH, RANGE 7 WEST, POLK COUNTY, OREGON.

Tax lot 203:

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 7 WEST, WILLAMETTE MERIDIAN, POLK COUNTY OREGON.

EXCEPTING

ANY PORTION OF THAT TRACT CONVEYED TO THE CITY OF DALLAS PER DEED VOLUME 171, PAGE 380, DEED RECORDS FOR POLK COUNTY, OREGON.

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Tax lot 204

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION I, TOWNSHIP 8 SOUTH, RANGE 7 WEST, WILLAMETTE MERIDIAN, POLK COUNTY OREGON.

Tax lot 101

THE SOUTH HALF OF THE NORTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION I, TOWNSHIP 8 SOUTH, RANGE 7 WEST, WILLAMETTE MERIDIAN, POLK COUNTY OREGON.

Tax lot 103

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE SOUTH HALF OF THE NORTH WEST QUARTER, THE NORTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER **AND** THE NORTH HALF OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER SECTION 6. TOWNSHIP 8 SOUTH, RANGE 6 WEST, WILLAMETTE MERIDIAN, POLK COUNTY OREGON. **TOGETHER WITH** ANY PORTION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 6 LYING WITHIN THE BOUNDS OF THE MERCER RESERVOIR AS DESCRIBED IN EASEMENT PER DEED VOLUME 171, PAGE 454, DEED RECORDS OF POLK COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF SAID RESERVOIR EASEMENT LYING ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 6, N 00°36'21"E 1374.11 FEET FROM THE 1/4 CORNER OF SECTIONS 6 AND 7;

THENCE ALONG SAID EASEMENT LINE, N 55⁰05'10"E 67.57 FEET; THENCE N 00° 14'10"E 318.47 FEET;

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Other property owners

Tax lot 101 Account 296735 Owner GOLDEN POND TIMBERLANDS INC

THE NORTHEAST QUARTER, THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER, THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, ALL IN SECTION 6 TOWNSHIP 8 SOUTH, RANGE 6 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY, OREGON. EXCEPTING THAT REAL PROPERTY CONVEYED TO THE CITY OF DALLAS DESCRIBED IN PROPERTY LINE ADJUSTMENT DEED PER LLA 17-31, RECORDED IN POLK COUNTY RECORDS 2017-013203

Tax lot 200Account 297675Owner HANCOCK TIMBERLAND XI INC

THE NORTH ONE-HALF OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 SOUTH, RANGE 7 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY OREGON.

ALSO: THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 7 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY, OREGON.

SAVE AND EXCEPT THAT PORTION CONVEYED TO THE CITY OF DALLAS BY DEED RECORDED JULY 27, 1959, IN VOLUME 171, PAGE 380, DEED RECORDS FOR POLK COUNTY OREGON.

EXCEPTING

THAT REAL PROPERTY CONVEYED TO THE CITY OF DALLAS DESCRIBED IN PROPERTY LINE ADJUSTMENT DEED PER LLA 17-28, RECORDED IN POLK COUNTY RECORDS 2017-013200

Tax lot 100 Account 297662 Owner JOHN HANCOCK LIFE INSURANCE COMPANY USA

LOTS 1, 2, 3, AND 4, AND THE SOUTH ONE-HALF OF THE NORTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTE, ALL IN SECTION 1, TOWNSHIP 8 SOUTH, RANGE 7 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY, OREGON.

ALSO: LOTS 1, 2, 3, AND 4, SECTION 2, TOWNSHIP 8 SOUTH, RANGE 7 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY, OREGON.

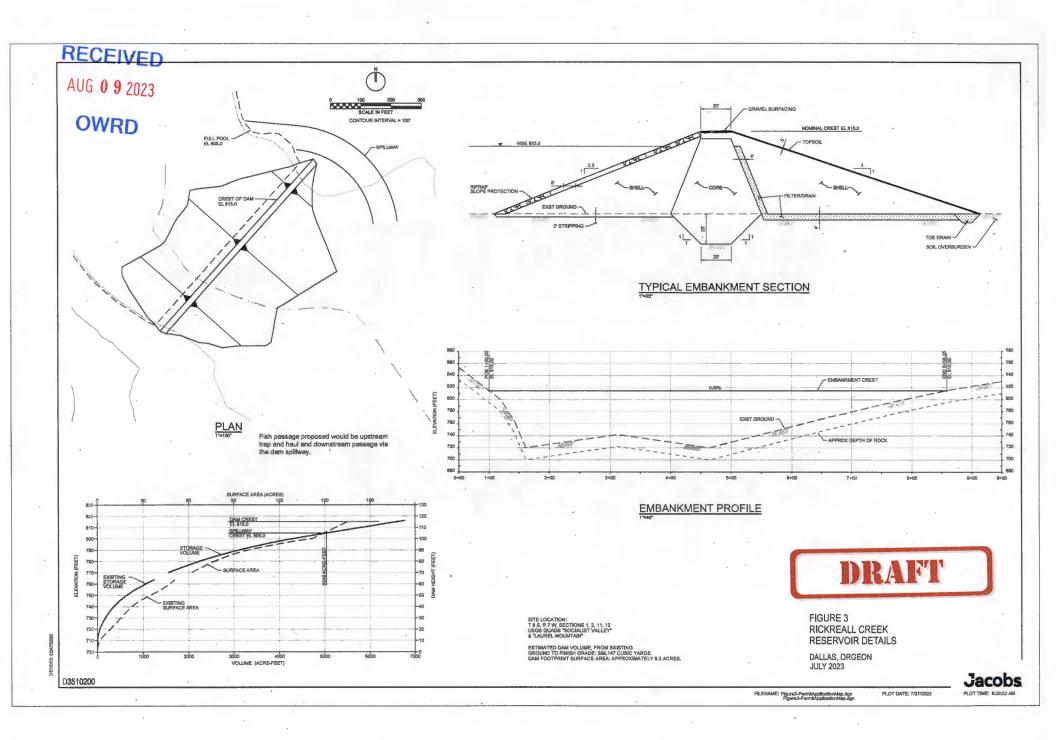
EXCEPTING

THAT REAL PROPERTY CONVEYED TO THE CITY OF DALLAS DESCRIBED IN PROPERTY LINE ADJUSTMENT DEED PER LLA 17-30, RECORDED IN POLK COUNTY RECORDS 2017-013202

Tax lot 600 Account 297716 Owner MID-VALLEY RESOURCES INC

THE SOUTH ONE-HALF OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 SOUTH, RANGE 7 WEST OF THE WILLAMETTE MERIDIAN, POLK COUNTY, OREGON.

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To the City of Dallas, Oregon:

Manulife Investment Management Forest Management (Manulife), on behalf of and as agent for John Hancock Life Insurance Company (USA), Golden Pond Timberlands Inc., Hancock Timberland XI Inc. and Boston Timber Opportunities LLC, the private timberlands owners in the area surrounding Rickreall Creek and Aaron Mercer Reservoir, expresses its support for the plans of the City of Dallas to upgrade and improve the Aaron Mercer Reservoir dam that will provide improved flood control, protect dam integrity, and insure a continued source of drinking water for the City.

Please reach out if we can provide additional information.

Sincerely,

Jerry Anderson Anderson

Cn=Jerry Anderson, o=Manulife Investment Management, ou=Western Oregon Region Manager, email=Janderson@manulife.com, c=US 2023.03.21 15:03:13 -07'00'

Jerry W. Anderson Region Manager - Western Oregon 503-551-0662 janderson@manulife.com

MEMORANDUM OF UNDERSTANDING

MERCER DAM AND RESERVOIR UPGRADE AND EXPANSION

This Memorandum of Understanding (MOU) is entered into by and between the City of Dallas, Oregon, an Oregon municipal corporation (City) and Mid-Valley Resources, Inc., an Oregon corporation (Mid-Valley).

City is the owner and operator of Mercer Dam and Mercer Reservoir, located on the Rickreall Creek in T8S R6W Section 6 NESW and T8S R7W S1 SWSE, Polk County, Oregon, which serves as the municipal water supply for City.

Mid-Valley owns Tax Lot 600, Tax Account No. 297716 (Tax Lot 600), being 80 acres in size, located on the Rickreall Creek, west of Mercer Reservoir.

Dallas has made application to the Oregon Water Resources Department to upgrade and effectively replace Mercer Dam and expand Mercer Reservoir to provide improved flood control, protect dam integrity, and insure a continued source of drinking water for the City (the Project).

It is anticipated that the Project will impact Tax Lot 600 and will require that Tax Lot 600, or a substantial portion thereof, be sold by Mid-Valley to the City for access to facilitate the development of the Project and for reservoir/watershed use and routine operations and maintenance. Realignment of the current access road around the dam and reservoir is included as a part of the project.

Mid-Valley hereby expresses its support for the Project and agrees that it will cooperate in good faith with City in the application, development, construction and permanent maintenance and operation of the Project, including the sale of Tax Lot 600 as may be reasonably necessary for such purposes; provided that unless and until the parties mutually agree to the terms of the sale, neither party shall be obligated to complete the sale.

Dated /11 22 , 2023

CITY OF DALLAS, OREGON

By:

Brian Latta, City Manager

MID-VALLEY RESOURCES, INC.

OWRD

By: Print Nam

MEMORANDUM OF UNDERSTANDING - MERCER DAM AND RESERVOIR

Title: Vice President-Resources

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