

BEFORE THE OREGON WATER RESOURCES DEPARTMENT

In the Matter of Water Right Applications G-15241,))
G-15243, G-15244, and S-85336 in the name of))
Springfield Utility Board))
Applicants and Protestants))
_____))

**AMENDMENT TO
SETTLEMENT AGREEMENT**

On February 24, 2006, the Oregon Water Resources Department (“OWRD”) and Springfield Utility Board (“Applicant”), referred to collectively as “the Parties” and each individually a “Party,” entered into a “Settlement Agreement” pertaining to Applicant’s water right applications G-15241, G-15243, G-15244, and S-85336. This document is an “Amendment” to the Settlement Agreement.

1. The Parties agree that Stipulation IV of the Settlement Agreement is amended to read in its entirety as follows:

“OWRD and Applicant agree that all issues raised in Applicant’s protests against the PFOs for Applications G-15241, G-15243, G-15244, and S-85336 are resolved solely on the following terms, including any amendment(s) to this Settlement Agreement.”

2. The Parties agree that Term #1 of the Settlement Agreement is amended to read in its entirety as follows:

“In signing this Settlement Agreement, and contingent on OWRD performing in accordance with this Settlement Agreement and any Amendment(s) thereto, Applicant withdraws its protests to the PFOs for Applications G-15241, G-15243, G-15244, and S-85336 with prejudice.”

3. The Parties agree that Term #2 of the Settlement Agreement is amended to read in its entirety as follows:

“Regarding Applications G-15241, G-15243, G-15244, and S-85336, upon full performance under this Settlement Agreement and any Amendment(s) thereto, Applicant expressly waives all right and opportunity to file a protest or request for contested case hearing, request for reconsideration, exceptions, or to seek judicial review of the Final Orders or Permits, in addition to waiving any right and opportunity to challenge this Settlement Agreement.”

4. The Parties agree that Term #4 of the Settlement Agreement is modified to state, in its entirety:

“Except as provided below, no later than January 26, 2007, OWRD will issue Final Orders and Permits that are consistent with the Draft Final Orders and Draft Permits attached to the February 24, 2006 Settlement Agreement. Any Final Orders on water right applications G-15241, G-15243, G-15244, and S-85336 will incorporate the February 24, 2006 Settlement Agreement and any Amendment(s) thereto, by reference and as attachments.

On or before November 27, 2006, the Applicant may submit additional information or proposals to OWRD pertaining to mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336.

If the Applicant timely submits such information or proposals, OWRD will make a determination, no later than December 27, 2006, as to whether any modification to mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336 will be approved.

In the event that the Applicant submits information or proposals to OWRD as provided above, but OWRD determines that no modifications will be made to the mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336, the Parties agree that OWRD will issue, no later than January 26, 2007, final orders and permits consistent with the Draft Final Orders and Draft Permits attached to the February 24, 2006 Settlement Agreement.

If OWRD determines that modification(s) will be made to mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336, OWRD will issue, no later than January 26, 2007, Final Orders and Permits consistent with the Draft Final Orders and Draft Permits attached to the February 24, 2006 Settlement Agreement, except as modified by OWRD.

In addition to the Applicant's waivers contained in Term #2 of the February 24, 2006 Settlement Agreement including any amendment(s) to Term #2, the Applicant hereby expressly waives all right and opportunity to challenge any determination by OWRD as to whether modifications will or will not be made to the mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336. Applicant also hereby expressly waives all right and opportunity to challenge any modification(s) made by OWRD to the mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336.

However, if the Applicant disagrees with modification(s) that OWRD has determined will be made to the mitigation requirements associated with water right applications G-15241, G-15243, G-15244, and S-85336, the Applicant may submit a letter to OWRD on or before January 10, 2007, requesting to retain the mitigation requirements set forth in the February 24, 2006 Settlement Agreement and the attached Draft Final Orders and Draft Permits. If the Applicant timely makes such a request, OWRD will issue, no later than February 8, 2007, Final Orders and Permits consistent with the Draft Final Orders and Draft Permits attached to the February 24, 2006 Settlement Agreement.”

5. The Parties to this Amendment agree that this Amendment does not allow, and cannot be construed to allow, any challenge whatsoever to the February 24, 2006 Settlement Agreement including the attached Draft Final Orders and Draft Permits, this Amendment, or Final Orders or Permits for water right applications G-15241, G-15243, G-15244, and S-85336.


6. Except as provided above, the Parties to this Amendment agree that the Settlement Agreement is unchanged and remains in full effect.

7. The Parties to this Amendment acknowledge that the time periods specified in item #4, above, may be extended for a reasonable duration by an additional amendment to the Settlement Agreement. However, neither Party is bound to propose or agree to any such additional amendment, and any additional amendment would require the written agreement of both Parties.

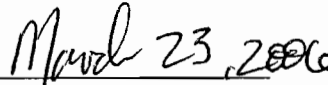
8. Each Party to this Amendment represents, warrants, and agrees that the person who executed this Amendment on its behalf has the full right and authority to enter into this Amendment on behalf of that Party and bind that Party to the terms of this Amendment.

9. Each Party to this Amendment certifies that they have had a reasonable opportunity to review and request changes to the Amendment, and that they have signed this Amendment of their own free will and accord. Each Party to this Amendment also certifies that it has read the entire Amendment, and understands and fully agrees with the contents thereof.

10. This Amendment may be signed in counterparts.



Dwight French, Administrator,
Water Rights and Adjudications Division
for
Phillip C. Ward, Director
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301



Date

Springfield Utility Board, Applicant

Date

5. The Parties to this Amendment agree that this Amendment does not allow, and cannot be construed to allow, any challenge whatsoever to the February 24, 2006 Settlement Agreement including the attached Draft Final Orders and Draft Permits, this Amendment, or Final Orders or Permits for water right applications G-15241, G-15243, G-15244, and S-85336.

6. Except as provided above, the Parties to this Amendment agree that the Settlement Agreement is unchanged and remains in full effect.

7. The Parties to this Amendment acknowledge that the time periods specified in item #4, above, may be extended for a reasonable duration by an additional amendment to the Settlement Agreement. However, neither Party is bound to propose or agree to any such additional amendment, and any additional amendment would require the written agreement of both Parties.

8. Each Party to this Amendment represents, warrants, and agrees that the person who executed this Amendment on its behalf has the full right and authority to enter into this Amendment on behalf of that Party and bind that Party to the terms of this Amendment.

9. Each Party to this Amendment certifies that they have had a reasonable opportunity to review and request changes to the Amendment, and that they have signed this Amendment of their own free will and accord. Each Party to this Amendment also certifies that it has read the entire Amendment, and understands and fully agrees with the contents thereof.

10. This Amendment may be signed in counterparts.

Dwight French, Administrator,
Water Rights and Adjudications Division
for
Phillip C. Ward, Director
Oregon Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301

Date


Springfield Utility Board, Applicant

3/22/06
Date

RECEIVED

MAR 23 2006

WATER RESOURCES DEPT
SALEM OREGON