



**NEHALEM CITY COUNCIL
SPECIAL MEETING
WEDNESDAY, JANUARY 19, 2022 – 6:00 p.m.**

TELECONFERENCE MEETING

Please use the following phone number to access the teleconference meeting:

Call Toll-free: 888 788 0099

Meeting ID: 819 2578 2420

**CALL TO ORDER
ROLL CALL**

OLD BUSINESS:

1. **PUBLIC HEARING: Resolution 2022-01:** A Resolution Considering Exemptions in the Water Connection Moratorium Area North/Northeast of Bob's Creek from North Fork Road and East of the Intersection of North Fork Road and McDonald Road

**COUNCIL COMMENTS
PUBLIC COMMENTS**

ADJOURNMENT

If you do not have access to a phone or need other accommodations to access the teleconference meeting, please contact City Hall at least 48 hours prior to the meeting.



RESOLUTION 2022-01:

A RESOLUTION CONSIDERING EXEMPTIONS FROM THE WATER CONNECTION MORATORIUM FOR THE AREA NORTH/NORTHEAST OF BOB’S CREEK FROM NORTH FORK ROAD AND EAST OF THE INTERSECTION OF NORTH FORK ROAD AND MCDONALD ROAD

WHEREAS the City of Nehalem operates a municipal water system serving its citizens located within the City limits as well as serving properties located outside the City limits, and

WHEREAS the City of Nehalem has sufficient water to serve properties located along its water lines that are currently in existence, as well as sufficient water for future anticipated growth, and

WHEREAS the City of Nehalem is a “water supplier” under OAR 333-061-00200(150) and as a water supplier, the City has the obligation of “maintaining a pressure of at least 20 pounds per square inch (psi) at all service connections at all times”, and

WHEREAS the City of Nehalem has discovered certain areas along its water lines where this standard of 20 psi cannot be maintained at all times without additional improvements of water reservoirs, water pumps and other recognized tools to increase water pressure within an area, and

WHEREAS there are a number of properties which could be developed if there was sufficient water pressure available to the property. For those properties located within a subdivision, Section 51.09 of the City’s Water Ordinance states that the developer of a subdivision is responsible for the design and installation, at his or her sole expense, of that portion of the water system to be located within the subject property, including all service connections, valves, meters and the like. Further, Section 51.09(B)(1) of the City’s Water Ordinance requires the developer of a subdivision to pay for all off-site costs required to provide adequate service to the subdivision. For individual properties not located in a subdivision, it is the responsibility of the owner to provide any necessary improvements for sufficient water pressure to their respective properties, without reducing pressure to other users of the system, and

WHEREAS the City has discovered that there are properties currently on the City water system where there is reported low water pressure, and at times, negative pressure, which has resulted in damage. Allowing additional water service connections in these areas could exacerbate the low-pressure issue for many of the current users, as well as resulting in pressure

below the required 20 psi. These areas have been identified as those properties north/northeast of Bob's Creek on North Fork Road and east of the intersection of North Fork Road and McDonald Road, and

WHEREAS the areas identified with low pressure are all outside the City limits, with some located outside the City's Urban Growth Boundary. The City has no jurisdiction in these areas for issuing building permits or requiring improvements to be made as part of a building permit. If properties in these areas are allowed to connect to the City water system, it will adversely affect many existing users along the water line. Further, if booster pumps were allowed, then at some point in the future, the pump usage could cause a vacuum in the system and negative pressure, thereby collapsing the line or adversely affecting users, and

WHEREAS the City adopted Resolution 2021-13 on December 13, 2021 which is a water service connection moratorium for those areas north/northeast of Bob's Creek from North Fork Road, and east of the intersection of North Fork Road and McDonald Road, and

WHEREAS the City has received a number of requests for exemption from the water service connection moratorium. Pursuant to those requests, the City requested its City Engineer to look at his data and to determine if any additional connections in the water service area will adversely affect the current existing users of the system by dropping the water pressure below the required 20 p.s.i. standard and determine what, if any safeguards can be put in place to protect the current water users, and

WHEREAS of the requests for an exemption to the water service connection moratorium, two of the properties had received a water availability letter from the City, had received a building permit from Tillamook County and had started construction on their properties for a single family residence.

NOW, THEREFORE, based upon the above facts and upon the January 11, 2022 memorandum by the City Engineer, the City Council resolves that:

1. The City will allow the Stuart Simmons property located at 14050 Riverview Meadows Lane and the Nancy Hornshuh and Paul McMahan property located at 14085 Riverview Meadows Lane to connect to the City water system under the following conditions:
 - a. The water connection must be no greater than a ½" meter and shall be limited to 10 g.p.m by an appropriate throttling valve placed on the City side of the water service connection.
 - b. The maximum allowable requirement of 10 g.p.m. be noted in the approval certificate or documentation so that all parties are aware of the conditions of approval.
 - c. The owner/applicant may upgrade their service to a standard residential connection after the water service connection moratorium is rescinded, at their expense.

- d. The owner/applicant will comply with all of the City water connection rules and pay all required fees, including the cost of the ½” meter and the throttling valve, as well as the installation of both.
2. The City authorizes City staff to acquire a pressure sustaining valve for installation on the water main that services the Riverview Meadows Subdivision, Phase I.
3. The City will continue to monitor the water pressure in the moratorium area as these additional two water connections are added, and as the pressure sustaining valve is installed, to determine if the City can maintain its required 20 p.s.i. water pressure for all connections at all times and if the City can safely add any more users to the City water system in the moratorium area.
4. The City will continue to work with the property owners in the moratorium area to seek a comprehensive solution to the water pressure problem affecting this area.

APPROVED this ___ day of January 2022 by the Nehalem City Council and signed by the Mayor of the City of Nehalem this ____ day January 2022.

CITY OF NEHALEM

By: Bill L. Dillard, Jr., Mayor

ATTEST:

Melissa Thompson-Kiefer, City Manager

January 11, 2022

City of Nehalem
P.O. Box 143
Nehalem, OR 97131



Attn: City Manager, Melissa Thompson-Kiefer

Re: Engineering Rational to Add Limited Water Connections

Dear Melissa,

The City of Nehalem requested input on the inquiry regarding the availability of additional water service connections on the City's water system in the proposed Water Moratorium location. From an engineering perspective, how can we add very limited connection(s) while maintaining a State mandated 20 pounds per square inch (psi) at the Riverview Meadows Subdivision? We have reviewed your question and the available information to determine if additional water service connections can be added.

We know from recent, very limited hydrant testing, that when the hydrants along North Fork Road are operated, the pressures at the top of the eastern development, i.e., Riverview Meadows are adversely affected.

The eastern portion of the City is served by a single water line that is not looped. For this reason, flow and pressure for this portion of the City are impacted more significantly with high demands than other parts of the system. So, while looking at providing adequate pressure for the existing customers, it is evident and imperative to understand the relationship between flow and pressure.

Nehalem has a significant number of houses already connected to the very long water pipe running out North Fork, McDonald Road and Highway 53. While the pressure can be maintained if only a few customers are using water at the same time, high flows at certain times of day (like supper time demands) will lower the actual pressure to the development at higher elevations. In fact, so much water can be used in a high flow situation that the water pressure at the top will fall below the 20 psi mark. This effect, in reality, becomes the engineering rational to add a very limited number of connections.

Based on our water system analysis, the water system can support an additional demand of 100 gallons per minute (gpm) on an average day. This was determined in our analysis by applying flows, in the subject locations of the system, while measuring the residual static pressure at the highest nodes within the service area. Once 100 gpm was input to the Nehalem System Model, 20 psi was output on the highest node.

This approximate available flow of 100 gpm, before the pressure starts to be affected, is the "headroom" or "buffer" available in the system on this water line. Because this approximate headroom has not been tied to a high-water demand or use period, it requires a *Factor of Safety* to account for factors outside this analysis. Given the constraints of a limited water system, it is appropriate to use a 2:1 Factor of Safety. This would further reduce the available flow in the system to 50 gpm. This could be allocated to add a very limited number of connections.

If this additional flow is approved by the City, this method would allow immediate relief to those customers that are attempting to complete their projects. In order to ensure that any additional connections only draw the allotted amount of water, each water connection must be no greater than a 1/2" meter and shall be limited to 10 gpm by an appropriate means (namely a throttling valve) placed on the City side of the water service connection. City approvals should state that this maximum allowable requirement of 10 gpm

be noted in the approval certificate or documentation so that all parties would know of the emergency nature of the approval.

We recommend that the City monitor the effect of the additional service connections as they become active. Simultaneous to this monitoring, it is recommended that a pressure sustaining valve be installed on the water main that services the Riverview Meadow subdivision. Any unanticipated impacts should be evaluated and reported and re-analyzed in the Water System Model immediately to minimize further stress on the water system.

The primary goal of a municipal water system is to provide safe drinking water to residents and adequate fire flow to serve the community. We recommend additional fire flow analysis to determine how fire flow events will impact the water system as a whole. As future planning continues, in order to remedy the pressure and flow issues on the North Fork water main, coordination with Nehalem Bay Fire and Rescue will be critical. Fire protection is paramount and determining a solution that provides additional hydrant flows and pressure is an important next step

Sincerely,
North Coast Civil Design, LLC



Kyle Ayers, PE
Principle in Charge

Moratorium Exemption Request List

Tax Lot	Address	Name	Property	Under Construction	Building Permit #	Water Service Availability Letter	Notes/Public Comments
3N1023B003100	14050 RIVERVIEW MEADOWS LN	SIMMONS, STUART (DEL)	Riverview Meadows Phase 1		851-21-1960 DWL	Yes	Permitted by County 9/17/2021, made commitments of buying windows and due to start excavation.
3N1023B001800	14085 RIVERVIEW MEADOWS LN	HORNSHUH, NANCY & MCMAHON, PAUL	Riverview Meadows Phase 1	Yes	851-21-1742 DWL	Yes	Permitted by County 7/12/2021, Contractor Kevin Russo stated they started construction before testing.
3N1023AC02900	15605 LIARS LAIR	WATERMAN, TARA	Mc Donald Rd/Liars Lair			No	Property has had water service before. Meter box at street with no meter.
3N1024DC00800	Twin Lakes Subdivision	SELLARS, CLAYTON	Twin Lakes Lot			No	Easement for water line on property, if the city doesn't want to recognize the easement then remove the waterline. Submitted letter requesting exemption.
3N1024DC00300, 400,500,600,700,900,100 0,1100,1200	Twin Lakes Subdivision	ROLL TIDE PROPERTIES / DAVE VANDEHEY	Twin Lakes Lot			No	Also has easement on one lot would like issue to be resolved or would ask waterline be removed.

Melissa Thompson-Kiefer

From: Nancy Hornshuh <nancyhornshuh@gmail.com>
Sent: Monday, December 13, 2021 3:45 PM
To: Melissa Thompson-Kiefer
Subject: Re: Water Service Availability and Zoning Approval Letters

Thank you for your reply to my questions. I would like to submit a letter for the council meeting tonight regarding this matter. I am also sending by separate email my copy of the City Zoning Approval.

We are the owners of Lot 3 in Riverview Meadows. Our lot is located in Phase 1 of Riverview Meadows. We received city zoning approval for a building permit from the City of Nehalem July 1, 2021. As a condition we are required to install a booster pump for adequate water pressure and a double-check valve backflow prevention assembly. Our contractor, Kevin Russo Construction stipulated to those conditions prior to receiving the City Zoning Approval.

Since receiving a building permit from Tillamook County we have commenced construction. We have made a substantial investment toward building our new home. We have had electrical service installed and have paid the City of Nehalem for a sewer hook-up. We were not informed that there was a Moratorium on new water connections until our builder went to pay the hook-up fee in early December.

After researching the water issue it seems that the City has been aware of a possible problem with water pressure since October, yet did not notify us, nor say anything to our builder when he paid the sewer hook-up fee.

We just recently became aware of the disclaimer on a June 22, 2021 letter to Tillamook County Building Department, regarding water hook up. The copy of the City zoning approval that we received, dated July 1, 2021, does not show that disclaimer.

It is our hope that the City will grant us an exception to the water service Moratorium, as we have acted in good faith that water would be provided.

Thank you,
Nancy Hornshuh
Paul McMahon

NEHALEM

Date: 07/01/2021

To: TILLAMOOK COUNTY DEPT. OF COMMUNITY DEVELOPMENT

Attn: Building Department

Re: CITY ZONING APPROVAL FOR BUILDING PERMIT

This is to certify only that the proposed structure is allowed in the zone in which it is proposed to be built.

Situs Address: _____

Map Number /Tax Lot(s): 3N1023B001800

Applicant/Property Owner:

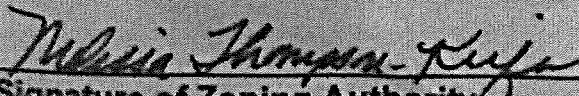
Name: Paul McMahon & Nancy Homshuh Phone: 917-324-0014

Mailing Address: PO Box 743 Email: _____

City: Manzanita State: OR Zip Code: 97130

Proposed Structure: Single Family Residence

Conditions or Comments: Property owner required to install a booster pump for adequate water pressure, and required to install a double-check valve backflow prevention assembly.



Signature of Zoning Authority

City Manager
Title

Tara Waterman
37650 Northfork Rd.
Nehalem, OR 97131
(503) 440-1118
tara.waterman@ticortitle.com



December 29, 2021

City of Nehalem
Attn: Melissa Thompson-Kiefer, City Manager
P.O. Box 143
Nehalem, OR 97131

Dear Melissa:

I am writing in response to the Moratorium that was passed at the November 8, 2021 Regular Council Meeting.

I own real property located at 15605 Liars Lair where an existing waterline is located. The City of Nehalem accepted this water line into the City water system when they installed the waterline. By accepting waterlines into its system outside of the City limits, the city has accepted the statutory responsibilities of a water supplier under Oregon law.

There was an existing home on this lot that was supplied water by the City. This was a Manufactured Home that was destroyed in a flood and has since been removed. The water box is at the street however it just needs a meter. The City currently provides water for every house on Liars Lair and has for years.

My property should not fall under the Moratorium and as Ms. Albright stated in the meeting should be an exception. I am requesting an exception to the Moratorium and would like to request our water to be reconnected immediately.

Sincerely,

A handwritten signature in blue ink that reads 'Tara Waterman'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Tara Waterman

January 7, 2022

Via Electronic Mail to:
Melissa Thomson-Kiefer, City Manager
mthompson@nehalem.gov

Mayor & City Council
City of Nehalem
P.O. Box 143
Nehalem, OR 97131

RE: Exception to Moratorium allowing my water connection

Dear Honorable Mayor and City Council Members:

This letter is to reiterate my request for a water connection. My lot 3N1024DC00800 is located in Nehalem and currently has a city water line installed on the property. When this line was installed, the city paid nothing to grantor other than the recorded promise allowing access to the water service. (See attached easement).

I made my latest formal request to the city for a water connection on December 14, 2021. A copy of it is attached below. The city staff have said they are forwarding my request to you for your consideration this evening. I ask you to please approve my request.

I am confident that if you ask your city engineer, that he will truthfully tell you that giving me the promised water connection will not hurt anything or anyone in or out of the city.

It is my understanding that only the city Council Members can allow a water connection during the moratorium. If that is the case, I am more hopeful than ever that this will be remedied. I ask the council members to consider my request for my one water connection alone and by itself and encourage the council members to ask questions to the city engineer and public works director to understand how my one water connection will affect the city water system.

There is no good faith way the city can claim that my water easement is not valid. All of the legal experts who have reviewed it agree that the city has an obligation to provide water having accepted an easement over my property for the city water line.

I have made several attempts to remedy this with the city to no avail. I am not a developer. I am just trying to build my personal home for my son and I on this lot I purchased in 2017. This water request is for my one lot with the RECORDED easement only. NOT all 10 lots behind.

I am incredibly surprised this has gone on so long. I feel blatantly ignored and feel like my situation is not being taken seriously. This is extremely unfair.

Nehalem Bay Fire and rescue have approved my build stating that there is sufficient water pressure and flow.

The city has made no attempts to address my easement. I am either completely ignored, or I am given a very generic response. I have made it clear if the city does not abide by the terms of the easement, I wish the water line to be removed from the property.

I am attaching the recorded easement, most recent water request, Nehalem Bay Fire and Rescue building approval, and hydrant flow test in front of my property.

Thank you all for your consideration

Sincerely,

-Clayton Sellars

Clayton Sellars

P.O. Box 261
Nehalem, OR 97131 (503)
440-1029
cdsconstruction@live.com

14th December 2021

Brian Moore

Public Works Director, City Of Nehalem
35900 8th Street
P.O. Box 143 Nehalem,
OR 97131
bmoore@nehalem.gov

Dear Brian,

I am writing you to request a water availability letter to serve my lot 3N1024DC00800 in Nehalem. I am unable to build my home and obtain a building permit without a water approval letter to submit to Tillamook County. Due to the circumstances I am currently dealing with I ask that you make an exception to the recent Moratorium that was just adopted.

Attached is the recorded easement that was drafted by attorney Joel Sacks granting the City Of Nehalem a 10' strip of my property in return for a connection to the water line. (see section four)

Also attached is the hydrant flow test for the hydrant just downstream from my property. I have confirmed that the pressure and flow stated in the test meet or exceed state fire code. I have also confirmed with the Oregon Health Authority that these readings comply with Oregon Drinking Water Services guidelines to provide water service to my residential home.

Also attached is the Nehalem Bay Fire and Rescue District Building Review and Approval form. This confirms I meet state fire code and the fire department has stated such and approved my building request.

Thank you for your prompt attention to this matter as I am concerned that if I wait any longer this may get more difficult due to the recent events.

Sincerely,

-Clay

Your Name

DEED-ESMAT
\$15.00 \$11.00 \$16.00 \$10.00 - Total = \$52.00



00116418201200029040030031

I hereby certify that the within
instrument was received for record and
recorded in the County of Tillamook,
State of Oregon.



Tassi O'Neil, Tillamook County Clerk

EASEMENT FOR UTILITIES IN FAVOR OF CITY OF NEHALEM, OREGON

Easement made as of May 18, 2012, by and between Roland A. Thompson, hereinafter referred to as Grantor, and The City of Nehalem, Oregon, hereinafter referred to as Grantee.

SECTION ONE CONVEYANCE OF EASEMENT

Grantor hereby grants and conveys to Grantee an easement of a ten foot (10') wide strip of land running along and parallel to Highway 53 over the full length of Grantor's property. This grant of easement shall be for utilities for the public good, to be used in a fashion typically undertaken by the Grantee for its utilities over, above, and across the property owned by Grantors and described as follows, all in accord and including Exhibit A attached:

**Tillamook County Tax Account # 88782; Map #3N1024DC00700
known as Twin Lakes Block 1 Lot 5, Tax lots 700 and 800.**

SECTION TWO MAINTENANCE

The easement described above shall be maintained in good repair by Grantee at their sole cost and expense. Whenever Grantee performs any work on the land that is the subject of this easement the affected portion shall be restored to the same or better condition then it was prior to such work being performed.

SECTION THREE EASEMENT TO RUN WITH LAND

This grant of easement shall run so long as Grantee provides utility services for the City of Nehalem, Oregon, as well as other areas serviced by Grantee. Such easement shall be binding on and shall inure to the benefit of the parties to this easement, their respective heirs, successors,

After recording return to:
City of Nehalem, OR.
PO Box 143
Nehalem, OR. 97131

ZERO CONSIDERATION PAID TO GRANTOR.

or assigns. Should the City of Nehalem, Oregon abandon its usage this easement shall terminate and no longer be of benefit to anyone or any entity other than grantor.

**SECTION FOUR
CONSIDERATION FOR GRANT OF EASEMENT**

No consideration shall be paid by Grantee to Grantor other than the benefit received by Grantor by having access to utilities not currently enjoyed by him.

In witness whereof, Roland A. Thompson, owner, has executed this easement.

Dated 5/12/2012 2012

Roland A. Thompson, grantor *Roland A. Thompson*

Colorado
STATE OF ~~OREGON~~)
 Lanier) ss.
County of ~~Fillmore~~)

Roland A. Thompson, grantor, has appeared and sworn before me this 18 day of May, 2012, that he is conveying this easement to the city of Nehalem, Oregon.

Elizabeth King
NOTARY PUBLIC FOR ~~OREGON~~
Colorado

My commission expires 3/11/2013

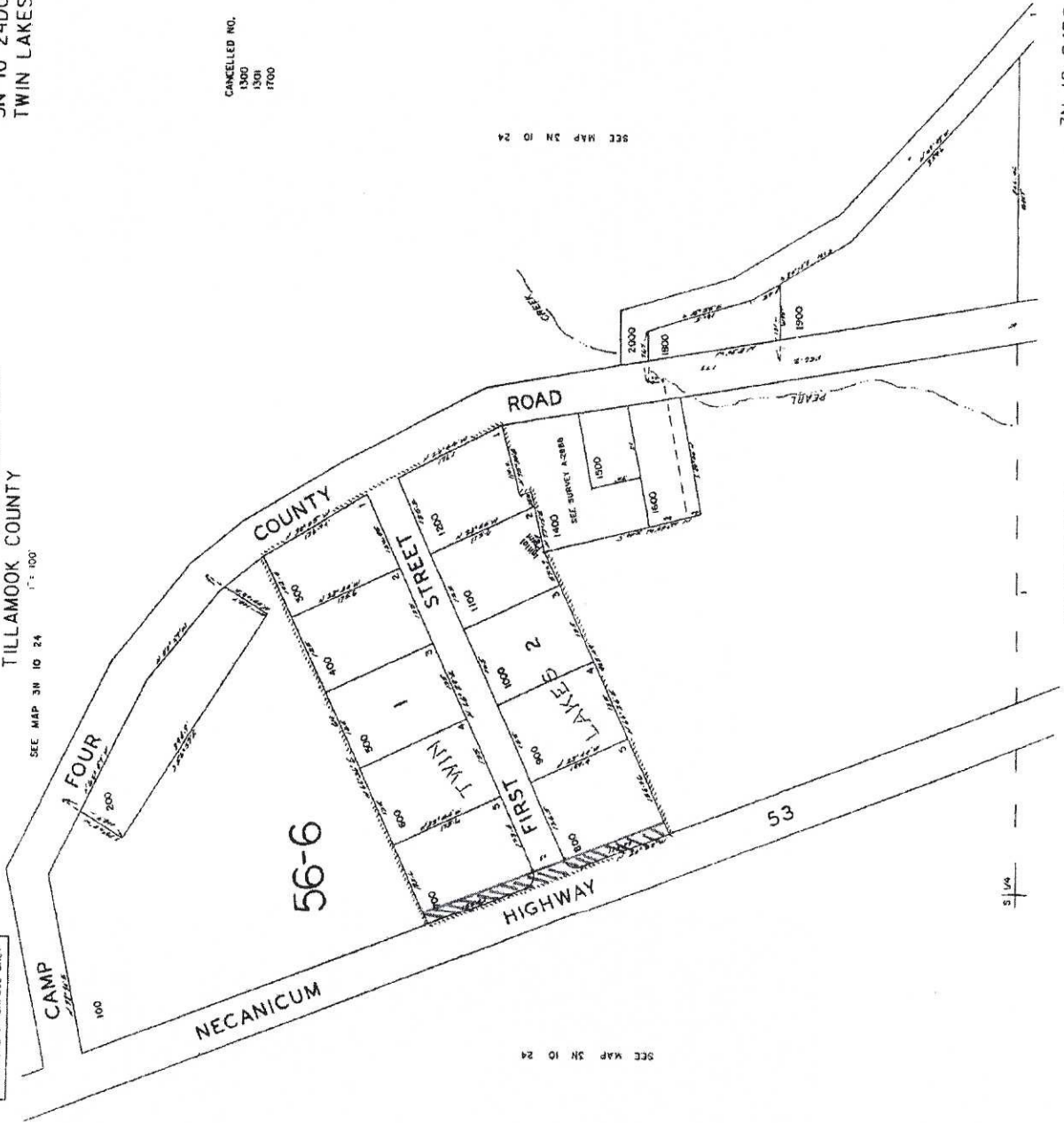
EXHIBIT A

3N 10 24DC
TWIN LAKES

CANCELLED NO.
1300
1301
1700

SE1/4 SE1/4 SEC.24 T.3N. R.10W. W.M.
TILLAMOOK COUNTY
SEE MAP 3N 10 24 1" = 100'

THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY



3N 10 24DC
REVISED 10/09/08, #5

SEE MAP 3N 10 25

SEE MAP 3N 10 24

SEE MAP 3N 10 24



Nehalem Bay Fire & Rescue

Flow Test for Hydrant N-81

Start Time: 2020-08-04 10:52:25

End Time: 2020-08-04 10:55:12

Tested By: Knight III, Frankie

Test Hydrant

Static Pressure:	80.0
Residual Pressure:	20.0
Desired Pressure:	20.0
Volume at Desired Pressure:	349.0

Flow Hydrants

Downstream Hydrant ID	Port Diameter	Friction Coefficient	Pitot Pressure	Flow (Calculated)
	2.0	1.3100000000000001	5.0	349.0



Nehalem Bay Fire & Rescue

Flow Test for Hydrant N-81

Start Time: 2015-11-10 16:33:06

End Time: 2015-11-10 16:33:33

Tested By: Walsh , Jesse H

Test Hydrant

Static Pressure:	80.0
Residual Pressure:	14.0
Desired Pressure:	20.0
Volume at Desired Pressure:	331.0

Flow Hydrants

Downstream Hydrant ID	Port Diameter	Friction Coefficient	Pitot Pressure	Flow (Calculated)
	2.0	1.3100000000000001	5.0	349.0

Nehalem Bay Fire & Rescue District Building Review & Approval Form

36375 Hwy 101 N.
Nehalem, OR 97131
Office 503-368-7590
Fax 503-368-7580

This form must be completed and signed by the Fire District prior to applying for a Building Permit or Manufactured Dwelling Placement Permit.

Township	Range	Section	1/4 Sect	1/16 Sect	Tax Lot # (00500)	Legal Property Owner:	Clayton Sellers	
3N	10	24	D	C	00800			
Street Address:	Twin Lakes Block 2 Lot 5		Mailing Address:	PO Box 261				
Phone #:	503-440-1029		City:	Nehalem	State:	OR	Zip Code:	97131
Proposed Development / Construction:	Residential		Water Source:	Water District		Water District:	Nehalem	

* You will need to provide documentation from the Water Resources Department showing the gallons per minute (GPM) available to your property and a copy of your Well Report or Residential Water Right to your water source.

Fire District to Complete Information Below

1. Review of road access for the fire district use to the property resulted in the following:

- The road access is passable for Emergency Vehicles
 The road access is not passable for Emergency Vehicles

2. Review of water supply for fire district use to the property resulted in the following:

- There is adequate water available to the property for fire suppression.
(Minimum of 250 GPM for a 4 hour duration. ISO Rural Water Supply Requirement)
 There is not adequate water available to the property for fire suppression

Comments:

3. Action Taken:

- I have reviewed the information regarding the property listed above and Approve.
 I have reviewed the information regarding the property listed above and do not Approve.

Printed Name: Chris Beswick, Fire Chief



Signature:

Date: 7/6/2021

January 14, 2022

David Vandehey
Roll Tide Properties Corp. 401k PSP Trust
PO Box 703
Cornelius, OR 97113

Via Electronic Mail

Mr. Bill L. Dillard Jr.
Nehalem City Council
35900 8th Street
Nehalem, OR 97131

RE: Request for exemption from City Water Connection Moratorium

Dear Mayor Dillard and Nehalem City Council Members:

As Trustee for Roll Tide Properties Corp. 401k PSP Trust, I am requesting that our 9 lots in the Twin Lakes development be considered for exemption from the water connection moratorium.

On February 1, 2012 Roland A. Thompson, the previous owner of these lots signed a promissory note promising to pay The Nehalem Bay Fire District \$35,000, due and payable 30 days following installation and completion of the water line passing along the property owned by Roland, located on Highway 53 on the West and bound by First Street on the North and Camp Four Road on the South.

On May 18, 2012 Roland also signed an easement for utilities in favor of City of Nehalem, Oregon. The easement granted a 10-foot-wide strip of land running along and parallel to Highway 53 over the full length of Roland's property. This grant of easement was for utilities for the public good. Roland's consideration for this easement was his gaining access to utilities not currently enjoyed by him. A waterline was installed and currently still exists in this easement.

Roland A. Thompson, the previous owner of the 10 lots that make up the Twin Lakes development, 9 of which are currently under our ownership, paid the \$35,000 and granted the utility easement under the agreement that he would have access to water for his 10 lots, access that wasn't previously available.

I request that you grant an exemption to the water connection moratorium for our 9 lots. We will meet all applicable building codes regarding water supply. In return, I will withdraw my appeal of the water connection moratorium.

My goal is to work with the city so that I can develop the lots with single family dwellings as I thought I could when I purchased the lots. I will participate in Wednesday night's hearing and will be happy to answer your questions and to discuss with you how to address the City's needs.

Sincerely,



David Vandehey

Roll Tide Properties Corp. 401k PSP Trust

Enclosure: Promissory Note, Easement

PROMISSORY NOTE

PAID
8/15/12

9^f

in full

Thirty Five Thousand Dollars
(\$35,000.00)

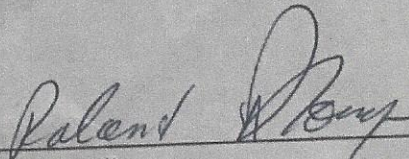
Nehalem, Oregon
February , 2012

For value received, Roland A. Thompson, the undersigned, promises to pay in lawful money of the United States to the order of The Nehalem Bay Fire District the principal sum of \$35,000. The aforesaid amount shall be fully due and payable thirty (30) days following installation and completion of the water line passing along the property owned by the maker of this note located on highway 53 on the west and bound by First Street on the North and Camp Four Road on the South. If this note is paid by the thirtieth day following completion of the water line, no interest shall accrue or be paid. If said payment has not been received in full by The Nehalem Bay Fire District within the time described, interest shall accrue at the rate of 5% per annum.

If the payment due pursuant to this note is not made when due, then the undersigned also will pay the holder of this note a late fee equal to one hundred dollars (\$100.00) per month.

The undersigned will pay on demand any and all expenses, including reasonable attorney fees, incurred or paid by the holder of this note without suit or action in attempting to collect funds due under this note. If an action is instituted to collect this note the prevailing party will be entitled to recover, at trial or on appeal, or in any bankruptcy proceeding, any sums that the court may adjudge reasonable as attorney fees, in addition to costs and necessary disbursements.

The undersigned and his successors and assigns hereby waive presentment for payment, notice of dishonor, protest, notice of protest, and diligence in collection, and consent that the time of payment on any part of this note may be extended by the holder without otherwise modifying, altering, releasing, affecting, or limiting their liability.

/s/ 
Roland A. Thompson



00116418201200029040030031

I hereby certify that the within instrument was received for record and recorded in the County of Tillamook, State of Oregon.



Tassi O'Neil, Tillamook County Clerk

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Grantor hereby grants and conveys to Grantee an easement of a ten foot (10') wide strip of land running along and parallel to Highway 53 over the full length of Grantor's property. This grant of easement shall be for utilities for the public good, to be used in a fashion typically undertaken by the Grantee for its utilities over, above, and across the property owned by Grantors and described as follows, all in accord and including Exhibit A attached:

**Tillamook County Tax Account # 88782; Map #3N1024DC00700
known as Twin Lakes Block 1 Lot 5, Tax lots 700 and 800.**

SECTION TWO MAINTENANCE

The easement described above shall be maintained in good repair by Grantee at their sole cost and expense. Whenever Grantee performs any work on the land that is the subject of this easement the affected portion shall be restored to the same or better condition then it was prior to such work being performed.

SECTION THREE EASEMENT TO RUN WITH LAND

This grant of easement shall run so long as Grantee provides utility services for the City of Nehalem, Oregon, as well as other areas serviced by Grantee. Such easement shall be binding on and shall inure to the benefit of the parties to this easement, their respective heirs, successors,

After recording return to:
City of Nehalem, OR.
PO Box 143
Nehalem, OR. 97131

ZERO CONSIDERATION PAID TO GRANTOR.

or assigns. Should the City of Nehalem, Oregon abandon its usage this easement shall terminate and no longer be of benefit to anyone or any entity other than grantor.

**SECTION FOUR
CONSIDERATION FOR GRANT OF EASEMENT**

No consideration shall be paid by Grantee to Grantor other than the benefit received by Grantor by having access to utilities not currently enjoyed by him.

In witness whereof, Roland A. Thompson, owner, has executed this easement.

Dated 5/12/2012 2012

Roland A. Thompson, grantor 

STATE OF ~~OREGON~~ ^{Colorado})
County of ~~Tillamook~~ ^{Lanier}) ss.

Roland A. Thompson, grantor, has appeared and sworn before me this 18 day of May, 2012, that he is conveying this easement to the city of Nehalem, Oregon.


NOTARY PUBLIC FOR ~~OREGON~~

Colorado

My commission expires 3/11/2013

EXHIBIT A

3N 10 24DC
TWIN LAKES

SE1/4 SE1/4 SEC.24 T.3N. R.10W. W.M.
TILLAMOOK COUNTY

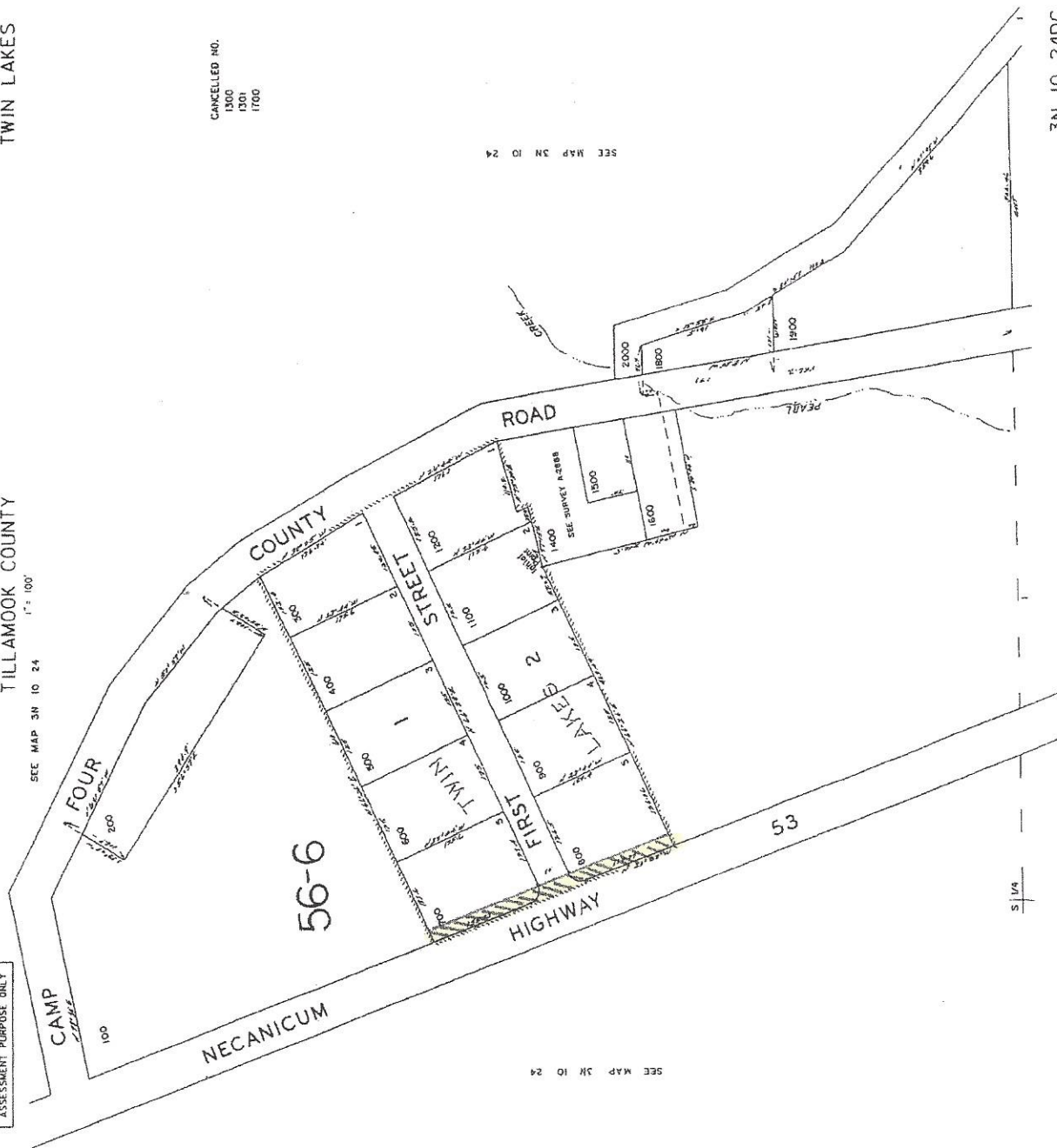
SEE MAP 3N 10 24
1" = 100'

THIS MAP WAS PREPARED FOR
ASSESSMENT PURPOSE ONLY

CANCELLED NO.
1300
1301
1700

SEE MAP 3N 10 24

3N 10 24DC
REVISED 10/03/08, WS



SEE MAP 3N 10 24

SEE MAP 3N 10 25