

Revised 15-Feb-94

MILL CREEK ENHANCEMENT FUND						
Project Description (Beginning Balance)	Amount \$10,000.00	Form 5 #	Invoice Number	Vendor	Date	NOTES
Hatch boxes	\$58 41	F037988	W#15576	G. Scribner		Receipt in files shows \$60 38
Yellowhawk Weirs, WA-HI	\$485 10		1758	M.H Builders	11/22/88	Bachhoe work, WA-HI Adopt-a-Stream
Yellowhawk Weirs, WA-HI	\$112 65	F037998		Drumhellers	06/05/89	Supplies, WA-HI Adopt-a-Stream
Hatch Boxes	\$257 36			G Scribner	06/05/89	PVC pipe, etc. for 3 hatch boxes
Yellowhawk Fish Trap	\$137.07	F286002	95220	Van Petten	11/13/89	Materials for adult fish trap in Yellowhawk Cr
Mill Cr Habitat Proj	\$6,987 00			A Key Excavating	12/03/89	Deflector construction in Mill Creek (5)
Hatch Boxes	\$66 93	A19		Gordon Scribner	11/18/91	Hatch box construction, fiberglass supplies, net
Hatch Box Supplies	\$42 60	B2487		Kevin Scribner	8/10/92	Plumbing supplies for hatch boxes
Yellowhawk Weirs ' 93	\$7.10	F246158		Lumbermans	11/13/93	Stakes
Yellowhawk Weirs ' 93	\$10 34	F030160	E2150	L&G Ranch Supply	11/11/93	Thermometer installation hardware
Yellowhawk Weirs ' 93	\$93 32	F030160	E2162	L&G Ranch Supply	11/11/93	Hardware Cloth
Yellowhawk Weirs ' 93	\$262 49	F246163		Konen Rock Products	12/22/93	Rip Rap
Yellowhawk Weirs ' 93	\$695 31	F246162		Harry Johnson Plumbing & Excavating	12/22/93	Log Weir Installation
Yellowhawk Weirs ' 93	\$571 34	F246164		Harry Johnson Plumbing & Excavating	01/04/94	Log Weir Installation
TOTAL EXPENSES	\$9,787.02					
REMAINING BALANCE	\$212.98					

CITY OF WALLA WALLA

BOX 478

WALLA WALLA, WA 99362

Office of Water System Manager

April 13, 1988

100-1-32

Mr. Bruce Smith
Washington Department of Game
8702 North Division Street
Spokane, Washington 99218

Subject: Settlement Payment

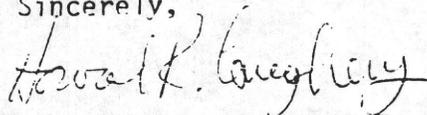
Dear Mr. Smith:

As per our telephone conversation earlier this week regarding the settlement agreement between the City and the Mill Creek Sportsmen's Association, please find enclosed a check in the amount of \$10,000 that is to be administered by your office.

The City would request that a complete accounting of the expenditure of these funds be provided to the City to assure proper expenditure.

If you should have any questions regarding this matter please do not hesitate to call me at 509-527-4463.

Sincerely,



Howard R. Laughery, P.E.
Water System Manager

br
Enclosures

*7/6/93 Howard L -
go ahead & spend this year
or it will go back to this
city. my*

*7/6/93 Donna Dowson
has rolled over funds
for 1993/4 will get
order in*

SETTLEMENT AGREEMENT

Parties

THIS AGREEMENT is entered into this 16th day of December, 1987, by and between the CITY OF WALLA WALLA, WASHINGTON ("Walla Walla"), and the MILL CREEK SPORTSMEN'S ASSOCIATION ("Sportsmen").

Recitals

1. Walla Walla has applied to the Federal Energy Regulatory Commission ("FERC") for a small conduit exemption pursuant to Section 408 of the Energy Security Act of 1980, 16 U.S.C. Section 2705 and 2708 as amended, 18 CFR Section 4.30 et seq., to permit installation and operation of a hydroelectric generation facility to be located near its twin reservoirs in Walla Walla, Washington. Walla Walla's request is being considered in FERC docket No. P-10376-000.
2. Sportsmen have intervened in FERC docket No. P-10376-000, and requested that FERC deny Walla Walla's requested small conduit exemption.
3. Walla Walla also applied for a hydroelectric permit from the Oregon Water Resources Commission ("WRC") (Application 68098). By Order dated March 13, 1987, WRC granted Walla Walla's request pursuant to ORS Chapter 543. WRC will issue Walla Walla a hydroelectric license or permit pursuant to the Order's terms following Walla Walla's submission of certain materials related to facility design. Sportsmen believe this permit will be subject to judicial review.

4. Walla Walla has a vested Oregon water right to divert 28 CFS from Mill Creek in Oregon. Sportsmen believe Walla Walla's river right is subject to challenge because a portion of the water so diverted may have been used by Walla Walla outside of its city boundaries.

Agreement

1. Sportsmen agree to withdraw their opposition to Walla Walla's request for a small conduit exemption pending in FERC docket No. P-10376-000. Sportsmen will notify FERC in an appropriate pleading filed on the Sportsmen's behalf by their attorney that they are withdrawing all opposition to Project 10376-000. Such pleading shall be placed in the U.S. mail, first class, post paid, addressed to FERC, no later than December 18, 1987, with a copy of same mailed on the same date to the attorney for Walla Walla. Sportsmen agree not to file any objection or opposition to Walla Walla's proposed hydroelectric project described in Application P-10376-000, in any other docket established by FERC, or in any related court proceeding, or in any other action or proceeding of any kind; provided, that the Sportsmen are free to intervene in any subsequent proceeding where Walla Walla requests a change in the minimum stream flows adopted by FERC in FERC docket No. P-10376-000.

2. Sportsmen agree not to appeal or otherwise challenge in the Oregon Court of Appeals or before any other body the issuance of the state license or permit for hydropower use, described in Recital Paragraph 3, when such license is issued by the Director of the Oregon Water Resources Department.

3. Sportsmen agree not to initiate any proceeding before the Oregon Water Resources Department or Commission challenging Walla Walla's vested Oregon water right for place of use violations (including challenges relating to the use outside of city limits of surface water diverted from Mill Creek by Walla Walla).

4. Walla Walla and Sportsmen release each other from all claims known and unknown, which either has or may have against the other. This Agreement is not an admission or acknowledgement of any kind by either party.

5. Upon confirmation of the Sportsmen's withdrawal of opposition as set forth in Section 1 above, Walla Walla will contribute TEN THOUSAND DOLLARS (\$10,000.00) to the Washington State Department of Wildlife no later than December 31, 1987. The monies provided by Walla Walla shall be used by the Washington Department of Wildlife solely for instream enhancements or fishery production in the Mill Creek System in the area bordered by the water shed intake in the State of Oregon and the confluence of Mill Creek with the Walla Walla River located in Walla Walla County, Washington. It is the intent of the parties that any and all instream enhancements or work done in connection with fishery production shall be undertaken by the Washington Department of Wildlife through its "Adopt a Stream Program" in cooperation with the Mill Creek Enhancement Committee (Gordon Scribner, chairman). The funds provided under this agreement for instream enhancements and fishery production shall be expended for the designated tasks only upon the mutual agreement of the Sportsmen and the Washington Department of Wildlife. It is the further intent of the parties that the funds provided under this agreement by Walla Walla shall be expended within THREE (3) years from the date of this agreement.

6. In the event the Washington State Department of Wildlife is unable or unwilling to accept the monies provided for herein and undertake the enhancements contemplated by this agreement, then said funds shall be directed to the Oregon Department of Fish and Wildlife for use as contemplated herein through the Department's "STEP Program." If neither the Washington Department of Wildlife nor the Oregon Department of Fish and Wildlife are able or willing to accept the monies provided for herein and undertake or continue the enhancements contemplated by this agreement, then the balance of all unexpended funds remaining shall be returned to Walla Walla, and Walla Walla shall thereupon transfer the monies to a group or agency mutually agreed upon by the Sportsmen and Walla Walla so that the purposes of this agreement will be completed within the terms specified.

7. This Agreement is a binding contract between the parties, their successors and assigns, and contains the entire agreement between the parties.

8. The undersigned represent that they have authority to enter this Agreement on behalf of the respective party.

MILL CREEK SPORTSMEN'S ASSOCIATION

By John Winter
Its: President

CITY OF WALLA WALLA

By Michael D. Johnson
Its: Mayor