FIRST AMENDMENT TO THE WATER SUPPLY AGREEMENT

Between

ORCHARD HEIGHTS WATER ASSOCIATION ("Orchard Heights") And

The CITY OF SALEM An Oregon municipal corporation ("City")

WHEREAS, Orchard Heights and City entered into a Water Supply Agreement (Agreement) for the purpose of supplying a portion of their water needs on June 12, 2023.

WHEREAS, Orchard Heights and the City wish to amend the Agreement as set forth in this Amendment.

NOW THEREFORE in consideration of the mutual benefits and obligations set forth herein, the parties amend the agreement as follows:

Section 1. Section 2 of the Agreement is replaced with the following:

2. Water Service

2.1 Service Area. The Orchard Heights water service area shall be that area shown on Exhibit A.

2.2 Service Eligibility. Any lot having any portion of its property within the service area as of April 29, 2011 (date of original Water Supply Agreement), may be eligible to obtain one water service connection from Orchard Heights for a single residential dwelling. Service connection to any lot created within the Salem-Keizer urban growth boundary after April 29, 2011, shall be at the sole discretion of Orchard Heights.

2.3 Service Connection Location. The City shall deliver up to 225 gallons per minute of water at W1 pressure to the City-designated "Connection Location." The City has installed a bulk supply meter in a vault constructed by Orchard Heights at the Connection Location for monitoring and billing purposes. The site of the Collection Location is at 3017 Orchard Heights Road NW.

Section 2. Section 5 of the Agreement is replaced with the following:

5. Exclusive Service Area. Orchard Heights shall not serve more than one single family residential home, now existing or hereinafter constructed, per lot or parcel

existing in the Service Area outside of the Salem-Keizer urban growth boundary as of April 29, 2011 (date of the original Water Supply Agreement). Orchard Heights will not use the water supplied under this Agreement to support or serve any further subdivision of lots or parcels in the Orchard Heights Service Area that exist outside the Salem-Keizer urban growth boundary.

Section 3. To the extent the original Agreement and this Amendment conflict, this Amendment shall control. Except as modified by this Amendment, the original Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have, by approval of their respective governing bodies, cause this Agreement to be executed:

Orchard Heights Water Association

City of Salem

By: Jennifer Meltzer, President

By: Keith Stahley, City Manager

Date:

Date: _____