

**AFTER RECORDING, RETURN TO:**

Sauvie Island Drainage Improvement Company  
29264 NW Sauvie Island Rd.  
Portland, OR 97231

**FOR RECORDER'S USE ONLY**

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**LANDOWNERS' NOTICE**

**SAUVIE ISLAND DRAINAGE IMPROVEMENT  
COMPANY**

AN ORS CHAPTER 554 CORPORATION

**Dated October 30, 2008**

**TO WHOM IT MAY CONCERN:**

**WE, THE MEMBERS** ("Members") of Sauvie Island Drainage Improvement Company ("SIDIC"), an ORS Chapter 554 Corporation, owning two-thirds or more of the land in SIDIC and desiring to establish a covenant with respect to the matters described in this Notice and pursuant to the terms, provisions and requirements of, and as provided in, ORS 554.170, ORS 554.180 and ORS 554.380(5), hereby make, subscribe and acknowledge this Landowners' Notice of our intent to encumber land ("the Encumbrance") for the purpose of improving land ("Improvements") and hereby provide this Landowners' Notice and do hereby mutually dedicate, covenant and agree for the purpose of binding the lands described herein as set forth below.

**RECITALS**

**WHEREAS**, the Sauvie Island Drainage District was formed under Multnomah County Circuit Court case number 130-087 in 1938. It was organized under ORS Chapter 547 and was in existence prior to January 1, 1993.

**WHEREAS**, the Sauvie Island Drainage District was later reorganized as an ORS Chapter 554 corporation pursuant to the provisions of ORS 554.375 – ORS 554.390 and as part of that action SIDIC was formed as successor in interest to the Sauvie Island Drainage District.

**WHEREAS**, Articles of Incorporation for SIDIC were filed on April 28, 1995 with the Oregon Secretary of State.

**WHEREAS**, a Certified copy of the Articles of Incorporation for the SIDIC was recorded in the record of conveyances of Multnomah County, Oregon on May 2, 1995 at Vol/Page 95-51991. A Certified copy of the Articles of Incorporation for the SIDIC was also recorded in the Record of Conveyances of Columbia County, Oregon on June 19, 1995 at Vol/Page 05167.

**WHEREAS**, ORS 554.380(5) and the Bylaws of SIDIC provide in pertinent part that a landowners' notice encumbering land within a corporation formed under ORS 554.380 as part of a reorganization of a drainage district organized under ORS chapter 547 and existing prior to January 1, 1993 shall require the consent of landowners representing two-thirds of the lands in the district.

**WHEREAS**, the owners of the land within the boundaries of the SIDIC wish to establish, adopt and place of record this document as the Landowners' Notice for the SIDIC as provided by ORS 554.170 and ORS 554.180. Consent thereto was established by vote of the landowners at a meeting called for that purpose and is evidenced by the execution hereof.

**NOW, THEREFORE**, know all by these presents that the terms and conditions of the Encumbrance shall be as follows:

1. The Encumbrance, dedications, covenants, conditions, restrictions, regulations, and liens set forth herein shall affect, apply to, govern and encumber all lands included within the boundaries of the legal description provided in SIDIC's Articles of Incorporation ("Lands"), including any amendments thereto. A copy of such legal description is attached hereto as Exhibit 1 and incorporated herein by this reference. Such Lands lie in both Multnomah County and Columbia County, Oregon. Land may be added to or removed from such Lands from time to time as provided by law.
2. The owners of the described land have incorporated themselves under the corporate name of Sauvie Island Drainage Improvement Company and the Land will be improved as described in the Articles of Incorporation of record in the Office of the Secretary of State and in the office where deeds and other instruments affecting the title to real property are recorded in the county where the land is situated as amended from time to time.

3. The Lands shall be subject to the lien of any assessments thereon by SIDIC for its works and the improvement of the Land as described in the Articles of Incorporation under the provisions of ORS 554.005 to 554.340. Once this Notice is recorded, all debts and obligations of SIDIC shall be a direct obligation of SIDIC. Creditors and obligees of SIDIC shall have the right to require SIDIC to make assessments for the payment of such debts and obligations, pursuant to the provisions of ORS 554.005 to 554.340, and within the limitations, restrictions, and provisions of this Notice. Every debt and obligation of SIDIC created within the limitations and restrictions of this Notice is with the implied or express covenant that SIDIC will make the assessments necessary for the payment thereof as the same may mature and be payable, and will prorate and apportion the same to all the described Lands according to ORS 554.005 to 554.340 and this Notice. Every assessment so made shall be a lien upon the acreage of such Land as assessed by SIDIC, and the lien shall relate back, vest and attach to the Land as of the time of filing of this Notice in the County property records. Every other lien, right, title, interest and estate attaching, vesting or in any manner accruing or acquired subsequent to the filing of such Landowners' Notice, whether before or after such assessment (except state, county and school taxes), shall be inferior and subject to the assessment lien thus created.

4. Notwithstanding any other provision to the contrary, each acre or parcel of the Lands will benefit non-uniformly from the works and improvements proposed in the Articles of Incorporation as set forth below.

- a. For purposes of calculating each assessment the assessed portion of the Lands has been established ("the assessed portion"). The legal description for the assessed portion is a part of the permanent record of the SIDIC. Such Lands lie in both Multnomah County and Columbia County, Oregon. Land may be added to or removed from such assessed portion from time to time as provided by law.
- b. The assessed portion has been divided into four (4) assessment zones ("the assessment zones"). A digital map ("the assessment zone map") delineating and establishing the four assessment zones has been created and has been filed in the permanent records of SIDIC.
- c. All Lands within the assessed portion are benefited by the improvements and the works of SIDIC allocated and apportioned among the four assessment zones as follows:
  - (1) All Zone 1 land is benefited in an amount equal to 30.4 % of each annual assessment.
  - (2) All Zone 2 land is benefited in an amount equal to 24 % of each annual assessment.

- (3) All Zone 3 land is benefited in an amount equal to 16.8 % of each annual assessment.
  - (4) All Zone 4 land is benefited in an amount equal to 8.8 % of each annual assessment.
- d. All Lands within the assessed portion are benefited by the improvements and the works of SIDIC in an amount equal to twenty percent (20%) of each annual assessment when divided equally among the members of SIDIC with each member paying an equal share of twenty percent (20%) of each annual assessment (“per member assessment”).
- e. The Board of Directors on or before July 15 of each year, shall make a computation of the amount of money to be raised by SIDIC through assessments for the ensuing year for any and all purposes whatsoever, including, but not limited to, construction and installation of improvements and works, updating, upgrading, improvement, repair, maintenance and operation, delinquencies on assessments, principal and interest upon indebtedness maturing, and such reserves as may be necessary as provided by resolution of the Board of Directors. This amount when so determined, to be known as the “annual assessment”, shall be an assessment upon all the Lands prorated, allocated and apportioned as follows:
- (1) Each annual assessment shall be allocated to and apportioned among each county tax lot wholly or partially lying within the Lands based upon the benefits identified herein.
  - (2) Each member’s per member assessment shall be allocated and apportioned equally between each and every county tax lot, or portion thereof, owned by such member and lying within the Lands.
  - (3) The allocations, apportionment and assessments provided for herein shall be based upon the assessed portion described herein, the assessment zone map described herein, the membership records of SIDIC, the tax and parcel records established by the county assessor of the county where the parcel is located, and acreage, assessment and/or other amounts as calculated by SIDIC using technology to be determined from time to time by the Board of Directors of SIDIC all in its sole discretion.
  - (4) The assessments when so prorated, apportioned, allocated and determined shall be levied and collected by the Board of Directors of SIDIC in the manner allowed by law.

f. In addition to the above, a special improvement project and associated special assessment for any related improvements and works together with an associated assessment methodology may be established from time to time by the Board of Directors to be prorated, allocated, apportioned and assessed against all or any portion of the Lands based upon the benefits received from the improvements and works as may be determined by the Board of Directors if it is first approved at a meeting of members by members representing at least two-thirds of the land in SIDIC.

5. No further limitations, restrictions, or provisions shall be imposed on SIDIC. Without limitation, nothing contained herein shall be construed to limit the ability and authority of SIDIC to conduct its affairs or to levy or assess fees and fines or establish liens or charges on the Lands as otherwise provided by law, its articles of incorporation, bylaws and rules and regulations all as may be amended from time to time.

6. Without limitation, the Lands and the owners and occupants thereof continue to be subject to the Rules and Regulations previously adopted by the predecessor Sauvie Island Drainage District as may be altered, amended, repealed and/or replaced in whole or in part, by a vote of the members of the SIDIC from time to time as provided by law.

7. This Landowners' Notice may be altered, amended, modified or rescinded at any time during the life of the SIDIC with the consent of members representing two-thirds of the land in the SIDIC, and persons having an interest in such land, and the SIDIC and its creditors, if any there are, or as otherwise provided by law.

8. This Landowners' Notice shall be recorded in the office where deeds and other instruments affecting the title to real property are recorded in Multnomah County and Columbia County, Oregon. From the recording hereof this Notice shall be a covenant to and with the SIDIC and its members and creditors, attaching to and running with the described land and every part thereof, granting the rights, privileges and liens as provided in ORS Chapter 554 as may from time to time be amended or any successor thereof. Such recording shall constitute prior approval of the members of the SIDIC of those actions of the board of directors obligating the SIDIC as authorized in ORS 554.220 to 554.280 as may from time to time be amended or any successor thereof.

9. Notwithstanding any other provision to the contrary, nothing contained herein shall be construed to alter or in any way affect actions taken by SIDIC or its predecessor, Sauvie Island Drainage District, prior to the recording of this Notice.

10. Upon recording, this Notice shall be notice to the world of the facts herein stated, without further resolution or action of the Board of Directors of the SIDIC.