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Vol. 76 Page 13609

Contract No.  
14-06-200-6636  
Amendatory

18405

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
Klamath Project, Oregon-California

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND  
HORSEFLY IRRIGATION DISTRICT AMENDING  
CONTRACT NO. 14-06-200-6636

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1 UNITED STATES  
2 DEPARTMENT OF THE INTERIOR  
3 BUREAU OF RECLAMATION  
4 Klamath Project, Oregon-California

Contract No.  
14-06-200-6636  
Amendatory

5 CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND  
6 HORSEFLY IRRIGATION DISTRICT AMENDING  
7 CONTRACT NO. 14-06-200-6636

8 THIS AMENDATORY CONTRACT, made this 24<sup>th</sup> day of August,  
9 1976, in pursuance generally of the Act of June 17, 1902 (32 Stat. 388),  
10 and acts amendatory thereof or supplementary thereto, all collectively  
11 hereinafter referred to as the Federal reclamation laws, between THE  
12 UNITED STATES OF AMERICA, hereinafter referred to as the United States,  
13 represented by the Secretary of the Interior, or his duly authorized  
14 representative, hereinafter referred to as the Secretary of the Interior  
15 or the Contracting Officer, and the HORSEFLY IRRIGATION DISTRICT, herein-  
16 after referred to as the Contractor or the District, a public agency of  
17 the State of Oregon, duly organized, existing, and acting pursuant to  
18 the laws thereof, with its principal place of business in the town of  
19 Bonanza, Klamath County, Oregon,

20 WITNESSETH, That:

21 EXPLANATORY RECITALS

22 WHEREAS, the United States and the Contractor entered into a  
contract, No. 14-06-200-6636 on September 16, 1957, entitled Contract  
Between the United States and the Horsefly Irrigation District Amendatory

Preamble  
Explanatory Recitals--



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1 of And Supplementary To The Contracts Dated July 10, 1919, and March 27,  
2 1922, As Amended, which, among other things, designated a specific area  
3 to be served by water made available to the Contractor from the Klamath  
4 Project; and

5 WHEREAS, Contract No. 14-06-200-6636 dated September 16, 1957,  
6 was amended on June 16, 1959; and

7 WHEREAS, the Contractor wishes to exclude certain lands  
8 presently within the area to be served which are not receiving Project  
9 water and include certain lands within the District boundaries that are  
10 not presently within the service area as defined in said contract; and

11 WHEREAS, the Contractor and the United States wish to amend  
12 the contract so as to provide a method by which future inclusion and  
13 exclusion of lands when required can be accomplished without further  
14 contractual amendments;

15 NOW, THEREFORE, in consideration of the covenants herein  
16 contained, it is agreed as follows:

17 REVISIONS OF EXISTING ARTICLES OF WATER SERVICE CONTRACT

18 1. (a) Article 7 of the contract, No. 14-06-200-6636, dated  
19 September 16, 1957, as amended, is hereby deleted and the following  
20 is inserted in lieu thereof.  
21  
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1        7. (a) The area of the District to be served under  
2 Articles 2, 3, and 4 hereof shall be as set forth in the map  
3 attached hereto and made a part hereof. Said map is dated "  
4 May 9, 1952; Rev. May 1976, and is designated as Exhibit "A".  
5 The total area to be served shall consist of 9,842.8 acres.  
6 The obligation of the United States to furnish water under this  
7 and previous contracts shall not exceed the quantities specified  
8 and in no event shall such quantities exceed the requirements  
9 of beneficial use.

10        (b) While this contract is in effect, no change in  
11 the District's area to be served, as set forth in Exhibit "A",  
12 shall be made by inclusion or exclusion of lands, by dissolution,  
13 consolidation, merger, or otherwise except upon the express written  
14 consent of the Contracting Officer, which consent shall be obtained  
15 in advance. In no event, however, shall the total service area  
16 to be served exceed 9,842.8 acres.

17        (b) Article 13 of the contract is hereby deleted and the  
18 following is inserted in lieu thereof.

19        INTEREST FOR DELINQUENT PAYMENTS

20        13. The Contractor shall pay interest on installments or  
21 charges which become delinquent computed at the rate of 1% per  
22 month of the amount of such delinquent installments or charges



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1 for each day from such delinquency until paid: Provided,  
2 That no interest shall be charged to the Contractor unless  
3 such delinquency continues for more than 30 days in which  
4 event the interest shall accrue from the initial date of  
5 delinquency.

6 (c) Article 16 of the contract is hereby deleted and the  
7 following is inserted in lieu thereof.

8 GENERAL OBLIGATION--BENEFITS CONDITIONED UPON PAYMENT

9 16. (a) The obligation of the Contractor to pay the United  
10 States as provided in this contract is a general obligation of  
11 the Contractor notwithstanding the manner in which the obliga-  
12 tion may be distributed among the Contractor's water users and  
13 notwithstanding the default of individual water users in their  
14 obligations to the Contractor.

15 (b) The payment of charges becoming due hereunder is  
16 a condition precedent to receiving benefits under this contract.  
17 No water will be made available to the Contractor through Project  
18 facilities during any period in which the Contractor may be in  
19 arrears in the advance payment of any charges due the United  
20 States. The Contractor shall not furnish water made available  
21 pursuant to this contract for lands or parties which are in  
22 arrears in the advance payment of charges or in arrears more than  
23 12 months in the payment of water rates as levied or established  
24 by the Contractor.

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1 (d) Article 20 of the contract is hereby deleted and the  
2 following is inserted in lieu thereof.

3 CHANGES IN DISTRICT ORGANIZATION

4 20. While this contract is in effect, no change shall be  
5 made in the organization of the District, either by inclusion  
6 or exclusion of lands, by consolidation or merger with another  
7 District, by proceedings to dissolve, or otherwise, except upon  
8 the written assent thereto of the Secretary of the Interior or  
9 as provided in amended Article 7(b).

10 (e) Article 21 of the contract is hereby deleted and the  
11 following is inserted in lieu thereof.

12 RULES AND REGULATIONS

13 21. The Contracting Officer, after offering the Contractor  
14 an opportunity for consultation, shall make rules and regulations  
15 and supply necessary details for administration of this contract.  
16 Such rules and regulations shall be consistent with the provi-  
17 sions of this contract, the laws of the United States, and the  
18 State of Oregon. The Contracting Officer may add to or modify  
19 them as may appear necessary and the Contractor shall observe  
20 such rules and regulations.

21 (f) Article 25 of the contract is hereby deleted and the  
22 following is inserted in lieu thereof.



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EQUAL OPPORTUNITY

25. During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

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1 (c) The Contractor will send to each labor union  
2 or representative of workers with which it has a collec-  
3 tive bargaining agreement or other contract or understanding,  
4 a notice, to be provided by the Contracting Officer, advising  
5 the labor union or workers' representative of the Con-  
6 tractor's commitments under this Equal Opportunity clause,  
7 and shall post copies of the notice in conspicuous places  
8 available to employees and applicants for employment.

9 (d) The Contractor will comply with all provisions  
10 of Executive Order No. 11246 of September 24, 1965, as  
11 amended, and of the rules, regulations, and relevant orders  
12 of the Secretary of Labor.

13 (e) The Contractor will furnish all information and  
14 reports required by said amended Executive Order and by  
15 the rules, regulations, and orders of the Secretary of  
16 Labor, or pursuant thereto, and will permit access to its  
17 books, records, and accounts by the Contracting Officer  
18 and the Secretary of Labor for purposes of investigation  
19 to ascertain compliance with such rules, regulations, and  
20 orders.

21 (f) In the event of the Contractor's noncompliance  
22 with the Equal Opportunity clause of this contract or with



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1 any of the said rules, regulations, or orders, this contract  
2 may be canceled, terminated, or suspended, in whole or in  
3 part, and the Contractor may be declared ineligible for  
4 further Government contracts in accordance with procedures  
5 authorized in said amended Executive Order, and such other  
6 sanctions may be imposed and remedies invoked as provided  
7 in said Executive Order, or by rule, regulation, or order  
8 of the Secretary of Labor, or as otherwise provided by law.

9 (g) The Contractor will include the provisions of  
10 paragraphs (a) through (g) in every subcontract or purchase  
11 order unless exempted by rules, regulations, or orders of  
12 the Secretary of Labor issued pursuant to Section 204 of  
13 said amended Executive Order, so that such provisions will  
14 be binding upon each subcontractor or vendor. The Con-  
15 tractor will take such action with respect to any subcontract  
16 or purchase order as the Contracting Officer may direct as a  
17 means of enforcing such provisions, including sanctions for  
18 noncompliance: Provided, however, That in the event the  
19 Contractor becomes involved in, or is threatened with  
20 litigation with a subcontractor or vendor as a result of  
21 such direction by the Contracting Officer, the Contractor  
22 may request the United States to enter into such litigation  
23 to protect the interests of the United States.

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1 (g) Exhibit "A" attached to and made a part of the contract  
2 is hereby deleted and the Exhibit "A" attached hereto and made a part  
3 hereof is substituted in lieu thereof.

4 ADDITIONS TO THE WATER SERVICE CONTRACT

5 2. (a) Article 26 is hereby added to the contract to read as  
6 follows:

7 DETERMINATION OF FINDINGS OF FACTS

8 26. Where the terms of this contract provide for action to  
9 be based upon the opinion or determination of either party to  
10 this contract, said terms shall not be construed as permitting  
11 such action to be predicated upon arbitrary, capricious, or  
12 unreasonable opinions or determination, whether or not stated to  
13 be conclusive. If the Contractor questions any determination  
14 made by the Contracting Officer, the findings of facts shall be  
15 made by the Secretary after consultation with the Contractor and  
16 shall be binding upon the parties.

17 (b) Article 27 is hereby added to the contract to read as  
18 follows:

19 QUALITY OF WATER

20 27. The operation and maintenance of Project facilities  
21 shall be performed in such manner as is practicable to maintain  
22 the quality of raw water made available through such facilities  
23 at the highest level reasonably attainable as determined by the  
24 Contracting Officer. The United States does not warrant the



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1 quality of water and is under no obligation to construct or  
2 furnish water treatment facilities to maintain or better the  
3 quality of water.

4 (c) Article 28 is hereby added to the contract to read as  
5 follows:

6 ENVIRONMENT PROTECTION AND POLLUTION CONTROL

7 28. The Contractor shall, within its legal authority,  
8 comply fully with all applicable Federal laws, orders, and  
9 regulations, and the laws of the State of Oregon, all as  
10 administered by appropriate authorities, concerning protection  
11 of the environment and pollution of air, streams, reservoirs,  
12 groundwater, or water courses with respect to thermal pollution  
13 or the discharge of refuse, garbage, sewage effluent, industrial  
14 waste, oil, mine tailings, mineral salts, or other pollutants.

15 (d) Article 29 is hereby added to the contract to read as  
16 follows:

17 NOTICES

18 29. Any notice, demand, or request authorized or required  
19 by this contract shall be deemed to have been given, on behalf of  
20 the District, when mailed, postage prepaid, or delivered to the  
21 Regional Director, Mid-Pacific Region, Bureau of Reclamation, 2800  
22 Cottage Way, Sacramento, CA 95825, and on behalf of the United  
23 States, when mailed, postage-prepaid, or delivered to the

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1 Board of Directors of the Horsefly Irrigation District, Post  
2 Office Box 188, Bonanza, Oregon 97623. The designation of  
3 the addressee or the address may be changed by notice given  
4 in the same manner as provided in this article for other  
5 notices.

6 (e) Article 30 is hereby added to the contract to read as  
7 follows:

8 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

9 30. The provisions of this contract shall apply to and bind  
10 the successors and assigns of the parties hereto, but no assign-  
11 ment or transfer of this contract or any part or interest therein  
12 shall be valid until approved by the Contracting Officer.

13 (f) Article 31 is hereby added to the contract to read as  
14 follows:

15 TITLE VI, CIVIL RIGHTS ACT OF 1964

16 31. (a) The Contractor agrees that it will comply with  
17 Title VI of the Civil Rights Act of July 2, 1964 (78 Stat. 241)  
18 and all requirements imposed by or pursuant to the Department  
19 of the Interior Regulation (43 CFR 17) issued pursuant to that  
20 title, to the end that, in accordance with Title VI of that Act  
21 and the Regulation, no person in the United States shall, on the  
22 grounds of race, color, sex, or national origin be excluded from



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1 participation in, be denied the benefits of, or be otherwise  
2 subjected to discrimination under any program or activity for  
3 which the Contractor receives financial assistance from the  
4 United States and hereby gives assurance that it will immedi-  
5 ately take any measures to effectuate this agreement.

6 (b) This assurance is given in consideration of and  
7 for the purpose of obtaining any and all Federal grants, loans,  
8 contracts, property, discounts, or other Federal financial  
9 assistance extended after the date hereof to the Contractor  
10 by the United States, including installment payments after  
11 such date on account of arrangements for Federal financial  
12 assistance which were approved before such date. The Con-  
13 tractor recognizes and agrees that such Federal financial  
14 assistance will be extended in reliance on the representations  
15 and agreements made in this assurance, and that the United  
16 States shall reserve the right to seek judicial enforcement of  
17 this assurance. This assurance is binding on the Contractor,  
18 its successors, transferees, and assignees.

19 (g) Article 32 is hereby added to the Contract to read as  
20 follows:  
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CERTIFICATION OF NONSEGREGATED FACILITIES

32. The Contractor hereby certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. The Contractor further agrees that (except where it has obtained certifications from proposed



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1 subcontractors for specific time periods) it will obtain  
2 identical certifications from proposed subcontractors prior  
3 to the award of subcontracts exceeding \$10,000 which are not  
4 exempt from the provisions of the Equal Opportunity clause;  
5 that it will retain such certifications in its files; and  
6 that (except where the proposed subcontractors have submitted  
7 identical certifications for specific time periods) the Con-  
8 tractor will forward the following notice:

9 NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR  
10 CERTIFICATIONS OF NONSEGREGATED FACILITIES

11 A certification of Nonsegregated Facilities must be  
12 submitted prior to the award of a subcontract exceeding  
13 \$10,000 which is not exempt from the provisions of the  
14 Equal Opportunity clause. The certification may be  
submitted either for each subcontract or for all sub-  
contracts during a period (i.e., quarterly, semiannually,  
or annually). Note: The penalty for making false state-  
ments in offers is prescribed in 18 U.S.C. 1001.

15 PROVISIONS OF THE WATER SERVICE CONTRACT TO REMAIN EFFECTIVE

16 3. The provisions of the original contract, as amended by the  
17 contract dated June 16, 1959, shall remain in full force and effect  
18 as originally written and executed except as modified herein.  
19  
20  
21  
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1 IN WITNESS WHEREOF, the parties hereto have executed this  
2 amendatory contract the day and year first above written.

3  
4 THE UNITED STATES OF AMERICA

5 By M. A. Catino  
6 Acting Regional Director, Mid-Pacific Region  
7 Bureau of Reclamation

8 HORSEFLY IRRIGATION DISTRICT

9 (SEAL)

10 Attest:

By Lloyd L. Hansen  
President

11  
12 Reginald E. Thomas  
13 Secretary  
14  
15  
16  
17  
18  
19  
20  
21  
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# AP Y IDN STRI COUNT

1 in. = 10

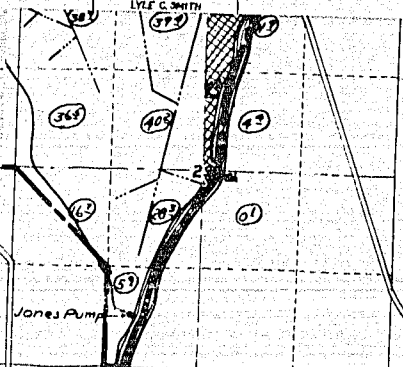
of Klamath Falls, Oregon, do hereby certify  
was made by me, Completed on May 9, 1953  
and completion of an original map  
L. Walat, Registered Professional Engineer

REGISTERED  
OREGON  
LAND SURVEYOR

*Lyle C. Smith*

MAY 9, 1953

LYLE C. SMITH



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RESOLUTION

The Board of Directors hereby approves the Amended Contract, Rev. RO 7/28-1976, between the United States and Horsefly Irrigation District amending Contract #14-06-200-6636. and authorize the President and Secretary to sign the Amended Contract on behalf of the District.

The above Resolution was adopted by the Board of Directors of Horsefly Irrigation District on the 12th day of August, 1976.

HORSEFLY IRRIGATION DISTRICT,

By

Reginald E. Thomas  
Secretary.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 1st day of SEPTEMBER A.D., 19 76 at 9:22 o'clock A M., and duly recorded in Vol. M 76, of DEEDS on Page 13609.

NONE  
FEE

WM. D. MILNE, County Clerk

By Hazel Craig Deputy