



IN REPLY  
REFER TO: 440  
832.

United States Department of the Interior  
BUREAU OF RECLAMATION

PACIFIC NORTHWEST REGIONAL OFFICE  
FEDERAL BUILDING & U.S. COURTHOUSE  
BOX 043-550 WEST FORT STREET  
BOISE, IDAHO 83702

**RECEIVED**  
MARG 6 1974  
STATE ENGINEER  
SALEM, OREGON

**RECEIVED**  
FEB 22 1974  
STATE ENGINEER  
SALEM, OREGON

Mr. Robert Niehus  
Star Route, Box 72  
St. Paul, Oregon 97137

FEB 20 1974

Dear Mr. Niehus:

Enclosed is one duplicate original of the contract with the United States providing for water service from the Willamette Basin Project. The contract is dated February 13, 1974, and has been assigned the number 14-06-100-8054.

You will be receiving a bill shortly for payment of the minimum charge due each year under Article 8 of the contract. The payment will be due before the start of the irrigation season. At the end of the irrigation season, please complete the enclosed water use form and return it to this office so that a determination can be made of the actual quantity of stored water used and the payment adjusted accordingly.

Copies of the contract are also being provided to the Oregon State Engineer and the Corps of Engineers, Portland District.

Sincerely yours,

(Signed, Norman H. Moore)

Assistant Regional Director

2 Enclosures  
Contract  
Water Use Form

cc: Chris L. Wheeler, State Engineer  
1178 Chemeketa Street, N.E.  
Salem, Oregon 97310 (w/copy of contract)  
District Engineer, Corps of Engineers  
Portland District, 2850 S.E. 82nd Street  
Portland, Oregon 97266 (w/copy of contract)

**Application No. 51244**  
**Permit No.**

RECEIVED

FEB 22 1974

STATE ENGINEER  
SALEM, OREGON  
PN Draft  
7/30/73

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
Willamette Basin Project, Oregon

Contract No.  
14-06-100-8054

CONTRACT FOR WATER SERVICE

1           THIS CONTRACT, made this 13th day of February, 1974,  
2           pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388)  
3           and acts amendatory thereof or supplementary thereto, including  
4           section 8 of the Act of December 22, 1944 (58 Stat. 887, 891),  
5           all of which acts are commonly known and referred to as the  
6           Federal Reclamation Laws, between the UNITED STATES OF AMERICA,  
7           hereinafter referred to as the United States, represented by the  
8           contracting officer executing this contract, and Robert  
9           Niehus, hereinafter referred to as  
10          the Contractor,

11                   WITNESSETH, THAT:

12                           Explanatory Recitals

13           2.   WHEREAS, because the United States is engaged in the  
14           construction and operation of a system of multipurpose reservoirs  
15           in the Willamette Basin, Oregon, herein styled the Willamette Basin  
16           Project, there will be a flow of water that can be used for irriga-  
17           tion of land, and other beneficial uses, which flow as it is  
18           developed or as it will be augmented, was appropriated by the  
19           United States pursuant to the laws of Oregon for beneficial use  
20           under the Federal Reclamation Laws, and

Art. 2

1           3. WHEREAS, the Contractor is the owner of land hereinafter  
2 described, for which a water supply is desired to be secured from  
3 the United States;

4           NOW, THEREFORE, in consideration of the premises and  
5 the payment by the Contractor to the United States of the charges  
6 in the manner hereinafter provided, it is agreed:

7           Water to be Provided by United States

8           4. The United States shall make available each year to the  
9 Contractor during the irrigation season from April 1  
10 to September 30, inclusive, water from the Willamette  
11 Basin Project for irrigation of the land of the Contractor des-  
12 cribed as follows:

13           77.0 acres S $\frac{1}{2}$ SE $\frac{1}{4}$ , Section 31, T 35, R. 2 W., W.M.

14           74.0 acres N $\frac{1}{2}$ NE $\frac{1}{4}$ , Section 6, T 45, R. 2 W., W.M.

15           Of the land described, 151.0 acres are to be irrigated.  
16           The quantity of water to be made available hereunder shall be  
17 that quantity which may be applied beneficially in accordance  
18 with good usage in the irrigation of the land above described,  
19 but in no event shall it exceed a total diversion of 325  
20 acre-feet annually, measured at the point of delivery of said water.

Arts. 3, 4

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Place of Delivery and Measurement of Water

5. Water for the purposes hereof shall be made available at the following described point of diversion:  
1320 feet North and 20 feet West of the center of Section 31, T 3 S., R. 2 W., W.M.

The Contractor shall receive said water at said point of diversion and shall be wholly responsible for taking said water at that point and diverting, conveying, and utilizing it. The water to be delivered hereunder shall be measured at:

the point of diversion by means of a measuring device or controlling device to be satisfactory to the contracting officer. Such devices shall be furnished, installed, and maintained by and at the expense of the Contractor, but they shall be and remain at all times under the control of the United States or of an appropriate State-appointed watermaster whose representative may at all times have access to them over any lands of the Contractor. All losses of water from seepage, evaporation, or other cause, below said point of measurement, shall be borne by the Contractor.

Rate of Delivery of Water

6. The monthly supply of water hereunder diverted in any one month of the irrigation season, beginning in April and ending on or before September 30, shall not exceed 35 percent of the total

1 maximum annual diversion as hereinabove set forth. The Contractor  
2 shall, to the extent practicable, submit to the contracting officer  
3 an advance schedule as to the precise time of water deliveries.  
4 Changes in such schedule may be made only upon sufficient advance  
5 notice to the contracting officer to allow him to adjust releases  
6 to meet the new schedules. Upon the appointment of a watermaster  
7 to govern diversions from the stream concerned, the Contractor  
8 shall be required to conform his diversions and releases to the  
9 control of the stream as established by the watermaster.

10 Water Supply

11 7. (a) The Contractor and all other entities heretofore  
12 or hereafter contracting with the United States for a right to  
13 use water from the Willamette Basin Project shall, to the extent  
14 of their respective maximum contracted rights, have equal priority  
15 to the use of water from such project so far as that may be  
16 physically practicable and legally possible, without regard to  
17 the date of their respective contracts. It is the responsibility  
18 of the Contractor to comply with the laws of the State of Oregon  
19 regarding the obtaining and perfecting of permits to divert water  
20 to the lands described in article 4. The obligation of the United  
21 States to deliver water under this contract is subject to an  
22 operating plan for the Willamette Basin Project determined in  
23 accordance with the law governing the project.

1 (b) On account of drought, inaccuracy in distribution,  
2 or other cause, there may occur at times a shortage in the water  
3 supply provided herein, and while the United States will use all  
4 reasonable means to guard against such shortages, in no event  
5 shall any liability accrue against the United States or any of  
6 its officers, agents or employees for any damage, direct or in-  
7 direct, arising therefrom.

8 Charge

9 8. (a) The Contractor shall pay for all supplies of water  
10 delivered to him under the terms and conditions hereof, a minimum  
11 charge equal to the annual rate per acre-foot as established under  
12 (c) of this article times the acreage to be irrigated specified in  
13 article 4 and for additional water at the annual rate as established  
14 under (c). Prior to the delivery of any water each irrigation season,  
15 the Contractor shall make advance payment at the aforesaid rate for  
16 the estimated quantity of water desired to be delivered during that  
17 season, but in no event less than the amount of the minimum charge.  
18 At the end of the irrigation season a determination will be made by  
19 the watermaster, if one is available on the stream involved, and if  
20 not, by the contracting officer, of the amount of stored water  
21 delivered. In the event the total quantity of stored water delivered  
22 to the Contractor is less than the estimated amount for which advance  
23 payment has been made, the Contractor shall be given credit for the

1 difference between the amount advanced and the amount of obliga-  
2 tion based on the water delivered, the latter amount in no event,  
3 however, to be less than the minimum charge. Any credit deter-  
4 mined to be due will be applied on the payment of charges to come  
5 due in the succeeding irrigation season. In the event the total  
6 quantity delivered is more than the estimated amount for which  
7 advance payment is made, payment therefor shall be made within  
8 sixty (60) days of the issuance of a bill therefor, and in no  
9 event later than the first delivery of water in the succeeding  
10 irrigation season.

11 (b) Payments hereunder required shall be made at the  
12 office of the Bureau of Reclamation at Box 043, Boise, Idaho 83724  
13 or such other place as may be directed by the contracting officer.  
14 Any sum of money required to be paid to the United States which  
15 remains unpaid after it has become due shall be subject to a  
16 penalty of one-half (1/2) of one (1) percent per month from the  
17 date of delinquency until it has been paid.

18 (c) During the initial period of the contract (not to  
19 exceed ten (10) years) the rate per acre-foot of water is hereby  
20 established as fifty cents (\$0.50). If this contract is made  
21 before April 15, 1955, the initial period will be ten (10) years;  
22 if the contract is made after that date a shorter initial period

1 may be established by the Secretary of the Interior. The annual  
2 rate per acre-foot of water to govern beginning with the first  
3 irrigation season after the initial period has been tentatively  
4 established by the Secretary of the Interior as one dollar: (\$1.00)  
5 per acre-foot, but that rate is subject to revision from time to  
6 time throughout the term of this contract in accordance with the  
7 construction, operation, and maintenance costs of the Willamette  
8 Basin Project as allocated to the water supply available for ir-  
9 rigation uses, the then requirements of law relating to such al-  
10 locations and the return of such costs, and the effect of the rate  
11 on irrigation development through this and similar contracts. Any  
12 revision will be made only as to future charges and only after con-  
13 sultation with the Willamette River Basin Commission, and shall be  
14 announced by written notice to the Contractor at least three months  
15 prior to the beginning of the irrigation season to which the new  
16 rate would be applicable.

17 Refusal of Water in Case of Default: Termination

18 9. The United States reserves the right either to refuse to  
19 deliver water to the Contractor or to cancel this contract in the  
20 event of default for a period of more than one year in any payment  
21 due to the United States under this contract. The provisions of  
22 this article are not exclusive and shall not in any manner hinder



1 the United States from exercising any other remedy to enforce  
2 collection of moneys payable hereunder. This contract shall be  
3 terminated and water service hereunder shall cease automatically  
4 when water is made available to the lands involved through an  
5 agreement with an organized group or association for the benefit  
6 of the lands described in article 4.

7 Irrigable Area Limitation

8 10. Pursuant to the provisions of the Federal Reclamation  
9 Laws, water made available to the Contractor hereunder shall not  
10 be delivered to more than 160 irrigable acres in the ownership of  
11 any one person or other entity, nor more than 320 irrigable acres  
12 held by a husband and wife as community property, except that, if  
13 irrigable lands in excess thereof have been acquired by foreclosure  
14 or other process of law, by conveyance in satisfaction of mortgages,  
15 by inheritance or devise, water therefor may be furnished temporarily  
16 for a period not to exceed two years from the effective date of such  
17 acquisition, and except that delivery may be made to lands held in  
18 excess of this limitation if the excess lands are covered by a  
19 recordable contract made in accordance with the provisions of  
20 section 46 of the Act of May 25, 1926 (44 Stat. 649). In the  
21 event there is a repeal of the so-called excess land provisions of  
22 the Federal Reclamation Laws, this article will no longer be of any  
23 force or effect, and, in the event these provisions are amended in

1 material respects, the United States will, at the request of the  
2 Contractor, negotiate amendments of this article in order to con-  
3 form them to the excess land provisions of the law as so amended.

4 Successors and Assigns Obligated

5 11. The provisions of this contract shall apply to and bind  
6 the successors and assigns of the parties hereto, but no assign-  
7 ment or transfer of this contract or any part or interest therein  
8 shall be valid until approved by the contracting officer.

9 Officials Not to Benefit

10 12. No Member of or Delegate to Congress or Resident  
11 Commissioner shall be admitted to any share or part of this  
12 contract or to any benefit that may arise herefrom. This re-  
13 striction shall not be construed to extend to this contract if  
14 made with a corporation or company for its general benefit.

15 Contingent on Appropriations or Allotment of Funds

16 13. The expenditure or advance of any money or the perform-  
17 ance of any work by the United States hereunder which may require  
18 appropriations of money by the Congress or the allotment of funds,  
19 shall be contingent on such appropriations or allotment being made.  
20 The failure of the Congress to appropriate funds or the absence of  
21 any allotment of funds shall not relieve the Contractor from any  
22 obligations under this contract. No liability shall accrue against  
23 the United States in case such funds are not so appropriated or  
24 allotted.

Arts. 11, 12, 13

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Term of Contract

14. This contract shall become effective as of the date first above written after its execution on behalf of the United States, and shall remain effective for a term of 40 years from that date except as otherwise herein provided. At the expiration of the term, the contract may be extended by the Secretary of the Interior for additional terms of not to exceed 40 years each.

Quality of Water

15. The operation and maintenance of project facilities shall be performed in such manner as is practicable to maintain the quality of raw water made available through such facilities at the highest level reasonably attainable as determined by the contracting officer. The United States does not warrant the quality of water and is under no obligation to construct or furnish water treatment facilities to maintain or to better the quality of water.

Water and Air Pollution Control

16. The Contractor shall, within its legal authority, comply fully with all applicable Federal laws, orders, and regulations, and the laws of the State of Oregon, all as administered by appropriate authorities, concerning the pollution of streams, reservoirs, groundwater, or water courses with respect to thermal pollution or the discharge of refuse, garbage, sewage effluent, industrial waste,

1 oil, mine tailings, mineral salts, or other pollutants, and  
2 concerning the pollution of the air with respect to radioactive  
3 materials or other pollutants.

4 Equal Opportunity

5 17. This contract is subject to the Equal Opportunity  
6 provisions attached hereto and by this reference made a part  
7 hereof.

UNITED STATES OF AMERICA

Norman H. Moore  
Acting Regional Director  
Bureau of Reclamation  
Pacific Northwest Region  
Box 043, Boise, Idaho 83724

Robert Nichols  
Contractor

### Equal Opportunity

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

(1) 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.

(2) 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.

(3) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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

(5) The Contractor will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or

pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, and such other sanctions may be imposed and remedies invoked as provided in said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of paragraph (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Contracting Officer may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Contracting Officer, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.