

RECLAMATION

Managing Water in the West

Funding Opportunity Announcement No. 7-SF-81-1351

Water 2025: Preventing Crises and Conflict in the West

System Optimization Reviews – Fiscal Year 2007 and 2008



U.S. Department of the Interior Bureau of Reclamation Office of Program and Policy Services August 2007

For review purposes only

APPLICATION CHECKLIST

For review purposes only

Federal Agency Name:	Department of the Interior, Bureau of Reclamation, Denver, CO	
Funding Opportunity Announcement Title:	<i>Water 2025: Preventing Crises and Conflict in the West- System Optimization Reviews</i>	
Announcement Type:	Initial announcement	
Funding Opportunity Announcement Number:	7SF811351	
Catalog of Federal Domestic Assistance (CFDA) Number:	15.507	
Application Due Date:	Applications due December 4, 2007, 3:00 p.m. MST	p. 16, IV.G.
Eligible Applicants:	Irrigation and/or water districts, tribal water authorities, state governmental entities with water management authority (e.g. state agencies, departments, boards etc.), entities created under state law with water delivery authority, which may include water users associations, water conservancy districts, canal, ditch and reservoir companies, municipal water authorities, and other entities with water delivery authority, located in the 17 Western States as identified in the Reclamation Act of June 17, 1902, as amended	p. 7, III.A.
Applicant Cost Share:	50% or more of project costs	p. 7, III.B.
Federal Funding Amount:	Up to \$300,000 per agreement.	p. 7, II.B.
Estimated number of agreements to be awarded:	Up to 10 in FY 2008	p. 6, II.A.
Total amount of funding available for award:	\$500,000 to \$3 million.	p. 6, II.A.

The following table contains a summary of the information that you are required to submit with your *Water 2025* application.

WHAT TO SUBMIT	REQUIRED CONTENT See Page, Sec.	REQUIRED FORM OR FORMAT	WHEN TO SUBMIT
TECHNICAL PROPOSAL:	P9, IV.C.	See suggested format, available at IX.6	12/4/2007
• Cover Page	p.10, IV.C. 2.i.	Form SF 424 available at http://www.grants.gov/agencies/forms_repository_information.jsp	12/4/2007
• Assurances	p.10, IV.C. 2.ii.	Form SF 424B or SF 424D, as applicable, available at http://www.grants.gov/agencies/aapproved_standard_forms.jsp	12/4/2007
• Title Page	p.10, IV.C. 2.iii.	See suggested format, available at IX.3	12/4/2007
• Table of Contents	p.10, IV.C. 2.iv.	See suggested format, available at IX.4	12/4/2007
• Executive Summary	p.10, IV.C. 2.v.	See suggested format, available at IX.5	12/4/2007
• Background Data	p.10, IV.C. 2.vi.b	See suggested format, available at IX.5	12/4/2007
• Project Description	p.11, IV.C. 2.vi.c	See suggested format, available at IX.5	12/4/2007
• Regul	p.12, IV.C.	See suggested format	12/

SECTION I — FUNDING OPPORTUNITY DESCRIPTION

A. WATER 2025 OVERVIEW

Water 2025 is an initiative launched by the Secretary of the Interior in the spring of 2003. The overarching goal of *Water 2025* is to meet the challenge of preventing crisis and conflict over water in the West. To accomplish this goal, *Water 2025* focuses Reclamation's resources on areas in the West where conflict over water either currently exists or is likely to occur in the coming years. *Water 2025* also sets forth a framework to identify problems and solutions focused on the geographic problem areas identified on the **Potential Water Supply Crisis by 2025 illustration**, (the "Hot Spots Illustration") (<http://www.doi.gov/water2025>), prior to a water crisis.

1. Meeting the Challenge: Four Key Tools

Water 2025 relies on four key tools to help prevent future conflict and crisis over water in the West and to facilitate proactive management of our scarce water resources: (1) Water conservation, efficiency, and markets; (2) collaboration; (3) improved technology; and (4) removing institutional barriers and increasing interagency cooperation. These tools have been tested in actual field situations and yield measurable results in terms of conserving water and stretching scarce water supplies.

2. System Optimization Reviews

System Optimization Reviews (SOR) are a new component of the *Water 2025* Challenge Grant Program that is being initiated in Fiscal Year 2007 and Fiscal Year 2008. Through SORs, Reclamation will work with willing irrigation and water districts, western states, tribal water authorities, and other local entities with water delivery authority, to assess the potential for water management improvements in a given basin or district. The SOR will include the development of a plan of action with specific recommendations and performance measures for projects with significant potential to improve water management. The recommendations can include physical improvements, such as modernization of a water delivery system, or operational changes to improve efficiency or facilitate water transfers or water marketing, for example. The SOR may focus on a water basin, district, system, or a portion thereof. The components of an SOR are discussed in more detail below. (See Section I.C.)

As with *Water 2025* Challenge Grant funding opportunities, funding for SORs will be allocated on a 50 percent or less Federal cost share basis, and applications will be selected for award through a competitive process, in accordance with the criteria described herein. (See Section V.) \$500,000 to \$3 million is expected to be available for award under this Funding Opportunity Announcement (FOA). Reclamation's share of any one proposed project shall be up to 50% of the total project costs, and shall generally not exceed \$300,000. Reclamation may make awards exceeding that amount on a case-by-case basis. Up to ten awards are expected to be made under this FOA; however, Reclamation reserves the right to make additional awards at a later date, depending on the availability of funding.

3. How SORs relate to the Water 2025 Challenge Grant Program

The *Water 2025* Program now includes two competitive funding components: (1) The *Water 2025* Challenge Grant Implementation Program; and (2) System Optimization Reviews (SORs), which are the subject of this Funding Opportunity Announcement. Notices for all Funding Opportunities under the *Water 2025* Program will be available at www.grants.gov.

The Challenge Grant Implementation Program consists of the programs previously referred to as the "*Water 2025* Challenge Grant Program," and the "*Water 2025* Challenge Grant Program for Western States". The Challenge Grant Implementation Program is focused on water conservation, efficiency and water marketing projects that are well developed and can be fully implemented within 24 months from the date of award. Descriptions of projects previously funded under the Challenge Grant Implementation Program are available at <http://www.doi.gov/water2025/>.

System Optimization Reviews, on the other hand, provide funding for the earlier stages of project development. Specifically, SORs consist of: (1) An assessment of the potential for water management improvements in a basin or district; and (2) a report recommending specific improvements to increase efficiency, including a plan of action for implementing the recommendations. Completion of an SOR will help districts, states and other local entities with water delivery authority to identify potential projects and develop the supporting documentation necessary to apply for project implementation funding under the *Water 2025* Challenge Grant Implementation Program. Additional credit will be given for Challenge Grant Implementation Program project applications that incorporate recommendations from a completed System Optimization Review, or another similar analytical planning process.

B. OBJECTIVE OF THE SOR FUNDING OPPORTUNITY ANNOUNCEMENT

The objective of this FOA is to invite eligible applicants to leverage their money and resources by cost sharing with Reclamation to assess the potential for water management improvements in a given basin or district. The Department of the Interior believes that water markets and improved water management are essential to avoiding crisis in water-short areas of the West. The Department strongly supports the use of water marketing and water management to address competing uses, while recognizing existing water rights.

SOR applications will be selected through a competitive process that will focus on achieving the outcomes identified by *Water 2025*, using the selection criteria described in Section V. B. More information on *Water 2025* can be found at <http://www.doi.gov/water2025>.

C. ELIGIBLE PROJECTS

The System Optimization Review Program will focus on assessments that can be completed within 24 months and that will develop plans of action to reduce conflicts through water conservation, efficiency, and markets.

1. COMPONENTS OF AN SOR

SORs shall include:

 An evaluation of existing conditions, including operating methods, infrastructure, policies and any baseline data (diversion, delivery and flow measurements) and previous planning analyses or studies available, to assess current levels of efficiency.

 Identification and evaluation of potential improvements (physical or operational) to increase efficiency.

AND

 Creation of an SOR Report detailing the analysis performed and setting forth a plan of action that includes recommendations and performance measures for conservation and efficiency projects having the greatest impact in improving water management, such as creating water banks, facilitating water transfers, and modernizing water delivery systems.

 Description of a process to document saved water or water better managed.

2. SCOPE OF THE SOR

SORs are intended to focus on improving efficiency throughout a system, district, or basin, or a portion thereof; not on a single improvement, such as improving one headgate or lining one ditch. SORs are

intended to take a broader look at system-wide efficiency, and are not focused on project-specific planning. Accordingly, SOR funding may not be applied to the cost of design or engineering work for a particular project. Funding for the design and engineering of a project may be available under the *Water 2025 Challenge Grant Implementation Program*, as part of an application for funding of the actual construction of a project.

The scope of each SOR will vary depending on the stage of the planning process being addressed. Some applicants may wish to perform a comprehensive analysis that takes into consideration all options for improving water management and results in recommendations for the best approach. In Districts which have already done comprehensive planning, applicants may wish to update an earlier plan by focusing the SOR on a particular aspect of system improvement, such as water marketing or automation, and determining the best approach to implement the improvements.

3. WHO WILL PERFORM THE SOR

In many cases the actual team performing the SOR will not be known until after funding is received and an outside consultant is hired. In this case, please identify the process to hire the consultant and list any credentials or experience that will be required of the team.

If the SOR team is known, applicants should indicate in the proposal, who is likely to perform the SOR. The team should include *at least* one external party (i.e., who is not a member the applicant's staff). More complicated projects may require a more experienced and diverse team, whereas smaller, less complicated projects may require a less diverse and experienced review team.

Diversity on the review team – including reviewers with different areas of expertise and experience, where appropriate – is encouraged.

4. SOR APPROACH

The specific approach and methodology for performing the SOR will be proposed by the applicant and evaluated by Reclamation in the application selection and review process. **However, at a minimum, the following steps must be incorporated:**

- i. **Information Gathering** – Collect background information about the recipient's system, including water supply and water demand, age and condition of the study area, ability to accurately measure and control water deliveries, etc. If additional data is needed, describe the collection methods and data to be collected. Discuss the estimated schedule, stages and duration of the data gathering.
- ii. **Identify Issues and Priorities** – Identify and prioritize water management issues sought to be addressed by the recipient.
- iii. **Set Goals** – Establish goals relative to water conservation, water management, water marketing, and preventing conflicts over water.
- iv. **Identify and Evaluate Potential Improvements** – Identify and evaluate potential projects, improvements or operational changes to optimize efficiency and prevent conflicts over water. Evaluate the relative costs and benefits of the recommended improvements, 1) rank/prioritize the improvements based on estimates of the water management benefits associated with each improvement (including estimated water savings, improved efficiency, and other water management benefits); (2) a description of how the proposed improvements are likely to help reduce tension over water or prevent water crises; including entities outside the study area (3) a description of any involvement in the SOR or the recommended projects by any stakeholders or partners; and (4) an initial assessment of any environmental or regulatory issues that may be associated with suggested improvements (e.g., compliance with Federal National Environmental Policy Act requirements, state water

law, consultation related to Endangered Species Act compliance, if appropriate, and cultural resource compliance issues).

v. **Define a Plan of Action** – Develop a plan of action for implementing the improvements identified, including recommending a sequence and a strategy for implementation, and identify potential sources of funding.

vi. **SOR Final Report** – **The SOR Final Report is the final product of the SOR analysis, and must meet the following requirements.** The SOR Report shall describe the analysis performed through the SOR in steps I.C.4-iv, above: an evaluation of the recipient's current level of system efficiency, specific recommendations for projects to optimize efficiency, a statement of the relative costs and benefits of the recommended improvements discussing each of the 4 elements described in paragraph I.C.4.iv, and a plan of action for implementing the improvements identified. Where the SOR is focused on a specific type of improvement, such as automation or another type of modernization, the report recommendations will focus on suggesting a strategy for implementing that type of project. The improvements/recommendations identified in the SOR Report may be physical, including system automation, measurement, or canal lining or piping, for example. Other improvements may be operational, involving modification of district policies or procedures to encourage conservation, facilitate water transfers, utilize water markets or otherwise improve water management. The recommended actions should be practical, affordable, consistent with any state, basin-wide or local water plans and laws, and consistent with the applicant's needs and objectives.

5. REDUCING CONFLICTS OVER WATER

In the selection process, priority will be given to applications that propose assessments that investigate potential means for reducing conflicts over water, as defined in Section V.B.2.(1).

6. COLLABORATION AND PARTNERSHIPS

Water 2025 emphasizes the value of partnerships and collaboration in resolving water management issues. Accordingly, applicants are encouraged to explore potential partnerships among water delivery entities, local, state, tribal and Federal agencies and other stakeholders, where appropriate, in the development of the SOR recommendations.

D. PROGRAM AUTHORITY

This Funding Opportunity Announcement is issued in accordance with the authority of Public Law No. 109-103, for the Fiscal Year 2006, and for Other Purposes and Public Law No. 110-05 for the Fiscal Year 2007. The authority provided to the program through both laws is set to expire September 30, 2007. Since inception, the *Water 2025 Program* has received annual authority and is expected to continue to receive annual authority. Furthermore, Reclamation is seeking permanent program authority for the *Water 2025* program. If annual authority or permanent authorities are not received in FY 2008, Reclamation must cancel this announcement.

SECTION II — AWARD INFORMATION

A. TOTAL PROJECT FUNDING

It is anticipated that up to 10 agreements will be awarded, depending on the total amount of funding requested. However, Reclamation retains the right to make additional awards at a later date, subject to availability of funds. Funding in the range of \$500,000 to \$3 million is expected to be available for System Optimization Review awards for FY 2008.

B. PROJECT FUNDING LIMITATIONS

To facilitate the broad and effective use of limited Federal funds, Reclamation's share of any one proposed SOR shall be up to 50% of the total SOR costs, and shall generally not exceed \$300,000. However, Reclamation retains the right to make awards exceeding \$300,000 on a case-by-case basis.

C. RECLAMATION RESPONSIBILITIES

Reclamation will have oversight responsibilities during the performance of the SOR. As per the cooperation agreement between Reclamation and the successful applicant, Reclamation will review reports at key stages of the SOR as identified in the Recipient's application to ensure that the program objectives are being achieved.

D. AWARD DATE

It is anticipated that initial selection of projects will be in the winter of 2007/2008 with awards being made shortly thereafter. However, depending on the number and types of applications received, funding for some SORs selected in Fiscal Year 2008 may be withheld and not awarded until after the start of Fiscal Year 2009, in order to ensure efficient administration of all projects.

SECTION III — ELIGIBILITY INFORMATION

A. ELIGIBLE APPLICANTS

Eligible applicants include irrigation and/or water districts, tribal water authorities, state governmental entities with water management authority (e.g. state agencies, departments or boards, etc.), entities created under state law with water delivery authority, which may include water user associations, water conservancy districts, canal, ditch and reservoir companies, and municipal water authorities. Applicants must also be located in the western United States as identified in the Reclamation Act of June 17, 1902, as amended and supplemented, specifically, Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming. Entities that are not eligible for funding under this program include, but are not limited to Federal governmental agencies, universities, and individuals.

Applicants should refer to Section IV of this document for a detailed description of requirements for award eligibility under this program.

B. COST SHARING REQUIREMENT

Applicants must cost share 50% or more of the total cost of the SOR. Applicant cost sharing of more than 50% of the cost is encouraged.

Cost sharing may be made through cash or in-kind contributions from the applicant or third party partners; however, all cost share contributions must meet the criteria established in the OMB administrative and cost principles circulars applicable to the applicant (see Section VIII.A). In-kind contributions constitute the value of non-cash contributions that benefit a Federally-assisted grant and are subject to the same accounting and record keeping requirements as cash contributions. These contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program. The cost or value of in-kind contributions that have been or will be relied on to satisfy a cost sharing or matching requirement for another Federal financial assistance agreement, a Federal procurement contract, or any other award of Federal funds, may not be relied on to satisfy the cost share requirement for SOR applications.

Indirect costs that will be incurred during the development of a project which will not be recovered may be included as part of your cost-share. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to any one cost objective. For further information on indirect costs, refer to the OMB cost principles circular applicable to your organization as listed in Section VIII.A of this document. Costs that have been incurred prior to the date of award of the SOR, including for example, a preliminary analysis of the applicant's system, may be submitted for consideration as an allowable portion of the applicant's cost share for the project. However, only costs incurred after authority is passed for Reclamation to enter into agreements for the types of activities described herein are eligible for consideration as a cost share contribution. The authority for the Water2025 program is expected during the final months of calendar year 2007. Reclamation will review the proposed pre-award costs to determine if they are allowable in accordance with the authorizing legislation and applicable cost principles (see Section VIII.A.1).

C. LENGTH OF PROJECT

Applicants should propose SORs that can be completed within 24 months from the award date.

D. OTHER REQUIREMENTS

1. TECHNICAL AND BUDGET PROPOSALS

The applicant must submit technical and budget proposals in accordance with the requirements stated in Section IV of this document.

2. FUNDING PLAN AND LETTERS OF COMMITMENT

The applicant's application shall include a funding plan that describes how the non-Reclamation share of the costs will be obtained. **If funding will be provided by anyone other than the applicant, letters of commitment must be provided from these additional sources.** See Section IV.D for information on submission of the Funding Plan and letters of commitment.

3. OFFICIAL RESOLUTION

All applications must include an official resolution adopted by the appropriate applicant's Board of Directors governing body, or appropriate official, verifying its support for the project, the availability of funding, and its intent to meet project deadlines. See the format found at IX.8 for information on submission of your Official Resolution.

SECTION IV — APPLICATION AND SUBMISSION INFORMATION

A. ADDRESS TO REQUEST APPLICATION PACKAGE

SECTION III- ELIGIBILITY INFORMATION

This document references all information, forms, and electronic addresses required to obtain the information required for submission of an application.

If you are unable to access this information electronically, you may request paper copies of any of the documents referenced in this Funding Opportunity Announcement by contacting:

By mail: Bureau of Reclamation
Acquisition Operations Group
Attn: Randale Jackson, Mail Code: 84-27810
P.O. Box 25007
Denver, CO 80225

E-mail: rjackson@do.usbr.gov

Phone: 303-445-2432

B. INSTRUCTIONS FOR SUBMISSION OF PROJECT APPLICATION

Each applicant shall submit an application in accordance with the instructions contained in this section. Each application shall consist of the following elements: (1) Technical Proposal; (2) Funding Plan; (3) Resolution; and (4) Budget Proposal. Detailed instructions for each of these elements are set forth immediately below. **A suggested format for the complete application is available at: Section IX. We recommend the use of the suggested format. AT THE PRESENT TIME, ELECTRONIC APPLICATION SUBMISSIONS ARE NOT AUTHORIZED THROUGH ANY ELECTRONIC MEANS. ONLY PAPER COPIES OF APPLICATIONS WILL BE ACCEPTED.**

Applications must be submitted as a complete package. Materials arriving separately will not be included in the application package for consideration and may result in the application being rejected or not funded. **FAX COPIES OF APPLICATION DOCUMENTS WILL NOT BE ACCEPTED.**

Do not include a cover letter or brochure with your application. All pertinent information must be included in your application in accordance with the formats described below.

Applicants shall submit an original and two copies of all application documents.

C. TECHNICAL PROPOSAL INSTRUCTIONS

1. Technical Proposal Format and Length Proposals shall be limited to **thirty (30)** 8-1/2 inch X 11 inch pages, including the Executive Summary but excluding any forms required in these instructions, **double-sided pages will count as two pages**. The font used shall be at least 10 points in size and shall be easily readable. Proposals will be prescreened for compliance to the 30-page limit. Blueprints, letters of commitment, and appendices will not be counted in the 30-page limit. All pages shall be consecutively numbered, including pages with tables and exhibits.

2. Technical Proposal Content A suggested format for the technical proposal is available at: Section IX.1-6 We recommend the use of this format.

i. **Cover Page** – The cover page shall consist of a fully completed SF 424 – Application for Federal Assistance. This form must be signed by a person legally authorized to commit the applicant to performance of the project. **Inclusion of a properly signed SF 424 in the application is a mandatory requirement. Failure to adhere to this requirement may result in the elimination of the application from further consideration.** This form is available at

http://www.grants.gov/agencies/forms_repository_information.jsp

ii. **Assurances** – Include with the application a completed and signed SF 424B – Assurances – Non-Construction Programs. This form must be signed by a person legally authorized to commit the applicant to performance of the project. **Inclusion of a properly signed SF 424B in the application is a mandatory requirement. Failure to adhere to this requirement may result in the elimination of the application from further consideration.** These forms are available at

http://www.grants.gov/agencies/aapproved_standard_forms.jsp

iii. **Title Page** – Provide a brief, informative, and descriptive title for the proposed work that indicates the nature of the project. Include the name and address of the applicant, and the name and address, email address, telephone and facsimile numbers of the project manager.

Table of Contents – List all major sections of the technical proposal in the Table of Contents.

Executive Summary – Discuss briefly the study area and how the SOR will be performed. Identify the approach for completing the SOR, and the issues that the applicant plans to address in the SOR. **Two page limit – we recommend use of the Executive Summary template at Section IX.5 as a format for the summary.**

In a final section of the Executive Summary applicants should identify any past working relationships with the Bureau of Reclamation, including a brief summary of any previous grants. **(See Section IV.C.2.v.)** This should include the date(s), description of relationship with Reclamation, and a description of the project(s)

vi. **Technical Project Proposal**

Summary of proposal criteria -- Discuss briefly how the SOR will be performed and the how the application meets each of the evaluation criteria and in the order that they appear in Section V.B. The responses to the selection criteria should be based on the planned approach for completing the SOR, and the issues that the applicant plans to address in the SOR.

Background Information – Describe the system to be analyzed as part of the proposed SOR. (e.g., agricultural district, municipal district, drainage basin.) Include the location and a map of the area (state, county, and direction from nearest town) to be addressed.

Also include a description of the amount of water involved (in acre feet), the source of supply, water rights involved, current water uses (agricultural,

domestic, municipal or industrial), the number of water users served, current and projected water demand.

Provide a description of the delivery system involved. For agricultural systems, please include the miles of canals, miles of laterals, existing irrigation improvements (i.e., type, miles, acres), estimated canal and lateral seepage losses and on-farm efficiency, to the extent known. For municipal systems, please include the number of connections, current levels of efficiency, to the extent known, and any other relevant information describing the system.

If the foregoing background information is included in a current planning or engineering document (such as a water conservation plan for example), the applicant may reference that document and attach the plan or document as an appendix.

c. Technical Project Description

i. Goals – Discuss the goals and objectives of the proposed SOR.

List known water supply or water management issues that the applicant anticipates including in the SOR.

Consistent with the broader concepts of *Water 2025*, discuss any conflict or tension over water that the applicant plans to address. Describe any other problems that will be examined as part of the SOR.

ii. Approach –The SOR application should describe the applicant’s planned approach to completing the SOR, and should identify the scope of the SOR. As the SOR is underway, additional steps and issues may be identified and included for completion of the SOR. Any changes should be brought to the attention of the Grants and Cooperative Agreements Officer, for consideration and possible modification of the agreement.

At minimum, the six steps outlined in Section I.C.4., “SOR Approach” must be incorporated in performing the SOR, including: (1) information gathering, (2) identification of issues and priorities, (3) setting goals, (4) identification and evaluation of potential improvements; (5) creation of a plan of action; and (6) development of a SOR Report. Additionally, the discussion should include:

- 1 A description of, and support for, the planned scope of the SOR (i.e. both the geographic scope – basin, district or a portion thereof – and the range of issues being addressed). If the geographic scope is addressed under the background information, reference that section of the application and provide support for the proposed scope.
- 2 A description of the major tasks to be addressed in the SOR and an estimated schedule demonstrating the stages and duration of each part of the SOR.
- 3 A general description of the analysis to be carried out. This discussion shall be in sufficient detail to permit a comprehensive evaluation of the application, and may include:

The method to be used to gather information about the applicant's system;

How water management issues will be identified and prioritized;

The method to be used to identify potential policy, operational, or physical improvements capable of improving water conservation, increasing water use efficiency, and/or enhancing water management;

4. Describe expected members of the SOR team, and list their qualifications and experience.

vii. Environmental and Regulatory Compliance – In most cases, there will be no significant environmental compliance associated with SORs because they generally will involve nondestructive data collection, inventory, study, research and monitoring activities. However, some environmental compliance will be required if the SOR will involve any disturbances to the surrounding environment, such as clearing brush to perform a survey, or if installing monitoring equipment on an existing structure (e.g., headgates) would alter that structure. Budgeting for Environmental and regulatory compliance costs is addressed in Section IV.F.2.7.

In order to allow Reclamation to assess the probable level of environmental compliance that will be required for each application, all applicants must respond to the following list of questions focusing on the requirements of the National Environmental Policy Act, the Endangered Species Act, and the National Historic Preservation Act. Please answer the following questions to the best of your knowledge. If any question is not applicable to your project, please explain why. If you have any questions, please contact a local Reclamation office- <http://www.usbr.gov/main/about/addresses.html>

- Will any activities associated with the proposed SOR impact the surrounding environment (i.e. soil [dust], air, water [quality and quantity], animal habitat, etc.)? Such activities could include, for example, brush clearing, installation of measuring or monitoring devices, soil sampling, etc. If so, please explain the impacts and any steps that could be taken to minimize the impacts.
- Is the applicant aware of any endangered or threatened species in the project area? Would they be affected by any activities associated with the SOR?
- Are there wetlands inside the project boundaries? If so, please estimate how many acres of wetlands there are, and describe any impact the proposed SOR will have on the wetlands.
- When was the water delivery system constructed?
- Will the project result in any modification of, or effects to, individual features of a water delivery system (i.e. headgates, canals, etc.)?
- If the applicant answered yes to question (5), state when those features were constructed and describe the nature and timing of any alterations or modifications to those features.
- Are any buildings, structures, or features in the area of the proposed SOR listed or eligible for listing on the National Register of Historic Places? The local Reclamation office can assist in answering this question.
- Are there any known archeological sites in the area of the proposed SOR?

In addition, applicants must obtain all required state and local approvals and permits, and shall coordinate and obtain any approvals required from site owners and operators. Applicants should state in their applications whether any state or local

permits or approvals are required, and explain the applicant's plan for obtaining such permits or approvals.

D. FUNDING PLAN AND LETTER OF COMMITMENT INSTRUCTIONS

Funding Plan and Letter of Commitment – All applications must include a funding plan that describes how the non-Reclamation share of the project costs will be obtained. Reclamation will use this information in making a determination of financial capability. Applicants must be willing to fund at least 50% of the project costs and provide documentation showing the sources of non-Reclamation funding totaling 50% or more of the cost of the SOR. The funding shall describe how the applicant will meet the cost share requirement, including description of monetary and in-kind contributions, and identification of the source of funds contributed by the applicant. If the request for Federal funding is greater than \$300,000, identify what lesser amount, if any, would be acceptable if Reclamation is unable to provide the total funding. Discuss any decrease in project size or other problems due to decreased Federal funding. Describe any other (non-Reclamation) Federal funding requested or received for the proposed work. Other Federal funding may not be counted towards the applicant's cost share requirement.

Additionally, if funding is being provided by other than the applicant, letters of commitment from these additional sources must be included with the application. **This is a mandatory requirement for all applications submitted in response to this Funding Opportunity Announcement.** Identify the funding partners and the amount of funding to be provided by each. Describe any pending funding requests for the proposed work that have not yet been approved, including Federal and non-Federal sources. Explain how the project will be affected if such funding is denied.

E. BUDGET PROPOSAL INSTRUCTIONS

1 **General Requirements** - Include a budget with the annual estimated costs associated with completion of the SOR. The project budget should include the value of in-kind contributions of goods and services and sources of funds provided to complete the SOR.

2 **Budget Proposal Format** - Samples of an acceptable budget format and budget narrative are included in Section IX.9. The use of these formats is recommended. The budget shall include detailed information for the categories listed below and must clearly identify all SOR costs and the funding source, i.e., Reclamation, or other funding sources. Additionally, applicants should include a narrative description of the items included in the budget.

Submission of the following information is mandatory. Award will not be made to any applicant who fails to fully disclose the following information.

i. **Salaries and Wages** – Indicate project manager and other key personnel by name and title. Other personnel may be indicated by title alone. For all positions, indicate salaries and wages, estimated hours or percent of time, and rate of compensation proposed. All labor estimates, including any proposed subcontractors, shall be allocated to specific tasks as outlined in the applicant's technical proposal. Labor rates and proposed hours shall be displayed for each task.

Clearly identify any proposed salary increases and the effective date.

Generally, salaries of administrative and/or clerical personnel should be included as a portion of the indirect costs. If these salaries can be adequately

documented as direct costs, they may be included in this section; however, an explanation should be included in the budget narrative.

ii. Fringe Benefits – Indicate rates/amounts, what costs are included in this category and the basis of the rate computations. Indicate whether these rates are used for application purposes only or whether they are fixed or provisional rates for billing purposes. Federally-approved rate agreements are acceptable for compliance with this item.

iii. Travel – Include purpose of trip, destination, number traveling, length of stay and all travel costs including airfare (basis for rate used), per diem, lodging, and miscellaneous travel expenses. For local travel, include mileage and rate of compensation.

Equipment – Itemize costs of all equipment having a value of over \$500 (if using rental equipment, include the number of hours it is to be used and the hourly rate) and include information as to the need for this equipment.

Supplies – Describe the items to be purchased, the unit price, the quantity, and the purpose, such as whether the items are needed for office use, research, etc.

vi. Contractual – Identify all work that will be accomplished by sub-recipients, consultants, or contractors, including an itemized budget estimate of time, rates, supplies, and materials that will be required for the task, which must include the same level of detail as that of the applicant's. Lump sum or hourly rates that incorporate supplies, fringe benefits, and overhead costs are not acceptable. If a sub-recipient, consultant, or contractor is proposed and approved at time of award, no other approvals will be required. Any changes or additions will require a request for approval.

vii. Environmental and Regulatory Compliance Costs – “Environmental compliance costs” include costs incurred by Reclamation or the applicant in complying with environmental regulations applicable to a SOR project, which could include NEPA, ESA, NHPA and the Clean Water Act, and other regulations depending on the project, including costs associated with any required permits or approvals.

In most cases, there will be no significant environmental compliance associated with SORs because they generally will involve nondestructive data collection, research, inventory, study, research and monitoring activities. If no environmental compliance is expected to be required based on the nature of the planned SOR activities, then the applicant is not required to include a line item in their budget for environmental compliance activities. In these cases, the minimal cost for Reclamation staff to confirm the absence of environmental issues and document the same will be considered an administrative cost paid for by Reclamation.

However, if the applicant has reason to believe that the SOR will require some environmental compliance, however small, then the applicant must include a line item in their budget for environmental compliance activities. For example, if the SOR will involve any disturbances to the surrounding environment, such as clearing brush to perform a survey, or installing monitoring equipment on an existing structure (e.g., headgates, canals, etc.) that would alter that structure, then some environmental compliance will be required. In the application review and selection process, Reclamation will consider whether

the applicant has budgeted appropriately for environmental compliance, taking into consideration the amount budgeted and the applicants responses to the questions set forth above, in Section IV.C.2.vii.

All reasonable environmental compliance costs will be considered projects costs, and will be cost shared by the recipient and Reclamation. If some compliance activities are expected, applicants must budget an amount equal to at least 1% of the total cost of the SOR, at a minimum. **Any environmental compliance costs that exceed the amount budgeted for by the applicant must be paid for solely by the applicant.**

How environmental compliance activities will be performed (e.g. by Reclamation, the applicant or a consultant), will be determined pursuant to subsequent agreement between Reclamation and the applicant. If any portion of the funds budgeted for environmental compliance is not required for compliance activities, such funds may be reallocated to the project, if appropriate.

To the extent possible, environmental compliance will be completed before a cooperative agreement is signed by the parties. In all other cases, the award will be contingent on completion of environmental compliance, and the cooperative agreement will describe how environmental compliance will be carried out and how such costs will be paid for.

viii. Other – Any other expenses, such as those for required reporting (see Section VI.C), not included in the above categories shall be listed in this category, along with a description of the item and what it will be used for. No profit or fee for these expenses will be allowed.

ix. Indirect Cost – Show the proposed rate, cost base, and proposed amount for allowable indirect costs based on the applicable OMB circular cost principles (see Section VIII) for the applicant's organization. It is not acceptable to simply incorporate indirect rates within other direct cost line items.

If the applicant has separate rates for recovery of labor overhead and general and administrative costs, each rate shall be shown. The applicant should propose rates for evaluation purposes which will be used as fixed or ceiling rates in any resulting award. Include a copy of any federally-approved Indirect Cost Rate Agreement.

If the applicant does not have a Federally-approved Indirect Cost Rate Agreement or if unapproved rates are used, explain why, and include the computational basis for the indirect expense pool and corresponding allocation base for each rate. Information on "Preparing and Submitting Indirect Cost Proposals" is available from the Department of the Interior, National Business Center, Indirect Cost Section, at <http://www.nbc.gov/acquisition/ics/icshome.html>.

x. Total Cost – Indicate total amount of project costs, including the Federal and non-Federal cost share amounts.

1 **Budget Narrative** - Additionally, applicants should include a narrative description of the items included in the project budget. The Budget Narrative provides a discussion of or explanation for items included in the Budget Proposal. Samples of an acceptable budget format and budget narrative are available in a separate form available at: Section IX.10

2 **Budget Form** – In addition to the above-described budget information, the applicant must complete an SF-424A, Budget Information – Non-construction Programs. This form is available at: http://www.grants.gov/agencies/approved_standard_forms.jsp

F. OFFICIAL RESOLUTION INSTRUCTIONS

All applications shall include an official resolution adopted by the applicant's Board of Directors or governing body, verifying that:

- The Board or governing body has reviewed and supports the application submitted;
- The applicant is capable of providing the amount of funding and/or in kind contributions specified in the funding plan; and
- If selected for a Challenge Grant, the applicant will work with Reclamation to meet established deadlines for entering into a cooperative agreement.

It is a mandatory pre-requisite for funding under the Water 2025 Program that your application package includes a resolution meeting the requirements set forth above. Submission of a resolution that does not meet these requirements, or late submission of a resolution, may result in elimination of the application from further consideration.

A suggested format for the resolution is provided in a separate form available at: Section

DATE FOR RECEIPT OF APPLICATIONS

APPLICATION DELIVERY INSTRUCTIONS

For review purposes only

For review purposes only

Applications will be accepted until 3:00 p.m., Mountain Standard Time, on December 4, 2007. Applications received after this date and time will not be considered for award.

Applicants shall submit an original and two copies of all application documents. **Applications may not be submitted electronically or by facsimile. To be accepted, applications must be sent by mail to the following address:**

Mailing Address:

Bureau of Reclamation Acquisition
Operations Group Attn: Randale Jackson,
Mail Code: 84-27810
P.O. Box 25007
Denver, CO 80225

Physical Location (for express mail/delivery services):

Bureau of Reclamation Attn: Randale
Jackson, Mail Code: 82-27810 Denver
Federal Center 6th Avenue and Kipling Street
Building 67, Room 152 Denver CO 80225
Mailroom: (303) 445-2088

I. APPLICATION SUBMISSION CHECKLIST

An Application Submission Checklist has been included on page 2 of this Funding Opportunity Announcement. The Checklist contains a summary of the information required for submittal with the applicant's *Water 2025* application.

J. SAMPLE FORMATS

Please see Section IX for sample formats to assist in the preparation of the Technical Proposal, Funding Plan, Official Resolution, Budget Proposal, and Budget Narrative. Use of these formats is not required; however, **it is recommended** as the use of these formats will help ensure that the applicant has correctly submitted all portions of the funding application.

SECTION V — APPLICATION REVIEW INFORMATION

A. REVIEW AND SELECTION PROCESS

The Government reserves the right to reject any and all applications which do not meet the requirements of this solicitation and which are determined to be outside the scope of the *Water 2025* program. Awards will be made to the responsible applicants submitting applications which conform to the solicitation and are most advantageous to the *Water 2025* Program considering the factors and any significant sub-factors listed above.

SECTION V- APPLICATION REVIEW INFORMATION

The evaluation process will be comprised of three levels as follows:

1. First Level Screening

All applications will be screened to ensure that:

- The application meets the requirements of the solicitation package, including submission of technical and budget proposals, a funding plan, official resolution and related forms that are prepared in accordance with the instructions stated in Sections IV.B, of this document;
- The applicant meets the eligibility requirements stated in Section III of this document, and
- At least 50% of the cost of the project is being cost shared by the applicant;

An application must pass all first level screening criteria in order for it to be forwarded for further consideration at the Second Level Evaluation phase.

2. Second Level Evaluation (Technical Review)

Technical factors will comprise 100 points of the total evaluation weight. Individual technical criteria, and significant sub-criteria, are described in Section IV.C, with their respective evaluation weights identified in Section V.B.1-4, below.

3. Third Level Evaluation (Managerial Review)

Management will conduct a final review to ensure the proposed project is consistent with the objectives of the *Water 2025* Program. During this review management may also take into consideration any positive or negative past performance by the applicant and any partners in previous working relationships with the Bureau of Reclamation.

4. Initial Selection

After completion of the Third Level Evaluation, Reclamation will notify applicants of its initial recommendations for award. All applications initially selected will then be forwarded to the appropriate Reclamation Regional Office to address environmental compliance issues and to draft a cooperative agreement. **Before a cooperative agreement can be finalized, the office will also complete a business evaluation and determination of responsibility for all applicants recommended for award. Whenever possible, the applicant should complete environmental compliance prior to award; however if environmental compliance activities have not been completed, the award will be conditioned upon completion of these activities.**

B. EVALUATION CRITERIA

The relative importance of various evaluation criteria is set forth below. Applications will be evaluated by a technical panel in accordance with these criteria and the corresponding weight assigned to each criterion. Applicants will describe how their proposed System Optimization Review meets the following criteria in the Technical Proposal portion of their application. **A suggested format is available at: Section IX.6. We recommend the use of this format.**

1. Conservation, Efficiency, Markets (40 points)

Applications should address to what extent and how the SOR will assess the potential to improve water conservation, increase water use efficiency and enhance water management through measurement, automation, and/or developing or expanding water markets. **Applications will be evaluated based on the following sub-criteria with equal weight given to applications investigating potential for water management or water conservation. Application investigating water marketing will receive a higher scoring.**

SECTION V- APPLICATION REVIEW INFORMATION

(1) Water Marketing. Credit will be given for applications that will investigate potential water marketing opportunities or that will investigate physical improvements or operational changes to facilitate water marketing.

In responding to this criterion, the applicant should carefully describe how the proposed SOR will investigate potential water marketing opportunities. For example, the application should describe any known water marketing opportunities that will be investigated further, including the scope of the market, type of transaction (sale, lease, or exchange) that the applicant is interested in, and how the market operates if it is existing, or how it might operate if it does not already exist. Additionally, the application should describe any issues that the SOR will address to help facilitate water marketing, such as evaluation of whether supplies are available for water marketing; investigation of physical or operational improvements to make water available for marketing; or evaluation of any legal impediments to water marketing, such as any restrictions under Reclamation law or contracts, individual project authorities, water spreading, and applicable state water laws.

“Water marketing” shall include the following, as allowed under state law: (a) The creation of a water market or bank that allows water users to sell, lease or otherwise exchange water on a willing buyer, willing seller basis for beneficial uses including, agricultural, municipal, industrial, or in-stream flows; (b) The contribution of conserved water to an existing water market or bank, as such markets and banks are described in (a); or (c) The sale, lease or exchange of conserved water to another water user.

Applicants may present activities not described in the examples (a)-(c) and justification for constituting such projects as “water marketing,” will be considered in the evaluation process.

(2) Water Conservation. This criterion evaluates how the SOR will assess the potential for water conservation. In responding to this criterion, the applicant should specify how the SOR will analyze the potential for increasing water conservation. The response should specify the total annual water supply involved; and how the SOR will address water conservation issues. For example, the response should state a water budget will be developed as part of the SOR, and whether the SOR will include an examination of measurement capabilities in the system; evaluation of the schedule of deliveries; review of drainage and tail water issues; and any other issues relevant to water conservation.

(3) Water Management. In responding to this criterion, the applicant should describe how the SOR will assess the potential for water management improvements, including the estimated amount of water that could be better managed (in acre-feet), and a description of the issues that will be investigated. In responding to this criterion, applicants should only address issues not addressed in response to the two preceding sub-criteria regarding water marketing and water conservation.

(4) Reasonableness of Cost for Benefits Gained. This criterion evaluates the cost of the proposed SOR against the potential of the plan of action to result in a project eligible for Challenge Grant Implementation Funding for increased water savings, water better managed, or water marketed. Evaluation of this criterion will be based on the applicant’s responses to criteria B.1 (1) – B.1(3) and B.2 and B.3.

2. Relevance to Water 2025 (35 points)

Applications should fit the broader concepts of *Water 2025*—seeking to stretch water supplies, promote collaboration, and minimize crisis over water. Greater consideration will be given to assessments that review greater area, for example, proposals to review watersheds will be given

SECTION V- APPLICATION REVIEW INFORMATION

greater consideration than proposals examining a single water district.

Applications will be evaluated on the following sub-criteria: (Sub-criteria are in order of decreasing value)

(1) Reduction of Conflict. In responding to this sub-criterion, applicants should describe any specific water issues or conflicts within the study area and if the SOR will explore solutions to those conflicts. Conflicts could include water shortage issues, the need to comply with endangered species requirements or other environmental laws, or other conflicts between water users and stakeholders regarding water management issues, etc.

(2) Stakeholder Involvement. *Water 2025* encourages collaborative solutions to water supply problems. In response to this criterion, please specify whether your SOR application involves any direct or indirect participation by other partners or stakeholders. In particular, please answer the following:

(a) Whether the SOR application includes any other non-Reclamation funding partners (e.g., state, city, other water user(s), interest group(s), or other entities); and

(b) Whether any stakeholders (any water users potentially benefiting from the SOR) are otherwise involved in, or will benefit from, the proposed SOR.

(3) “Hot Spot” Areas. Discuss whether the SOR concerns a “Hot Spot” area (Red, Orange, or Yellow) as described in the illustration: *Potential Water Supply Crises by 2025* (available at <http://www.doi.gov/water2025/supply.html>). If the SOR is not focused on a Hot Spot, the applicant should state whether the SOR will address another area that is experiencing conflict over water (describe the nature of any existing conflict or tension surrounding water use in the area being addressed in the SOR).

(4) Connection to Reclamation Project Activities. Explain whether the area to be addressed by the SOR is in a basin with connections to Reclamation project activities. For example, state whether the applicant receives Reclamation project water, whether the SOR addresses Reclamation facilities or Reclamation project lands, and whether the proposed SOR is in the same basin as a Reclamation project or activity (particularly where the proposed SOR could benefit a basin where a Reclamation project is located). Note if a Reclamation district will be involved.

3. Quantification of Potential Benefits (10 points)

This criterion evaluates whether the proposed SOR application is sufficiently detailed as to evaluate potential benefits of the SOR if awarded.

Applications will be evaluated on the following sub-criteria as applicable: (Sub-criteria are listed in order of decreasing value)

(1) Sufficiency of Information. This sub-criterion evaluates whether the application provides sufficient detail for evaluation, including a thorough description of the issues to be addressed in the SOR, the delivery system being addressed, and the approach to be taken in the SOR.

(2) Methodology and Basis for Approach. Briefly describe and justify the approach to be taken in the SOR, including the steps to be taken and the scope of the SOR (the geographic approach scope and the types of issues being addressed). Describe the required qualifications and experience of the SOR participants.

SECTION V- APPLICATION REVIEW INFORMATION

4. Project Financing and Cost-Sharing (15 points)

This criterion evaluates whether the costs of the proposed SOR are reasonable, whether the budget is sufficiently detailed to support the estimated costs, and whether the cost share funds are secure.

Applications will be evaluated on the following sub-criteria: (Sub-criteria are listed in order of decreasing value)

(1) The applicant demonstrates the financial ability to pay for the estimated costs of the SOR. Applications should include:

(a) A funding plan identifying the source of funding (e.g. reserve account, tax revenue and/or assessments, in-kind services and/or third party contributors);

(b) Supporting documentation showing that funds are available (e.g., operating budget, or a financial analysis or report); and

(c) Letters of commitment from any cost-sharing partners.

(2) The costs of the SOR are reasonable and appropriate for the work proposed.

This criterion will evaluate each item of work proposed and whether the amount budgeted is reasonable, including the amount budgeted for environmental compliance.

(3) 50% or more non-Federal funding or in-kind services are provided.

C. OTHER FACTORS

During the third-level review (management review), past performance of the applicant (e.g. defaults and/or breach of contract) and any cost share partners in working relationships with the Bureau of Reclamation will be considered. Applicants should identify any past working relationships with the Bureau of Reclamation, including a brief summary of any previous grants. This should include the date(s), description of relationship with Reclamation, and a description of the project(s).

Prior to award of an assistance agreement, the Grant and Cooperative Agreement Officer (GCAO) will consider several factors in the selection process which are important, but not quantified, such as:

- 1 Agreement with the general and special agreement provisions included in Section VIII.
- 2 Pre-award clearances, determinations, reviews, and approvals, which may include, but are not limited to, the degree to which proposed costs are allowable and allocable; financial strength and stability of the organization; past performance; and adequacy of personnel practices, procurement procedures, and accounting policies and procedures, as established by applicable OMB Circulars.

SECTION VI -- AWARD ADMINISTRATION INFORMATION

A. AWARD NOTICES

SECTION V- APPLICATION REVIEW INFORMATION

Successful applicants will receive by mail a notice of award and Cooperative Agreement document, signed by a Grant and Cooperative Agreements Officer notifying the applicant of award and starting date.

B. AWARD DOCUMENT

If the applicant is awarded an agreement as a result of this Funding Opportunity Announcement, the applicable portions of Sections I, II, III, and VIII of this document will be included in the resulting agreement.

C. REPORTING REQUIREMENTS AND DISTRIBUTION

If the applicant is awarded an agreement as a result of this Funding Opportunity Announcement, the recipient will be required to submit the following types of reports during the term of the agreement. Detailed information on the type, frequency, and distribution of these reports is included in Section VIII.C.4., titled Reporting Requirements and Distribution, of this document.

1. Financial Reports

- SF-269 or SF-269a, Financial Status Report
- SF-272, Report of Federal Cash

2. Program Performance Reports

- Quarterly Reports
- Annual Reports
- Final Report- The final SOR report (see section I.C.4vi) shall be included as an attachment to this report.

3. Significant Developments Reports

- Notification of problems, delays, adverse conditions, or favorable developments

SECTION VII — AGENCY CONTACTS

There will be no pre-application conference. Those interested in submitting applications in response to this solicitation may direct questions to Reclamation in writing. Questions may be

SECTION VI- AWARD ADMINISTRATION INFORMATION

submitted to the attention of Randale Jackson, Grant and Cooperative Agreement Officer, as follows:

By mail:

Bureau of Reclamation Acquisition
Operations Group Attn: Randale Jackson,
Mail Code: D-7810
P.O. Box 25007
Denver, CO 80225

By fax:

(303) 445-6344

By E-mail:

rjackson@do.usbr.gov

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SECTION VII- AGENCY CONTACTS

SECTION VIII — OTHER INFORMATION

If the applicant is awarded a Cooperative Agreement as a result of this Funding Opportunity Announcement, the following General Provisions and Special Provisions will be included in the agreement.

A. GENERAL PROVISIONS

1. REGULATIONS AND GUIDANCE

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F, are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this agreement. Failure of a recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the recipient and/or for termination of support. Copies of OMB Circulars are available at http://www.whitehouse.gov/omb/grants/grants_circulars.html. The implementation of the circulars at 43 CFR Part 12 is available at <http://www.access.gpo.gov/nara/cfr/cfr-tablesearch.html#page1>

- **COLLEGES AND UNIVERSITIES that are recipients or sub-recipients shall use the following:**

Circular A-21, revised May 10, 2004, "Cost Principles for Educational Institutions"

Circular A-110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

- **STATE, LOCAL AND TRIBAL GOVERNMENTS that are recipients or sub-recipients shall use the following:**

Circular A-87, **REVISED** May 10, 2004, "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A-102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12, Subpart C)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

- **NONPROFIT ORGANIZATIONS that are recipients or sub-recipients shall use the following:**

Circular A-110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

SECTION VIII- OTHER INFORMATION

Circular A-122, revised May 10, 2004, "Cost Principles for Non-Profit Organizations"

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations@

- **ORGANIZATIONS OTHER THAN THOSE INDICATED ABOVE** that are recipients or sub-recipients shall use the basic principles of OMB Circular A-110 (Codification by Department of Interior, 43 CFR 12, Subpart F), and cost principles shall be in accordance with 48 CFR Subpart 31.2, titled "Contracts with Commercial Organizations," which is available at <http://www.gpoaccess.gov/ecfr/> .
- Additionally, please reference 43 CFR 12.77 for further regulations that cover the award and administration of sub-awards by State governments.

2. DEBARMENT AND SUSPENSION

The Department of the Interior regulations at 43 CFR 42—Government-wide Debarment and Suspension (Non-procurement), which adopt the common rule for the government-wide system of debarment and suspension for non-procurement activities, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the recipient agrees to comply with 43 CFR 42, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at <http://www.gpoaccess.gov/ecfr/> .

3. DRUG-FREE WORKPLACE

The Department of the Interior regulations at 43 CFR 43—Government-wide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the recipient agrees to comply with 43 CFR 43, Subpart B, if the recipient is not an individual, or with 43 CFR 43, Subpart C, if the recipient is an individual. These regulations are available at <http://www.gpoaccess.gov/ecfr/> .

4. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

- The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this agreement shall apply with full force and effect to this agreement as if fully set forth in these General Provisions. Such Assurances include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.
- When required by 43 CFR 18—New Restrictions on Lobbying, recipients shall complete a Certification Regarding Lobbying form. This certification is incorporated by reference and made a part of this agreement. These regulations are available at <http://www.gpoaccess.gov/ecfr/> .

5. COVENANT AGAINST CONTINGENT FEES

The recipient warrants that no person or agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the recipient for the purpose of securing agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this agreement without

SECTION VIII- OTHER INFORMATION

liability or, in its discretion, to deduct from the agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

6. CONTRACTING WITH SMALL AND MINORITY FIRMS, AND WOMEN'S BUSINESS ENTERPRISES

It is a national policy to award a fair share of contracts to small and minority business firms. The Department of the Interior is strongly committed to the objectives of this policy and encourages all recipients of its grants and cooperative agreements to take affirmative steps to ensure such fairness.

- The grantee and sub-grantee shall take all necessary affirmative steps to assure that minority firms, and women's business enterprises are used when possible.
- Affirmative steps shall include:
 - i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
 - Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
 - Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce as appropriate, and
 - vi. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

7. NOTICE REGARDING BUY AMERICAN ACT

In accordance with the annual Energy and Water Development Appropriations Act, please be advised that it is and has been the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made. This provision shall remain in effect unless revoked by a future specific act of Congress.

8. RESOLVING DISAGREEMENTS

When entering into a cooperative agreement with a recipient, Reclamation commits itself to working with the recipient in a harmonious manner to achieve the objectives of the project successfully. When disagreements arise between the parties, they must be resolved according to the procedures discussed below:

- i. Reclamation shall attempt first to resolve disagreements with the recipient through informal discussion among the Grant and Cooperative Agreement Officer (GCAO), the Program Officer, and the recipient's Project Director.
- ii. If the disagreement cannot be resolved through informal discussion between these parties, the GCAO and the Program Officer shall document the nature of the disagreement and bring it to the attention of the Grant Office Manager.

SECTION VIII- OTHER INFORMATION

iii. After reviewing the facts of the disagreement, as presented by the Grants and Program Offices, the Grant Officer Manager will arrange a formal meeting. If agreement still cannot be reached, the parties will collectively decide on any varied approaches which might be used to resolve the disagreement. The parties shall be responsible for their individual expenses related to any approach utilized to resolve the disagreement. If attempts at resolving the disagreement fail, the Chief, Acquisition and Assistance Management Division, or the Regional Director, whichever is applicable, shall make a decision which shall be final and conclusive.

iv. Nothing herein shall be construed to delay or limit Reclamation's right to take immediate and appropriate action, as set forth at 43 CFR Subpart 12.83 or 12.962, as applicable, in the event of material noncompliance by the recipient, and no attempts at informal resolution shall be necessary.

Any post award issue will be open for resolution in accordance with the above procedures, with the exception of disagreements regarding continuation of the agreement (termination must be in accordance with 43 CFR 12), or other matters specifically addressed by the agreement itself.

9. LOBBYING RESTRICTIONS

In accordance with the annual Energy and Water Development Appropriations Act, please be advised that it is and has been the sense of Congress that none of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence Congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This provision shall remain in effect unless revoked by a future specific act of Congress.

10. ELECTRONIC FUNDS TRANSFER (EFT)

In accordance with the Debt Collection Improvement Act of 1996, 31 CFR 208, effective January 2, 1999, all Federal payments to recipients must be made by EFT unless a waiver has been granted in accordance with 31 CFR 208.4. Upon award of a financial assistance agreement, Reclamation will provide the recipient with further instructions for implementation of EFT payments or a certification form to request exemption from EFT.

11. ENDORSEMENT OF COMERCIAL PRODUCTS AND SERVICES

In accordance with 43 CFR 12.2(d), this provision applies to grants and cooperative agreements whose principal purpose is a partnership where the recipient contributes resources to promote agency programs, publicize agency activities, assists in fund-raising, or provides assistance to the agency. If the agreement is awarded to a recipient, other than a State government, a local government, or a federally-recognized Indian tribal government, and the agreement authorizes joint dissemination of information and promotion of activities being supported, the following provision shall be made a term and condition of the award:

Recipient shall not publicize or otherwise circulate, promotional material (such as advertisements, sales brochures, press releases, speeches, still and motion pictures, articles, manuscripts or other publications) which states or implies governmental, Departmental, bureau, or government employee endorsement of a product, service or position which the recipient represents. No release of information relating to this award may state or imply that the Government approves of the recipient's work products, or considers the recipient's work product to be superior to other products or services.

All information submitted for publication or other public releases of information regarding this project shall carry the following disclaimer:

"The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the opinions or policies of the U.S.

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Government. Mention of trade names or commercial products does not constitute their endorsement by the U.S. Government."

Recipient must obtain prior Government approval for any public information releases concerning this award which refer to the Department of the Interior or any bureau or employee (by name or title). The specific text, layout photographs, etc., of the proposed release must be submitted with the request for approval.

A recipient further agrees to include this provision in a sub-award to any sub-recipient, except for a sub-award to a State government, a local government, or to a federally-recognized Indian tribal government.

C. SPECIAL PROVISIONS

1. GRANT AND COOPERATIVE AGREEMENT OFFICER'S REPRESENTATIVE (GCAOR) (RECLAMATION 08/03)

The GCAOR for this agreement will be:

Bureau of Reclamation Attn: (To be completed at time of award) Address:
Telephone:

The GCAOR is authorized to act only on technical matters during the term of this Agreement. The GCAOR and the Recipient's Project Manager shall work closely to insure that all requirements of the Agreement are being met. The GCAOR's responsibilities include, but are not limited to, the following:

- (a) Assist the Recipient concerning the accomplishment of the tasks described in the Agreement;
- (b) Provide information to the Recipient which assists in the interpretation of the tasks; and
- (c) Review, and where required, approve reports and information to be delivered to the Government.

Technical assistance must be within the general scope of the Agreement. The GCAOR does not have the authority to and may not issue any technical assistance which:

- (a) Constitutes an assignment of additional work outside the general scope of the Agreement;
- (b) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or
- (c) Changes any of the expressed terms, conditions, or specifications.

2. PAYMENT POLICY (RECLAMATION 11/03)

Acceptance of a financial assistance agreement from Reclamation creates a legal responsibility on the part of the recipient organization to use the funds and property provided in accordance with the terms and conditions of the agreement. Reclamation has a reversionary interest in the unused balance of funding and in any funds improperly applied.

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Payments to recipients are made in accordance with the basic standards and methods stated in the payment regulations at 43 CFR 12.61 or 43 CFR 12.922, as applicable to this agreement. These requirements are intended to minimize the time elapsing between the transfer of funds from the Federal government and the disbursement of these funds by the recipient.

Payment will be made in advance or by reimbursement as follows:

- i. **Advance Payment** -- Recipients shall be paid in advance provided (1) they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of funds and their disbursement by the recipient, (2) they comply with reporting requirements for timely submission of financial status reports, and (3) they impose these same standards on sub-recipients.

Advances to recipients shall be limited to the minimum amounts needed and shall be timed to be in accordance with the actual, immediate cash requirements of the recipient in carrying out the purpose of the agreement. The timing and amount of cash advances shall be as close as administratively feasible (generally no more than 3 days) to actual disbursements for direct program costs and the proportionate share of allowable indirect costs.

- ii. **Reimbursement** -- Reimbursement shall be the preferred method of payment when a recipient (1) does not meet the requirements for advance payment stated above; (2) does not have financial management systems that meet the standards in 43 CFR 12.60 or 43 CFR 12.921, as applicable; or (3) has been converted to payment restrictions for non-compliance with the terms and conditions of the agreement. Reimbursement is also the preferred method of payment for agreements involving construction.

3. PAYMENT METHOD (RECLAMATION 11/03)

Electronic Funds Transfer -- Payments under this agreement will be made to recipients by electronic funds transfer (EFT) unless the recipient qualifies for exemption from this payment method. Reclamation utilizes the Automated Clearinghouse (ACH) Vendor Express payment system for EFT. Whether funds are paid in advance or as a reimbursement, the actual payment will be made through Vendor Express. Vendor Express allows the Government to transfer funds to a recipient's financial institution along with explanatory information regarding the payment.

Enrollment -- Upon award, recipients will receive a copy of the SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form. This form is required to implement the Vendor Express system and to notify Reclamation of any change or corrections to financial institution information.

Requesting Payments -- Requests for advance or reimbursement may be made by the following methods:

- i. **SF-270, Request for Advance or Reimbursement** - On a monthly basis, recipients may submit an original and two copies of a properly certified SF-270 form to the address identified in Block [# 6], page 1, of this agreement. For advance payments, this form may be submitted on a monthly basis, at least two weeks prior to the date on which funds are required, and on the basis of expected disbursements for the succeeding month and the amount of Federal funds already on hand. Requests for reimbursement may be submitted on a monthly basis, or more frequently if authorized by the Grant and Cooperative Agreement Officer (GCAO). Requested funds are delivered to the recipient via ACH Vendor Express. This form is available on the Internet at http://www.whitehouse.gov/omb/grants/grants_forms.html .

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ii. **SF-271, Outlay Report and Request for Reimbursement for Construction Programs** - The SF-271 shall be used for construction agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original and two copies of a properly certified SF-271 form to the address identified in Block [# 6], page 1, of this agreement. This form is available on the Internet at http://www.whitehouse.gov/omb/grants/grants_forms.html .

iii. **Automated Standard Application for Payments (ASAP)** - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Once a request is made through ASAP, funds are provided to the recipient either through ACH or Fedwire. Further information regarding ASAP may be obtained from the ASAP website at <http://www.fms.treas.gov/asap> . Upon award, the recipient will be provided with information regarding enrollment in the ASAP system.

4. REPORTING REQUIREMENTS AND DISTRIBUTION (RECLAMATION 11/03)

Failure to comply with the reporting requirements contained in this agreement may be considered a material non-compliance with the terms and conditions of the award. Non-compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the agreement, recovery of funds paid under the agreement, withholding of future awards, or other legal remedies.

i. **Financial Reports** - All financial reports shall be signed by an Authorized Certifying Official for the recipient's organization. The following forms are available at http://www.whitehouse.gov/omb/grants/grants_forms.html .

(a) **SF-269 or SF-269a, Financial Status Report** - This form is utilized to report total expenditures for the reporting period. The SF-269 must be used if the recipient is accountable for the use of program income; otherwise, the SF-269a may be used.

An original and two copies of this form shall be submitted quarterly within 30 days following the end of each reporting period.

A final SF-269 or SF-269a shall be submitted within 90 days following completion of the agreement.

(b) **SF-272, Report of Federal Cash Transactions** - This report shall be submitted by recipients that draw down cash advances by means of electronic funds transfer or Treasury check. Recipients shall identify in the "Remarks" section the amount of cash advances received in excess of 3 days prior to disbursement and explain actions taken to reduce excess balances.

An original and two copies of this form shall be submitted on a quarterly basis within 15 days following the end of the reporting period

ii. **Program Performance Reports**

(a) **Interim Reports** - Recipients shall submit an original and two copies of program performance reports on a quarterly basis within 30 days following the end of each reporting period. Program performance reports shall contain the following:

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(i) A comparison of actual accomplishments with the goals and objectives established for the reporting period;

(ii) Where project output can be quantified, a computation of the cost per unit of output;

(iii) When appropriate, reasons why goals and objectives were not met; and

(iv) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(b) Annual Reports - An original and two copies of an annual program performance report shall be submitted within 90 days following the end of each year of the agreement. Copies of this report may be required to be included with any application for continuing support of the agreement.

(c) Final Report - An original and two copies of the final program performance report shall be submitted no later than 90 days following the expiration or termination of the agreement. The final SOR report (see section I.C.6) shall be included as an attachment to this report.

iii. Significant Developments - During the term of the agreement, the recipient must immediately notify the GCAO if any of the following conditions become known:

(a) Problems, delays or adverse conditions which will materially impair their ability to meet the objectives of the agreement;

(b) Favorable developments which enable the recipient to meet time schedules and objectives sooner than or at less cost than projected or to produce more beneficial results than originally planned.

This notification is to include information on the actions taken or contemplated to resolve problems, delays, or adverse conditions, and any assistance needed from Reclamation to help resolve the problem.

iv. Report Distribution

Copies of reports shall be distributed as follows:

TYPE OF AGREEMENT	GCAO (Block 6, Page 1)	GCAOR (Block 8, Page 1)
Financial Reports	1	2
Performance Reports	1	2

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5. MODIFICATIONS (RECLAMATION 08/03)

Any changes to this agreement shall be made by means of a written modification. Reclamation may make changes to the agreement by means of a unilateral modification to deal with administrative matters, such as changes in address, no-cost time extensions, the addition of previously agreed upon funding, or deobligation of excess funds at the end of the agreement. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the agreement in accordance with 43 CFR 12.83 or 43 CFR 12.961, as applicable.

All other changes shall be made by means of a bilateral modification to the agreement. No oral statement made by any person, or written statement by any person other than the GCAO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GCAO. Any request for project extension shall be made at least 45 days prior to the expiration date of the agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

6. RECIPIENT'S PROJECT MANAGER (RECLAMATION 08/03)

The Recipient's Project Manager for this Agreement shall be (To be completed at time of award).

7. FUNDS AVAILABLE FOR PAYMENT (RECLAMATION 08/03)

The Government's obligation under this Agreement is contingent upon the availability of appropriated funds from which payment for Agreement purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the GCAO for this Agreement, and until the Recipient receives notice of such availability, to be confirmed in writing to the Recipient by the GCAO.

Pursuant to the Act of Congress of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all commonly known as Reclamation Law, funds for payment under the first year of this agreement are included in the fiscal year 2005 Energy and Water Development Appropriation Act, Public Law [to be determined]. Funding for any optional year of the agreement is contingent upon subsequent Congressional funding.

8. REIMBURSABLE COSTS AND LIMITATIONS (RECLAMATION 08/03)

i. The Recipient shall provide all personnel, services, facilities, equipment, materials and supplies, and perform all travel which may be necessary and appropriate for the proper performance of this Agreement. Costs so incurred will be paid for as provided herein. Reclamation's obligation to provide funding to the Recipient for costs incurred in these connections shall be limited to the Recipient's direct and indirect costs associated with this Agreement. All such direct and indirect costs must be determined to be allowable under the regulations contained in 48 CFR Subpart 31.2 or an OMB Cost Principle Circular, as applicable, which are incorporated herein through the General Provisions of this agreement.

ii. The recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the agreement. The only costs which are authorized for a period of up to 90 days following the award expiration date are those strictly associated with closeout activities for preparation of the final report.

iii. Reclamation's financial participation is limited. Reclamation will only fund up to its share of those amounts requested in the project application and as are subsequently approved and

SECTION VIII- OTHER INFORMATION

funded in the agreement. The recipient shall not be obligated to continue performance under the agreement or to incur costs in excess of the costs set forth in the application and subsequent agreement. However, if the recipient chooses to expend funds in excess of the approved project budget, the recipient will be responsible to fund the excess without funding participation by Reclamation.

9. BUDGET REVISIONS (RECLAMTION 08/03)

The Recipient shall follow the requirements at 43 CFR 12.70(c) or 43 CFR 12.925, as applicable, when making revisions to budget and program plans. Additionally, approval shall be requested for transfers of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa.

10. PROCUREMENT STANDARDS (RECLAMATION 08/03)

When utilizing Federal funds for the procurement of supplies and other expendable property, equipment, real property, and other services under this agreement, the Recipient shall utilize the Procurement Standards set forth at 43 CFR 12.76 or 43 CFR 12.940 -12.948, as applicable. The Recipient may be required to submit evidence that its procurement procedures are in compliance with the standards stated therein. Additional guidance for contracting with small and minority firms and women's business enterprises is included in the General Provisions section of this agreement.

11. PROPERTY STANDARDS (RECLAMATION 08/03)

All property, equipment and supplies acquired by the Recipient with Federal funds shall be subject to usage, management, and disposal in accordance with the Property Standards at 43 CFR 12.72 - 12.73, or 43 CFR 12.930 - 12.937, as applicable.

12. INSPECTION (RECLAMATION 08/03)

Reclamation has the right to inspect and evaluate the work performed or being performed under this agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a subrecipient, the Recipient shall furnish and shall require subrecipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

13. AUDIT (RECLAMATION 01/04)

Non-Federal entities that expend \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, which is available at http://www.whitehouse.gov/omb/grants/grants_circulars.html . Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133, § ___.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

Audits shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits. Additional audit requirements applicable to this agreement are found at 43 CFR 12.66 or 43 CFR 12.926, as applicable. General guidance on the single audit process is included in a pamphlet titled, "Highlights of the Single Audit Process" which is available on the internet at

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<http://www.dot.gov/ost/m60/grant/sincontact.htm> . Additional information on single audits is available from the Federal Audit Clearinghouse at <http://harvester.census.gov/sac/> .

14. ENFORCEMENT (RECLAMATION 08/03)

In accordance with 43 CFR 12.83 or 43 CFR 12.962, as applicable, if the recipient materially fails to comply with any term of this agreement, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, Reclamation may take one or more of the following actions as appropriate:

- Temporarily withhold cash payments pending correction of the deficiency by the recipient or subrecipient or more severe enforcement action by the awarding agency;
- Disallow (deny both use of funds and any matching credit for) all or part of the cost of the activity or action not in compliance;
- Wholly or partly suspend or terminate the current award for the recipient's or subrecipient's program;
- Withhold further awards for the program; or
- Take other remedies that may be legally available.

15. TERMINATION (RECLAMATION 08/03)

In accordance with 43 CFR 12.84 or 43 CFR 12.961, as applicable, and except as provided for in the Enforcement Provision, above, this agreement may be terminated in whole or part only as follows:

- 1 By the awarding agency with the consent of the recipient or subrecipient in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or
- 2 By the recipient or subrecipient upon written notification to Reclamation, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either the Enforcement Provision or paragraph 1 of this Provision.

16. COPYRIGHTS (RECLAMATION 08/03)

- i. For recipients subject to the administrative standards set forth in OMB Circular A110, the following copyright provision, as implemented by 43 CFR 12.936(a), shall apply:

“The recipient may copyright any work that is subject to copyright and was developed, or for which ownership was purchased, under an award. The Federal awarding agency(ies) reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.”

- ii. For recipients subject to the administrative standards set forth in OMB Circular A-102 and the Grants Management Common Rule, the following copyright provision, as implemented by 43 CFR 12.74, shall apply:

SECTION VIII- OTHER INFORMATION

“The Federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:

- (a) The copyright in any work developed under a grant, subgrant, or contract under a grant or subgrant; and
- (b) Any rights of copyright to which a grantee, subgrantee or a contractor purchases ownership with grant support.”

17. RIGHTS TO DATA (Reclamation 08/03)

For recipients subject to the administrative standards set forth in OMB Circular A-110, the following provision, as implemented by 43 CFR 12.936(c), shall apply:

“The Federal Government has the right to:

- (1) Obtain, reproduce, publish or otherwise use the data first produced under an award;
- and
- (2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.”

18. DUN AND BRADSTREET (D&B) DATA UNIVERSAL NUMBERING SYSTEM (DUNS) REQUIREMENT (RECLAMATION 07/04)

Effective October 1, 2003, applicants for Federal grants or cooperative agreements must provide a D&B DUNS number with their application. This number is to be included in Block 5 of your SF-424 Application for Federal Assistance (Rev.9-2003), or in Block 6 of previous versions of the SF 424.

If you do not have a DUNS number, one may be obtained at no cost by calling the dedicated toll-free DUNS Number Request Line at 1-866-705-5711, or by going to the DUNS Government Contractor and Grantee website at <https://eupdate.dnb.com/requestoptions/government/ccrreq/>.

Individuals who would personally receive a grant or cooperative agreement award from the Federal government, apart from any business or non-profit organization they operate, are exempt from the requirement to provide a DUNS number with their application. Reclamation must, however, have a DUNS number for payment processing purposes, and will therefore obtain a DUNS number for any individual who is awarded a grant or cooperative agreement.

19. RECIPIENT/SUBRECIPIENT PERSONNEL SECURITY AND SUITABILITY REQUIREMENTS (Reclamation 06/06)

Performance of this grant/cooperative agreement requires recipient/subrecipient personnel to have a Federal government-issued personal identification card before being allowed unsupervised access to a DOI [facility and/or information system]. _____ [to be completed by bureau/office, e.g., designated grants/cooperative agreement administrator] will be the sponsoring official, and will make the arrangements for personal identify verification and card issuance.

At least two weeks before start of grant/cooperative agreement performance, the recipient will identify all recipient and subrecipient personnel who will require [physical and/or logical] access for performance of work under this grant/cooperative agreement. The recipient and subrecipient must make their personnel available at the place and time specified by the _____ [title to be completed by the bureau/office] in order to initiate screening and background investigations. The following forms, or their equivalent, may be used to initiate the credentialing process:

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- OPM Standard Form 85 or 85P
- Fingerprint Card (local procedures may require the fingerprinting to be done at a police station; in this case, any charges are to be borne by the recipient or subrecipient, as applicable)
 - Release to Obtain Credit Information
 - PIV card application (web-based)

Recipient and subrecipient employees are required to give, and to authorize others to give, full, frank, and truthful answers to relevant and material questions needed to reach a suitability determination. Refusal or failure to furnish or authorize provision of information may constitute grounds for denial or revocation of credentials. Government personnel may contact the recipient or subrecipient personnel being screened or investigated in person, by telephone or in writing, and the recipient agrees to make them available for such contact.

Alternatively, if an individual has already been credentialed by another agency through OPM, and that credential has not yet expired, further clearance may not be necessary. Provide the sponsoring office with documentation that supports the individual's status.

During performance of the grant/cooperative agreement, the recipient will keep the _____ [title to be completed by the bureau/office] apprised of changes in personnel to ensure that performance is not delayed by compliance with credentialing processes. Cards that have been lost, damaged, or stolen must be reported to the _____ [title to be completed by the bureau/office] and Issuing Office within 24 hours. Replacement will be at the recipient's expense. If reissuance of expired credentials is needed, it will be coordinated through the _____ [title to be completed by the bureau/office].

At the end of grant/cooperative agreement's performance, or when a recipient/subrecipient employee is no longer working under this grant/cooperative agreement, the recipient will ensure that all identification cards are returned to the _____ [title to be completed by the bureau/office].

Before starting work under this agreement, a National Agency Check (NAC) will be conducted to verify the identity of the individual applying for clearance. Upon successful completion of the NAC process, an identification card will be issued and access granted.

Simultaneously, a NAC with Inquiries (NACI) will be initiated to determine the individual's suitability for the position. If the NACI adjudication is favorable, nothing more needs to be done. If the adjudication is unfavorable, the credentials will be revoked. In the event of a disagreement between the recipient and the Government concerning the suitability of an individual to perform work under this grant/cooperative agreement, DOI shall have the right of final determination.

This requirement must be incorporated into any sub-grants/cooperative agreements that require subrecipient personnel to have unsupervised access to a Federally controlled facility for more than 180 calendar days or unsupervised access to a Federally controlled Level 3 or 4 information system.

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SECTION IX -- FORMS and SUGGESTED FORMATS

This section contains suggested forms and formats that are intended to assist your organization in the preparation of a proposal that will meet the proposal submission requirements stated in this Funding Opportunity.

IX.1 Cover Page -- SF-424 Application for Financial Assistance form

IX.2 SF-424B, Assurances - Nonconstruction Programs

IX.3 Title Page

IX.4 Table of Contents

IX.5 Executive Summary

IX.6 Technical Proposal

IX.7 Funding Plan

IX.8 Official Resolution

IX.9 Budget Proposal

IX.10 Budget Narrative

IX.11 Budget Form --SF-424A, Budget Information – Nonconstruction Programs

IX.1 COVER PAGE (See p. 10, FOA Section IV.C.2.i)

Include an SF-424 Application for Financial Assistance signed by a person legally authorized to commit the applicant to performance of the project.

Applicability: This is a standard form used by applicants as a required cover sheet for applications submitted for Federal assistance (grants and cooperative agreements).

Form available at:

http://www.grants.gov/agencies/forms_repository_information.jsp

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IX.2. ASSURANCES FORM (See p. 10, FOA Section IV.C.2.ii) Include a SF-424B, Assurances – Non-construction Programs, form. **Applicability:** SF-424B, Assurances-Non-construction Programs shall be completed by an applicant for any grant or cooperative agreement funding request that does not involve a preponderance of construction costs. **Form available at:**
http://www.grants.gov/agencies/approved_standard_forms.jsp

For review purposes only

WATER 2025 PROJECT NAME

SOR PROJECT LOCATION

Applicant Name

Applicant Address

Date

IX.4 TABLE OF CONTENTS (See FOA Section IV.C.2.iv.)

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IX.5 EXECUTIVE SUMMARY

PART I -- EXECUTIVE SUMMARY (SEE FOA SECTION IV.C.2.V) (PLEASE LIMIT EXECUTIVE SUMMARY RESPONSES TO A MAXIMUM OF TWO PAGES)	
ES. Executive Summary	
E S. 1	Date: Applicant Name: City, County, State:
E S. 2	Proposal Name:
E S. 3	2006 Funding Request Summary [Use * to denote an in-kind contribution] FUNDING SOURCE FUNDING AMOUNT Non-Federal Entities: Non-Federal Subtotal: Reclamation Funding: TOTAL PROJECT FUNDING:
E S. 4	The required Official Resolution has been approved by the Applicant's governing board, or appropriate official, and a copy has been included as a part of the proposal. Yes
E S. 5	Abbreviated project summary:
E S. 6	Contact for Further Information: Name: Title: Telephone: Fax: E-mail:
F	Briefly identify any past working

SECTION IX.6 TECHNICAL PROPOSAL

PART II -- TECHNICAL PROPOSAL (It is important to refer to FOA Section IV.C. in preparing the responses for this section of the proposal)

A. Summary of Proposal Criteria.
 Provide a brief narrative responding to each of the following criteria that apply to the proposed System Optimization Review. **It is important to review the evaluation criteria, located in Section V of the Funding Opportunity, in preparing your responses.** If the information requested is provided elsewhere in the proposal, please reference the section of the proposal where the information can be found. In addition, the applicant may, but is not required to, summarize the information set forth in the referenced section.

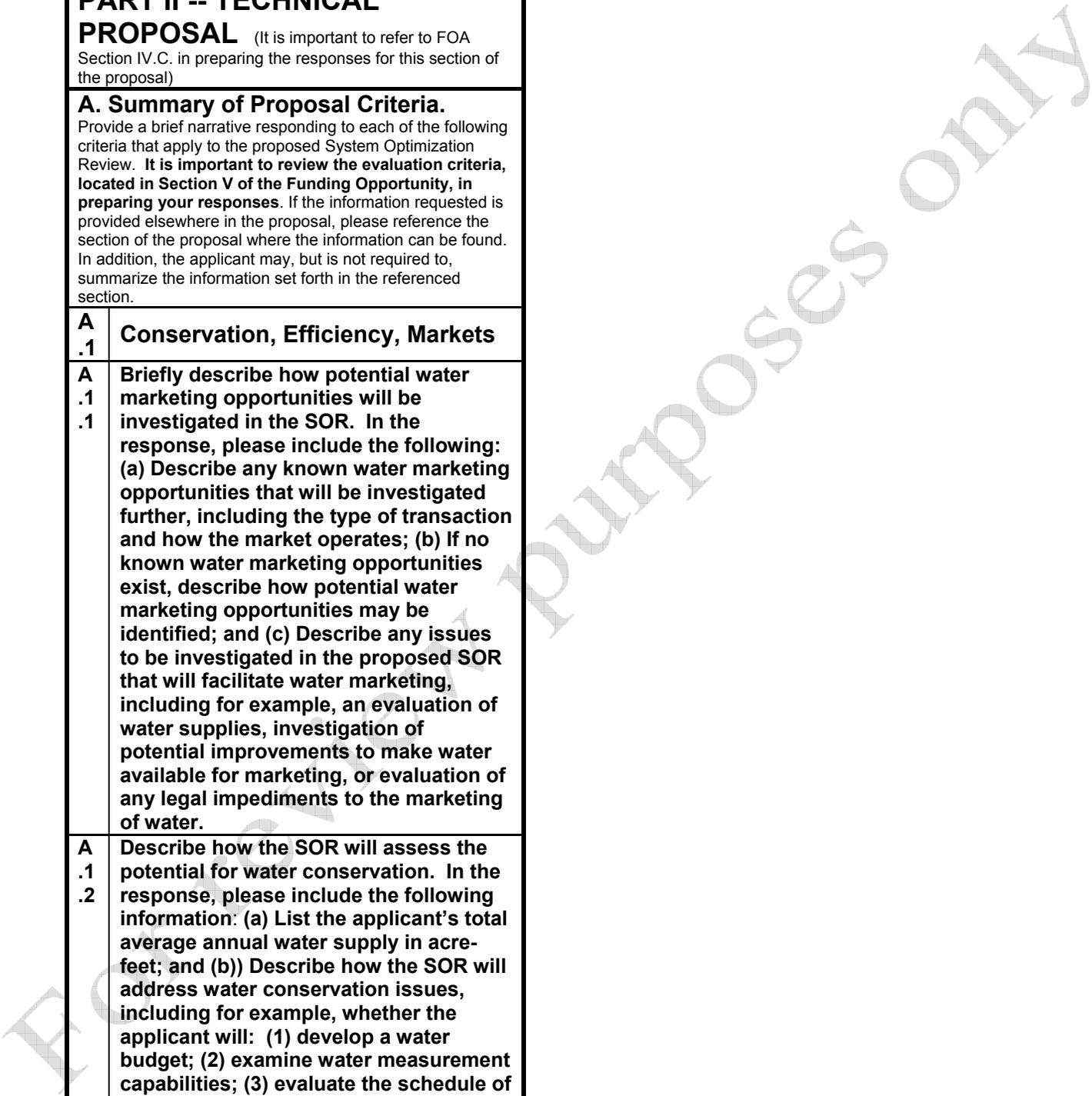
A .1 Conservation, Efficiency, Markets

A .1 .1 Briefly describe how potential water marketing opportunities will be investigated in the SOR. In the response, please include the following: (a) Describe any known water marketing opportunities that will be investigated further, including the type of transaction and how the market operates; (b) If no known water marketing opportunities exist, describe how potential water marketing opportunities may be identified; and (c) Describe any issues to be investigated in the proposed SOR that will facilitate water marketing, including for example, an evaluation of water supplies, investigation of potential improvements to make water available for marketing, or evaluation of any legal impediments to the marketing of water.

A .1 .2 Describe how the SOR will assess the potential for water conservation. In the response, please include the following information: (a) List the applicant's total average annual water supply in acre-feet; and (b) Describe how the SOR will address water conservation issues, including for example, whether the applicant will: (1) develop a water budget; (2) examine water measurement capabilities; (3) evaluate the schedule of deliveries; (4) assess drainage and tail water conditions; or (5) any other factors related to improving conservation.

A .1 .3 Describe how the proposed SOR will address the potential to improve water management. Do not address issues already addressed in the responses to the preceding two criteria regarding water marketing and water conservation. In the response, please

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	support from any stakeholders or partners are included with the application. Describe how stakeholders are otherwise involved in or will benefit from the proposed SOR.
A .2 .3	Does the SOR address a “Hot Spot” area (Red, Orange, or Yellow) as described in the Water 2025 illustration “Potential Water Supply Crises by 2025”? Yes ___ No ___ (a) If the proposed SOR addresses a Hot Spot, please describe the location: (b) If the proposed SOR does not address a Hot Spot, please discuss whether it will address an area otherwise experiencing tension over water.
A .2 .4	State whether the SOR will focus on an area connected to Reclamation project activities. For example, whether the applicant receives Reclamation project water, whether the proposed SOR will focus on an area including Reclamation project lands or Reclamation facilities, or whether the SOR will focus on an area within the same basin as a Reclamation project or Reclamation activity.
A .3	Quantification of Potential Benefits
A .3 .1	No additional information should be provided here. This criterion will be evaluated based on the response provided in Section IV.C. of the applicant’s Technical Proposal.
A .3 .2	Whether the approach to be used in the proposed SOR, including the steps to be taken and the scope of the analysis (geographic scope and the issues to be addressed), are reasonable and supported. No additional information should be provided here. This criterion will be evaluated based on the response provided in Section IV.C. of the applicant’s Technical Proposal.
A .4	Project Financing and Cost-Sharing
A .4 .1	Demonstrate the applicant’s ability to pay for the non-federal cost-share portion of the project costs. Include the following in the response: (a) State whether the required funding plan identifying the sources of funding has been provided. (b) State whether support for the sources of funding identified in the funding plan has been provided; and (c) State whether the required letters of commitment from cost share partners have been attached.
A .4 .2	Whether the costs are reasonable for the work proposed. In general, no additional information needs to be provided in response to this criterion because it will be evaluated based on the costs set forth in the

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include the miles of canals, miles of laterals, existing irrigation improvements (i.e. type, miles, and acres), canal and lateral seepage losses and current levels of efficiency, to the extent known. For Municipal systems, please include the number of connections, current levels of efficiency, to the extent known, and any other relevant information describing the system. If the foregoing information is included in a current planning or engineering document, such as a water conservation plan, for example, the applicant may reference and attach that document in response.

C Proposal Description

C
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1 Goals

C
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1 List the objectives of the proposed SOR. List any known water supply or water management issues, conflicts, or any other problems that the applicant plans to address through the SOR.

C
.
2 Approach

C
.
2 Provide support for the planned scope of the SOR (geographic scope and issues to be addressed).
.
1

C
.
2 Describe the major stages and tasks to be addressed in implementing the SOR, and an estimated schedule for completion of the tasks and stages and duration of each part of the SOR. The development of a plan of action must be included in the process.
.
2

C
.
2 Describe the approach to be used to carry out the SOR. At a minimum this section should identify how during the review information will be gathered, issues and priorities will be identified, goals will be set, potential improvements will be identified and evaluated, a plan of action will be developed, and how this will all be pulled together into an SOR Report. This description shall be in sufficient detail to permit a comprehensive evaluation of the proposal and should include: Additional discussion on the following will be beneficial. The method to be used to gather background information about the applicant's system; How water management issues will be identified and prioritized; and The method to be used to identify potential relief

SECTION IX- FORMS AND SUGGESTED FORMATS

only

purposes

C .3 .6	If the applicant answered yes to the previous question, state when those features were constructed and describe the nature and timing of any alterations or modifications to those features.
C .3	Are any buildings, structures, or features of the district or system listed or eligible for listing on the National Register of

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SECTION IX- FORMS AND SUGGESTED FORMATS

IX.7 FUNDING PLAN

PART III – FUNDING PLAN (SEE FOA SECTION IV.D)	
A	Describe how the Applicant will make its contribution to the cost share requirement, including a description of monetary and in-kind contributions, and identification of the source funds contributed by the applicant (e.g., reserve account, tax revenue and/or assessments):
B	Describe any in-kind costs that the applicant seeks to include as project costs:
C	If project funding is being provided by funding partners, not including the applicant or Reclamation, please provide the following information: (a) Identify the funding partners and state the amount of funding to be provided by each: Ensure the letters of commitment are attached.
D	If the request for Federal funding is greater than \$300,000, discuss what lesser amount would be acceptable if Reclamation is unable to provide the total funding request. Discuss any decrease in project size or other problems due to decreased Federal funding.
E	Describe any other (non-Reclamation) Federal funding requested or received for the proposed work. Note Federal

SECTION IX.8 OFFICIAL RESOLUTION (See FOA Section IV.F)

RESOLUTION NO. 2007 - _____ APPLICANT'S NAME:

WHEREAS, WHEREAS, NOW THEREFORE, BE IT RESOLVED that the [Board of Directors, or appropriate

governing body] agrees and authorizes that: (Please

address the following items in your narrative)

- 1. The Board or governing body has reviewed and supports the proposal submitted;**
- 2. The applicant is capable of providing the amount of funding and/or in-kind contributions, specified in the funding plan; and**
- 3. If selected for a System Optimization Review, the applicant will work with Reclamation to meet established deadlines for entering into a cooperative agreement.**

DATED: _____

Authorized Signature(s)

ATTEST:

SECTION IX.9 BUDGET PROPOSAL (See FOA Section IV.E)

SAMPLE BUDGET PROPOSAL FORMAT

BUDGET ITEM DESCRIPTION	COMPUTATION		RECIPIENT FUNDING	RECLAIMATION FUNDING	TOTAL COST
	\$/Unit and Unit				
AND WAGES					
Employee 1					
Employee 2					
FRINGE BENEFITS					
Full-time employees					
Part-time employees					
TRAVEL					
Trip 1					
Trip 2					
EQUIPMENT					
Item A					
Item B					
Item C					
SUPPLIES/MA TERIALS					
Office Supplies					
Construction					
CONTRACTU AL/ CONSTRUCTI ON					
ENVIRONME NTAL AND					

IX.10 BUDGET NARRATIVE (See FOA Section IV.E.3.)

Applicants shall include a Budget Narrative with the application. The Budget Narrative provides a discussion of or explanation for items included in the Budget Proposal. Listed below are some examples of the types of information that would be included in a Narrative:

Salaries and Wages – Discuss type of personnel needed for the project, their qualifications, and the rationale for the number of hours proposed for various personnel.

Fringe Benefits – Discuss type of benefits and how they apply to various categories of personnel. Indicate whether the applicant has a Federally-approved benefit agreement.

Travel – Discuss the types of trips that are needed and the purpose, the number of personnel traveling, and travel arrangements.

Equipment – Discuss why certain types of equipment are needed for the project. If equipment purchase is recommended, discuss why the equipment cannot be leased or rented for the term of the project.

Supplies – Discuss the major types of supplies that are to be purchased and why they are needed for the project.

Contractual/Construction – Discuss any contracts or subagreements that will be awarded and why they are needed for the project. Discuss contractor qualifications and how the contractor will be selected. Discuss major categories of construction activities/expenses.

Environmental and Regulatory Compliance Costs – Discuss what costs have been included, why they are needed, and how the costs were determined.

Other Costs – Discuss other miscellaneous items needed for the project.

Indirect Costs – Discuss whether the applicant has a Federally-approved Indirect Cost Rate Agreement or the basis for determination of any proposed indirect rate that has not been previously approved by the Federal Government.

IX.11 BUDGET FORM (See Section IV.E.4.)

Include an SF-424A, Budget Information – Nonconstruction Programs **Form**

available at: http://www.grants.gov/agencies/aapproved_standard_forms.jsp

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