



— BUREAU OF —
RECLAMATION

Secretary's Order 3446

“Cutting Red Tape and Reducing Consumer Costs at Reclamation Construction Projects”

Webinar #2, January 29, 2026

Agenda for today

- Quick re-cap of Webinar #1 (initial implementation approach for SO 3446)
- Process for “screening in” candidate entities
- Success stories in non-federal procurement
- Processes being updated per SO 3446
- Success stories on updated processes
- SO online: <https://www.doi.gov/document-library/secretary-order/so-3446-cutting-red-tape-and-reducing-consumer-costs-reclamation>



Re-cap of December 19 webinar

- Reclamation seeks non-federal entities interested in assuming procurement work
- Separately, Reclamation offers variety of procedures and manuals for review
- Any proposals that help reduce costs, improve processes or achieve efficiencies are welcome
- Reclamation documents are being cross-posted at usbr.gov/SO3446, in addition to related parts of usbr.gov
- Reclamation encourages use of the SO 3446 email box SO3446@usbr.gov



'Screening in' candidate entities

- Section 8 of the SO contains initial Qualification language; will be assessed at Area Office and Regional levels
- Project-specific authority is desired but may not always be the only approach, given transferred works contracts
- Transferred works entities are ideally suited to assume procurement, but...
- Open to exploring all approaches



'Screening in': template procurement clause

- *The [entity] shall have exclusive authority over all procurement activities conducted under this Agreement. All acquisitions, contracts, and purchasing decisions will be governed by the procurement laws, regulations, and policies of the State. The Parties agree to comply with all applicable state procurement requirements, including competitive bidding procedures, contract oversight, and ethical standards. Any disputes arising from procurement activities will be resolved according to state law and applicable regulatory provisions.*



Case study: St. Mary Siphon (MT)

- June 17, 2024 – Both 90" siphon pipes failed
- Repair designs were 30% complete at time of failure (part of previous planning)
- Major emergency procurement effort



St. Mary Siphon's two 90-inch siphon pipes, which transport St. Mary Canal water across the St. Mary Valley, failed while diverting approximately 600 cfs.



Case studies: St. Mary Siphon (MT)



- Transferred procurement responsibility to Milk River Joint Board of Control
- Maintained project management partnership
- Timeline from failure to completion and return to operation = 1 Year! (June 17, 2024 to June 25, 2025)



St. Mary Siphon – Keys to Success

- Ability AND WILLINGNESS of the Joint Board of Control to manage projects;
 - Consultant availability and capability
- Reclamation's ability to temporarily transfer OM&R responsibility of Reserved Works Facility to Joint Board of Control;
 - *Existing OM&R Contract had provision*
- Planning efforts provide the adaptability needed for project execution
- Successful Partnerships: Reclamation-Joint Board-State of Montana-Blackfeet Tribe
- Constant Collaboration – Daily!

Carrying Success Forward...Applying similar approach to other project features

- St. Mary Canal – Drops 2 & 5 replacements
 - Halls Coulee Siphons
- EIS & Watershed Planning on St. Mary Canal



Case study: Delta-Mendota Canal (CA)

- Delta-Mendota Canal (DMC) authorized as part of the Central Valley Project by Rivers & Harbors Act of 1937
- Completed in 1951, subsidence observed for several years
- Major features operated by non-federal San Luis & Delta Mendota Water Authority since 1992



Case study: Delta-Mendota Canal (CA)



- About \$279m of IIJA Aging Infrastructure Account funding allocated to the DMC to date
- Procurement will be conducted by the San Luis & Delta Mendota Water Authority under the existing transferred works agreement pursuant to Reclamation Law
- SO 3446 doesn't create new authority; it provides policy guidance that may be applicable elsewhere



Case study: Utah Lake System (UT)

- Final component of the Central Utah Project
- Authorized in 1992 by Title II PL 102-575
- Procurement for the ULS conducted for CUP office by Central Utah Water Conservancy District (CUWCD)



The North Fork Siphon, a Bonneville Unit feature of the Central Utah Project, was recently replaced and spans one of the many valley crossings that keep water flowing to the Strawberry Reservoir in Wasatch and Utah Counties, UT 2025.



Case study: Utah Lake System (UT)



Photo: Contractors and a Reclamation inspector place a stick of pipe on the Utah Lake System Pipeline, UT 2025.

- ~50 miles, welded steel pipe, construction began in 2007
- CUWCD efficiently administered \$610M in funding to date
- SO 3446 doesn't create new authority, it provides policy guidance that may be applicable elsewhere
- Project-specific authorities or O&M transfer authority will be first stop



SO 3446: Procedures under review

1. Environmental compliance
2. National Historic Preservation Act compliance
3. Cost-share programs
4. Review of draft Risk-Based Review Matrix for the new Engineering Design Review Guideline to better align technical reviews to project complexity
5. Workload initiation process and resource allocation tools at TSC
6. Revisions to the Reclamation Manual, and
7. Exploration of available contracting authorities, including IDIQs



SO 3446: New procedures in action

New Department of the Interior NEPA procedures adopted July 2025

- Use of contractors and applicant prepared NEPA
 - Bureau-directed – 43 CFR 46.105
 - Applicant-prepared/directed – 43 CFR 46.107
- Emergency responses – 43 CFR 46.150
- Categorical Exclusions – 43 CFR 46.205-215
 - Establishment; adoption; applying multiple CEs for a single action; allowing use of other bureaus' CEs under NEPA Section 109; DOI Extraordinary Circumstances; DOI CE list



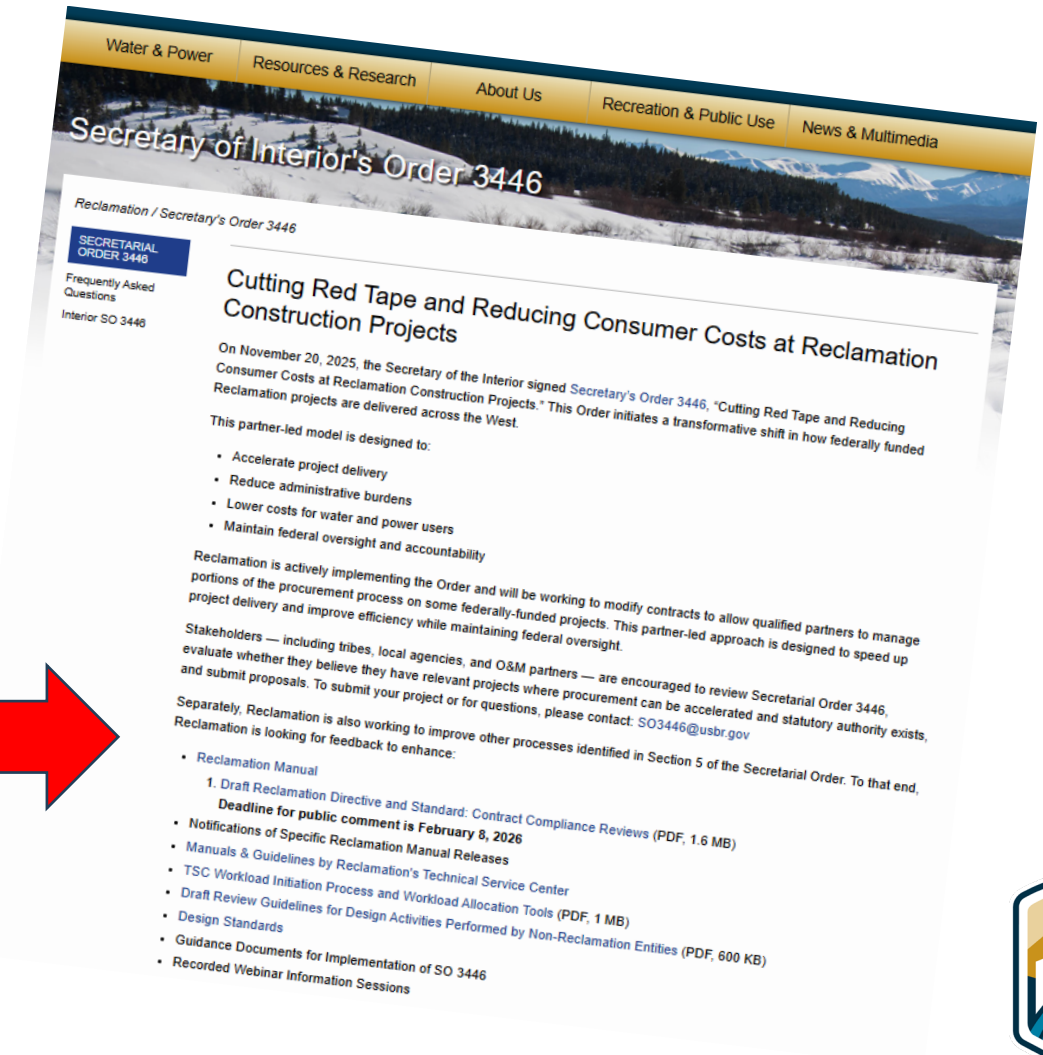
SO 3446: New procedures in action

- Reclamation has applied the new NEPA procedures on several projects in California and New Mexico
- Expanding the use of CEs
- Additionally, new categorical exclusions under development specific to hydropower



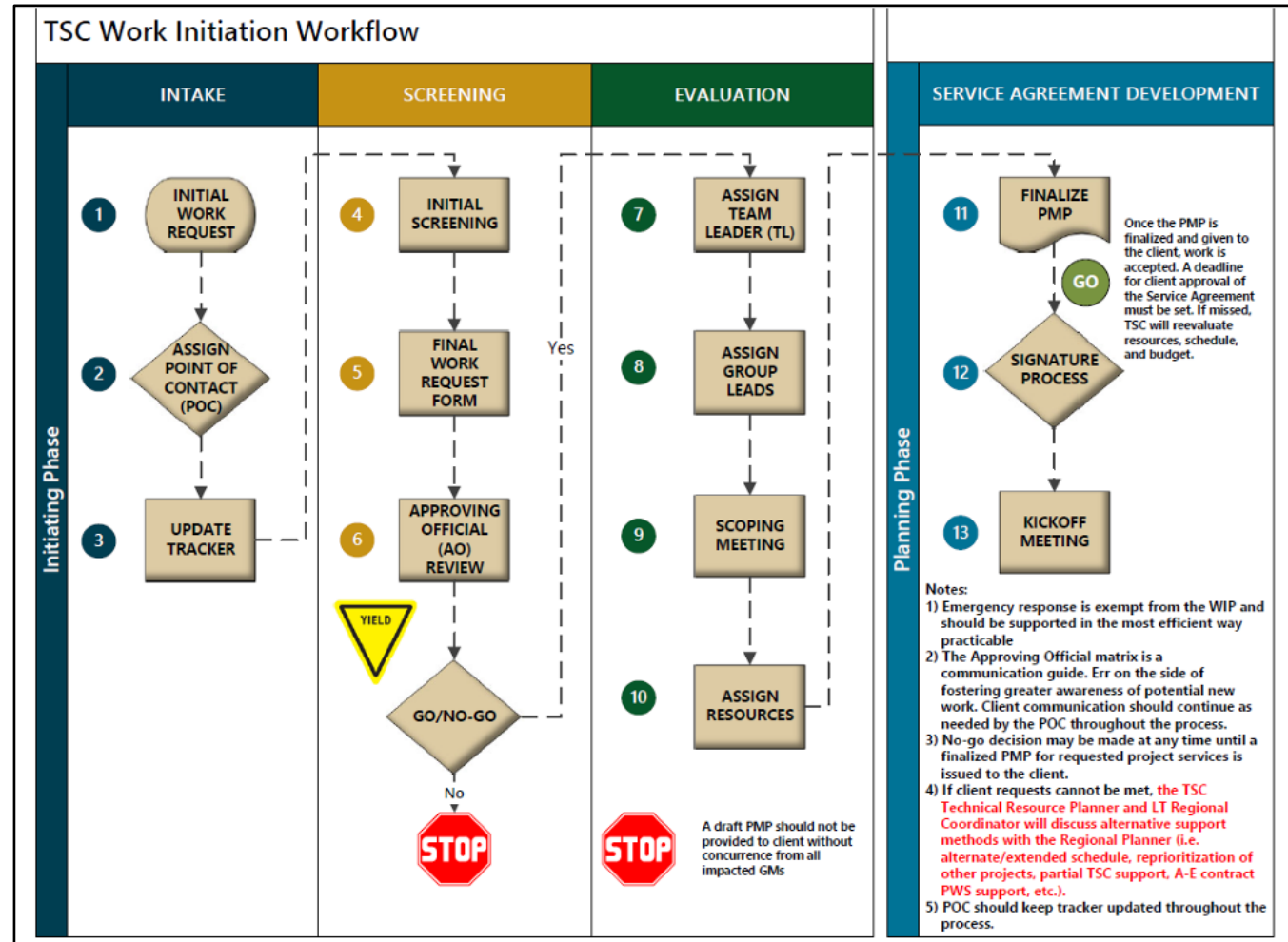
SO 3446: Procedures under review

- Find an evolving list of other Procedures under review here: usbr.gov/SO3446
- Or contact your local Reclamation office
- As updates occur, they'll be cross-posted here



SO 3446: Procedures under review

- TSC Workload Initiation Process and Workload Allocation Tools
- Draft Review Guidelines for Design Activities Performed by Non-Reclamation Entities
- Design Standards
- SO3446@usbr.gov



SO 3446: Procedures Under Review – Title Transfer

➤ D&S - CMP 11-01, Title Transfer for Reclamation Project Facilities

- Under revision, will post for public comment soon
- Clarifying post-transfer flexibilities
- Clarifying roles with Power Marketing Administrations
- Clarifying process for transfers not covered by Dingell Act (PL 116-9)

- ✓ 47 title transfers completed
- ✓ 15 completed under Pub. L. 116-9 (since March 2019)

as of 1/20/26

Title Transfer Pathways >>>

- Pub. L. 116-9 (Dingell Act) authorized March 2019
- Individual legislation if not eligible under Pub. L. 116-9

Learn more at [Reclamation Title Transfer Program](#)



SO 3446: 'Screening-in'

- Risk Management and Partner Qualifications will be assessed per Section 8 of the SO
- Projects will be collected at the local level
- Reclamation will follow the locally-driven model used in implementation of functions like O&M transfers, IRA implementation and WaterSMART awards
- Reclamation will use partner engagement, future webinars, a web page, and email inbox to 'screen in' candidate projects and partners



SO 3446: other implementation issues

- Legal analysis will be major part of SO 3446 implementation
- Davis-Bacon Act (40 USC Sections 3141-3148 and 29 CFR Part 5) applies for federally-owned projects
- Build American/Buy American (43 USC Chapter 83, 2 CFR Part 184, and PL 117-58 Sections 70901-70927) applies when asset will be federally-owned
- These and other statutory compliance issues will be part of implementation



SO 3446: where to find us

- All Reclamation regions have a SO 3446 work-team member
- Contact us at SO3446@usbr.gov, and watch for updates at www.usbr.gov/SO3446
- Your local Reclamation procurements contact, Native American Affairs contact, NEPA contact, NHPA contact, financial assistance contact, etc.
- Usually in an Area Office or Regional Office
- Webinars to shift to quarterly
- We'll highlight other program revisions, and updates for the stakeholder community, at our next webinar



In closing...

- Reclamation's tribal and stakeholder community will be central to SO 3446 implementation
- Project proposals will be locally-sourced
- Projects will be selected via a standardized set of 'screen-in' data points
- Standard article contract language will be used wherever possible
- Transferred works contracts and existing PL 93-638 agreements with tribes will be leveraged
- Contact us now



Contact us at: SO3446@usbr.gov

Updates at: www.usbr.gov/SO3446



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