



— BUREAU OF —
RECLAMATION

Secretary's Order 3446 – Cutting Red Tape and Reducing Consumer Costs at Reclamation Construction Projects

Reclamation implementation update
October 2026

Agenda

- I. What's been done
- II. What's underway
- III. What's planned
- IV. Who's doing what
- V. Rec Manual update process
- VI. Is there more we could do?
- VII. Merge in SO 3452 (Historic Preservation Section 106)
- VIII. Questions/answers/points of contact



SO 3446 Implementation Approach

Two action areas in SO 3446:

1. Policy Directives in Sections 5.a. and 5.b. focused on non-federal Procurement; and
2. Additional Reform Activities in Section 5.c. focused on streamlining processes in at least seven areas

Additional language in the SO, but the above two are the primary action areas



What's been done

- **COMPLETE:** Two new Reclamation-specific hydropower CatExs in 2026 are live
 - **COMPLETE:** TSC design review guidelines (draft) & workload processes now public
 - **COMPLETE:** SO 3446 ASWS Status Report online; SO 3446 web page live; email inbox live; dozens of outreach events via Regions; webinar video posts to YouTube
 - **COMPLETE:** SO 3446 Guidance Memo to the RLT from Commissioner
 - **COMPLETE:** New Reclamation-specific NEPA guidance and trainings May - June 2026
- ...continues...

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[RR83530000, 267R5065C6,
RX.59389832.1009676]

National Environmental Policy Act Implementing Procedures for the Bureau of Reclamation (516 DM 1)

AGENCY: Office of the Secretary, Interior.

ACTION: Notice.

SUMMARY: This notice announces a revision to the National Environmental Policy Act (NEPA) implementing procedures for the Bureau of Reclamation (Reclamation) at Chapter 1 of Part 516 of the Department of the Interior's (Department or DOI) Departmental Manual (516 DM 1)—DOI Handbook of NEPA Implementing Procedures. The revision adds **two new categorical exclusions (CEs)** for hydropower-related activities in the DOI Handbook of NEPA Implementing



What's been done (continued)

- COMPLETE: increased max cost share for water recycling projects from \$30m to \$40m
- COMPLETE: increased max cost share for desal projects from \$30m to 25% total costs, no \$ cap
- COMPLETE: updated WaterSMART criteria for non-federal cost sharing
- COMPLETE: RM releases identified for revision in early 2026
- COMPLETE: Three RM releases deleted; ~30% of other RM releases suspended
- COMPLETE: New Rec Manual feature added enabling RM comments any time, any topic
- COMPLETE: Various Regional streamlining efforts (e.g. CPN Region MOU for BPA power equipment purchases; MB Region transition from PL 93-638 agreements to transferred work O&M contracts, etc.)



What's been done (continued)

SO 3446 Implementation Timeline through end of December 2026

Timeline covers December 2025-December 2026. Blue check marks indicate completed milestones; purple cells show work underway through the target completion month.

Milestone	Status	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026
SO 3446 web page, email box established	Done	✓												
Stakeholder briefing on technical/planning/O&M reviews 12/12/25*	Done	✓												
Stakeholder kickoff webinar 12/19/25	Done	✓												
Stakeholder status webinar 1/29/26	Done		✓											
90-day Report to ASWS 2/19/26	Done			✓										
Stakeholder briefing on NHPA 4/14/26 (small group)*	Done			✓										
Stakeholder webinar: Title Transfer process CMP revisions 4/24/26	Done					✓								
CPN Region: Procurement MOU with BPA for purchase of power equipment 4/29/26	Done					✓								
NEPA reforms: Guidance Document distributed internally and externally 4/30/26	Done					✓								
Review Guidelines published (in draft form) for Designs Performed by non-Reclamation entities	Done					✓								
NEPA reforms: new Categorical Exclusions for hydropower published in Federal Register 5/29/26	Done						✓							
Cost shares adjusted in NOFOs for Desalination projects construction and Title XVI construction; other NOFOs prioritized local cost share	Done						✓							
Stakeholder webinar: NEPA process revisions 6/30/26	Done							✓						
Stakeholder SO implementation status webinar 7/17/26	Done								✓					
RM Comment web form established per Acting Commissioner: www.usbr.gov/recman/	Done								✓					
MB Region: Transition from '638 agreement to OM&R Contract for Garrison Rural Water Project tribal features	Done								✓					
Reclamation Manual RCD series changes (RCD 03-01 to TRMR134)*	Done								✓					
CGB Region: Contract w/SLDMWA for OBBA-funded XM on Delta-Mendota Canal, \$230 million	Done									✓				
CGB Region: Contract w/FWA for OBBA-funded XM on Friant-Kern Canal, \$195 million	Done									✓				
All Regions: Contracts for non-federal procurement of IJJA-funded XM/Aging Infrastructure repairs, \$60m as of late-August 2026*	Done									✓				
CGB Region: Contract w/SLDMWA for OBBA-funded XM on San Luis Canal, \$50 million*	Underway										✓			
Reclamation Manual LND series changes (LND 02-03)	Underway											✓		
Reclamation Manual WTR series changes/trainings (WTR 11-02, 11-01)	Underway													✓
Reclamation Manual CMP series changes/trainings (09-04)	Underway													✓
Reclamation Manual PEC series changes/trainings (PEC 05-03)*	Underway													✓
Implementation will extend into 2027; other actions pending														

* Items with specific additional activity extending through 2026 into 2027



What's underway

- Pre-SO 3446 work with FFA/NWRA per their August 2025 letter
- Four different teams working issues raised
- Issues raised in that letter track areas of focus in SO 3446 Section 5
- Areas of focus are NEPA, Procurement, 'Reviews' and NHPA/Section 106
- NHPA/Section 106 outreach can merge into new SO 3452 (August 20, 2026)



Recommendations on Realigning the Bureau of Reclamation to Improve Effectiveness and Cost-Efficiency

Executive Summary

The Bureau of Reclamation (Reclamation) faces mounting pressure to deliver reliable water and power with fewer federal resources and increasing operational complexity. To remain effective and efficient, Reclamation must modernize how it delivers its core mission—supporting the Western United States through infrastructure ownership, dam safety, water management, and power generation.

Relying on input from water users across the West, the Family Farm Alliance (Alliance), in collaboration with the National Water Resources Association (NWRA), has assembled this set of actionable recommendations to streamline operations and reduce costs. This memo offers practical and prioritized solutions rooted in decades of on-the-ground experience. It proposes a shift toward increased local participation, targeted reforms, and cultural changes within Reclamation to improve responsiveness and accountability.

***Note:** Our members provided extensive and thoughtful feedback in crafting these recommendations, which are listed in a more detailed report that will be used as a roadmap for this effort. To achieve meaningful and lasting improvements, we outline 3 areas for immediate consideration in Part II, below (“Round One Considerations”). Additional specific items identified in the detailed report will be addressed as the process moves forward.*

I. Summary of Effort / Feedback Provided

The Alliance and NWRA initiated this effort to identify areas where Reclamation can better serve Western water users in a time of constrained federal resources. Our members—who directly fund and depend on Reclamation-managed infrastructure—recognize that meaningful reform must be grounded in practical experience and shared responsibility.

This effort included a request to Alliance and NWRA members to consider the activities currently performed by Reclamation and to provide their perspectives on Reclamation's core functions and activities regarding the following questions:

Page 1

August 19, 2025 FINAL



What's underway (continued)

**RECLAMATION REALIGNMENT
IMPLEMENTATION OPPORTUNITY**

TAKE ACTION!


NWRA
National Water Resources Association

IMPROVE PROJECT DELIVERY

The Family Farm Alliance and National Water Resources Association are working with the Bureau of Reclamation and Department of the Interior to improve how water projects are delivered. With new direction under Secretarial Order 3446, there is a clear opportunity to reduce delays, streamline process, and expand appropriate local responsibility.

THE ASK

Contact your local Reclamation area or field office within the next 30 days.
Start a conversation about where your district can take on more responsibility and help move projects forward.

WHY THIS MATTERS

- Improve project delivery at the field level
- Reduce duplication and delay
- Expand appropriate local responsibility
- Support more efficient coordination with Reclamation

WHAT'S CHANGING

- Streamlined review and environmental processes
- Reduced redundant federal oversight
- Expanded local roles in O&M and procurement
- Faster timelines for planning and implementation

YOUR ROLE: ENGAGE LOCALLY

START THE CONVERSATION:

- What responsibilities can we take on to move projects faster?
- Where can duplication be reduced or timelines shortened?
- Are there functions we could perform locally?

LOOK FOR OPPORTUNITIES:

- Projects delayed by process, not substance
- Tasks your district is equipped to handle
- Areas where local expertise can reduce bottlenecks

REPORT BACK TO ALLIANCE & NWRA

- Opportunities identified
- Barriers encountered

- Local office feedback
- Areas needing leadership support

Alliance: samantha@familyfarmalliance.org NWRA: gmorrison@nwra.org

**Realignment will only succeed if it happens at the field level.
Project by project. Office by office.**


NWRA
National Water Resources Association

Secretarial Order 3446
opens the door. Your
engagement drives
results.

TAKE ACTION NOW

☐ Contact your local office

☐ Identify one opportunity

☐ Start the conversation

☐ Report back to Alliance & NWRA

- **ONGOING:** encouraging stakeholders to take on Procurement for works that can be transferred
- **ONGOING:** determining what additional role stakeholders can play in reserved works
- **ONGOING:** bi-weekly SO reporting to the Interior Department
- **ONGOING:** on Rec. Manual - standing up RM Task Force inside Reclamation's SO 3446 Workteam



8

What's underway (continued)

- ONGOING: on Reclamation Manual: web form for stakeholder questions/comments at www.usbr.gov/recman, multiple RM releases revised or eliminated
- ONGOING: Districts should approach Area Offices if interested in assuming procurement on reserved or transferred works
- ONGOING: Districts can request a briefing on any Reclamation reviews (O&M, technical services, feasibility studies, etc.)
- ONGOING: on NHPA, seeking stakeholder reaction on NHPA Section 106, open to working on Programmatic Agreements
- ONGOING: on NHPA Implementing Secretary's Order 3452, signed in August (more on that later)



What else is planned

- **PLANNED:** Completing review of ~19 RM releases in 2027
- **PLANNED:** Events to highlight Working Families Tax Cut (previously OBBBA) funds by non-federals
- **PLANNED:** Transfer of procurement work at other sites
- **PLANNED:** Contact your Area Office for any trainings or assistance
- **PLANNED:** Other activities we haven't yet fleshed out



Who's doing what (continued)

SO 3446 Workteam + **Rec Manual Task Force:**

TSC Director

Provo Area Manager, UC Region

Supervisory Contract Specialist

Resource Management, LC Region

Deputy RD, MB Region

Acquisitions Mgmt. Division

NCRD, National Programs Office

Mat Maucieri, Senior Advisor Operations

Reclamation Law Administration Division

Program Manager, NAIAO

Program Coordinator, CPN Region

Head of the Contracting Activity

Acting Deputy Commissioner, PAB

Asset Management Division

Deputy RD, CGB Region

Solicitors Office

Interior Department Communications

Heidi Morrow, National Programs Director

Deputy RD, LC Region

Acting Deputy RD, UC Region

Acting Deputy RD, CPN Region

Acting Snake River Area Manager

Area Manager, Southern CA Area Office

Deputy RD, MB Region

Area Manager, Oklahoma-Texas Area Office

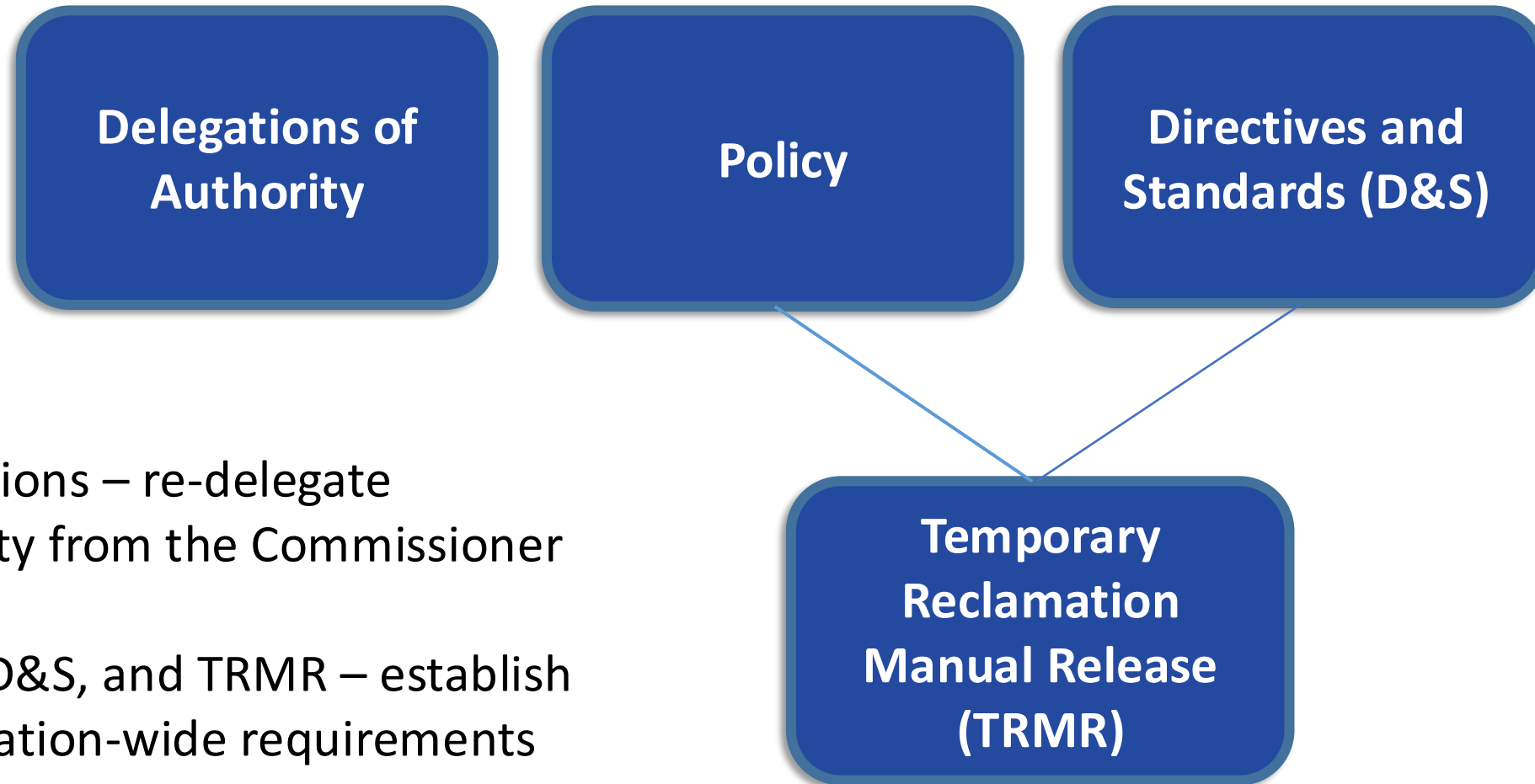
Chief, TSC Electrical & Mechanical Group

Budget Officer, CGB Region

Manager, RLAD



Reclamation Manual Components



Delegations – re-delegate authority from the Commissioner

Policy, D&S, and TRMR – establish Reclamation-wide requirements



RM Components



Reclamation Manual Process Streamlining

Past Rec Manual Revision Process	New Rec Manual Revision Process
2-week review for minor revisions	30-day review for all revisions
45-day review for major revisions	
30-day external review for all major revisions	30-day external review only required if critical comments received during 30-day internal review, but can be conducted by originating office for any release.
Critical comment can pertain to any part of document	Critical comment must pertain to a section being revised
Fatal flaw reviews only go to regions/directorates that submitted critical comments	Fatal flaw reviews go to entire agency
External Fatal Flaw for critical comments on external reviews	Requirement for originating offices to notify RLT if external review results significant changes
DTS record for each review and approval step	Single DTS record for all reviews and approval
Different form for review request and approval	Single form for review and approval
Process timing: 3 to 4 months	Process time savings: 1.5 to 2 months (50% reduction)



SO 3446 Reclamation Manual Review

- 19 RM releases identified
- All scheduled for update by September 30, 2027
- Additional RM releases will be updated separately from SO 3446 effort

Division	RM Code	Title
RLAD	WTR 11-02	Title XVI Financial Capability Determination Process
WRPO	WTR 11-01	XVI Water Reclamation and Reuse Program and Desalination Construction Program Feasibility Study Review Process
NCRD	ENV P04	Bureau of Reclamation Consultation Under the Endangered Species Act of 1973, as Amended
NCRD	LND P03	Wetlands Mitigation and Enhancement
RLAD	PEC 05-03	Funding and Extended Repayment of Extraordinary Maintenance Costs
RLAD	CMP TRMR-127	Small Surface Water and Groundwater Storage Projects Feasibility Study Review Process
NCRD	LND P01	Cultural Resources Management
RLAD	CMP 06-01	Reclamation Value Program
RLAD	CMP P05	Reclamation Value Program
RLAD	PEC 05-10, PEC 05-11	Contracting for Non-Project Use of Excess Capacity in Reclamation Project Facilities
RLAD	RCD 03-01	Reclamation Manual Release Procedures
TSC	FAC 03-01	Maintenance of Design and Construction Technical Capabilities
TSC	FAC 03-02	Construction Activities
TSC	FAC 03-03	Design Activities
RLAD	FAC 10-01	Identifying Design, Cost Estimating, and Construction Projects for Which Independent Oversight Review is Required, and Performing Those Reviews
TSC	FAC P03	Performing Design and Construction Activities
NCRD	LND 02-01	Cultural Resources Management (CRM)
RLAD	CMP 09-04	Planning for Major Rehabilitation and Replacement of Existing Assets
NCRD	LND 02-03	Responsibilities for Operation, Maintenance and Replacement of Project Works

SO 3452 Messaging Integration

- SO 3452 "Timely Completion of National Historic Preservation Act Section 106) Reviews" [SO 3452](#)
 - Section 106 compliance 4 steps (1) initiate; (2) identify; (3) assess; (4) resolve
 - 30-day deliverable identifying undertakings with no potential to cause effects; identified ~10; reporting quarterly thereafter
 - 60-day deliverable list of recommended exemptions; Assistant Secretaries identify lead bureau; reporting quarterly thereafter
 - 30-day deadline for SHPO and THPO response, if no response proceed; extension if approved by Commissioner; THPO 45-day extension if requested and no previous cultural survey; allows for offsite compensatory mitigation with Commissioner approval
 - Coordinate steps with NEPA; consolidate NHPA steps; leverage program agreements; target dates for Section 106 compliance (180 day resolution) consider termination of consultation



Who's doing what (...in closing...)

- Unified former Reclamation staff still involved functions like contracting and communications
- RLAD is lead for Reclamation Manual revisions
- Regions are leads for Procurement with non-federals (Workteam)
- TSC is lead for reviews and design guidelines
- Asset Management Office is lead for facility O&M reviews
- National Programs Directorate coordinating all the supporting functions (Heidi), such as NHPA Section 106, RLAD on Rec Manual, etc.
- DC Office is lead for stakeholder engagement and Interior reporting



Questions/SO 3446 points of contact at Reclamation:

- Anja Radabaugh, Deputy Commissioner, aradabaugh@usbr.gov
- Heidi Morrow, National Programs Office, hmmorrow@usbr.gov
- Mat Maucieri, Operations, mmaucieri@usbr.gov
- Sean Torpey, Acting Deputy Commissioner, storpey@usbr.gov



— BUREAU OF —
RECLAMATION