WaterSMART
Basin Study Program - Selection Process Overview

Introduction

The Basin Study Program is part of the WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program, which works to achieve a sustainable water strategy to meet our Nation's water needs (For more information regarding WaterSMART, please visit our website, available at http://www.usbr.gov/WaterSMART/. Through the Basin Study Program, Reclamation will partner with stakeholders to conduct studies that define options for meeting future water demands in river basins in the West where imbalances in supply and demand exist or are projected.
This document describes the process for non-Federal entities to submit a study proposal to Reclamation for consideration under the program, and includes: (1) An overview of the Basin Study Program; (2) program requirements (including eligibility); (3) Reclamation's two-step process for selecting proposed studies for funding under the program; (4) how to submit a "letter of interest" (Letter of Interest) under Step 1 of the selection process; (5) how to submit a study proposal (Study Proposal) if you are selected to proceed to Step 2 of the selection process; and, (6) the selection criteria.
In addition to reviewing the information provided here, we encourage you to contact your regional Reclamation office if you are interested in participating in a Basin Study.

Basin Study Program Overview

The purpose of the Basin Studies is to define options for meeting future water demands in river basins in the 17 Western States. Options that will be evaluated in the studies include changes to the operation of water supply systems, modifications to existing facilities, development of new facilities, and non-structural changes.

The Basin Studies will be cost-shared on a 50/50 basis with willing state, tribal, and local partners, and will generally be two years in duration. Because this is not a financial assistance program, Reclamation's share of the study costs may only be used to support work done by Reclamation or its contractors. Reclamation may not pass funding directly through to the non-Federal cost-share partners in the form of grants or cooperative agreements. Reclamation and the non-Federal cost-share partners will seek input from other basin stakeholders during the study process. Each Basin Study will include four basic components:

- Projections of water supply and demand within the basin, or improvements on existing projections, taking into consideration the impacts of climate change;
- Analysis of how existing water and power infrastructure and operations will perform in the face of changing water realities such as population increases and climate change
- Development of structural and nonstructural options to improve operations and infrastructure to supply adequate water in the future; and
- A trade-off analysis of the options identified and findings and recommendations as appropriate. Such analysis simply examines all proposed alternatives in terms of their relative cost, environmental impact, risk, stakeholder response, or other attributes common to the alternatives. The analysis can be either quantitative or qualitative in measurement.

The Basin Studies will focus on river basins or sub-basins where water supply and demand imbalances may exist. A river basin can be defined as any topographically distinct watershed of land, streams and rivers that channel water to a single or primary waterway. Projections of water demands may include demands for agricultural, municipal, environmental, and recreational water uses, or other beneficial uses. Projections of water supply and demand will consider all potential water sources, including both ground and surface water.

The Basin Studies are critical to the West as we deal with the impacts of climate change, record droughts, and population increases. A more complete description of the Basin Study Program and the process for conducting a Basin Study is provided in the document titled *Basin Study Framework*, which is available on the WaterSMART website at http://www.usbr.gov/WaterSMART/. You do not need the *Basin Study Framework* to complete your Letter of Interest, but you will need it if your study is selected to move forward to the proposal stage.

Basin Study Program Requirements

All Basin Studies must meet the following minimum requirements:

- Studies must focus on river basins or sub-basins in the 17 Western Reclamation States where imbalances in water supply and demand exist or are projected;

- Non-Federal partners must contribute at least 50 percent of the total study costs in non-Federal funding;

- Eligible non-Federal cost-share partners include states, tribes, water districts, cities or other local governmental entities with water management authority located in the 17 Western Reclamation States;

- Studies must be completed within two years from the date funding is awarded, unless Reclamation determines that an extension or phasing of the study is warranted (extensions and phasing will be approved only on a case-by-case basis);

- Studies must be conducted in accordance with the memorandum of agreement applicable to the particular study, to be developed by Reclamation in cooperation with the non-Federal cost-share partner(s) before work on the study begins.

More detailed study parameters guiding the actual study process are set forth in the *Basin Study Framework*.

Proposal Selection Process

With the $3 million in funding for the Basin Studies in FY 2010, Reclamation plans to conduct 2-3 studies. The studies will begin in FY 2010 and will be completed in 2012. We estimate that approximately $1 million to $1.5 million in Federal funding will be required for

each Basin Study. However, the actual amount of funding required will vary depending on the size and complexity of the basin selected and the issues involved, along with the availability of data and models.

In order to ensure that funding is directed to studies that address the highest priority issues on a West-wide basis, Reclamation will select which studies to perform from a West-wide pool. Reclamation will use a two-step process as follows.

Step 1 – Letters of Interest: Reclamation's regional offices will seek letters of interest from states and major stakeholders throughout the 17 Western States. All non-Federal entities interested in cost-sharing with Reclamation to conduct a Basin Study were required to prepare and submit a Letter of Interest to their regional Reclamation office by the March 26, 2010 deadline. The regional offices will review the letters of interest and notify the non-Federal study proponents whether their study concepts will proceed to Step 2 of the selection process. The requirements for preparing a Letter of Interest are described below, along with a description of the criteria that the regions will use to evaluate the letters of interest.

Step 2 – Study Proposal: The regional office will work with those selected in Step 1 to develop a short (10 pages maximum) study proposal for consideration by a Reclamation review committee (Review Committee). The Review Committee will be made up of staff from across Reclamation with technical expertise relevant to the Basin Study process. The Review Committee will prioritize the proposals based on the proposal selection criteria set forth below and will make a recommendation to Reclamation's Commissioner regarding which studies will receive funding in FY 2010. Reclamation's Commissioner will make a final determination regarding the Review Committee's recommendations. Proposals that meet program requirements but do not rank high enough to receive funding in FY 2010 may be reconsidered in 2011, upon request by the non-Federal study proponent(s).

Letter of Interest

If you are interested in participating in a Basin Study, you will need to prepare a brief Letter of Interest that is **no longer than 3 pages,** describing the proposed study and explaining how it meets the program requirements. This letter should be submitted to your regional Reclamation office at the location listed on the cover letter. Specifically, your Letter of Interest should describe or identify:

- Whether you are an eligible cost-share partner;
- The geographic area that the study would focus on;
- The water supply challenges that create or will lead to imbalances in supply and demand;
- The general focus of the study;
- A preliminary estimate of the dollar value of your cost-share which may include in-kind services.
- The level of stakeholder interest in the study;
- A list of potential cost-share partners; and
- The resources that the non-Federal study partners would make available for the study, including staff, technical expertise, and applicable data and models.

Reclamation will advise you in writing whether the proposed study described in your Letter of Interest will be advanced to Step 2 of the selection process. Reclamation's regional offices will apply the following criteria in reviewing your Letter of Interest:

- Whether the proposed study appears to meet program requirements;
- Whether the proposed Basin Study complements, or adversely complicates efforts in the study area;
- The degree to which the study meets Regional priorities;
- The degree to which the study meets the goals and priorities of the Basin Study Program and the study proposal selection criteria.

Study Proposal

If you are selected by Reclamation to proceed to Step 2 of the selection process, staff from the regional Reclamation office will work with you on a collaborative basis to prepare the Study Proposal. At that time, we will provide you with a suggested proposal format. The criteria that the Review Committee will use to prioritize and select study proposals are as follows.

Study Proposal Selection Criteria

Study Proposals for conducting a Basin Study will be evaluated and prioritized by the Review Committee in accordance with the following 6 selection criteria.

1. The extent and consequences of existing or anticipated imbalances in water supply and demand. 33 POINTS

a) Consider magnitude and frequency of water shortages (this should be a quantitative evaluation based on percentages of needs not met).
b) Consider demands for all types of water uses, including but not limited to: Agricultural, municipal and industrial, Tribal water needs, environmental needs, recreation, and power generation.
c) Are imbalances due to water quantity, or water quality issues, or both?
d) Consider the magnitude of the consequences (i.e., what the results would be if imbalances in supply and demand are not addressed).
e) How soon would there be consequences?
f) How severe would those consequences be?

2. The extent to which Federal involvement is needed due to the nature and complexity of the issues involved. **22 POINTS**

This could include multijurisdictional issues, technical capabilities (e.g., Reclamation expertise in hydrology, engineering, or climate models), or issues of national significance, (i.e.; food supply, energy, etc), and other appropriate issues.

3. The existence and quality of data and models available and applicable to the proposed study. 17 POINTS

Data and models could include but are not limited to:

a) Hydrological models;
b) Operational models;
c) Climate models;

d) Water demand projections;
e) Water quality data;
f) Recreational water needs;
g) Environmental water needs;
h) Demographics.

4. The strength of any nexus between the Basin Study and a Reclamation project or activity (e.g. something that affects a Reclamation project or activity). 15 POINTS
Studies with a stronger nexus to Reclamation will receive a higher score**.**

5. The level of Stakeholders interest in and support for the Basin Study. 10 POINTS
Is there widespread support for the study in the basin (i.e., support by diverse stakeholders and lack of opposition)?

6. Whether the non-Federal cost-share contribution exceeds the required 50 percent. 3 POINTS
Non-Federal cost-share contributions of greater than 50 percent will result in a higher score