

NOTICE OF INTENT TO AWARD

THIS FUNDING ANNOUNCEMENT IS NOT A REQUEST FOR APPLICATIONS. This announcement is to provide public notice of Reclamation’s intention to fund the following project activities without full and open competition.

ABSTRACT	
Funding Announcement	R10AS20035
Project Title	Power Network Interconnection Assistance
Recipient	Klamath Water and Planning Agency (KWAPA)
Principle Investigator (if applicable)	
Total Anticipated Award Amount	\$250,000.00
Cost Share	None
New Award or Continuation?	New Award
Anticipated Length of Agreement	2 Years
Anticipated Period of Performance	Date of execution to September 30, 2012
Award Instrument	Cooperative Agreement
Statutory Authority	Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) as amended; as limited by the Secretary of the Interior delegation of authority at 255 DM 14; and Klamath Basin Water Supply Enhancement Act, Public Law 106-498
CFDA Number	15.517
Single Source Justification Criteria Cited	(4) Unique Qualifications
Reclamation Point of Contact	Mary Sims, msims@usbr.gov

OVERVIEW

The Klamath Project, or Klamath Reclamation Project (Project), is located in the Upper Klamath River and Lost River sub-basins in southern Oregon and northern California. The Project provides irrigation water for both agricultural and National Wildlife Refuge lands and provides flood control along the Klamath River, both in the immediate area of the Project and also downstream of the Project.

Prior to Project development, which began in 1905, agriculture in the surrounding area was limited. Between 1905 and the 1960s, further development, “build out”, of the Project was essentially completed.

Two watersheds comprise the Project area: the Klamath River watershed, which is the largest, and the Lost River watershed, which is collectively comprised of the Clear Lake, Malone and Gerber (Miller

Creek) watersheds. Prior to development of the Project, the two major watersheds were linked by a flood channel, the Lost River Slough, which allowed water from the Klamath River to enter the Lost River and flow to Tule Lake during high runoff conditions. The two watersheds are now linked by the Lost River Diversion Channel, which facilitates the use of water by the Project for both wildlife and irrigation purposes.

Construction of the Project was authorized by the Secretary of the Interior on May 15, 1905, in accordance with the Reclamation Act (43 U.S.C. S 372 *et seq*, Act of June 17, 1902, 32 Stat. 388). It was to include the following project works and actions: to drain and reclaim lands from the Lower Klamath and Tule Lakes; to store water from the Klamath and Lost Rivers, including storage of water in Lower Klamath and Tule Lakes; to divert irrigation supplies; and to control flooding on the reclaimed lands.

The Project historically included approximately 240,000 acres of irrigable lands plus additional wildlife refuge lands within Klamath County, Oregon and Siskiyou and Modoc Counties in California. The Project generally provides water to approximately 210,000 acres of agricultural lands annually. On average, net water use on the Project is approximately 2-3 acre-feet per acre, including the water used by the Fish and Wildlife Service in the Tule Lake and Lower Klamath National Wildlife Refuges. Principal crops raised on the Project include: alfalfa, irrigated pasture, small grains, and potatoes. Wildlife benefits derived from Project operations include over 20,000 acres of seasonal and permanent marsh as well as benefits derived from agricultural activities (ie. grain feed, shelter, etc).

The Project is a very complex system. An action in one area often impacts other areas. Literally, one farmer's drain water is his neighbor's water supply. Reuse of the existing water supply is extensive. Reducing diversions, improving water use efficiencies, or other actions to "save" water generally only shift problems to other areas.

The plan will address such issues facing the Project such as energy and power supply infrastructure, scheduling, and power rate and pricing structures. The objective is to undertake the development of comprehensive power and energy supply and network interconnection plan for the Project.

The purpose of an Agreement between Reclamation and KWAPA is the development of a comprehensive power and energy supply and network interconnection plan for the Project.

RECIPIENT INVOLVEMENT

Under the Agreement the KWAPA shall:

Task 1. Prepare and submit for approval a performance plan for activities under this grant that includes performance milestones for meeting the above objectives.

Task 2. Carry out activities identified under the performance plan and inform Reclamation of any changes in meeting the milestones.

Task 3. Provide quarterly reports with the following information as a minimum: KWAPA and its' consultant staff meeting/conf call attendance requests, staff time, staff costs, budgets, schedules, milestones achieved, outstanding issues, and results to date.

Task 4. Coordinate with Bonneville Power Administration, Reclamation, and interested stakeholders to develop the interconnect strategy. KWAPA and it's consultants will be responsible for scheduling, conducting, and developing meeting notes and outcomes for all meetings.

Task 5. Report to Reclamation on how recommendations from coordination meetings will be integrated into the interconnection strategy.

Task 6. Provide updates to the Klamath Basin Advisory Council as required regarding progress on development and implementation of the interconnection plan.

RECLAMATION INVOLVEMENT

Substantial involvement between Reclamation and KWAPA is anticipated during the performance of the project. Reclamation shall:

- A. Review and approve performance plan on activities.
- B. Work with Recipient and stakeholders to develop the interconnect strategy.
- C. Provide project maps, charts and data that are appropriate to the plan.

SINGLE-SOURCE JUSTIFICATION

DEPARTMENT OF THE INTERIOR SINGLE SOURCE POLICY REQUIREMENTS
Department of the Interior Policy (505 DM 2) requires a written justification which explains why competition is not practicable for each single-source award. The justification must address one or more of the following criteria as well as discussion of the program legislative history, unique capabilities of the proposed recipient, and cost-sharing contribution offered by the proposed recipient, as applicable.
In order for an assistance award to be made without competition, the award must satisfy one or more of the following criteria: <ul style="list-style-type: none">(1) Unsolicited Proposal – The proposed award is the result of an unsolicited assistance application which represents a unique or innovative idea, method, or approach which is not the subject of a current or planned contract or assistance award, but which is deemed advantageous to the program objectives;(2) Continuation – The activity to be funded is necessary to the satisfactory completion of, or is a continuation of an activity presently being funded, and for which competition would have a significant adverse effect on the continuity or completion of the activity;(3) Legislative intent – The language in the applicable authorizing legislation or legislative history clearly indicates Congress’ intent to restrict the award to a particular recipient of purpose;(4) Unique Qualifications – The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location, property ownership, voluntary support capacity, cost-sharing ability if applicable, technical expertise, or other such unique qualifications;(5) Emergencies – Program/award where there is insufficient time available (due to a compelling and unusual urgency, or substantial danger to health or safety) for adequate competitive procedures to be followed.

Reclamation did not solicit full and open competition for this award based the following criteria:

(4) UNIQUE QUALIFICATIONS

The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location and unique technical expertise as the sole entity operating within the Klamath Project with knowledge of the Project power and energy policy, infrastructure and supply needs. KWAPA is in a unique position as the liaison between federal agencies such as Bonneville Power Administration and the Bureau of Reclamation and the irrigation districts operating on the Klamath Project.

STATUTORY AUTHORITY

Fish and Wildlife Coordination Act (16 U.S.C) et seq., as amended limited by the Secretary of the Interior delegation of authority at 255 DM 14. 14.1 Delegation. The Commissioner, Bureau of Reclamation, is delegated so much of the authority of the Secretary under the Fish and Wildlife Coordination Act, 16 U.S.C. 661 et seq., as is necessary to provide assistance, through grants or cooperative agreements, to public or private organizations for the improvement of fish and wildlife habitat associated with water systems or water supplies affected by Reclamation projects.

and

Klamath Basin Water Supply Enhancement Act, Public Law 106-498 the Secretary of the Department of the Interior is authorized and directed to “in consultation with affected State, local and tribal interests, stakeholder groups and the interested public, to engage in feasibility studies of the following proposals related to the Upper Klamath Basin and the Klamath Project, a Federal recognition project in Oregon and California:

- (1) Increasing the storage capacity, and/or the yield of the Klamath Project facilities while improving water quality, consistent with the protection of fish and wildlife.
- (2) The potential for development of additional Klamath Basin groundwater supplies to improve water quantity and quality, including the effect of such groundwater development on non-project lands, groundwater and surface water supplies, and fish and wildlife.
- (3) The potential for further innovations in the use of existing water resources, or market-based approaches, in order to meet growing water needs consistent with State water law.