

RECLAMATION

Managing Water in the West

Funding Opportunity Announcement No. R11SF80351

WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grants for FY2011



U.S. Department of the Interior
Policy and Administration
Bureau of Reclamation
Denver, Colorado

March 2011

Mission Statements

The U.S. Department of the Interior protects America's natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Synopsis

Federal Agency Name:	U.S. Department of the Interior, Bureau of Reclamation, Policy and Administration
Funding Opportunity Title:	WaterSMART : Advanced Water Treatment Pilot and Demonstration Project Grants
Announcement Type:	Funding Opportunity Announcement (FOA)
Funding Opportunity Number:	R11SF80351
Catalog of Federal Domestic Assistance (CFDA) Number:	15.507
Dates: (See FOA Sec. IV.B)	Application due date: May 11, 2011, 4:00 p.m. Mountain Standard Time (MST)
Eligible Applicants: (See FOA Sec. III.A)	States, Indian tribes, irrigation districts, water districts, or other organizations with water or power delivery authority located in the western United States or United States Territories as identified in the Reclamation Act of June 17, 1902, as amended
Recipient Cost Share: (See FOA Sec. III.E)	50 percent or more of project costs
Federal Funding Amount: (See FOA Sec. II.B)	Up to \$600,000 per agreement
Estimated Number of Agreements to be Awarded: (See FOA Sec. II.B)	2-8 (The number of agreements awarded will be contingent upon final FY 2011 appropriations.)
Estimated Amount of Funding Available for Award: (See FOA Sec. II.A)	The President's FY 2011 budget requests \$27 million for WaterSMART Grants, including approximately \$2 million planned to be available for award under this FOA. The amount of funding available for award under this WaterSMART Grant FOA will be determined once final FY 2011 appropriations have been made. This FOA will be cancelled if FY 2011 appropriations are insufficient to support new awards. Applications submitted under this FOA may also be considered if other funding becomes available in FY 2011 or subsequently. Please refer to http://www.usbr.gov/WaterSMART/ for updated funding information.

Application Checklist

The following table contains a summary of the information that you are required to submit with a WaterSMART Grant application.

√	What to submit	Required content Form or format	When to submit
	Cover page	Form SF 424, available at: < http://apply07.grants.gov/apply/FormLinks?family=15 > Page 16	*
	Assurances	Form SF 424B or SF 424D, as applicable, available at: < http://apply07.grants.gov/apply/FormLinks?family=15 > Page 16	*
	Title page	Page 16	*
	Table of contents	Page 16	*
	Technical proposal:	Page 16	*
	• Executive Summary	Page 17	*
	• Background data	Page 17	*
	• Technical project description	Pages 17-24	*
	Description of Performance Measures	Page 24	*
	Description of potential environmental impacts	Page 24	*
	Required permits and approvals	Page 25	*
	Funding plan	Page 25	*
	Commitment letters	Page 25	**
	Official resolution	Page 26	**
	Project budget proposal:	Pages 27-30	*
	• General requirements	Page 27	*
	• Budget format	Page 27	*
	• Budget narrative	Page 27	*
	• Budget form	Form SF 424A or SF 424C, as applicable, available at: < http://apply07.grants.gov/apply/FormLinks?family=15 > Page 30	*

* Submit materials with your application on May 11, 2011

** Documents should be submitted with your application; however, please refer to the applicable Section of the FOA for extended submission dates.

Acronyms and Abbreviations

af	acre-feet
AOR	Authorized Organization Representatives
ARC	Application Review Committee
AWT	Advanced Water Treatment
CCR	Central Contractor Registration
CFDA	Catalog of Federal Domestic Assistance
CE	Categorical Exclusion
CEC	Categorical Exclusion Checklist
CPA	certified public accountant
DOI	U.S. Department of the Interior
DUNS	Data Universal Number System
EA	Environmental Assessment
E-Biz POC	E-Business Point of Contact
EIN	Employer Identification Number
EIS	Environmental Impact Statement
ESA	Endangered Species Act
FAQ	Frequently Asked Question
FEMA	Federal Emergency Management Agency
FOA	Funding Opportunity Announcement
FONSI	Finding of No Significant Impact
FY	fiscal year
GO	Grants Officer
gpm	gallons per minute
IRS	Internal Revenue Service
MST	Mountain Standard Time
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NOAA	National Oceanic and Atmospheric Administration
OM&R	Operations, Maintenance, and Replacement
OMB	Office of Management and Budget
ROD	Record of Decision
TIN	Taxpayer Identification Number
USACE	U.S. Army Corps of Engineers
USFWS	U.S. Fish and Wildlife Service
WaterSMART	Sustain and Manage America's Resources for Tomorrow

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Section I. Funding Opportunity Description

I.A. WaterSMART: Advanced Water Treatment Pilot and Demonstration Project Grants

Water is our most precious natural resource, and is increasingly stressed by the demands our society places on it. Adequate water supplies are an essential element in human survival, ecosystem health, energy production, and economic sustainability. Water shortage and water-use conflicts have become more commonplace in many areas of the United States, even in normal water years. As competition for water resources grows—for irrigation of crops, growing cities and communities, energy production, and the environment—the need for information and tools to aid water resource managers also grows. Water issues and challenges are increasing across the Nation, but particularly in the West.

Aggressive action is required to address future water supply challenges, including degradation in water quality caused by pollution and land use practices, decreases in flow, declines in groundwater levels, and aging infrastructure. The U.S. Department of the Interior's (DOI) WaterSMART (*Sustain and Manage America's Resources for Tomorrow*) Program establishes a framework to provide Federal leadership and assistance on the efficient use of water, integrating water and energy policies to support the sustainable use of all natural resources, and coordinating the water conservation activities of various Departmental bureaus and offices. Through the program, the Department is working to achieve a sustainable water strategy to meet the Nation's water needs.

Recent technical developments in the field of water treatment permit the use of some impaired waters that previously were unusable. Through this WaterSMART Grant opportunity, Reclamation is making available cost-shared funding on a competitive basis for pilot and demonstration projects that will accelerate the adoption and use of advanced water treatment (AWT) technologies to increase water supply.

For further information on the WaterSMART Program, see <http://www.usbr.gov/WaterSMART/>.

I.B. Funding Opportunity Announcement Objective

The objective of this FOA is to invite states, Indian tribes, irrigation districts, water districts, and other organizations with water or power delivery authority to

leverage their money and resources by cost sharing with Reclamation on pilot and demonstration projects to accelerate the adoption and use of AWT technologies in order to increase water supply and provide for long term water sustainability. Projects funded under this FOA will include pilot and demonstration projects that will address the technical, economic, and environmental viability of treating and using brackish groundwater, seawater, impaired waters, or otherwise creating new water supplies within a specific locale.

The adoption and use of AWT is a crucial element of any plan to address western water issues. Leveraging Federal funding through grants is an important step toward sustainable water supplies in the west.

I.C. Program Authority

This FOA is issued under the authority of Section 9504(a) of the Secure Water Act, Subtitle F of Title IX of the Omnibus Public Land Management Act of 2009, P.L. 111-11 (42 USC 10364).

I.D. Frequently Asked Questions

A list of Frequently Asked Questions (FAQs) about WaterSMART and this FOA can be found on-line at <<http://www.usbr.gov/WaterSMART>>. The list of FAQs will be updated periodically during the application period.

Section II. Award Information

II.A. Total Project Funding

The President's FY 2011 budget requests \$27 million proposed for WaterSMART Grants (WaterSMART Grants include: Water and Energy Efficiency Grants; System Optimization Review Grants; Advanced Water Treatment Pilot and Demonstration Project Grants; Research Grants to Develop Climate Analysis Tools; and Bay-Delta Agricultural Water Conservation and Efficiency Projects). Approximately \$2 million of that request is planned to be available for WaterSMART AWT Pilot and Demonstration Project Grants. The amount of funding available for award for this WaterSMART Grant FOA will be determined once final FY 2011 appropriations have been made. This FOA will be cancelled if FY 2011 appropriations are insufficient to support new awards. Applications submitted under this FOA may also be considered if other funding becomes available in FY 2011 or subsequently. Please refer to <http://www.usbr.gov/WaterSMART/> for updated funding information.

II.B. Project Funding Limitations

The Federal share (Reclamation's share plus any other sources of Federal funding) of any one proposed project shall not exceed 50 percent of the total project costs. Up to \$600,000 in Reclamation funding will be available for each project award. Once FY 2011 appropriations are final, funding will be awarded accordingly. Reclamation reserves the right to make additional awards at a later date, depending on the availability of funding.

Multiple applications for funding may be submitted for consideration. *However, no more than \$1,000,000 in WaterSMART Grant funds will be awarded to any one applicant under all WaterSMART Grants issued in FY 2011.*

II.C. Reclamation Responsibilities

Project awards will be made through grants or cooperative agreements as applicable to each project. If a cooperative agreement is awarded, the recipient should expect Reclamation to have substantial involvement in the project. Substantial involvement by Reclamation may include:

- **Collaboration and participation** with the recipient in the management of the project and close oversight of the recipient's

activities to ensure that the program objectives are being achieved.

- **Oversight** may include review, input, and approval at key interim stages of the project.

At the request of the recipient, Reclamation can provide technical assistance after award of the project. If you receive Reclamation's assistance, you must account for these costs in your budget. To discuss assistance available and these costs, contact your local Reclamation office, which can be identified at <http://www.usbr.gov/main/regions.html>.

II.D. Award Date

Reclamation expects to contact potential award recipients and unsuccessful applicants in July 2011, or slightly later if necessary based on the enactment of FY 2011 appropriations. Within one to three months after that date, assistance agreements will be awarded to applicants that successfully pass all pre-award reviews and clearances.

Section III. Eligibility Information

III.A. Eligible Applicants

Under P.L. 111-11, Section 9502, an eligible applicant is a State, Indian tribe, irrigation district, water district, or other organization with water or power delivery authority.

Applicants must also be located in the western United States or Territories 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, Wyoming, American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands.

Those not eligible include entities without water or power delivery authority, such as:

- Other state governmental entities
- Federal governmental entities
- Institutions of higher education
- Individuals

Applicants that have previously received a WaterSMART AWT Pilot and Demonstration Project Grant may apply for funding of a new discrete project. However, projects that received funding under this FOA in FY 2010 are not eligible for additional funding in FY 2011.

III.B. Eligible Projects

All projects must be completed by September 30, 2013, unless otherwise agreed upon. Emphasis will be directed toward applications for pilot or demonstration projects that address the technical and economic viability of treating and using brackish groundwater, seawater, impaired waters, or otherwise creating new water supplies within a specific locale.

This funding opportunity is available for pilot and demonstration projects that will help develop new sustainable water supplies. AWT technologies generally

include methods that remove salt and other difficult to remove dissolved and suspended matter, including viruses and bacteria that are not removed by conventional treatment (e.g., simple screening, chlorination, coagulation/flocculation, chloramination, or ozonation). Pilot and demonstration projects build on existing information, are used to determine the physical and economic viability or suitability of a process, and demonstrate that the process is ready for design, construction, and testing. Pilot and demonstration projects have treatment flows that are a fraction of the intended final installation (full-scale plant) with flow generally from 1 to 500 gallons per minute (gpm).

Anticipated proposals include projects to demonstrate reverse osmosis, nanofiltration, microfiltration, or other membrane processes, including electrodialysis, pretreatment processes, advanced oxidation processes, disinfection, biological processes, concentrate disposal, or other AWT processes. The purpose of these projects is to demonstrate the technical and economic viability of making beneficial use of an impaired water source within a specific locale.

Funding is not available for the construction of a full-scale plant under this opportunity.

III.C. Ineligible Projects

Projects that are ineligible for funding under this FOA include:

III.C.1. Operations, Maintenance, and Replacement

Projects that are considered normal Operations, Maintenance, and Replacement (OM&R) are not eligible. OM&R is described as system improvements that replace or repair existing infrastructure or function without providing increased efficiency or effectiveness of water distribution over the expected life of the improvement.

Examples of ineligible OM&R projects include:

- Replacing malfunctioning components of an existing facility with the same components
- Improving an existing facility to operate as originally designed
- Performing an activity on a recurring basis even if that period is extended (e.g., 10-year interval)
- Sealing expansion joints of concrete lining because the original sealer or the water stops have failed
- Replacing broken meters with new meters of the same type

- Replacing leaky pipes with new pipes of the same type

III.C.2. Title XVI Water Recycling and Reuse

Any projects or project elements that are part of a congressionally authorized project under Title XVI of Public Law 102-575, as amended (43 U.S.C. 390h et seq.), are not eligible for funding under this FOA. Title XVI is Reclamation's water recycling and reuse program, focused on identifying and investigating opportunities to reclaim and reuse wastewaters and naturally impaired ground and surface water. For more information on the program, please visit:

<http://www.usbr.gov/WaterSMART/title.html>.

III.D. Length of Projects

Proposed projects should be completed within 24 months from the project start date. Applications for projects requiring more than 2 years will be considered if the applicant can demonstrate that there will be measureable on-the-ground accomplishments each year.

III.E. Cost-Sharing Requirement

Applicants must be willing to cost share 50 percent or more of the total project costs. Cost sharing may be made through cash or in-kind contributions from the applicant or third-party partners. Cost share funding from sources outside the applicant's organization, e.g., loans or state grants, should be secured and available to the applicant prior to award. Reclamation may approve an award prior to an applicant securing non-Federal cost-share funds if Reclamation determines that there is sufficient evidence and likelihood that the non-Federal funds will be available to the applicant by the start of the project. Funding commitment letters must be submitted in accordance with Section IV.C. and contain the information stated at Section IV.D.

III.E.1. Cost Share Regulations

All cost-share contributions must meet the criteria established in the Office of Management and Budget's (OMB) administrative and cost principles circulars that apply to the applicant. These circulars are available at <http://www.whitehouse.gov/omb/circulars>.

III.E.2. In-Kind Contributions

In-kind contributions constitute the value of noncash contributions that benefit a federally assisted project. These contributions may be in the form of real property, equipment, supplies and other expendable property, as well as 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 WaterSMART Grant applications.

III.E.3. Pre-Award Costs

Project pre-award costs that have been incurred prior to the date of award but after July 1, 2010 may be submitted for consideration as an allowable portion of the recipient's cost share for the project. **In no case will pre-award costs incurred prior to July 1, 2010, be considered for cost share purposes.**

For example, such costs might include design or construction plans and environmental compliance costs directly supporting the proposed project. Reclamation will review the proposed pre-award costs to determine if they are allowable in accordance with the authorizing legislation and applicable cost principles. To be considered allowable, any pre-award costs proposed for consideration under the new awards must comply with all applicable requirements under this FOA.

III.E.4. Indirect Costs

Indirect costs that will be incurred during the development or construction of a project, which will not otherwise be recovered, may be included as part of the applicant's cost share. Indirect costs are those: (1) incurred for a common or joint purpose benefiting more than one cost objective, and (2) not readily assignable to any one cost objective. If the applicant proposes indirect costs in the budget, then the applicant must either supply a copy of a current federally-negotiated indirect cost rate agreement or obtain an agreement within one year of award. For further information on indirect costs, refer to the applicable OMB cost principles circular referenced above and available at <http://www.whitehouse.gov/omb/circulars>.

III.F. Environmental Compliance

All projects being considered for award funding will require compliance with the National Environmental Policy Act (NEPA) before any ground disturbing activity may begin. Compliance with all applicable state, federal and local environmental, cultural, and paleontological resource protection laws and regulations is also required. These may include, but are not limited to, the Clean Water Act, the Endangered Species Act (ESA), consultation with potentially affected tribes, National Historic Preservation Act (NHPA), and consultation with the State Historic Preservation Office.

Reclamation will be the lead Federal agency for NEPA compliance and will be responsible for evaluating technical information and ensuring that natural resources, cultural, and socioeconomic concerns are appropriately addressed. As the lead agency, Reclamation is solely responsible for determining the appropriate

level of NEPA compliance. Further, Reclamation is responsible to ensure findings under NEPA, and consultations, as appropriate, will support Reclamation's decision on whether to fund a project. Environmental compliance costs are part of an applicant's cost share. These costs will be considered in the ranking of applications.

Under no circumstances may an applicant begin any ground-disturbing activities (including grading, clearing, and other preliminary activities) on a project before environmental compliance is complete and Reclamation explicitly authorizes work to proceed. This pertains to all components of the proposed project, including those that are part of the applicant's non-Federal cost share. Reclamation will provide a successful applicant with information once environmental compliance is complete. An applicant that proceeds before environmental compliance is complete may risk forfeiting Reclamation funding under this FOA.

III.G. Requirements for Agricultural Operations [Public Law 111-11, Section 9504(a)(3)(B)]

In accordance with Section 9504(a)(3)(B) of Public Law 111-11, grants and cooperative agreements under this authority will not be awarded for an improvement to conserve irrigation water unless the applicant agrees to both of the following conditions:

- Not to use any associated water savings to increase the total irrigated acreage of the eligible applicant
- Not to otherwise increase the consumptive use of water in the operation of the eligible applicant, as determined pursuant to the law of the state in which the operation of the eligible applicant is located

III.H. Other Requirements

Applicants shall adhere to Federal, State, territorial, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. Applicants shall also coordinate and obtain approvals from site owners and operators.

III.H.1. Title to Improvements [Public Law 111-11, Section 9504(a)(3)(D)]

If the activities funded through an agreement awarded under this FOA result in an infrastructure improvement to a federally owned facility, the Federal government shall continue to hold title to the facility and improvements to the facility.

III.H.2. Operation and Maintenance Costs [Public Law 111-11, Section 9504(a)(3)(E)(iv)]

The non-Federal share of the cost of operating and maintaining any infrastructure improvement funded through an agreement awarded under this FOA shall be 100 percent.

III.H.3. Liability [Public Law 111-11, Section 9504(a)(3)(F)]

In General

Except as provided under chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”), the United States shall not be liable for monetary damages of any kind for any injury arising out of an act, omission, or occurrence that arises in relation to any facility created or improved through an agreement awarded under this FOA, the title of which is not held by the United States.

Tort Claims Act

Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”).

III.H.4. Central Contractor Registration

All applicants must be registered in the Central Contractor Registration (CCR) prior to award of funds under this FOA. The CCR and instructions for registration are located at <<http://www.bpn.gov/ccr>>. All applicants must maintain an active CCR registration with current information at all times during which it has an active Federal award.

Section IV. Application and Submission Information

IV.A. Address to Request Application Package

This document contains 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 can request paper copies of any of the documents referenced in this FOA by contacting:

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

E-mail: mmaher@usbr.gov

Phone: 303-445-2025

IV.B. Application Submission Date and Time

Application submission date deadline:

- May 11, 2011, 4:00 p.m. Mountain Standard Time

Proposals received after the application deadline will not be considered unless it can be determined that the delay was caused by Federal government mishandling or by the Grants.gov application system.

*Please note that any application submitted to Reclamation for WaterSMART Grant funding may be subjected to a Freedom of Information Act request (5 U.S.C. § 552, as Amended by Public Law No. 110-175), and as a result, may be made publicly available. In addition, **successful applications may be made publicly available** (following consultation with the applicant with redactions as needed) and may be posted on the Reclamation website.*

IV.C. Application Delivery Instructions

Applications may be submitted electronically through <<http://www.grants.gov>> or hard copies may be submitted as follows. Under no circumstances will applications received through any other method (such as email or fax) be considered eligible for award.

By mail:

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

Express delivery/mail services:

Bureau of Reclamation
Attn: Michelle Maher, Mail Code: 84-27810
Denver Federal Center
6th Avenue and Kipling Street
Denver CO 80225

Telephone: 303-445-2025

IV.D. Instructions for Submission of Project Application

Each applicant shall submit an application in accordance with the instructions contained in this section.

IV.D.1. Applications Submitted by Mail

- Applicants shall submit an original and one copy of all application documents for hardcopy submissions. Each document should be clearly identified as the “ORIGINAL” or as a “COPY.”
- In addition to hard copy documents, please include a copy of our technical proposal on a CD in Microsoft Word format. Submission of a CD copy is not required but is encouraged.
- Please do not use “comb,” “spiral,” or adhesive methods to bind the documents.

Section IV. Application and Submission Information

- Hard copy applications may be submitted by mail or express methods to the addresses listed in Section IV.C, above.
- Materials arriving separately, other than letters of project support or resolutions, will not be included in the application package and may result in the application being rejected or not funded.
- Faxed and emailed copies of application documents will not be accepted.
- Do not include a cover letter or company literature/brochure with the application. All pertinent information must be included in the application package.

IV.D.2. Applications Submitted Electronically

If the applicant chooses to submit an electronic application it must be submitted through Grants.gov at <http://www.grants.gov>.

- Please note that submission of an application electronically requires prior registration through Grants.gov, which may take 7-21 days. Please see registration instructions at http://www.grants.gov/applicants/get_registered.jsp.
- Applicants have sometimes experienced significant delays when attempting to submit applications through Grants.gov. If you plan to submit your application through Grants.gov, you are encouraged to submit your application several days prior to the application deadline. If you are a properly registered Grants.gov applicant and encounter problems with the Grants.gov application submission process, you must contact the Grants.gov Help desk to obtain a “Case Number.” This Case Number will provide evidence of your attempt to submit an application prior to the submission deadline.

Regardless of the delivery method used, you must ensure that your proposal arrives by the date and time deadline stated in Section IV.B., above. Late applications will not be accepted unless it is determined that the delay was caused by Federal government mishandling or by a problem with the Grants.gov application system.

IV.D.3. Applying for Funds Online at Grants.gov

Reclamation is participating in the Grants.gov initiative that provides the grant community with a single website to find and apply for Federal grant funding opportunities. Reclamation encourages applicants to submit their applications for funding electronically through http://www.grants.gov/applicants/apply_for_grants.jsp. Applicant resource documents and a full set of instructions for registering with Grants.gov and completing and submitting

applications online are available at: <<http://www.grants.gov/applicants/resources.jsp>>.

Assistance with Grants.gov

If you need assistance with Grants.gov, the Contact Center is open 24 hours a day, 7 days a week. You may reach the Grants.gov Contact Center by email at <support@grants.gov> or by calling 1-800-518-4726.

Registering to Use Grants.gov (1-3 week process)

The following checklist is provided to give you a summary of the steps that are required to register with Grants.gov. **This Registration process must be completed prior to submitting an electronic application through Grants.gov.**

Additionally, see Table 1, Step 2 below for completing the annual Central Contractor Registration (CCR) renewal process.

Note: (The following checklist information is available electronically at <http://www.grants.gov/assets/Organization_Steps_Complete_Registration.pdf>.)

The registration is a one-time process, which is required before representatives of an organization can submit grant application packages electronically through Grants.gov. The registration process can take three to five business days or one to three weeks—depending on your organization and if all steps are met in a timely manner. The checklist in Table 1 provides registration guidance for a company, academic or research institution, state, local or tribal government, not-for-profit, or other type of organization.

Table 1. Checklist for Registering Your Organization in Grants.gov

√ Step	Actions to take	Purpose	Time required
1: Obtain Data Universal Number System (DUNS) Number	<p>Has my organization identified its DUNS number?</p> <p>Ask the grant administrator, chief financial officer, or authorizing official of your organization to identify your DUNS number.</p> <p>If your organization does not know its DUNS number or needs to register for one, visit Dun & Bradstreet at <http://fedgov.dnb.com/webform/displayHomePage.do></p>	The Federal government has adopted the use of DUNS numbers to track how Federal grant money is allocated. DUNS numbers identify your organization.	Same Day. You will receive DUNS number information online.

Section IV. Application and Submission Information

√ Step	Actions to take	Purpose	Time required
<p>2: Register With Central Contractor Registration</p>	<p>Has my organization registered with the CCR?</p> <p>Ask the grant administrator, chief financial officer, or authorizing official of your organization if your organization has registered with the CCR.</p> <p>If your organization is not registered, you can apply online by going to http://www.ccr.gov. CCR has developed a handbook < http://www.bpn.gov/ccr/doc/UserAccount.pdf> to help you with the process. If after having registered in CCR, you experience any registration problems, you can get help by going to the Federal Service Desk <https://www.fsd.gov>.</p> <p>When your organization registers with CCR, you must designate an E-Business Point of Contact (E-Biz POC). This person will identify a special password called an "M-PIN."</p> <p>This M-PIN gives the E-Biz POC authority to designate which staff member(s) from your organization are allowed to submit applications electronically through Grants.gov. Staff members from your organization designated to submit applications are called Authorized Organization Representatives (AOR).</p>	<p>Registering with the CCR is required for organizations to use Grants.gov.</p>	<p>If your organization already has an Employer Identification Number (EIN) or Taxpayer Identification Number (TIN), then you should allow one – three business days to complete the entire CCR registration. The EIN and TIN will come from the Internal Revenue Service (IRS)</p> <p>If your organization does not have an EIN or TIN, then you should allow two weeks for obtaining the information from the IRS when requesting the EIN or TIN via phone or Internet. The additional number of days needed is a result of security information that needs to be mailed to the organization.</p>

***Note: Your organization needs to renew your CCR registration once a year. You will not be able to move on to Step 3 until you have renewed your CCR registration. This renewal may take up to 5 business days.**

<p>3: Username and Password</p>	<p>Have the AORs who officially submit applications on behalf of your organization completed their profile with Grants.gov to create their username and password?</p> <p>To create a username and password, AORs must complete their profile on Grants.gov. AORs will need to know the DUNS number of the organization for which they will be submitting applications to complete the process.</p> <p>After your organization registers with the CCR, AORs must wait one business day before they can complete a profile and create their usernames and passwords on Grants.gov.</p>	<p>An AOR username and password serves as an "electronic signature" when submitting a Grants.gov application.</p>	<p>Same Day. After the AOR has completed their profile they will be prompted to create a username and password that will allow the user to login and check their approval status immediately.</p>
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Funding Opportunity Announcement No. R11SF80351

√ Step	Actions to take	Purpose	Time required
4: AOR Authorization	<p>Has E-Biz POC approved AORs to submit applications on behalf of the organization?</p> <p>When an AOR registers with Grants.gov to submit applications on behalf of an organization, that organization's E-Biz POC will receive an email notification. The email the AOR submitted in the profile will be the email used when sending the automatic notification from Grants.gov to the E-Biz POC with the AOR copied on the correspondence.</p> <p>The E-Biz POC must then login to Grants.gov (using the organization's DUNS number for the username and the "M-PIN" password (obtained in Step 2) and approve the AOR, thereby giving him or her permission to submit applications.</p> <p>When an E-Biz POC approves an AOR, Grants.gov will send the AOR a confirmation email.</p>	<p>Only the E-Biz POC can approve AORs. This allows the organization to authorize specific staff members or consultants/grant writers to submit grants. Only those who have been authorized by the E-Biz POC can submit applications on behalf of the organization.</p>	<p>This depends on how long it takes the E-Biz POC to login and approve the AOR, once the approval is completed the AOR can immediately submit an application.</p>
Step 5: Track AOR Status	<p>What is your AOR status?</p> <p>AORs can also login to track their AOR status using their username and password (obtained in Step 3) to check if they have been approved by the E-Biz POC.</p>	<p>To verify that the organization's E-Biz POC has approved the AOR.</p>	<p>Logging in to check your AOR status is instantaneous. The approval process to become an AOR depends on how long it takes the E-Biz POC to login and approve the AOR.</p>

NOTE: Some applicants have experienced difficulties when attempting to submit their applications electronically through Grants.gov. If you encounter problems with the Grants.gov application submission process, you must contact the Grants.gov Help Desk (1-800-518-4726 or support@grants.gov) to obtain a "Case Number." This will provide evidence of your attempt to submit an application prior to the submission deadline.

IV.D.4. Application Format and Length

The total application package shall be no more than **75 consecutively numbered** pages and shall be **single spaced**. If an application exceeds 75 pages, only the first 75 pages will be evaluated. The font shall be at least 12 points in size and easily readable. Page size shall be 8 ½" x 11," except for an occasional larger size for charts, maps, or drawings. The Technical Proposal and Evaluation Criteria section shall be limited to a maximum of **45** (forty-five) pages.

It is requested that all application sent via mail also include a digital version of the technical proposal on a CD in Microsoft Word format.

Applications will be prescreened for compliance to the page number limitations.

IV.D.5. Application Content

The application must include the following elements in order to be considered complete:

- SF-424 Core Form – Application cover page
- SF-424 B or D Form, as applicable to the project
- Title page
- Table of contents
- Technical proposal and evaluation criteria (limited to 45 pages)
 - Executive summary
 - Background data
 - Technical project description
 - Evaluation criteria
- Post-project benefits (performance measures)
- Potential environmental impacts
- Required permits and approvals
- Funding plan and letters of commitment
- Letters of project support
- Official resolution
- Project budget application
 - Budget proposal
 - Budget Narrative
 - SF-424 A or C Form, as applicable to the project

SF-424, SF-424A, SF-424B, SF-424C and SF-424D forms may be obtained at <http://apply07.grants.gov/apply/FormLinks?family=15>.

SF-424 Application Cover Page

This fully completed form must be signed by a person legally authorized to commit the applicant to performance of the project. **Failure to submit a properly signed SF-424 may result in the elimination of the application from further consideration.**

SF-424 Assurances

A SF-424B – Assurances – Non-Construction Programs or an SF-424D – Assurances – Construction Programs, signed by a person legally authorized to commit the applicant to performance of the project shall be included. Questions regarding whether to use SF-424B or SF-424D should be referred to Michelle Maher at: mmaher@usbr.gov. **Failure to submit a properly signed SF-424B or SF-424D may result in the elimination of the application from further consideration.**

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, e-mail 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.

Technical Proposal and Evaluation Criteria

The technical proposal and evaluation criteria (45 pages maximum) includes: (1) the Executive Summary, (2) Background Data, (3) Technical Project Description and (4) Evaluation Criteria. To ensure accurate and complete scoring of your application, your proposal should address each subcriterion in the order presented here. Where applicable, the point value is indicated.

Technical Proposal: Executive Summary

The executive summary should include:

- The date, applicant name, city, county, and state.
- A one paragraph project summary that briefly identifies how the proposed project contributes to accomplishing the goals of the FOA (see Section III.B, “Eligible Projects”).
- State the length of time and estimated completion date for the project.

Technical Proposal: Background Data

Provide a map of the area showing the geographic location of the project and the area a full scale project would serve (include the state, county, and direction from nearest town).

As applicable, describe the source of water supply, the water rights involved, current water uses (i.e., agricultural, municipal, domestic, or industrial), the number of water users served, and the current and projected water demand. Also, identify potential shortfalls in water supply. If water is primarily used for irrigation, describe major crops and total acres served. Is AWT currently used in the area, or by the applicant? If yes, describe the use of AWT.

If the application includes renewable energy or energy efficiency elements, describe existing energy sources and current energy uses.

Identify any past working relationships with Reclamation. This should include the date(s), description of prior relationships with Reclamation, and a description of the projects(s).

Technical Proposal: Technical Project Description

The technical project description should describe the work in detail. This description shall have sufficient detail to permit a comprehensive evaluation of the likelihood of technical success of the proposal if awarded.

Technical Proposal: Evaluation Criteria

The Evaluation Criteria portion of your application should thoroughly address each of the following criteria and subcriteria in the order presented to assist in the complete and accurate evaluation of your proposal. (Note: it is suggested that applicants copy and paste the below criteria and subcriteria into their applications to ensure that all necessary information is adequately addressed). The Research Evaluation Criteria comprise 100 points of the total evaluation weight. Please note that projects may be prioritized to ensure that the projects address the goals of the WaterSMART Program.

Evaluation Criteria A: Addressing Projected Water Supply Imbalances (24 points)

Up to 12 points may be awarded based on the potential quantity of treated water produced and that quantity relative to an existing or future water supply imbalance. Up to 12 points may be awarded based on the likelihood that the proposal will result in a “new” sustainable source of water and lead to construction of a full-scale project.

Subcriterion No. A1—Potential Quantity of Water Produced:

Up to 6 points may be awarded based on the amount of water that could potentially be treated by a full scale plant.

List the annual planned treatment capacity (acre-feet [af]). If the applicant does not yet have enough detailed information on the potential size of the full-scale treatment system, please explain and instead list the annual amount available for treatment (af).

Subcriterion No. A2—Percentage of Water Supply Imbalance:

Up to 6 points may be awarded based on the amount of water that could potentially be treated by a full scale plant relative to an imbalance in future water supply.

Identify the water supply imbalance that the project will address. Water supply imbalance is the difference between the projected available water supply and the projected water demand at least 20 years into the future. Projections of supply and demand should take into account changes from dramatic population growth, climate variability, and heightened competition for finite water supplies. The water supply imbalance should be considered for the entire area of responsibility of the applicant.

Points will be allocated as listed below:

Annual Planned Treatment Capacity (af) x 100
Annual Projected Water Supply Imbalance (af)

OR

If the applicant does not yet have enough detailed information on the potential size of the full-scale treatment system, points will be allocated using the following formula.

Annual Amount of Water Available for Treatment (af) x 100
Annual Projected Water Supply Imbalance (af)

Subcriterion No. A3—Likelihood that the Proposal will Lead to a “New” Sustainable Source of Water:

Up to 12 points may be awarded for proposals likely to lead to “new” sustainable water from an unused source, such as brackish water, seawater, produced water, or wastewater.

Proposals should describe how the project will lead to increased sustainable water supplies (e.g., Will the full scale project help offset overdrafting of an aquifer or replace water that is currently obtained through short term contracts? How many years is the water source expected to be available?).

Evaluation Criteria B: Energy-Water Nexus (18 points)

Up to 18 points will be awarded based on the extent to which the project increases the use of renewable energy, or results in energy conservation, in the management and delivery of water.

Subcriterion No. B1—Implementing Renewable Energy Improvements

Up to 9 points may be awarded for projects that include demonstration of renewable energy components (e.g., solar-electric facilities, wind energy systems, or facilities that otherwise enable the use of renewable energy).

For projects that include renewable energy, please describe the renewable energy system. Please include the following:

- 1) Investigation of approaches for integrating renewable energy systems with the AWT project
- 2) Role of the renewable energy system in the operation of the AWT project
- 3) Discussion of your readiness to proceed, including identification of any necessary permits that may be necessary

- 4) Estimated quantity of energy to be generated by the renewable energy system
- 5) Quantity of energy savings expected to be derived from the renewable energy system

Subcriterion No. B2—Increasing Energy Efficiency in Water Management

Up to 9 points may be awarded for projects that will result in quantifiable energy savings (e.g., where water treatment will require less energy than pumping, diverting and/or transporting another source of water, or where the use of a particular water treatment technology or approach reduces the amount of energy typically consumed through traditional or nontraditional water treatment processes).

Please describe any quantifiable energy savings that are expected to result from the pilot or demonstration studies and include support for how energy savings were calculated.

Would the full scale plant require less energy than the alternative **available** water sources (e.g. pumping, diverting, or importing water)? If so, describe the energy savings that would result and include support for the estimated energy savings. Describe what the alternative available water sources are.

Evaluation Criteria C: Relationship of Project to Current AWT Applications and Reclamation's Research Goals (15 points)

Up to 15 points may be awarded for proposals that will likely advance AWT technology or apply existing AWT technology in innovative ways consistent with Reclamation's research goals for AWT. Projects that advance AWT technology or use AWT in innovative ways are expected to have broader impact on the adoption of AWT in the Western United States outside of the locale of the specific pilot or demonstration project.

Please address the following:

- 1) The extent to which the proposal tests new technology or applies existing technology in an innovative way
- 2) The manner in which the proposed technology, as applied, fits within either of Reclamation's identified research goals

Reclamation's Research Goals for AWT:

Goal 1: Understand the environmental impacts of AWT and develop approaches to minimize these impacts relative to other water supply alternatives

Goal 2: Develop approaches to lower the financial costs of AWT so that it is an attractive option relative to other alternatives in locations where traditional sources of water are inadequate

Evaluation Criteria D: Project Organization (15 points)

Up to 15 points may be awarded based on the readiness of the applicant to proceed with the proposed pilot or demonstration project, and the qualifications of the team that will lead the pilot or demonstration project (management team).

Subcriterion No. D1—Readiness to Proceed

Up to 8 points may be awarded based on the extent to which the proposed project is capable of proceeding upon entering into a financial assistance agreement

Are all necessary plans/designs complete?

Are there any delays expected to result from environmental compliance?

Describe the implementation plan of the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates. *(Please note, under no circumstances may an applicant begin any ground disturbing activities—including grading, clearing, and other preliminary activities—on a project before environmental compliance is complete and Reclamation explicitly authorizes work to proceed).*

Please explain any permits that will be required, along with the process for obtaining such permits.

Subcriterion No. D2—Qualifications of the Management Team

Up to 7 points may be awarded based on the qualifications of the team that will lead the pilot or demonstration project (management team).

Please describe the credentials, experience, and past performance of the management team. Where available, please provide a resume or CV for each known member of the management team.

Alternatively, describe the process and criteria that will be used to select an appropriate, experienced management team.

**Evaluation Criteria E: Other Contributions to Water Supply Sustainability
(14 points)**

Up to 14 points may be awarded for projects that contribute to a more sustainable water supply in ways not covered by other criteria.

This criterion is intended to provide an opportunity for the applicant to explain any additional benefits of, or specific need for, the proposed project within the water basin, including benefits to downstream water users or to the environment. Please provide sufficient explanation of the expected benefits and their significance, including any information about water supply conditions within the basin (e.g., is the river, aquifer, or other source of supply over-allocated? Is there frequently tension or litigation over water in the basin? Are there endangered species within the basin or other factors that may lead to heightened competition for available water supplies among multiple water uses?) Additional project benefits may include, but are not limited to, the following:

- 1) Will the project address a specific concern, or provide an important benefit? For example:
 - Will the project market water to other users? If so, what is the significance of this (e.g., does this help stretch water supplies in a water-short basin)?
 - Will the project make additional water available for Indian tribes?
 - Will the project help to address an issue that could potentially result in an interruption to the water supply if unresolved? (e.g., will the project benefit endangered species to maintain an adequate water supply)?
 - Will the project address public concerns in the area?
 - Will the project improve water quality to address a specific water quality related issue in the area?
 - Will the project encourage use of AWT in an area where it has not previously been used?
- 2) Does the project promote and encourage collaboration among parties?
- 3) Is there widespread support for the project?

- 4) What is the significance of the collaboration/support?
- 5) Will the project help to prevent a water-related crisis or conflict?
- 6) Will the project increase awareness of the use of AWT to conserve water and/or energy?
- 7) Will the project serve as an example of water and/or energy conservation and efficiency within a community?
- 8) Will the project increase the capability of future water conservation or energy efficiency efforts for use by others?
- 9) Does the project integrate water and energy components?

Evaluation Criteria F: Technical Merit (10 Points)

Up to 10 points may be awarded based on the appropriateness of the technology chosen for the area and the applicability of the technology in other locations.

Subcriterion No. F1—Appropriateness of the Technology

Up to 6 points may be awarded based on the appropriateness of the treatment method chosen for the area in which it will be used.

Why is the proposed treatment method more appropriate for the intended use than other available treatment methods? Were other treatment methods considered? If so, what other methods were considered?

Subcriterion No. F2—Applicability of the Technology

Up to 4 points will be awarded based on the extent to which the treatment method chosen will be applicable in other locations.

Will the pilot or demonstration project be documented in such a way that other locations could benefit from the technical and economic questions answered by the project?

Evaluation Criteria G: Connection to Reclamation Project Activities (4 points)

Up to 4 points may be awarded if the proposed project is in a basin with connections to Reclamation project activities. No points will be awarded for proposals without connection to a Reclamation project or Reclamation activity.

- 1) How is the proposed project connected to Reclamation project activities?

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- 2) Does the applicant receive Reclamation project water?
- 3) Is the project on Reclamation project lands or involving Reclamation facilities?
- 4) Is the project in the same basin as a Reclamation project or activity?
- 5) Will the proposed work contribute water to a basin where a Reclamation project is located?

Environmental Compliance

To allow Reclamation to assess the probable environmental impacts and costs associated with each application, all applicants must respond to the following list of questions focusing on the requirements of the NEPA, ESA, and the NHPA. Please answer the following questions to the best of your knowledge. If any question is not applicable to the project, please explain why. Additional information about environmental compliance is provided in this section under “Environmental and Regulatory Compliance Cost” and in Section VIII B., “Environmental Compliance Requirements.”

If you have any questions, please contact your regional or area Reclamation office (see <<http://www.usbr.gov/main/regions.html>>) with questions regarding ESA compliance issues. You may also contact Dean Marrone, WaterSMART Grants Coordinator, at 303-445-3577, for further information.

- 1) Will the project impact the surrounding environment (i.e., soil [dust], air, water [quality and quantity], animal habitat, etc.)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.
- 2) Are you aware of any species listed or proposed to be listed as a Federal endangered or threatened species, or designated Critical Habitat in the project area? If so, would they be affected by any activities associated with the proposed project?
- 3) Are there wetlands or other surface waters inside the project boundaries that potentially fall under Federal Clean Water Act jurisdiction as “waters of the United States?” If so, please describe and estimate any impacts the project may have.
- 4) When was the water delivery system constructed?
- 5) Will the project result in any modification of or effects to, individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so,

state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

- 6) Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.
- 7) Are there any known archeological sites in the proposed project area?
- 8) Will the project have a disproportionately high and adverse effect on low income or minority populations?
- 9) Will the project limit access to and ceremonial use of Indian sacred sites or result in other impacts on tribal lands?
- 10) Will the project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

Note, if mitigation is required to lessen environmental impacts, the applicant may, at Reclamation's discretion, be required to report on progress and completion of these commitments. Reclamation will coordinate with the applicant to establish reporting requirements and intervals accordingly.

Under no circumstances may an applicant begin any ground-disturbing activities (including grading, clearing, and other preliminary activities) on a project before environmental compliance is complete and Reclamation explicitly authorizes work to proceed. This pertains to all components of the proposed project, including those that are part of the applicant's non-Federal cost share. Reclamation will provide a successful applicant with information once environmental compliance is complete. An applicant that proceeds before environmental compliance is complete may risk forfeiting Reclamation funding under this FOA.

Required Permits or Approvals

Applicants must state in the application whether any permits or approvals are required and explain the plan for obtaining such permits or approvals.

Funding Plan and Letters of Commitment

Describe how the non-Reclamation share of project costs will be obtained. Reclamation will use this information in making a determination of financial capability.

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Project funding provided by a source other than the applicant shall be supported with letters of commitment from these additional sources. This is a **mandatory requirement**. Letters of commitment shall identify the following elements:

- 1) The amount of funding commitment
- 2) The date the funds will be available to the applicant
- 3) Any time constraints on the availability of funds
- 4) Any other contingencies associated with the funding commitment

Cost share funding from sources outside the applicant's organization (e.g., loans or state grants), should be secured and available to the applicant prior to award.

Commitment letters should be included with your project application. If a final funding commitment has not been received by the date of application, the commitment letters should be submitted by no later than July 1, 2011.

Reclamation may approve an award prior to an applicant securing non-Federal cost-share funds if Reclamation determines that there is sufficient evidence and likelihood that the non-Federal funds will be available to the applicant by the start of the project.

The funding plan must include all project costs, as follows:

- 1) How you will make your contribution to the cost share requirement, such as monetary and/or in-kind contributions and source funds contributed by the applicant (e.g., reserve account, tax revenue, and/or assessments).
- 2) Describe any in-kind costs incurred before the anticipated project start date that you seek to include as project costs. Include:
 - a) What project expenses have been incurred
 - b) How they benefitted the project
 - c) The amount of the expense
 - d) The date of cost incurrence
- 3) Provide the identity and amount of funding to be provided by funding partners, as well as the required letters of commitment.

- 4) Describe any funding requested or received from other Federal partners. Note: Other sources of Federal funding may not be counted towards the applicant’s 50 percent cost share unless otherwise allowed by statute.
- 5) Describe any pending funding requests that have not yet been approved, and explain how the project will be affected if such funding is denied.

Please include the following chart (table 2) to summarize your non-Federal and other Federal funding sources. Denote in-kind contributions with an asterisk (*). Please ensure that the total Federal funding (Reclamation and all other Federal sources) does not exceed 50 percent of the total estimated project cost.

Table 2. Summary of non-Federal and Federal funding sources.

Funding Sources	Funding Amount
Non-Federal Entities	
1.	
2.	
3.	
<i>Non-Federal Subtotal:</i>	
Other Federal Entities	
1.	
2.	
3.	
<i>Other Federal Subtotal:</i>	
<i>Requested Reclamation Funding:</i>	
<i>Total Project Funding:</i>	

Official Resolution

Include an official resolution adopted by the applicant’s board of directors or governing body, or for state government entities, an official authorized to commit the applicant to the financial and legal obligations associated with receipt of WaterSMART Grant financial assistance, verifying:

- The identity of the official with legal authority to enter into agreement
- The board of directors, governing body, or appropriate official who has reviewed and supports the application submitted
- The capability of the applicant to provide the amount of funding and/or in-kind contributions specified in the funding plan
- That the applicant will work with Reclamation to meet established deadlines for entering into a cooperative agreement

An official resolution meeting the requirements set forth above is mandatory. If the applicant is unable to submit the official resolution by the application deadline because of the timing of board meetings or other justifiable reasons, the official resolution may be submitted up to 30 days after the application deadline.

Budget Proposal

General Requirements

Include a project budget that estimates all costs (not just costs to be borne by Reclamation). Include the value of in-kind contributions of goods and services and sources of funds provided to complete the project. The proposal must clearly delineate between Reclamation and applicant contributions.

Budget Proposal Format

The project budget shall include detailed information on the categories listed below and must clearly identify all project costs and the funding source(s) (i.e., Reclamation or other funding sources). Unit costs shall be provided for all budget items including the cost of work to be provided by contractors. **Lump sum costs are not acceptable.** Additionally, applicants shall include a narrative description of the items included in the project budget. It is strongly advised that applicants use the budget format shown on Table 3 at the end of this section or a similar format that provides this information.

Budget Narrative Format

Submission of a budget narrative is mandatory. An award will not be made to any applicant who fails to fully disclose this information. The Budget Narrative provides a discussion of, or explanation for, items included in the budget proposal. The types of information to describe in the narrative include, but are not limited, to those listed in the following subsections.

Salaries and Wages

Indicate program 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. The labor rates should identify the direct labor rate separate from the fringe rate or fringe cost for each category. All labor estimates, including any proposed subcontractors, shall be allocated to specific tasks as outlined in the recipient's technical project description. 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 will be included as a portion of the stated indirect costs. If these salaries can be adequately documented as direct costs, they should be included in this section; however, a justification should be included in the budget narrative.

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.

Travel

Include purpose of trip, destination, number of persons 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 and include information as to the need for this equipment, as well as how the equipment was priced if being purchased for the agreement. If equipment is being rented, specify the number of hours and the hourly rate. Local rental rates are only accepted for equipment actually being rented or leased for the project. If equipment currently owned by the applicant is proposed for use under the proposed project, and the cost to use that equipment is being included in the budget as in-kind cost share, provide the rates and hours for each piece of equipment owned and budgeted. These should be ownership rates developed by the recipient for each piece of equipment. If these rates are not available, the U.S. Army Corp of Engineer's (USACE) recommended equipment rates for the region are acceptable. Blue book, Federal Emergency Management Agency (FEMA), and other data bases should not be used.

Materials and Supplies

Itemize supplies by major category, unit price, quantity, and purpose, such as whether the items are needed for office use, research, or construction. Identify how these costs were estimated (i.e., quotes, past experience, engineering estimates or other methodology).

Contractual

Identify all work that will be accomplished by subrecipients, consultants, or contractors, including a breakdown of all tasks to be completed, and a detailed budget estimate of time, rates, supplies, and materials that will be required for each task. If a subrecipient, 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. Identify how the budgeted costs for subrecipients, consultants, or contractors were determined to be fair and reasonable.

Environmental and Regulatory Compliance Costs

Applicants must include a line item in their budget to cover environmental compliance costs. "Environmental compliance costs" refer to costs incurred by Reclamation or the recipient in complying with environmental regulations applicable to a WaterSMART Grant, including costs associated with any required documentation of environmental compliance, analyses, permits, or approvals.

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Applicable Federal environmental laws could include NEPA, ESA, NHPA, and the Clean Water Act, and other regulations depending on the project. Such costs may include, but are not limited to:

- The cost incurred by Reclamation to determine the level of environmental compliance required for the project
- The cost incurred by Reclamation, the recipient, or a consultant to prepare any necessary environmental compliance documents or reports
- The cost incurred by Reclamation to review any environmental compliance documents prepared by a consultant
- The cost incurred by the recipient in acquiring any required approvals or permits, or in implementing any required mitigation measures

The amount of the line item should be based on the actual expected environmental compliance costs for the project. However, the minimum amount budgeted for environmental compliance should be equal to at least 1-2 percent of the total project costs. If the amount budgeted is less than 1-2 percent of the total project costs, you must include a compelling explanation of why less than 1-2 percent was budgeted.

How environmental compliance activities will be performed (e.g., by Reclamation, the applicant, or a consultant) and how the environmental compliance funds will be spent, 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.

Reporting

Recipients are required to report on the status of their project on a regular basis. Include a line item for reporting costs (including final project and evaluation costs). Please see Section VI.C for information on types and frequency of reports required.

Other

Any other expenses 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 will be allowed.

Indirect Costs

Show the proposed rate, cost base, and proposed amount for allowable indirect costs based on the applicable OMB circular cost principles (see Section III.E., “Cost Sharing Requirement”) for the recipient’s organization. It is not acceptable to simply incorporate indirect rates within other direct cost line items.

If the recipient 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 a federally approved indirect rate agreement is not available, provide supporting documentation for the rate. This can include a recent recommendation by a qualified certified public accountant (CPA) along with support for the rate calculation.

If you do 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 Interior, the National Business Center, and Indirect Cost Section, at <http://www.aqd.nbc.gov/services/ICS.aspx>.

Contingency Costs

All proposed contingency line-items must be supported by a rationale. Further, in most cases, contingency cost estimates are limited to 10 percent of projected construction costs.

Total Cost

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

Budget Form

In addition to the above-described budget information, the applicant must complete an SF-424A, Budget Information—Nonconstruction Programs, or an SF-424C, Budget Information—Construction Programs. These forms are available at <http://apply07.grants.gov/apply/FormLinks?family=15>.

IV.E. Funding Restrictions

See Section III.E. for restrictions on incurrence and allowability of pre-award costs.

Section IV. Application and Submission Information

Table 3. Sample Budget Proposal Format

Budget Item Description	Computation		Recipient Funding	Reclamation Funding	Total Cost
	\$/Unit and Unit	Quantity			
Salaries And Wages					
Employee 1					
Employee 2					
Employee 3					
Fringe Benefits					
Full-Time Employees					
Part-Time Employees					
Travel					
Trip 1					
Trip 2					
Trip 3					
Equipment					
Item A					
Item B					
Item C					
Supplies/Materials					
Office Supplies					
Construction					
Contractual/¹Construction					
Item 1					
Item 2					
Environmental and Regulatory Compliance²					
Other					
Reporting					
Total Direct Costs					
Indirect Costs - ___%					
Total Project Costs					

The applicant may use this format or submit the information in a different format which provides a detailed break-down of costs and need justification for budgets presented in the SF-424A, 424B, C, or D.

¹Contracts should be broken out into specific line items. **Lump sum estimates are not acceptable.** Applicants may attach a separate, detailed budget for each contract to adequately address all contractor budget items.

²Environmental and regulatory compliance should be at least 1-2 percent unless a justification is provided for a lesser amount.

Section V. Application Review Information

V.A. Review and Selection Process

The Government reserves the right to reject any and all applications which do not meet the requirements of this FOA or which are outside the scope of WaterSMART Grants. Awards will be made for projects most advantageous to the Government. The evaluation process will be comprised of three steps described in the following subsections.

V.A.1. First-Level Screening

All applications will be screened to ensure that:

- The application meets the requirements of the FOA package, including submission of technical and budget proposals, a funding plan, letter(s) of commitment, and related forms.
- The application contains a properly executed form SF-424 Application for Financial Assistance and a form SF-424B, Assurances—Non-Construction Programs, or SF-424D, Assurances—Construction Programs.
- The application includes an official resolution, adopted by the applicant’s board of directors, governing body, or appropriate authorized official or notes date of delivery no more than 30 days after the close of this funding announcement.
- At least 50 percent of the cost of the project will be paid for with non-Federal funding. Cost share funding from sources outside the applicant’s organization, e.g., loans or state grants, should be secured and available to the applicant prior to award. Reclamation may approve an award prior to an applicant securing non-Federal cost-share funds if Reclamation determines that there is sufficient evidence and likelihood that the non-Federal funds will be available to the applicant by the start of the project.
- The applicant meets the eligibility requirements stated in this document.
- The application meets the description of eligible projects in Section III.B., “Eligible Projects,” of this document and is within the scope of WaterSMART Grants.

- The project can be completed by September 30, 2013.

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.

V.A.2. Second-Level Evaluation (Technical Review)

Evaluation criteria will comprise 100 points of the total evaluation weight as stated in Section IV.D.5. Applications will be scored against the evaluation criteria by an Application Review Committee (ARC), made up of experts in relevant disciplines selected from across Reclamation.

V.A.3. Third-Level Evaluation (Managerial Review)

Management will prioritize projects to ensure the total amount of all awards does not exceed available funding levels, to ensure balance among the program tasks, and to ensure that the projects meet the scope and priorities of the WaterSMART Program. Positive or negative past performance by the applicant and any partners in previous working relationships with Reclamation may be considered.

V.B. Pre-Award Clearances and Approvals

After completion of the third-level evaluation, Reclamation will notify applicants whose proposals have been selected for award consideration and will forward their applications to the appropriate Reclamation regional or area office for completion of environmental compliance.

The local Reclamation office will also complete a business evaluation and determination of responsibility. During these evaluations, the Grants Officer (GO) will also consider several factors which are important, but not quantified, such as:

- Pre-award clearances, determinations, reviews, and approvals
- Allowability and allocability of proposed costs
- Financial strength and stability of the organization
- Past performance, including satisfactory compliance with all terms and conditions of previous awards, such as environmental compliance issues, reporting requirements, proper procurement of supplies and services, and audit compliance
- Adequacy of personnel practices; procurement procedures; and accounting policies and procedures, as established by applicable OMB circulars.

Section V. Application Review Information

If the results of all pre-award reviews and clearances are satisfactory, an award of funding will be made once the agreement is finalized (approximately one to three months from date of initial selection). If the results of pre-award reviews and clearances are unsatisfactory, consideration of funding for the project may be withdrawn.

Section VI. Award Administration Information

VI.A. Award Notices

Successful applicants will receive, by electronic or regular mail, a notice of award.

VI.B. Award Document

If the applicant is awarded a financial assistance agreement or cooperative agreement as a result of this FOA, the proposed project and other relevant information (e.g., expected water savings) from the application will be referenced in the agreement. The agreement document must be signed by a Reclamation GO before it becomes effective.

VI.C. Reporting Requirements and Distribution

If the applicant is awarded an agreement as a result of this FOA, the applicant will be required to submit the following types of reports during the term of the agreement.

VI.C.1. Financial Reports

- SF-425, Federal Financial Report, on a semiannual basis

VI.C.2. Program Performance Reports

- Semi-annual reports.
- Final report (please note final reports are public documents and will be made available on Reclamation's website).
 - The Final Report shall include, but not be limited to:
 - A narrative summary of all work performed under the agreement;
 - A description of the technology used;

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- Presentation and interpretation of test data, results, and conclusions;
 - Updated cost estimates and conclusions regarding the economic viability of a full scale plant, and any changes that may be made to make it economically viable.
- More detailed Final Report requirements may be specified if an agreement is awarded.

Section VII. Agency Contacts

There will be no pre-application conference. Organizations or individuals interested in submitting applications in response to this FOA may *direct questions to Reclamation in writing*. Questions may be submitted to the attention of Michelle Maher, GO, as follows:

By mail:

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

Overnight delivery:

Bureau of Reclamation
Attn: Michelle Maher
Mail Code: 84-27810
Denver Federal Center, Bldg. 67, Rm. 152
6th Avenue and Kipling Street
Denver CO 80225

By e-mail:

mmaher@usbr.gov

Section VIII. Other Information

VIII.A. Performance Measures

All proposals must describe how you will quantify actual project benefits (water saved, marketed, or better managed) upon completion of the project (also known as a “performance measure”). You should identify a performance measure for their project and explain how the measure will be applied to their project.

Please refer to <<http://www.usbr.gov/WaterSMART/grants.html>> for more examples of acceptable performance measures.

VIII.B. Overview of Environmental Compliance Requirements

Under no circumstances may an applicant begin any ground-disturbing activities (including grading, clearing, and other preliminary activities) on a project before environmental compliance is complete and Reclamation explicitly authorizes work to proceed. This pertains to all components of the proposed project, including those that are part of the applicant’s non-Federal cost share. Reclamation will provide a successful applicant with information once environmental compliance is complete. An applicant that proceeds before environmental compliance is complete may risk forfeiting Reclamation funding under this FOA.

Before approving expenditures for the implementation of a WaterSMART Grant project, Reclamation is required to comply with applicable environmental laws. Such compliance requires the participation and cooperation of both Reclamation and WaterSMART Grant recipients. This information is intended to inform applicants about the environmental compliance process associated with WaterSMART Grant projects and to summarize the requirements of certain Federal environmental laws.

Reclamation addresses environmental compliance issues for WaterSMART Grant applications as 1) an initial review and 2) a more detailed view of projects initially recommended for award. First, as part of the initial recommendation process, Reclamation evaluates the appropriateness of the amount budgeted for environmental compliance. Reclamation also examines the proposal to determine whether any significant environmental issues are involved in the project. Second, once a proposal has been initially recommended for funding, Reclamation undertakes a more detailed examination of environmental issues associated with the proposed project to comply with applicable law.

VIII.B.1. Review within the Application Evaluation Process

In the evaluation and selection process, Reclamation performs an initial review of the WaterSMART Grant applications for potential environmental issues. At this stage, Reclamation's review is focused on whether:

- The applicant has budgeted appropriately for environmental compliance
- Any significant environmental issues (i.e., issues that would make the project infeasible) are apparent.

Applicants for WaterSMART Grant funding must include a line item in their budget estimating the cost of environmental compliance for their project. The amount budgeted should be based on the actual expected environmental compliance costs, but should be equal to *at least* 1 to 2 percent of the total project costs. If less than 1 to 2 percent is budgeted, you must provide justification. Applications will be scored based on whether the amount budgeted appears reasonable.

Environmental compliance costs that are included in the budget proposal are considered project costs and may be cost shared by the recipient and Reclamation. Any actual costs above the amount you budgeted for must generally be paid for solely by you. If too much is budgeted for environmental compliance, any remaining funding may generally be reallocated to cover other project costs.

Environmental compliance costs have varied greatly for past projects. A minimal number of projects have incurred environmental compliance costs over the 2-percent budgeted amount. In each of those cases, the overage has been the result of issues involving historic properties, the presence of endangered species, or other compliance concerns requiring a more lengthy assessment of specific issues.

In addition to budgeting for environmental costs, the FOA requests that applicants for WaterSMART Grant project funding answer a series of questions about the potential environmental impacts of their proposed project. In general, applications will not be scored lower in this first step of the environmental review based on the significance of the environmental issues involved. Rather, the information about environmental impacts is used by Reclamation primarily to determine if the you have budgeted appropriately. However, in some extreme cases, a proposal may be eliminated from further consideration at this stage if the magnitude of the environmental issues would make the project infeasible.

VIII.B.2. Review of Initially Recommended Projects

If a proposal is initially recommended for funding, a detailed analysis will be performed to determine the actual environmental impacts of the project, to agree on any mitigation measures needed, and to document environmental compliance. The recipient will then work with Reclamation to provide the information necessary for Reclamation to complete the environmental compliance work.

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 made contingent on completion of environmental compliance.** The assistance agreement will describe how compliance will be carried out and how it will be paid for. WaterSMART Grant funding may not be applied to construction or implementation of the project itself unless and until this second level of environmental analysis is completed to comply with all applicable environmental laws.

VIII.B.3. Overview of Relevant Environmental Laws

Following is a brief overview of NEPA, NHPA, and ESA. While these statutes are not the only environmental laws that may apply to WaterSMART Grant projects, they are the Federal laws that most frequently do apply. Compliance with all applicable environmental laws will be initiated by Reclamation concurrently, immediately following the initial recommendation of a WaterSMART Grant award. The descriptions below are intended to provide you with information about the environmental compliance issues that may apply to your projects and to help you budget appropriately for the associated compliance costs.

National Environmental Policy Act

NEPA requires Federal agencies such as Reclamation to evaluate—during the decision-making process—the potential environmental effects of a proposed action and any reasonable mitigation measures. Before Reclamation can make a decision to fund a WaterSMART Grant project, Reclamation must comply with NEPA. Compliance with NEPA can be accomplished in several ways, depending upon the degree and significance of environmental impacts associated with the proposal:

- Some projects may fit within a recognized **Categorical Exclusion (CE)** to NEPA (i.e., one of the established categories of activities that generally do not have significant impacts on the environment). If a project fits within a CE, no further NEPA compliance measures are necessary. Use of a CE can involve simple identification of an applicable **Departmental CE** or documentation of a **Reclamation CE** using a **Categorical Exclusion Checklist (CEC)**. If a CE is being considered, Reclamation will have to determine the applicability of the CE and whether extraordinary circumstances (i.e., reasons that the CE cannot be applied) exist. That process takes anywhere from 1 day to about 30 days, depending upon the specific situation.
- If the project does not fit within a CE, compliance with NEPA might require preparation of an **Environmental Assessment/Finding of No Significant Impact (EA/FONSI)**. Generally, where no CE applies but there are not believed to be any significant impacts associated with the

proposed action, an EA will be required. The EA is used to determine whether any potentially significant effects exist (which would trigger the further step of an Environmental Impact Statement, below). If no potentially significant effects are identified, the EA process ends with the preparation of a FONSI. The EA/FONSI process is more detailed than the CE/CEC process and can take weeks or even months to complete. Consultation with other agencies and public notification are part of the EA process.

- The most detailed form of NEPA compliance, where a proposed project has potentially significant environmental effects, is completion of an **Environmental Impact Statement (EIS)** and **Record of Decision (ROD)**. An EIS requires months or years to complete, and the process includes considerable public involvement, including mandatory public reviews of draft documents. It is not anticipated that projects proposed under this program will require completion of an EIS.

During the NEPA process, potential impacts of a project are evaluated in context and in terms of intensity (e.g., will the proposed action affect the only native prairie in the county? Will the proposed action reduce water supplied to a wetland by 1 percent or 95 percent?) The best source of information concerning the potentially significant issues in a project area is the local Reclamation staff, who have experience in evaluating effects in context and by intensity.

Reclamation has the sole discretion to determine what level of environmental NEPA compliance is required. If another Federal agency is involved, Reclamation will coordinate to determine the appropriate level of compliance. You are encouraged to contact your regional or area Reclamation office (See <http://www.usbr.gov/main/regions.html>) with questions regarding NEPA compliance issues. You may also contact Dean Marrone, WaterSMART Grants Coordinator, at 303-445-3577 for further information.

National Historic Preservation Act

To comply with Section 106 of the NHPA, Reclamation must consider whether a proposed project has the *potential to cause effects to historic properties*, before it can award a WaterSMART Grant. “**Historic properties**” are cultural resources (historic or prehistoric districts, sites, buildings, structures, or objects) that qualify for inclusion in the National Register of Historic Places. In some cases, **water delivery infrastructure that is over 50 years old** can be considered a “historic property” that is subject to review.

If a proposal is selected for initial award, WaterSMART Grant recipients will work with Reclamation to complete the Section 106 process. Compliance can be accomplished in several ways—depending on how complex the issues are—including:

- If Reclamation determines that the project does *not* have the potential to cause effects to historic properties, then Reclamation will document its findings and the Section 106 process will be concluded. This can take anywhere from a couple of days to one month.
- If Reclamation determines that the proposed project *could* have effects on historic properties, a multi-step process, involving consultation with the State Historic Preservation Officer and other entities, will follow. Depending on the nature of the project and impacts to cultural resources, consultation can be complex and time consuming. The process includes a determination as to whether additional information is necessary; evaluation of the significance of identified cultural resources; assessment of the effect of the project on historic properties; and, if the project would have an adverse effect, evaluation of alternatives or modifications to avoid, minimize, or mitigate the effects. A Memorandum of Agreement is then used to record and implement any necessary measures. At a minimum, completion of the multi-step Section 106 process takes about two months.

Among the types of historic properties that might be affected by WaterSMART Grants are **historic irrigation systems** and **archaeological sites**. An irrigation system or a component of an irrigation system (e.g., a canal or headgate) is more likely to qualify as historic if it is more than 50 years old, if it is the oldest (or an early) system/component in the surrounding area, and if the system/component has not been significantly altered or modernized. In general, WaterSMART Grant projects that involve ground disturbance, or the alteration of existing older structures, are more likely to have the potential to affect cultural resources. However, the level of cultural resources compliance required, and the associated cost, depends on a case-by-case review of the circumstances presented by each proposal.

You should contact your State Historic Preservation Office and your local Reclamation office's cultural resources specialist to determine what, if any, cultural resources surveys have been conducted in the project area. See <<http://www.usbr.gov/cultural/crmstaff.html>> for a list of Reclamation cultural resource specialists. If an applicant has previously received Federal financial assistance, it is possible that a cultural resources survey has already been completed.

Endangered Species Act

Pursuant to Section 7 of the ESA, each Federal agency is required to consult with the U.S. Fish and Wildlife Service (USFWS) or the National Oceanic and Atmospheric Administration (NOAA) Fisheries Service to ensure any action it authorizes, funds, or carries out is not likely to *jeopardize the continued existence of any endangered or threatened species or destroy or adversely modify any designated critical habitat*.

Before Reclamation can approve funding for the implementation of a WaterSMART Grant project, it is required to comply with Section 7 of the ESA. The steps necessary for ESA compliance vary, depending on the presence of endangered or threatened species and the effects of the project. A rough overview of the possible course of ESA compliance is:

- If Reclamation can determine that there are no endangered or threatened species or designated critical habitat in the project area, the ESA review is complete and no further compliance measures are required. This process can take anywhere from one day to one month.
- If Reclamation determines that endangered or threatened species may be affected by the project, then a “**Biological Assessment**” must be prepared by Reclamation. The Biological Assessment is used to help determine whether a proposed action may affect a listed species or its designated critical habitat. The Biological Assessment may result in a determination that a proposed action *is not likely to adversely affect* any endangered or threatened species. If the USFWS/NOAA Fisheries Service concurs in writing, then no further consultation is required and ESA compliance is complete. Depending on the scope and complexity of the proposed action, preparation of a Biological Assessment can range from days to weeks or even months. The USFWS/NOAA Fisheries Service generally respond to requests for concurrence within 30 days.
- If it is determined that the project *is likely to adversely affect* listed species, further consultation (“**formal consultation**”) with USFWS or NOAA Fisheries Service is required to comply with the ESA. The process includes the creation of a **Biological Opinion** by the USFWS/NOAA Fisheries Service, including a determination of whether the project would “**jeopardize**” listed species and, if so, whether any **reasonable and prudent** alternatives to the proposed project are necessary to avoid jeopardy. Nondiscretionary **reasonable and prudent measures and terms and conditions** to minimize the impact of incidental take may also be included. Under the timeframes established in the ESA regulations, the Biological Opinion is issued within 135 days from the date that formal consultation was initiated, unless an extension of time is agreed upon.
- Obviously, the time, cost, and extent of the work necessary to comply with the ESA depends upon whether endangered or threatened species are present in the project area and, if so, whether the project might have effects on those species significant enough to require formal consultation.

ESA compliance is often conducted parallel to the NEPA compliance process and, as in the case of categorical exclusion checklists, documented simultaneously. The best source of information concerning the compliance with the ESA in a

particular project area is the local Reclamation environmental staff, who can be helpful in determining the presence of listed species and possible effects that would require consultation with the USFWS or National Oceanic and Atmospheric Administration (NOAA) Fisheries Service. You are encouraged to contact your regional or area Reclamation office (see <<http://www.usbr.gov/main/regions.html>>) with questions regarding ESA compliance issues. You may also contact Dean Marrone, WaterSMART Grants Coordinator, at 303-445-3577 for further information.