RECLAMATION
Managing Water in the West

U.S. Department of the Interior
Bureau of Reclamation

NOTICE OF INTENT TO AWARD

This Funding Announcement is not a request for applications. This announcement is to provide public notice of the Bureau of Reclamation's intention to fund the following project activities without full and open competition.

ABSTRACT	
Funding Announcement	R15SS00002
Project Title	Development of Preliminary Engineering Reports (PERs) for Selected Connection Plans Associated with the Navajo-Gallup Water Supply Project (NGWSP)
Recipient	Navajo Nation
Principal Investigator / Program Manager	Ray Benally, Director – Dept. of Water Resources, Navajo Nation Jason John, Principal Hydrologist & Branch Manager – Dept. of Water Resources, Navajo Nation
Anticipated Federal Amount	$499,998.00
Cost Share	none
Total Anticipated Award Amount	$499,998.00
New Award or Continuation?	New
Anticipated Period of Performance	5 Years
Award Instrument	Cooperative Agreement
Statutory Authority	Public Law 108-7 Consolidated Appropriations Resolution
CFDA # and Title	15.519 Indian Tribal Water Resources Development, Management, and Protection
Single Source Justification Criteria Cited	(1) Unique Qualifications – The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location, property ownership, voluntary support capacity, cost-sharing ability if applicable, technical expertise, or other such unique qualifications;
Reclamation Point of Contact	Dianne Paxton

OVERVIEW

The Navajo-Gallup Water Supply Project (NGWSP), upon its completion, will provide a reliable municipal, industrial, and domestic water supply to; Navajo Nation communities located in New Mexico, the City of Gallup located in New Mexico, Window Rock and Fort Defiance Arizona, the Navajo Agricultural Products Industry, and a portion of the Jicarilla Apache Nation. These areas currently rely on a rapidly depleting groundwater supply that is of poor quality and inadequate to meet the current and future needs.

The Secretary of the Interior, acting through the Commissioner of Reclamation is authorized to design, construct, operate and maintain NGWSP facilities that include service connections to public water systems. As such, the July 2009 NGWSP Planning Report/Final Environmental Impact Statement (PR/FEIS) described large water tanks near the trunkline with booster stations that were designated as turnouts for the connections to public water systems to provide water to communities to be serviced by the main trunkline. The Construction Cost Estimate (CCE) included the costs for the tanks and booster stations associated with these turnouts, but no connection to existing public water systems.

The Navajo Nation Department of Water Resources (NNDWR) has worked with the members of the NGWSP Project Construction Committee (PCC) to develop a prioritized connection plan list. These proposed connection plans are different than the connection concepts in the PR/FEIS in that the connection plans are based on conveying water from the main NGWSP trunkline to the supply points of the closest Navajo Tribal Utility Authority (NTUA) public water systems.

While the connections to existing and future water distribution systems have been termed the lifeblood of the NGWSP, as the designs and estimates for NGWSP features continue to be refined and updated, it is uncertain whether room exists within the CCE to design and construct all of these connection plans. Given the importance of the connection plans coupled with the uncertainties surrounding NGWSP funding of these plans, the Navajo Nation and Reclamation have determined that it is in the best interest of the NGWSP to complete Preliminary Engineering Reports (PERs), as described in United States Department of Agriculture (USDA) Rural Utilities Service (RUS) Bulletin 1780-2, on the highest priority connection plans. A PER is a planning document required by many state and federal agencies as part of the process of obtaining financial assistance for development of drinking water, wastewater, solid waste, and stormwater projects. An applicant for funding from the Waste and Water Disposal (WWD) program must submit a PER as required by 7 CFR 1780.33(c) and 1780.55. The PER describes the proposed project from an engineering perspective, analyzes alternatives to the proposal, defines project costs, and provides information critical to the underwriting process.

The connection plans were priority ranked and selected based on the number of water haulers, the percent of water haulers in the communities, the shortage of groundwater, the cost per acre-foot of water delivered, and construction sequencing. The PERs would result in much more reliable estimates of the total connection costs, and would be used to leverage funds from other programs for design and construction.

RECIPIENT INVOLVEMENT

1. The Recipient shall develop PERs in accordance with USDA RUS Bulletin 1780-2, for selected NGWSP connection plans. The connections would distribute water from the NGWSP to individual residences and businesses. The scope of activities includes the development of PERs only, and does not include construction activities of the selected reaches. PERs will be developed for the following connections:

(a) Newcomb/Two Gray Hills (Reaches 7.1/7.2)
(b) Tohatchi (Reach 11.1)
(c) Tohatchi (Reach 11.2)
(d) Mexican Springs (Reach 11.3)
(e) Buffalo Springs (Reach 9.1)
(f) Sanostee (Reach 5.1)
(g) Sanostee (Reach 5.2)
(h) Sheep Springs (Reaches 7.3/7.4)
(i) Naschitti (Reach 8.1)

2. The Recipient will be responsible for the following:

(a) Furnish all materials and perform the work with its own forces and/or contract for the work to be performed.

(b) Secure any rights of way, permission to access lands, and permits and perform any regulatory compliance work associated with design data collection and/or investigations necessary for the development of the PERs.

(c) Provide Reclamation with information copies of award documents for contracts or subcontracts issued. The Recipient shall provide Reclamation's representative advance notification for all proposed contract actions involving funding, changes or disputes, for Reclamation concurrence, in writing, prior to award or modification issuance. Reclamation shall expediently review and respond to recipient's submittals in order to effectively and efficiently complete the work of this Agreement.

(d) The Recipient acting not as an agent of the U.S. Government and, in performing work, shall not represent that it is acting in any manner as an agent of or on behalf of the United States.

(e) Include all materials required for submittals under cover of a transmittal letter.

(f) Complete the financial and performance reports.

(g) Hold Reclamation harmless from any claims for any payments by all Recipient contractors, subcontractors and consultants for payment by all contractors, subcontractors and/or consultants arising from any Recipient contract.

(h) Performing any and all work undertaken by the Recipient pursuant to this Agreement and all records pertaining thereto shall at all reasonable times and with reasonable advance notice to the Recipient, be open and subject to inspection by Reclamation.

RECLAMATION INVOLVEMENT

Substantial involvement on the part Reclamation is anticipated during the performance of activities funded by this award. In particular, Reclamation will be responsible for the following:

(a) Provide technical reviews of all the preliminary engineering reports (PERs) which will include; comments, recommendations, and concurrences of all of submittals, draft PERs and the final PERs.

Note: PER's reports are not the normal federal financial or performance reports due per the agreement.

SINGLE-SOURCE JUSTIFICATION

DEPARTMENT OF THE INTERIOR
SINGLE SOURCE POLICY REQUIREMENTS

Department of the Interior Policy (505 DM 2) requires a written justification which explains why competition is not practicable for each single-source award. The justification must address one or more of the following criteria as well as discussion of the program legislative history, unique capabilities of the proposed recipient, and cost-sharing contribution offered by the proposed recipient, as applicable.

In order for an assistance award to be made without competition, the award must satisfy one or more of the following criteria:

(2) Unsolicited Proposal – The proposed award is the result of an unsolicited assistance application which represents a unique or innovative idea, method, or approach which is not the subject of a current or planned contract or assistance award, but which is deemed advantageous to the program objectives;

(3) Continuation – The activity to be funded is necessary to the satisfactory completion of, or is a continuation of an activity presently being funded, and for which competition would have a significant adverse effect on the continuity or completion of the activity;

(4) Legislative intent – The language in the applicable authorizing legislation or legislative history clearly indicates Congress' intent to restrict the award to a particular recipient of purpose;

(5) Unique Qualifications – The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location, property ownership, voluntary support capacity, cost-sharing ability if applicable, technical expertise, or other such unique qualifications;

(6) Emergencies – Program/award where there is insufficient time available (due to a compelling and unusual urgency, or substantial danger to health or safety) for

adequate competitive procedures to be followed.

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

(4) UNIQUE QUALIFICATIONS

Single Source Justification Description:

The proposed Recipient, The Navajo Nation, is uniquely qualified to perform the activity based upon demonstrable factors such as location and technical expertise. The NGWSP will, in part, provide a water supply to Navajo Nation communities located in New Mexico and Arizona. The Navajo Nation's Department of Water Resources (NNDWR) has prior technical experience performing PERs on similar related water system projects. They have also completed a very rough appraisal-level analysis where they identified various connection plans to the NGWSP. This work could be further refined and used for the development of PERs for the connection plans. Additionally, the Navajo Nation has participated with the members of the NGWSP Project Construction Committee (PCC) to develop the prioritized connection plan list. These proposed connection plans are different than the connection concepts in the July 2009 Planning Report in that the connection plans are based on conveying water from the main NGWSP trunkline to the supply points of the closest Navajo Tribal Utility Authority (NTUA) public water systems. As such and based on factors cited above, the Navajo Nation should be the appropriate entity to develop PERs for their high priority connection plans to the NGWSP.

Additionally, the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation, is authorized to enter into grants and cooperative agreements with any Indian tribe, institution of higher education, national Indian organization, or tribal organization. A review by the Department of the Interior Solicitor's Office found that these statutes authorized Reclamation to award financial assistance to the Navajo Nation to fund activities identified within this Agreement.

STATUTORY AUTHORITY

Consolidated Appropriations Resolution, 2003, Division D Energy and Water Development Appropriations, Title II, Section 201

DIVISION D—ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, 2003

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2003, for energy and water development, and for other purposes, namely:

TITLE II

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION
The following appropriations shall be expended to execute authorized functions of the Bureau of Reclamation:

SEC.201. In order to increase opportunities for Indian tribes to develop, manage, and protect their water resources, in fiscal year 2003 and thereafter, the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation, is authorized to enter into grants and cooperative agreements with any Indian tribe, institution of higher education, national Indian organization, or tribal organization pursuant to 31 U.S.C. 6301– 6308. Nothing in this Act is intended to modify or limit the provisions of the Indian Self Determination Act (25 U.S.C. 45 et seq.).