BUREAU OF RECLAMATION

Notice of Funding Opportunity No. R23AS00005

WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2023

U.S. Department of the Interior

March 2022

Mission Statements

The U.S. Department of the Interior protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated Island Communities.

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.

Cover Photo –Dry, cracked lakebed. (Reclamation)

Synopsis

Federal Agency Name:	Department of the Interior, Bureau of Reclamation, Water Resources and Planning Office
Funding Opportunity Title:	WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year (FY) 2023
Announcement Type:	Notice of Funding Opportunity (NOFO)
Funding Opportunity Number:	R23AS00005
Catalog of Federal Domestic Assistance (CFDA) Number:	15.514
Dates: (See NOFO Sec. D.4)	Application due date: Wednesday, June 15, 2022 4:00 p.m. Mountain Daylight Time
Eligible Applicants: (See NOFO Sec. C.1)	**Category A:** States, Indian Tribes, irrigation districts, and water districts; state, regional, or local authorities whose members include one or more organizations with water or power delivery authority; and other organizations with water or power delivery authority. Category A applicants must be located in the Western United States or United States Territories, including Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and Puerto Rico. **Category B:** Nonprofit conservation organizations that are acting in partnership and with the agreement of an entity described in Category A. Category B applicants must be in the United States or one of the Territories identified above.
Recipient Cost Share: (See NOFO Sec. C.2)	50 percent or more of total project costs
Federal Funding Amount (See NOFO Sec. B.2)	Funding Group I: Up to $500,000 per agreement for a project that can be completed within two years. Funding Group II: Up to $2,000,000 per agreement for a project that can be completed within three years. Projects in this group may be funded on an annual basis. Funding for the second and third years of the project is contingent upon future appropriations. Funding Group III: Up to $5,000,000 per agreement for a project that can be completed within three years. Projects in this group may be funded on an annual basis. Funding for the second and third years of the project is contingent upon future appropriations.
Estimated Number of Agreements to be Awarded: (See NOFO Sec. B)	Approximately 15 to 21 projects contingent upon available Federal appropriations.
Intergovernmental Review: (See NOFO Sec. D.5)	This NOFO is subject to Executive Order 12372, "Intergovernmental Review of Federal Programs." A list of states that have elected to participate in the intergovernmental review process is at Intergovernmental Review (SPOC List) | The White House (archives.gov).

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Application Checklist

This table summarizes the information you are required to submit with your application.

√	What to submit	Required content	Form or format
	Mandatory Federal Forms: Application for Federal Financial Assistance Budget Information Assurances Disclosure of Lobbying Activities	See Sec. D.2.2.1	SF-424, SF-424A, SF-424B, SF-424D, Project Abstract Summary, and SF-LLL forms may be obtained at www.grants.gov/web/grants/forms/sf-424-family.html
	Title page	See Sec. D.2.2.2	Page 22
	Table of contents	See Sec. D.2.2.3	Page 22
	Technical proposal: Executive summary Project location Technical project description Performance measures	See Sec. D.2.2.24	Page 22
	Evaluation criteria	See Sec. E.1	Page 22
	Project Budget: Funding plan Budget proposal Budget narrative	See Sec. D.2.2.5	Page 23
	Environmental and cultural resources compliance	See Sec. D.2.2.6	Page 23
	Required permits or approvals	See Sec. D.2.2.7	Page 23
	Letters of support and partnership	See Sec. D.2.2.9	Page 37
	Official Resolutions	See Sec D.2.2.10	Page 31
	Overlap or Duplication of Efforts Statement	See Sec. D.2.2.11	Page 25
	Conflict of Interest Disclosure	See Sec. D.2.2.12	Page 25
	Uniform Audit Reporting Statement	See Sec. D.2.2.13	Page 25
	Certification Regarding Lobbying	See Sec. D.2.2.14	Page 25
	Unique Entity Identifier and System for Award Management	See Sec. D.3	Page 24

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Acronyms and Abbreviations

ASAP	Automated Standard Application for Payments
ARC	Application Review Committee
BIL	Bipartisan Infrastructure Law
CE	Categorical Exclusion
CEC	Categorical Exclusion Checklist
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
CWA	Clean Water Act
D&B	Dun and Bradstreet
Department	U.S. Department of the Interior
DUNS	Data Universal Number System
EA	Environmental Assessment
EIS	Environmental Impact Statement
E.O.	Presidential Executive Order
ESA	Endangered Species Act
FAPIIS	Federal Award Performance Integrity Information System
FOIA	Freedom of Information Act
FONSI	Finding of No Significant Impact
FY	fiscal year
OM&R	operations, maintenance, and replacement
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NOAA	National Oceanic and Atmospheric Administration
NOFO	Notice of Funding Opportunity
NRCS	Natural Resource Conservation Service
P.L.	Public Law
Reclamation	Bureau of Reclamation
SAM	System of Award Management
SPOC	Single Point of Contact
UEI	Unique Entity Identifier
U.S.C.	United States Code
USFWS	U.S. Fish and Wildlife Service
WaterSMART	Sustain and Manage America's Resources for Tomorrow
WIIN	Water Infrastructure Improvements for the Nation

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Section A. Program Description

A.1. Authority

This Notice of Funding Opportunity (NOFO) 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, Public Law (P.L.) 111-11 (42 United States Code (U.S.C.) 10364), as amended, and the Fish and Wildlife Coordination Act, 16 U.S.C. 661-666c, as delegated to Reclamation in Departmental Manual 255 DM 1.1B.

A.2. Background, Purpose, and Program Requirements

The U.S. Department of the Interior's (Department) WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program provides a framework for Federal leadership and assistance to stretch and secure water supplies for future generations in support of the Department's priorities. Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to work cooperatively with States, Tribes, and local entities as they plan for and implement actions to increase water supply reliability through investments in existing infrastructure and attention to local water conflicts.

Drought conditions across the West impact a wide range of communities and sectors, including agriculture, cities, Tribes, the environment, recreation, hydropower producers, and others. The Western United States is experiencing its worst drought this century—historic in both duration and severity—threatening to kill crops, spark wildfires, and harm public health. As of January 2022, the U.S. Drought Monitor indicates that more than 87% of the land in nine of the Western states is in drought conditions, and nearly 64% of the area is experiencing severe to exceptional drought. The WaterSMART Drought Response Program supports a proactive approach to drought by providing financial assistance to develop and update comprehensive drought plans (Drought Contingency Planning) and implement projects that will build long-term resilience to drought (Drought Resiliency Projects).

Collaboration with a multitude of customers, partners, and stakeholders is essential to identifying successful strategies to address complex water management issues such as drought. Collaborations are central to Reclamation's approach to addressing drought in the West, and WaterSMART's Drought Response Program supports the goals of the Interagency Drought Relief Working Group established in March 2021 and the National Drought Resiliency Partnership formed in 2016 to enhance Federal coordination of drought activities.

The WaterSMART Drought Response also provides support for priorities identified in Presidential Executive Order (E.O.) 14008: *Tackling the Climate Crisis at Home and Abroad* and aligned with other priorities, such as those identified in E.O. 13985: *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*.

This Notice of Funding Opportunity (NOFO) supports Drought Resiliency Projects that will build long-term resilience to drought and reduce the need for emergency response actions. These projects are generally in the final design stage—environmental and cultural resources compliance may have been initiated, and the non-Federal funding, necessary permits, and other required approvals have been secured.

For further information on the Drought Response Program, please see www.usbr.gov/drought.

For further information on the WaterSMART Program, please see www.usbr.gov/WaterSMART.

A.3. Notice of Funding Opportunity Objectives

This NOFO's objective is to invite eligible applicants (Section C.1.) to leverage their money and resources by cost sharing with Reclamation on Drought Resiliency Projects that will increase the reliability of water supplies or improve water management.

Projects carried out through Drought Resiliency Project Grants can increase water management flexibility—making our water supply more resilient. This helps to prepare for and address the impacts of drought. Proposals submitted under this NOFO must demonstrate that the proposed project is supported by an existing drought planning effort. It is a well-established principle that proactively identifying resiliency projects through drought planning, in advance of a crisis, is far more cost effective than emergency response. As stated on the National Drought Mitigation Center website, drought.unl.edu:

> *One frequently cited estimate from the Federal Emergency Management Agency is that "mitigation" —taking steps ahead of time to prevent known impacts from a natural disaster—saves $4 for every $1 expended. Planning ahead is generally seen as more efficient and more effective than measures taken in crisis mode. Drought researchers have found that after-the-fact assistance to farmers, for example, is expensive and doesn't necessarily reach the right people.*

Proposed projects that are supported by an existing drought plan are prioritized. This prioritization will help ensure that projects funded under this NOFO are well thought out, have public support, and have been identified as the best way to address vulnerabilities to drought.

A.4. Other Related Funding Opportunities

For additional information on other WaterSMART funding opportunities, please see www.usbr.gov/watersmart. Please contact the Program Coordinator (identified in Section G. Agency Contact) with questions regarding which NOFO is the best fit for your project.

WaterSMART Drought Contingency Planning NOFO. Financial assistance is provided under the Drought Response Program, on a 50/50 cost share basis, to develop a drought contingency plan or to update an existing plan.

WaterSMART Environmental Water Resources Projects NOFO. Projects focus on environmental benefits developed as part of a collaborative process to help carry out an established strategy to increase the reliability of water resources. Reclamation provides cost-share funding for projects that include water conservation and efficiency projects that result in quantifiable and sustained water savings and benefit ecological values; water management or infrastructure improvements to mitigate drought-related impacts to ecological values; and watershed management or restoration projects benefitting ecological values that have a nexus to water resources or water resources management. The Federal share of the cost of an infrastructure improvement or activity may be **up to 75 percent** of the cost of the infrastructure improvement or activity, if certain conditions are met.

WaterSMART Grants: Water and Energy Efficiency Grants NOFO. Financial assistance is provided, on a 50/50 cost share basis for projects that conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the Western United States.

WaterSMART: Title XVI Congressionally Authorized Water Reclamation and Reuse Projects - Through this NOFO, funding is available for planning, design, and construction of congressionally authorized Title XVI Projects.

WaterSMART: Title XVI Water Infrastructure Improvements for the Nation (WIIN) Water Reclamation and Reuse Projects - Through this NOFO, funding is available for planning, design, and construction of Title XVI Projects and desalination projects that are eligible under Section 4009(c) of the WIIN Act.

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Section B. Award Information

B.1. Total Funding

This NOFO will allocate available program funds including fiscal year (FY) 2023 enacted appropriations for the Drought Program and funding available under the Bipartisan Infrastructure Law (BIL), P.L. 117-58 in FY 2022 or FY 2023. Applications submitted under this NOFO also may be considered if additional funding becomes available in FY 2022 or thereafter. Applicants that are identified for BIL funding will need to meet additional requirements, including Buy American and Wage Rate Requirements (Davis-Bacon Act). This NOFO may be amended during the application period to provide additional details about these requirements. Reclamation will work with selected recipients to address these requirements. See Section F.2.12: Additional BIL Requirements for more information.

B.2. Expected Award Amounts

Maximum Award: $5,000,000

Minimum Award: $0

Multiple applications for funding may be submitted for consideration (for example, an applicant may submit a proposal for funding under Funding Group I, a separate proposal under Funding Group II, and a separate proposal under Funding Group III). **In general, no more than $5,000,000 will be awarded to any one applicant under this NOFO.** However, Category B applicants may be considered for multiple awards of up to $5,000,000 per project if the Category A partners are different. *If an applicant intends to submit applications for the same project under multiple funding groups, the project scope and overall project budget should be scaled accordingly.*

The Federal share (Reclamation's share in addition to any other sources of Federal funding) of any one proposed project shall not exceed 50 percent of the total project costs.

Generally, the non-Federal share of project costs must be expended at the same or greater rate as the Federal share of project costs.

Applicants are invited to submit proposals under the following funding groups:

Funding Group I: Up to $500,000 in Federal funds provided through this NOFO will be available for projects that generally should be completed in two years.

Funding Group II: Up to $2,000,000 in Federal funds provided through this NOFO will be available for larger projects that may take up to three years to complete. Projects in this group may be funded on an annual basis, and if so, funding for the second and third years of the project is contingent upon future appropriations.

Funding Group III: Up to $5,000,000 in Federal funds provided through this NOFO will be available for larger projects that may take up to three years to complete. Projects in this group may be funded on an annual basis, and if so, funding for the second and third years of the project is contingent upon future appropriations.

B.3. Anticipated Announcement and Federal Award Date

Anticipated Award Date: 03/31/2023

Reclamation expects to contact potential award recipients and unsuccessful applicants in the fall of 2022 (or later if necessary), subject to the timing of final FY 2023 appropriations.

Anticipated Project Completion Date: 03/31/2025-03/31/2026, dependent on Funding Group.

In general, Funding Group I projects should be completed within two years of award. Funding Group II and Funding Group III projects should be completed within three years of award. Applications for projects requiring more time will be considered for funding only under limited circumstances.

Reclamation will determine the capability of an applicant to complete the proposed project within the timeframe identified in the application.

B.4. Number of Awards

Approximately 15 to 21 awards, depending on the amount of funding requested by each applicant and the amount of funding available, will be awarded under this NOFO

B.5. Type of Award

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 project award. If you receive Reclamation's assistance, you must account for these costs in your budget. To discuss available assistance and these costs, contact the program coordinator identified in *Section G. Agency Contacts.*

B.6. Environmental and Cultural Resources Compliance

All projects selected for funding under this NOFO will be required to comply with the National Environmental Policy Act (NEPA) and other Federal environmental and cultural resource laws and other regulations.

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Section C. Eligibility Information

C.1. Eligible Applicants

C.1.1. Eligible Applicants

Under P.L. 111-11, Section 9502, applicants eligible to receive an award under this NOFO include:

Category A applicants:

- States, Tribes, irrigation districts, and water districts;
- State, regional, or local authorities, the members of which include one or more organizations with water or power delivery authority; and
- Other organizations with water or power delivery authority.

Category A applicants must also be located in one of the following States or Territories: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and Puerto Rico.

Category B applicants:

- Nonprofit conservation organizations that are acting in partnership with and with the agreement of an entity described in Category A. Category B applicants must include with their application a letter from the Category A partner, stating that they are acting in partnership with the applicant and agree to the submittal and content of the proposal.

Category B applicants must be in the United States or one of the Territories identified above.

Applicants must also be located in one of the following states or territories: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and Puerto Rico.

C.1.2. Ineligible Applicants

Those not eligible include, but are not limited to, the following entities:

- Federal governmental entities
- Institutions of higher education
- Individuals
- 501(c)6 organizations

C.2. Cost Sharing Requirements

Applicants must be capable of cost sharing ***50*** percent or more of the total project costs.

The total project cost is defined as the total allowable costs incurred under a Federal award and all required cost share and voluntary committed cost share contributions, including third-party contributions.

Cost share may be made through cash, costs contributed by the applicant, or third-party in-kind contributions. Third-party in-kind contributions is the value of non-cash contributions of property or services that benefit the federally assisted project and are contributed by non-Federal third parties, without charge. 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. Please see *Section D.2.2.5.1 Funding Plan and Letters of Commitment* and *Section D.2.2.10 Official Resolution* for more information regarding the documentation required to verify commitments to meet cost sharing requirements.

Other sources of Federal funding may not be counted towards the required cost share. The exception to this requirement is where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs, such as awards to tribal organizations under P.L. 93-638, as amended. *If it is determined that the Federal funding cannot be applied towards the non-Federal cost share, the work associated with the funding may be removed from the proposed project.*

C.2.1. Cost Share Regulations

All cost-share contributions must meet the applicable administrative and cost principles criteria established in 2 Code of Federal Regulations (CFR) Part 200, available at www.ecfr.gov.

C.2.2. Third-Party In-Kind Contributions

Third-party in-kind contributions may be in the form of equipment, supplies, and other expendable property, as well as the value of services directly benefiting and specifically identifiable to the proposed project. The cost or value of third-party 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 an award under this NOFO. Applicants should refer to 2 CFR §200.434 *Contributions and donations* for regulations regarding the valuation of third-party in-kind contributions.

C.3. Other

Reclamation conducts a review of the System of Award Management (SAM) SAM.gov *Exclusions database* for all applicant entities and their key project personnel prior to award. Reclamation cannot award funds to entities or their key project personnel identified in the SAM.gov *Exclusions database* as ineligible, prohibited/restricted or otherwise excluded from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits, as their ineligibility condition applies to this Federal program.

C.4. Eligible Projects

C.4.1. Eligible Projects

Reclamation will provide funding for projects that build long-term resilience to drought and reduce the need for emergency response actions through this Drought Resiliency Projects Grants NOFO. Drought resiliency can be defined as the capacity of a community to cope with and respond to drought. Under this NOFO, Reclamation will fund projects that will build resiliency to drought by increasing the reliability of water supplies and improving water management.

To be eligible for funding under this NOFO, the proposed resiliency project should improve the ability of water managers to continue to deliver water and power during a drought. The proposed project should decrease vulnerabilities and costs of drought by giving water managers flexibility in times of low water supply. In addition, the proposed project must be beyond routine water management activities or activities required by state law for conservation and efficiency. The proposed resiliency project should also help avoid the need for emergency response actions, such as water hauling programs and temporary infrastructure. Projects funded under this NOFO must have ongoing benefits to build long-term resilience to drought, even if they also address an immediate drought concern.

Under this NOFO, Reclamation will prioritize projects supported by an existing drought planning effort. Drought contingency planning efforts frequently identify potential projects or needs to improve resiliency to drought. These can include mitigation actions or tools that will improve water management flexibility or improve access to critical water supply information that will help water managers build resiliency and avoid a crisis during drought. Applicants that demonstrate that the proposed project meets a need or project identified in an existing drought plan will be prioritized.

Tasks A, B, and C below, describe project categories eligible for funding under this NOFO. Applications may include any one, or a combination, of the types of projects described in Tasks A, B, or C. In general, if you are seeking funding for multiple projects (for example, a Task A project and a Task C project) and the projects are interrelated or closely related, they should be combined in one application. One phase of a larger project may be eligible for funding under this program, so long as the phase proposed for funding will generate benefits to address drought resiliency, independent of completing additional phases.

Other projects that are similar to those tasks listed below may be submitted for consideration and will be allowed to the extent that they are consistent with program authorization and goals. ***Projects may be prioritized to ensure balance among the program task areas (described below) and to ensure that the projects address the goals and objectives of the NOFO.***

C.4.1.1. Task A—Increasing the Reliability of Water Supplies through Infrastructure Improvements

Even small investments in infrastructure can improve resiliency to drought conditions by increasing water management flexibility and providing alternative sources of water supply. For example, constructing new surface water intakes and new conveyance system components—such as pipes or pumping plants—can provide water managers with much needed options to deliver water from alternative sources or support voluntary transfers of water during drought. Likewise, aquifer recharge facilities can support water banking in wet years for use in dry years and sustainable conjunctive use programs. **(Please note that Task A projects do not include the construction or rehabilitation of wells. Please see Task B for well construction and rehabilitation.)**

Task A projects include, but are not limited to the following:

- **System modifications or improvements.** Projects that will increase flexibility of water conveyance and deliveries, facilitating access to water supplies in times of drought. Projects include, but are not limited to:
  - Constructing or modifying surface water intakes to access supplies when water levels are low (e.g., at dead pool), or to allow access at different locations.
  - Constructing new conveyance system components (pipelines, canals, pumping plants, etc.) to increase flexibility to deliver water from different sources, to facilitate voluntary water marketing or to deliver water from alternative sources.
  - Constructing interties between water conveyance systems to increase options for water deliveries.
  - Installing barriers or other facilities to prevent saltwater intrusion into surface supplies.
- **Storing water and/or recharging groundwater supplies.** Projects that enable the capture or storage of additional water supplies that can be made available during drought. Projects include, but are not limited to:
  - Developing or expanding small-scale surface water storage facilities such as off-stream storage ponds.
  - Installing water towers and storage tanks to store water for municipal and domestic use.
  - Installing recharge ponds or injection wells to increase recharge of surplus, inactive, or reclaimed water. Recharged water can serve multiple purposes such as sustainable conjunctive use in times of drought, deterring saltwater intrusion into freshwater aquifers, and limiting additional land subsidence.

- **Developing alternative sources of water supply including water treatment.** Projects that develop alternative water supplies to build resiliency to the impacts of drought. Projects include, but are not limited to:
  - Constructing or expanding small-scale water treatment facilities to treat impaired groundwater, municipal wastewater, stormwater runoff, for environmental, agricultural, or potable purposes.
  - Constructing stormwater capture and reuse systems, including green stormwater infrastructure solutions such as rain gardens, cisterns, and bioswales.
  - Installing residential grey water and rain catchment systems.

C.4.1.2. Task B—Increasing the Reliability of Water Supplies Through Groundwater Recovery

As water managers continue to face vulnerabilities due to drought and climate change, diversification of water supplies is critical for water security. The sustainable use of groundwater and recovery of recharged water are vital to building drought resiliency and supporting public health. Aquifer storage and recovery programs are becoming an important water management tool and the water recovered from these programs are being used for municipal and industrial water supplies, irrigation, and ecosystem restoration.

Wells funded under this NOFO are to be used for supplemental supplies during times of drought, to serve communities that are or are potentially facing a public health crisis due to a lack potable water, or to recover previously recharged/stored water. This NOFO is not intended to provide funding for wells that are part of a long-term planning effort to support increased need due to population growth or increased irrigation demands. Projects may include, but are limited to following:

- Constructing wells to provide back-up water supplies during times of drought.
- Constructing extraction wells at groundwater banks or other recharge areas to improve extraction and return capabilities during dry years.

C.4.1.3. Task C—Projects to Improve Water Management through Decision Support Tools, Modeling, and Measurement

Task C Projects are intended to help provide entities with water use information and tools to monitor the onset of drought, detect different levels of drought that may trigger certain drought mitigation and response actions, and identify potential strategies to address drought. Task B Projects also includes developing tools that facilitate water marketing between willing buyers and sellers to redistribute water supplies to meet other existing needs or uses (e.g., agricultural, municipal, or dedication to in-stream flows).

Task C Projects include, but are not limited to the following:

- **Developing water management, water marketing, and modeling tools to help communities evaluate options and implement strategies to address drought.**
  - Developing online decision support tools to help communities identify alternative water supplies or water management options in times of drought.
    - For example, Reclamation has partnered with the State of Oklahoma to develop a drought tool familiarizing users with alternative sources of supply, treatment processes, distribution options, short term equipment solutions for treatment, and permitting requirements, download the file www.owrb.ok.gov/drought/Drought tool.pps.
    - Also, in 2015, Reclamation awarded the Texas Water Development Board with a Drought Resiliency Grant to modify their existing drought prediction tool to provide more accurate probabilistic forecast of average May through July rainfall, reservoir levels, and reservoir storage across the state by county. The project was completed in 2017, and the forecasts are updated bi-weekly and made accessible for water managers through the Water Data for Texas website.
  - Developing new models or improving existing models for analyzing and predicting drought conditions. Such models should be based on proven methods to analyze drought frequency, duration, and intensity, as opposed to research type efforts.
  - Developing water budgets and tiered pricing programs that incentivize decreased consumptive use. Tiered pricing can be paired with water budgets to reward customers who use less water by charging lower rates for water in a lower tier. For example, Tier I pricing can include a relatively low price for indoor water use within a budgeted amount (e.g., 55 gallons per person per day). Reasonable water use above that amount—assumed to be for outdoor use—would be included within Tier 2 pricing at a higher cost than Tier 1. Tier 3 would establish an even higher price for all water use that exceeds the total water budget.
  - Real-time operational modeling to track supply conditions and demands. Modeling can be used to analyze different operational scenarios to optimize pumping capacities, evaluate user restrictions, water delivery needs, etc., and determine how to best meet other compliance standards such as temperature control points, water quality, or Endangered Species Act (ESA)-related requirements.
  - Assessing water quality with respect to the level of drought to determine appropriate measures to protect water quality for fish and wildlife, agriculture, and human consumption (e.g., water quality testing or constructing groundwater monitoring wells).
  - Developing tools to facilitate water marketing, connecting willing sellers and willing buyers that want to participate in the buying, selling, leasing, or exchanging of water.

- **Installing water measurement equipment and monitoring instrumentation devices to accurately track water supply conditions** (e.g., water service meters, stream flow measurement structures, flow meters, well level instruments, reservoir level monitors).

  Note: *Projects that primarily install meters or other water measurement devices are considered routine water management activities and are, therefore, not eligible for funding under this program as a standalone project.* However, meters or other measuring devices are eligible as a necessary sub-component of another eligible Drought Resiliency Project as described in Tasks A-C (e.g., meters could be coupled with developing an online consumptive use website for consumers to see and adjust their habits). Projects may include, but are not limited to:

  - Improving measurement accuracy (e.g., installing weirs, flumes, ramps, etc. in open channels or installing meters in pressurized pipes).
  - Installing dual municipal meters to track indoor versus outdoor water use, allowing water purveyors to control or discourage landscape irrigation and other outdoor uses in times of drought.
  - Installing and/or modifying monitoring equipment associated with stream flow measurement devices, water level sensors, etc.

C.4.2. Ineligible Projects

Projects not eligible for funding under this NOFO include: scientific research, water hauling, education and outreach, land fallowing, cover cropping, and reimbursement for economic losses resulting from drought.

Other projects that are not eligible for funding under this NOFO include those eligible for other funding opportunities:

- Emergency drought response projects that provide temporary benefits, including projects involving temporary facilities (e.g., temporary pipes and pumps), and projects expected to increase the total irrigated acreage or consumptive use of an applicant are also not eligible for funding. Projects for drought contingency plans are not eligible under this NOFO but may be eligible for funding under Reclamation's WaterSMART Drought Contingency Planning NOFO.
- Projects focused on water conservation, (such as canal lining or piping to conserve water, landscape irrigation measures, and turf replacement) are eligible for funding under Reclamation's WaterSMART Water and Energy Efficiency Grants and are not eligible for funding under this NOFO.
- Projects or project elements that are part of a congressionally authorized Title XVI project under P.L.102-575, as amended (43 U.S.C. 390h et seq.). A list of congressionally authorized Title XVI projects can be found at www.usbr.gov/watersmart/title/authorized.html.

More explanation regarding other types of ineligible projects is included in the following subsections:

- Projects considered normal operations, maintenance, and replacement (OM&R).
- Water conservation projects (including water metering and measurement projects unless those projects are paired with another project eligible under Tasks A, B, or C as a necessary subcomponent of that task).
- Projects or project elements that are part of a water desalination, reclamation, or recycling project eligible for funding under section 4009(a) or 4009(c) of the Water Infrastructure Improvements for the Nation (WIIN) Act, P.L. 114-322. A list of eligible WIIN projects can be found at www.usbr.gov/watersmart/title/wiin.html. Water desalination, reclamation, or recycling project with a total estimated project cost of more than $20 million are also not eligible.
- Small surface or groundwater storage projects with a total estimated project cost of more than $10 million are not eligible.
- Water purchases.
- Construction of buildings for administration purposes.
- Pilot projects.
- Projects to conduct on-farm improvements.

C.4.2.1. Operations, Maintenance, and Replacement

In accordance with Section 9504 of the Secure Water Act, projects that are considered normal OM&R are not eligible for funding under this NOFO. 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
- Sealing cracks in canals and/or pipes, including those sealant projects intended to improve facilities with inherent design and construction flaws.
- Replacing broken meters with new meters of the same type
- Replacing leaky pipes with new pipes of the same type

Applicants that have questions regarding OM&R are encouraged to contact the Program Coordinator (see *Section G. Agency Contacts*) prior to the application deadline for further information.

C.4.2.2. Water Conservation Projects

To avoid overlap with Reclamation's existing WaterSMART Grants program, projects primarily focused on water conservation are not eligible under this NOFO, including:

- Lining or piping canals to conserve water
- Installing landscape irrigation measures
- Turf replacement
- Water metering and measurement projects are ineligible as a standalone project but may be included if paired with another project that is eligible under Tasks A-C, as a necessary subcomponent of that task

Water conservation projects may be eligible for funding under Reclamation's WaterSMART Water and Energy Efficiency Grant NOFO. For information about this NOFO, please contact Mr. Josh German at jgerman@usbr.gov or 303-445-2839.

Projects that will result in water conservation as a secondary consideration, such as decision support tools that improve operational efficiency, are eligible under this NOFO, so long as they are consistent with the eligible projects described in Tasks A-C in Section C.3.1. Please contact the Program Coordinator for further information (see *Section G. Agency Contacts*).

C.4.2.3. Water Reclamation, Reuse and Desalination

Any projects or project elements that are part of a congressionally authorized Title XVI Water Reclamation or Reuse Project are not eligible for funding under this NOFO. A list of congressionally authorized Title XVI projects can be found at www.usbr.gov/watersmart/title/authorized.html.

Any projects or project elements that are part of a water desalination or recycling project eligible for funding under section 4009(a) or 4009(c) of the WIIN Act, P.L. 114-322 are not eligible for funding under this NOFO. A list of eligible WIIN projects can be found at WIIN Eligible Projects | Title XVI Water Reclamation and Reuse (usbr.gov). In addition, if a water desalination, reclamation, or recycling project has a total estimated project cost of more than $20 million, that project is ineligible under this NOFO and should be pursued under the Title XVI Water Reclamation and Reuse Program or the WaterSMART Desalination Planning and Construction Program. Note, this applies to phases or project elements of a desalination, reclamation, or recycling project that are part of a larger project with a total estimated project cost of more than $20 million.

If you are unclear whether your project is part of a congressionally authorized Title XVI project or a project eligible under section 4009(a) or (c) of the WIIN Act, please contact Amanda Erath at aerath@usbr.gov or 303-445-2766.

C.4.2.4. Small Surface Water and Groundwater Storage Projects

An application for funding of a small surface or groundwater storage project with a total estimated project cost of more than $10 million, or that is a phase of a larger project that exceeds $10 million, is not eligible under this NOFO. Applicants proposing such projects may wish to consider Reclamation's new Small Surface Water and Groundwater Storage Program (currently under development), for the planning, design and construction of small surface water and groundwater storage projects, authorized under section 40903 of Pub. L. 117-58. More information, including requirements for feasibility studies under this program, can be found at https://www.usbr.gov/recman/temporary_releases/cmptrmr-127.pdf .

C.4.2.5. Water Purchases

Proposals to use Federal funding to purchase water are not eligible under this NOFO. Applicants seeking funding to purchase water in a drought emergency should request emergency drought assistance under Reclamation's Drought Response Program.

For more information about the requirements for receiving emergency drought assistance, please see www.usbr.gov/drought/ or contact the Program Coordinator (see *Section G. Agency Contacts*).

C.4.2.6. Building Construction

Proposals to construct a building are not eligible for Federal funding under this NOFO (e.g., a building to house administrative staff or a building to house promotion of public awareness for water conservation).

C.4.2.7. Pilot Projects

Proposals to conduct a pilot study to evaluate technical capability, economic feasibility, or viability for full-scale implementation or to test an unproven material or technology are not eligible for Federal funding under this NOFO.

C.4.2.8. On-Farm Improvements

Projects to conduct on-farm improvements are not eligible under this NOFO. Applicants interested in on-farm improvements should contact the U.S. Department of Agriculture and Natural Resources Conservation Service (NRCS) to investigate opportunities for Federal assistance. For more information on NRCS programs, including application deadlines and a description of available funding, please contact your local NRCS office or see www.nrcs.usda.gov for further contact information in your area.

Applicants interested in projects for water delivery systems improvements that will enable farmers to make additions on-farm improvements in the future should look into Reclamation's Water and Energy Efficiency Grants or contact Mr. Josh German at jgerman@usbr.gov or 303-445-2839.

Section D. Application and Submission Information

D.1. 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 NOFO by emailing the Notice of Funding Opportunity staff at bor-sha-fafoa@usbr.gov.

D.2. Content and Form of Application Submission

All applications must conform to the requirements set forth below.

D.2.1. Application Format and Length

The technical proposal and criteria section (defined below) shall be limited to a maximum of *20* consecutively numbered pages. If this section of the application exceeds *20* pages, only the first *20* pages will be evaluated. The full application, including attachments, cannot exceed *125* pages. If the application exceeds *125* pages, only the first *125* pages will be considered in the evaluation.

The font shall be at least 12 points in size and easily readable. Page size shall be 8½ by 11 inches, including charts, maps, and drawings. Margins should be standard 1-inch margins. Oversized pages will not be accepted.

Applications will be prescreened for compliance to the above page number limitation. Excess pages will be removed and not considered in the evaluation of the proposed project.

D.2.2. Application Content

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

- Mandatory Federal Forms:
    - SF-424 Application for Federal Assistance
    - SF-424 Budget Information (A Form, as applicable to the project and can be used for construction or non-construction)
    - SF-424 Assurances (B or D Form, as applicable to the project)
    - Project Abstract Summary (OMB Number 4040-0019)
    - SF-LLL Disclosure of Lobbying Activities (if applicable)

These forms may be obtained at www.grants.gov/web/grants/forms/sf-424-family.html.

- Title page
- Table of contents
- Technical proposal and evaluation criteria (limited to ***20*** pages):
    - Executive summary
    - Project location
    - Technical project description
    - Performance measures
    - Evaluation criteria
- Project budget:
    - Funding plan and letters of commitment
    - Budget proposal
    - Budget narrative
- Environmental and cultural resources compliance
- Required permits or approvals
- Relevant sections of existing drought contingency plan (if applicable)
- Additional required material (will not count towards the 125-page limitation for technical proposal and criteria section but will count toward the 125-page total application page limit.)
    - Letters of project support
    - Official Resolution
    - Overlap or Duplication of Efforts Statement
    - Conflict of Interest Disclosure
    - Uniform Audit Reporting Statement
    - Certification Regarding Lobbying

D.2.2.1. Mandatory Federal Forms

The application must include the following standard Federal forms.

SF-424 Application for Federal Assistance

Applicants must submit the appropriate Standard Form (SF)-424, Application for Federal Assistance. The required application forms are available with this announcement on Grants.gov. The SF-424, Application for Federal Assistance must be complete, signed, and dated. Do not include any proprietary or personally identifiable information. Please note: Enter only the amount requested from this Federal program in the "Federal" funding box on the SF-424

Application form. Include any other Federal sources of funding in the “Other” box and provide details on those Federal source(s) and funding amount(s) in the required Budget Narrative (see the “Budget Narrative” section below).

SF-424A Budget Information

Applicants must submit the appropriate SF-424 Budget Information form and Budget Narrative. For non-construction programs or projects, applicants must complete and submit the SF-424A, “Budget Information for Non-Construction Programs” form. All of the required application forms are available with this announcement on Grants.gov. Federal award recipients and subrecipients are subject to Federal award cost principles in 2 CFR 200.

A fully completed SF-424A Budget Information must be submitted with the application. For application purposes, an SF-424A can used for both construction and non-construction projects.

SF-424B Assurances for Non-Construction Programs (if applicable)

A SF-424B Assurances for Non-Construction Programs signed by a person legally authorized to commit the applicant to performance of the project shall be included. Failure to submit a properly signed SF-424B may result in the elimination of the application from further consideration.

SF-424D Assurances for Construction Programs (if applicable)

A SF-424D Assurances for Construction Programs signed by a person legally authorized to commit the applicant to performance of the project shall be included. A SF-424D Assurances for Construction Programs signed by a person legally authorized to commit the applicant to performance of the project shall be included. Failure to submit a properly signed SF-424B or SF-424D may result in the elimination of the application from further consideration.

SF-LLL Disclosure of Lobbying Activities

A fully completed and signed SF-LLL, Disclosure of Lobbying Activities is required is required if the applicant has made or agreed to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action.

Project Abstract Summary

A fully completed Project Abstract Summary (OMB Form 4040-0019) must be submitted with the application. The Project Abstract Summary should include the purpose of the project, the activities to be performed, the expected deliverables or outcomes, the intended beneficiaries, and any subrecipient activities, if known.

D.2.2.2. 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, and telephone of the project manager.

D.2.2.3. Table of Contents

List all major sections of the proposal in the table of contents.

D.2.2.4. Technical Proposal and Evaluation Criteria

The technical proposal and evaluation criteria (***20*** pages maximum) include:

(1) Executive summary
(2) Project location
(3) Technical project description
(4) Performance measures
(5) Evaluation criteria

Executive Summary

The executive summary should include:

- The date, applicant name, city, county, and state.

- Please indicate whether you are a Category A applicant or a Category B applicant as noted in Section C.1. *Eligible Applicants*. If you are a Category B applicant, please briefly explain how you are acting in partnership with a Category A partner. Note: If you are a Category B applicant, you must include a letter from the Category A partner confirming that they are partnering with you and agree to the submittal and content of the proposal.

- A one-paragraph project summary that provides the location of the project, a brief description of the work that will be carried out, any partners involved, recent drought conditions in your project area. Describe how this project is expected to help alleviate impacts of those conditions, and identify any drought plans or other planning documents that support the project. This information will be used to create a summary of your project for our website if the project is selected for funding.

  Example: *The Town of Apple Valley, located in San Bernardino County in Southern California, will convert the source of irrigation water at five locations from potable water to reclaimed water by constructing a pipeline that will transport reclaimed water from the Apple Valley Water Reclamation Plant, and retrofitting the existing irrigation system at each site to utilize reclaimed water. Irrigating with reclaimed water will reduce use of potable groundwater—reducing the demand on the stressed Mojave River Groundwater Basin and adding 961 acre-feet of water per year during periods of drought.*

- State the length of time and estimated completion date for the proposed project including the construction start date (mm/yr) (if applicable) ***Note: proposed projects should not have an estimated construction start date that is prior to March 2023.***

- State whether or not the proposed project is located on a Federal facility.

Project Location

Provide specific information on the proposed project location or project area including a map showing the geographic location. For example, [project name] is located in [county and state] approximately [distance] miles [direction, e.g., northeast] of [nearest town]. The project latitude is {##°##'N} and longitude is {###°##'W}. For larger project areas, please provide location information in one of the following formats:

1. Shapefile (.shp)
2. KMZ/KML (.kmz or .kml) aka Google Earth File
3. AutoCAD (.dwg)
4. PDF map (.pdf)

Technical Project Description

Provide a more comprehensive description of the technical aspects of your project, including the work to be accomplished and the approach to complete the work. This description should provide detailed information about the project including materials and equipment and the work to be conducted to complete the project. This section provides an opportunity for the applicant to provide a clear description of the technical nature of the project and to address any aspect of the project that reviewers may need additional information to understand.

Please do not include your project schedule and milestones here; that information is requested in response to the Project Implementation criterion in Section E.1.5. In addition, please avoid discussion of the benefits of the project, which are also requested in response to evaluation criterion in Section E.1.1. This section is solely intended to provide an understanding of the technical aspects of the project.

Please note that if the work for which you are requesting funding is a phase of a larger project, please only describe the work that is reflected in the budget and exclude description of other activities or components of the overall project.

Performance Measures

All applicants are required to propose a method (performance measure) of quantifying the benefits of their proposed project once it is implemented. Quantifying project benefits is an important means to determine the relative effectiveness of various water management efforts, as well as the overall effectiveness of the project.

Program funding may be used to establish a monitoring and data management plan or to install necessary equipment to monitor progress. However, program funding may not be used to measure performance after project construction is complete (these costs are considered normal operation and maintenance costs and are the responsibility of the applicant).

Evaluation Criteria

(See *Section E.1. Evaluation Criteria* for additional details, including a detailed description of each criterion and sub criterion and points associated with each.)

The evaluation criteria portion of your application should thoroughly address each criterion and subcriterion in the order presented to assist in the complete and accurate evaluation of your proposal.

It is suggested that applicants copy and paste the evaluation criteria and subcriteria in Section E.1.* Evaluation Criteria *into their applications to ensure that all necessary information is adequately addressed.

D.2.2.5. Project Budget

The project budget includes:

(1) Funding plan and letters of commitment
(2) Budget proposal
(3) Budget narrative

If the proposed project is selected, the awarding Reclamation Grants Officer will review the proposed pre-award costs to determine if they are consistent with program objectives and are allowable in accordance with the authorizing legislation. Proposed pre-award costs must also be compliant with all applicable administrative and cost principles criteria established in 2 CFR Part 200, available at www.ecfr.gov, and all other requirements of this NOFO**. In no case will costs incurred prior to March 1, 2022, be considered for inclusion in the proposed project budget for FY 2023 or BIL funding.**

Please note that the costs for preparing and applying in response to this NOFO, including the development of data necessary to support the proposal, are not eligible project costs under this NOFO and must not be included in the project budget. In addition, budget proposals must not include costs for the purchase of water or land, or to secure an easement other than a construction easement. These costs are not eligible project costs under this NOFO.

Funding Plan and Letters of Commitment

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

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

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

Commitment letters from third-party funding sources should be submitted with your application. If commitment letters are not available at the time of the application submission, please provide a timeline for submission of all commitment letters. 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 will not make funds available for an award under this NOFO until the recipient has secured non-Federal cost-share. Reclamation will execute a financial assistance agreement once non-Federal funding has been secured or Reclamation determines that there is sufficient evidence and likelihood that non-Federal funds will be available to the applicant subsequent to executing the agreement.

Please identify the sources of the non-Federal cost share contribution for the project, including:

- Any monetary contributions by the applicant towards the cost-share requirement and source of funds (e.g., reserve account, tax revenue, and/or assessments).
- Any costs that will be contributed by the applicant.
- Any third-party in-kind costs (i.e., goods and services provided by a third party).
- Any cash requested or received from other non-Federal entities.
- Any pending funding requests (i.e., grants or loans) that have not yet been approved and explain how the project will be affected if such funding is denied.

In addition, please identify whether the budget proposal includes any project costs that have been or may be incurred prior to award. For each cost, describe:

- The project expenditure and amount
- The date of cost incurrence
- How the expenditure benefits the project

Budget Proposal

The total project cost (Total Project Cost), is the sum of all allowable items of costs (Table 1), including all required cost sharing and voluntary committed cost sharing, including third-party contributions, that are necessary to complete the project (Table 2).

Table 1. Total Project Cost Summary

SOURCE	AMOUNT
Costs to be reimbursed with the requested Federal funding	$
Costs to be paid by the applicant	$
Value of third-party contributions	$
TOTAL PROJECT COST	**$**

Table 2. Non-Federal and Federal Funding Sources Summary

FUNDING SOURCES	AMOUNT
Non-Federal Entities	
1.	
2.	
Non-Federal Subtotal	
REQUESTED RECLAMATION FUNDING	

The budget proposal should include detailed information on the categories listed below and must clearly identify ***all*** items of cost, including those that will be contributed as non-Federal cost share by the applicant (required and voluntary), third-party in-kind contributions, and those that will be covered using the funding requested from Reclamation, and any requested pre-award costs. Unit costs must be provided for all budget items including the cost of services or other work to be provided by consultants and contractors. Applicants are strongly encouraged to review the procurement standards for Federal awards found at 2 CFR §200.317 through §200.326 before developing their budget proposal.

It is also strongly advised that applicants use the budget proposal format shown below in Table 3 or a similar format that provides this information. If selected for award, successful applicants must submit detailed supporting documentation for all budgeted costs.

Table 3. Sample Budget Proposal Format

BUDGET ITEM DESCRIPTION	COMPUTATION		Quantity Type	TOTAL COST
	$/Unit	Quantity		
Salaries and Wages				
Employee 1				$
Employee 2				$
Employee 3				$
Fringe Benefits				
Full-Time Employees				$
Part-Time Employees				$
Travel				

Table 3. Sample Budget Proposal Format

BUDGET ITEM DESCRIPTION	COMPUTATION		Quantity Type	TOTAL COST
	$/Unit	Quantity		
Trip 1				$
Trip 2				$
Trip 3				$
Equipment				
Item A				$
Item B				$
Item C				$
Supplies and Materials				
Item A				$
Item B				$
Contractual/Construction				
Contractor A				$
Contractor B				$
Other				
Other				$
TOTAL DIRECT COSTS				**$**
Indirect Costs				
Type of rate	percentage	$base		**$**
TOTAL ESTIMATED PROJECT COSTS				**$**

Budget Narrative

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. Costs, including the valuation of third-party in-kind contributions, must comply with the applicable cost principles contained in 2 CFR §200.

Salaries and Wages

Indicate the Project Manager and other key personnel by name and title. The Project Manager must be an employee or board member of the applicant. Other personnel should be indicated by title alone. For all positions, indicate salaries and wages, estimated hours or percent of time, and rate of compensation. The labor rates must identify the direct labor rate separate from the fringe rate or fringe cost for each position. All labor estimates must be allocated to specific tasks as outlined in the applicant's technical project description. Labor rates and proposed hours shall be displayed for each task.

The budget proposal and narrative should include estimated hours for compliance with reporting requirements, including final project and evaluation. Please see Section F.3. Reporting – Requirements and Distribution for information on types and frequency of reports required.

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

Identify the rates/amounts, what costs are included in this category, and the basis of the rate computations. Federally approved rate agreements are acceptable for compliance with this item.

Travel

Identify the purpose of each anticipated 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. Note: travel costs incurred by contractors should not be included in this section but can be included in the contract cost estimate.

Equipment

Budget proposals should not include the purchase of equipment. Per 2 CFR §200.33, equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of *t*he capitalization level established by the non-Federal entity for financial statement purposes, or $5,000.

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). *Note: If the materials/supplies will be provided by a consultant, the costs should be included in the consultant contract cost estimate.*

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. For each proposed contract, identify the procurement method that will be used to select the consultant or contractor and the basis for selection. Please note that all contracts with an anticipated value of $10,000 or more must use a competitive procurement method. Only contracts for architectural/engineering services can be awarded using a qualifications-based procurement method. If a qualifications-based procurement method is used, profit must be negotiated as a separate element of the contract price. See 2 CFR §200.317 through §200.327 for additional information regarding procurements, including required contract content.

Third-Party In-Kind Contributions

Identify all work that will be accomplished by third-party contributors, 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. Third-party in-kind contributions, including contracts, must comply with all applicable administrative and cost principles criteria, established in 2 CFR Part 200, available at www.ecfr.gov, and all other requirements of this NOFO.

Environmental and Regulatory Compliance Costs

Prior to awarding financial assistance, Reclamation must first ensure compliance with Federal environmental and cultural resources laws and other regulations ("environmental compliance"). Every project funded under this program will have environmental compliance activities undertaken by Reclamation and the recipient.

Depending on the potential impacts of the project, Reclamation may be able to complete its compliance activities without additional cost to the recipient. Where environmental or cultural resources compliance requires significant participation by Reclamation, some costs incurred by Reclamation will be added as a line item to the budget during development of the financial assistance agreement and cost shared accordingly (i.e., withheld from the Federal award amount). Any costs to the recipient associated with compliance will be identified during the process of developing a final project budget for inclusion in the financial assistance agreement. If the applicant is securing a consultant to perform any sort of compliance action (cultural surveys, document preparation, etc.), this must be included as a budget line item and will be cost-shared appropriately.

Other Expenses

Any other expenses not included in the above categories shall be listed in this category, along with a description of the item and why it is necessary. No profit or fee will be allowed.

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 Project budget. Show the proposed rate, cost base, and proposed amount for allowable indirect costs based on the applicable cost principles for the recipient's organization. It is not acceptable to simply incorporate indirect rates within other direct cost line items.

If the applicant has never received a Federal negotiated indirect cost rate, the budget may include a de minimis rate of up to 10 percent of modified total direct costs. For further information on modified total direct costs, refer to 2 CFR§200.68.

D.2.2.6. Environmental and Cultural Resources Compliance

Please answer the questions from Section H.1. *Environmental and Cultural Resource Considerations* in this section.

D.2.2.7. 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.

Note that improvements to Federal facilities that are implemented through any project awarded funding through this NOFO must comply with additional requirements. The Federal government will continue to hold title to the Federal facility and any improvement that is integral to the existing operations of that facility. Please see P.L. 111-11, Section 9504(a)(3)(D). Reclamation may also require additional reviews and approvals prior to award to ensure that any necessary easements, land use authorizations, or special permits can be approved consistent with the requirements of 43 CFR Section 429, and that the development will not impact or impair project operations or efficiency.

D.2.2.8. Existing Drought Contingency Plan (if applicable)

If there is an existing drought contingency plan addressing the relevant geographic area, please provide a web link to the existing plan in the technical proposal section of the application and attach only the relevant sections of the existing plan that are referenced in your application. This will count towards the 125-page limit of the application.

D.2.2.9. Letters of Support and Letters of Partnership

Please include letters from interested stakeholders supporting the proposed project. To ensure your proposal is accurately reviewed, please attach all letters of support/ partnership letters as an appendix. Letters of support received after the application deadline for this NOFO will not considered in the evaluation of the proposed project.

Category B applicants must submit a letter from the Category A partner, stating that they are acting in partnership with the applicant and agree to the submittal and content of the proposal (see Section C.1. *Eligible Applicants*). Letters of Partnership must be received by the application deadline for this NOFO, otherwise the applicant will be considered ineligible and the proposed project will not be evaluated.

D.2.2.10. 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 a financial assistance award under this NOFO, verifying:

- The identity of the official with legal authority to enter into an 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 grant or 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 to bor-sha-fafoa@usbr.gov up to 30 days after the application deadline.

D.2.2.11. Overlap or Duplication of Efforts Statement

Applicants must provide a statement that addresses if there is any overlap between the proposed project and any other active or anticipated proposals or projects in terms of activities, costs, or commitment of key personnel. If any overlap exists, applicants must provide a description of the overlap in their application for review.

Applicants must also state if the proposal submitted for consideration under this program is or is not in any way duplicative of any proposal or project that has been or will be submitted for funding consideration to any other potential funding source—whether it be Federal or non-Federal. If such a circumstance exists, applicants must detail when the other duplicative proposal(s) were submitted, to whom (Agency name and Financial Assistance program), and when funding decisions are expected to be announced. If at any time a proposal is awarded funds that would be duplicative of the funding requested from Reclamation, applicants must notify the NOFO point of contact or the Program Coordinator immediately.

D.2.2.12. Conflict of Interest Disclosure

Per the Financial Assistance Interior Regulation (FAIR), 2 CFR §1402.112, applicants must state in their application if any actual or potential conflict of interest exists at the time of submission.

Applicability

This section intends to ensure that non-Federal entities and their employees take appropriate steps to avoid conflicts of interest in their responsibilities under or with respect to Federal financial assistance agreements.

In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.318 apply.

Notification

Non-Federal entities, including applicants for financial assistance awards, must disclose in writing any conflict of interest to the Department's awarding agency or pass-through entity in accordance with 2 CFR 200.112.

Recipients must establish internal controls that include, at a minimum, procedures to identify, disclose, and mitigate or eliminate identified conflicts of interest. The recipient is responsible for notifying the Financial Assistance Officer in writing of any conflicts of interest that may arise during the life of the award, including those that have been reported by subrecipients.

Restrictions on Lobbying

Non-Federal entities are strictly prohibited from using funds under a grant or cooperative agreement for lobbying activities and must provide the required certifications and disclosures pursuant to 43 CFR part 18 and 31 U.S.C. 1352.

Review Procedures

The Financial Assistance Officer will examine each conflict of interest disclosure on the basis of its particular facts and the nature of the proposed grant or cooperative agreement, and will determine whether a significant potential conflict exists and, if it does, develop an appropriate means for resolving it.

Enforcement

Failure to resolve conflicts of interest in a manner that satisfies the government may be cause for termination of the award. Failure to make required disclosures may result in any of the remedies described in 2 CFR 200.338, Remedies for noncompliance, including suspension or debarment (see also 2 CFR part 180).

D.2.2.13. Uniform Audit Reporting Statement

All U.S. states, local governments, federally recognized Indian Tribal governments, and non-profit organizations expending $750,000 in U.S. dollars or more in Federal award funds in the applicant's fiscal year must submit a Single Audit report for that year through the Federal Audit Clearinghouse Internet Data Entry System in accordance with 2 CFR §200 subpart F. U.S. state, local government, federally recognized Indian tribal government, and non-profit applicants must state if your organization was or was not required to submit a Single Audit report for the most recently closed fiscal year. If your organization was required to submit a Single Audit report for the most recently closed fiscal year, provide the Employer Identification Number (EIN) associated with that report and state if it is available through the Federal Audit Clearinghouse website.

D.2.2.14. Certification Regarding Lobbying

Applicants requesting more than $100,000 in Federal funding must certify to the statements in 43 CFR Part 18, Appendix A-Certification Regarding Lobbying. If this application requests more than $100,000 in Federal funds, the Authorized Official's signature on the appropriate SF-424, Application for Federal Assistance form also represents the entity's certification of the statements in 43 CFR Part 18, Appendix A.

D.3. Unique Entity Identifier and System for Award Management

D.3.1. Obtain a DUNS and UEI Number

You are required to register in SAM.gov prior to submitting a Federal award application and obtain a Unique Entity Identifier (UEI) which will replace Data Universal Numbering System (DUNS) number from Dun & Bradstreet (D&B) in April 2022. In April 2022, the Federal Government will stop requiring DUNS numbers. At that point, entities doing business with the government will use the UEI created in SAM.gov in place of a DUNS number. A UEI will be assigned to entities upon registering with SAM.

If an entity is applying for Federal financial assistance prior to April 2022, a DUNS number may still be required as part of the SAM registration process. A DUNS Number can be requested through the D&B website at fedgov.dnb.com/webform. For technical difficulties, go to support.dnb.com/?CUST=GOVTDUNS. Please ensure that you are able to receive emails from SAMHelp@dnb.com. The Grants.gov "Obtain a DUNS Number" webpage also provides detailed instructions. Once assigned a DUNS number, your organization must maintain up-to-date information with Dun & Bradstreet. Applicants must enter their DUNS number in the "Organizational DUNS" field on the SF-424, Application for Federal Assistance form (version 3).

D.3.2. Register with the System for Award Management

Register on the www.SAM.gov website. "Help" tab on the website contains User Guides and other information to assist you with registration. The Grants.gov Register with SAM page also provides detailed instructions. You can also contact the supporting Federal Service Desk for help registering in SAM. Once registered in SAM, entities must renew and revalidate their SAM registration at least once every 12 months from the date previously registered. Entities are strongly encouraged to revalidate their registration as often as needed to ensure their information is up to date and reflects changes that may have been to the entity's IRS information.

Reclamation will not make a Federal award to an applicant until the applicant has complied with all applicable UEI and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Reclamation is ready to make an award, Reclamation may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

Applicants registering in SAM.gov before April 2022 may still be required to obtain a DUNS number prior to completing the registration process within SAM.gov. Federal award recipients must also continue to maintain an active SAM.gov registration with current information through the life of their Federal award(s). See the "Submission Requirements" section of this document below for more information on SAM.gov registration.

There is no cost to register with D&B or SAM.gov. There are third-party vendors who will charge a fee in exchange for registering entities with D&B and SAM.gov; **please be aware you can register and request help for free.**

D.4. Submission Date and Time

Due date for applications: Wednesday, June 15, 2022, at 4:00 p.m. Mountain Daylight Time.

Application Due Date Explanation: Under no circumstances will electronic or physical proposals received after the application deadline be considered for funding unless it is determined that the delay was caused by Reclamation mishandling or technical issues with the Grants.gov application system. Please note that difficulties related to an applicant's Grants.gov profile (e.g., incorrect organizational representative), the upload of documents to Grants.gov, or an applicant's SAM registration are not considered technical issues with the Grants.gov system.

Please note that any application submitted for funding under this NOFO may be subjected to a Freedom of Information Act request (5 U.S.C. Section 552 as amended by P.L. No. 110-175), and as a result, may be made publicly available. Following awards of funding, Reclamation will post all successful applications on the Reclamation website, www.usbr.gov/drought after conducting any redactions determined necessary by Reclamation, in consultation with the recipient.

D.4.1. Application Delivery Instructions

The application may be submitted electronically through Grants.gov (www.grants.gov) or a hard copy may be submitted to either one of the following addresses. **We strongly encourage you to use grants.gov to submit your proposal if possible.** Under no circumstances will applications received through any other method (such as through GrantSolutions or by email or fax) be considered eligible for award.

By mail or USPS overnight services:	Bureau of Reclamation Financial Assistance Operations Attn: NOFO Team P.O. Box 25007, MS 84-27133 Denver, CO 80225
All other express delivery services and courier services:	Bureau of Reclamation Attn: NOFO Team (MS 84-27133) Denver Federal Center Bldg. 67, Rm. 152 6th Avenue and Kipling Street Denver, CO 80225

D.4.2. Instructions for Submitting Project Application

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

Regardless of the delivery method used, you must ensure that your proposal arrives by the date and time deadline stated in this NOFO. Applications received after this date and time due to weather or express delivery/courier performance will not be considered for award. Late applications will not be considered unless it is determined that the delay was caused by Reclamation mishandling or technical issues with the Grants.gov application system. Please note that difficulties related to an applicant's Grants.gov profile (e.g., incorrect organizational representative), the upload of documents to Grants.gov, or an applicant's SAM registration are not considered technical issues with the Grants.gov system.

D.4.2.1. Applications Submitted by Mail, Express Delivery or Courier Services

Please follow these instructions to submit your application by mail, express delivery, or courier services.

- Applicants should submit one copy of all application documents for hardcopy submissions. Only use a binder clip for documents submitted. Do not staple or otherwise bind application documents.
- Hard copy applications may be submitted by mail, express delivery, or courier services to the addresses identified in this NOFO.
- Materials arriving separately will not be included in the application package and may result in the application being rejected or not funded. This does not apply to letters of support, funding commitment letters, or official resolutions.
- 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.

D.4.2.2. Applications Submitted Electronically

If the applicant chooses to submit an electronic application, it must be submitted through Grants.gov (www.grants.gov). Reclamation encourages applicants to submit their applications for funding electronically through the URL: www.grants.gov/applicants/apply-for-grants.html. Applicant resource documents and a full set of instructions for registering with Grants.gov (www.grants.gov) and completing and submitting applications online are available at: www.grants.gov/applicants/apply-for-grants.html.

- Please note that submission of an application electronically requires prior registration through Grants.gov, which may take 7 to 21 days. Please see registration instructions at www.grants.gov/applicants/apply-for-grants.html. ***In addition, please note that the Grants.gov system only accepts applications submitted by individuals that are registered and active in SAM as both a user and an Authorized Organizational Representative.***

- Applicants have 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.

D.4.2.3. Acknowledgement of Application Receipt

If an application is submitted by mail, express delivery, or courier, Reclamation will notify you via email that your application was received.

If an application is submitted through Grants.gov, you will receive an email acknowledging receipt of the application from Grants.gov. In addition, you will receive an email whether your application was successfully retrieved from Grants.gov.

D.5. Intergovernmental Review

Prior to application submission, U.S. state and local government applicants should visit the OMB Office of Federal Financial Management website and view the "State Point of Contact (SPOC) List" to determine whether their application is subject to the state intergovernmental review process under Executive Order (E.O.) 12372 "Intergovernmental Review of Federal Programs." States not on the list do not participate in the intergovernmental review process, and therefore do not have a Single Point of Contact (SPOC).

If you are located within a State that does not have a SPOC, you may send application materials directly to a Federal awarding agency. If your state is on the list, contact the designated entity for more information on the state's prior review requirements for Federal assistance applications. The names and addresses of the SPOCs are listed in the Office of Management and Budget's website, Intergovernmental Review (SPOC List) |The White House (archives.gov).

D.6. Funding Restrictions for Indirect Costs

The Federal awarding agency that provides the largest amount of direct funding to your organization is your cognizant agency for indirect costs, unless otherwise assigned by the White House Office of Management and Budget (OMB). If the Department of the Interior (DOI) is your organization's cognizant agency, the Interior Business Center (IBC) will negotiate your indirect cost rate. If the Department of the Interior (DOI) is your organization's cognizant agency, the Interior Business Center (IBC) will negotiate your indirect cost rate. Contact the IBC by phone 916-930-3803 or email at ICS@ibc.doi.gov. Visit their website at https://ibc.doi.gov/ICS/icrna, for information regarding email submission forms.

Organizations must have an active Federal award before they can submit an indirect cost rate proposal to their cognizant agency. Failure to establish an approved rate during the award period renders all costs otherwise allocable as indirect costs unallowable under the award. Recipients may not shift unallowable indirect costs to another Federal award unless specifically authorized to do so by legislation.

Section E. Application Review Information

E.1. Evaluation Criteria

The evaluation criteria portion should be addressed in the technical proposal section of the application. Applications should thoroughly address each criterion and any subcriterion in the order presented below. **Applications will be evaluated against the evaluation criteria listed below.** If the work described in your application is a phase of a larger project, only discuss the benefits that will result directly from the work discussed in the technical project description and that is reflected in the budget, not the larger project.

Evaluation Criteria Scoring Summary	Points:
A. Project Benefits	30
B. Drought Planning and Preparedness	20
C. Sustainability and Supplemental Benefits	15
D. Severity of Actual or Potential Drought Impacts to be addressed by the Project	15
E. Project Implementation	10
F. Nexus to Reclamation	10
Total	***100***

Note: Projects may be prioritized to ensure balance among the program task areas and to ensure that the projects address the goals and objectives of the NOFO.

E.1.1. Evaluation Criterion A—Project Benefits (30 points)

Up to **30 points** may be awarded based on the expected drought resiliency benefits of the proposed project. Proposals containing a well-supported and detailed description of both quantifiable and qualitative benefits will receive the most points under this criterion.

The purpose of this criterion is to ensure that funding is prioritized for projects that will provide significant benefits to drought resiliency.

Projects should be fully described in the project proposal. Projects will be evaluated based on how the proposed project will improve drought resiliency. Please answer all applicable questions:

- How will the project build long-term resilience to drought? How many years will the project continue to provide benefits?
- Will the project make additional water supplies available?

  - If so, what is the estimated quantity of additional supply the project will provide and how was this estimate calculated? Provide this quantity in acre-feet per year as the average annual benefit over ten years (e.g., if the project captures flood flows in wet years, provide the average benefit over ten years including dry years).
  - What percentage of the total water supply does the additional water supply represent? How was this estimate calculated?
  - Provide a qualitative description of the degree/significance of the benefits associated with the additional water supplies.
- Will the project improve the management of water supplies? For example, will the project increase efficiency, increase operational flexibility, or facilitate water marketing (e.g., improve the ability to deliver water during drought or access other sources of supply)? If so:
  - How will the project increase efficiency or operational flexibility?
  - What is the estimated quantity of water that will be better managed as a result of this project? How was this estimate calculated? Provide this quantity in acre-feet per year as the average annual benefit over ten years (e.g., if the project captures flood flows in wet years, provide the average benefit over ten years including dry years).
  - What percentage of the total water supply does the water better managed represent? How was this estimate calculated?
  - Provide a qualitative description of the degree/significance of anticipated water management benefits.
  - Will the project make new information available to water managers? If so, what is that information and how will it improve water management?

If the proposed project includes any of the following components, applicants need to provide the additional information requested below for the specific project type. This additional information will be used in evaluating and scoring the proposal.

Salt Water Barriers. What supply of water is the barrier protecting and to what degree is it comprehensive protection? What is the protected water supply mainly used for?

Wells. What is the estimated capacity of the new well(s), and how was the estimate calculated? How much water do you plan to extract through the well(s), and how does this fit within state or local laws, ordinances, or other groundwater governance structures applicable to the area? Will the well be used as a primary supply or supplemental supply when there is a lack of surface supplies? Does the applicant participate in an active recharge program contributing to contributing to groundwater sustainability? Please provide information documenting that proposed well(s) will not adversely impact the aquifer it/they are pumping from (overdraft or land subsidence). At a minimum, this should include aquifer description, information on existing or planned aquifer recharge facilities, a map of the well location and other nearby surface water supplies, and physical descriptions of the proposed well(s) (depth, diameter, casing description, etc.). If available, information should be provided on nearby wells (sizes, capacities, yields, etc.), aquifer test results, and if the area is currently experiencing aquifer overdraft or land subsidence.

Please describe the groundwater monitoring plan that will be undertaken and the associated monitoring triggers for mitigation actions. Describe how the mitigation actions will respond to or help avoid any significant adverse impacts to third parties that occur due to groundwater pumping. ***Proposals that do not sufficiently address the questions listed above will not be considered for funding.***

Wells funded under this NOFO are to support communities and other entities facing water supply shortages due to drought or have public health and safety concerns. Wells funded under this NOFO are to be used for supplemental supplies during times of drought, to serve communities that are or are potentially facing a public health crisis due to a lack potable water, or to recover previously recharged/stored water. This NOFO is not intended to provide funding for wells that are part of a long-term planning effort to support increased need due to population growth or increased irrigation demands. This NOFO is not intended to provide funding for wells that are part of a long-term planning effort to support increased need due to population growth or increased irrigation demands.

New Water Marketing Tool or Program. How does the new tool or program increase the flexibility of acquiring water on the open market? What is the scope of water users and uses that will benefit? Are there any legal issues pertaining to water marketing that could hinder project implementation (e.g., restrictions under Reclamation or state law or contracts, or individual project authorities).

Metering/Water Measurement Projects. To what extent are the methods tested/proven? To what degree will the project improve the ability to predict the onset of drought earlier and/or with more certainty? To what degree will the project improve the ability to anticipate the severity and magnitude of drought? To what degree will the project improve the likelihood/timing of detecting mitigation action triggers? Explain why this is a necessary sub-component of another eligible Drought Resiliency Project as described in Tasks A, B, and C.

E.1.2. Evaluation Criterion B—Drought Planning and Preparedness (20 points)

Up to **20 points** may be awarded for a proposal based on the extent that the proposed drought resiliency project(s) is supported by an existing drought plan. Such drought plans do not require Reclamation approval and may include plans prepared by someone other than the applicant (e.g., an existing state, county, municipal, or other plan is acceptable).

The purpose of this criterion is to ensure that funding is prioritized for drought resiliency projects that have a foundation in collaborative drought planning efforts including different types of water users (e.g., municipal, agricultural, environmental, and industrial), landowners, and state and local water management entities, among others.

Proposals that demonstrate that the proposed project is clearly supported by an existing drought plan will be awarded the most points under this criterion. While the proposed drought resiliency project may be supported by multiple planning efforts, this criterion should be focused on the most relevant drought plan.

Please note that this criterion does not address the benefits of the project and the description should be limited to the extent to which a plan supports the project. Project benefits are addressed under Section E.1.1. Evaluation Criterion A—Project Benefits*, above.*

For purposes of evaluating this criterion, please:

- Provide a link to the applicable drought plan, and only attach relevant sections of the plan that are referenced in the application, as an appendix to your application. These pages will be included in the total page count for the application.
- Explain how the applicable plan addresses drought. Proposals that reference plans clearly intended to prepare for and address drought will receive more points under this criterion.
  - Does the drought plan contain drought focused elements including a system for drought monitoring, sector vulnerability assessments related to drought, prioritized mitigation actions, and response actions that correlate to different stages of drought?
  - Explain whether the drought plan was developed with input from multiple stakeholders. Was the drought plan developed through a collaborative process?
  - Does the drought plan include consideration of climate change impacts to water resources or drought?
- Describe how your proposed drought resiliency project is supported by and existing drought plan.
  - Does the drought plan identify the proposed project as a potential mitigation or response action?
  - Does the proposed project implement a goal or need identified in the drought plan?
  - How is the proposed project prioritized in the drought plan?

E.1.3. Evaluation Criterion C—Sustainability and Supplemental Benefits (15 points)

Up to **15 points** may be awarded based on the extent that the project demonstrates support for the Biden Administration's priorities, including E.O. 14008 and E.O. 13985. Consideration under this criterion is also given for tribal, environmental, and other sustainability benefits.

Please only address those priorities that are applicable to your project. Points will be allocated based on the degree to which the project directly supports the priorities and benefits listed, and whether the connection to the priority(ies) and benefits is well supported in the proposal. Points will not be awarded for listed benefits that are not well supported, and direct benefits will yield the most points. Indirect benefits will be considered but must be well supported. **Without repeating benefits already described in Criterion A or B, describe in detail how the proposed project supports a priority(ies) and/or benefit(s) below.**

1. **Climate Change:** E.O. 14008 emphasizes the need to prioritize and take robust actions to reduce climate pollution, increase resilience to the impacts of climate change, protect public health, and conserve our lands, waters, oceans, and biodiversity. Examples in which proposed projects may contribute to climate change adaptation and resiliency, may include but are not limited to the following:

    - In addition to drought resiliency measures, does the proposed project include other natural hazard risk reductions for hazards such as wildfires or floods?
    - Does the proposed project include green or sustainable infrastructure to improve community climate resilience such as, but not limited to, reducing the urban heat island effect, lowering building energy demands, or reducing the energy needed to manage water? Does this infrastructure complement other green solutions being implemented throughout the region or watershed?
    - Will the proposed project establish and use a renewable energy source?
    - Does the proposed project seek to reduce or mitigate climate pollutions such as air or water pollution?
    - Will the proposed project reduce greenhouse gas emissions by sequestering carbon in soils, grasses, trees, and other vegetation?
    - Does the proposed project have a conservation or management component that will promote healthy lands and soils or serve to protect water supplies and its associated uses?
    - Does the proposed project contribute to climate change resiliency in other ways not described above?

- **Disadvantaged or Underserved Communities:** E.O. 14008: Tackling the Climate Crisis at Home and Abroad directs Federal agencies to assess potential benefits to disadvantaged communities as part of funding allocation processes. E.O. 13985: Advancing Racial Equity and Support for Underserved Communities Through the Federal Government also includes consideration of investment in underserved communities, consistent with other program requirements. E.O. 13985 defines an underserved community to include populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, and provides examples of such communities. See each Executive Order for additional information.

  Points will be awarded based on the extent to which your Project serves economically disadvantaged or underserved communities in rural or urban areas.

  Please describe in detail how the community is disadvantaged or underserved based on a combination of variables that may include the following:

    - Low income, high and/or persistent poverty

- High unemployment and underemployment
- Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities
- Linguistic isolation
- High housing cost burden and substandard housing
- Distressed neighborhoods
- High transportation cost burden and/or low transportation access
- Disproportionate environmental stressor burden and high cumulative impacts
- Limited water and sanitation access and affordability
- Disproportionate impacts from climate change
- High energy cost burden and low energy access
- Jobs lost through energy transition
- Access to healthcare

2. **Tribal Benefits:** The Department of the Interior is committed to strengthening tribal sovereignty and the fulfillment of Federal tribal trust responsibilities. The President's memorandum, "Tribal Consultation and Strengthening Nation-to-Nation Relationships," asserts the importance of honoring the Federal government's commitments to Tribal Nations.

   - Does the proposed project support tribal resilience to climate change and drought impacts or provide other tribal benefits such as improved public health and safety through water quality improvements, new water supplies, or economic growth opportunities? Please describe these benefits.
   - Does the proposed project support Reclamation's tribal trust responsibilities or a Reclamation activity with a Tribe? Please describe these benefits.

3. **Environmental Benefits:** Drought resiliency projects often provide environmental benefits in addition to water supply reliability benefits for other users. Ecological resiliency is crucial to sustain ecosystems that can respond to and recover from external stressors resulting from climate change and drought.

   - Does the project seek to improve ecological climate change resiliency of a wetland, river, or stream to benefit to wildlife, fisheries, or habitats? Do these benefits support an endangered or threatened species?
   - What are the types and quantities of environmental benefits provided, such as the types of species and the numbers benefited, acreage of habitat improved, restored, or protected, or the amount of additional stream flow added? How were these benefits calculated?
   - Will the proposed project reduce the likelihood of a species listing or otherwise improve the species status?

This sub-criterion will be scored based on planned, direct benefits that will result from project implementation. Applicants that can quantify the direct benefits and provide reasonable support will receive the most points in this sub-criterion. Example project types that may receive points in this category include, ***but are not limited to***:

- Increasing storage to augment stream flows during dry periods to protect endangered species
- Improving water quality or providing water for wildlife habitat areas

4. **Other Benefits:** Will the project address water sustainability in other ways not described above? For example:

   - Will the project assist States and water users in complying with interstate compacts?
   - Will the project benefit multiple sectors and/or users (e.g., agriculture, municipal and industrial, environmental, recreation, or others)?
   - Will the project benefit a larger initiative to address sustainability of water supplies?

E.1.4. Evaluation Criterion D—Severity of Actual or Potential Drought Impacts to be addressed by the Project (15 points)

Up to **15 points** may be awarded based upon the severity of actual or potential drought impacts to be addressed by the project. Proposals that address more urgent needs and more severe drought impacts will receive higher priority consideration on this criterion than proposals that address less significant needs and impacts. **Do not repeat information already discussed in Criterion A, B, or C.**

Describe the severity of the impacts that will be addressed by the project:

- What are the ongoing or potential drought impacts to specific sectors in the project area if no action is taken (e.g., impacts to agriculture, environment, hydropower, recreation and tourism, forestry), and how severe are those impacts? Impacts should be quantified and documented to the extent possible. For example, impacts could include, but are not limited to:

  - Whether there are public health concerns or social concerns associated with current or potential drought conditions (e.g., water quality concerns including past or potential violations of drinking water standards, increased risk of wildfire, or past or potential shortages of drinking water supplies? Does the community have another water source available to them if their water service is interrupted?).
  - Whether there are ongoing or potential environmental impacts (e.g., impacts to endangered, threatened or candidate species or habitat).
  - Whether there are local or economic losses associated with current drought conditions that are ongoing, occurred in the past, or could occur in the future (e.g., business, agriculture, reduced real estate values).

- Whether there are other drought-related impacts not identified above (e.g., tensions over water that could result in a water-related crisis or conflict).

- Describe recent, existing, or potential drought conditions in the project area.
  - Is the project in an area that is currently suffering from drought or which has recently suffered from drought? Please describe existing or recent drought conditions, including when and the period of time that the area has experienced drought conditions. Include information to describe the frequency, duration, and severity of current or recent droughts. Please provide supporting documentation, (e.g., Drought Monitor, droughtmonitor.unl.edu).
  - Describe any projected increases to the severity or duration of drought in the project area resulting from changes to water supply availability and climate change. Provide support for your response (e.g., reference a recent climate informed analysis, if available).

E.1.5. Evaluation Criterion E—Project Implementation (10 points)

Up to **10 points** may be awarded based upon the extent to which the proposed project is capable of proceeding upon entering into a financial assistance agreement. Please note, if your project is selected, responses provided in this section will be used to develop the scope of work that will be included in the financial assistance agreement.

Applications that include a detailed project implementation plan (e.g., estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates) will receive the most points under this criterion. ***Please also see Section C.3.3 regarding eligible lengths of projects for this NOFO.***

- 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. Milestones may include, but are not limited to, the following: design, environmental and cultural resources compliance, permitting, construction/installation.
- Describe any permits that will be required, along with the process for obtaining such permits.
- Identify and describe any engineering or design work performed specifically in support of the proposed project.
- Describe any new policies or administrative actions required to implement the project.

E.1.6. Evaluation Criterion F—Nexus to Reclamation (10 points)

Up to **10 points** may be awarded if the proposed project is connected to a Reclamation project or Reclamation activity. No points will be awarded for proposals without connection to a Reclamation project or Reclamation activity.

Describe the nexus between the proposed project and a Reclamation project or Reclamation activity. Please consider the following:

- Does the applicant have a water service, repayment, or O&M contract with Reclamation?
- If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?
- Will the proposed work benefit a Reclamation project area or activity?
- Is the applicant a Tribe?

E.2. Review and Selection Process

The Federal government reserves the right to reject any and all applications that do not meet the requirements or objectives of this NOFO. Awards will be made for projects most advantageous to the Federal Government. Award selection may be made to maintain balance among the eligible projects listed in this NOFO. The evaluation process will be comprised of the steps described in the following subsections.

E.2.1. Initial Screening

All application packages will be screened to ensure that:

- The applicant meets the eligibility requirements stated in this NOFO.
- The applicant meets the unique entity identifier and SAM registration requirements stated in this NOFO (this may be initiated up to 30 days after the application deadline).
- The application meets the content requirements of the NOFO package, including submission of a technical proposal, including responses to the evaluation criteria, a funding plan, budget proposal, and budget narrative.
- The application contains a properly executed SF-424, Application for Financial Assistance and form SF-424B, Assurances for Non-Construction Programs, or SF-424D, Assurances for Construction Programs and a completed SF-424A, Budget Information for Non-Construction Programs and Construction Programs.
- The application includes an official resolution, adopted by the applicant’s board of directors, governing body, or appropriate authorized official (this may be submitted up to 30 days after the application deadline).
- The application and funding plan meets or exceeds the minimum non-Federal cost-share requirements identified in this NOFO.
- The proposed project can be completed within 2 years for Funding Group I and 3 years for Funding Groups II and III.

Reclamation reserves the right to remove an application from funding consideration if it does not pass all Initial Screening criteria listed above. An applicant that has submitted an application that is determined to be ineligible for funding will be notified along with other applicants, or sooner, if possible.

E.2.2. Application Review Committee

Evaluation criteria will comprise the total evaluation weight as stated in Section E.1 *Evaluation Criteria*. 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. The ARC will also review the application to ensure that the project meets the description of eligible projects and meets the objective of this NOFO.

During ARC review, Reclamation may contact applicants to request clarifications to the information provided, if necessary.

E.2.3. Red-Flag Review

Following the results of the ARC review, Reclamation offices will review the top- ranking applications and will identify any reasons why a proposed project would not be feasible or otherwise advisable, including environmental or cultural resources compliance issues, permitting issues, legal issues, or financial position. Positive or negative past performance by the applicant and any partners in previous working relationships with Reclamation may be considered, including whether the applicant is making significant progress toward the completion of outstanding financial assistance agreements and whether the applicant is in compliance with all reporting requirements associated with previously funded projects.

In addition, during this review, Reclamation will address any specific concerns or questions raised by members of the ARC, conduct a preliminary budget review, and evaluate the applicant's ability to meet cost share as required.

E.2.4. Managerial Review

Reclamation management will prioritize projects to ensure the total amount of all awards does not exceed available funding levels. Management will also ensure that all projects meet the scope, priorities, requirements, and objectives of this NOFO. Management may also prioritize projects to ensure that multiple project types are represented. After completion of the Managerial Review, Reclamation will notify applicants whose proposals have been selected for award consideration.

E.2.5. Pre-Award Clearances and Approvals

The following pre-award clearances and approvals must be obtained before an award of funding is made. 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 the date of initial selection). If the results of pre-award reviews and clearances are unsatisfactory, consideration of funding for the project may be withdrawn.

A Reclamation Grants Officer will also conduct a detailed budget analysis and complete a business evaluation and responsibility determination. During this evaluation, the Grants Officer will consider several factors that are important, but not quantified, such as:

- Allowability, allocability, and reasonableness of proposed costs.
- Financial strength and stability of the applicant.
- 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 Office of Management and Budget circulars. Environmental Review

Reclamation will forward all proposals to the appropriate Reclamation Regional or Area Office for completion of environmental compliance. To the extent possible, environmental compliance will be completed before a financial assistance agreement is signed by the parties. However, in most cases, the award will be made contingent on completion of environmental compliance. The financial assistance agreement will describe how compliance will be carried out. Ground-disturbing activities may not occur until environmental compliance is complete and a notice to proceed is issued by the awarding Grants Officer.

Even in cases where environmental compliance work has been completed previously or is being completed by another Federal agency, Reclamation must still review and adopt such environmental compliance and issue a notice to proceed before ground-disturbing activities may be initiated.

E.3. Federal Award Performance Integrity Information System

Prior to making an award with a Federal total estimated amount greater than $150,000, Reclamation is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently Federal Award Performance Integrity Information System [FAPIIS]) (see 41 U.S.C. §2313).

Applicants, at their option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about themselves that a Federal awarding agency previously entered and that is currently in the designated integrity and performance system accessible through SAM. Reclamation will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in 2 CFR §200.205 Federal awarding agency review of risk posed by applicants.

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Section F. Federal Award Administration Information

F.1. Federal Award Notices

Successful applicants will receive by electronic mail, a notice of selection signed by a Reclamation Grants Officer. This notice is not an authorization to begin performance.

F.2. Administrative and National Policy Requirements

See the "DOI Standard Terms and Conditions" for the administrative and national policy requirements applicable to Department awards.

F.2.1. Environmental and Cultural Resources Compliance

All projects being considered for award funding will require compliance with 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, Clean Water Act (CWA), ESA, National Historic Preservation Act (NHPA), consultation with potentially affected tribes, 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 that findings under NEPA, and consultations, as appropriate, will support Reclamation's decision on whether to fund a project.

Depending on the potential impacts of the project, Reclamation may be able to complete its compliance activities without additional cost to the recipient. Where environmental or cultural resources compliance requires significant participation by Reclamation, some costs anticipated to be incurred by Reclamation will be added as a line item to the budget during development of the financial assistance agreement and cost shared accordingly. Any costs to the recipient associated with compliance will be identified during the process of developing a final project budget for inclusion in the financial assistance agreement. A portion of Reclamation's estimated cost to complete environmental and cultural compliance activities may be withheld from the initial obligation of Federal funding. After compliance activities are completed, any remaining Federal funding will be obligated to the Agreement.

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 (e.g., grading, clearing, and other preliminary activities) on a project before environmental and cultural resources compliance is complete and a Reclamation Grants Officer provides written notification that all such clearances have been obtained. This pertains to all components of the proposed project, including those that are part of the applicant's non-Federal cost-share. An applicant that proceeds before environmental and cultural resources compliance is complete may risk forfeiting Reclamation funding under this NOFO.

F.2.2. Approvals and Permits

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

F.2.3. Requirements for Agricultural Operations under P.L. 111-11, Section 9504(a)(3)(B)

In accordance with Section 9504(a)(3)(B) of P.L.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 applicant and
- not to otherwise increase the consumptive use of water in the operation of the applicant, as determined pursuant to the law of the state in which the operation of the applicant is located.

F.2.4. Title to Improvements P.L.111-11, Section 9504(a)(3)(D)

If the activities funded through an agreement awarded under this NOFO result in a modification to a portion of a federally owned facility that is integral to the existing operations of that facility, the Federal government shall continue to hold title to the facility and the improvements thereto. Title to improvements, P.L.111-11, Section 9504(a)(3)(D) that are not integral to existing water delivery operations shall reside with the project sponsor.

F.2.5. Operation and Maintenance Costs under P.L.111-11, Section 9504(a)(3)(E)(iv)

The non-Federal share of the costs for operation and maintenance of any infrastructure improvement funded through an agreement awarded under this NOFO shall be 100 percent.

F.2.6. Liability under P.L.111-11, Section 9504(a)(3)(F)

Except as provided under Chapter 171 of Title 28, U.S.C. (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 NOFO, the title of which is not held by the United States.

F.2.7. Responsibility for Content

The recipient is solely responsible for the content of the Drought Contingency Plan. Reclamation participation in a financial assistance agreement is limited to the provision of funding and technical assistance for the development of a Drought Contingency Plan that strives to anticipate and mitigate impacts and conflicts that arise from drought. Reclamation does not exercise control over the content or approval of the plan under this award. Reclamation review of the Work Plan and Drought Contingency Plan is only to ensure compliance with Drought Response Program requirements. A Drought Contingency Plan or plan update developed under a financial assistance agreement is a water management planning document and does not provide recommendations or represent a statement of policy or position of the Reclamation, or the Department. The plan does not propose or address the feasibility of any specific project and does not represent a commitment for provision of Federal funds for projects identified in the plan.

F.2.8. Data and Data Tools

All geospatial data collected for or produced through the use of the Department of the Interior financial assistance funds are required to meet all relevant standards established by the Federal Geospatial Data Committee (FGDC) as authorized by Geospatial Data Act of 2018, P.L. 115-254, Subtitle F – Geospatial Data, §751-759C, codified at 43 U.S.C. §2801–2811. Interior requires fully compliant metadata on all Geographic Information Systems files developed for financial assistance projects. If a funded financial assistance project involves acquiring or collecting geospatial data, the recipient is required to search GeoPlatform.gov to determine that no existing Federal, State, local or private data meet the Government's needs and are available at no cost before acquiring or collecting additional geospatial data.

Any spatially explicit data or tools developed in the performance of an award made under this NOFO must be developed in industry standard formats that are compatible with geographic information system (GIS) platforms.

F.2.9. Automated Standard Application for Payments Registration

All applicants must also be registered with and willing to process all payments through the Department of Treasury Automated Standard Application for Payments (ASAP) system. All recipients with active financial assistance agreements with Reclamation must be enrolled in ASAP under the appropriate Agency Location Code(s) and the DUNS Number prior to the award of funds. If a recipient has multiple DUNS numbers, they must separately enroll within ASAP for each unique DUNS Number and/or Agency. All of the information on the enrollment process for recipients, including the enrollment initiation form, will be sent to you by ASAP staff if selected for award.

Note that if your entity is currently enrolled in the ASAP system with an agency other than Reclamation, you must enroll specifically with Reclamation in order to process payments.

F.2.10. Intangible Property (2 CFR §200.315)

Title to intangible property acquired under a Federal award vests upon acquisition in the non-Federal entity (see §200.59 Intangible Property [of this CFR]). The non-Federal entity must use that property for the originally-authorized purpose and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in §200.313(e) Equipment [of this CFR].

The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

The non-Federal entity is subject to applicable regulations governing patents and inventions, including government wide regulations issued by the Department of Commerce at 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements.”

The Federal government has the right to:

- obtain, reproduce, publish, or otherwise use the data produced under a Federal award and
- authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

F.2.11. Freedom of Information Act

In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

Published research findings mean when:

- Research findings are published in a peer-reviewed scientific or technical journal; or
- A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also does not include:

- Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
- Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

F.2.12. Real Property, 2 CFR §200.311

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved (2 CFR §200.316 *Property trust relationship*). Title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity. Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests. When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity. As required by 2 CFR §200.329 *Reporting on real property,* recipients will be required to submit reports on the status of real property acquired or improved under a financial assistance agreement issued under this NOFO.

F.2.13. Additional Bipartisan Infrastructure Law Requirements

Wage Rate Requirements (Davis-Bacon Act)—Section 41101 of the Bipartisan Infrastructure Law requires that all laborers and mechanics employed by contractors or subcontractor in the performance of construction, alteration, or repair work on a project assisted in whole or in part by funding made available under the Bipartisan Infrastructure Law (P.L. 117-58) shall be paid wages at rates not less than those prevailing on similar projects in the locality, as determined by the Secretary of Labor in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code (commonly referred to as the Davis-Bason Act).

Application of Buy America Preference—Section 70914 of the Bipartisan Infrastructure Law requires that, unless a waiver is approved, funding made available for Federal financial assistance programs for infrastructure under the Law may only be obligated to projects where all of the iron, steel, and manufactured goods used in the project are produced in the United States.

F.3. Reporting Requirements and Distribution

If the applicant is awarded an agreement as a result of this NOFO, the applicant will be required to submit the following reports during the term of the agreement. Recipients will also be required to have a system in place to comply with these reporting requirements (see 2 CFR §170.210 for additional information).

F.3.1. Financial Reports

All recipients must use the SF-425, Federal Financial Report form for financial reporting. Recipients will be required to submit a fully completed form SF-425 Federal Financial Report on at least a semi-annual basis and with the final performance report. The SF-425 must be signed by a person legally authorized to obligate the recipient.

F.3.2. Interim Performance Reports

The specific terms and conditions pertaining to the reporting requirements will be included in the financial assistance agreement.

Interim performance reports submitted on at least a semi-annual basis, that include the following information:

- A comparison of actual accomplishments to the milestones established by the financial assistance agreement for the period.
- The reasons why established milestones were not met, if applicable.
- The status of milestones from the previous reporting period that were not met, if applicable.
- Whether the project is on schedule and within the original cost estimate.
- Any additional pertinent information or issues related to the status of the project.

F.3.3. Final Performance Reports

Recipients will be required to submit a final performance report encompassing the entire period of performance. The final performance report must include, but is not limited to, the following information:

- Whether the project objectives and goals were met.
- Discussion of the benefits achieved by the Drought Contingency Plan, including how the plan improves long-term resilience to drought.
- How the Drought Contingency Plan demonstrates collaboration.
- Photographs documenting the project are also appreciated.

Note: Reclamation may print photos with appropriate credit to the applicant. Also, final reports are public documents and will be made available on Reclamation's website, www.usbr.gov/drought.

F.4. Disclosures

F.4.1. Conflict of Interest

Recipients must notify the program immediately in writing of any conflict of interest that arise during the life of their Federal award, including those reported to them by any subrecipient under the award. Recipients must notify the program in writing if any employees, including subrecipient and contractor personnel, are related to, married to, or have a close personal relationship with any Federal employee in the Federal funding program or who otherwise may have been involved in the review and selection of the award. The term "employee" means any individual engaged in the performance of work pursuant to the Federal award. Recipients may not have a former Federal employee as a key project official, or in any other substantial role related to their award, whose participation put them out of compliance with the legal authorities addressing post-Government employment restrictions. See U.S. Office of Government Ethics website for more information on these restrictions.

Reclamation will examine each conflict of interest disclosure based on its particular facts and the nature of the project and will determine if a significant potential conflict exists. If it does, Reclamation will work with the recipient to determine an appropriate resolution. Failure to disclose and resolve conflicts of interest in a manner that satisfies Reclamation may result in any of the remedies described in 2 CFR 200.338 *Remedies for noncompliance*, including termination of the award.

F.4.2. Review Procedures

Reclamation will examine each conflict of interest disclosure based on its particular facts and the nature of the project and will determine if a significant potential conflict exists. If it does, Reclamation will work with the recipient to determine an appropriate resolution. Failure to disclose and resolve conflicts of interest in a manner that satisfies Reclamation may result in any of the remedies described in 2 CFR 200.338 *Remedies for noncompliance*, including termination of the award.

F.4.3. Other Mandatory Disclosures

The Non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Non-Federal entities that receive a Federal award including the terms and conditions outlined in 2 CFR 200, Appendix XII—Award Term and Condition for Recipient Integrity and Performance Matters are required to report certain civil, criminal, or administrative proceedings to SAM. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.338 Remedies for Noncompliance, including suspension or debarment.

F.4.4. Reporting Matters Related to Recipient Integrity and Performance

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings in accordance with Appendix XII to 2 CFR 200.

F.5. Data Availability

Per the Financial Assistance Interior Regulation (FAIR), 2 CFR §1402.315:

(a) All data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, valuation products or other scientific assessments in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual, resulting from a financial assistance agreement is available for use by the Department of the Interior, including being available in a manner that is sufficient for independent verification.

(b) The Federal Government has the right to:

> (1) Obtain, reproduce, publish, or otherwise use the data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, produced under a Federal award; and
>
> (2) Authorize others to receive, reproduce, publish, or otherwise use such data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, for Federal purposes, including to allow for meaningful third-party evaluation.

F.6. Releasing Applications

Following awards of funding, Reclamation may post successful applications on the Reclamation website after conducting any redactions determined necessary by Reclamation, in consultation with the recipient.

Section G. Agency Contacts

Organizations interested in submitting applications in response to this NOFO may direct questions to the Reclamation personnel identified below.

G.1. Program Coordinator Contact

For programmatic technical assistance, contact:

By mail: Bureau of Reclamation
Attn: Ms. Sheri Looper
Mail Code: MP-400
2800 Cottage Way
Sacramento, California 95825

By email: slooper@usbr.gov
By Phone: 916-978-5556

G.2. Financial Assistance Contact

Questions regarding application and submission information and award administration may be submitted to the attention of the Notice of Funding Opportunity Team, at bor-sha-fafoa@usbr.gov. Please note that staff availability on the day of the NOFO closing will be limited.

G.3. Application System Technical Support

For Grants.gov technical registration and submission, downloading forms and application packages, contact:

Name: Grants.gov Customer Support

Telephone: 1-800-518-4726

Email: Support@grants.gov

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Section H. Other Information

The following is a brief overview of NEPA, NHPA, and ESA. While these statutes are not the only environmental laws that may apply to drought resiliency 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 to award a financial assistance agreement under this NOFO. The descriptions below are intended to provide you with information about the environmental compliance issues that may apply to your projects.

H.1. Environmental and Cultural Resource Considerations

To allow Reclamation to assess the probable environmental and cultural resources impacts and costs associated with each application, all applicants must respond to the following list of questions focusing on NEPA, ESA, and NHPA requirements. Please answer the following questions to the best of your knowledge. If any question is not applicable to the project, please explain why. The application should include the answers to:

- Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? 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.
- Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?
- Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as "Waters of the United States?" If so, please describe and estimate any impacts the proposed project may have.
- When was the water delivery system constructed?
- Will the proposed 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.
- 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.
- Are there any known archeological sites in the proposed project area?
- Will the proposed project have a disproportionately high and adverse effect on low income or minority populations?

- Will the proposed project limit access to and ceremonial use of Indian sacred sites or result in other impacts on tribal lands?
- Will the proposed project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

H.2. Background on Federal Environmental and Cultural Resource Laws

H.2.1. 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 an award under this NOFO, 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 **Department CE** or documentation of a **Reclamation CE** using a **Categorical Exclusion Checklist (CEC)**. If a CE is being considered, Reclamation will determine the applicability of the CE and whether extraordinary circumstances (i.e., reasons that the CE cannot be applied) exist. That process can take 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 (EIS)**, 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 **EIS** and **Record of Decision.** 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 that has 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 www.usbr.gov/main/offices.html with questions regarding NEPA compliance issues. You may also contact the Program Coordinator for further information (*see Section G. Agency Contacts*).

H.2.2. 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 complete an award under this NOFO. 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, the recipient 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 proposed 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
  - A determination as to whether the project would have an adverse effect and 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 projects proposed under this NOFO 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, proposed 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 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.

H.2.3. 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 proposed 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 proposed 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, then 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 the 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.

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 a CEC, documented simultaneously. The best source of information concerning the compliance with the ESA in a particular project area is the local Reclamation environmental staff that can be helpful in determining the presence of listed species and possible effects that would require consultation with the USFWS or NOAA Fisheries Service. Contact your regional or area Reclamation office, www.usbr.gov/main/offices.html with questions regarding ESA compliance issues. You may also contact the Program Coordinator for further information (see Section G. *Agency Contacts*).