

RECLAMATION

Managing Water in the West

U.S. Department of the Interior
Bureau of Reclamation

NOTICE OF INTENT TO AWARD

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

ABSTRACT	
Funding Announcement	BOR-MP-16-N028
Project Title	Porterville Irrigation District
Recipient	Porterville Irrigation District (PID) In-Lieu Project
Principal Investigator / Program Manager	Sean Geivet
Anticipated Federal Amount	\$1,237,035
Anticipated Non-Federal Amount	\$1,564,185.23
New Award or Continuation?	Continuation
Anticipated Period of Performance	September 20, 2013 through August 30, 2018
Award Instrument	Grant Agreement
Statutory Authority	Public Law 111-11, San Joaquin River Restoration Settlement, Title X, Part I; Section 10002, Section 10004(b)(1); Stipulation of Settlement CIV NO. S-88-1658-LKK/GGH (San Joaquin River Restoration Settlement)—Paragraph 14(a)
CFDA # and Title	15.555 – San Joaquin River Restoration Program (SJRRP)
Single Source Justification Criteria Cited	(2) Continuation, (3) Legislative Intent, & (4) Unique Qualifications
Reclamation Point of Contact	Adam Nickels/Christina Muñoz

OVERVIEW

In 2006, the Department of the Interior entered into the San Joaquin River Settlement (Settlement) in NRDC et al., v. Kirk Rodgers et al. The Settlement terms and conditions mandate a combination of channel and structural improvements along the San Joaquin River below Friant Dam, releases of additional water from Friant Dam, and the reintroduction of spring and/or fallrun Chinook salmon. The Settlement established a Water Management Goal to reduce or avoid water supply impacts to all of the Friant Division long-term contractors that may result from increased releases (termed as the Settlement's Interim and Restoration flows). In order to achieve the Water Management Goal, the Settlement requires a Recirculation Plan and

Recovered Water Account that can be achieved by canal capacity corrections and reverse flow pump-back facilities.

The purpose of this modification is to change the Construction of Project Facilities under Section 5.1.6 of the Scope of Work and extend the period of performance to the Agreement. Porterville Irrigation District (PID) is proposing to build two new distribution facilities for in-lieu groundwater recharge in regions within the District that currently do not have infrastructure to receive surface water deliveries. Increasing the District area that can take surface water deliveries will allow the recipient to utilize more of its Friant Division Central Valley Project contract water supply instead of transferring water out of the District.

RECIPIENT INVOLVEMENT

The recipient agrees to:

- Allow PID to utilize more of its existing Friant Division contract entitlement.
- Allow PID to capture more high flow water supplies (floodwater) available from the Friant Division as well as from the Tule River.
- Effectively utilize the existing groundwater reservoir beneath PID to store additional water supplies and improve water supply reliability.
- Raise groundwater levels in PID to reduce pumping costs for private well owners.

RECLAMATION INVOLVEMENT

No substantial involvement on the part of Reclamation is anticipated for the successful completion of the objectives to be funded by this award. It is anticipated that Reclamation's involvement will consist of standard federal stewardship responsibilities such as monitoring project performance, technical assistance at the request of the recipient, etc.

SINGLE-SOURCE JUSTIFICATION

DEPARTMENT OF THE INTERIOR SINGLE SOURCE POLICY REQUIREMENTS
Department of the Interior Policy (505 DM 2) requires a written justification which explains why competition is not practicable for each single-source award. The justification must address one or more of the following criteria as well as discussion of the program legislative history, unique capabilities of the proposed recipient, and cost-sharing contribution offered by the proposed recipient, as applicable.
In order for an assistance award to be made without competition, the award must satisfy one or more of the following criteria: (1) Unsolicited Proposal – The proposed award is the result of an unsolicited assistance application which represents a unique or innovative idea, method, or approach which is not the subject of a current or planned contract or assistance award, but which is deemed advantageous to the program objectives; (2) Continuation – The activity to be funded is necessary to the satisfactory completion of, or is a continuation of an activity presently being funded, and for which competition would have a significant adverse effect on the continuity or completion of the activity;

- (3) Legislative intent – The language in the applicable authorizing legislation or legislative history clearly indicates Congress’ intent to restrict the award to a particular recipient of purpose;
- (4) Unique Qualifications – The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location, property ownership, voluntary support capacity, cost-sharing ability if applicable, technical expertise, or other such unique qualifications;
- (5) Emergencies – Program/award where there is insufficient time available (due to a compelling and unusual urgency, or substantial danger to health or safety) for adequate competitive procedures to be followed.

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

(2) CONTINUATION, (3) LEGISLATIVE INTENT & (4) UNIQUE QUALIFICATIONS

Single Source Justification Description:

According to Public Law 111-11, Title X, Part III, sec. 10202(b) the recipient must be able to demonstrate that the project is designed to reduce, avoid, or offset the quantity of the expected water supply impacts to Friant Division long-term contractors cause by the Interim or Restoration flows... also authorized by Public Law 111-11, Title X. Public Law 111-11 demonstrates a legislative intent to limit competition of Part III ground water recharge and banking projects to Friant Division long-term water contractors. Porterville Irrigation District is a Friant Division long-term contractor and meets this legislative intent. The project in general is a capital investment into Porterville Irrigation District’s water infrastructure. The additional scope work was originally proposed by the District in 2013 as an alternative to be included in their grant application. In 2013, only four grant applications were selected through competitive process to include the Porterville ID in-lieu Service Area Projects. Both Service Area 1 and Service Area 2 were included in the grant as alternatives. The additional service area was added when other Part III projects reduced their funding need. The benefits of Service Area 2 had previously been analyzed during 2013 review. Funds were proposed to be added for the Porterville ID project to increase the benefits of the overall project. Porterville ID has possessed a unique qualification for completing this project as they are the only Friant Division long-term water contractor allowed to deliver water to the service area as it is within the District’s service boundary. The project ties into their distribution system of which they control and authorize use. No other district or entity would be able to complete the task. Other Friant Districts have been allowed to comment on the project through Reclamation’s National Environmental Policy Act (NEPA) review process regarding the entirety of the project including the addition of Service Area 2. There were no comments received.

*Public Law 111-11, San Joaquin River Restoration Settlement, Title X, Subtitle A, Part III;
Section 10202; 10203(a)*

PART III—FRIANT DIVISION IMPROVEMENTS

SEC. 10202. FINANCIAL ASSISTANCE FOR LOCAL PROJECTS.

(a) *AUTHORIZATION.*—*The Secretary is authorized to provide financial assistance to local agencies within the Central Valley Project, California, for the planning, design, environmental compliance, and construction of local facilities to bank water underground or to recharge groundwater, and that recover such water, provided that the project meets the criteria in subsection (b). The Secretary is further authorized to require that any such local agency receiving financial assistance under the terms of this section submit progress reports and accountings to the Secretary, as the Secretary deems appropriate, which such reports shall be publicly available.*

(b) *CRITERIA.*—

(1) *A project shall be eligible for Federal financial assistance under subsection (a) only if all or a portion of the project is designed to reduce, avoid, or offset the quantity of the expected water supply impacts to Friant Division long-term contractors caused by the Interim or Restoration Flows authorized in part I of this subtitle, and such quantities have not already been reduced, avoided, or offset by other programs or projects.*

(2) *Federal financial assistance shall only apply to the portion of a project that the local agency designates as reducing, avoiding, or offsetting the expected water supply impacts caused by the Interim or Restoration Flows authorized in part I of this subtitle, consistent with the methodology developed pursuant to paragraph (3)(c).*

(3) *No Federal financial assistance shall be provided by the Secretary under this part for construction of a project under subsection (a) unless the Secretary—*

(A) *determines that appropriate planning, design, and environmental compliance activities associated with such a project have been completed, and that the Secretary has been offered the opportunity to participate in the project at a price that is no higher than the local agency's own costs, in order to secure necessary storage, extraction, and conveyance rights for water that may be needed to meet the Restoration Goal as described in part I of this subtitle, where such project has capacity beyond that designated for the purposes in paragraph (2) or where it is feasible to expand such project to allow participation by the Secretary;*

(B) *determines, based on information available at the time, that the local agency has the financial capability and willingness to fund its share of the project's construction and all operation and maintenance costs on an annual basis;*

(C) *determines that a method acceptable to the Secretary has been developed for quantifying the benefit, in terms of reduction, avoidance, or offset of the water supply impacts expected to be caused by the Interim or Restoration Flows authorized in part I of this*

subtitle, that will result from the project, and for ensuring appropriate adjustment in the recovered water account pursuant to section 10004(a)(5); and

(D) has entered into a cost-sharing agreement with the local agency which commits the local agency to funding its share of the project's construction costs on an annual basis.

(c) GUIDELINES.—Within 1 year from the date of enactment of this part, the Secretary shall develop, in consultation with the Friant Division long-term contractors, proposed guidelines for the application of the criteria defined in subsection (b), and will make the proposed guidelines available for public comment. Such guidelines may consider prioritizing the distribution of available funds to projects that provide the broadest benefit within the affected area and the equitable allocation of funds. Upon adoption of such guidelines, the Secretary shall implement such assistance program, subject to the availability of funds appropriated for such purpose.

(d) COST SHARING.—The Federal financial assistance provided to local agencies under subsection (a) shall not exceed—

(1) 50 percent of the costs associated with planning, design, and environmental compliance activities associated with such a project; and

(2) 50 percent of the costs associated with construction of any such project.

(e) PROJECT OWNERSHIP.—

(1) Title to, control over, and operation of, projects funded under subsection (a) shall remain in one or more non-Federal local agencies. Nothing in this part authorizes the Secretary to operate a groundwater bank along or adjacent to the San Joaquin River upstream of the confluence with the Merced River, and any such groundwater bank shall be operated by a non-Federal entity. All projects funded pursuant to this subsection shall comply with all applicable Federal and State laws, including provisions of California water law.

(2) All operation, maintenance, and replacement and rehabilitation costs of such projects shall be the responsibility of the local agency. The Secretary shall not provide funding for any operation, maintenance, or replacement and rehabilitation costs of projects funded under subsection (a).

SEC. 10203. AUTHORIZATION OF APPROPRIATIONS.

(a) The Secretary is authorized and directed to use monies from the fund established under section 10009 to carry out the provisions of section 10201(a)(1), in an amount not to exceed \$35,000,000.