AGENDA

SOUTHERN NEVADA WATER AUTHORITY

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS

REGULAR MEETING
9:00 A.M. – JULY 19, 2012

BOARD CHAMBERS, SOUTHERN NEVADA WATER AUTHORITY
100 CITY PARKWAY, SEVENTH FLOOR, LAS VEGAS, NEVADA
(702) 258-3100

Board of Directors
Shari Buck, Chair
Mary Beth Scow, Vice Chair
Sam Bateman
Bob Coffin
Tom Collins
Duncan McCoy
Steve Sisolak

Patricia Mulroy, General Manager

A sign language interpreter or TDD may be made available with 48-hour advance request; phone (702) 258-3939, TDD (702) 385-7486, or Relay Nevada toll-free (800) 326-6868 TT/TDD.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:

City of Boulder City, City Hall
401 California Street
Boulder City, Nevada

City of Henderson, City Hall
240 Water Street
Henderson, Nevada

City of North Las Vegas, City Hall
2250 Las Vegas Boulevard North
North Las Vegas, Nevada

City of Las Vegas, City Hall
495 South Main Street
Las Vegas, Nevada

Clark County Government Center
500 S. Grand Central Parkway
Las Vegas, Nevada

Clark County Water Reclamation District
5857 E. Flamingo Road
Las Vegas, Nevada

Southern Nevada Water Authority
100 City Parkway, Suite 700
Las Vegas, Nevada

Las Vegas Valley Water District
1001 S. Valley View Boulevard
Las Vegas, Nevada

All items on the agenda are for action by the Board of Directors, unless otherwise indicated. Items may be taken out of order. The board may combine two or more agenda items for consideration, and the board may remove an item from the agenda or delay discussions relating to an agenda item at any time.

CALL TO ORDER

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: This is a period devoted to comments by the general public pertaining to items on this agenda. If you wish to speak to the Board about items within its jurisdiction, but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Please limit your comments to three minutes or less. No action may be taken upon a matter not listed on the posted agenda.

ITEM NO.

1. *For Possible Action:* Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes of the regular meeting of May 17, 2012.

2. *For Possible Action:* Appoint a Chairman and Vice Chairman to preside over the Board of Directors for fiscal year 2012/2013, and appoint three directors to serve as commissioners of the Colorado River Commission for one-year terms.

CONSENT AGENDA **Items 3 - 6 are routine and can be taken in one motion unless a Director requests that an item be taken separately.**

3. *For Possible Action:* Approve Amendment No. 1 to the existing agreement between EMA, Inc., and the Authority for professional engineering services for Project No. 300E, Control System Improvements, and extend the term of the agreement to December 31, 2014.

4. *For Possible Action:* Approve a grant and assistance agreement between the Bureau of Reclamation and the Authority to accept funding for aerial imagery acquisition of the Las Vegas Valley in support of the Water Smart Landscape Program, and authorize the General Manager to approve future modifications to the agreement only if future modifications do not fiscally impact the Authority.

5. *For Possible Action:* Approve two assistance agreements between the Bureau of Reclamation and the Authority to receive funding for projects associated within the Las Vegas Wash, and authorize the General Manager to approve future modifications to the agreements only if future modifications do not fiscally impact the Authority.

6. *For Possible Action:* Approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation WaterSMART: Cooperative Watershed Management Program.

BUSINESS AGENDA

7. *For Possible Action:* Approve a First Amended Agreement among Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, the Las Vegas Valley Water District, and the Authority regarding the Las Vegas Valley Watershed Advisory Committee.

8. *For Possible Action:* Adopt the Las Vegas Valley Watershed Advisory Committee's 2012 Regional Water Quality Plan.

9. *For Possible Action:* Discuss actions related to the Infrastructure Surcharge that would reduce the impact to customers with fire meters through the use of revenue eligible for inclusion in the Rate Stabilization Fund, discuss providing direction to the Integrated Resources Planning Advisory Committee regarding its discussion and recommendations related to the Infrastructure Surcharge, and take action as appropriate.

10. *For Information Only:* Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, and on the development of in-state water resources.

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Directors will hear general comments from the public on matters under the jurisdiction of the Southern Nevada Water Authority. Please limit your comments to three minutes or less. No action may be taken upon a matter not listed on the posted agenda.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
JUNE 21, 2012
MINUTES

CALL TO ORDER	9:02 a.m., SNWA Board Chambers, Southern Nevada Water Authority 100 City Parkway, Seventh Floor, Las Vegas, Nevada
BOARD MEMBERS PRESENT	Shari Buck, Chair Mary Beth Scow, Vice Chair Sam Bateman Bob Coffin Tom Collins Duncan McCoy Steve Sisolak
BOARD MEMBERS ABSENT	None
STAFF PRESENT	John Entsminger, Greg Walch, Rick Holmes, Phil Speight, Scott Krantz
OTHERS PRESENT	Guy Hobbs

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC

Mary Alderman provided comments to the Board and discussed how the Authority's infrastructure surcharge has affected her water bill. A copy of her comments is included with the minutes.

Jim Hammer, Storage One, discussed how increasing charges for his business' firelines have impacted his water bills. He requested a re-evaluation of the surcharge on small business owners.

Director Coffin asked staff to clarify the purpose of the infrastructure surcharge. John Entsminger reiterated that additional revenue was necessary to meet the Authority's revenue gaps resulting from local economic declines. Revenue from the surcharge will pay outstanding debt, not operating expenses or future projects.

Director Sisolak recommended that the Integrated Resource Planning Advisory Committee expedite their evaluation of current revenue sources and funding needs.

In response to public comment and a number of questions from the board, Chair Buck requested an agenda item to discuss the Authority's SNWA infrastructure surcharge at the next meeting.

1. Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Director Collins to approve the agenda for this meeting and the minutes of the regular meeting of May 17, 2012. The motion was approved.

CONSENT AGENDA **Items 2 - 7 are routine and can be taken in one motion unless a Director requests that an item be taken separately.**

2. Approve an amendment to the existing agreement between Katz & Associates, Inc., and the Authority to continue providing support services for the SNWA Major Construction and Capital Plan and the Las Vegas Wash Capital Improvement Program, which reduces the contract not-to-exceed amount to $254,400 and provides the option to extend the agreement for two additional one-year periods.

3. Approve a subgrant agreement between the Nevada Division of Environmental Protection and the Authority to accept grant funding in the amount of $105,265 for regional water quality activities and related public outreach initiatives.

4. **Approve and authorize the General Manager to enter into an assistance agreement between the Bureau of Reclamation and the Authority, in substantially the same form, to accept a grant for an amount not to exceed $100,000 to support the Authority's Water Smart Landscape Rebate Program, and authorize the General Manager to approve future modifications only if the future modifications do not fiscally impact the Authority.**

5. **Approve an interlocal agreement among the City of Henderson, the City of Las Vegas, the City of North Las Vegas, Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, and the Authority to establish funding allocations and the budget for Las Vegas Wash activities in fiscal year 2012/2013.**

6. **Approve a grant and cooperative agreement between the United States Geological Survey and the Authority to accept funding for aerial imagery acquisition of the Las Vegas Valley in support of the Water Smart Landscape Program, and authorize the General Manager to approve future modifications to the agreement only if future modifications do not fiscally impact the Authority.**

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendations, but to consider item 7 separately. The motion was approved.

7. **Approve Amendment No. 3 to the existing agreement between Spring Valley Associates, LLC, and the Authority, increasing the annual not-to-exceed amount to $850,000 and authorize the General Manager to approve future modifications to the agreement only if future modifications do not fiscally impact the Authority.**

Director Sisolak clarified that this amendment was specific to the Authority's northern resource properties and asked why additional funds were needed to support the agreement. John Entsminger noted that the Spring Valley Associates agreement includes all ranch-related labor.

Previously, the Robinson Ranch property was leased to another party. Recently, the Authority acquired full management of the ranch again, which equates to operating an additional 90,000 acres of property and grazing allotments, in addition to an increase of cattle and other animals. In anticipation of the expiring lease, the Authority included the additional amount in this year's budget to cover the additional labor expenses incurred to manage the property.

Director Sisolak asked if the funds are being used to purchase expertise to run the properties or for more product. Mr. Entsminger clarified that the funds will be used to provide the manpower to grow additional alfalfa, with the intention of producing more revenue.

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendation. The motion was approved.

8. **Approve a takeover agreement between Safeco Insurance Company of America and the Authority providing for Safeco's acceptance of contractual obligations remaining to be performed, and accept all construction work required to be performed under Contract No. 340A 04 C1, Coyote Spring Valley Well and Moapa Transmission System – Moapa Treatment Facility.**

Director Sisolak asked what the Authority does with the savings from this agreement and others after completion of the project. Mr. Entsminger replied that the savings remains in the New Expansion Debt Service until it is expended by another project. Director Sisolak noted that he would prefer the savings not be expended by another project, but instead used towards paying down debt service.

Chair Buck requested an agenda item to discuss where these types of savings are placed within the Authority's budget for a future agenda.

FINAL ACTION: A motion was made by Director Sisolak to follow staff's recommendation. The motion was approved.

9. Approve the 2012 Amended Facilities and Operations Agreement, in substantially the same form, among the City of Boulder City, the City of Henderson, the Las Vegas Valley Water District, the City of North Las Vegas, and the Authority.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

10. Approve the Second Power Exchange Agreement between the Authority and Nevada Power Company, doing business as NV Energy, to exchange power, enabling the Authority to manage its power costs effectively and with more reliable delivery.

Director Sisolak asked if there was an assessed valuation of the Silverhawk facility. Scott Krantz reported that the Authority spent approximately $110 million for the agency's portion of the plant. He described the modeling efforts that evaluate the plant's costs include operation and maintenance as well as the value it provides to the organization over the next ten years. If the agreement is approved, Mr. Krantz reported that the Authority would receive an added value of $600,000 of power supplies and managed risks.

Director Sisolak asked if bond proceeds were used to purchase the power plant. Mr. Entsminger indicated that he was unsure how the Silverhawk facility was purchased and would need to review the original funding agreement. Director Sisolak asked staff for a complete list of the projects and activities that were funded with bond proceeds.

Director Collins asked Mr. Krantz to clarify a comment made regarding the Authority's initial purchase of the plant at a discount. Mr. Krantz reported that many power plants were constructed as a result of high power costs. With a large number of plants, owners were forced to sell the plants at significant discounts and NV Energy was the only buyer able to purchase these plants.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

11. Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, and on the development of in-state water resources.

John Entsminger, Senior Deputy General Manager, provided the Board with an update of drought conditions and local water use information. A copy of his presentation is included with these minutes. Mr. Entsminger also gave the board an update on the accident at the intake site.

NO ACTION REQUIRED

Public Comment

Brian McAnallen, Las Vegas Chamber, spoke in opposition to the infrastructure surcharge, specifically the fireline issue and its effects on local businesses.

Director Bateman noted the challenge of making up lost revenue on businesses and residents.

Mary Alderman expressed frustration with a bill insert she received characterizing the impacts to customers.

Johnathan Friedrich expressed his frustration with the infrastructure surcharge and the amount of time taken in response to a leak located on Driftwood Drive.

Alisa Sigmund, Watch Me Grow daycare, discussed how the infrastructure surcharge has affected her business in North Las Vegas and hopes for a more equitable resolution.

Richard Lozo discussed his frustration with water rates and noted poor management at the Authority.

A representative of EJM Development noted his confusion on how the fireline rates were developed. John Entsminger noted that the issue would be discussed at the July board meeting.

Adjournment
There being no further business to come before the board, the meeting adjourned at 10:34 a.m.

APPROVED:

Shari Buck, Chair

Patricia Mulroy, General Manager

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager's office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.

Windows Live™ Hotmail (0) Messenger (0) SkyDrive | MSN

Mary

Hotmail

Inbox

Folders

Junk (3)

Drafts (3)

Sent

Deleted (3)

Craigs List

New folder

Quick views

Documents

Flagged

Photos

Shipping updates

New category

Messenger

You're signed in to Messenger. To change your status, click your name in the upper right corner.
Keep me signed in | Sign out of Messenger

Search contacts

Your friends are offline right now.

Sign out of Messenger

Home

Contacts

Calendar

New | Reply Reply all Forward | Delete Mark as Move to Categories |

RE: Mary Joy Alderman- Re: Water infrastructure rates

Back to messages |

Mary Alderman
To giunchigliani@aol.c...

6:38 PM
Reply

Really Chris? Before going to the board meeting I spoke to the head of the meter department who not only informed me that it costs alot to do these conversations (which are not free because the costs are passed down) but also that since my property is 1 acre and the meter is about 145 feet from the house, my service wouldn't get to me as it previously has. Converting isn't an option. I am the only person in this town paying $36 for 1000 gallons of water and that isn't right. I will go to every meeting I am informed of and continue to fight for the common folk which I thought you would do. I intend to go to the water district meeting in the morning if I can make it on my bike and address their entire board. Let the c.c. of this e-mail to Ms. Mulroy and Ms. Wilcox serve as notice of that.
Sincerely, Mary Joy

CC: patricia.mulroy@lvvwd.com; julie.wilcox@lvvwd.com
From: giunchigliani@aol.com
Subject: Re: Mary Joy Alderman- Re: Water infrastructure rates
Date: Mon, 18 Jun 2012 16:45:48 -0700
To: lovelasvegas1@hotmail.com

Tx for copying me. I do think in your case MAry Joy it might make sense to covert. Your choice.
Chris

Sent from my iPhone
Giunchigliani

On Jun 11, 2012, at 3:31 PM, Mary Alderman <lovelasvegas1@hotmail.com> wrote:

Mrs. Mulroy.

Thank you for taking the time to respond to me, however I have already spoken to one of the heads of meter installation who told me that would be very costly for your department and believe it or not I am not only conservative for myself but for everyone.

Your company replaced my meter back in 2007 even though there was NOTHING wrong with it. That replacement meter presently has 64,000 gallons used on it. To replace it as you say for "free" is ludicrous. We both know the costs will be passed on to the customers. Your people and certainly you and your department heads don't work for free. I don't expect that, I am just saying let's be real.

A few years back as a conservation effort for this community, I removed about 3/4 acre of grass. Your company would not pay me 1cent because I wouldn't install water efficient plants. Instead I chose to be a true conservationiist with real desert landscaping. It is called
dirt. It is compacted just like the real desert and doesn't blow away.

I truly wish that you could realize I am not out to get something for nothing. My usage is the same year round, I don't water outside. I only use the water necessary for hygiene and staying alive I should not have to pay $36 a gallon for it. I am a lifelong Las Vegas resident, concerned for all the residents and for our children and grandchildren in the future.

I feel I have done my part where water conservation is concerned and I do not feel that the company you head has done their part for me or anyone else with a 1" line using less than 2,000 gallons a month. I am hopeful that the commission will be forthcoming with a solution that is fair and equitable.

Please advise me when you would like to meet to find a beneficial path.

Very Sincerely,

Mary Joy Alderman

Subject: Re: Mary Joy Alderman- Re: Water infrastructure rates
From: Patricia.Mulroy@lvvwd.com
Date: Sun, 10 Jun 2012 16:17:47 -0700
To: lovelasvegas1@hotmail.com

Mrs. Alderman - If you have a 1 inch meter and use that little water you are a rare customer. For the most part our 1 inch customers use considerably more water and enjoy the benefit our 1 inch

customers enjoy of buying more water in the first tier (which is our lowest tier). So if you are really using that little water I would recommend that you look into downsizing your meter to a 3/4 inch which we will do for you for free. Most of our 1 inch customers don't do it because they jump through the tiers much faster and end up paying more. A 1 inch customer is afforded more water in the cheaper tiers than a 3/4 inch customer. But if you are using 3,000 gallons even in the summer, I highly recommend you look at downsizing your service. We will be happy to meet with you and using your actual bill find the most beneficial path for you.
Pat Mulroy

From: Mary Alderman [lovelasvegas1@hotmail.com]
Sent: 06/10/2012 03:54 PM MST
To: Patricia Mulroy; Julie Wilcox
Subject: FW: Mary Joy Alderman- Re: Water infrastructure rates

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Mrs. Mulroy and Ms. Wilcox:

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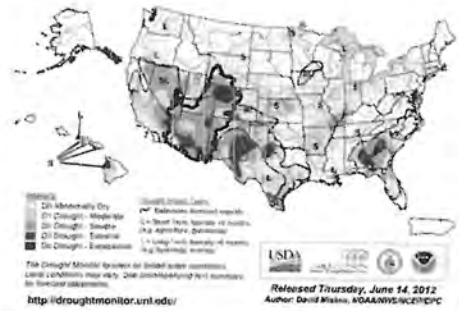
I feel that the following would be one fair solution for all residential services with a 1" line:
If these residences can show over a year's time that they use an average of less than 3 thousand gallons per month, they shall be billed at the same rate as a 3/4 inch line. If at the end of any year, they exceed that usage, they will be billed for the difference. This is a fair way to compensate someone who by no fault of their own has a 1" line, especially on homes over 50 years old. It would reflect true conservation.

In examining the SNWA infracstructure charge sheet mailed to me by Ms. Wilcox, it is very notable that the 1" line is the ONLY one that increases almost 400% over the previous 3/4" rate. All the rates that follow increase by around 200% or less. WHY?
Ms. Wilcox's letter also states that the infracture charge is critical for future water delivery. I, however, believe that one charge for all residences up to 1 inch and then an increase in the actual rate for the water used makes far more sense. There is NO way for someone like me who uses minimal amouunts of water to ever be on a level playing field with the 5/8 or 3/4" resident. With the

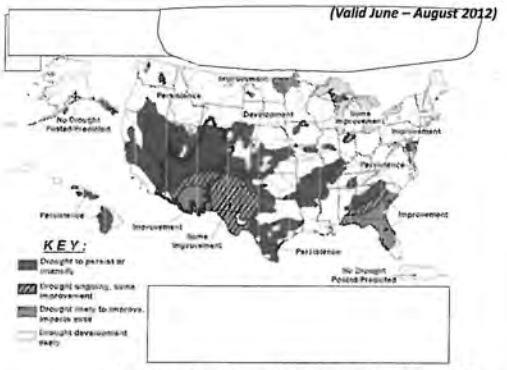
Update on Drought Conditions and Water Use

June 21, 2012

Drought Monitor



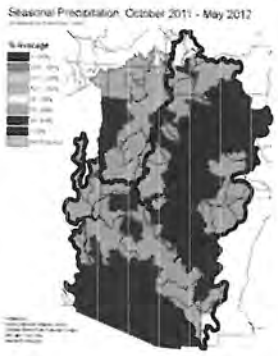
Seasonal Drought Outlook



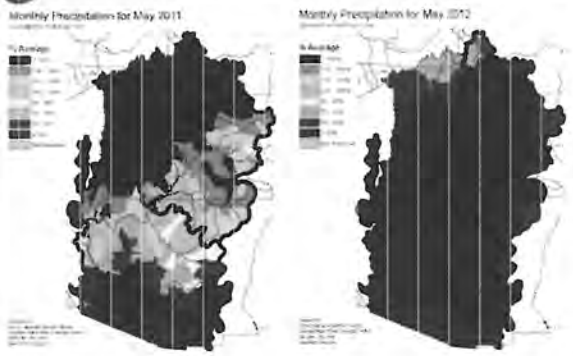
Source: National Oceanic Atmospheric Administration and the U.S. Department of Commerce

Colorado River Basin Conditions

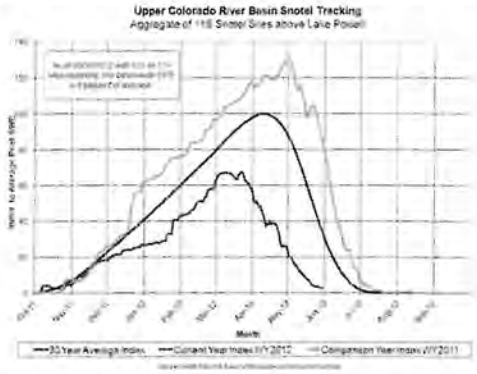
- **May inflow to Lake Powell:** 34% of average
- **Snow pack:** N/A
- **Water Year 2012 Precipitation:** 71% of average
- **Forecasted Water Year 2012 Inflow to Lake Powell:** 46% of average



Colorado River Basin -- Monthly Precipitation



Upper Colorado River Basin Snow Accumulation (May)



Precipitation and Inflow Forecast – Lake Powell

	2011 Water Year		2012 Water Year	
Month	Actual Precipitation	Inflows Forecast	Actual Precipitation	Inflows Forecast
Jan	140%	110%	75%	79%
Feb	127%	105%	84%	78%
Mar	119%	105%	86%	80%
Apr	118%	111%	78%	63%
May	125%	128%	74%	51%
Jun	126%	138%	71%	46%
Jul	128%	139%		
Aug	125%	142%		
Sept	123%	140%		
Actual	120%	139%		

Source: Bureau of Reclamation, Lower Colorado Water Supply Reports

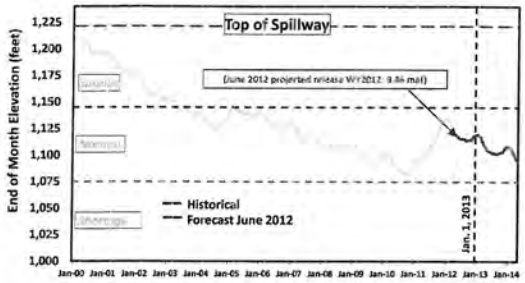
Lake Powell Elevations

January 2012 Calendar Year-End Forecast
3,640 feet

June 2012 Calendar Year End Forecast
3,615 feet

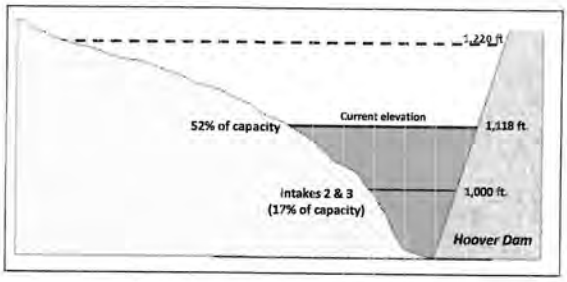
Lake Mead Elevations

(Historical and Forecasted)

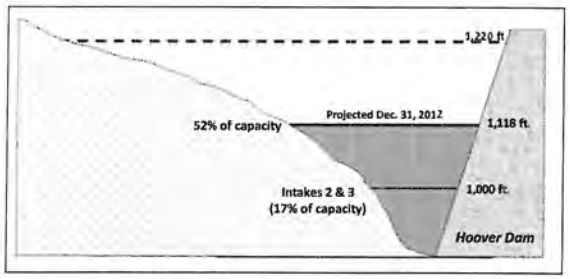


Source: Bureau of Reclamation, June 2012

Lake Mead Capacity

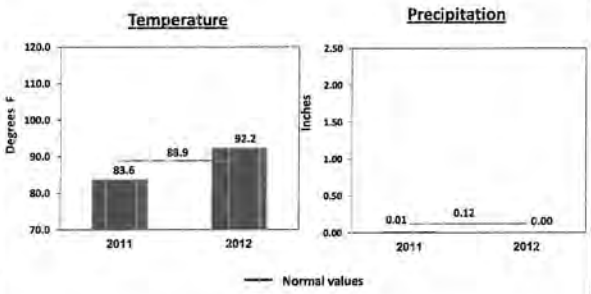


Lake Mead Capacity

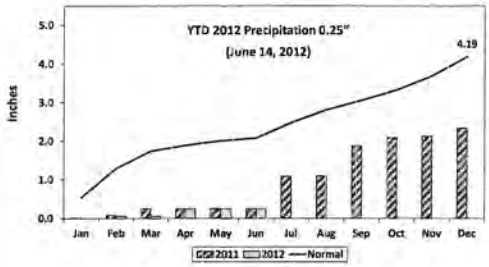


SNWA Water Use

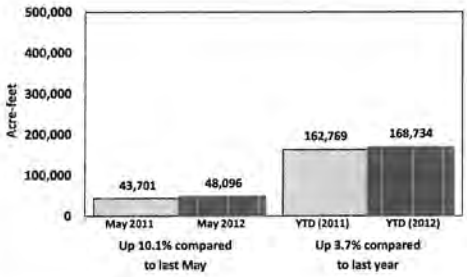
Weather Comparison (May 2012)



Annual Precipitation



SNWA Total Water Use



Questions?

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Appointment of Chairman and Vice Chairman, and Appointment of Authority Directors to the Colorado River Commission	**Director's Backup**
Petitioner: Patricia Mulroy, General Manager	
Recommendations: That the Board of Directors appoint a Chairman and Vice Chairman to preside over the Board of Directors for fiscal year 2012/2013, and appoint three directors to serve as commissioners of the Colorado River Commission for one-year terms.	

Fiscal Impact:
None by approval of the above recommendation.

Background:
Section 20(a) of the Authority's Cooperative Agreement (Amended 1995) requires the Board of Directors to appoint a Chairman and Vice Chairman from its membership. Currently, Director Shari Buck serves as Chair and Director Mary Beth Scow serves as Vice Chair.

NRS 538.051 provides for the appointment of three directors of the Authority to serve as commissioners on the seven-member Colorado River Commission (CRC). Currently, Directors Bob Coffin, Tom Collins and Duncan McCoy serve as Authority representatives on the CRC.

At this time, the Board is being asked to appoint a Chairman and Vice Chairman for fiscal year 2012/2013, and appoint three of its directors to serve as members of the Colorado River Commission for one-year terms.

This action is authorized pursuant to NRS 538.051 and Section 20(a) of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:

P Mulroy

Patricia Mulroy, General Manager
PM:PDS:JAW:AMB:DB:kh

AGENDA ITEM # 2

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Amendment	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	

Recommendations:
That the Board of Directors approve Amendment No. 1 to the existing agreement between EMA, Inc., and the Authority for professional engineering services for Project No. 300E, Control System Improvements, in an amount not to exceed $4,900,000 and extend the term of the agreement to December 31, 2014.

Fiscal Impact:
The previous commitment from the New Expansion Bond Fund in the amount of $10,499,000 will be increased to $15,399,000 if the above recommendation is approved. Adequate funds are available in the Bond Fund.

Background:
On February 19, 2009, the Board of Directors approved Agreement No. SNWA09-C-0167 with EMA, Inc. (EMA), in the amount of $10,499,000 for professional engineering services to support implementation of a multi-year, multi-phase, $33.6 million effort to replace the obsolete and aging control system for the entire Southern Nevada Water System. This effort is being accomplished in accordance with a Control System Master Plan (Master Plan) jointly developed in 2008 by EMA and the Authority to improve business and operational practices and implement a new Supervisory Control and Data Acquisition (SCADA) system to replace the Authority's existing system. The SCADA system provides for the operation of 31 pumping stations, 36 metering stations, and 2 automated treatment plants with minimum manpower while meeting purveyor water demands.

The 2009 authorization for EMA's services did not provide for the full scope of the project originally defined in the Master Plan. In keeping with the phased approach to this project, it was anticipated that subsequent phases of work would be authorized when needed based on a complete understanding of the selected system. The proposed amended scope of services includes work related to the unanticipated complexity and time required for activities such as program management, coordination of SCADA system and network suppliers, and support of network and cyber security testing.

Amendment No. 1 also authorizes and provides funding for EMA's additional services necessary to complete SCADA applications, including Waterflow 2.0; Process Automation Controller programming for the River Mountain Treatment Plant; program management services; and post implementation support, all as contemplated in the original Master Plan.

This amendment is being entered into pursuant to NRS 332.115(b) and Section 6 of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this amendment.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:RBH:RZ:DB:djt X0337
Attachments

AGENDA ITEM # 3

DISCLOSURE OF RELATIONSHIP

Business Entity Type						
☐ Sole Proprietorship	☐ Partnership	☐ Limited Liability Company	☑ Corporation	☐ Trust	☐ Non-Profit Organization	☐ Other

Business Designation Group					
☐ MBE	☐ WBE	☐ SBE	☐ PBE	☐	☐
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise		

Corporate/Business Entity Name:	EMA, Inc.	
(Include d.b.a., if applicable)		
Street Address:	1970 Oakcrest Ave., Suite 300	**Website:** www.ema-inc.com
City, State and Zip Code:	Saint Paul, MN 55113	**POC Name and Email:** Larry Jentgen / LJentgen@ema-inc.com
Telephone No:	651.639.5600	**Fax No:** 651.639.5730
Local Street Address:	375 East Warm Springs, Suite 104 PMB#10	**Website:** www.ema-inc.com
City, State and Zip Code:	Las Vegas, NV 89119	**Local Fax No:** 702.924.2503
Local Telephone No:	702.994.1838	**Local POC Name and Email:** Rob Ivanovic / RIvanovic@ema-inc.com
Number of Clark County, Nevada Residents Employed: 6		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the SNWA Board of Directors.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Terrance M. Brueck	President/CEO/Chairman of the Board	100% ESOP owned
Clyde S. Younkin	COO/Secretary/Treasurer	100% ESOP owned
Craig E. Yokopenic	Executive Vice President	100% ESOP owned
Judith Casio	Executive Vice President	100% ESOP owned
Timothy S. Payne	Executive Vice President	100% ESOP owned
Melanie R. Rettie	Executive Vice President	100% ESOP owned
Brian Hurding	Vice President	100% ESOP owned
Mark Waronker	Vice President	100% ESOP owned
David DiSera	Vice President	100% ESOP owned
Nancy Lerner	Vice President	100% ESOP owned
Calvin Rooker	Vice President	100% ESOP owned

This section is not required for publicly-traded corporations.

1. Are any individual members, partners, owners or principals, involved in the business entity, an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☑ No (If yes, please note that SNWA employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☑ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

DISCLOSURE OF RELATIONSHIP

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the SNWA will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Signature

Lawrence A. Jentgen
Print Name

Principal Consultant/Program Manager
Title

June 27, 2012
Date

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF SNWA EMPLOYEE OR OFFICIAL AND JOB TITLE	RELATIONSHIP TO SNWA EMPLOYEE OR OFFICIAL	SNWA EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A	N/A	N/A	N/A

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For SNWA Use Only:

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

DONALD BITTLE
Print Name
Authorized Department Representative

AMENDMENT OF AGREEMENT/WORK AUTHORIZATION

AMENDMENT/CHANGE NO.	AGREEMENT OR WORK AUTHORIZATION NO.
A001	SNWA09-C-0167
Amendment ☒ Change ☐	EFFECTIVE DATE: June 21, 2012
NAME AND ADDRESS OF CONTRACTOR: EMA, Inc. 4742 North Oracle Road, Suite 310 Tucson, AZ 85705-1675	ISSUED BY: Southern Nevada Water Authority 100 City Parkway, Suite 700 Las Vegas, NV 89106

CONTRACTOR IS ☒ IS NOT ☐ REQUIRED TO SIGN AND RETURN TO ISSUING OFFICE.

DESCRIPTION OF AMENDMENT/CHANGE:

Clause 8.0, COMPENSATION, as set forth in Exhibit B of the Agreement, is amended to provide additional funds in the amount of $4,900,000. The Scope of Work in Exhibit A of the Agreement is amended in accordance with the attached Scope of Services for professional services related to the additional application development of the Supervisory Control and Data Acquisition System (SCADA), field cutover, program management, post implementation support, and extend the Agreement to December 31, 2014.

Except as provided herein, all terms and conditions of the document referenced above, as heretofore changed, remains unchanged and in full force and effect.

AMOUNT OF AMENDMENT/CHANGE NTE $4,900,000	IF REVISED, COMPLETION DATE December 31, 2014

APPROPRIATION DATA:

Previous Funding	NTE $10,499,000
Current Funding	NTE $ 4,900,000
Total Funding	NTE $15,399,000

Approved as to legality.

5·29·12

Mari K. Bochanis, Project Counsel
for the Southern Nevada Water Authority — Date

NAME & TITLE OF SIGNER *(Type or Print)*		NAME & TITLE OF AUTHORITY OFFICIAL *(Type or Print)*	
Lawrence Jentgen, Principal In Charge *EMA, Inc.*		*Shari Buck, Chair*	
Lawrence Jentgen	5/25/12		
SIGNATURE OF PERSON AUTHORIZED TO SIGN	*DATE*	*AUTHORITY OFFICIAL*	*DATE*

Scope of Services
Program Management and Application Software Development/Test Support
Project 300E, Procurement and Installation of Supervisory and Data Acquisition System
(5-23-12)

This document defines the scope for additional Project 300E consulting services performed by EMA, Inc. and EMA's Subconsultant, Argus Engineering, Inc.

Task 1: SCADA System Application Software Development
Additional effort not included in EMA's February 2009 contract is required to complete development of the SCADA system application software (graphics, database) consistent with the Emerson Ovation System purchased by SNWA in 2010. This effort includes:

1. Conversion of the existing 108,000 point TIS-4000 SCADA database to accommodate dual Ovation and SCADA databases, new tag naming scheme, tag description redefinition, reduction of point counts in association with current business processes, institution of a new alarm management philosophy, point attribute redefinition, configuration of security groups by point, analysis/clean-up of undefined legacy points, redefinition and expansion of points associated with PAC/PCP upgrades, and unit conversion of analog data, including design, programming and field/bench testing of the Ovation database and graphics.
2. Creation of additional graphic displays associated with building the Human Machine Interface (HMI) using the Emerson Ovation System. Individual display count included process graphics and individual control pop-ups that counted as individual displays in the Ovation System. The following is the graphic display count for the SCADA System:
    a. Transmission – 1,434
    b. AMSWTF – 1,002
    c. RMWTF - 951
3. Development and mass conversion of multiple instances of the real-time database from the TIS-4000 to Emerson Ovation Temporary Application Systems (TAS) and Master Stations staged in Pittsburgh.
4. Resolving Ovation product issues associated with the large implementation of SCADA server software.
5. Development and testing of a 180,000 point database, associated graphics and field device software required for System Factory Acceptance Testing (SFAT) of the Ovation System in Pittsburgh.
6. Design, programming, and bench/system/field testing of Water Flow 2.0. This application includes manual and automatic control of the SNWA Transmission System. The cost for this application software, $848,000, was partially funded through the use of $500,000 in contingency funding and shifting another $348,000 in other project funds.

Cost Estimate Assumptions:
Cost estimate for Task 1 is $1,444,000.

Task 2: Conversion of TIS-4000 Application Programs to Ovation
This task includes conversion of Application Programs, currently operating on the TIS-4000 system, to Ovation. Programming, testing and documentation of the Application Programs running on the Ovation system are included in the estimate. This work was not included in EMA's February 2009 Contract.

Cost Estimate Assumptions:
Cost estimate Task 2 is $228,000.

Task 3: Conversion of TIS-4000 Function Index Displays to Ovation
This task includes conversion of Function Index Displays, currently operating on the TIS-4000 system, to Ovation. Programming, bench testing and field testing of the 58 Function Index Displays is included in the estimate. This work was not included in EMA's February 2009 Contract.

Cost Estimate Assumptions:
Funding of $82,882 in three tasks in the existing contract shown below was transferred to reduce the cost of this task:

- *1.4.2 Data Historian and Data Management System Requirements*
- *1.4.3 Alarm Management Requirements from Alarm Management Requirements*
- *1.5.2 System Integration Plan*

No additional work will be performed on tasks 1.4.2, 1.4.3, and 1.5.2. Cost estimate for Task 3 is $70,000.

Task 4: SCADA System Supplier Contract Management & Coordination
Additional time, from the February 2009 contract estimate, was required to coordinate activities of the SCADA System and Network Suppliers. Extensive involvement in submittal development, test plans, and general coordination has been required. The additional cost included in this estimate assumes significant project work with the SCADA System Supplier which will be completed after completion of Site Acceptance Test Phase 2 (Current Schedule April 2013).

Cost Estimate Assumptions:

1. *An overage of $136,000 has accumulated on this task of as of 2/29/12.*
2. *Estimate includes George 12 hrs/mo for 14 months, Dobson 16 hrs/mo for 14 months commencing March 2012.*

Cost estimate for Task 4 is $254,000.

Task 5: Extended Duration for the System Factory Acceptance Test (SFAT)
The SFAT will require an extended duration to support network and cyber security testing that was rescheduled from the Network Factory Acceptance Test (NFAT). This will require additional time for EMA's Senior Project Engineer and Network/Security Analyst. An additional 240 hours is estimated to monitor and participate in this testing.

Cost Estimate Assumptions:
The labor breakdown is the following: Dobson 120 hours, George 120 hours
Cost estimate for Task 5 is $64,000.

Task 6: Post Implementation Support for On-Site EMA SCADA Software Team

The Las Vegas SCADA Software Team, Fontanez and Ivanovic, are budgeted for master station software development through system go-live in March 2013. This task covers continuation of SCADA software support through December 2013. Work conducted during this period includes enhancements to the application software after system go-live and master station software support associated with conversion of RTUs to new Process Automation Controllers (PACs). Also included is post implementation support from Argus Engineering, Inc. This work was not included in EMA's February 2009 Contract.

Cost Estimate Assumptions:
The labor breakdown is the following: Ivanovic 800 hrs, Fontanez 800 hrs, Bolding 800 hrs
The cost estimate for Task 6 is $456,000.

Task 7: Process Automation Controller (PAC) Programming and Bench Testing for Cutover of Treatment RTUs to PACs

The existing February 2009 contract included a budget for PAC control narrative descriptions, PAC software programming and bench testing at AMSWTF. This estimate was prepared prior to design of Process Control Panels (PCP), definition of new control strategies for the treatment plants, and transition approach from RTUs to PAC/PCPs at RMWTF. Work at RMWTF was defined in Period 2 of the Control System Master Plan and was not included in EMA's February 2009 Scope. This task includes programming, bench testing and documentation of software associated with new process control narratives at RMWTF.

Cost Estimate Assumptions:
The cost estimate assumes that SNWS Maintenance Engineering will be responsible for field installation and testing of the PAC software. Cost estimate for Task 7 is $1,669,000.

Task 8: Extended Program Management

The February 2009 contract included Program Management for 36 months. This task extends the duration for Program Management from March 2012 to July 2014. The cost estimate is based on 80 - 120 hours/month for EMA's Program Manager and 24 hours/month for EMA's Project Coordinator through completion of the Ovation Operational Availability Demonstration (Current Schedule August 2013). From September 2013 to July 2014 this time commitment is reduced to 40 hours/month for EMA's Program Manager and 24 hours/month for EMA's Project Coordinator.

Cost Estimate Assumptions:
The labor breakdown is the following: Jentgen 120 hrs/mo for 6 months, 80 hrs/mo for 12 months and 40 hrs/mo for 10 months, Valencia 24 hrs/mo for 28 months.
Cost estimate for Task 8 is $715,000.

Cost Summary

TASK	COST
Task 1: SCADA System Application Software Development	$1,444,000
Task 2: TIS Application Software Conversion to Ovation	$228,000
Task 3: Convert TIS-4000 Function Index Displays to Ovation	$70,000
Task 4: SCADA System Supplier Contract Management & Coordination	$254,000
Task 5: Extended Duration for the System Factory Acceptance Test (SFAT)	$64,000
Task 6: Post Implementation Support for On-Site EMA/Argus SCADA Software Team	$456,000
Task 7: PAC Software Development - AMSWTF & RMWTF	$1,669,000
Task 8: Extended Program Management	$715,000
TOTAL	$4,900,000

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Agreement	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors approve a grant and assistance agreement between the Bureau of Reclamation and the Authority to accept funding for aerial imagery acquisition of the Las Vegas Valley in support of the Water Smart Landscape Program, and authorize the General Manager to approve future modifications to the agreement only if future modifications do not fiscally impact the Authority.	

Fiscal Impact:

Over a three-year period, the Bureau of Reclamation will provide up to $75,000 to the Authority for aerial imagery acquisition of the Las Vegas Valley; the grant is contingent on the Authority expending matching funds up to an amount not to exceed $150,000. The matching funds are available in the Authority's 2013 Operating Budget.

Background:

High resolution aerial imagery has been used as an integral part of the Authority's Water Smart Landscape Program for much of the past decade. In recent years, the Authority has partnered with other local and federal agencies in obtaining high resolution aerial imagery.

In 2011, the Bureau of Reclamation (BOR) expressed interest in assisting the Authority with acquiring aerial imagery of the Las Vegas Valley and surrounding areas in Clark County. To start the process of finding a qualified company to acquire the digital aerial imagery, a Request for Proposal (RFP) was released by the Authority in December 2011. Based on their response to the RFP, Sanborn Map Company, Inc. (Sanborn), was selected to provide the required services by a team comprised from representatives of the City of Henderson, the City of Las Vegas, the United States Geological Survey, and the Authority. On March 12, 2012, Sanborn and the Authority entered into an agreement for an amount not to exceed $70,000 for digital aerial imagery services. In June 2012, the Authority received BOR notification of a grant in an amount not to exceed $75,000 to be used for costs incurred to acquire aerial imagery for a three-year period.

At this time, the Board of Directors is being asked to approve the attached Grant and Assistance Agreement, which includes the provisions necessary for the Authority to obtain this federal funding.

This agreement is being entered into pursuant to NRS 277.180 and Section 6 of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this agreement.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:RBH:KAA:GAF:CH:kv
Attachment

AGENDA ITEM # 4

7-2279 (12-2011)
Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

1A. AGREEMENT NUMBER	1B. MOD NUMBER	2. TYPE OF AGREEMENT	3. CLASS OF RECIPIENT
R12AP30009	N/A	☒ GRANT ☐ COOPERATIVE AGREEMENT	Special District Government

4. ISSUING OFFICE
Bureau of Reclamation
Lower Colorado Region
P.O. Box 61470
Boulder City, Nevada 89006-1470

5. RECIPIENT
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

EIN #:	88-0278492	County:	Clark
DUNS #:	135965650	Congress. Dist:	01

6. ADMINISTRATIVE POINT OF CONTACT
Ms. Shawna M. Thompson, LC-10101
Grants Officer
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: 702-293-8570; Email: smthompson@usbr.gov

7. RECIPIENT PROJECT MANAGER
Ms. Kathy Flanagan
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
Phone: 702-258-3173; Email: kathy.flanagan@snwa.com

8. GRANTS OFFICER TECHNICAL REPRESENTATIVE
Ms. Tina Mullis, LC-2731
Program Manager (Water Resources)
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: 702-293-8139; Email: tmullis@usbr.gov

9A. INITIAL AGREEMENT EFFECTIVE DATE:
See Block 17a

9B. MODIFICATION EFFECTIVE DATE:
N/A

10. COMPLETION DATE
November 30, 2015

11A. PROGRAM STATUTORY AUTHORITY:
P.L. 111-11 Omnibus Public Lands Management Act of 2009, Sec. 9504(a)(1)(A)-(H)

11B. CFDA Number
15.530

12. FUNDING INFORMATION	RECIPIENT/OTHER	RECLAMATION
Total Estimated Amount of Agreement	$240,500.00	$75,000.00
This Obligation	$73,000.00	$25,000.00
Previous Obligation	$0.00	$0.00
Total Obligation	$73,000.00	$25,000.00
Cost-Share %	76%	24%

13. REQUISITION NUMBER
12300270026

14A. ACCOUNTING AND APPROPRIATION DATA
A10-1971-6300-100-00-0-0
3002700
411G

14B. TREASURY ACCOUNT FUNDING SYMBOL
14X0680

15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT:

Title: Water Smart Landscapes Program Aerial Imagery Project (Project)

Purpose: This Grant Agreement (Agreement) is provided under Reclamation's Water Conservation Field Services Program to the Southern Nevada Water Authority (SNWA) to implement a water conservation initiative from its Water Conservation Plan. SNWA will hire a contractor to take aerial imagery photos in Clark County, Nevada, including the Las Vegas metropolitan area, Boulder City and Laughlin. The total collection area is approximately 590 square miles of both natural color and color-infrared (CIR) imagery. This Project allows SNWA to look at land cover and target locations that can be direct marketed for turf conversion rebates and other water saving measures. The data collected through this program is also used by SNWA to help determine landscape conversion areas and to calculate area square footage for conversion to support WaterSmart Rebate Program payments. The Agreement will provide federal funds for three years of aerial imagery, $25,000 each year. Subsequent funds will be made available for payment through written modifications to this agreement by a Reclamation Grants Officer, subject to the availability of Congressional appropriations.

16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient

BY _____

DATE _____

17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation

BY _____

DATE _____

16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER
Patricia Mulroy, General Manager
702-258-3100
☐ Additional signatures are attached

17b. NAME OF GRANTS OFFICER
Shawna M. Thompson, Grants Officer
702-293-8570

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Grant Agreement
Between
Bureau of Reclamation
And
Southern Nevada Water Authority (SNWA)
For the
Water Smart Landscapes Program Aerial Imagery Project (Project)

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Grant Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as "Reclamation," and the Southern Nevada Water Authority, hereinafter referred to as the "SNWA," "Recipient," or "Grantee," pursuant to Section 9504 of the Secure Water Act, Subtitle F of Title IX of P.L. 111-11 Omnibus Public Lands. The following section, provided in full text, authorizes Reclamation to award this financial assistance agreement:

SEC. 9504. WATER MANAGEMENT IMPROVEMENT.

(a) Authorization of Grants and Cooperative Agreements –
(1) AUTHORITY OF SECRETARY – The Secretary may provide any grant to, or enter into an agreement with, any eligible applicant to assist the eligible applicant in planning, designing, or constructing any improvement - -
(A) to conserve water;
(B) to increase water use efficiency;
(C) to facilitate water markets;
(D) to enhance water management, including increasing the use of renewable energy in the management and delivery of water;
(E) to accelerate the adoption and use of advanced water treatment technologies to increase water supply;
(F) to prevent the decline of species that the United States Fish and Wildlife Service and National Marine Fisheries Service have proposed for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (or candidate species that are being considered by those agencies for such listing but are not yet the subject of a proposed rule);
(G) to accelerate the recovery of threatened species, endangered species, and designated critical habitats that are adversely affected by Federal reclamation projects or are subject to a recovery plan or conservation plan under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) under which the Commissioner of Reclamation has implementation responsibilities; or
(H) to carry out any other activity
(i) to address any climate-related impact to the water supply of the United States that increases ecological resiliency to the impacts of climate change; or

(ii) to prevent any water-related crisis or conflict at any watershed that has a nexus to a Federal reclamation project located in a service area.

2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION

SNWA will utilize this Agreement under the Water Conservation Field Services Program (WCFSP) to implement initiatives from its Water Conservation Plan (Plan) to help its water conservation goals to reduce water use associated with the Colorado River watershed. This Project allows SNWA to look at land cover and target locations that can be direct marketed for turf conversion rebates and other water saving measures. The data collected through this program is also used by SNWA to help determine landscape conversion areas and to calculate area square footage for conversion to support WaterSmart Rebate Program payments. This Project will help the SNWA meet the goals outlined in its Water Conservation Plan.

The WCFSP actively encourages water conservation and the efficient use of water supplies directly associated with Reclamation water projects, in accordance with WTR 01-02 Administering the WCFSP, Section 3. The primary purposes of the WCFSP are to:

A. Assist in developing effective water management and conservation plans;
B. Promote and support water education and training;
C. Demonstrate conservation technologies; and
D. Encourage and promote implementation of water efficiency measures.

These actions meet the objectives of Reclamation's WCFSP by improving water management.

3. BACKGROUND AND OBJECTIVES

SNWA's Application Package and Proposal were submitted under Funding Opportunity Announcement, Requests for Proposals Number R12SF30005 for Reclamation's Financial Assistance Program for Fiscal Year 2012 under the WCFSP for the Lower Colorado Region, Resources Management Office, Planning and Program Management Group. It was evaluated according to the FOA. After review and rating by an Application Review Committee, the Program Manager recommended it for award as it met the program criteria and Reclamation's mission to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American Public.

SNWA is working to improve water conservation and water management through implementing activities from its Water Conservation Plan. SNWA's Conservation Plan includes this Project as a water conservation initiative designed to directly support highly successful, ongoing water conservation rebate programs that result in water savings and per capita use reductions.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of federal funding for this agreement is $75,000, of which the initial amount of federal funds available is limited to $25,000 as indicated by "this obligation" within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this agreement by a Reclamation Grants Officer.

5. SCOPE OF WORK AND MILESTONES

This Agreement will be utilized by the SNWA to implement a water conservation initiative from its Water Conservation Plan. SNWA will hire a contractor to take aerial imagery photos in Clark County, Nevada, including the Las Vegas metropolitan area, Boulder City and Laughlin. The total collection area is approximately 590 square miles and falls within the USGS's Great Basin Integrated Landscape Monitoring priority area (area map attached). It will include natural color and color-infrared (CIR) imagery and allows the SNWA to identify large lawn coverage areas, as well as densely covered vegetation areas. Identification of these areas allows the SNWA to look at land cover for the service area, and target locations that can be marketed for turf conversion and water savings. The data collected through this program is also used by SNWA to help determine landscape conversion areas and to calculate area square footage for conversion to support WaterSmart Rebate Program payments. Water conserved through the WSL Program results in long-term recurring benefits to the community, and provides for more effective use of the community's limited water resources. The collected data is also used for a wide variety of mapping and analytical purposes like urban forest coverage, heat-island, and other studies. The Agreement will fund three years of aerial imagery, from December through November, for $25,000 each year. Funding in future years is subject to the availability of Congressional appropriations.

The following details the project timeline and process that will be used to acquire and process the imagery:

Imagery Acquisition – An aerial imagery acquisition totaling about 590 square miles of the Las Vegas metropolitan area will be acquired from a vendor. This firm will be selected from a competitive Request For Proposal (RFP) process conducted by SNWA.

Project Timeline – The following details the estimated timeline for project implementation. Aerial collection tasks will be performed between April 1 and April 30 of each year coinciding with beginning of growing season in the Mojave Desert.

Task	**Date – Each Year from 2012-2015**
RFP Preparation	August-November
RFP Released	December
RFP Review	January
Contractor Selection	February
SNWA Board Approval	February
Project Planning and Survey Work	Feb–March
Imagery Acquisition	April
Processing of sample tiles for inspection	May
Processing and rectification of Las Vegas Valley Imagery (Delivered in four installments)	June–July
Processing of Boulder City and Laughlin Imagery	August
Reprocessing of any tiles with errors Identified	September-October
Project Completion Date/Total	November 30, 2015

Conditions During Acquisition – Color aerial photography will not be captured when the sun angle is less than thirty-five (35) degrees above the horizon. Photography will take place when atmospheric conditions are such that clear and well defined images can be obtained. Photography will not be acquired when the ground is obscured by clouds, fog, smog, haze, or dust. SNWA will use existing program requirements for assuring proper imagery resolution and quality assurance techniques are met.

Imagery Specifications – The following outline imagery specifications:

1. Six-inch resolution, natural-color imagery and color-infrared imagery (about 590 tiles total), delivered in GeoTIFF format.
2. FGDC compliant metadata for each imagery product.
3. Aerotriangulation data, if used for image rectification.
4. Source reports, including calibration, camera station control, supplemental ground control, flight diagram, and photography supplemental report.

Imagery Processing - Processing the imagery in the defined project area is a large-scale process, which includes the following steps:

1. More than 3,000 digital frames will be acquired for a defined project area.
2. Identify best color-balance for areas captured, prior to processing.
3. Process data, including georectifying each frame to real-world coordinates. This is done through a combination of ground-based and aerial-based Global Positioning System (GPS) data collection, and using other georectified data like roads or parcels.

4. Manually selecting the best digital frames (according to numerous factors, including clarity, shadowing, color balance, building tilt angle, and other items) to help construct the overall imagery dataset.
5. "Stitch" the best images together to make complete tiles of the project area. Each tile is approximately 1 square mile, and can consist of multiple images, with a total of about 590 tiles for this project.
6. Color processing, including performing automated color-balancing on each tile to even out color differentiation between multiple images used in a tile to ensure proper color balance and tone.
7. Quality assurance of imagery is performed, including ensuring horizontal accuracy of imagery according to contract specification (five on average), and proper color balance and tone.
8. Final acceptance of imagery.

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall carry out the Scope of Work in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the Scope of Work contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.2 Reclamation Responsibilities

6.2.1 Reclamation will monitor and provide federal oversight of activities performed under this Agreement. Monitoring and oversight includes review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the Scope of Work. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the Recipient's request, Reclamation may also provide technical assistance to the Recipient in support of the Scope of Work and objectives of this Agreement.

6.2.2 Substantial involvement between Reclamation and the Recipient is not anticipated during the performance of this Agreement.

7. BUDGET

7.1 Budget Estimate. The following is the estimated budget for this Agreement. As federal financial assistance agreements are cost-reimbursable, the budget provided is for estimation purposes only. Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this agreement must be in accordance with any pre-award clarifications conducted between the Recipient and

Reclamation, as well as with the terms and conditions of this agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this agreement is the responsibility of the Grants Officer. Recipients are encouraged to direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.

Budget Detail:

BUDGET ITEM DESCRIPTION	COMPUTATION		RECIPIENT FUNDING	RECLAMATION FUNDING	TOTAL COST
	$/Unit and Unit	Quantity			
SALARIES AND WAGES –					
Data Resources Supervisor/Analyst II - two employees-average cost.	$50.00/hr.	600	$30,000.00		$30,000.00
Fringe Benefits paid by the recipient.					$0.00
Subtotal					$30,000.00
CONTRACTUAL – Hire contractor using competition–estimate is based on prior contracts.					
Aerial Imagery Contract	$68,000	LS	$43,000.00	$25,000.00	$68,000.00
Indirect Cost will be paid by recipient.					$0.00
Subtotal PROJECT COSTS for FY2012 funding			**$73,000.00**	**$25,000.00**	**$98,000.00**
FY2013 Funding:					
Data Resources Supervisor	$50.00/hr.	600	$30,000.00		$30,000.00
Aerial Imagery Contract	$95,000	LS	$50,000.00	$25,000.00	$75,000.00
Subtotal PROJECT COSTS for FY2013 funding			**$80,000.00**	**$25,000.00**	**$105,000.00**
FY2014 Funding:					
Data Resources Supervisor	$50.00/hr.	600	$30,000.00		$30,000.00
Aerial Imagery Contract	$95,000	LS	$57,500.00	$25,000.00	$82,500.00
Subtotal PROJECT COSTS for FY2014 funding			**$87,500.00**	**$25,000.00**	**$112,500.00**
TOTAL PROJECT COSTS			**$240,500.00**	**$75,000.00**	**$315,500.00**

7.2 Cost Sharing Requirement

At least 50% non-federal cost-share is required for costs incurred under this Agreement. If pre-award costs are authorized, reimbursement of these costs is limited to federal cost share percentage identified in this agreement.

7.3 Pre-Award Incurrence of Costs

The Recipient is not authorized to incur costs prior to the award of this Agreement. Costs incurred prior to the award of this agreement are not allowable.

7.4 Allowable Costs (2 CFR Part §225)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following Office of Management and Budget (OMB) Circular, codified within the Code of Federal Regulations (CFR), governs the allowability of costs for Federal financial assistance:

2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments"

Expenditures for the performance of this Agreement must conform to the requirements within this Circular. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final report.

7.5 Changes (43 CFR §12.70).

(a) *General.* Grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.

(b) *Relation to cost principles.* The applicable cost principles (see 43 §12.62) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.

(c) *Budget changes.*

(1) *Nonconstruction projects.* Except as stated in other regulations or an award document, grantees or subgrantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a nonconstruction award:

(i) Any revision which would result in the need for additional funding.

(ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds $100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

(2) *Construction projects.* Grantees and subgrantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.

(3) *Combined construction and nonconstruction projects.* When a grant or subgrant provides funding for both construction and nonconstruction activities, the grantee or subgrantee must

obtain prior written approval from the awarding agency before making any fund or budget transfer from nonconstruction to construction or vice versa.

(d) *Programmatic changes.* Grantees or subgrantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:

(1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

(2) Need to extend the period of availability of funds.

(3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

(4) Under nonconstruction projects, contracting out, subgranting (if authorized by law) or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award, *unless included in the initial funding proposal.* This approval requirement is in addition to the approval requirements of 43 §12.76 but does not apply to the procurement of equipment, supplies, and general support services.

(e) *Additional prior approval requirements.* The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.

(f) *Requesting prior approval.*

(1) A request for prior approval of any budget revision will be in the same budget format the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.

(2) A request for a prior approval under the applicable Federal cost principles (see §12.62) may be made by letter.

(3) A request by a subgrantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee. If the revision, requested by the subgrantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the subgrantee's request.

7.6 Modifications

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 43 CFR 12.83.

All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

8. KEY PERSONNEL

8.1 Recipient's Key Personnel

The Recipient's Project Manager for this Agreement shall be:
Ms. Kathy Flanagan
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
Phone: 702-258-3258; Email: kathy.flanagan@snwa.com

Changes to Key Personnel require compliance with 43 CFR 12.70(d)(3).

8.2 Reclamation's Key Personnel

8.2.1 Grants Officer (GO):

Bureau of Reclamation
Attn: Ms. Shawna M. Thompson
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Telephone: 702-293-8570; E-mail: smthompson@usbr.gov

(a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:

(1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;

(2) Approve through formal modification changes in the scope of work and/or budget;

(3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;

(4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;

(5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;

(6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Bureau of Reclamation
Attn: Ms. Tina Mullis, LC-2731
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Telephone: 702-293-8139; E-mail: tmullis@usbr.gov

(a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:

(1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;

(2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;

(3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;

(4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;

(b) The GOTR does <u>not</u> have the authority to and may <u>not</u> issue any technical assistance which:

(1) Constitutes an assignment of additional work outside the scope of work of the Agreement;

(2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or

(3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

9. REPORTING REQUIREMENTS AND DISTRIBUTION

9.1 Noncompliance. Failure to comply with the reporting requirements contained in this Agreement may be considered a material non-compliance with the terms and conditions of the award. Non compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 43 CFR §12.83.

9.2 Financial Reports. Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

9.3 Monitoring and reporting program performance (43 CFR §12.80)

(a) *Monitoring by grantees.* Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

(b) *Nonconstruction performance reports.* The Federal agency may, if it decides that performance information available from subsequent applications contains sufficient information to meet its programmatic needs, require the grantee to submit a performance report only upon expiration or termination of grant support. Unless waived by the Federal agency this report will be due on the same date as the final Financial Status Report.

(1) Grantees shall submit annual performance reports unless the awarding agency requires quarterly or semi-annual reports. However, performance reports will not be required more frequently than quarterly. Annual reports shall be due 90 days after the grant year, quarterly or semi-annual reports shall be due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by a grantee, the Federal agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency.

(2) Performance reports will contain, for each grant, brief information on the following:

(i) A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required if that information will be useful.

(ii) The reasons for slippage if established objectives were not met.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(3) Grantees will not be required to submit more than the original and two copies of performance reports.

(4) Grantees will adhere to the standards in this section in prescribing performance reporting requirements for subgrantees.

(c) *Construction performance reports.* For the most part, on-site technical inspections and certified percentage-of-completion data are relied on heavily by Federal agencies to monitor progress under construction grants and subgrants. The Federal agency will require additional formal performance reports only when considered necessary, and never more frequently than quarterly.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

(e) Federal agencies may make site visits as warranted by program needs.

(f) *Waivers, extensions.*

(1) Federal agencies may waive any performance report required by this part if not needed.

(2) The grantee may waive any performance report from a subgrantee when not needed. The grantee may extend the due date for any performance report from a subgrantee if the grantee will still be able to meet its performance reporting obligations to the Federal agency.

9.4 Report Frequency and Distribution. The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

REQUIRED REPORTS	Interim Reports	Final Report
Performance Report		
Format	No specific format required. See content requirements within Section 9.3 (43 CFR 12.80) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (43 CFR 12.80) above.
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement
First Report Due Date	The first performance report is due for reporting period ending September 30, 2012	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov
REQUIRED REPORTS	**Interim Reports**	**Final Report**
Federal Financial Report		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed)
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement
First Report Due Date	The first Federal financial report is due for reporting period ending September 30, 2012.	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov

* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

10. REGULATORY COMPLIANCE

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable State, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

If during the course of any activities associated with the execution of this Agreement, **the Grantee becomes aware of the discovery** of any historic architectural and/or archaeological districts, sites, buildings, structures, or objects 50 years or older, the Grantee shall, **within the limits of its legal authority, request that activities immediately cease and consultation be conducted with the State Historic Preservation Office pursuant to 36 CFR Part 800.6.**

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the Recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the Recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the Recipient may begin implementation of the assisted activity. If the Recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this agreement for cause.

11. AGRICULTURAL OPERATIONS [Public Law 111-11, Section 9504(a)(3)(B)]

The Recipient shall not use any associated water savings to increase the total irrigated acreage of the Recipient or otherwise increase the consumptive use of water in the operation of the Recipient, as determined pursuant to the law of the State in which the operation of Recipient is located.

12. TITLE TO IMPROVEMENTS [Public Law 111-11, Section 9504(a)(3)(D)]

If the activities funded under this Agreement result in an infrastructure improvement to a federally owned facility, the Federal Government shall continue to hold title to the facility and improvements to the facility.

13. OPERATION AND MAINTENANCE COSTS [Public Law 111-11, Section 9504(a)(3)(E)(iv.)]

The non-Federal share of the cost of operating and maintaining any infrastructure improvement funded through this Agreement shall be 100 percent.

14. LIABILITY [Public Law 111-11, Section 9504(a)(3)(F)]

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

(b) **TORT CLAIMS ACT**. – Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code (commonly known as the ''Federal Tort Claims Act'').

II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS

1. REGULATIONS

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F, are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this Agreement. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

1.1 Colleges and Universities that are Recipients or sub-recipients shall use the following:

2 CFR Parts 215 and 220 (Circular A 21), "Cost Principles for Educational Institutions"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.2 State, Local and Tribal Governments that are Recipients or sub-recipients shall use the following:

2 CFR Part 225 (Circular A 87), "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A 102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12, Subpart C)

Circular A-133, revised June 27, 2003, Audits of States, Local Governments, and Non-Profit Organizations"

1.3 Nonprofit Organizations that are Recipients or sub-recipients shall use the following:

2 CFR Part 230 (Circular A 122), "Cost Principles for Non-Profit Organizations"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.4 Organizations other than those indicated above that are Recipients or sub-recipients shall use the basic principles of OMB Circular A-110 (Codification by Department of Interior, 43 CFR 12, Subpart F), and cost principles shall be in accordance with 48 CFR Subpart 31.2.

1.5 43 CFR 12.77 sets forth further regulations that govern the award and administration of subawards by State governments.

2. PAYMENT

2.1 Payment Standards. (43 CFR §12.61)

(a) *Scope.* This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantees, and grantees will make payments to subgrantees and contractors.

(b) *Basic standard.* Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205.

(c) *Advances.* Grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

(d) *Reimbursement.* Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement.

(e) *Working capital advances.* If a grantee cannot meet the criteria for advance payments described in paragraph (c) of this section, and the Federal agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or a working capital advance basis. Under this procedure the awarding agency shall advance cash to the grantee to cover its estimated disbursement needs for an initial period generally geared to the grantee's disbursing cycle. Thereafter, the awarding agency shall reimburse the grantee for its actual cash disbursements. The working capital advance method of payment shall not be used by grantees or subgrantees if the reason for using such method is the unwillingness or inability of the grantee to provide timely advances to the subgrantee to meet the subgrantee's actual cash disbursements.

(f) *Effect of program income, refunds, and audit recoveries on payment.*

(1) Grantees and subgrantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments for the same activity.

(2) Except as provided in paragraph (f)(1) of this section, grantees and subgrantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(g) *Withholding payments.*

(1) Unless otherwise required by Federal statute, awarding agencies shall not withhold payments for proper charges incurred by grantees or subgrantees unless—

(i) The grantee or subgrantee has failed to comply with grant award conditions, or

(ii) The grantee or subgrantee is indebted to the United States.

(2) Cash withheld for failure to comply with grant award condition, but without suspension of the grant, shall be released to the grantee upon subsequent compliance. When a grant is suspended, payment adjustments will be made in accordance with §12.83(c).

(3) A Federal agency shall not make payment to grantees for amounts that are withheld by grantees or subgrantees from payment to contractors to assure satisfactory completion of work. Payments shall be made by the Federal agency when the grantees or subgrantees actually disburse the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(h) *Cash depositories.*

(1) Consistent with the national goal of expanding the opportunities for minority business enterprises, grantees and subgrantees are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members). A list of minority owned banks can be obtained from the Minority Business Development Agency, Department of Commerce, Washington, DC 20230.

(2) A grantee or subgrantee shall maintain a separate bank account only when required by Federal-State Agreement.

(i) *Interest earned on advances.* Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or subgrantee may keep interest amounts up to $100 per year for administrative expenses.

2.2 Payment Method

Requesting Payments -- Requests for advance or reimbursement may be made by the following methods:

(1) SF-270, Request for Advance or Reimbursement - Recipients may submit an original and properly certified SF-270 form to the GO. Requests for reimbursement may be submitted on a monthly basis or more frequently if authorized by the (GO). Recipients may not request advance payments for anticipated expenses that are greater than one month in advance of the request.

(2) SF-271, Outlay Report and Request for Reimbursement for Construction Programs - The SF-271 shall be used for construction Agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the Recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original, properly certified SF-271 form to the GO.

(3) Automated Standard Application for Payments (ASAP) - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for agreement purposes.

Recipients interested in enrolling in the ASAP system, please contact Dee Devillier at 303-445-3461 or Sheri Oren at 303-445-3448.

3. PROCUREMENT STANDARDS (43 CFR §12.76)

(a) *States.* When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.*

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and subgrantees will use time and material type contracts only—

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

(c) *Competition.*

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of §12.76. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

(ii) Requiring unnecessary experience and excessive bonding,

(iii) Noncompetitive pricing practices between firms or between affiliated companies,

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest,

(vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and

(vii) Any arbitrary action in the procurement process.

(2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) *Methods of procurement to be followed* —(1) *Procurement by small purchase procedures.* Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at $150,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by *sealed bids* (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in §12.76(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by *competitive proposals.* The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by *noncompetitive proposals* is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.* (1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) *Contract cost and price.*

(1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is

performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see §12.62). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) *Awarding agency review.*

(1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) *Bonding requirements.* For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) *A bid guarantee from each bidder equivalent to five percent of the bid price.* The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) *A performance bond on the part of the contractor for 100 percent of the contract price.* A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) *A payment bond on the part of the contractor for 100 percent of the contract price.* A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) *Contract provisions.* A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees)

(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3). (All contracts and subgrants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a–7) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts in excess of $2000 awarded by grantees and subgrantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327–330) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts awarded by grantees and subgrantees in excess of $2000, and in excess of $2500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 871).

4. EQUIPMENT (43 CFR §12.72)

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.

(b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.

(c) *Use.*

(1) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in §12.65(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the grantee or subgrantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property,

the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.

(f) *Federal equipment.* In the event a grantee or subgrantee is provided Federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third part named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow 12.72(e).

(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

5. SUPPLIES (43 CFR §12.73)

(a) *Title.* Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or subgrantee respectively.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other Federally sponsored programs or projects, the grantee or subgrantee shall compensate the awarding agency for its share.

6. INSPECTION

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

7. AUDIT (31 U.S.C. 7501-7507)

Non-Federal entities that expend $500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133. Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than $500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133,

§___.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

8. ENFORCEMENT (43 CFR §12.83)

(a) *Remedies for noncompliance.* If a grantee or subgrantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:

(1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency,

(2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,

(3) Wholly or partly suspend or terminate the current award for the grantee's or subgrantee's program,

(4) Withhold further awards for the program, or

(5) Take other remedies that may be legally available.

(b) *Hearings, appeals.* In taking an enforcement action, the awarding agency will provide the grantee or subgrantee an opportunity for such hearing, appeal, or other administrative proceeding to which the grantee or subgrantee is entitled under any statute or regulation applicable to the action involved.

(c) *Effects of suspension and termination.* Costs of grantee or subgrantee resulting from obligations incurred by the grantee or subgrantee during a suspension or after termination of an award are not allowable unless the awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other grantee or subgrantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

(1) The costs result from obligations which were properly incurred by the grantee or subgrantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are noncancellable, and,

(2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

(d) *Relationship to Debarment and Suspension.* The enforcement remedies identified in this section, including suspension and termination, do not preclude grantee or subgrantee from being subject to "Debarment and Suspension" under E.O. 12549 ((2 CFR 29.5.12 and 2 CFR 1400, Subpart C).

9. TERMINATION FOR CONVENIENCE (43 CFR §12.84)

Except as provided in 43 CFR §12.83 awards may be terminated in whole or in part only as follows:

(a) By the awarding agency with the consent of the grantee or subgrantee in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or

(b) By the grantee or subgrantee upon written notification to the awarding agency, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either §12.83 or paragraph (a) of this section.

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

The Department of the Interior regulations at 2 CFR 1400—Governmentwide Debarment and Suspension (Nonprocurement), which adopt the common rule for the governmentwide system of debarment and suspension for nonprocurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at http://www.gpoaccess.gov/ecfr/.

11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)

The Department of the Interior regulations at 2 CFR 1401—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 182.

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil

Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

13. COVENANT AGAINST CONTINGENT FEES

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee

14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)

Trafficking in persons.

(a) *Provisions applicable to a recipient that is a private entity.*

(1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or subawards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either

(A) Associated with performance under this award; or

(B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at *2 CFR part 1400*.

(b) *Provision applicable to a recipient other than a private entity*. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

(1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either

(i) Associated with performance under this award; or

(ii) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at *2 CFR part 1400*.

(c) *Provisions applicable to any recipient* .

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(ii) Is in addition to all other remedies for noncompliance that are available to us under this award.

(3) You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

(d) *Definitions* . For purposes of this award term:

(1) "Employee" means either:

(i) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

(ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Private entity":

(i) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 *et seq.)*

(a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. § 4601 *et seq.*, as amended, requires certain assurances for Reclamation funded land acquisition projects conducted by a Recipient that cause the displacement of persons, businesses, or farm operations. Because Reclamation funds only support acquisition of property or interests in property from willing sellers, it is not anticipated that Reclamation funds will result in any "displaced persons," as defined under the URA.

(b) However, if Reclamation funds are used for the acquisition of real property that results in displacement, the URA requires Recipients to ensure that reasonable relocation payments and other remedies will be provided to any displaced person. Further, when acquiring real property, Recipients must be guided, to the greatest extent practicable, by the land acquisition policies in 42 U.S.C. § 4651.

(c) Exemptions to the URA and 49 CFR Part 24

(1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as "voluntary transactions." Such "voluntary transactions" are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR § 24.101(b)(1)(i)-(iv).

(2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:

(i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;

(ii) inform the owner in writing of what it believes to be the market value of the property

(d) **Review of Land Acquisition Appraisals.** Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of Interior's Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)

A. Requirement for Central Contractor Registration (CCR)
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers
If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.

2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions
For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at *http://www.ccr.gov*).

2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866–705–5711) or the Internet (currently at *http://fedgov.dnb.com/webform*).

3. *Entity,* as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
   a. A Governmental organization, which is a State, local government, or Indian Tribe;
   b. A foreign public entity;
   c. A domestic or foreign nonprofit organization;
   d. A domestic or foreign for-profit organization; and
   e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. *Subaward:*

   a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

   b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. ll.210 of the attachment to OMB Circular A–133, "Audits of States, Local Governments, and Non-Profit Organizations").

   c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Subrecipient* means an entity that:

   a. Receives a subaward from you under this award; and
   b. Is accountable to you for the use of the Federal funds provided by the subaward.

18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING

Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Agreements	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	

Recommendations:
That the Board of Directors approve two assistance agreements between the Bureau of Reclamation and the Authority to receive funding for projects associated within the Las Vegas Wash, and authorize the General Manager to approve future modifications only if the future modifications do not fiscally impact the Authority.

Fiscal Impact:
The Bureau of Reclamation will reimburse $380,763.26 to the Authority for specific projects in the Las Vegas Wash. No matching funds are required.

Background:
On January 20, 2000, the Board of Directors approved the Las Vegas Wash Comprehensive Adaptive Management Plan (CAMP) which outlines actions required to achieve the long-term stabilization, management, and enhancement of the Las Vegas Wash (Wash). Since that time, substantial progress has been made in the Wash, including the construction of 14 erosion control structures; stabilization of nearly 10 miles of banks; removal of more than 250 acres of exotic plants; and the re-vegetation of more than 350 acres of wetland, riparian, and upland areas.

By approval of the two assistance agreements, the Bureau of Reclamation will provide $380,763.26 toward ongoing activities that will further contribute to accomplishing the goals of the CAMP.

These agreements will fund the following projects:

• Water Quality Monitoring in the Las Vegas Wash Mainstream and Tributaries (R12AP30016)	$ 147,608.00
• Revegetation Implementation, Maintenance, and Monitoring along the Las Vegas Wash (R12AP30015)	$ 233,155.26
TOTAL	$ 380,763.26

These agreements are being entered into pursuant to NRS Chapter 277 and Section 6(o) of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved these agreements.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:RBH:ZLM:KKC:SAS:pe:nh
Attachments

AGENDA ITEM # 5

7-2279 (12-2011)
Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

1A. AGREEMENT NUMBER	1B. MOD NUMBER	2. TYPE OF AGREEMENT	3. CLASS OF RECIPIENT
R12AP30016	N/A	☒ GRANT ☐ COOPERATIVE AGREEMENT	Special District Government

4. ISSUING OFFICE
Bureau of Reclamation
Lower Colorado Region
P.O. Box 61470
Boulder City, Nevada 89006-1470

5. RECIPIENT
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

EIN#:	880278492	County:	Clark
DUNS#:	135965650	Congress. Dist:	1

6. ADMINISTRATIVE POINT OF CONTACT
Ms. Shawna M. Thompson, LC-10101
Grants Officer
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: (702) 293-8570; E-mail: SMThompson@usbr.gov

7. RECIPIENT PROJECT MANAGER
Mr. Seth A. Shanahan
Senior Biologist
100 City Parkway, Suite 700
Las Vegas, Nevada 89106
Phone: (702) 822-3314; E-mail: seth.shanahan@snwa.com

8. GRANTS OFFICER TECHNICAL REPRESENTATIVE
Ms. Becky Blasius, LC-2722
Biologist
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: (702) 293-8109; E-mail: BBlasius@usbr.gov

9A. INITIAL AGREEMENT EFFECTIVE DATE:
See Block 17a.

9B. MODIFICATION EFFECTIVE DATE:
N/A

10. COMPLETION DATE
June 30, 2014

11A. PROGRAM STATUTORY AUTHORITY:
Lake Mead / Las Vegas Wash Program, P.L. 106-541, Section 529, as amended, S.1751, Report Number 110-127.

11B. CFDA Number
15.540

12. FUNDING INFORMATION	RECIPIENT/OTHER	RECLAMATION
Total Estimated Amount of Agreement	$0.00	$147,608.00
This Obligation	$0.00	$147,608.00
Previous Obligation	$0.00	$0.00
Total Obligation	$0.00	$147,608.00
Cost-Share %	0%	100%

13. REQUISITION NUMBER
12300270040

14A. ACCOUNTING AND APPROPRIATION DATA
A10-1930-6015-001-93-8-0
3002700
411G

14B. TREASURY ACCOUNT FUNDING SYMBOL
14X0680

15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT:

Title: Water Quality Monitoring in the Las Vegas Wash (LVW) Mainstream and Tributaries

Purpose: The Grant Agreement (Agreement) provides Southern Nevada Water Authority (SNWA) with funds for laboratory analysis of water quality samples collected in the LVW mainstream and tributaries. LVW water quality samples collected are analyzed for metals, cations-anions, organics, and nutrients among other analytes; then the water quality analysis data from each sample site is uploaded into a centralized water quality database by the collecting agency, and the data is readily accessible to professionals and public affiliates.

16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient

BY: _____

DATE: _____

17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation

BY: _____

DATE: _____

16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER
Patricia Mulroy
General Manager
Phone: (702) 258-3100
☐ Additional signatures are attached

17b. NAME OF GRANTS OFFICER
Shawna M. Thompson
Grants Officer
Phone: (702) 293-8570

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Grant Agreement
Between
Bureau of Reclamation
and
Southern Nevada Water Authority (SNWA)
for the
Water Quality Monitoring in the Las Vegas Wash Mainstream and Tributaries

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Grant Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as "Reclamation," and the Southern Nevada Water Authority, hereinafter referred to as the "SNWA" or "Recipient," or "Grantee," pursuant to P.L. 110-161, Section 206, in furtherance of Section 529, as amended, P.L. 106-541, the Lake Mead / Las Vegas Wash Program, S.1751 Report Number 110-127. The following section, provided in full text, authorizes Reclamation to award this Financial Assistance Agreement:

> The Secretary of the Interior shall continue to participate in and delegate the authority for continued support and implementation of the Project at Las Vegas Wash (LVW) and Lake Mead in accordance with the LVW Comprehensive Adaptive Management Plan (CAMP), to provide financial assistance to the SNWA to carry out implementation of the Project at the Las Vegas Wash and Lake Mead in accordance with the LVW CAMP: *Provided,* That issuance of any such grants shall not modify the cost-sharing requirement of 35% for SNWA and 65% for Reclamation.

2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION

This proposal is intended to help meet the following LVW CAMP action items:

- Action Item 40 - Develop long-term management and monitoring plans
- Action Item 41 - Conduct additional research

The measures implemented under the Agreement assist SNWA to meet LVW Comprehensive Adaptive Management Plan (CAMP), Action Item 40 - Develop Long-Term Management and Monitoring Plans, and Action Item 41 - Conduct Additional Research. By implementing the measures SNWA partially fulfills the LVW CAMP Action Items which develop strong collaborative partnerships; coordinate financial and human resources to prevent duplicative sampling and monitoring activities; and ultimately achieve individual goals of the stakeholders and cumulative goals of the LVW CAMP.

3. BACKGROUND AND OBJECTIVES

For more than a decade and through various programs, the SNWA has regularly monitored the water quality in the LVW and its tributaries. Data collected from some of the activities meet the dry weather monitoring requirements of the Clark County Regional Flood District (and co-permittees) for their Municipal Separate Storm Sewer System permit from the Nevada Division of Environmental Protection. The LVW CAMP expressly intends for data to be shared for stakeholder purposes; therefore it is anticipated that other users may use the data for other compliance related purposes.

This Agreement supports the project as a sole source award to the SNWA, mandated by the public law cited above, which has been reviewed and approved by the Lake Mead/Las Vegas Wash Project Manager, who recommends the award.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of federal funding for this Agreement is $147,608.00, of which the initial amount of Federal funds available is limited to $147,608.00 as indicated by "this obligation" within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this Agreement by a Reclamation Grants Officer.

5. SCOPE OF WORK AND MILESTONES

This Agreement provides SNWA with funds for laboratory analysis of water quality samples collected in the LVW mainstream and tributaries. Three real-time data collection stations are collecting water quality data, discrete samples are collected at 10 mainstream and six tributary sites, and extensive selenium samples are collected at 14 strategic locations in the major LVW tributaries. Sample sites and sampling frequency is consistent with the collection sites shown in the LVW Surface Water Quality Monitoring and Assessment Plan. LVW water quality samples collected are analyzed for metals, cations-anions, organics, and nutrients among other analytes; then the water quality analysis data from each sample site is uploaded into a centralized water quality database by the collecting agency, and the data is readily accessible to professionals and public affiliates. SNWA anticipates collecting the water quality samples as in-kind support; therefore, the budget estimate does not necessarily reflect the total costs associated with water quality sample collection.

	Mainstream Sampling	Tributary Sampling	Extensive Selenium Sampling
No. of Sample Sites	10	6	14
Sample Frequency (No. of times a year)	4	4	12
Analysis			
Metals (total)	80	48	
Metals (dissolved)	80	48	
Cations-Anions (total) Group B	80	48	
Organics	8*	48	
Nutrients Group B	80	48	
Selenium (low level)	80	48	336
Chromium (3+)		48	

* Only one mainstream site is sampled for organics.

The SNWA may alter sample frequency or number of sample sites as determined through collaboration and consent from the cooperating agencies and as described in the LVW Surface Water Quality Monitoring and Assessment Plan.

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall carry out the Scope of Work in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the Scope of Work contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.1.1.a. The Recipient will submit all expenditure documentation (i.e. invoices or payroll documentation) that support the SF-270 reimbursement request.

6.1.1.b. The Recipient will agree to requests made by Reclamation to conduct financial reviews with appropriate notification received and reasonable notice provided.

6.1.1.c. The Recipient shall provide copies of contracts and contractor selection documentation to Reclamation to support budget.

6.2 Reclamation Responsibilities

6.2.1 Reclamation will monitor and provide federal oversight of activities performed under this Agreement. Monitoring and oversight includes review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the Scope of Work. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the recipient's request, Reclamation may also provide technical assistance to the recipient in support of the Scope of Work and objectives of this Agreement.

6.2.2 Substantial involvement between Reclamation and the recipient is not anticipated during the performance of this Agreement.

7. BUDGET

7.1 Budget Estimate. The following is the estimated budget for this Agreement. As Federal Financial Assistance Agreements are cost-reimbursable, the budget provided is for estimation purposes only. Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the recipient under this agreement must be in accordance with any pre-award clarifications conducted between the recipient and Reclamation, as well as with the terms and conditions of this Agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this Agreement is the responsibility of the Grants Officer. Recipients are encouraged to direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.

Budget Detail:

Item Description[1]	$/Unit and Unit	Quantity	Total Cost
Salaries and Wages (SNWA or equivalent)			
Environmental Biologist I – oversees, conducts, and manages tasks	$36/hour	115	$4,140.00
Fringe Benefits (SNWA or equivalent)			
Environmental Biologist I	$36/hour x 60%	115	$2,484.00
Travel			
None			
Equipment, Supplies, Materials[2]			
Hydrolab multi-parameter water quality probe (may include but not necessarily limited to	Various	Various	$4,800.00

replacement parts, standards, software, and other miscellaneous operations and maintenance supplies)			
Contracts[2]			
Various analytical laboratories (SNWA or equivalent)			
Metals (total)	$75/sample	158	$11,850.00
Metals (dissolved) analysis and filtration	$87/sample	157	$13,659.00
Chromium(3+)	$96/sample	63	$6,048.00
Cations-anions (total) Group B	$130/sample	157	$20,410.00
Organics	$836/sample	75	$62,700.00
Nutrients Group B	$53/sample	145	$7,685.00
Selenium (low level)	$26/sample	532	$13,832.00
Other			
None			
Total Activity/Task Cost			$147,608.00

[1]In accordance with 43 CFR 12.70, cumulative transfers among direct cost categories or among separately budgeted activities that are greater than 10 percent of the current total approved budget must be approved by Reclamation in writing before the transfer occurs. Notification of transfers under 10 percent must be made during the monthly Agreement meetings and included in the quarterly performance reports. With Reclamation's approval, potential cost savings may be used to prolong the approved scope of work, but not beyond the Agreement completion date.
[2]The selection and purchase of goods and services are stipulated in the "Las Vegas Valley Water District & Southern Nevada Water Authority Purchasing Guidelines" effective October 17, 2007. As a public entity, the SNWA selects qualified contractors through a competitive process as governed by NRS 332. In addition, NRS Chapter 277 legally allows the SNWA to enter into Cooperative Agreements with Reclamation. Funding for any optional year of the Agreement is contingent upon subsequent Congressional funding.

7.2 Cost Sharing Requirement

In accordance with Section 529(b) of P.L. 106-541, the cost-share for the SNWA is 35 percent, Reclamation's is 65 percent, and the authorized appropriated amount is limited to a ceiling of $20,000,000. The SNWA meets its cost share in the form of construction and associated support efforts. The SNWA provides Reclamation with non-Federal cost-share documentation yearly which lists the efforts and expenditures for costs associated with the Lake Mead/LVW Program. Non-Federal contributions have been well over the 35 percent cost-share requirement.

7.3 Pre-Award Incurrence of Costs

Preaward costs are approved for this agreement starting 4/1/2012. The previous agreement for this project ended on 3/31/2012. The work conducted on the previous year's award is not eligible for reimbursement under this award. Costs should be segregated to ensure that there is no confusion in the continuation of this project. Reclamation reserves the right to review the documentation to ensure that the segregation has been done adequately and there are no discrepancies within the accounting of both awards. All costs must be allowable, allocable and reasonable to be considered for reimbursement.

7.4 Allowable Costs (2 CFR Part §225)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following Office of Management and Budget (OMB) Circular, codified within the Code of Federal Regulations (CFR), governs the allowability of costs for Federal financial assistance:

2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments"

Expenditures for the performance of this Agreement must conform to the requirements within this Circular. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are

authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final report.

7.5 Changes (43 CFR §12.70)

(a) *General.* Grantees and sub-grantees are permitted to re-budget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.

(b) *Relation to cost principles.* The applicable cost principles (see 43 CFR §12.62) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.

(c) *Budget changes.*

(1) *Non-construction projects.* Except as stated in other regulations or an award document, grantees or sub-grantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a non-construction award:

(i) Any revision which would result in the need for additional funding.

(ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds $100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

(2) *Construction projects.* Grantees and sub-grantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.

(3) *Combined construction and non-construction projects.* When a grant or sub-grant provides funding for both construction and non-construction activities, the grantee or sub-grantee must obtain prior written approval from the awarding agency before making any fund or budget transfer from non-construction to construction or vice versa.

(d) *Programmatic changes.* Grantees or sub-grantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:

(1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

(2) Need to extend the period of availability of funds.

(3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

(4) Under non-construction projects, contracting out, sub-granting (if authorized by law) or otherwise obtaining the services of a third-party to perform activities which are central to the purposes of the award, *unless included in the initial funding proposal*. This approval requirement is in addition to the approval requirements of 43 CFR §12.76 but does not apply to the procurement of equipment, supplies, and general support services.

(e) *Additional prior approval requirements.* The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.

(f) *Requesting prior approval.*

(1) A request for prior approval of any budget revision will be in the same budget format the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.

(2) A request for a prior approval under the applicable Federal cost principles (se e43 CFR §12.62) may be made by letter.

(3) A request by a sub-grantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee. If the revision, requested by the sub-grantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the sub-grantee's request.

7.6 Modifications

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 43 CFR 12.83.
All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

8. KEY PERSONNEL

8.1 Recipient's Key Personnel

The Recipient's Project Manager for this Agreement shall be:
Southern Nevada Water Authority
Attn: Mr. Seth A. Shanahan, Senior Biologist
Address: 100 City Parkway, Suite 700, Las Vegas, Nevada 89106
Phone: (702) 822-3314; E-mail: seth.shanahan@snwa.com

Changes to Key Personnel require compliance with 43 CFR 12.70(d)(3).

8.2 Reclamation's Key Personnel

8.2.1 Grants Officer (GO):

Bureau of Reclamation
Attn: Ms. Shawna M. Thompson
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Phone: (702) 293-8570; E-mail: SMThompson@usbr.gov

(a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:

(1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;

(2) Approve through formal modification changes in the scope of work and/or budget;

(3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;

(4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;

(5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;

(6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Bureau of Reclamation
Attn: Ms. Becky Blasius, LC-2722
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Phone: 702-293-8109; E-mail: BBlasius@usbr.gov

(a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:

(1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;

(2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;

(3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;

(4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;

(b) The GOTR does <u>not</u> have the authority to and may <u>not</u> issue any technical assistance which:

(1) Constitutes an assignment of additional work outside the scope of work of the Agreement;

(2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or

(3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

9. REPORTING REQUIREMENTS AND DISTRIBUTION

9.1 Non-compliance. Failure to comply with the reporting requirements contained in this Agreement may be considered a material non-compliance with the terms and conditions of the award. Non-compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 43 CFR §12.83.

9.2 Financial Reports. Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

9.3 Monitoring and reporting program performance (43 CFR §12.80)

(a) *Monitoring by grantees.* Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

(b) *Non-construction performance reports.* The Federal agency may, if it decides that performance information available from subsequent applications contains sufficient information to meet its programmatic needs, require the grantee to submit a performance report only upon expiration or termination of grant support. Unless waived by the Federal agency this report will be due on the same date as the final Financial Status Report.

(1) Grantees shall submit annual performance reports unless the awarding agency requires quarterly or semi-annual reports. However, performance reports will not be required more frequently than quarterly. Annual reports shall be due 90 days after the grant year, quarterly or semi-annual reports shall be due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by a grantee, the Federal agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency.

(2) Performance reports will contain, for each grant, brief information on the following:

(i) A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required if that information will be useful.

(ii) The reasons for slippage if established objectives were not met.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(3) Grantees will not be required to submit more than the original and two copies of performance reports.

(4) Grantees will adhere to the standards in this section in prescribing performance reporting requirements for sub-grantees.

(c) *Construction performance reports.* For the most part, on-site technical inspections and certified percentage-of-completion data are relied on heavily by Federal agencies to monitor progress under construction grants and subgrants. The Federal agency will require additional formal performance reports only when considered necessary, and never more frequently than quarterly.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

(e) Federal agencies may make site visits as warranted by program needs.

(f) *Waivers, extensions.*

(1) Federal agencies may waive any performance report required by this part if not needed.

(2) The grantee may waive any performance report from a sub-grantee when not needed. The grantee may extend the due date for any performance report from a sub-grantee if the grantee will still be able to meet its performance reporting obligations to the Federal agency.

9.4 Report Frequency and Distribution. The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

REQUIRED REPORTS	Interim Reports	Final Report
Performance Report		
Format	No specific format required. See content requirements within Section 9.3 (43 CFR 12.80) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (43 CFR 12.80) above.
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance.
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance.
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement.
First Report Due Date	The first performance report is due for reporting period ending September 30, 2012.	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov
REQUIRED REPORTS	**Interim Reports**	**Final Report**
Federal Financial Report		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed).
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance.
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance.
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement.
First Report Due Date	The first Federal financial report is due for reporting period ending September 30, 2012.	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov

* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

10. REGULATORY COMPLIANCE

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable State, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of

the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

If during the course of any activities associated with the execution of this Agreement, **the Grantee becomes aware of the discovery** of any historic architectural and/or archaeological districts, sites, buildings, structures, or objects 50 years or older, the Grantee shall, **within the limits of its legal authority, request that activities immediately cease and consultation be conducted with the State Historic Preservation Office pursuant to 36 CFR Part 800.6.**

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the recipient may begin implementation of the assisted activity. If the recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this Agreement for cause.

II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS

1. REGULATIONS

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F, are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this Agreement. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

1.1 Colleges and Universities that are Recipients or sub-recipients shall use the following:

2 CFR Parts 215 and 220 (Circular A 21), "Cost Principles for Educational Institutions"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.2 State, Local and Tribal Governments that are Recipients or sub-recipients shall use the following:

2 CFR Part 225 (Circular A 87), "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A 102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12, Subpart C)

Circular A-133, revised June 27, 2003, Audits of States, Local Governments, and Non-Profit Organizations"

1.3 Non-Profit Organizations that are Recipients or sub-recipients shall use the following:

2 CFR Part 230 (Circular A 122), "Cost Principles for Non-Profit Organizations"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.4 Organizations other than those indicated above that are Recipients or sub-recipients shall use the basic principles of OMB Circular A-110 (Codification by Department of Interior, 43 CFR 12, Subpart F), and cost principles shall be in accordance with 48 CFR Subpart 31.2.

1.5 43 CFR 12.77 sets forth further regulations that govern the award and administration of sub-awards by State governments.

2. PAYMENT

2.1 Payment Standards. (43 CFR §12.61)

(a) *Scope.* This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantee's, and grantees will make payments to sub-grantees and contractors.

(b) *Basic standard.* Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or sub-grantee, in accordance with Treasury regulations at 31 CFR Part 205.

(c) *Advances.* Grantees and sub-grantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or sub-grantee.

(d) *Reimbursement.* Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and sub-grantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or sub-grantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or sub-grantee will be based on the grantee's or sub-grantee's actual rate of disbursement.

(e) *Working capital advances.* If a grantee cannot meet the criteria for advance payments described in paragraph (c) of this section, and the Federal agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or a working capital advance basis. Under this procedure the awarding agency shall advance cash to the grantee to cover its estimated disbursement needs for an initial period generally geared to the grantee's disbursing cycle. Thereafter, the awarding agency shall reimburse the grantee for its actual cash disbursements. The working capital advance method of payment shall not be used by grantees or sub-grantees if the reason for using such method is the unwillingness or inability of the grantee to provide timely advances to the sub-grantee to meet the subgrantee's actual cash disbursements.

(f) *Effect of program income, refunds, and audit recoveries on payment.*

(1) Grantees and sub-grantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments for the same activity.

(2) Except as provided in paragraph (f)(1) of this section, grantees and sub-grantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(g) *Withholding payments.*

(1) Unless otherwise required by Federal statute, awarding agencies shall not withhold payments for proper charges incurred by grantees or sub-grantees unless—

(i) The grantee or sub-grantee has failed to comply with grant award conditions, or

(ii) The grantee or sub-grantee is indebted to the United States.

(2) Cash withheld for failure to comply with grant award condition, but without suspension of the grant, shall be released to the grantee upon subsequent compliance. When a grant is suspended, payment adjustments will be made in accordance with 43 CFR §12.83(c).

(3) A Federal agency shall not make payment to grantees for amounts that are withheld by grantees or sub-grantees from payment to contractors to assure satisfactory completion of work. Payments shall be made by the Federal agency when the grantees or sub-grantees actually disburse the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(h) *Cash depositories.*

(1) Consistent with the national goal of expanding the opportunities for minority business enterprises, grantees and sub-grantees are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members). A list of minority owned banks can be obtained from the Minority Business Development Agency, Department of Commerce, Washington, DC 20230.

(2) A grantee or sub-grantee shall maintain a separate bank account only when required by Federal-State Agreement.

(i) *Interest earned on advances.* Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and sub-grantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or sub-grantee may keep interest amounts up to $100 per year for administrative expenses.

2.2 Payment Method

Requesting Payments -- Requests for advance or reimbursement may be made by the following methods:

(1) SF-270, Request for Advance or Reimbursement - Recipients may submit an original of a properly certified SF-270 form to the GO. Requests for reimbursement may be submitted on a monthly basis or more frequently if authorized by the (GO). Recipients may not request advance payments for anticipated expenses that are greater than one month in advance of the request.

(2) SF-271, Outlay Report and Request for Reimbursement for Construction Programs - The SF-271 shall be used for construction Agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the Recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original, properly certified SF-271 form to the GO.

(3) Automated Standard Application for Payments (ASAP) - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for agreement purposes.

Recipients interested in enrolling in the ASAP system, please contact Dee Devillier at 303-445-3461 or Sheri Oren at 303-445-3448.

3. PROCUREMENT STANDARDS (43 CFR §12.76)

(a) *States.* When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and sub-grantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.*

(1) Grantees and sub-grantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and sub-grantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or sub-grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Grantee and sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and sub-grantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and sub-grantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and sub-grantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and sub-grantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and sub-grantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and sub-grantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and sub-grantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and sub-grantees will use time and material type contracts only—

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and sub-grantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or sub-grantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or sub-grantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and sub-grantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and sub-grantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or sub-grantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or sub-grantee.

(c) *Competition.*

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of 43 CFR §12.76. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

(ii) Requiring unnecessary experience and excessive bonding,

(iii) Noncompetitive pricing practices between firms or between affiliated companies,

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest,

(vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and

(vii) Any arbitrary action in the procurement process.

(2) Grantees and sub-grantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and sub-grantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and sub-grantees will not preclude potential bidders from qualifying during the solicitation period.

(d) *Methods of procurement to be followed*—(1) *Procurement by small purchase procedures.* Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at $150,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by *sealed bids* (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in §12.76(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by *competitive proposals*. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and sub-grantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by *non-competitive proposals* is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and sub-grantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.* (1) The grantee and sub-grantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) *Contract cost and price.*

(1) Grantees and sub-grantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and sub-grantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see 43 CFR §12.62). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) *Awarding agency review.*

(1) Grantees and sub-grantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or sub-grantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and sub-grantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or sub-grantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or sub-grantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or sub-grantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or sub-grantee that it is complying with these standards. A grantee or sub-grantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) *Bonding requirements.* For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or sub-grantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) *A bid guarantee from each bidder equivalent to five percent of the bid price.* The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) *A performance bond on the part of the contractor for 100 percent of the contract price.* A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) *A payment bond on the part of the contractor for 100 percent of the contract price.* A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) *Contract provisions.* A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or sub-grantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or sub-grantees)

(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3). (All contracts and sub-grants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a–7) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts in excess of $2,000 awarded by grantees and sub-grantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327–330) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts awarded by grantees and sub-grantees in excess of $2,000, and in excess of $2,500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the sub-grantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or sub-grantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 871).

4. EQUIPMENT (43 CFR §12.72)

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or sub-grant will vest upon acquisition in the grantee or sub-grantee respectively.

(b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and sub-grantees will follow paragraphs (c) through (e) of this section.

(c) *Use.*

(1) Equipment shall be used by the grantee or sub-grantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The grantee or sub-grantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in 43 CFR §12.65(a) to earn program income, the grantee or sub-grantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the grantee or sub-grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or sub-grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or sub-grantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or sub-grantee to take excess and disposition actions.

(f) *Federal equipment.* In the event a grantee or sub-grantee is provided Federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) Grantees or sub-grantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the grantee or sub-grantee will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third-party named by the awarding agency when such a third-party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow 43 CFR 12.72(e).

(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

5. SUPPLIES (43 CFR §12.73)

(a) *Title.* Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or sub-grantee respectively.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other Federally-sponsored programs or projects, the grantee or sub-grantee shall compensate the awarding agency for its share.

6. INSPECTION

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

7. AUDIT (31 U.S.C. 7501-7507)

Non-Federal entities that expend $500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133. Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than $500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133, §___.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

8. ENFORCEMENT (43 CFR §12.83)

(a) *Remedies for non-compliance.* If a grantee or sub-grantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:

(1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or sub-grantee or more severe enforcement action by the awarding agency,

(2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,

(3) Wholly or partly suspend or terminate the current award for the grantee's or sub-grantee's program,

(4) Withhold further awards for the program, or

(5) Take other remedies that may be legally available.

(b) *Hearings, appeals.* In taking an enforcement action, the awarding agency will provide the grantee or sub-grantee an opportunity for such hearing, appeal, or other administrative proceeding to which the grantee or sub-grantee is entitled under any statute or regulation applicable to the action involved.

(c) *Effects of suspension and termination.* Costs of grantee or sub-grantee resulting from obligations incurred by the grantee or sub-grantee during a suspension or after termination of an award are not

allowable unless the awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other grantee or sub-grantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

(1) The costs result from obligations which were properly incurred by the grantee or sub-grantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are non-cancellable, and,

(2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

(d) *Relationship to Debarment and Suspension.* The enforcement remedies identified in this section, including suspension and termination, do not preclude grantee or sub-grantee from being subject to "Debarment and Suspension" under E.O. 12549 ((2 CFR 29.5.12 and 2 CFR 1400, Subpart C).

9. TERMINATION FOR CONVENIENCE (43 CFR §12.84)

Except as provided in 43 CFR §12.83 awards may be terminated in whole or in part only as follows:

(a) By the awarding agency with the consent of the grantee or sub-grantee in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or

(b) By the grantee or sub-grantee upon written notification to the awarding agency, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either43 CFR §12.83 or paragraph (a) of this section.

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

The Department of the Interior regulations at 2 CFR 1400—Government-wide Debarment and Suspension (Non-procurement), which adopt the common rule for the government-wide system of debarment and suspension for non-procurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at http://www.gpoaccess.gov/ecfr/.

11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)

The Department of the Interior regulations at 2 CFR 1401—Government-wide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative Agreements, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the recipient agrees to comply with 2 CFR 182.

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements.

The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

13. COVENANT AGAINST CONTINGENT FEES

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)

Trafficking in persons.

(a) *Provisions applicable to a recipient that is a private entity.*

(1) You as the recipient, your employees, sub-recipients under this award, and sub-recipients' employees may not—

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or sub-awards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a sub-recipient that is a private entity—

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

(A) Associated with performance under this award; or

(B) Imputed to you or the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at *2 CFR Part 1400.*

(b) *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a sub-recipient that is a private entity—

(1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—

(i) Associated with performance under this award; or

(ii) Imputed to the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at *2 CFR Part 1400*.

(c) *Provisions applicable to any recipient*.

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(ii) Is in addition to all other remedies for noncompliance that are available to us under this award.

(3) You must include the requirements of paragraph a.1 of this award term in any sub-award you make to a private entity.

(d) *Definitions*. For purposes of this award term:

(1) "Employee" means either:

(i) An individual employed by you or a sub-recipient who is engaged in the performance of the project or program under this award; or

(ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third-party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Private entity":

(i) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 *et seq.)*

(a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. §4601 *et seq.*, as amended, requires certain assurances for Reclamation funded land acquisition projects conducted by a Recipient that cause the displacement of persons, businesses, or farm operations.

Because Reclamation funds only support acquisition of property or interests in property from willing sellers, it is not anticipated that Reclamation funds will result in any "displaced persons," as defined under the URA.

(b) However, if Reclamation funds are used for the acquisition of real property that results in displacement, the URA requires Recipients to ensure that reasonable relocation payments and other remedies will be provided to any displaced person. Further, when acquiring real property, Recipients must be guided, to the greatest extent practicable, by the land acquisition policies in 42 U.S.C. § 4651.

(c) Exemptions to the URA and 49 CFR Part 24

(1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as "voluntary transactions." Such "voluntary transactions" are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR §24.101(b)(1)(i)-(iv).

(2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:
   (i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;
   (ii) inform the owner in writing of what it believes to be the market value of the property

(d) Review of Land Acquisition Appraisals. Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of Interior's Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)

A. Requirement for Central Contractor Registration (CCR)
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers
If you are authorized to make sub-awards under this award, you:

1. Must notify potential sub-recipients that no entity (*see* definition in paragraph C of this award term) may receive a sub-award from you unless the entity has provided its DUNS number to you.

2. May not make a sub-award to an entity unless the entity has provided its DUNS number to you.

C. Definitions
For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at *http://www.ccr.gov*).

2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866–705–5711) or the Internet (currently at *http://fedgov.dnb.com/webform*).

3. *Entity,* as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
   a. A Governmental organization, which is a State, local government, or Indian Tribe;
   b. A foreign public entity;
   c. A domestic or foreign nonprofit organization;
   d. A domestic or foreign for-profit organization; and
   e. A Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.

4. *Sub-award:*

   a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient.

   b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. II.210 of the attachment to OMB Circular A–133, "Audits of States, Local Governments, and Non-Profit Organizations").

   c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Sub-recipient* means an entity that:

   a. Receives a sub-award from you under this award; and
   b. Is accountable to you for the use of the Federal funds provided by the sub-award.

18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING

Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

7-2279 (12-2011)
Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

1A. AGREEMENT NUMBER	1B. MOD NUMBER	2. TYPE OF AGREEMENT	3. CLASS OF RECIPIENT
R12AP30015	N/A	☒ GRANT ☐ COOPERATIVE AGREEMENT	Special District Government

4. ISSUING OFFICE
Bureau of Reclamation
Lower Colorado Region
P.O. Box 61470
Boulder City, Nevada 89006-1470

5. RECIPIENT
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

EIN#:	88-0278492	County:	Clark
DUNS#:	135965650	Congress. Dist:	1

6. ADMINISTRATIVE POINT OF CONTACT
Ms. Shawna M. Thompson, LC-10101
Grants Officer
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: (702) 293-8570; E-mail: SMThompson@usbr.gov

7. RECIPIENT PROJECT MANAGER
Mr. Seth A. Shanahan
Senior Biologist
Southern Nevada Water Authority
100 City Parkway, Suite 700
Las Vegas, Nevada 89106
Phone: (702) 822-3314; E-mail: seth.shanahan@snwa.com

8. GRANTS OFFICER TECHNICAL REPRESENTATIVE
Ms. Becky Blasius, LC-2722
Biologist - Lake Mead/Las Vegas Wash Program Project Manager
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: (702) 293-8109; E-mail: BBlasius@usbr.gov

9A. INITIAL AGREEMENT EFFECTIVE DATE:
See Block 17a.

9B. MODIFICATION EFFECTIVE DATE:
N/A

10. COMPLETION DATE
June 30, 2014

11A. PROGRAM STATUTORY AUTHORITY:
Lake Mead / Las Vegas Wash Program, P.L. 106-541, Section 529, as amended, S.1751, Report Number 110-127.

11B. CFDA Number
15.540

12. FUNDING INFORMATION

	RECIPIENT/OTHER	RECLAMATION
Total Estimated Amount of Agreement	$0.00	$233,155.26
This Obligation	$0.00	$233,155.26
Previous Obligation	$0.00	$0.00
Total Obligation	$0.00	$233,155.26
Cost-Share %	0%	100%

13. REQUISITION NUMBER
12300270058

14A. ACCOUNTING AND APPROPRIATION DATA
A10-1930-6020-001-92-5-0
3002700
411G

14B. TREASURY ACCOUNT FUNDING SYMBOL
14X0680

15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT: SOUTHERN NEVADA WATER AUTHORITY (SNWA)

Title: Revegetation Implementation, Maintenance and Monitoring Along the Las Vegas Wash (LVW)
Purpose: The Grant Agreement (Agreement) provides funds to Southern Nevada Water Authority (SNWA) cover the costs for SNWA or an experienced native landscape contractor to conduct as-needed revegetation which includes, but is not limited to the following tasks: design, plant and irrigation installation, repairing and adjusting irrigation components, maintenance, monitoring, oversight, debris clean-up, herbivore control, vandalism monitoring, and purchase plant materials and supplies necessary to revegetate the LVW mainstream and tributaries.

16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient

BY: _____

DATE: _____

17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation

BY: _____

DATE: _____

16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER
Patricia Mulroy
General Manager
Phone: (702) 258-3100
☐ Additional signatures are attached

17b. NAME OF GRANTS OFFICER
Shawna M. Thompson
Grants Officer
Phone: (702) 293-8570

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Grant Agreement
Between
Bureau of Reclamation
and
Southern Nevada Water Authority (SNWA)
for the
Revegetation Implementation, Maintenance and Monitoring Along the Las Vegas Wash

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Grant Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as "Reclamation," and the Southern Nevada Water Authority, hereinafter referred to as the "SNWA," "Recipient," or "Grantee," pursuant to P.L. 110-161, Section 206, in furtherance of Section 529, as amended, P.L. 106-541, the Lake Mead / Las Vegas Wash Program, S.1751 Report Number 110-127. The following section, provided in full text, authorizes Reclamation to award this Financial Assistance Agreement:

> The Secretary of the Interior shall continue to participate in and delegate the authority for continued support and implementation of the Project at Las Vegas Wash and Lake Mead in accordance with the Las Vegas Wash (LVW) Comprehensive Adaptive Management Plan (CAMP), to provide financial assistance to the SNWA to carry out implementation of the Project at the Las Vegas Wash and Lake Mead in accordance with the LVW Plan: *Provided,* That issuance of any such grants shall not modify the 35% SNWA / 65% Reclamation cost-share requirement.

2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION

This proposal is intended to help meet the following LVW CAMP action items:

- Action Item 1 - Install erosion control structures
- Action Item 37 - Ensure implementation of mitigation measures
- Action Item 40 - Develop long-term management and monitoring plans
- Action Item 41 - Conduct additional research

The SNWA implements revegetation projects in the Clark County Wetlands Park (CCWP) and the LVW mainstream and tributaries. Temporary footprints of the construction activities surrounding the wetland areas require revegetation, maintenance and monitoring to comply with Nevada Division of Environmental Protection (NDEP) storm water permits. Due to impacts from erosion control structures installed throughout the LVW, the SNWA has to conduct wetland revegetation to mitigate for impact loss, as required by Army Corps of Engineers 404 permits. Other funding obtained assists in the installation of erosion control structures requiring the creation of additional revegetated areas that are not already being created for permit mitigation.

To properly document and report the success of mitigation to permitting agencies, annual monitoring must take place for re-vegetated sites. Annual monitoring of the success of the various irrigation practices, planting techniques and plant choices, provides the LVW Coordination Committee (LVWCC) with the necessary information to make future decisions that will improve the success of the re-vegetation program. These water conservation initiatives were designed to directly support highly successful, on-going water conservation programs. Re-vegetation sites require frequent visitation, oversight and regular maintenance.

3. BACKGROUND AND OBJECTIVES

The SNWA has implemented revegetation projects for more than eleven years. SNWA is working to improve water conservation and management through implementation of activities created specifically for revegetating sites. Revegetated sites often require frequent visitation, oversight and regular maintenance for a minimum of two years after initial plantings. Maintenance includes but is not limited to irrigation installation; repair and adjustment of irrigation components; herbivore control; vandalism monitoring; and removal of trash, vegetation and invasive species debris. After the initial two years, maintenance is typically less intensive and occurs on an as-needed basis.

This Agreement supports the project as a sole source award to the SNWA, mandated by the public law cited above, which has been reviewed and approved by the Lake Mead/Las Vegas Wash Project Manager, who recommends the award.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of federal funding for this Agreement is $233,155.26, of which the initial amount of federal funds available is limited to $233,155.26 as indicated by "this obligation" within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this Agreement by a Reclamation Grants Officer.

5. SCOPE OF WORK AND MILESTONES

The Grant Agreement (Agreement) provides funds to cover the costs of Southern Nevada Water Authority (SNWA) or an experienced contractor to conduct as-needed to collect salinity; measure water depths; design and install irrigation systems; irrigation repair and adjustment of components; herbivore control; revegetation design; revegetate sites with plants; conduct additional research; create additional revegetation sites for permit mitigation; ensure mitigation measures are implemented and reported; maintenance; monitoring; oversight; debris, vegetative and invasive plant species debris and trash clean-up; vandalism monitoring; and purchase vegetation materials and supplies necessary to revegetate areas in the LVW mainstream and tributaries. Regular revegetation, site maintenance and monitoring requires frequent oversight, is typically less intensive, and occurs on an as-needed basis for approximately two years to ensure proper plant irrigation. Approximately 33 acres will be revegetated and maintenance and monitoring will be conducted daily, weekly, monthly or seasonally for two years on an as-needed basis. Additionally, 345 acres previously revegetated will be monitored on an as-needed basis.

The scope of work and milestones support re-vegetation implementation, maintenance and monitoring efforts along the LVW. Implementation includes design of upcoming re-vegetation sites, collection of salinity and depth to water measurements used to select the proper plants for the site. Site design also includes irrigation layout and plant layout. Implementation also includes the planting of plants and installation of irrigation systems. Approximately 33 acres are planned to be planted during the two year timeframe of this proposed Agreement, with construction schedules and permitting processing resulting in higher or lower actual acreage.

If the anticipated 33 acres are planted, the acreage of maintained revegetation site will total 378 acres. Site maintenance conducted is based upon need, and activities are generally labor intensive and require knowledgeable staff to implement. The SNWA or an experienced native landscape contractor will conduct daily tasks as needed to ensure site success, and be scheduled according to project need, varying seasonally. SNWA or the contractor will provide a myriad of services including daily activities including but not limited to clearing paths, planting, watering, trash pickup, vandalism monitoring, and weed removal.

Other longer-term projects include cottonwood and willow harvesting, tamarisk clearing, weed treatments, fence building, and planting site preparation. SNWA or the contractor will monitor revegetation success over the history of each site. Annual monitoring activities include the preparation of a detailed log for plant growth, condition, and response to watering, weeding, and flooding. Each revegetation site will be visited in 2012 (currently there are 230 monitoring areas) to visibly assess the cover of plants, the species richness and encroachment of invasive weeds, and the log data will be incorporated as part of a five-year report. This report will be a five-year assessment of the revegetation program with more details than typical annual reports. The 2013 revegetation monitoring will include field monitoring of sites, as well as plant cover assessment using the Arc Geographic Information System. An annual report will compile all revegetation monitoring data which will be available to all permitting agencies and the LVWCC. Currently, there are over 345 acres of revegetation sites to be monitored along the LVW in 2012.

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall carry out the Scope of Work in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the Scope of Work contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.1.1.a. The Recipient will submit all expenditure documentation (i.e. invoices or payroll documentation) that support the SF-270 reimbursement request.

6.1.1.b. The Recipient will agree to requests made by Reclamation to conduct financial reviews with appropriate notification received and reasonable notice provided.

6.1.1.c. The Recipient shall provide copies of contracts and contractor selection documentation to Reclamation to support budget.

6.2 Reclamation Responsibilities

6.2.1 Reclamation will monitor and provide Federal oversight of activities performed under this Agreement. Monitoring and oversight includes review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the Scope of Work. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the recipient's request, Reclamation may also provide technical assistance to the Recipient in support of the Scope of Work and objectives of this Agreement.

6.2.2 Substantial involvement between Reclamation and the Recipient is not anticipated during the performance of this Agreement.

7. BUDGET

7.1 Budget Estimate. The following is the estimated budget for this Agreement. As Federal Financial Assistance Agreements are cost-reimbursable, the budget provided is for estimation purposes only. Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this Agreement must be in accordance with any pre-award clarifications conducted between the Recipient and Reclamation, as well as with the terms and conditions of this Agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this Agreement is the responsibility of the Grants Officer.
Recipients are encouraged to direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.

Budget Detail:

BUDGET ITEM DESCRIPTION [1]	COMPUTATION		RECLAMATION FUNDING	TOTAL COST
	$/Unit and Unit	Quantity		
Salary and Wages (SNWA or equivalent)				
Environmental Biologist I – oversees, conducts and manages activities	$36.00/hr.	1,272	$45,792.00	$45,792.00
Professional Trainee – assists Environmental Biologist I	$30.00/hr.	197	$5,910.00	$5,910.00
Subtotal				**$51,702.00**
Fringe Benefits				
Environmental Biologist I	$36.00/hr. x 60%	1,272	$27,475.20	$27,475.20
Professional Trainee	$30.00/hr. x 60%	197	$3,546.00	$3,546.00
Subtotal				**$31,003.20**
Materials and Supplies				
Vegetation monitoring supplies and materials (including but not limited to, flagging tape, compass, clinometer, measuring tape, etc.)	Various	Various	$250.00	$250.00
Revegetation site planning supplies (including but not limited to, soil collection bags, salinity meter, sample jars, etc.)	Various	Various	$250.00	$250.00
Subtotal				**$500.00**
Contracts[2]				
Soil-Tech or equivalent				
Laborer	$12.50/hr.	4,604	$57,550.00	$57,550.00
Lead Man	$20.00/hr.	934	$18,680.00	$18,680.00
Foreman	$36.00/hr.	813	$29,268.00	$29,268.00
Irrigation system parts and supplies (including but not limited to piping, drip tubing, sprayer heads, connectors, pumps, fuel, and pump parts)	Various	Various	$5,500.00	$5,500.00
Weed control parts and supplies (including but not limited to herbicide, sprayers and sprayer parts, tarps, garbage bags, handheld tools, and chainsaws, etc.)	Various	Various	$3,300.00	$3,300.00
General site maintenance parts and supplies (including but not limited to plants, rental equipment, dumpsters, waders, and erosion control materials, etc.)	Various	Various	$35,634.06	$35,634.06
Subtotal				**$149,932.06**
TOTAL PROJECT COSTS				**$233,155.26**

[1]In accordance with 43 CFR 12.70, cumulative transfers among direct cost categories or among separately budgeted activities that are greater than 10 percent of the current total approved budget must be approved by Reclamation in writing before the transfer occurs. Notification of transfers under 10 percent must be made during the monthly Agreement meetings and included in the quarterly performance reports. With Reclamation's approval, potential cost savings may be used to prolong the approved scope of work, but not beyond the Agreement completion date.
[2]The selection and purchase of goods and services are stipulated in the "Las Vegas Valley Water District & Southern Nevada Water Authority Purchasing Guidelines" effective October 17, 2007. As a public entity, the SNWA selects qualified contractors through a competitive process as governed by NRS 332. In addition, NRS Chapter 277 legally allows the SNWA to enter into Cooperative Agreements with Reclamation. Funding for any optional year of the Agreement is contingent upon subsequent Congressional funding.

7.2 Cost Sharing Requirement

In accordance with Section 529(b) of P.L. 106-541, the cost-share for the SNWA is 35 percent, Reclamation's is 65 percent, and the authorized appropriated amount is limited to a ceiling of $20,000,000. The SNWA meets its cost share in the form of construction and associated support efforts. The SNWA provides Reclamation with non-Federal cost-share documentation yearly which lists the efforts and expenditures for costs associated with the Lake Mead/LVW Program. Non-Federal contributions have been well over the 35 percent cost-share requirement.

7.3 Pre-Award Incurrence of Costs

Preaward costs are approved for this agreement starting 4/1/2012. The previous agreement for this project ended on 3/31/2012. The work conducted on the previous year's award is not eligible for reimbursement under this award. Costs should be segregated to ensure that there is no confusion in the continuation of this project. Reclamation reserves the right to review the documentation to ensure that the segregation has been done adequately and there are no discrepancies within the accounting of both awards. All costs must be allowable, allocable and reasonable to be considered for reimbursement.

7.4 Allowable Costs (2 CFR Part §225)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following Office of Management and Budget (OMB) Circular, codified within the Code of Federal Regulations (CFR), governs the allowability of costs for Federal financial assistance:

2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments"

Expenditures for the performance of this Agreement must conform to the requirements within this Circular. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final report.

7.5 Changes (43 CFR §12.70)

(a) *General.* Grantees and sub-grantees are permitted to re-budget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.

(b) *Relation to cost principles.* The applicable cost principles (see 43 CFR §12.62) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.

(c) *Budget changes.*

(1) *Non-construction projects.* Except as stated in other regulations or an award document, grantees or sub-grantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a non-construction award:

(i) Any revision which would result in the need for additional funding.

(ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed

or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds $100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

(2) *Construction projects.* Grantees and sub-grantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.

(3) *Combined construction and non-construction projects.* When a grant or sub-grant provides funding for both construction and non-construction activities, the grantee or sub-grantee must obtain prior written approval from the awarding agency before making any fund or budget transfer from non-construction to construction or vice versa.

(d) *Programmatic changes.* Grantees or sub-grantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:

(1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

(2) Need to extend the period of availability of funds.

(3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

(4) Under non-construction projects, contracting out, sub-granting (if authorized by law) or otherwise obtaining the services of a third-party to perform activities which are central to the purposes of the award, *unless included in the initial funding proposal.* This approval requirement is in addition to the approval requirements of 43 CFR §12.76 but does not apply to the procurement of equipment, supplies, and general support services.

(e) *Additional prior approval requirements.* The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.

(f) *Requesting prior approval.*

(1) A request for prior approval of any budget revision will be in the same budget format the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.

(2) A request for a prior approval under the applicable Federal cost principles (see 43 CFR §12.62) may be made by letter.

(3) A request by a sub-grantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee. If the revision, requested by the sub-grantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the sub-grantee's request.

7.6 Modifications

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 43 CFR 12.83.

All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

8. KEY PERSONNEL

8.1 Recipient's Key Personnel

The Recipient's Project Manager for this Agreement shall be:
Southern Nevada Water Authority
Attn: Mr. Seth A. Shanahan, Senior Biologist
Address: 100 City Parkway, Suite 700, Las Vegas, Nevada 89106
Phone: (702) 822-3314; E-mail: seth.shanahan@snwa.com

Changes to Key Personnel require compliance with 43 CFR 12.70(d)(3).

8.2 Reclamation's Key Personnel

8.2.1 Grants Officer (GO):

Bureau of Reclamation
Attn: Ms. Shawna M. Thompson
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Phone: (702) 293-8570; E-mail: SMThompson@usbr.gov

(a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:

(1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;

(2) Approve through formal modification changes in the scope of work and/or budget;

(3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;

(4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;

(5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;

(6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Bureau of Reclamation
Attn: Ms. Becky Blasius, LC-2722
Address: P.O. Box 61470, Boulder City, Nevada 89006-1470
Phone: 702-293-8109; E-mail: BBlasius@usbr.gov

(a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:

(1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;

(2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;

(3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;

(4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;

(b) The GOTR does not have the authority to and may not issue any technical assistance which:

(1) Constitutes an assignment of additional work outside the scope of work of the Agreement;

(2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or

(3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

9. REPORTING REQUIREMENTS AND DISTRIBUTION

9.1 Non-compliance. Failure to comply with the reporting requirements contained in this Agreement may be considered a material non-compliance with the terms and conditions of the award. Non-compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 43 CFR §12.83.

9.2 Financial Reports. Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

9.3 Monitoring and reporting program performance (43 CFR §12.80)

(a) *Monitoring by grantees.* Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

(b) *Non-construction performance reports.* The Federal agency may, if it decides that performance information available from subsequent applications contains sufficient information to meet its programmatic needs, require the grantee to submit a performance report only upon expiration or termination of grant support. Unless waived by the Federal agency this report will be due on the same date as the final Financial Status Report.

(1) Grantees shall submit annual performance reports unless the awarding agency requires quarterly or semi-annual reports. However, performance reports will not be required more frequently than quarterly. Annual reports shall be due 90 days after the grant year, quarterly or semi-annual reports shall be due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by a grantee, the

Federal agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency.

(2) Performance reports will contain, for each grant, brief information on the following:

(i) A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required if that information will be useful.

(ii) The reasons for slippage if established objectives were not met.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(3) Grantees will not be required to submit more than the original and two copies of performance reports.

(4) Grantees will adhere to the standards in this section in prescribing performance reporting requirements for sub-grantees.

(c) *Construction performance reports.* For the most part, on-site technical inspections and certified percentage-of-completion data are relied on heavily by Federal agencies to monitor progress under construction grants and subgrants. The Federal agency will require additional formal performance reports only when considered necessary, and never more frequently than quarterly.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

(e) Federal agencies may make site visits as warranted by program needs.

(f) *Waivers, extensions.*

(1) Federal agencies may waive any performance report required by this part if not needed.

(2) The grantee may waive any performance report from a sub-grantee when not needed. The grantee may extend the due date for any performance report from a sub-grantee if the grantee will still be able to meet its performance reporting obligations to the Federal agency.

9.4 Report Frequency and Distribution. The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

REQUIRED REPORTS	Interim Reports	Final Report
Performance Report		
Format	No specific format required. See content requirements within Section 9.3 (43 CFR 12.80) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (43 CFR 12.80) above.
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance.
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance.

Due Date*	Within 30 days after the end of the Reporting Period.	Within 90 days after the completion date of the Agreement.
First Report Due Date	The first performance report is due for reporting period ending September 30, 2012.	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov
REQUIRED REPORTS	**Interim Reports**	**Final Report**
Federal Financial Report		
Format	SF-425 (all sections must be completed).	SF-425(all sections must be completed).
Reporting Frequency	Quarterly	Final Report due upon completion of Agreement's period of performance.
Reporting Period	**For Quarterly Reporting:** Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.	Entire period of performance.
Due Date*	Within 30 days after the end of the Reporting Period.	Within 90 days after the completion date of the Agreement.
First Report Due Date	The first Federal financial report is due for reporting period ending September 30, 2012.	N/A
Submit to:	GO at LCFA@usbr.gov	GO at LCFA@usbr.gov

* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

10. REGULATORY COMPLIANCE

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable State, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

If during the course of any activities associated with the execution of this Agreement, **the Grantee becomes aware of the discovery** of any historic architectural and/or archaeological districts, sites, buildings, structures, or objects 50 years or older, the Grantee shall, **within the limits of its legal authority, request that activities immediately cease and consultation be conducted with the State Historic Preservation Office pursuant to 36 CFR Part 800.6.**

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the recipient may begin implementation of the assisted activity. If the recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this Agreement for cause.

II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS

1. REGULATIONS

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F, are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this Agreement. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

1.1 Colleges and Universities that are Recipients or sub-recipients shall use the following:

2 CFR Parts 215 and 220 (Circular A 21), "Cost Principles for Educational Institutions"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.2 State, Local and Tribal Governments that are Recipients or sub-recipients shall use the following:

2 CFR Part 225 (Circular A 87), "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A 102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12, Subpart C)

Circular A-133, revised June 27, 2003, Audits of States, Local Governments, and Non-Profit Organizations"

1.3 Nonprofit Organizations that are Recipients or sub-recipients shall use the following:

2 CFR Part 230 (Circular A 122), "Cost Principles for Non-Profit Organizations"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.4 Organizations other than those indicated above that are Recipients or sub-recipients shall use the basic principles of OMB Circular A-110 (Codification by Department of Interior, 43 CFR 12, Subpart F), and cost principles shall be in accordance with 48 CFR Subpart 31.2.

1.5 43 CFR 12.77 sets forth further regulations that govern the award and administration of sub-awards by State governments.

2. PAYMENT

2.1 Payment Standards. (43 CFR §12.61)

(a) *Scope.* This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantee's, and grantees will make payments to sub-grantees and contractors.

(b) *Basic standard.* Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or sub-grantee, in accordance with Treasury regulations at 31 CFR Part 205.

(c) *Advances.* Grantees and sub-grantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or sub-grantee.

(d) *Reimbursement.* Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and sub-grantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or sub-grantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or sub-grantee will be based on the grantees or sub-grantees actual rate of disbursement.

(e) *Working capital advances.* If a grantee cannot meet the criteria for advance payments described in paragraph (c) of this section, and the Federal agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or a working capital advance basis. Under this procedure the awarding agency shall advance cash to the grantee to cover its estimated disbursement needs for an initial period generally geared to the grantee's disbursing cycle. Thereafter, the awarding agency shall reimburse the grantee for its actual cash disbursements. The working capital advance method of payment shall not be used by grantees or sub-grantees if the reason for using such method is the unwillingness or inability of the grantee to provide timely advances to the sub-grantee to meet the sub-grantees actual cash disbursements.

(f) *Effect of program income, refunds, and audit recoveries on payment.*

(1) Grantees and sub-grantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments for the same activity.

(2) Except as provided in paragraph (f)(1) of this section, grantees and sub-grantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(g) *Withholding payments.*

(1) Unless otherwise required by Federal statute, awarding agencies shall not withhold payments for proper charges incurred by grantees or sub-grantees unless—

(i) The grantee or sub-grantee has failed to comply with grant award conditions, or

(ii) The grantee or sub-grantee is indebted to the United States.

(2) Cash withheld for failure to comply with grant award condition, but without suspension of the grant, shall be released to the grantee upon subsequent compliance. When a grant is suspended, payment adjustments will be made in accordance with 43 CFR §12.83(c).

(3) A Federal agency shall not make payment to grantees for amounts that are withheld by grantees or sub-grantees from payment to contractors to assure satisfactory completion of work. Payments shall be made by the Federal agency when the grantees or sub-grantees actually disburse the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(h) *Cash depositories.*

(1) Consistent with the national goal of expanding the opportunities for minority business enterprises, grantees and sub-grantees are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members). A list of minority owned banks can be obtained from the Minority Business Development Agency, Department of Commerce, Washington, DC 20230.

(2) A grantee or sub-grantee shall maintain a separate bank account only when required by Federal-State Agreement.

(i) *Interest earned on advances.* Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and sub-grantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or sub-grantee may keep interest amounts up to $100 per year for administrative expenses.

2.2 Payment Method

Requesting Payments -- Requests for advance or reimbursement may be made by the following methods:

(1) SF-270, Request for Advance or Reimbursement - Recipients may submit an original of a properly certified SF-270 form to the GO. Requests for reimbursement may be submitted on a monthly basis or more frequently if authorized by the (GO). Recipients may not request advance payments for anticipated expenses that are greater than one month in advance of the request.

(2) SF-271, Outlay Report and Request for Reimbursement for Construction Programs - The SF-271 shall be used for construction Agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the Recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original, properly certified SF-271 form to the GO.

(3) Automated Standard Application for Payments (ASAP) - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for agreement purposes.

Recipients interested in enrolling in the ASAP system, please contact Dee Devillier at 303-445-3461 or Sheri Oren at 303-445-3448.

3. PROCUREMENT STANDARDS (43 CFR §12.76)

(a) *States.* When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and sub-grantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.*

(1) Grantees and sub-grantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and sub-grantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or sub-grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Grantee and sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and sub-grantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and sub-grantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and sub-grantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and sub-grantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and sub-grantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and sub-grantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and sub-grantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and sub-grantees will use time and material type contracts only—

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and sub-grantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or sub-grantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or sub-grantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and sub-grantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and sub-grantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or sub-grantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or sub-grantee.

(c) *Competition.*

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of 43 CFR §12.76. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

(ii) Requiring unnecessary experience and excessive bonding,

(iii) Noncompetitive pricing practices between firms or between affiliated companies,

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest,

(vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and

(vii) Any arbitrary action in the procurement process.

(2) Grantees and sub-grantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and sub-grantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and sub-grantees will not preclude potential bidders from qualifying during the solicitation period.

(d) *Methods of procurement to be followed*—(1) *Procurement by small purchase procedures.* Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at $150,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by *sealed bids* (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in §12.76(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by *competitive proposals.* The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and sub-grantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by *non-competitive proposals* is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and sub-grantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.* (1) The grantee and sub-grantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) *Contract cost and price.*

(1) Grantees and sub-grantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and sub-grantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see 43 CFR §12.62). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) *Awarding agency review.*

(1) Grantees and sub-grantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or sub-grantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and sub-grantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or sub-grantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or sub-grantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or sub-grantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or sub-grantee that it is complying with these standards. A grantee or sub-grantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) *Bonding requirements.* For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or sub-grantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) *A bid guarantee from each bidder equivalent to five percent of the bid price.* The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) *A performance bond on the part of the contractor for 100 percent of the contract price.* A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) *A payment bond on the part of the contractor for 100 percent of the contract price.* A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) *Contract provisions.* A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or sub-grantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or sub-grantees)

(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3). (All contracts and sub-grants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a–7) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts in excess of $2,000 awarded by grantees and sub-grantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327–330) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts awarded by grantees and sub-grantees in excess of $2,000, and in excess of $2,500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the sub-grantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or sub-grantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 871).

4. EQUIPMENT (43 CFR §12.72)

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or sub-grant will vest upon acquisition in the grantee or sub-grantee respectively.

(b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and sub-grantees will follow paragraphs (c) through (e) of this section.

(c) *Use.*

(1) Equipment shall be used by the grantee or sub-grantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The grantee or sub-grantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in 43 CFR §12.65(a) to earn program income, the grantee or sub-grantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the grantee or sub-grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or sub-grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or sub-grantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or sub-grantee to take excess and disposition actions.

(f) *Federal equipment.* In the event a grantee or sub-grantee is provided Federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) Grantees or sub-grantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the grantee or sub-grantee will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third-party named by the awarding agency when such a third-party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow 43 CFR 12.72(e).

(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

5. SUPPLIES (43 CFR §12.73)

(a) *Title.* Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or sub-grantee respectively.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other Federally-sponsored programs or projects, the grantee or sub-grantee shall compensate the awarding agency for its share.

6. INSPECTION

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

7. AUDIT (31 U.S.C. 7501-7507)

Non-Federal entities that expend $500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133. Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than $500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133, §___.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

8. ENFORCEMENT (43 CFR §12.83)

(a) *Remedies for non-compliance.* If a grantee or sub-grantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:

(1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or sub-grantee or more severe enforcement action by the awarding agency,

(2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,

(3) Wholly or partly suspend or terminate the current award for the grantee's or sub-grantee's program,

(4) Withhold further awards for the program, or

(5) Take other remedies that may be legally available.

(b) *Hearings, appeals.* In taking an enforcement action, the awarding agency will provide the grantee or sub-grantee an opportunity for such hearing, appeal, or other administrative proceeding to which the grantee or sub-grantee is entitled under any statute or regulation applicable to the action involved.

(c) *Effects of suspension and termination.* Costs of grantee or sub-grantee resulting from obligations incurred by the grantee or sub-grantee during a suspension or after termination of an award are not allowable unless the awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other grantee or sub-grantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

(1) The costs result from obligations which were properly incurred by the grantee or sub-grantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are non-cancellable, and,

(2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

(d) *Relationship to Debarment and Suspension.* The enforcement remedies identified in this section, including suspension and termination, do not preclude grantee or sub-grantee from being subject to "Debarment and Suspension" under E.O. 12549 ((2 CFR 29.5.12 and 2 CFR 1400, Subpart C).

9. TERMINATION FOR CONVENIENCE (43 CFR §12.84)

Except as provided in 43 CFR §12.83 awards may be terminated in whole or in part only as follows:

(a) By the awarding agency with the consent of the grantee or sub-grantee in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or

(b) By the grantee or sub-grantee upon written notification to the awarding agency, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either43 CFR §12.83 or paragraph (a) of this section.

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

The Department of the Interior regulations at 2 CFR 1400—Government-wide Debarment and Suspension (Non-procurement), which adopt the common rule for the government-wide system of debarment and suspension for non-procurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at http://www.gpoaccess.gov/ecfr/.

11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)

The Department of the Interior regulations at 2 CFR 1401—Government-wide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative Agreements, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the recipient agrees to comply with 2 CFR 182.

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

13. COVENANT AGAINST CONTINGENT FEES

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)

Trafficking in persons.

(a) *Provisions applicable to a recipient that is a private entity.*

(1) You as the recipient, your employees, sub-recipients under this award, and sub-recipients' employees may not—

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or sub-awards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a sub-recipient that is a private entity—

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

(A) Associated with performance under this award; or

(B) Imputed to you or the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at *2 CFR Part 1400*.

(b) *Provision applicable to a recipient other than a private entity*. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a sub-recipient that is a private entity—

(1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—

(i) Associated with performance under this award; or

(ii) Imputed to the sub-recipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by our agency at *2 CFR Part 1400*.

(c) *Provisions applicable to any recipient*.

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(ii) Is in addition to all other remedies for noncompliance that are available to us under this award.

(3) You must include the requirements of paragraph a.1 of this award term in any sub-award you make to a private entity.

(d) *Definitions*. For purposes of this award term:

(1) "Employee" means either:

(i) An individual employed by you or a sub-recipient who is engaged in the performance of the project or program under this award; or

(ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services

are contributed by a third-party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Private entity":

(i) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 *et seq.)*

(a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. § 4601 *et seq.*, as amended, requires certain assurances for Reclamation funded land acquisition projects conducted by a Recipient that cause the displacement of persons, businesses, or farm operations. Because Reclamation funds only support acquisition of property or interests in property from willing sellers, it is not anticipated that Reclamation funds will result in any "displaced persons," as defined under the URA.

(b) However, if Reclamation funds are used for the acquisition of real property that results in displacement, the URA requires Recipients to ensure that reasonable relocation payments and other remedies will be provided to any displaced person. Further, when acquiring real property, Recipients must be guided, to the greatest extent practicable, by the land acquisition policies in 42 U.S.C. § 4651.

(c) Exemptions to the URA and 49 CFR Part 24

(1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as "voluntary transactions." Such "voluntary transactions" are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR §24.101(b)(1)(i)-(iv).

(2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:

(i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;

(ii) inform the owner in writing of what it believes to be the market value of the property

(d) Review of Land Acquisition Appraisals. Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of Interior's Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)

A. Requirement for Central Contractor Registration (CCR)
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers
If you are authorized to make sub-awards under this award, you:

1. Must notify potential sub-recipients that no entity (*see* definition in paragraph C of this award term) may receive a sub-award from you unless the entity has provided its DUNS number to you.

2. May not make a sub-award to an entity unless the entity has provided its DUNS number to you.

C. Definitions
For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at *http://www.ccr.gov*).

2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866–705–5711) or the Internet (currently at *http://fedgov.dnb.com/webform*).

3. *Entity,* as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
   a. A Governmental organization, which is a State, local government, or Indian Tribe;
   b. A foreign public entity;
   c. A domestic or foreign nonprofit organization;
   d. A domestic or foreign for-profit organization; and
   e. A Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.

4. *Sub-award:*

   a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient.

   b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. II.210 of the attachment to OMB Circular A–133, "Audits of States, Local Governments, and Non-Profit Organizations").

   c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Sub-recipient* means an entity that:

   a. Receives a sub-award from you under this award; and
   b. Is accountable to you for the use of the Federal funds provided by the sub-award.

18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING

Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Resolution	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation WaterSMART: Cooperative Watershed Management Program.	

Fiscal Impact
None by approval of the above recommendation.

Background:
The Bureau of Reclamation (BOR) recently announced funding availability for its WaterSMART: Cooperative Watershed Management Grant Program. This funding is designed to establish or expand a watershed group or improve water quality in a watershed.

In accordance with eligibility requirements, and on behalf of the Las Vegas Valley Watershed Advisory Committee (LVVWAC), the Board of Directors is being asked to approve the attached resolution which authorizes the submission of a grant proposal to the BOR. The grant proposal seeks $50,000 to support funding for LVVWAC to develop an outline for a Salinity Management Plan, which will assist with watershed restoration.

If this proposal is accepted by the BOR, a funding agreement will be brought back before the Board for approval at a future meeting.

This resolution is authorized pursuant to NRS Chapter 277 and Sections 5(m) and 6(o) of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this resolution.

Respectfully submitted:

P Mulroy

Patricia Mulroy, General Manager
PM:JJE:RBH:JAW:AMB:DB:kf
Attachment

AGENDA ITEM # 6

RESOLUTION IN SUPPORT OF FUNDING REQUEST FOR
WATERSMART: COOPERATIVE WATERSHED MANAGEMENT PROGRAM
GRANT PROPOSAL TO THE UNITED STATES BUREAU OF RECLAMATION

WHEREAS, the U.S. Bureau of Reclamation WaterSMART: Cooperative Watershed Management Program is soliciting proposals for and may provide financial assistance to irrigation districts, water districts or other organizations with water or power delivery authority to establish or expand a watershed group; and

WHEREAS, the WaterSMART: Cooperative Watershed Management Program specifically allows for project proposals involving the development of a watershed restoration plan; and

WHEREAS, in 2007 the Las Vegas Valley Watershed Advisory Committee (LVVWAC) was established to adopt regional water quality goals for the Las Vegas Valley watershed and Lake Mead in order to protect the quality and quantity of water resources in the Las Vegas Valley watershed and Lake Mead; and

WHEREAS, the Southern Nevada Water Authority is a member agency of LVVWAC; and

WHEREAS, LVVWAC will benefit from financial assistance under the WaterSMART: Cooperative Watershed Management Program to support its effort to develop a Salinity Management Plan outline.

NOW, THEREFORE, BE IT RESOLVED that the Southern Nevada Water Authority Board of Directors agrees and authorizes:

1. The submission of an application to the U.S. Bureau of Reclamation WaterSMART: Cooperative Watershed management Program on behalf of LVVWAC requesting $50,000 to develop a Salinity Management Plan outline.

2. The submission of a proposal on behalf of LVVWAC, which requires no matching funds contribution as specified by the WaterSMART: Cooperative Watershed Management Program.

3. The Southern Nevada Water Authority's General Manager, or her designee, to execute and file an application with the U.S. Bureau of Reclamation for funding under the WaterSMART: Cooperative Watershed Management Program.

Introduced and passed this 19th day of July, 2012.

Attest:

Southern Nevada Water Authority

Patricia Mulroy, Secretary

Shari Buck, Chairman

Approved as to form:

for: Greg J. Walch, General Counsel

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Amendment	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	

Recommendations:
That the Board of Directors approve a First Amended Agreement among Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, the Las Vegas Valley Water District, and the Authority regarding the Las Vegas Valley Watershed Advisory Committee.

Fiscal Impact:
None by the approval of the above recommendation.

Background:
On October 18, 2007, the Board of Directors adopted an agreement creating the Las Vegas Valley Watershed Advisory Committee (LVVWAC). At the time, the LVVWAC member agencies consisted of Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, the Cities of Henderson, Las Vegas and North Las Vegas, the Clean Water Coalition, the Las Vegas Valley Water District, and the Authority. In 2011, the Clean Water Coalition withdrew as a member agency from the LVVWAC, thus requiring an amended agreement.

If approved, the attached amended agreement will continue to provide a forum to develop a cohesive direction and an integrated approach to addressing water quality issues in the Las Vegas Valley and Lake Mead. In order to protect the quality of and maximize existing and future Colorado River and in-state water resources, the treatment, reuse, and discharge of water from point and non-point sources in the Las Vegas Valley must be recognized and managed as critical elements in southern Nevada's long-term water resource planning.

In addition, the amended agreement provides for oversight of Las Vegas Wash activities, annual review of the Regional Water Quality Plan by LVVWAC member agencies, and an annual report on committee accomplishments.

The LVVWAC has also amended its Regional Water Quality Plan (Plan) to reflect current member agencies. The Plan includes water quality goals developed by the LVVWAC and coordinates all existing plans, policies, documents, and efforts related to water quality in the Las Vegas Valley watershed and Lake Mead. The Plan has been approved by the LVVWAC's member agencies and will be presented for adoption by their respective Boards. The 2012 Plan is before this Board for consideration under a separate agenda item.

This amended agreement is authorized pursuant to NRS Chapter 277. The office of the General Counsel has reviewed and approved this amended agreement.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:RBH:REZ:rss
Attachment

AGENDA ITEM # 7

LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

FIRST AMENDED AGREEMENT

EFFECTIVE _____

FIRST AMENDED AGREEMENT REGARDING THE LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

The original Agreement regarding the Las Vegas Valley Watershed Advisory Committee (LVVWAC) is hereby repealed in its entirety and shall no longer be in force and effect. It is replaced by this AMENDED AGREEMENT (Agreement) entitled First Amended Agreement Regarding the Las Vegas Valley Watershed Advisory Committee.

This Agreement is entered into by and among the following Parties, and becomes effective upon execution by all of the Parties (Effective Date):

Southern Nevada Water Authority, a political subdivision of the State of Nevada established by a joint powers agreement pursuant to Chapter 277 of the Nevada Revised Statutes (SNWA).

Las Vegas Valley Water District, a political subdivision of the State of Nevada created by Chapter 167, Statutes of Nevada 1947 (LVVWD);

City of Las Vegas, a municipal corporation and political subdivision of the State of Nevada (Las Vegas);

City of North Las Vegas, a municipal corporation and political subdivision of the State of Nevada (North Las Vegas);

City of Henderson, a municipal corporation and political subdivision of the State of Nevada (Henderson);

Clark County, a political subdivision of the State of Nevada created pursuant to Nevada Revised Statutes 243.035 (Clark County);

Clark County Water Reclamation District, a political subdivision of the State of Nevada (CCWRD); and

Clark County Regional Flood Control District, a political subdivision of the State of Nevada (CCRFCD).

Each of these entities is sometimes herein referred to individually as "PARTY" and collectively as "PARTIES."

RECITALS

A. The SNWA is the regional agency responsible for diversion, treatment, and delivery of potable water from Lake Mead to its purveyor member agencies. The SNWA is also the regional agency responsible for acquiring additional water resources for its member agencies' municipal supply needs.

B. CCRFCD is the regional agency responsible for developing a coordinated and comprehensive master plan to solve regional flooding problems, to regulate land use in flood hazard areas, to coordinate and fund the design and construction of regional flood control facilities, to develop and contribute to the funding of a maintenance program for regional flood control facilities, and is a National Pollution Discharge Elimination System co-permittee with other entities in the Las Vegas Valley for non-point sources of pollution (e.g. urban runoff).

C. Clark County is responsible for developing and maintaining approved plans for regional water quality per requirements of Section 208 of the Clean Water Act and per Nevada Revised Statutes 244A.459.

D. The other PARTIES to this Agreement include those municipal corporations and political subdivisions within the Las Vegas Valley Watershed that either are water

purveyors, operate wastewater treatment plants, implement stormwater programs, or regulate and adopt plans that have a nexus to the overall quantity and quality of water resources within the Las Vegas Valley Watershed and Lake Mead,

E. In order to help protect the quality of and maximize existing and future Colorado River resources and intra-Nevada resources available to the SNWA to meet its purveyor members' municipal supply needs, the treatment, reuse, and discharge of water from point and non-point sources in the Las Vegas Valley must be recognized and managed as critical elements in southern Nevada's long-term water resource planning,

F. The previously established Las Vegas Wash Management Advisory Committee (MAC) was focused solely on the Las Vegas Wash (Wash); however, there is a need for a group with a broad regional focus on water quality in the Las Vegas Valley Watershed and Lake Mead. By the original agreement the LVVWAC was established for this purpose.

G. Pursuant to Nevada Revised Statutes Chapter 277, the PARTIES hereto are authorized to enter into Agreements with other political subdivisions of the State of Nevada. NOW, THEREFORE, the PARTIES agree as follows:

AGREEMENT

1. Las Vegas Valley Watershed Advisory Committee. The PARTIES hereby establish a LVVWAC. The LVVWAC hereby assumes the functions the MAC previously performed, as well as additional responsibilities outlined in this Agreement.

1.1 Appointment of Representatives to LVVWAC. Within 30 days of the Effective Date of this Agreement, the general manager or chief executive of each PARTY will appoint one representative and one alternate to be voting members of the LVVWAC. The appointed

representative and alternate shall have management-level decision making authority in their respective organizations and shall be able to seek the commitment of resources from their respective organizations.

2. Goals. The goal of the LVVWAC members is to develop regional water quality goals for the Las Vegas Valley Watershed and Lake Mead and to recommend mechanisms, through a regional water quality plan, to enable these goals to be met in order to help protect the quality and quantity of water resources in the Las Vegas Valley Watershed and Lake Mead. An additional goal is to develop a cohesive direction and integrated approach to address treatment issues relating to wastewater, drinking water and stormwater. The LVVWAC will evaluate all existing Lake Mead water quality plans for consistency and will serve as a conduit to integrate and coordinate these plans to achieve the agreed-upon water quality goals.

3. Regional Water Quality Plan. The LVVWAC will develop a Regional Water Quality Plan (Plan or Water Quality Plan) that includes the water quality goals developed by the LVVWAC and that coordinates all plans, policies, documents, and efforts related to water quality in the Las Vegas Valley Watershed and Lake Mead. The Water Quality Plan will take into consideration, at a minimum:

Las Vegas Wash Comprehensive Adaptive Management Plan (LVCAMP);

Bureau of Reclamation Lake Powell and Lake Mead Release Schedules;

Bureau of Reclamation Annual Operating Plan;

Operation of the Southern Nevada Water System Lake Mead raw water intakes and water treatment system;

SNWA Water Resource Plan;

Plans for discharges from the Muddy and Virgin Rivers;

Bureau of Reclamation Monitoring Plan;

USGS Water Quality Monitoring Plan;

Clark County Area-Wide Water Quality Management Plan (208 Plan);

Source Water Assessment Plan for the Las Vegas Valley Surface Water;

CCRFCD Flood Control Master Plan;

Las Vegas Valley Stormwater Management Plan;

Long-Term Limnological and Aquatic Resources Monitoring and Research Plan for Lakes Mead and Mohave;

and other plans that may have an impact on water quality and quantity for the Las Vegas Valley Watershed and Lake Mead. The LVVWAC shall also consider local, state, and federal rules and regulations regarding water quality as it impacts the Las Vegas Valley Watershed and Lake Mead. The goal of the LVVWAC is to coordinate the efforts of, at a minimum:

Las Vegas Wash Coordination Committee (LVWCC);

Lake Mead Water Quality Forum;

Sewage and Wastewater Advisory Committee;

Stormwater Quality Management Committee;

and the water and wastewater treatment plant operators to manage water quality as it relates to intakes from and discharges to Lake Mead.

3.1 Format. The Plan will be a forward-looking document that will make projections regarding emerging water quality and quantity issues and constituent treatment options. It may contain specific water quality goals that may be implemented before the next Plan is

adopted or goals that can be implemented over a longer time period. The Plan will provide an opportunity to prioritize the implementation of regional water quality goals. In developing the Plan, the LVVWAC will compile, coordinate, and create a roadmap for working together on a watershed approach to water quality and quantity. The LVVWAC will also consider the economic, fiscal, and social impact of the Plan on the citizens of the Las Vegas Valley.

3.2 Adoption. The Water Quality Plan will be submitted for adoption by the governing boards of the PARTIES and will be reviewed at a minimum every five years and amended and re-submitted for approval as needed. Each member is responsible for implementation only of those parts of the Plan that are within that member's authority and responsibilities.

3.2.1 In order for the Plan to be presented for adoption by the governing boards of the PARTIES, it must have previously been approved by a majority of the members of the LVVWAC.

3.2.2 A revised Water Quality Plan will be completed before December 31, 2012.

3.2.3 In the event the Water Quality Plan conflicts with the 208 Plan, the 208 Plan controls.

3.3 Public Participation. The LVVWAC shall comply with Nevada Revised Statutes Chapter 241 and hold meetings that are open to the public.

3.4 Water Quality Plan Review. All PARTIES to this Agreement will annually, by December 31 each year, submit to the LVVWAC a yearly update of the activity that

PARTY has taken in advancing the Water Quality Plan.

4. Data Sharing. The PARTIES agree to provide each other with reasonable access to data concerning regional water quality issues. A central data repository with a web-based interface will contain the data submitted by the PARTIES. The PARTIES are responsible for providing timely notice of relevant data, activities, meetings, and schedules related to regional water quality issues.

5. Wastewater Reuse. The PARTIES will consider pursuing wastewater reuse projects in the Las Vegas Valley so as to optimize the use of effluent in the Valley.

6. Funding. LVVWAC projects that require funding commitments or dedication of significant staff time will be the subject of separate agreements. The PARTIES will also cooperate in seeking funding or grants from other sources, including Environmental Protection Agency Watershed Management Grants.

7. Las Vegas Wash. Pursuant to its obligation to coordinate activities related to the enhancement and management of the Wash, the SNWA agrees, subject to available funding, to perform the following:

7.1 Capital Improvement Plan (CIP). The SNWA shall prepare a Wash CIP and review such CIP on an annual basis. The physical scope of the CIP shall be defined as those structures and riparian features within the boundaries depicted on Exhibit A attached hereto and by this reference incorporated herein. The preparation and review of the CIP by the SNWA shall be completed according to the terms and conditions contained in Paragraphs 7.13 through 7.15 of this Agreement.

7.2 Operation and Maintenance (O&M). The SNWA shall prepare and maintain in effect an O&M Plan for Wash facilities, including all erosion control structures and bank

stabilization projects, in accordance with the approved O&M Plan as described in Paragraphs 7.19 through 7.28 of this Agreement. Furthermore, the SNWA either directly or through the agreed upon activities of other PARTIES to this Agreement shall obtain and hold all necessary federal, state, and local permits required to construct, operate and maintain such facilities. The SNWA will notify each of the PARTIES, either directly or through the LVVWAC, of all special permit requirements. Further, the SNWA shall, in obtaining such permits, negotiate in the best interest of the PARTIES to this Agreement. The O & M budget shall be subject to approval by SNWA and the party within whose jurisdiction the CIP projects are to be constructed. (hereinafter referred to as the "Pertinent Party").

7.3 Work Plan. The SNWA shall prepare an annual budget work plan (Work Plan) for the purpose of detailing and coordinating activities and projects related or connected to compliance activities, revegetation requirements and other regulatory requirements in the Wash as well as general administration activities related to the Wash and support of the LVWCC. Special permit requirements identified in the Work Plan shall be submitted to the LVVWAC for review and approval in accordance with this Agreement. The SNWA agrees to work with the other PARTIES to discuss and evaluate activities and projects identified in the Work Plan.

7.4 Annual Report. The SNWA shall prepare an annual report of the status of activities and projects identified in the Work Plan.

7.5 Annual Budget and Preparation of Funding Agreements.

7.5.1 Annual Budget. The SNWA shall prepare a budget for costs associated with the implementation of the Work Plan and general administration of activities related to the Wash on an annual basis that includes, but is not limited to, the following criteria:

7.5.1.1 Projections. Each budget prepared by the SNWA shall contain five-year projection of the costs associated with the PARTIES' ongoing efforts to manage and enhance the Wash.

7.5.1.2 Review and Approval. Each year, the SNWA shall submit the budget to the LVVWAC for its review before November. Subsequent to the LVVWAC's review of the budget, the SNWA shall submit the budget to each of the PARTIES for approval as part of the individual PARTY's overall budget.

7.5.1.3 Components of Budget. The budget prepared and submitted annually by the SNWA shall include, but not necessarily be limited to, preparation and revision of the Work Plan, all necessary staffing, consultants, monitoring, office expenses, and travel related to the administration of Wash activities.

7.5.1.4 Outside Funding. The annual budget prepared and submitted by the SNWA shall define the process whereby entities other than the PARTIES to this Agreement may either fund or contribute to activities related to the management and enhancement of the Wash including administration and monitoring.

7.5.2 Preparation of Funding Agreements. The SNWA shall prepare, as necessary, all funding agreements necessary to implement or otherwise effectuate the CIP and O & M Plan.

7.5.2.1 Review and Approval. As appropriate, the SNWA shall submit funding agreements for the CIP and/or O&M Plan to the LVVWAC for its review. Subsequent to the LVVWAC's review of the funding agreement, the SNWA shall submit the funding agreement to each of the PARTIES for consideration and possible approval as part of the individual PARTY's overall budget.

7.5.2.2 Outside Funding. All CIP and/or O&M Plan funding agreements prepared and submitted by the SNWA shall define the process whereby entities other than the PARTIES to the Agreement may either fund or contribute to the CIP, the O&M Plan, or both.

7.6 General Obligations of the PARTIES. The PARTIES hereto agree to use their best efforts in achieving the goals and objectives enumerated in this Agreement and each of the PARTIES hereto does expressly agree to take each of the following actions:

a. Cooperate in effectuating the long-term stabilization, enhancement and management of the Wash;

b. Seek approval of necessary funding agreements for the enhancement of the Wash, subject to the availability of such funds;

c. To work jointly and cooperate with each of the other PARTIES hereto to ensure the integrity of the Wash through development and implementation of long term management practices and strategies;

d. Integrate planning activities related to the Wash or projects with potential impacts to the Wash;

e. Inform and coordinate with each of the other PARTIES all activities regarding the issuance of permits and other water quality issues;

f. Provide assistance to other PARTIES in obtaining needed permits; and

g. Report and communicate with other PARTIES regarding regulatory issues and requirements.

7.7 Funding. Subject to the discretionary approval of the PARTIES' governing bodies, the PARTIES agree to make a good faith effort to allocate the funds necessary to implement

the programs and procedures outlined in this Agreement, provided, however, that no PARTY shall be required under the terms of this Agreement to take any actions outside the scope of that PARTY's statutory authority.

7.8 O&M Budget. Following the preparation of a funding agreement for Wash O&M activities by the SNWA in accordance with Paragraph 7.5.2, each of the pertinent PARTIES hereto shall submit that budget to its respective governing body for consideration and possible approval. Failure of any governing board to approve the necessary funds shall not be deemed to breach this Agreement.

7.9 Approval of CIP. Following the preparation of a funding agreement for the implementation of the CIP in accordance with Paragraph 7.5.2 of this Agreement by the SNWA, each of the PARTIES hereto shall submit the funding agreement to its governing board for consideration and possible approval. Failure of any governing board to approve the necessary funds shall not be deemed a breach of this Agreement.

7.10 Approval of Annual Budget. Pursuant to Paragraph 7.5.1.2, each year each of the PARTIES hereto shall submit as part of the PARTY's budget process that PARTY's portion of the annual budget for the implementation of the Work Plan and general administration of the Wash to its governing board for consideration and possible approval. Failure of any governing board to approve the necessary funds shall not be deemed a breach of this Agreement.

7.11 Outside Funding. The PARTIES hereto agree to diligently pursue all available funding options in order to augment and/or mitigate the funding contributions by the PARTIES to this Agreement. Such outside funding options shall include, but not limited to, federal funding through the Southern Nevada Public Land Management Act of 1998, as amended; federal grants; other federal programs through the Army Corps of Engineers, Bureau of

Reclamation, Fish and Wildlife Service, or other federal agency; and state, local, or private funding options. The PARTIES agree that such alternative funding options will support implementation of actions outlined in the LVWCAMP. Further, each PARTY agrees to work with the SNWA to identify and secure alternative sources of funding.

7.12 CIP. The SNWA shall maintain in effect and review annually a CIP for the installation and improvement of facilities related to stabilization and water quality maintenance in and adjacent to the Wash. The CIP shall: (i) specify, and govern the construction of facilities of a capital nature that are to be added for the purpose of channel stabilization, erosion control or sediment management, and (ii) provide for the acquisition and storage of supplies to be used in the construction or repair of capital improvements included herein.

7.13 General Information Regarding Specific Facilities. The CIP shall include at least the following elements:

(1) A general description of each facility to be constructed, including the size of each conveyance, diversion, grade control, stream bank stabilization, or channel bed protection facility;

(2) A map showing the general location of each facility to be constructed;

(3) The schedule on which construction of each facility is to be started and completed;

(4) The estimated cost of each facility to be constructed;

(5) The proposed funding mechanism(s) for either each facility or the CIP in aggregate;

(6) The total cost of the CIP in current dollars and midpoint construction dollars;

(7) Cash flow forecasts by year; and

(8) Those facilities the SNWA is responsible for operating and maintaining.

7.14 Approval of CIP. The SNWA must approve the CIP and any subsequent revision or amendment of the CIP in order for the CIP or such revision or amendment to be effective. Prior to submittal to the SNWA Board of Directors, the SNWA shall submit the CIP or any revision or amendment to the CIP to the LVVWAC for review and comments.

7.15 Review of and Revisions to the CIP.

7.15.1 Plan Effective Until Revised. Each revision to the CIP shall remain in effect until revised as provided in this Agreement.

7.15.2 Reduction in Scope; Plan Elements Completed by Non-Parties. The SNWA shall revise the CIP to eliminate capital items installed by non-parties or to reduce or increase requirements for capital improvement of items subject to changes in planning, design, or operational criteria instituted by non-parties.

7.15.3 Annual Review of and Revisions to CIP. The SNWA shall review the CIP at least annually and reaffirm or revise as necessary so that the CIP will continue to meet the requirements of this Agreement and otherwise as the SNWA deems appropriate, to serve the PARTIES to this Agreement. In performing the annual review of the CIP, the SNWA shall regularly consult with the PARTIES to this Agreement concerning, among other things, (i) the then-existing and projected capital needs of the PARTIES associated with stabilization efforts, water quality protection, ecosystem enhancement, or environmental protection of the Wash, and (ii) any revisions proposed in writing by a PARTY to this Agreement.

7.16 Pertinent Party to Provide Easements. If separately approved by the governing board of the Pertinent Party, at their sole discretion, the Pertinent Party expressly agrees to provide easements and/or licenses or encroachment permits across land owned by the Pertinent Party as may be necessary to effectuate the terms and conditions of this Agreement.

Such easements, licenses and/or permits shall not impair, impede and/or conflict with the Pertinent Party's uses.Further, the Pertinent Party shall issue, at no charge where allowed by law, any necessary permits to construct, build and/or maintain CIP facilities.

7.17 O&M Plan. The SNWA shall maintain in effect, and revise as necessary, an O&M Plan which shall govern O&M of facilities related to stabilization and water quality protection in and adjacent to the Wash, as identified in the CIP or as incorporated by separate agreement.

7.18 Maintenance of Water Quality Standards. The SNWA shall provide oversight of the O&M Plan to ensure, as much as practical, that activities associated with O&M of facilities included in the O&M Plan meet standards associated with erosion control and water quality protection.

7.19 O&M Activities Included. The O&M Plan shall provide, either through the SNWA or through the agreed upon activities of other PARTIES to this Agreement, for O&M of facilities constructed or improved as identified in and as part of the CIP or as otherwise included by separate agreement. O&M activities included in the O&M Plan shall include monitoring foundation erosion and scour conditions, observing stream discharge impacts, operating water flow control devices, removing accumulated trash and debris, controlling site dust, managing vegetation, controlling erosion, performing site surface grading, graffiti removal, fencing and safety equipment repair, repainting, and other necessary normal operations and repair activities to conveyance, diversion, grade control, stream bank stabilization, and channel bed protection facilities related to stabilization of the Wash channel and non-urbanized overbank flooding areas of the Wash as identified in the CIP. The O&M Plan shall also make provision for emergency operations and repair,

and major repair of facilities damaged by fire, flood, earthquake and other natural events.

7.20 Monitoring. The O&M Plan shall provide for routine visual inspection and monitoring of the condition and function of facilities included herein, as required for environmental compliance permits issued for subject facilities, the O&M Plan shall detail operations, activities, and reporting necessary to meet required compliance conditions.

7.21 Emergency Operations and Repair. The O&M Plan shall identify agencies responsible for emergency repair and response to emergency conditions, including but not limited to structure failure, flooding, fire, and emergency rescue at facilities included herein. The O&M Plan shall define and make provisions for the creation and update of Emergency Action Plans for each facility included in the Plan.

7.22 Prioritization of O&M Activities. The O&M Plan shall present a scheme for prioritization of operations, maintenance, and repair of facilities included in the Plan. Prioritization of O&M of facilities shall be based upon: safety to adjacent and downstream facilities and property; degree of expected damage to be experienced without O&M; funding; available resources; and priority of competing interest outside of the Wash.

7.23 Access for O&M. The O&M Plan shall identify available and required access routes and route ownership necessary to access subject facilities for the purpose of inspection, monitoring, operation, and repair. Legal access shall be obtained prior to construction of the subject facility. Physical access shall be developed at the time of construction of the subject facility. The O&M Plan shall describe necessary operation and maintenance activities to safeguard and maintain access in passable condition and in conformance with environmental requirements for use. In the case that access is used for multi-purposes such as motor vehicle access for other purposes outside this plan, trail

systems, or emergency conditions, written agreements shall be developed prior to construction of the subject facility, identifying financial and physical responsibility for access maintenance, and environmental compliance.

7.24 Water Rights for Irrigation Water. The O&M Plan shall identity ownership, volumes, place of diversion and place of use of water rights necessary to provide irrigation water required for maintenance of vegetation associated with wetlands, ecosystem, and erosion control purposes. The O&M Plan shall identify the maintenance responsibilities required to maintain delivery of irrigation water to the place of use.

7.25 Revisions to the O&M Plan.

7.25.1 O&M Plan Effective Until Revised. The O&M Plan shall remain in effect until revised as provided in this Agreement, and each revision of the O&M Plan similarly shall remain in effect until further revised.

7.25.2 Annual Review of O&M Plan. The O&M Plan shall be reviewed annually and revised as frequently if necessary so that it will conform to the requirements of this Agreement. During such review, the SNWA shall consider any revisions proposed in writing by the PARTIES to this Agreement.

7.26 Reserve Fund. The SNWA shall establish and maintain, in cooperation with the other PARTIES, a reserve fund for the purpose of providing, and in amounts reasonably necessary to provide, sufficient funds for the payment of finance costs on any debt incurred by the PARTIES in connection with the execution of the O&M Plan and for such other purposes as the SNWA deems necessary.

7.27 Physical Scope. The physical scope of the O&M Plan shall be defined as the area depicted on Exhibit A. The O&M Plan shall not include O&M of the Clark County

Wetlands Park, Lake Las Vegas, or other development as deemed appropriate by the PARTIES.

7.28 Ownership of Facilities. SNWA shall own and maintain the facilities until transferred to the Pertinent Party. By separate agreement, and upon approval of the governing board of the Pertinent Party, SNWA shall transfer ownership of all constructed facilities, including erosion control structures, bank stabilization projects, and other facilities identified in Exhibit A, as deemed appropriate by SNWA upon completion, (which shall include compliance with all mitigation requirements to be completed by SNWA), and acceptance of each facility by the Pertinent Party. Such transfer shall be without cost to the Pertinent Party and shall be free of all liens, incumbrances, restrictions, conditions except Section 404 permit conditions issued under the Clean Water Act, if any,and/or covenants and shall be transferred in a manner acceptable to the Pertinent Party. Notwithstanding anything to the contrary contained in the Agreement, the SNWA shall not be obligated to transfer to the Pertinent Party any infrastructure related to the delivery of water that is otherwise necessary for the SNWA to conduct its regular operations. Such transfer of ownership shall not affect the SNWA's management responsibilities pursuant to this Agreement. As part of any transfer, the Pertinent Party shall provide the SNWA with all necessary rights-of-way or other appropriate means of access in order to maintain stream gauges, water monitoring facilities and to otherwise effectuate the SNWA's management responsibilities under this Agreement. Subject to the annual allocation of sufficient budgeted funds, by the Pertinent Party's governing board, the Pertinent Party to whom the facility is transferred shall maintain the facility in accordance with the applicable O & M Plan.

8. Staffing and Administration. The LVVWAC shall advise on and provide input on

who will provide staffing and administrative support services for the development of the Water Quality Plan under this Agreement.

9. Modification. This Agreement may be amended only in a writing signed by all PARTIES.

10. Termination. This Agreement may be terminated by a majority of the PARTIES hereto by action taken by the governing body of each PARTY. A PARTY may also unilaterally withdraw from this Agreement by action by its governing body following ninety days written notice to each PARTY. Such unilateral action to withdraw will not terminate this Agreement and the Agreement will remain in full force and effect in regard to all remaining PARTIES.

11. No Third Party Beneficiaries. This Agreement is for the sole benefit of the PARTIES and does not create any right or benefit, substantive or procedural, enforceable by any third parties against the PARTIES.

12. Bylaws. The LVVWAC shall adopt bylaws and procedures, including but not limited to quorum and voting rules, as are necessary and convenient to its operation and are consistent with this Agreement.

13. Counterparts. This Agreement may be executed and approved in multiple counterparts, each of which shall be deemed an original.

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FIRST AMENDED AGREEMENT REGARDING THE LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

IN WITNESS WHEREOF, each of the PARTIES has executed this Agreement as of the date and year first written above.

SOUTHERN NEVADA WATER AUTHORITY

_____

Shari L. Buck, Chair

Approved As to Form:

Approved on _____, by the Board of Directors for the Southern Nevada Water Authority.

Gregory J. Walch,
Southern Nevada Water Authority
General Counsel

LAS VEGAS VALLEY WATER DISTRICT

_____

Steve Sisolak, Chair

Approved As to Form:

Approved on _____, by the Board of Directors for the Las Vegas Valley Water District.

Gregory J. Walch,
Las Vegas Valley Water District
General Counsel

FIRST AMENDED AGREEMENT REGARDING THE LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

Attest:

CITY OF LAS VEGAS

_____
Beverly K. Bridges, MMC, City Clerk

_____
Carolyn G. Goodman, Mayor

Approved As to Form:

Approved on _____, by the City Council for the City of Las Vegas.

_____
John S. Ridilla, Deputy City Attorney

Attest:

CITY OF NORTH LAS VEGAS

_____
Karen L. Storms, CMC, City Clerk

_____
Shari L. Buck, Mayor

Approved As to Form:

Approved on _____, by the City Council for the City of North Las Vegas.

_____
Jeffrey F. Barr, City Attorney

FIRST AMENDED AGREEMENT REGARDING THE LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

Attest:

CITY OF HENDERSON

_____
Sabrina Mercadante, CMC
City Clerk

_____
Andy A. Hafen, Mayor

Approved As To Form:

Approved on _____, by the City Council for the City of Henderson.

_____
Josh M. Reid, City Attorney

Attest:

CLARK COUNTY WATER RECLAMATION DISTRICT

_____
Diana Alba, County Clerk

_____
Lawrence L. Brown III, Chair

Approved As To Form:

Approved on _____, by the Board of Trustees for the Clark County Water Reclamation District.

_____
Carolyn Campbell, Deputy District Attorney

FIRST AMENDED AGREEMENT REGARDING THE LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

Attest:

CLARK COUNTY

_____

Diana Alba, County Clerk

_____

Susan Brager, Chair

Approved As To Form:

Approved on _____, by the Board of County Commissioners for Clark County

_____

Mary Ann Peterson, Deputy District Attorney

Attest:

CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT

_____

Carolyn M. Frazier, Board Secretary

_____

Lawrence L. Brown, III, Chairman

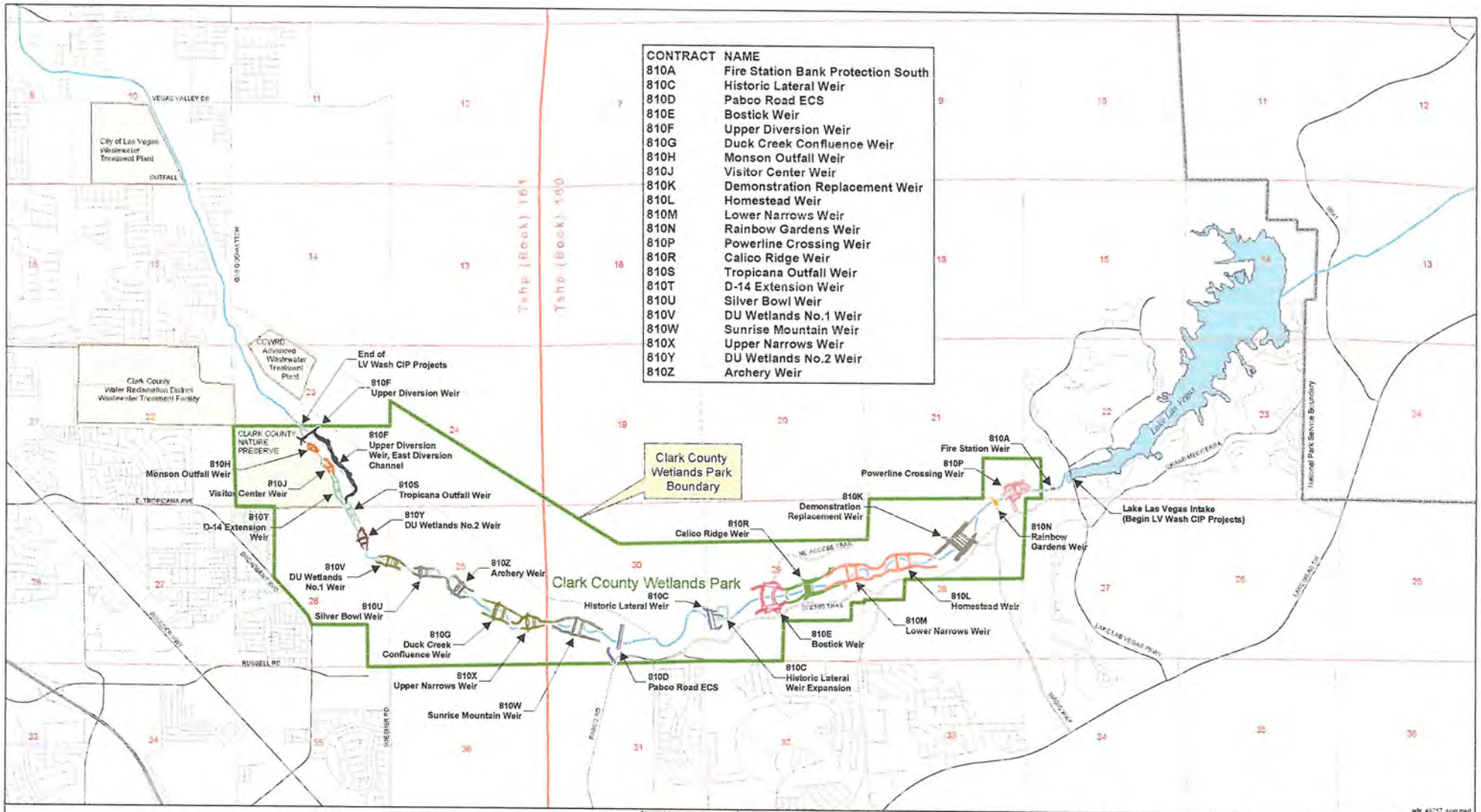
Approved As To Form:

Approved on _____, by the Board of Directors for the Clark County Regional Flood Control District.

_____

Christopher Figgins, Clark County
Chief Deputy District Attorney

CONTRACT	NAME
810A	Fire Station Bank Protection South
810C	Historic Lateral Weir
810D	Pabco Road ECS
810E	Bostick Weir
810F	Upper Diversion Weir
810G	Duck Creek Confluence Weir
810H	Monson Outfall Weir
810J	Visitor Center Weir
810K	Demonstration Replacement Weir
810L	Homestead Weir
810M	Lower Narrows Weir
810N	Rainbow Gardens Weir
810P	Powerline Crossing Weir
810R	Calico Ridge Weir
810S	Tropicana Outfall Weir
810T	D-14 Extension Weir
810U	Silver Bowl Weir
810V	DU Wetlands No.1 Weir
810W	Sunrise Mountain Weir
810X	Upper Narrows Weir
810Y	DU Wetlands No.2 Weir
810Z	Archery Weir



SOUTHERN NEVADA WATER AUTHORITY

LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE, PHYSICAL SCOPE OF CAPITAL IMPROVEMENT AND O&M PLANS

EXHIBIT A

Feet
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SNWA Wash Facilities Engineering
Official Stabilization Master Plan map.

Map produced by SNWA Engineering,
KTM, Spatial Information Team.
SPC NV-E, NAD83, US Feet.
Analyst: EN

1 Inch = 3000 Feet, or Scale = 1:36,000
(Original 11x17 map only, verify scale)

MAP-ID: WFE_49717_WAC
DATE: 10 JULY 2012

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Regional Water Quality Plan	**Director's Backup**
Petitioner: Richard B. Holmes, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors adopt the Las Vegas Valley Watershed Advisory Committee's 2012 Regional Water Quality Plan.	

Fiscal Impact:
None by approval of the above recommendation.

Background:
On April 16, 2009, the Board of Directors adopted the Las Vegas Valley Watershed Advisory Committee's (LVVWAC) first Regional Water Quality Plan (Plan). The 2009 Plan provided a coordinated effort to protect and improve water quality in the Las Vegas Valley Watershed, the Las Vegas Wash, and Lake Mead. The LVVWAC also developed a Regional Water Plan Accomplishments 2011 document (Attachment A), which details the activities each member agency has taken during the period from 2009 through 2011 to satisfy the goals of the 2009 Plan.

In 2011, the Clean Water Coalition withdrew from the LVVWAC. This action requires adoption of an amended agreement and Plan by the LVVWAC's member agencies. Approval of the amended agreement is being brought before the Board for consideration under a separate agenda item.

The LVVWAC consists of Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, the Cities of Henderson, Las Vegas and North Las Vegas, the Las Vegas Valley Water District, and the Authority. All LVVWAC member agencies have approved the 2012 Plan and will be presenting it to their respective Boards for adoption.

At this time, the Board of Directors is being asked to review and, if appropriate, adopt the LVVWAC's 2012 Plan. The attached Plan represents a demonstrated effort among member agencies in southern Nevada to coordinate all existing plans, policies, documents and efforts related to the overall water quality of the Las Vegas Valley watershed, while also working to protect the watershed's resources, uses and values. Upon adoption of the 2012 Plan, the member agencies of the LVVWAC will develop strategies and tasks to achieve the water quality goals outlined in the Plan.

This action is authorized pursuant to Section 6(p) of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this agenda item.

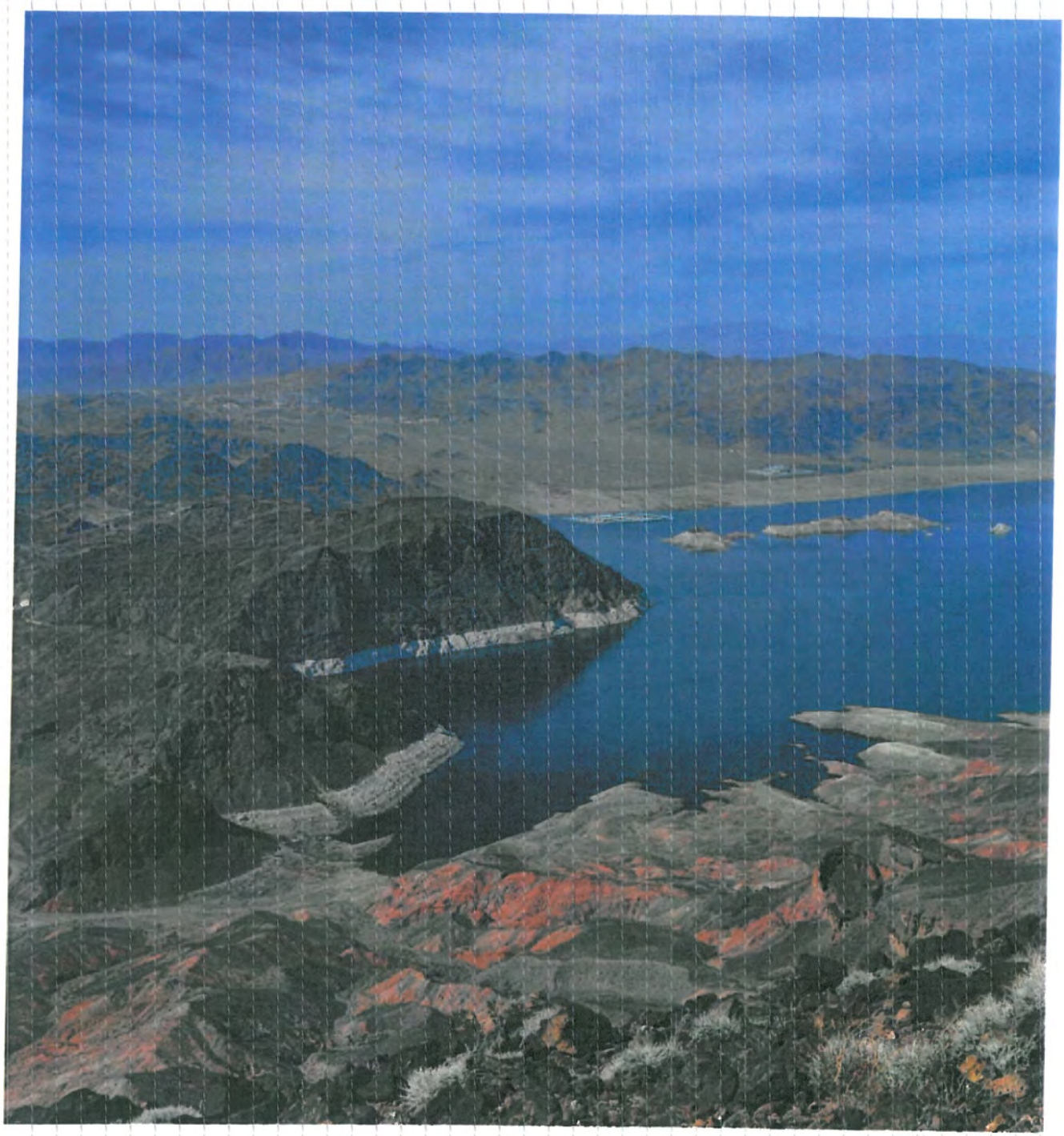
Respectfully submitted:

Patricia Mulroy, General Manager
PM:RBH:REZ:rss
Attachments

AGENDA ITEM # 8

LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

REGIONAL WATER QUALITY PLAN



Lake Mead, Nevada

2012

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LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

REGIONAL WATER QUALITY PLAN

2012

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LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE MEMBER AGENCIES

CITY OF HENDERSON

CITY OF LAS VEGAS

CITY OF NORTH LAS VEGAS

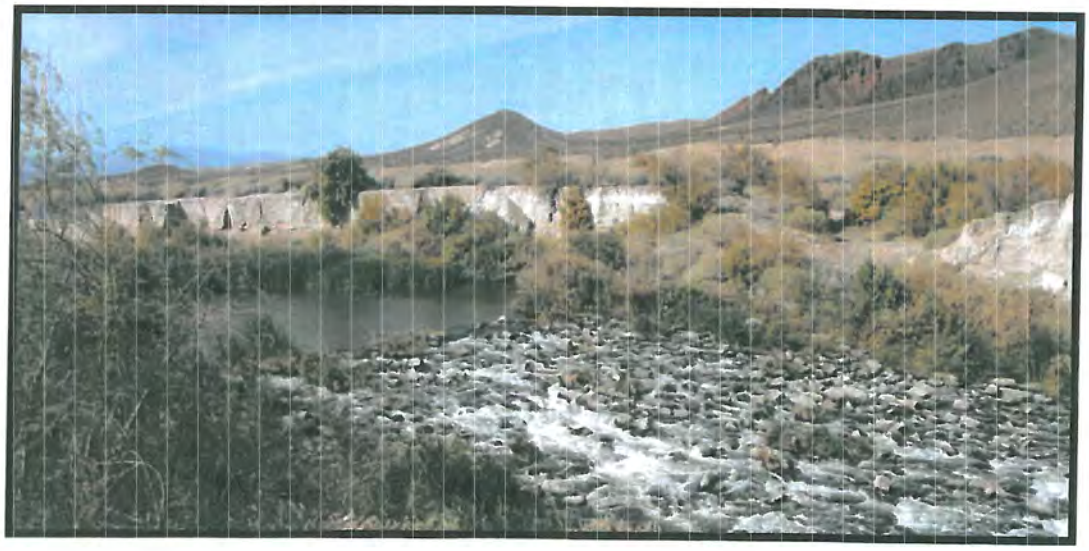
CLARK COUNTY

CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT

CLARK COUNTY WATER RECLAMATION DISTRICT

LAS VEGAS VALLEY WATER DISTRICT

SOUTHERN NEVADA WATER AUTHORITY



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ACRONYMS

AFY	Acre-feet per year
BMP	Best Management Practices
CAMP	Las Vegas Wash Comprehensive Adaptive Management Plan
CCL	Contaminant Candidate List
CCRFCD	Clark County Regional Flood Control District
CCWRD	Clark County Water Reclamation District
CWA	Clean Water Act
EPA	Environmental Protection Agency
FEMA	Federal Emergency Management Agency
GMP	Las Vegas Valley Groundwater Management Program
LVVWAC	Las Vegas Valley Watershed Advisory Committee
LVVWD	Las Vegas Valley Water District
LVWCC	Las Vegas Wash Coordination Committee
MAC	Las Vegas Wash Management Advisory Committee
MCL	Maximum Contaminant Level
MS4	Municipal Separate Storm Sewer Systems
MAFY	Million Acre-Feet per Year
NAC	Nevada Administrative Code
NDEP	Nevada Division of Environmental Protection
NHPA	National Historic Preservation Act
NPDES	National Pollutant Discharge Elimination System
NPS	National Park Service
NRS	Nevada Revised Statutes
RMHQ	Requirement to Maintain Existing Higher Water Quality
SDWA	Safe Drinking Water Act
SNWA	Southern Nevada Water Authority
SNWS	Southern Nevada Water System
SQMC	Stormwater Quality Management Committee
TDS	Total Dissolved Solids
TMDL	Total Maximum Daily Load

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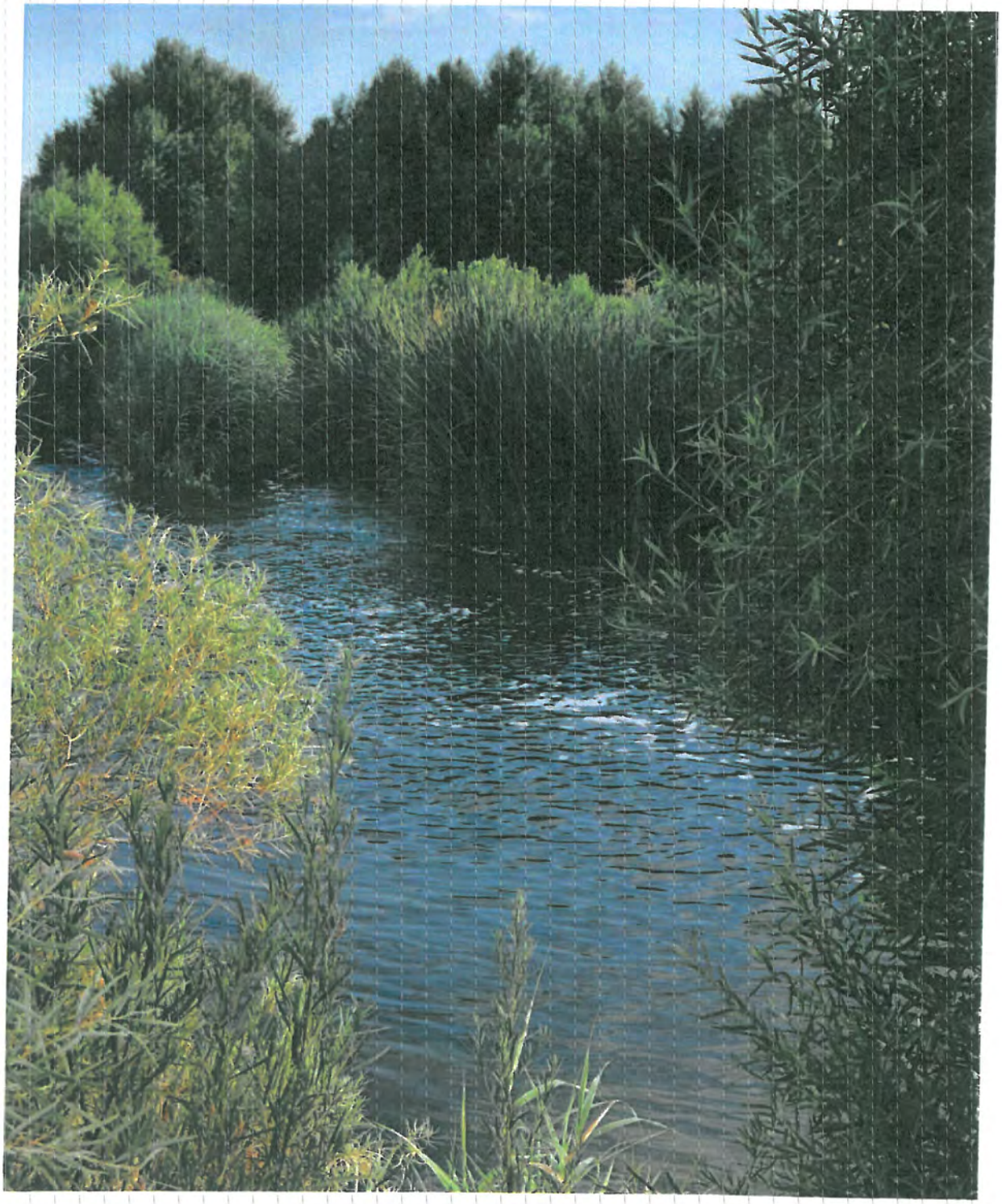
EXECUTIVE SUMMARY



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EXECUTIVE SUMMARY

In 2007, Southern Nevada's water, wastewater and stormwater agencies established the Las Vegas Valley Watershed Advisory Committee (LVVWAC). The committee was formed to enhance overall watershed management efforts and to develop a regional water quality plan for the Las Vegas Valley watershed. Members include:

- City of Henderson
- City of Las Vegas
- City of North Las Vegas
- Clark County
- Clark County Regional Flood Control District
- Clark County Water Reclamation District
- Las Vegas Valley Water District
- Southern Nevada Water Authority

The 2012 Regional Water Quality Plan represents these efforts and recognizes the dynamic and interrelated nature of human and environmental influences on the valley's watershed. The Regional Water Quality Plan also details the important role water, wastewater and stormwater agencies have in protecting critical watershed resources including municipal drinking water supplies, wildlife habitat and recreation.

There are a number of state and federal laws that govern water management practices and safeguard important natural resources in Southern Nevada. Some of these include the Clean Water Act, Safe Drinking Water Act, Nevada Administrative Code, Endangered Species Act, National Historical Preservation Act and Migratory Bird Treaty Act.

Meeting these laws requires that water, wastewater and stormwater agencies coordinate efforts closely for the benefit of the community. This Regional Water Quality Plan serves as a roadmap for continued collaboration among the agencies and establishes goals to help the LVVWAC meet its mission to:

"Protect, preserve and enhance the quality and quantity of water resources in the Las Vegas Valley Watershed and to sustain economic well-being and protect the environment for present and future generations."

LVVWAC regional watershed goals include the following:

1. Manage the Las Vegas Valley Watershed to help protect Lake Mead as a source of water for Southern Nevada and downstream users.

2. Meet or surpass federal, state and local standards and regulations.

3. Preserve and enhance the natural, cultural, historic and recreational values of the watershed.

4. Sustain and coordinate water resources for future generations.

5. Manage flood risks.

6. Build community awareness and support for regional watershed management.

By working together, the LVVWAC can address watershed management efforts in a more coordinated manner. Doing so will help to protect vital public, environmental and recreational resources and help to ensure these resources are maintained for generations to come.

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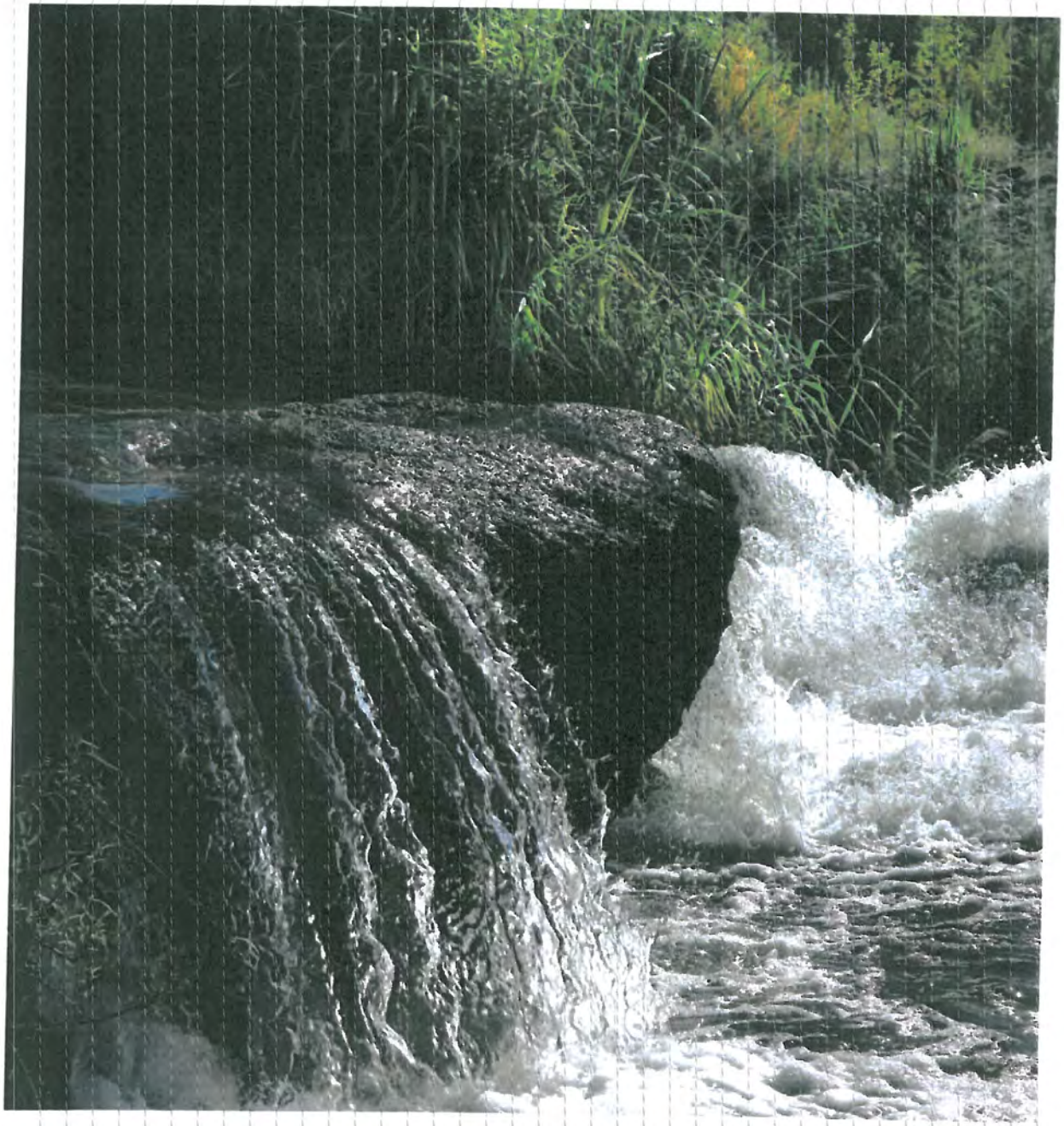
CHAPTER ONE

Introduction

Mission and Goals



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INTRODUCTION

The Las Vegas Valley Watershed Advisory Committee (LVVWAC) was formed in 2007 among Southern Nevada's water, wastewater and stormwater agencies to develop a regional water quality plan, establish regional water quality goals and coordinate planning efforts among participating agencies. Members include:

- City of Henderson
- City of Las Vegas
- City of North Las Vegas
- Clark County
- Clark County Regional Flood Control District
- Clark County Water Reclamation District
- Las Vegas Valley Water District
- Southern Nevada Water Authority

The LVVWAC serves as a forum for partnering agencies to define and present a unified direction for addressing water quality issues and its impact within the Las Vegas Valley and Lake Mead. In addition, the LVVWAC is tasked with integrating individual water management approaches into a single comprehensive regional plan.

In accordance with the 2007 enabling agreement among participating entities, the LVVWAC assumed all functions of the Las Vegas Wash Management Advisory Committee (MAC), a former stakeholder committee that provided direction on water quality and resource issues associated with the Las Vegas Wash. The LVVWAC has taken on this role with an expanded scope, considering the regional watershed as a whole.

The LVVWAC has developed this 2012 Regional Water Quality Plan in an effort to coordinate all existing plans, policies, documents and efforts related to water quality in the Las Vegas Valley watershed. The Regional Water Quality Plan integrates regional water quality goals that were developed by the LVVWAC during the year following its formation. These goals set a roadmap for future efforts and guide its members toward appropriate actions necessary to better manage community water resources. While the economy in Southern Nevada has suffered, the members understand the importance of water resources to the public and commit to maintain the current level of service and will strive to further the goals contained in the Regional Water Quality Plan as resources allow.

LVVWAC MEMBERS

Each of the eight LVVWAC members has a responsibility for protecting and preserving regional watershed resources for the community.

City of Henderson

The City of Henderson was incorporated in 1953 and is governed by a Mayor and a four-member City Council. The City is responsible for providing water, wastewater and reclaimed water service to its residents, and building infrastructure projects to collect and manage flooding and stormwater quality.

City of Las Vegas

The City of Las Vegas was founded in 1905 and is governed by a Mayor and a six-member City Council. It is responsible for managing wastewater treatment for its residents and building infrastructure projects to collect and manage flooding and stormwater quality. Domestic water service and reclaimed water distribution are provided by the Las Vegas Valley Water District.

City of North Las Vegas

The City of North Las Vegas was incorporated in 1946 and is governed by a Mayor and a four-member City Council. The City is responsible for providing water and wastewater service to its residents and building infrastructure projects to collect and manage flooding and stormwater quality. It also provides water service to portions of Las Vegas and

unincorporated Clark County.

Clark County

Clark County was formed in 1909 and is governed by a seven-member Board of County Commissioners. Clark County provides local and regional services to more than two million residents and approximately 40 million visitors annually. In compliance with Clean Water Act planning requirements, Clark County was appointed by the State to prepare the Clark County Area-Wide Water Quality Management Plan (208 Plan).

The 2,900 acre Clark County Wetlands Park, administered by the Parks and Recreation Department, is designed to protect and enhance the cultural and ecological resources of the Las Vegas Wash while providing environmental education, recreational, stewardship, and volunteer opportunities.

Clark County Regional Flood Control District

The Clark County Regional Flood Control District (CCRFCD) was created in 1985 to develop a coordinated and comprehensive master plan to solve flooding problems, regulate land use in flood hazard areas, fund and coordinate the construction of flood control facilities, and develop a maintenance program for master plan flood control facilities. The CCRFCD is the lead agency for the Las Vegas Valley National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) permit. The agency is governed by an eight-member Board of Directors that is comprised of two representatives each from Clark County and the City of Las Vegas, and one representative each from the cities of Boulder City, Henderson, Mesquite and North Las Vegas.

Clark County Water Reclamation District

The Clark County Water Reclamation District (CCWRD) was formed in 1954 and is governed by a seven-member Board of Trustees whose members also serve as the elected Clark County Board of Commissioners. It is responsible for wastewater treatment and reclamation in all of the unincorporated areas of Clark County, including the outlying areas of Blue Diamond, Indian Springs, Laughlin, Searchlight and Moapa Valley.

Las Vegas Valley Water District

The Las Vegas Valley Water District (LVVWD) was formed in 1954 and is governed by a seven-member Board of Directors whose members also serve as the elected Clark County Commission. The LVVWD provides water service to the City of Las Vegas and portions of unincorporated Clark County. The agency also serves as the managing entity for the Southern Nevada Water Authority.

Southern Nevada Water Authority

The Southern Nevada Water Authority (SNWA) was formed in 1991 among seven water and wastewater agencies in Southern Nevada to serve as the region's wholesale water provider. Specific functions of the SNWA are to acquire and manage long-term water resources for Southern Nevada, manage existing and future water resources, construct and manage regional facilities and promote water conservation. The agency is governed by a seven-member Board of Directors, comprised of one member from each partnering agency. SNWA members include Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, Clark County Water Reclamation District and Las Vegas Valley Water District.

LAS VEGAS VALLEY WATERSHED

The Las Vegas Valley watershed includes the entire Las Vegas Valley Hydrographic Basin and Lake Mead (see page 22).

The Las Vegas Valley Hydrographic Basin measures approximately 2,200 square miles. It is bordered by Spring Mountains (West), Frenchman Mountains (East), McCullough Range (South) and the Sheep Range (North) and is drained by the Las Vegas Wash.

In addition to local groundwater, other watershed sources include the Colorado River, which is primarily fed by precipitation and snowmelt in the Rocky Mountains. The Colorado River drainage system runs through seven western states including Wyoming, Colorado, Utah, New Mexico, Nevada, Arizona and California. Nevada's Colorado River allocation is stored in Lake Mead.

For planning purposes, the LVVWAC considers all water sources within the Las Vegas Valley Hydrographic Basin (including groundwater, shallow groundwater, urban runoff, stormwater and treated

wastewater flows) as components of the Las Vegas Valley watershed. The Colorado River is included for planning purposes, as well as its tributaries including the Muddy and Virgin Rivers. The Virgin River originates in southwestern Utah, flows through Arizona and into Nevada where it joins the Colorado River at Lake Mead. The Muddy River is a perennial river fed by a series of springs in Southern Nevada. The river originates in Nevada and flows into Lake Mead.

Lake Mead inflows.

The Las Vegas Wash is another tributary to Lake Mead, and primarily serves as an "urban river." Its flows are comprised of urban runoff, shallow groundwater, highly treated wastewater and stormwater. These flows are discharged into Lake Mead where they help to extend Southern Nevada's Colorado River allocation. In Southern Nevada, water that is withdrawn from the system but later returned as treated wastewater flows, is effectively refunded. These "return-flows" allow Southern Nevada to extend the use of its Colorado River apportionment by approximately 70 percent.

WATER SOURCES

There are three distinct water type sources in the Las Vegas Valley watershed. These include potable water (Colorado River and local groundwater), highly treated wastewater and non-point sources (including urban runoff, shallow groundwater and stormwater).

Potable Water

Under the 1922 Colorado River Compact and associated agreements, Nevada has the right to the consumptive use of 300,000 acre-feet per year (AFY). Agreements among the seven basin states that share the Colorado River have afforded Southern Nevada additional flexibility. For example, Southern Nevada has the ability to develop specific water resources and convey them to the Colorado River in exchange for credits. In addition, Southern Nevada has received credits in exchange for funding a water system efficiency project on the Colorado River. Southern Nevada also has water banking agreements with California and Arizona to bank Colorado River water in exchange for storage credits for SNWA to withdraw in the future.

Local Groundwater

The Las Vegas Valley Water District and the City of North Las Vegas have permanent groundwater rights totaling 40,629 AFY and 5,711 AFY, respectively. This groundwater is permitted by the Nevada State Engineer and is withdrawn from the principal aquifer in the Las Vegas Valley Hydrographic Basin.

Highly Treated Wastewater

Treated wastewater accounts for 90 percent of Las Vegas Wash flows at Lake Mead. Because Southern Nevada recycles 100 percent of its indoor water used for return-flow credits or reuse throughout the valley, meeting federal and state regulations for wastewater discharge not only protects Lake Mead water quality, it also extends the region's water resources.

Non-Point Water Sources

There are three non-point source flow components of the Las Vegas Wash, the primary drainage source for all of Southern Nevada's non-point sources:

- Urban runoff
- Shallow groundwater
- Stormwater

Urban Runoff. Urban runoff is typically associated with water runoff that begins in street gutters, and travels through the storm drain system and enters Lake Mead untreated. A number of water conservation programs, including water waste restrictions, adopted in the Las Vegas Valley have the added benefit of reducing urban runoff and the pollutants it transports.

Shallow Groundwater. Shallow groundwater is historically naturally occurring, but also is fed by excess irrigation. Shallow groundwater runoff is trapped near the land surface by an impermeable layer of clay and caliche, and typically lies within 50 feet of land surface. In some areas of the Las Vegas Valley, higher levels in the principal aquifer can contribute to the shallow groundwater system. In the southeast portion of the valley, the shallow aquifer is near the ground surface and discharges to stream channels.

Stormwater. Created by rain events, stormwater is conveyed untreated through the Las Vegas Valley to the Las Vegas Wash through an extensive network of flood control structures and natural washes. Southern Nevada does not receive return-flow credits for stormwater that enters Lake Mead.

WATER QUALITY REGULATIONS

All qualities of water in the Las Vegas Valley–including drinking water, wastewater and stormwater–are regulated by a series of federal and state regulations. These regulations serve to protect drinking water quality and source water, and ensure that the watershed's environmental and recreational uses are preserved. Key water quality regulations in place to safeguard Southern Nevada's water resources include:

- Clean Water Act
- Safe Drinking Water Act
- Nevada law

Clean Water Act

As amended, the 1972 federal Clean Water Act (CWA) regulates water pollution and ensures that surface waters meet certain standards necessary for appropriate beneficial uses, while restoring and maintaining the chemical, physical and biological integrity of the nation's waters. Discharge of the point and non-point sources are covered under the act.

The CWA includes a number of regulatory and non-regulatory tools to manage water pollution. For example, the National Pollutant Discharge Elimination System (NPDES) is a permitting process to limit the discharges of pollutants to surface waters. The NPDES is managed by the United States Environmental Protection Agency (EPA) in partnership with state environmental agencies to regulate point and non-point sources of pollution. In Nevada, the Nevada Division of Environmental Protection (NDEP) is responsible for implementation and enforcement efforts associated with the CWA. In addition to NPDES permitting activities, NDEP sets water quality standards, identifies impaired water bodies and establishes Total Maximum Daily Loads (TMDLs) for water bodies. NPDES permits must be reviewed and reissued every five years.

Safe Drinking Water Act

As amended, the 1974 federal Safe Drinking Water Act (SDWA) serves as the principal federal law that ensures safe drinking water for the public and applies to all public water systems. Pursuant to the SDWA, the EPA sets drinking water quality standards and oversees implementation. As part of this work, the EPA has established regulations for certain contaminants that may cause adverse public health effects. The EPA protects public health by establishing Maximum Contaminant Levels (MCLs) for enforceable contaminants.

The SDWA contains provisions that must be met for both regulated and unregulated organic, inorganic and microbial contaminants, which come from a variety of sources. In addition, there are a number of chemical compounds and organisms on the EPA's Contaminant Candidate List (CCL) that may be regulated in the future, as well as pharmaceuticals and regulated compounds of concerns.

Nevada Law

The State of Nevada is responsible for coordinating and implementing federal water quality regulations throughout the state. In addition to federal regulations, Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) include water quality standards to protect the beneficial uses of waters, including municipal water supply and warm water fisheries in Lake Mead.

The NAC includes anti-degradation standards based on the Requirement to Maintain Existing Higher Water Quality (RMHQ) where existing water quality is higher than the standards required for beneficial uses (such as in Lake Mead).

Other Regulations

Meeting anti-degradation standards also addresses

the National Park System's (NPS) non-impairment guidelines for water quality constituents, as well as recreation, fish and wildlife.

NDEP also regulates remediation programs which work to oversee cleanup activities and determine mitigation activities for contaminated water bodies throughout the state. Beyond NPDES permits, NDEP also may issue general wastewater or temporary dewatering discharge permits based on the type of discharge, duration and impacted waters.

The Colorado River serves seven western states and the country of Mexico. Water quality in and out of Nevada is regulated by the federal government (EPA). Nevada also works with the states of Arizona and California to set standards that work to protect interstate waters.

WATER QUALITY

This Regional Water Quality Plan addresses water quality management efforts of the source water for Southern Nevada, Colorado River water, local groundwater, highly treated wastewater and non-point water sources (stormwater, urban runoff and shallow groundwater). Below is a description of each, as well as a discussion of treatment issues and management strategies to ensure all water types meet or exceed established federal and state standards.

This section is intended to provide readers with a broad overview of regional water quality issues, as well as a context for enhanced communication and collaboration efforts occurring among partnering water, wastewater and stormwater agencies in Southern Nevada.

SNWS Water Quality Lab

Source Water

Source water is the term used to describe water that has not been treated for drinking and other domestic uses. In Southern Nevada, source water is comprised of Colorado River system inflows, local groundwater, highly treated wastewater returns, and non-point sources (urban runoff, shallow groundwater and stormwater).

Colorado River System Inflows. Ongoing drought conditions in the Colorado River Basin have affected raw water quality in Lake Mead. For example, concentrations of bromide and total organic carbon, two naturally occurring constituents, have increased primarily due to reduced inflows and concentration from evaporation. These constituents are relatively harmless by themselves. However, when they undergo mixing with water treatment processes (such as chlorine or ozone) or are influenced by factors such as temperature, undesirable water quality issues arise. Partnering LVVWAC agencies are working together to ensure that long-term drinking water quality is maintained. Some actions include modifying treatment techniques based on current and future conditions.

Water stored in Lake Mead is treated at the Southern Nevada Water System (SNWS), which has two advanced water treatment facilities designed to provide drinking water that meets all SDWA standards. Water undergoes ozone treatment and multi-stage filtration, and is further disinfected to protect drinking water in the distribution system.

Every month, scientists collect and analyze hundreds of water samples from throughout the Las Vegas Valley. The SNWS tests more frequently and extensively than the SDWA requires. Water delivered by the SNWS, as well as local groundwater supplies, meets or surpasses all state and federal drinking-water standards.

Local Groundwater. Because it is naturally filtered, water drawn from the groundwater basin is simply treated with chlorine as it enters the distribution system.

In 1997, the Nevada State Legislature directed the SNWA to develop the Las Vegas Valley Groundwater Management Program (GMP) to protect and manage

the Valley's groundwater resources. The program works to protect the groundwater supply from contamination, improve management of resources to prevent overdrafting and increase cooperation among groundwater users and agencies. In addition, the program works to recharge the aquifer by injecting treated surface water from the drinking water distribution system in the Las Vegas Valley into the groundwater aquifer. On behalf of the SNWA member agencies, this large-scale surface water recharge is used to "bank" water for future use and supplement the natural recharge of the aquifer. The surface water that is injected into the principal aquifer is subject to all drinking water standards.

Highly Treated Wastewater. The valley's four wastewater agencies (CCWRD and the cities of Henderson, Las Vegas and North Las Vegas) discharge highly-treated effluent into the Las Vegas Wash before it enters Lake Mead. Wastewater discharge is regulated by federal and state policies. The LVVWAC wastewater agencies are in full compliance with these established regulations for wastewater discharge.

The wastewater treatment process includes biological, physical and chemical treatment systems. Solids are removed from the wastewater stream and then dissolved biological matter is converted to sludge. After wastewater has undergone initial treatment activities, it undergoes tertiary treatment. Tertiary treatment raises the water quality of the effluent before it is discharged to the Las Vegas Wash. There are a number of tertiary treatment processes used in Southern Nevada, including the removal of nitrogen and phosphorus. The wastewater is then filtered and disinfected before being discharged.

Wastewater agencies perform more than 250,000 process control and laboratory tests each year to meet strict NDEP regulations and ensure that water quality standards are met or surpassed at all times.

Non-Point Sources. Non-Point sources account for approximately 10 percent of Las Vegas Wash flows at Lake Mead on an annual basis. Non-point sources include urban runoff, shallow groundwater and stormwater.

Agencies in Southern Nevada work together to monitor these flows and ensure that they do not adversely impact the environment. The NDEP and EPA, as authorized by the CWA, regulate non-point source discharges. To support these efforts, the NDEP manages the NPDES and requires a permit for all entities that discharge water to the Las Vegas Wash. NPDES is a permitting mechanism that requires the implementation of controls designed to prevent harmful pollutants from being washed by urban and stormwater runoff into local water bodies.

The CCRFCD is the lead entity for a multi-jurisdictional stormwater permit issued to the cities of North Las Vegas, Las Vegas, Henderson and Clark County. The CCRFCD coordinates permit compliance activities among these stormwater system operators. In addition, the Stormwater Quality Management Committee (SQMC) was formed among Las Vegas Valley stormwater permittees to help manage program development and compliance activities. The permit authorizes stormwater discharge to the Las Vegas Wash from storm sewer systems owned and operated by the cities of Las Vegas, North Las Vegas, Henderson and Clark County in return for implementation of certain storm water pollution reducing activities by the permittees.

The following provides an overview of non-point sources and respective water-quality challenges.

Urban runoff. Urban runoff can pose a risk to water quality because of its potential to carry various pollutants (including bacteria, oil, grease, pesticides, herbicides and nutrients) from the urban landscape into Lake Mead through the storm drain system. In addition, urbanization can increase the quantity and pollutant load of dry weather flows in the drainable

system as a result of landscape watering, vehicle washing and other miscellaneous activities.

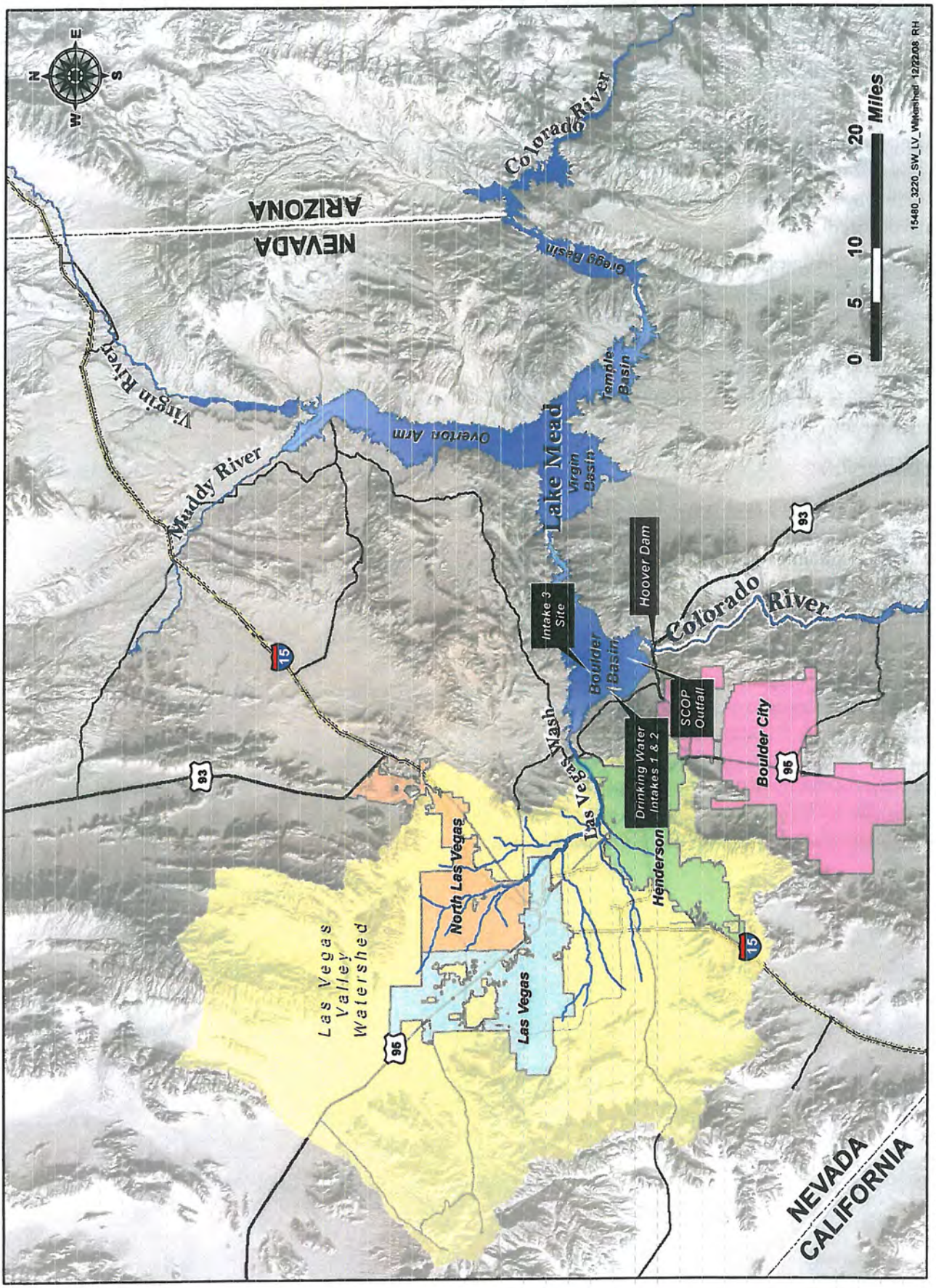
Shallow Groundwater. Local groundwater sources are known to contain elevated selenium and total dissolved solids (TDS), two watershed contaminants of concern that occur naturally in groundwater sources. Other shallow groundwater flow inputs are affected by sub-surface flows from industrial activities and dewatering discharges.

Stormwater. Sediment, debris and bacteria are the most common contaminants found in stormwater. These contaminants are washed into storm drains, which ultimately lead to Lake Mead via the Las Vegas Wash. During rain events, runoff may contain pollutants in quantities that could adversely affect water quality.

CONCLUSION

Numerous federal and state regulations exist to protect local source water and drinking water quality for the public. Drought impacts on major water supplies will require even more significant efforts, both in terms of treatment and facilities management, to protect public resources.

Proactive management of the Las Vegas Valley watershed is necessary to ensure the quality of Southern Nevada's drinking water supply is maintained and to protect regional water resources for environmental, human and recreational uses. To that end, the LVVWAC has adopted six regional watershed goals, as described in the following section.



Las Vegas Valley Watershed

MISSION:

PROTECT, PRESERVE AND ENHANCE THE QUALITY AND QUANTITY OF WATER RESOURCES IN THE LAS VEGAS VALLEY WATERSHED TO SUSTAIN ECONOMIC WELLBEING AND PROTECT THE ENVIRONMENT FOR PRESENT AND FUTURE GENERATIONS.

GOALS

1. Manage the Las Vegas Valley Watershed to help protect Lake Mead as a source of water for Southern Nevada and downstream users.

2. Meet or surpass federal, state and local standards and regulations.

3. Preserve and enhance the natural, cultural, historic and recreational values of the watershed and Lake Mead.

4. Sustain and coordinate water resource for future generations.

5. Manage flood risks.

6. Build community awareness and support for regional watershed management.

GOAL ONE: MANAGE THE LAS VEGAS VALLEY WATERSHED TO HELP PROTECT LAKE MEAD AS A SOURCE OF WATER FOR SOUTHERN NEVADA AND DOWNSTREAM USERS.

The Colorado River is the primary source for Southern Nevada's overall water resource needs. Nevada receives 0.30 MAFY for consumptive use from the Colorado River.

Other downstream users include Arizona which receives 2.85 MAFY, California, which receives 4.4 MAFY, and the country of Mexico which receives 1.5 MAFY.

The Las Vegas Valley accesses Nevada's Colorado River allocation through existing facilities at Lake Mead. Other Lake Mead inflows come from the Muddy River, the Virgin River and the Las Vegas Wash. Las Vegas Wash flows are comprised of highly treated wastewater discharge, stormwater runoff, shallow groundwater and urban runoff. The latter three are referred to as non-point sources.

There are a number of factors that can and will likely continue to influence water quality in the future, these include:

- Drought conditions in the Colorado River Basin. Reduced inflows limit dilution and mixing of existing storage and contribute to lower surface elevations and associated temperature variations.
- Increased volumes of highly treated wastewater discharged to Lake Mead.
- New discharges of treated wastewater to the Virgin and Muddy rivers by upstream users such as Southern Utah and other growing Nevada cities.
- Potential plans by the U.S. Bureau of Reclamation to release warmer water from Lake Powell for endangered species recovery.
- Changes to upstream reservoir operations (Lake Powell).
- Imported groundwater from the SNWA's proposed Clark, Lincoln and White Pine Counties Groundwater Development Project.
- Increased non-point source inflows due to continued development in the watershed.

Climate change is one example of an emerging issue that will warrant monitoring to determine future impacts. Climate change and its resulting impacts will likely influence water resource availability and consequently influence water quality.

LakeMead, Nevada

GOAL TWO: MEET OR SURPASS FEDERAL, STATE AND LOCAL STANDARDS AND REGULATIONS.

All qualities of water in the Las Vegas Valley are regulated by a series of federal, state and local regulations. Key water quality laws in place to safeguard local and regional water sources include the Clean Water Act, the Safe Drinking Water Act and Nevada Administrative Code.

The Nevada Division of Environmental Protection (NDEP) is responsible for implementation and enforcement efforts in Nevada associated with the Clean Water Act (CWA) and the Safe Drinking Water Act (SDWA). The CWA generally applies to municipal sources, wastewater, industrial wastewater, urban storm drainage systems and construction site runoff management efforts. The SDWA applies to drinking water sources.

In Nevada, water quality control standards are regulated by Nevada Administrative Code (NAC). Specific constituents regulated in the Colorado River below Hoover Dam, Lake Mead, inner Las Vegas Bay and the Las Vegas Wash include toxic materials, phosphates, and dissolved oxygen, as well as temperature and pH levels. The NAC has anti-degradation standards to ensure existing water quality is higher than the standards required for beneficial use.

NDEP established the Lake Mead Water Quality Forum to protect public health and preserve water quality in the Las Vegas Wash and Las Vegas Bay, as well as Lake Mead. A number of federal, state and local stakeholders are involved in this process and work together to identify issues regarding water quality and impacts on the water supply, coordinate study efforts, disseminate information, serve as a clearinghouse on water quality issues and formulate further study on water quality issues.

In 1999, the Colorado River Basin began to experience drought conditions that, during the next few years, became the worst drought in the recorded history of the basin. As a result, water levels in the two primary storage reservoirs on the lower Colorado River (Lake Mead and Lake Powell) dramatically declined.

One outcome of low or declining water levels is reduced water quality. Low water levels affect water temperature, a key variable in water quality management, as well as the concentration of other constituents such as Total Organic Carbon and Bromide.

While Southern Nevada's water treatment facilities are capable of addressing many source water quality challenges, proactive management of the Las Vegas Valley watershed remains key to protecting the region's overall supply. To this end, research and monitoring efforts are underway by LVVWAC member agencies to remain current on emerging issues including endocrine disrupting compounds, pharmaceuticals, household cleaning products and personal care products such as fragrances, lotions, sunscreens. Improved technologies have allowed researchers to detect constituents at levels that could not previously be detected using older technology in surface water, drinking water and wastewater effluent samples. Although impacts on human health have not been demonstrated, water treatment operators are evaluating the effectiveness of current treatment techniques on their removal.

Moving forward, water managers must be aware of sensitivities towards the existence of emerging chemicals and compounds found in drinking water supplies. Furthermore, these compounds may be regulated in the future, which will impact current treatment techniques and operating costs.

GOAL THREE: PRESERVE AND ENHANCE THE NATURAL, CULTURAL, HISTORIC AND RECREATIONAL VALUES OF THE WATERSHED.

The Las Vegas Valley watershed includes the Lake Mead National Recreation Area and the Las Vegas Wash. These water sources and open lands present opportunities for both active and passive recreation, and support important environmental resources such as wildlife and wildlife habitat.

The Lake Mead National Recreational Area is managed and operated by the National Park Service (NPS). The 1.5 million-acre area was once occupied by early Native American cultures, pioneers and explorers. The area now serves more than seven million annual visitors and supports a variety of recreational activities such as boating, swimming, hiking, fishing and motorized water sports. The area also serves as habitat for a variety of land and aquatic species.

The Las Vegas Wash, as it travels through the Clark County Wetlands Park, offers a number of recreational opportunities for its visitors including hiking, biking, nature walking, bird viewing and equestrian uses. The habitat surrounding the Las Vegas Wash also supports a large variety of birds, including federally listed bird species such as the southwestern willow flycatcher and the Yuma clapper rail.

In 1998, the Las Vegas Wash Coordination Committee (LVWCC) was formed to address water quality and environmental degradation concerns related to the channel. The 29-member stakeholder group developed its guiding document, the Las Vegas Wash Comprehensive Adaptive Management Plan (CAMP), over the next year. The plan sets forth 44 action items to help the group achieve its mission of stabilizing and enhancing the Las Vegas Wash.

In addition to the CAMP, federal, state and local laws and plans are in place to protect the valley's watershed for the benefit of all users. Federal regulations include:

- Endangered Species Act
- National Historic Preservation Act
- Migratory Bird Treaty Act

Endangered Species Act. Species that are endangered or are likely to be endangered are "listed" by the federal Endangered Species Act (ESA). The act protects listed species and conserves the ecosystems that they depend on for survival. Currently, there are a number of listed species found in Southern Nevada such as the desert tortoise and southwestern willow flycatcher.

National Historic Preservation Act. The federal National Historic Preservation Act (NHPA) and other state and local laws prescribe certain mandates to preserve cultural and historic sites so that they are not needlessly lost. Among other things, the NHPA created the National Register of Historic Places. There are more than 45 sites near the Las Vegas Wash eligible for listing on the National Register of Historic Places.

Migratory Bird Treaty Act. The Migratory Bird Treaty Act codifies various treaties and conventions between the United States, Canada, Japan, Mexico and the former Soviet Union for the protection of migratory birds. Nearly every bird species found in Nevada is listed as a migratory bird. Among other things, the act protects migratory birds by prohibiting hunting, capturing, possessing, selling or affecting birds, nests and eggs.

GOAL FOUR: SUSTAIN AND COORDINATE WATER RESOURCES FOR FUTURE GENERATIONS.

Each LVVWAC member agency has individual responsibilities that contribute to management of the Las Vegas Valley watershed. For nearly two decades, the agencies have worked closely together to address a number of specific issues (for example, coordinating the location of future intake and discharge facilities and management of the Las Vegas Wash). The LVVWAC addresses the need for coordination of water, wastewater and non-point source water management efforts on a larger, more comprehensive scale to:

- Reduce duplication efforts.
- Ensure that individual projects and activities do not cause unintended consequences for other projects and management efforts.
- Ensure that necessary plans and activities are taking place to protect and enhance the Las Vegas Valley watershed.

By working together, LVVWAC member agencies can address watershed management efforts in a more coordinated manner and ensure that all factors and consequences of individual agency actions are fully understood and addressed. The LVVWAC member agencies have committed to working together to achieve the overall goals established through the LVVWAC interagency process, including coordinated resource management.

To support this work, the LVVWAC has developed this Regional Water Quality Plan to help coordinate all existing plans, policies, documents and efforts related to water quality in the Las Vegas Valley watershed.

Las Vegas Wash restoration efforts.

GOAL FIVE: MANAGE FLOOD RISKS.

While the Las Vegas Valley receives an average rainfall of approximately four inches per year, the area often experiences intense rainfall and subsequent flash floods.

Recorded reports of flooding in Clark County date back nearly 100 years. Between 1905 and 1975, 184 different flood events occurred in Clark County, resulting in damage to private property and public facilities. Since 1960, the area has experienced at least 11 floods costing more than a million dollars each in damages to public and private property.

While floods can and have occurred in almost every month of the year, the most damaging storms typically occur between July and September. During warm summer months, moist unstable air from the Gulf of Mexico is rapidly forced upward by hot air currents. These weather patterns often cause severe thunderstorms with intense rainfall on steep mountain slopes and armored desert surfaces. The rainwater runs off rapidly and concentrates in the urbanized areas at lower elevations in the valley. Among other things, flood events can adversely impact public safety, the local economy and water quality.

The CCRFCD is responsible for implementing a regional flood control program throughout Clark County to address flood risks, and has developed a master plan to identify infrastructure needed to manage flood risks in Clark County. The agency works together with local entities, including Clark County and the cities of Las Vegas, North Las Vegas Henderson, Boulder City and Mesquite, to:

- Establish flood management policies
- Develop flood reduction plans and designs
- Construct and manage regional flood control facilities

Flood control infrastructure is owned and operated by the local entities with funding oversight provided by the CCRFCD. To date, significant progress has been made to reduce flood risks including the construction of hundreds of miles of conveyance facilities and several detention and debris basins.

The CCRFCD is required to follow all federal, state and local environmental compliance regulations related to construction and maintenance of flood control facilities in the Las Vegas Valley. To ensure compliance, the CCRFCD has developed regulations and design criteria that identify flooding risk management requirements that meet or surpass these standards.

Flood Event in downtown Las Vegas.

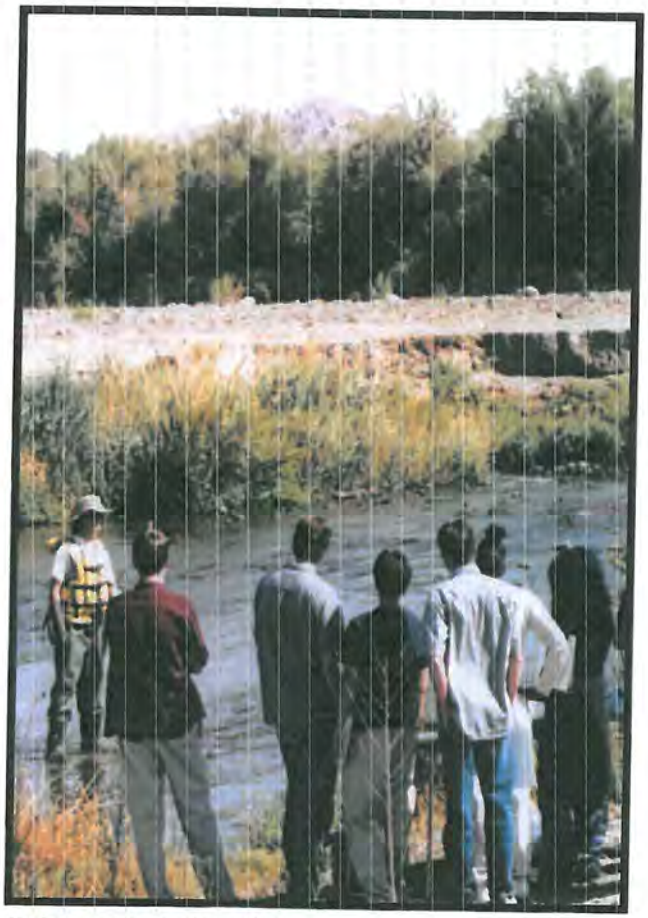
GOAL SIX: BUILD COMMUNITY AWARENESS AND SUPPORT FOR REGIONAL WATERSHED MANAGEMENT.

While a number of factors can exacerbate water quality challenges, in most cases, the public has a direct impact on the overall quality of its watershed resources. For example, salt loads from the use of water softeners, the quality of stormwater flows and even the introduction of the quagga mussel into Lake Mead are all effects that stem from public use.

Managing, maintaining and improving water quality in the Las Vegas Valley watershed requires the public to better understand their direct impacts on the water system and to participate in efforts to ensure a safe and reliable water supply for the future. Education and outreach are critical components of meeting water quality goals for these reasons.

The public's perception of the risk and aesthetics of drinking water are significant issues faced by most water suppliers. While there are a number of existing water quality controls in place (such as local, state and federal water quality regulations), these controls need to be closely coordinated among water managers and water users to ensure that water quality is maintained for the benefit of the public and the environment.

The Southern Nevada Water Authority and the Clark County Regional Flood Control District have each utilized citizen advisory committee processes to solicit public input on facilities, treatment and cost issues associated with water quality in Southern Nevada. The LVVWAC will continue to engage the community to enhance awareness and support for regional watershed management.



Students visit the Las Vegas Wash.

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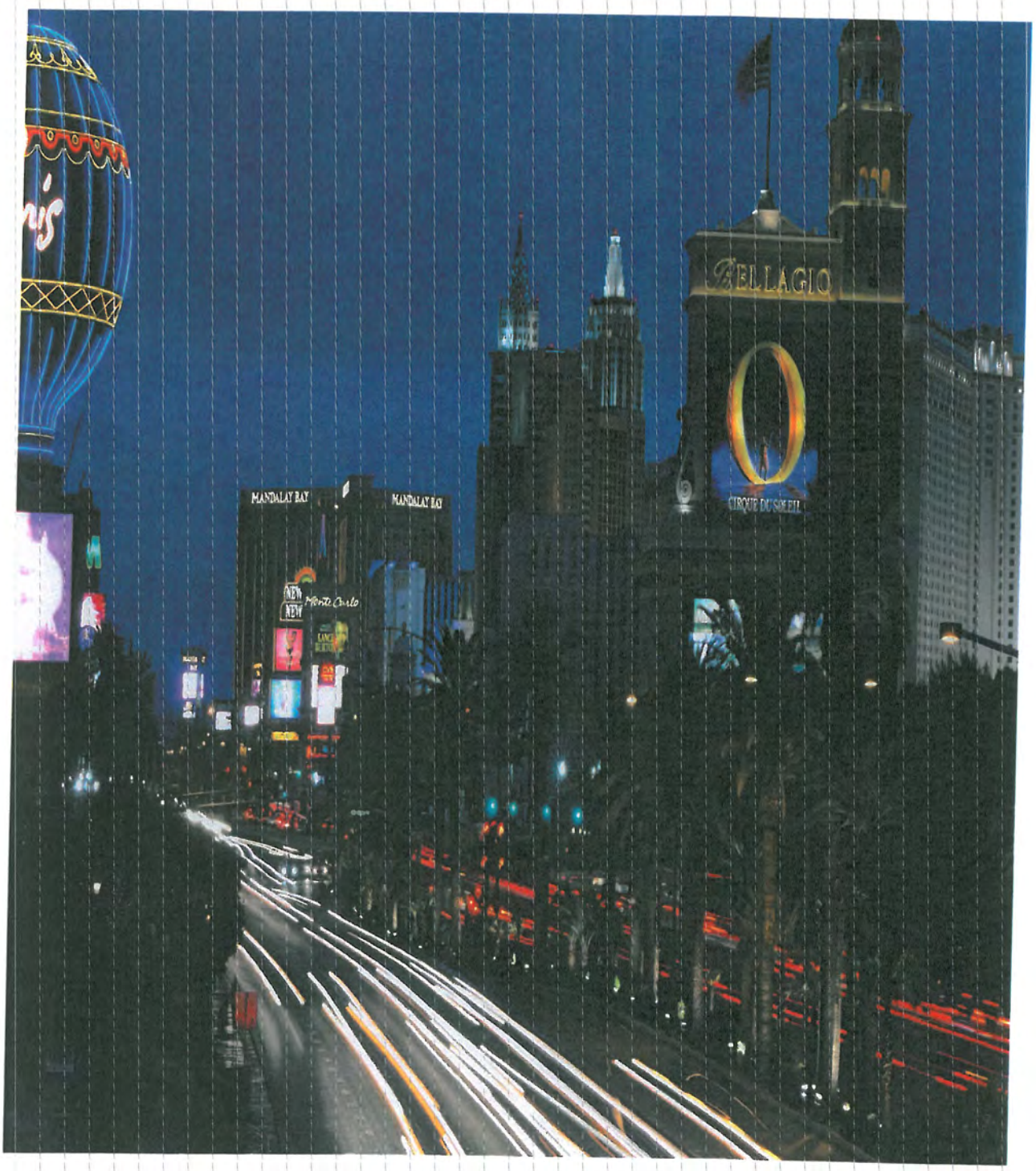
CHAPTER TWO

Economic and Social Impacts



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ECONOMIC AND SOCIAL IMPACTS

The Colorado River serves as a lifeblood supply to the seven basin states it serves. Together the states rely on the river to meet a portion of their industrial, municipal and agricultural needs. Nevada diverts a majority of its Colorado River apportionment from Lake Mead. Protecting Lake Mead's water quality is essential to ensure a safe drinking water supply and other water supply needs for the reservoir's downstream users.

There are a number of emerging issues that will likely affect water quality and water resources in the future. These issues include the control and management of invasive species, increased water quality regulations, economic conditions and climate change. Moving forward, these issues will be closely monitored and any resulting economic and social impacts will be appropriately addressed.

The LVVWAC provides a forum for water managers to coordinate planning and funding efforts. This communication and coordination will likely yield significant economic opportunities in the future.

This section discusses current and future economic and social impacts associated with the implementation of this Regional Water Quality Plan.

ECONOMIC IMPACTS

Las Vegas Wash

- In response to public health concerns over downstream water quality in Lake Mead, there have been significant efforts in the Las Vegas Wash to reduce point and non-point source pollutants. Furthermore, improving the Las Vegas Wash provides critical habitats to a number of native species in Southern Nevada. To date, activities in the Las Vegas Wash include the construction of 14 erosion control structures, more than 10 miles of bank stabilization and 337 acres of native revegetation, including 77 acres of wetlands.. To date, total expenditures associated with these capital activities are $99,309,242. Projected capital expenditures through 2017 are estimated to be $167,102,801.

Invasive Species Control

- The SNWA will spend more than $25 million in capital expenditures to control quagga mussel impacts on new water infrastructure at Lake Mead. Annual operating expenses are also expected to rise by $150,000 to reduce impacts through chemical treatment.
- Downstream users also are affected. For example, the Metropolitan Water District of Southern California is currently investing several million dollars in infrastructure improvements for invasive species management.

Water Quality

- Salinity control has been an integral part of Colorado River management for more than 30 years. A minute to the bi-national treaty between the United States and Mexico was established in 1973 to limit Colorado River salinity levels for Mexico deliveries. One factor that contributes to higher salinity concentrations in Southern Nevada is the use of residential water softeners. These have gained popularity during the last decade as a method to reduce the naturally high mineral hardness in Colorado River supplies. Local municipalities are responsible for costs associated with salinity control.
- The production of total organic carbon from algae growth also can elevate treatment costs. For example, it would cost between $200 million and $400 million to treat an accelerated algae growth at Lake Mead to control total organic carbon concentrations. An estimated $10 million would be required for annual operations.
- Recent technology improvements have allowed water managers to detect certain constituents at extremely low concentrations. For example, Southern Nevada has identified trace levels

of pharmaceuticals and endocrine disrupting compounds found within the water supply. To date, there has not been a demonstrated impact to human health at the levels detected. Although these constituents are not currently regulated by the EPA, they may be in the future. If these constituents are regulated and water treatment is required, water treatment operators will incur additional costs.

- A new intake is being constructed near Boulder Basin to protect municipal water customers from water quality issues and declining Lake Mead water levels. Intake No. 3 will maintain the SNWA's ability to draw upon Colorado River water at lake elevations below 1,000 feet above sea level. This will help ensure system capacity is maintained even if Intake No. 1 is not operational. This project is estimated to cost $817 million.

Wetlands Park and Las Vegas Wash Stabilization

- The Southern Nevada Public Lands Management Act (SNPLMA) provides for the orderly disposal of federal lands in the Las Vegas Valley and uses proceeds from those sales to provide grants to qualified agencies and projects to perform conservation actions within the state.

- Clark County Wetlands Park has benefitted from approximately $80 million of SNPLMA grants that has allowed the vision of the 1995 Master Plan to be completed ahead of schedule. SNPLMA dollars have funded trails and trailheads, ponds, native vegetation enhancements, the Nature Center with exhibits, and interpretive materials (brochures and audio-visual productions).

- In addition to the to the above, SNPLMA grants have, to date, contributed over $22.5 million to the construction of six weirs as part of the Las Vegas Wash stabilization program. Nearly $2 million more has been contributed to revegetation projects along the Las Vegas Wash.

Planning Efforts

- In compliance with Clean Water Act planning requirements, Clark County was appointed by the State to prepare the Clark County Area-Wide Water Quality Management Plan (208 Plan). Costs associated with the planning efforts are between $500,000 and $550,000. In the future, these costs are proposed to be shared by local jurisdictions based on population.

Renewable Energy Efforts

- Wastewater agencies are building solar power plants and expanding the generation of methane through anaerobic digestion of food waste, grease and wastewater solids. SNWA and LVVWD have installed solar generating facilities, in-conduit hydroelectric generation, and have signed a power purchase agreement with a biomass power generating facility located in Lincoln County.

Flood Control

In March 1999, the CCRFCD performed its first region-wide cost analysis to determine the benefit of regional drainage facilities in Clark County. In 2005 the analysis was updated and it validated the benefits versus cost factor 2 to 1 for economic benefits of building flood control infrastructure in the Las Vegas Valley. Findings of this report include:

- For each public dollar expended to improve flood protection, a public benefit of $2.00 has been realized.

- Historically, less than 10 percent of the CCRFCD's expenditures have been dedicated to administrative and operating costs.

- Public benefits associated with the CCRFCD's capital program include both quantifiable and non-quantifiable benefits. Quantifiable benefits include inundation reduction, savings in floodproofing costs, transportation cost savings, and flood insurance overhead savings. Benefits that are more difficult to quantify include reductions in flood-related injuries and deaths, protection of Southern Nevada's tourism industry, direct and indirect economic benefits arising from the CCRFCD's construction program, protection and enhancement of property value, and economic opportunities arising from alternative land planning and usage.

- Capital projects undertaken by the CCRFCD's have resulted in removing land from federally identified Federal Emergency Management

Agency (FEMA) flood zones (for example, residential dwellings and non-residential land such as commercial, manufacturing, gaming, schools and religious establishments, etc.). Removing property from the floodplain can provide for increased property value, savings in flood insurance premiums, the creation of enhanced land use planning opportunities and a broader tax base.

Stormwater Quality Management

- Most costs for stormwater quality management are borne by public agencies that are the permittees under the MS4 stormwater permit program. Costs include: stormwater monitoring, construction and industrial site inspections, staff training, street sweeping, drainage system maintenance, public outreach and program administration.
- The development community is responsible for funding Best Management Practices (BMP) installation at construction sites and contractor training.
- Proposed programs to mitigate impacts of new development rely heavily on incorporation of measures in existing and proposed regional detention basins. These costs will be borne by CCRFCD. The development community will be responsible for implementation of permanent measures to be required on new large parking lots.
- The industrial community is responsible for funding BMP installation on private industrial properties within certain business types identified by NDEP.
- The State of Nevada has permit programs for construction and industrial sites that parallel those of the local entities. State costs for these permit programs are covered primarily by permit fees paid by developers and industrial site owners.

SOCIAL IMPACTS

Pharmaceuticals

- Improved technologies have allowed researchers to detect constituents at levels that could not previously be detected using older technology. Despite the lack of known impacts, the presence of pharmaceuticals and endocrine disrupting compounds in the drinking water supply has created national media coverage. To date, there has not been any demonstrated impact to human health at existing concentrations. Despite the lack of impacts, the general public remains wary of their presence in drinking water supplies. This demonstrated concern may pressure water quality regulators to require additional treatments by water and wastewater treatment operators. Research studies related to these impacts on human health, the environment and water quality are preliminary and ongoing.

Stormwater

- Social changes could occur as a result of public outreach activities that are designed to change behaviors that may adversely impact non-point source water quality. These include managing pet waste, pesticide/herbicide use, vehicle maintenance, household hazardous waste disposal, over-watering of landscaped areas, and proper pool maintenance.

Flood Control

- Implementation of floodplain management policies to reduce flood risks can affect land uses on public and private properties adjacent to the Las Vegas Wash and its major tributaries.

Recreation

- Parks and recreation have been shown to have positive impacts on the physical, mental and social health of individuals and their communities. Physical activity helps to control obesity, boost the immune system, diminish the risk of disease and increase life expectancy. There are also social benefits of recreation, such as strengthening communities, promoting social bonds and supporting youth. Proximity to parks and recreational facilities leads to safer, cleaner neighborhoods, volunteerism and creates a community atmosphere.

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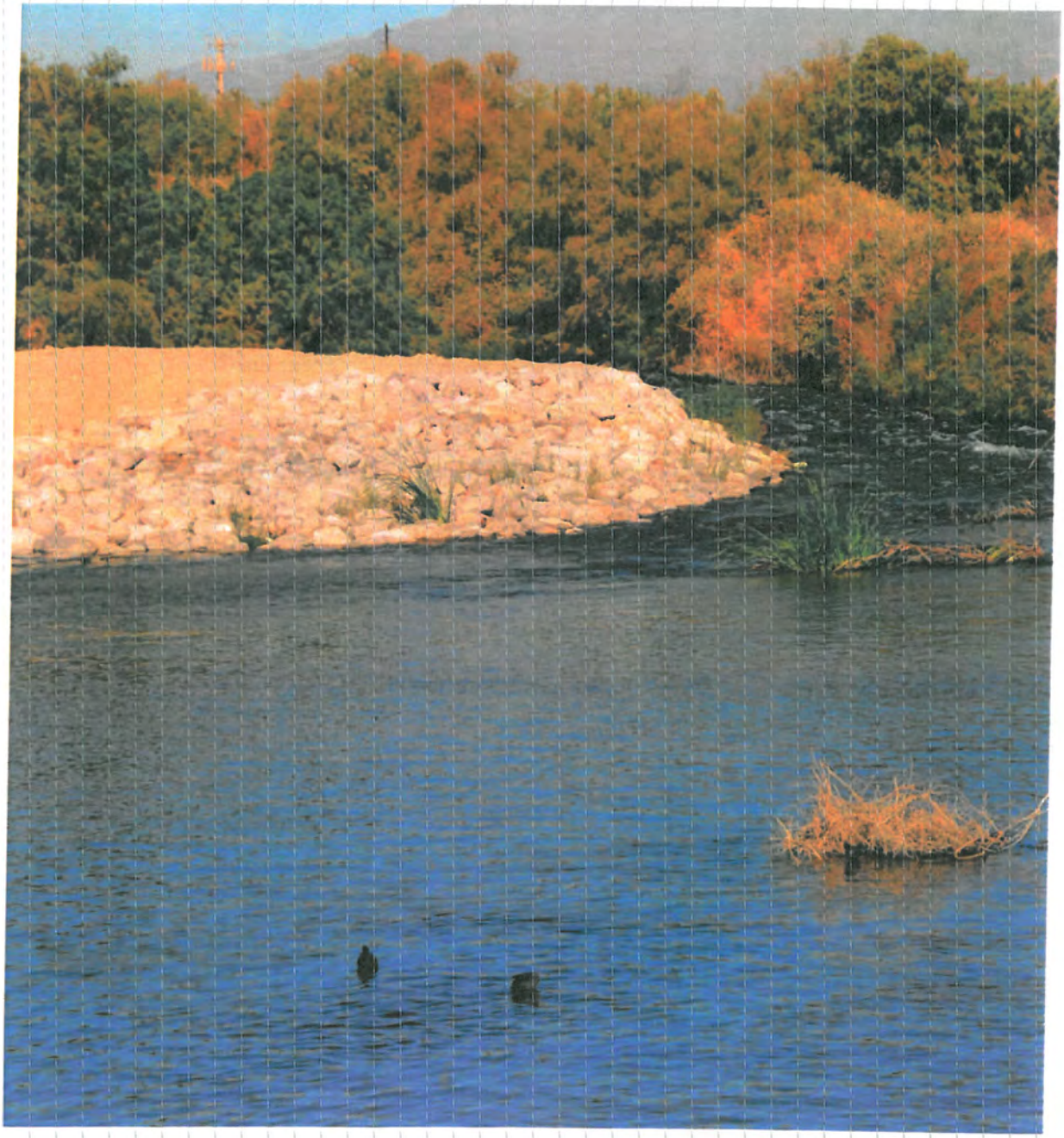
APPENDIX

References

Glossary



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www.usbr.gov

Clark County, Nevada (Area-Wide Water Quality Management Plan and Multiple Species Habitat Conservation Plan)
www.accessclarkcounty.com

Clark County Regional Flood Control District (Flood Control Master Plans)
www.ccrfcd.org

Las Vegas Wash Coordination Committee (Las Vegas Comprehensive Adaptive Management Plan and Las Vegas Wash Wildlife Management Plan)
www.lvwash.org

Nevada Division of Environmental Protection, State of Nevada (Source Water Assessment Plan)
ndep.nv.gov

Southern Nevada Water Authority 2009 Southern Nevada Water Authority Water Resource Plan)
www.snwa.com

Stormwater Quality Management Committee (NPDES Municipal Separate Storm Sewer System - MS4 permit)
www.lvstormwater.org

United States Geological Survey (Real Time Water Quality Monitoring and Water Quality Monitoring Quality Assurance Plan)
nevada.usgs.gov

LVVWAC MEMBER WEBSITES

City of Henderson

www.cityofhenderson.com

City of Las Vegas

www.lasvegasnevada.gov

City of North Las Vegas

www.cityofnorthlasvegas.com

Clark County

www.accesclarkcounty.com

Clark County Regional Flood Control District

www.regionalflood.org

Clark County Water Reclamation District

www.cleanwaterteam.com

Las Vegas Valley Water District

www.lvvwd.com

Southern Nevada Water Authority

www.snwa.com

GLOSSARY

BOULDER CITY

Local governmental entity located southeast of the Las Vegas Valley.

BROMIDE

Any compound of bromine with another element or radical. Can form bromate, a SDWA-regulated contaminant in the presence of ozone.

BUREAU OF RECLAMATION (BOR)

A Department of the Interior bureau, which works to manage, develop and protect water and related resources.

CITY OF HENDERSON (COH)

Local government entity that provides water, wastewater and reclaimed water services to the Henderson community.

CITY OF LAS VEGAS

Local government entity that maintains city public use facilities, roadway and traffic network, wastewater and stormwater management systems and regulates private development.

CITY OF NORTH LAS VEGAS

Local government entity that provides water and sewer service to the City of North Las Vegas.

CLARK COUNTY

Regional government entity responsible for economic, recreational and social services for Southern Nevada residents.

CITY OF MESQUITE

Local government entity that provides water, wastewater and reclaimed water services to the City of Mesquite.

CLARK COUNTY PARKS AND RECREATION DEPARTMENT (CCPRD)

Local government entity responsible for the management of the Wetlands Park.

CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT (CCRFCD)

Local government entity responsible for the regional management and comprehensive planning of flood activities.

CLARK COUNTY WATER RECLAMATION DISTRICT (CCWRD)

Regional government entity responsible for treating wastewater in areas of Clark County.

CLEAN WATER ACT (CWA)

The primary federal law in the United States governing water pollution.

CLEAN WATER COALITION (CWC)

A joint powers authority responsible for implementing the Systems Conveyance and Operations Program.

COLORADO RIVER

A 1,400 mile-long river, which supplies approximately 90 percent of Southern Nevada's drinking water.

CONSUMPTIVE USE

Water that is used and not available for return to the Colorado River.

CONTAMINANT CANDIDATE LIST (CCL)

List of water contaminants published by the Environmental Protection Agency.

EFFLUENT

Another term for treated wastewater.

ENDANGERED SPECIES ACT

Federal act which protects animal and plant species from extinction and identifies those species that are threatened or endangered.

ENVIRONMENTAL PROTECTION AGENCY

Leads the nation's environmental science, research, education and assessment efforts to protect the environment and human health.

HOOVER DAM

A concrete arch-gravity dam in the Black Canyon of the Colorado River. The construction of Hoover Dam created the Lake Mead reservoir.

INVASIVE SPECIES

A species not naturally occurring in a specific area and whose introduction does or is likely to cause economic or environmental harm.

LAKE MEAD

The largest man-made reservoir in the U.S. It stores Colorado River water and has a storing capacity of 26 million acre-feet.

LAKE MEAD NATIONAL RECREATION AREA

Recreational area containing Lake Mead and Lake Mojave. The area is managed under a cooperative agreement between the National Park Service and the Bureau of Land Management.

LAKE MEAD WATER QUALITY FORUM

Supports the protection of human health and the environment and preserves and improves water quality in the Las Vegas Wash, Las Vegas Bay and Lake Mead.

LAS VEGAS VALLEY GROUNDWATER MANAGEMENT PROGRAM

Works to protect the valley's groundwater supply from contamination, improve management of resources to prevent overdrafting and increase cooperation among groundwater users and agencies.

LAS VEGAS VALLEY WATER DISTRICT

Provides water to Las Vegas Valley residents and also services Big Bend Water District (Laughlin), Blue Diamond, Coyote Springs, Searchlight, Kyle Canyon and Jean.

LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE (LVVWAC)

Forum for partnering water and wastewater agencies to address water quality and its impact on quantity issues in the Las Vegas Valley and Lake Mead.

LAS VEGAS WASH

The primary channel through which the Las Vegas Valley's excess water returns to Lake Mead.

LAS VEGAS WASH COMPREHENSIVE ADAPTIVE MANAGEMENT PLAN

A document produced by the Las Vegas Wash Coordination Committee designed to outline long-term stabilization, enhancement and management of the Wash.

LAS VEGAS WASH COORDINATION COMMITTEE

A 29-member committee working to bring together all interested parties to address issues related to the Las Vegas Wash.

LAS VEGAS WASH MANAGEMENT ADVISORY COMMITTEE

A former collection of key stakeholders that provided direction on issues associated with the Las Vegas Wash (now known as "LVVWAC")

MAXIMUM CONTAMINANT LEVELS (MCL)

Highest allowable concentration of certain contaminants in water delivered to a user of public drinking water supply.

MIGRATORY BIRD TREATY ACT

Federal legislation that protects specific birds.

NATIONAL HISTORIC PRESERVATION ACT

Federal legislation intended to preserve historical and archaeological sites in the U.S. and created the National Register of Historic Places.

NATIONAL PARK SERVICE

Department of Interior bureau responsible for the care and management of national parks.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)

Regulations that control water pollution by regulating point sources that discharge pollutants into U.S. waters.

NATIONAL REGISTER OF HISTORIC PLACES

A federal list of districts, sites, buildings, structures and objects deemed worthy of preservation.

NEVADA ADMINISTRATIVE CODE (NAC)

Administrative regulations of the Nevada State government, which regulates water pollution.

NEVADA DIVISION OF ENVIRONMENTAL PROTECTION (NDEP)

Division of the Nevada Department of Conservation and Natural Resources that maintains programs for water quality, water pollution and safe drinking water. Responsible for the implementation and enforcement efforts of the Clean Water Act. (www.ndep.nv.gov)

NEVADA REVISED STATUTES (NRS)

Nevada State laws, some which govern water pollution and water quality.

NON-POINT SOURCE FLOWS

A source of water pollution that cannot be traced to a specific source, such as stormwater or urban runoff.

PHOSPHORUS

An essential plant nutrient that is commonly found in wastewater treatment plant effluent and urban runoff. It can limit algal growth in Lake Mead.

POINT SOURCES

A source of water pollution that can be traced back to its source, such as a stream or pipe.

POTABLE WATER

Water that is free of pollution, harmful organisms and impurities and is therefore safe to drink.

QUAGGA MUSSELS

Invasive mussels that inhabit depths of Lake Mead. The species can quickly colonize, causing harm to water quality and infrastructure.

REQUIREMENT TO MAINTAIN EXISTING HIGHER WATER QUALITY (RMWQ)

Requirement established when monitoring data show that existing water quality for individual parameters is significantly better than the standard necessary to protect the beneficial uses.

RETURN-FLOW CREDITS

Colorado River water returned to the Colorado River, primarily consisting of highly-treated wastewater returns.

SAFE DRINKING WATER ACT (SDWA)

The main federal law that protects and mandates the quality of America's drinking water.

SELENIUM

A metal found in natural deposits and ores. It is toxic in large amounts, but trace amounts of the metal are necessary for cellular function in animals.

SOUTHERN NEVADA WATER SYSTEM (SNWS)

System of treatment and transmission facilities that divert Colorado River water from Lake Mead and delivers treated and raw water to municipal water purveyors.

SOUTHERN NEVADA WATER AUTHORITY (SNWA)

A cooperative agency formed to address Southern Nevada's water needs on a regional basis. (www.snwa.com)

TOTAL DISSOLVED SOLIDS (TDS)

A measure of inorganic and organic materials dissolved in water.

TOTAL MAXIMUM DAILY LOAD (TMDL)

A calculation of the maximum amount of a pollutant that a water body can receive and still meet water quality standards.

TOTAL ORGANIC CARBON (TOC)

The entire quantity of carbon that exists in a measured sample, and is used as a measure of the amount of organic pollution in a water sample.

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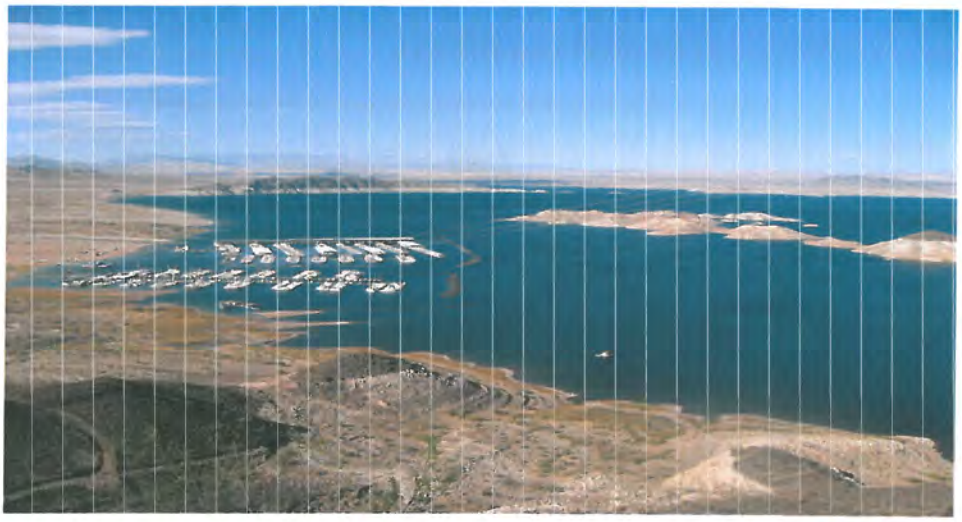
Attachment A
Las Vegas Valley Watershed Advisory Committee
Regional Water Plan Accomplishments 2011

LAS VEGAS VALLEY WATERSHED ADVISORY COMMITTEE

REGIONAL WATER PLAN
ACCOMPLISHMENTS
2011



Lake Mead, Nevada

Member Agencies

City of Henderson
City of Las Vegas
City of North Las Vegas
Clark County
Clark County Regional Flood Control District
Clark County Water Reclamation District
Las Vegas Valley Water District
Southern Nevada Water Authority

Regional Water Quality Plan Accomplishments for Fiscal Year 2010-11

In January 2009, the Las Vegas Valley Watershed Advisory Committee (LVVWAC) adopted a Regional Water Quality Plan to help meet its mission to:

> *Protect, preserve and enhance the quality and quantity of water resources in the Las Vegas Valley Watershed and to sustain economic well-being and protect the environment for present and future generations.*

Each LVVWAC member agency has individual responsibilities that contribute to the management of the Las Vegas Valley Watershed. Following is an outline of LVVWAC's collaborative accomplishments for fiscal year 2010-11.

Goal 1
Protect Lake Mead as a source of water for Southern Nevada and downstream users

The Las Vegas Valley accesses Nevada's Colorado River allocation through existing facilities at Lake Mead. Other Lake Mead inflows come from the Muddy River, the Virgin River and the Las Vegas Wash. In fiscal year 2010-11, the LVVWAC member agencies monitored and responded to upstream inflows to Lake Mead through the following actions:

Lake Mead Inflows

- Funding the Estuary and Lake Computer Model (ELCOM), a three-dimensional model of Lake Mead used to analyze data collected to better understand how inflow changes affect Lake Mead water quality.
- Developing the 2011 Lake Mead Monitoring Plan and Surface Water Quality Monitoring and Assessment Plan for the Las Vegas Wash.
- Conducting water-quality sampling and analysis in Lake Mead, Las Vegas Wash, Muddy River, Virgin River, Colorado River, and below Hoover Dam.
- Creating the Lower Colorado River Regional Water Quality Database utilized by all agencies collecting data in the lower Colorado River region to facilitate data sharing among agencies.

The following points provide an overview of LVVWAC's accomplishments relative to managing non-point sources from the Las Vegas Valley:

- Completed construction of Lower Narrows and Homestead weirs in the Las Vegas Wash, bringing the total number of erosion control structures completed to 14.
- Continued enforcement of conservation initiatives in the Las Vegas Valley.

- Obtained Environmental Protection Agency (EPA) and Nevada Division of Environmental Protection (NDEP) approval of the Stormwater Management Plan as required by the 2011 National Pollutant Discharge Elimination System (NPDES) permit for the Las Vegas Valley.
- Continued the execution of the Construction and Industrial Site Stormwater Inspection Program to fulfill requirements of the Stormwater Management Plan.
- Completed all monitoring required for Municipal Separate Storm Sewer System (MS4) Permit and NPDES Wastewater Discharge Permits and reported results to the State of Nevada.
- All local agencies continued participating in NDEP's Lake Mead Water Quality Forum and two of the forum's sub-committees (the Selenium Sub-Committee and the Algae Task Force).
- Each wastewater agency in the Las Vegas Valley continued their wastewater pre-treatment program to monitor and prevent contaminants and industrial wastes from entering the wastewater collection system.

The Clark County Water Reclamation District (CCWRD) and the cities of Henderson, Las Vegas and North Las Vegas operate and maintain wastewater treatment facilities. These facilities discharge highly-treated wastewater to Lake Mead via the Las Vegas Wash. LVVWAC member agencies managed, coordinated and optimized water reclamation facilities by:

Desert Breeze Resource Center

- Commencing operation of the City of North Las Vegas' Water Reclamation Facility and the City of Henderson's Southwest Water Reclamation Facility, both which utilize state-of-the-art membrane bio-reactors in their treatment processes.
- Starting construction on a state-of-the-art membrane-filtration/ozone-disinfection project at the CCWRD.
- Changing and improving five treatment facilities at the City of Las Vegas Water Pollution Control Facility and the Durango Hills Water Resource Center to optimize treatment efficiency.
- Funding a study on the effects of wastewater on the endocrine system of fathead minnows.
- Implementing a comprehensive system-wide cleaning and inspection program for the wastewater collection system to minimize Sanitary Sewer Overflows.
- Participating in water and wastewater treatment optimization studies.

Based on improvements in effluent quality, the SCOP project was deemed no longer necessary.

Goal 2
Meet or surpass federal, state and local standards and regulations

Key water quality laws, such as the Clean Water Act, the Safe Drinking Water Act and the Nevada Administrative Code, are in place to safeguard local and regional water sources. While Southern Nevada's water treatment facilities are capable of addressing many source water quality challenges, proactive management of the Las Vegas Valley watershed remains key to protecting the region's overall water resources. To protect Lake Mead, the Las Vegas Wash and associated tributaries, LVVWAC member agencies:

- Continued year-round phosphorus removal at wastewater treatment facilities.
- Developed and exceeded internal goals for minimizing Sanitary Sewer Overflows.
- Reported stormwater monitoring results to NDEP and complied with stormwater quality requirements.
- Executed wet weather monitoring programs, as detailed in the Stormwater Management Plan.
- Performed treatment studies that examined the removal of unregulated contaminants, such as endocrine-disrupting compounds in wastewater. These studies provided guidance on control strategies and the minimization of these contaminants in effluent discharges to the Las Vegas Wash and Lake Mead.
- The cities of Henderson and Las Vegas earned the National Association of Clean Water Agencies Platinum Peak Performance Award for years of consecutive 100 percent NPDES permit compliance.

Ensuring that Southern Nevada's water meets or surpasses federal, state and local regulations is of key importance LVVWAC's member agencies. As such, LVVWAC is proud to report that:

- Southern Nevada's drinking water quality continues to meet or surpass state and federal drinking-water regulations.
- The SNWA received the Phase 3 Directors Award from the EPA's Partnership for Safe Drinking Water.
- Weekly monitoring of Lake Mead was conducted to determine the impacts of the inflows (Las Vegas Wash, Virgin River, Muddy River and Colorado River) on SNWA Intakes.
- Quarterly endocrine disrupting compound monitoring was conducted in the Las Vegas Wash, Lake Mead and below Hoover Dam.
- Construction began on a new intake tunnel in Lake Mead at a much deeper depth to access better water quality and ensure reliability of the resource with declining lake elevations.

Goal 3
Preserve and enhance the natural, cultural, historic and recreational values of the watershed and Lake Mead

The Las Vegas Valley watershed includes the Lake Mead National Recreation Area and the Las Vegas Wash. These water sources and open lands present opportunities for recreation and support important environmental resources including wildlife and habitat. The following efforts were made by LVVWAC member agencies to manage wildlife and habitats:

- Continued the implementation of the Las Vegas Wash Wildlife Management Plan.
- Finalized and implemented the Surface Water Quality Monitoring and Assessment Plan for the Las Vegas Wash.
- Completed an avian-point count study, conducted monthly aquatic bird counts, and surveyed for the federally endangered Southwestern Willow Flycatcher and Yuma Clapper Rail in the Las Vegas Wash.

Southwestern Willow Flycatcher

- Provided and managed recreational opportunities in the Clark County Wetlands Park that are compatible with native plants and wildlife.
- Completed two mammal studies and an invertebrate survey in the Las Vegas Wash.

LVVWAC supports the mission of the National Park Service, which is to provide for the enjoyment of scenery, natural and historic objects and wildlife in a manner that will leave such resources unimpaired for future generations. LVVWAC member agencies made the following progress in minimizing impacts to cultural and historic values:

- Executed a Programmatic Agreement for the Clark County Wetlands Park between the Bureau of Reclamation, Army Corp of Engineers, SNWA, Clark County, the Nevada State Historic Preservation Office and the Advisory Council on Historic Preservation to expedite the construction of erosion-control structures in the Las Vegas Wash.
- Formed the Cultural Resources Coordinating Committee.
- Began drafting the Cultural Resource Management Plan and Research Design document.
- Minimized impacts to cultural and historical features by managing recreational activities in the Las Vegas Wash.

LVVWAC's member agencies also took the following measures to prevent and control invasive species:

- Controlled invasive plant species by removal and replacing with native plant communities in the Las Vegas Wash.
- Participated in meetings and symposiums regarding quagga mussels and evaluated their progression in Lake Mead.

LVVWAC actively worked to support recreational uses and the health of fisheries and other water-dependent wildlife by:

- Managing nutrient inputs from wastewater treatment plants to support a healthy fishery.
- Conducting an assessment of selenium concentrations in zooplankton in the Las Vegas Bay to determine potential impacts to razorback sucker larvae.
- Conducting a winter fish collection from the Las Vegas Wash, Las Vegas Bay, and Pahrnagant National Wildlife Refuge to determine if winter stress affects selenium accumulation.
- Ensuring that wastewater quality met the water-quality standards as determined by NDEP for recreation.

Goal 4
Coordinate water resource management

All of LVVWAC's member agencies addressed regional water-quality planning and management efforts by working collectively and through participation in various regional committees and groups, such as the Las Vegas Wash Coordination Committee, the Lake Mead Water Quality Forum, the Boulder Basin Adaptive Management Plan Committees and the Stormwater Quality Management Committee. In fiscal year 2010-11, significant strides were made in improving the structural integrity of the Las Vegas Wash to prevent further erosion. Accomplishments include:

- Preliminary design of the Archery and Silverbowl weirs.
- Design completion of the Upper Narrows and Duck Creek Confluence weirs.
- Beginning construction of the DU Wetlands No. 1, Upper Narrows, and Duck Creek Confluence weirs.
- Completion of the Lower Narrows and Homestead weirs.
- Installation or repair of 1,500 feet of bank protection.

Homestead weir

To optimize the use of recycled water:

- The Southwest Water Reclamation Facility in Henderson began operation, providing reclaimed water to the southern part of the Las Vegas Valley.
- Recommendations set forth in the Southern Nevada Regional Water Recycling Study were implemented.
- Water reclamation facilities in the cities of Henderson and Las Vegas and the CCWRD reclaim 100 percent of their wastewater effluent, either by returning it to Lake Mead or distributing it to golf courses and other customers throughout the valley.
- Reclaimed water was efficiently utilized at the Clark County Wetlands Park to support plant communities and wildlife habitats.

Goal 5
Manage flood risks

Despite an average rainfall of approximately four inches per year, the region often experiences periods of intense rainfall and subsequent flash flood events. In fiscal year 2010-11, LVVWAC's member agencies took the following measures to minimize the loss of life and property:

- Continued the implementation of the Master Plan of Flood Control Facilities.
- Completed 18 flood control projects, such as the Simmons Street drainage improvements, Gowan Outfall and Tropical Parkway Channel East project.
- Currently there are 21 projects funded for construction.

Billboard Safety Campaign—2011 Contest Winner

Goal 6
Sustain water and energy resources for future generations

Water and wastewater treatment and delivery processes require significant energy resources, which link the need to conserve both water and energy, and develop renewable energy resources.

LVVWAC member agencies have undertaken a number of renewable energy projects that reduce dependence on non-renewable and less-efficient energy sources. Highlights of the progress include:

- The City of Las Vegas developed a pilot program, which will introduce grease and food waste to the anaerobic digesters at the wastewater treatment plant to produce biogas as an energy source.
- The start of construction on a 3 MW solar power plant in the City of Las Vegas to supply power to the main wastewater treatment plant.
- Began the construction of the Clark County Wetlands Park Nature Center, which includes a solar-energy component (scheduled for completion in 2012).
- Leveraged opportunities to share wastewater treatment and transmission facilities between wastewater agencies to reduce energy expenditures.

Enhancements to Energy and Water Conservation Programs include:

- Retrofitting the SNWA's Alfred Merritt Smith Water Treatment Facility, which included the installation of a new Energy Management System, a new chiller for cooling the main office space, and variable frequency drives on pumpstation evaporative coolers.
- The SNWA/LVVWD developed the goal of having 25% of its energy derived by renewable resources by the year 2025. Currently, SNWA/LVVWD receives 13 percent of its energy from renewable resources, and it is actively pursuing more renewable energy opportunities.
- The entities in the Las Vegas Valley have implemented a number of water-conservation programs including turf limits, fountain and water feature restrictions, seasonal water restrictions, mist system restrictions, golf course water budgets, landscape codes, vehicle washing restrictions, and surface, building, and equipment washing restrictions.

Goal 7
Build community awareness and support for regional watershed management

Understanding that the public has a direct impact on the overall quality of the Las Vegas Valley's watershed, LVVWAC engaged the community to enhance awareness and support of regional watershed management. In fiscal year 2010-11, LVVWAC's member agencies each contributed to presenting a unified public education program. Initiatives include:

- The CCWRD completed an education and outreach grant from NDEP on non-point source pollution entering the Las Vegas Wash and Lake Mead.
- The Clark County Wetlands Park continues to offer and conduct personal and non-personal interpretive and educational programs on watershed, habitats and stewardship.
- The Clark County Regional Flood Control District, in cooperation with the cities of Henderson, Las Vegas, North Las Vegas, and Clark County, promoted flood safety through "Flash Flood Awareness Month" with the Clark County Board of Directors; classroom presentations; a Flood Safety Awareness campaign, which used billboards, radio, television, and print media; a license plate billboard contest; a new public-service announcement for television; and the production of the Flood Channel (a 30-minute informational television program).
- The SNWA facilitated field trips for local schools to educate students about the water cycle in Las Vegas; held two Green-up events in the Las Vegas Wash; and participated in 32 outreach events.

LVVWAC integrated existing stakeholder programs to specifically address watershed issues:

- All agencies promoted water conservation and water-resource management through the "Be Water Smart" and "Pain in the Drain" programs.
- A special web page was develop and posted on the SNWA website to develop greater accessibility to LVVWAC information (http://www.snwa.com/wq/watershed_lvvwac.html). This page carries all LVVWAC reports and presentations, as well as posted agendas and meeting minutes.

- All agencies were linked to LVVWAC website.
- The Lower Colorado River Regional Water Quality Database was linked to the LVVWAC website to provide a mechanism to access the water-quality data collected in the Las Vegas Valley.
- Presentations and updates on LVVWAC were given to the Las Vegas Wash Coordination Committee and the Lake Mead Water Quality Forum.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Infrastructure Surcharge	**Director's Backup**
Petitioner: John J. Entsminger, Senior Deputy General Manager	
Recommendations: That the Board of Directors discuss actions related to the Infrastructure Surcharge that would reduce the impact to customers with fire meters through the use of revenue eligible for inclusion in the Rate Stabilization Fund, discuss providing direction to the Integrated Resources Planning Advisory Committee regarding its discussion and recommendations related to the Infrastructure Surcharge, and take action as appropriate.	

Fiscal Impact:
Any reduction in revenue collected would reduce the revenues that would be placed in the Rate Stabilization Fund.

Background:
On February 29, 2012, the Board of Directors modified the Authority's rate structure by adopting an Infrastructure Surcharge. This change will generate revenue from active meters to support the Authority's debt service for infrastructure and fund balance requirements. The debt service coverage includes $2.5 billion in completed infrastructure, the completion of Lake Mead Intake No. 3 tunnels and shafts, control system improvements, water transmission and water treatment projects.

On May 17, 2012, the Board appointed 21 members to the Integrated Resources Planning Advisory Committee to evaluate current and long-term Authority initiatives including water rates and funding, resource development and management, construction and maintenance of facilities, planning, conservation and water quality.

On June 21, 2012, Board members requested an agenda item to further discuss the infrastructure surcharge and rate stabilization fund, and potential direction to the Integrated Resources Planning Advisory Committee.

At this time, the Board is being asked to discuss these issues, take appropriate action, and direct staff accordingly.

This action is authorized pursuant to Section 6(p) of the Authority's Cooperative Agreement (Amended 1995). The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:JJE:PDS:JAW:AMB:ssl

AGENDA ITEM # 9

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 19, 2012

Subject: Update on Water Resources	**Director's Backup**
Petitioner: Patricia Mulroy, General Manager	

Recommendations:
That the Board of Directors receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, and on the development of in-state water resources.

Fiscal Impact:
None by approval of the above recommendation.

Background:
The Colorado River Basin has been experiencing a severe drought which began in 2000. The severity of these conditions has become increasingly evident in lake levels along the lower Colorado River Basin, where major reservoirs such as Lake Powell and Lake Mead are experiencing some of the lowest water levels in recent memory.

The nature of the drought in the Colorado River Basin has direct effects on water resources and future planning. The drought has prompted communities to launch major conservation initiatives to reduce water use among citizens and businesses, and has resulted in the development and implementation of the Authority's Water Resource and Conservation Plans.

This agenda item provides for an update from staff on the drought; the results of the implementation of the Authority's Water Resource and Conservation Plans; activities on the Colorado River; and on the development of in-state water resources.

The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:

Patricia Mulroy, General Manager
PM:JJE:td

AGENDA ITEM # 10