



SOUTHERN NEVADA
WATER AUTHORITY

AGENDA

SOUTHERN NEVADA WATER AUTHORITY BOARD OF DIRECTORS

REGULAR MEETING
9:00 A.M. – JULY 18, 2013

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

Board of Directors

Mary Beth Scow, Vice Chair
Sam Bateman
Susan Brager
Bob Coffin
Duncan McCoy
Steve Sisolak

*Patricia Mulroy,
General Manager*

The Southern Nevada Water Authority makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call Katie Horn at (702) 870-2011 at least 24 hours prior to the meeting.

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 and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. 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 special meeting of June 27, 2013.
2. *For Possible Action:* Appoint a Chairman and Vice Chairman to preside over the Board of Directors for fiscal year 2013/2014, and appoint three directors to serve as commissioners of the Colorado River Commission of Nevada for one-year terms.

CONSENT AGENDA

3. *For Possible Action:* Approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation WaterSMART Program.
4. *For Possible Action:* Accept all construction work required to be performed under Contract No. 810G 01 CIR, Duck Creek Confluence, Upper Narrows, and DU Wetlands No. 1 Weir Structures.

BUSINESS AGENDA

5. *For Possible Action:* Award Contract No. 810K 01 C1, Three Kids Weir, authorize a change order contingency amount, and authorize the execution of the contract agreement or take other action as appropriate.
6. *For Possible Action:* Approve and authorize the General Manager to enter into an assistance agreement between the Bureau of Reclamation and the Authority, to accept a grant 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.
7. *For Possible Action:* Approve an agreement between Faiss Foley Warren and the Authority to provide integrated communication and support services related to the Water Conservation Coalition, water quality, water resources, and environmental initiatives, with an option to extend the agreement for five additional one-year periods at the same compensation amount.
8. *For Possible Action:* Approve a professional services agreement between Flow Science Incorporated and the Authority to evaluate the National Park Service and Bureau of Reclamation's proposed Long-Term Experimental and Management Plan and to research its impact on water quality in Lake Mead resulting from the Bureau of Reclamation's future operational plans and the effects of climate change for the period from date of award through July 1, 2017.
9. *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, the development of in-state water resources, and the status of the third intake project.

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 and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. No action may be taken upon a matter not listed on the posted agenda.

Visit our website at www.snwa.com/apps/agenda/snwa/index.cfm
for Southern Nevada Water Authority Agenda Postings and Approved Minutes

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
SPECIAL MEETING
JUNE 27, 2013
MINUTES**

CALL TO ORDER 4:00 p.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 (Present for items 2-3)
Susan Brager
Duncan McCoy
Steve Sisolak

BOARD MEMBERS ABSENT Bob Coffin

STAFF PRESENT Pat Mulroy, Greg Walch, Ron Zegers, Phil Speight

OTHERS PRESENT Catherine Muir, Youth Advisory Council
Youth Advisory Council students

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

COMMENTS BY THE GENERAL PUBLIC

There were no persons wishing to speak.

1. Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Director Brager to approve the agenda for this meeting and the minutes of the regular meeting of May 16, 2013. The motion was approved.

Agenda item number 3 was considered out of order.

3. For Possible Action: Make appointments to the Technical Review Committee.

Pat Mulroy reminded the Board that the Technical Review Committee was established to review and analyze the rate model's variables and assumptions. She noted that two individuals recommended for appointment by the Integrated Resource Planning Advisory Committee (IRPAC) currently sit on IRPAC.

Director Sisolak confirmed that the charge of the Technical Review Committee is not to modify or alter any recommendations of the committee, but only to analyze the rate model assumptions.

FINAL ACTION: A motion was made by Director Sisolak to appoint Mike Alastuey, Marcus Conklin, Paula Eylar-Lauzon, Bob Kasner and John Restrepo to the Technical Review Committee. The motion was approved.

2. For Possible Action: Receive a presentation from the SNWA Youth Advisory Council and direct staff accordingly.

Students from the SNWA's Youth Advisory Council gave a presentation to the SNWA Board, which included showing the Public Service Announcement (PSA) they created that invites students from other states to form a regional youth advisory council that focus on Colorado River issues. The Board was impressed with the students' willingness to tackle the issue and many recommended the PSA be shown at an upcoming County meeting and on the County's public access television network.

NO ACTION NECESSARY.

Public Comment

Pat Mulroy recognized Chairman Buck on her last meeting and thanked her for her many years of public service. All of the Board members offered additional comments, and noted her hard work and significant achievements while serving as chairman of the Southern Nevada Water authority Board of Directors.

Brian McAnallen, Las Vegas Metro Chamber of Commerce, thanked Chairman Buck for her many years of public service and thanked the Board for their support of the Integrated Resource Planning Advisory Committee process.

Adjournment

There being no further business to come before the board, the meeting adjourned at 4:26 p.m.

APPROVED:

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.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 18, 2013

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 2013/2014, 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 SNWA 1995 Amended Cooperative Agreement requires the Board of Directors to appoint a chairman and vice chairman from its membership. Currently, Director Mary Beth Scow serves as Vice Chair and the chairman's position is vacant.

NRS 538.051 provides for the appointment of three directors of the Authority to serve as commissioners on the seven-member Colorado River Commission of Nevada (CRC). Currently, Directors Bob Coffin, Duncan McCoy, and Steve Sisolak 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 2013/2014, and appoint three of its directors to serve as members of the CRC for one-year terms.

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

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:PDS:JAW:AMB:LS:KH

AGENDA
ITEM #

2

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

July 18, 2013

Subject: Resolution to Submit Grant Proposal	Director's Backup
Petitioner: Philip D. Speight, Deputy General Manager, Administration	
Recommendations: That the Board of Directors approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation WaterSMART Program.	

Fiscal Impact:

None by approval of the above recommendation.

Background:

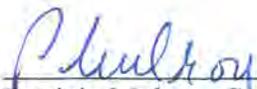
The Bureau of Reclamation (BOR) recently announced funding availability for its WaterSMART Program. This funding is designed to support projects that address water resources management in a changing climate.

In accordance with eligibility requirements, the Board of Directors is being asked to approve a resolution that authorizes the submission of a grant proposal to the BOR. The grant proposal authorized for submission by this action seeks \$149,961 to support research on the impacts of climate change on water quality in Lake Mead.

If this grant proposal is accepted by the BOR, a funding agreement will be brought back before the Board for approval.

This resolution is authorized pursuant to Sections 5(d) and 6(o) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the resolution.

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:PDS:JAW:AMB:LS:kf
Attachment

AGENDA ITEM #	3
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RESOLUTION IN SUPPORT OF FUNDING REQUEST TO
THE UNITED STATES BUREAU OF RECLAMATION
WATERSMART PROGRAM

WHEREAS, the U.S. Bureau of Reclamation WaterSMART Program is soliciting proposals to support research projects that address water resources management in a changing climate; and

WHEREAS, the U.S. Bureau of Reclamation may provide financial assistance to universities, non-profit research institutions and organizations with water or power delivery authority located in the Western United States; and

WHEREAS, the Southern Nevada Water Authority is a subordinate unit of government to the State of Nevada and has water and delivery authority within the region, and

WHEREAS, the Southern Nevada Water Authority Board of Directors is authorized to commit the applicant to the financial and legal obligations associated with receipt of WaterSMART Program financial assistance; and

WHEREAS, the Southern Nevada Water Authority will benefit significantly from the financial assistance of the WaterSMART Program in support of its climate change research initiatives.

NOW, THEREFORE, BE IT RESOLVED that the Southern Nevada Water Authority Board of Directors agrees and authorizes:

1. The submission of a proposal to the U.S. Bureau of Reclamation WaterSMART Program that requests \$149,961, which includes specified matching and in-kind contributions, to support research on the impacts of climate change on water quality in Lake Mead.
2. 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 Program.

Introduced and passed this ____ day of _____, 2013.

Attest:

Southern Nevada Water Authority

Patricia Mulroy, Secretary

Mary Beth Scow, Vice Chair

Approved as to form:



Gregory J. Walch, General Counsel

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

July 18, 2013

Subject: Acceptance of Construction Work	Director's Backup
Petitioner: Ronald E. Zegers, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors accept all construction work required to be performed under Contract No. 810G 01 C1R, Duck Creek Confluence, Upper Narrows, and DU Wetlands No. 1 Weir Structures.	

Fiscal Impact:

The previous commitment from sales tax proceeds allocated to the Las Vegas Wash and reimbursements from the Southern Nevada Public Lands Management Act in the amount of \$18,094,000 will be reduced to \$16,855,822.73, if the above recommendation is approved.

Background:

On October 20, 2011, the Board of Directors awarded Contract No. 810G 01 C1R to Aggregate Industries-SWR, Inc., in the amount of \$16,454,000 for construction of three riprap and steel sheet pile erosion control structures and bank protection on the Las Vegas Wash, located as generally shown on Attachment A. The Board further authorized a change order contingency in the amount of \$1,640,000 to be utilized by the General Manager in accordance with Resolution No. 96-003.

The General Manager approved four change orders for an aggregate increase of \$401,822.73, and extended the contract time 60 calendar days.

All construction work required to be performed under Contract No. 810G 01 C1R, as modified by the four change orders, was satisfactorily completed on April 22, 2013, for the final construction cost of \$16,855,822.73.

This action is authorized pursuant to NRS Chapter 338 and Sections 5(d), 5(g), and 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:



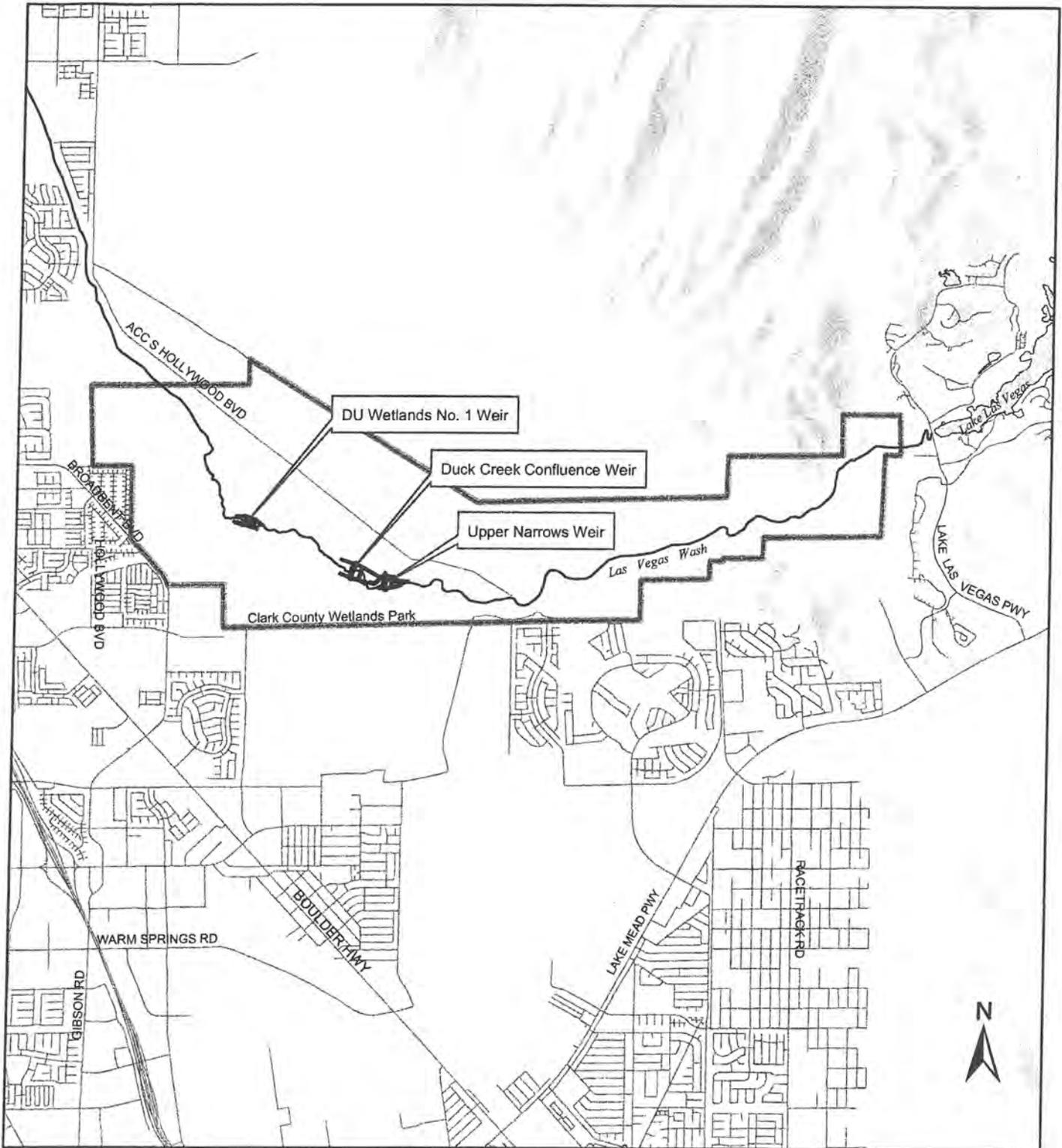
Patricia Mulroy, General Manager
PM:JJE:REZ:MRJ:GAH:smw Y0023
Attachment

AGENDA ITEM #

4

**BOARD OF DIRECTORS
AGENDA ITEM**

**PROJECT NO. 810G 01 C1R
DUCK CREEK CONFLUENCE,
UPPER NARROWS, AND
DU WETLANDS NO. 1 WEIR STRUCTURES**



**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

July 18, 2013

Subject: Award of Construction Contract	Director's Backup
Petitioner: Ronald E. Zegers, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors award Contract No. 810K 01 C1, Three Kids Weir, to Aggregate Industries-SWR, Inc., for the amount of \$11,617,000, authorize a change order contingency amount not to exceed \$1,100,000, and authorize the execution of the contract or take other action as appropriate.	

Fiscal Impact:

The \$12,717,000 required to fund this contract will come from the proceeds of sales tax allocated to the Las Vegas Wash and reimbursements from the Southern Nevada Public Lands Management Act.

Background:

Contract No. 810K 01 C1 provides for construction of a riprap and steel sheet pile erosion control structure and bank protection on the Las Vegas Wash, located as generally shown on Attachment A. The project is identified in the Authority's Las Vegas Wash Capital Improvements Plan and is scheduled to be completed in 2015.

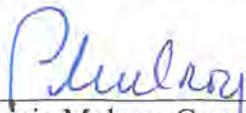
Sealed bids were received, publicly opened, and read aloud on June 27, 2013. A tabulation of bids received is listed below:

Aggregate Industries-SWR, Inc.	\$11,617,000
Las Vegas Paving Corporation	\$12,700,000
Contri Construction Company	\$12,803,754
Target Construction, Inc.	\$13,627,975
TAB Contractors, Inc.	\$16,813,000

The Aggregate Industries-SWR, Inc., proposal is the best bid as defined by NRS 338.147.

The award of this construction contract is authorized pursuant to NRS 338.1389 and Sections 5(g), 6(e), and 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the contract.

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:REZ:MRJ:GAH:TJM:smw Y0009
Attachments

AGENDA
ITEM #

5

DISCLOSURE OF OWNERSHIP/PRINCIPALS

AGGREGATE INDUSTRIES-SWR, INC.

AGGREGATE INDUSTRIES MANAGEMENT

HOLCIM - US

DISCLOSURE OF OWNERSHIP/PRINCIPALS						
Business Entity Type						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PDB	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise			
Corporate/Business Entity Name:		Aggregate Industries - SWR, Inc.				
<i>(Include d.b.a., if applicable)</i>						
Street Address:		3101 E. Craig Road		Website: aggregate-us.com		
City, State and Zip Code:		North Las Vegas, Nevada 89030		POC Name and Email: paddy.murphy@aggregate.com		
Telephone No.:		702-649-6250		Fax No.: 702-649-8813		
Local Street Address:		Website:				
City, State and Zip Code:		Local Fax No.:				
Local Telephone No.:		Local POC Name Email:				
Number of Clark County, Nevada Residents Employed: 430						

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).

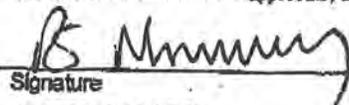
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned <small>(Not required for Publicly Traded Corporations/Nonprofit organizations)</small>
Patrick R. Ward	President	
Paddy Murphy	Vice President	
Ken Ahl	Secretary	
Aggregate Industries Management	Parent Company	100%

This section is not required for publicly-traded corporations.

- 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.)*
- 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.)*

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
 GENERAL MANAGER
 Title

PADDY MURPHY
 Print Name
6/27/13
 Date

DISCLOSURE OF RELATIONSHIP

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			

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 C. Bittner, Project Manager

Print Name

Authorized Department Representative

DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM**ENTITY: AGGREGATE INDUSTRIES MANAGEMENT****6/13/2013**

FULL NAME	TITLE	% OWNED
Kennett Burnes	Director	
John D. Carr	Director	
Filiberto Ruiz	Director	
Bernard Terver	Director and Chairman	
Filiberto Ruiz	President and CEO	
Jay Tangney	Senior Vice President and Secretary	
Rick Reinhart	Senior Vice President and CFO	
Russell Wiles	Senior Vice President	
Elizabeth McClain	Treasurer	
Jodie Earle	Assistant Secretary	
HOLCIM-US	Parent Company	100%

DISCLOSURE OF OWNERSHIP/PRINCIPALS						
Business Entity Type						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group						
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise			
Corporals/Business Entity Name:		Holcim - US				
<i>(Include d.b.a. if applicable)</i>						
Street Address:		201 Jones Road		Website: holcim-us.com		
City, State and Zip Code:		Waltham, MA 02451		POC Name and Email: brian.smith@holcim.com		
Telephone No.:		781-647-2530		Fax No.: 617-549-4225		
Local Street Address:		3101 E. Craig Road		Website: aggregate-us.com		
City, State and Zip Code:		North Las Vegas, Nevada		Local Fax No.: 702-649-8813		
Local Telephone No.:		702-649-8250		Local POC Name Email: paddy.murphy@aggregate.com		
Number of Clark County, Nevada Residents Employed: 430						

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).

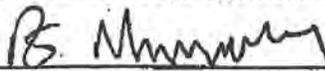
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned <small>(Not required for Publicly Traded Corporations/Non-profit organizations)</small>
SEE ATTACHED LIST FOR DIRECTORS AND CORPORATE OFFICERS		

This section is not required for publicly-traded corporations.

- 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.)
- 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.)

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
 GENERAL MANAGER
 Title

PADDY MURPHY
 Print Name
6/27/13
 Date

DISCLOSURE OF RELATIONSHIP

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			

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- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For SNWA Use Only:

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



Signature

Donald C. Bitter, Project Manager

Print Name

Authorized Department Representative

DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

ENTITY: HOLCIM-US
6/13/2013

FULL NAME	TITLE	% OWNED
Kennett Burnes	Director	
John D. Carr	Director	
Filiberto Ruiz	Director	Publicly
Bernard Terver	Director and Chairman	Traded
Robin DeCarlo	Vice President	
Francis A. Innis	Vice President	
David Loomes	Senior Vice President	
Elizabeth McClain	Treasurer	
Jason Morin	Vice President	
Jeffrey Ouhl	Senior Vice President	
Rick Reinhart	Senior Vice President and CFO	
Filiberto Ruiz	President and CEO	
Jay Tangney	Senior Vice President and Secretary	
John Todd	Vice President	
Russell Wiles	Senior Vice President	

DISCLOSURE OF OWNERSHIP/PRINCIPALS					
Business Entity Type					
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization
Business Designation Group					
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/>	<input type="checkbox"/>
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise		
Corporate/Business Entity Name:		Aggregate Industries Management			
<i>(Include d.b.a., if applicable)</i>					
Street Address:		201 Jones Road		Website: holcim-us.com	
City, State and Zip Code:		Waltham, MA 02451		POC Name and Email: brian.smith@holcim.com	
Telephone No:		781-647-2530		Fax No: 617-549-4225	
Local Street Address:		3101 E. Craig Road		Website: aggregate-us.com	
City, State and Zip Code:		North Las Vegas, Nevada		Local Fax No: 702-649-8813	
Local Telephone No:		702-649-6250		Local POC Name Email: paddy.murphy@aggregate.com	
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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).

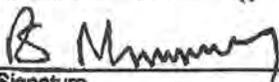
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned <small>(Not required for Publicly Traded Corporations/Nonprofit organizations)</small>
SEE ATTACHED LIST FOR DIRECTORS AND CORPORATE OFFICERS		

This section is not required for publicly-traded corporations.

- 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.)
- 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.)

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
 GENERAL MANAGER
 Title

PADDY MURPHY
 Print Name
 6/27/13
 Date

DISCLOSURE OF RELATIONSHIP

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			

"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:

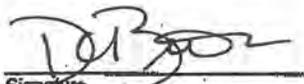
- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

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 C. Britte, Project Manager
 Print Name
 Authorized Department Representative

DISCLOSURE OF OWNERSHIP/PRINCIPALS FORM

ENTITY: AGGREGATE INDUSTRIES MANAGEMENT

6/13/2013

FULL NAME	TITLE	% OWNED
Kennett Burnes	Director	
John D. Carr	Director	
Filiberto Ruiz	Director	
Bernard Terver	Director and Chairman	
Filiberto Ruiz	President and CEO	
Jay Tangney	Senior Vice President and Secretary	
Rick Reinhart	Senior Vice President and CFO	
Russell Wiles	Senior Vice President	
Elizabeth McClain	Treasurer	
Jodie Earle	Assistant Secretary	
HOLCIM-US	Parent Company	100%

IN WITNESS WHEREOF the CONTRACTOR and the AUTHORITY have signed one original version of this Agreement which has been delivered to the CONTRACTOR.

AGGREGATE INDUSTRIES-SWR, INC.

SOUTHERN NEVADA WATER AUTHORITY

By: _____

By: _____

Patricia Mulroy, General Manager

Print Name and Title

Approved as to Form:



Attorney for AUTHORITY

- End of Section -

SECTION 00500 - AGREEMENT

THIS AGREEMENT is made and entered into by and between the SOUTHERN NEVADA WATER AUTHORITY, hereinafter referred to as the "AUTHORITY", and AGGREGATE INDUSTRIES-SWR, INC., hereinafter referred to as the "CONTRACTOR". Both the AUTHORITY and the CONTRACTOR are collectively referred to as the "PARTIES".

WITNESSETH: That the PARTIES do mutually agree as follows:

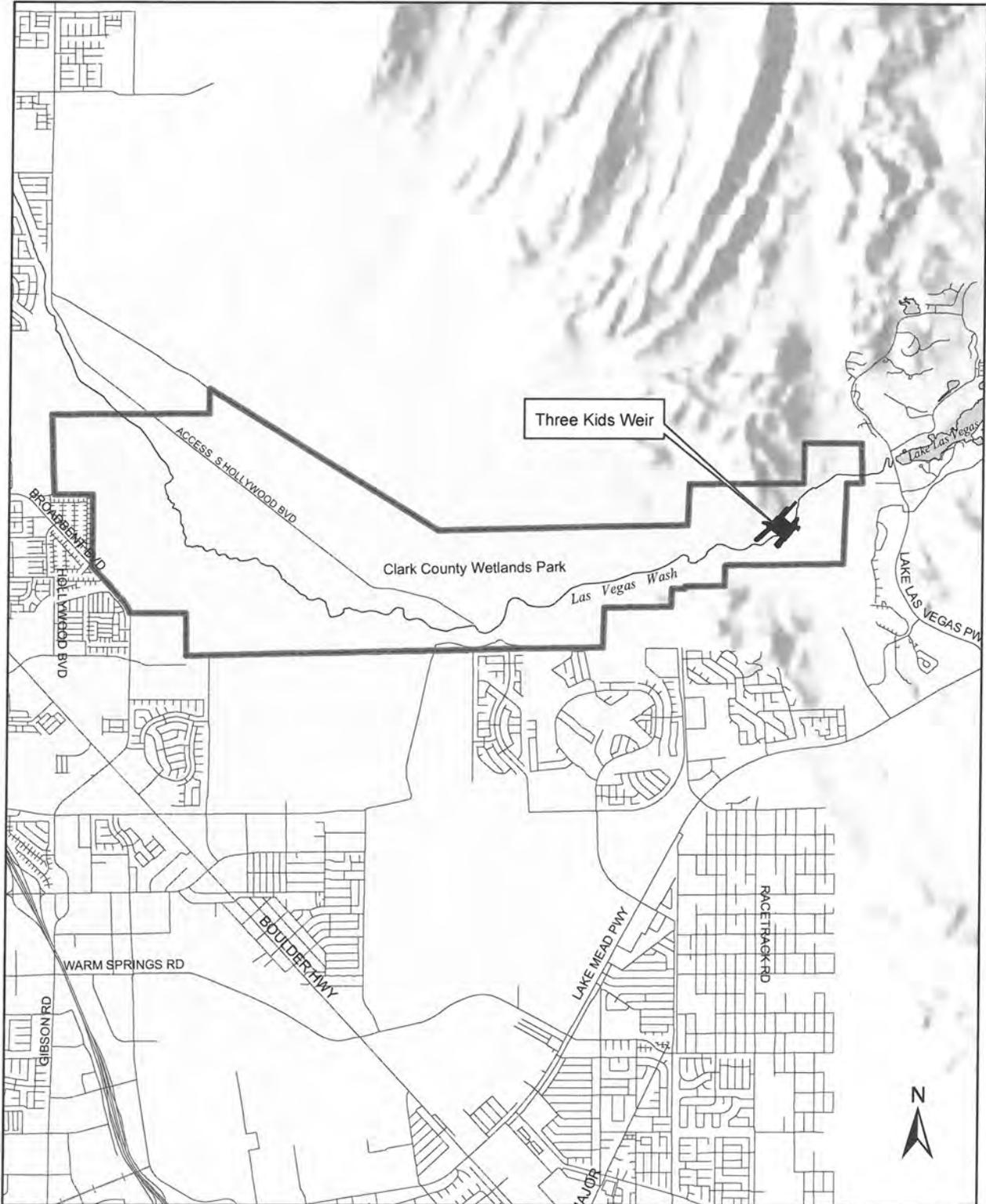
1. The AUTHORITY has awarded to the CONTRACTOR the contract for:

**CONTRACT NO. 810K 01 C1
THREE KIDS WEIR
PUBLIC WORKS PROJECT I.D. NO. PWP-CL-2013-159**

2. For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the AUTHORITY, the CONTRACTOR agrees to perform and complete in a good and workmanlike manner all of the Work as defined in the Contract Documents and to furnish all materials and all the tools and labor necessary to properly perform and complete the Work ready for use in strict accordance with the Contract Documents and under the penalty expressed in the attached bonds, which are hereby declared and accepted as essential parts of this Agreement and to accept as full compensation therefor the Contract Price as defined in the Contract Documents.
3. The CONTRACTOR hereby certifies that the CONTRACTOR has read and understands every provision contained in the Contract Documents. CONTRACTOR shall be bound and shall comply with each and every term, condition and covenant set forth in the Contract Documents.
4. For performing all Work and furnishing all materials and labor necessary thereto, the AUTHORITY will pay and the CONTRACTOR shall receive in full compensation the Contract Price, in the manner and upon the conditions set forth in the Contract Documents.
5. The Contract Documents which comprise the entire agreement between the AUTHORITY and the CONTRACTOR for the performance of the Work consist of the following:
 - a. Addenda
 - b. General Requirements
 - c. General Conditions
 - d. Agreement
 - e. Drawings
 - f. Technical Specifications
 - g. Permits
 - h. Notice of Award
 - i. Bid Form and Accompanying Documents
 - j. Bonds
 - k. Invitation to Bid and Legal Notice
 - l. Instructions to Bidders
 - m. Notice to Proceed

**BOARD OF DIRECTORS
AGENDA ITEM**

**CONTRACT NO. 810K 01 C1
THREE KIDS WEIR STRUCTURE**



**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

July 18, 2013

Subject: Agreement	Director's Backup
Petitioner: John J. Entsminger, Senior Deputy General Manager	
Recommendations: That the Board of Directors approve and authorize the General Manager to enter into an assistance agreement between the Bureau of Reclamation and the Authority, to accept a grant for an amount not to exceed \$300,000 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.	

Fiscal Impact:

The Bureau of Reclamation will reimburse the Authority up to \$300,000 in grant funding. Grant funding is contingent on the Authority expending \$3,000,000 toward the issuance of landscape conversion rebates. The required \$3,000,000 is available in the Authority's Operating Capital Budget.

Background:

The Bureau of Reclamation (BOR) established the WaterSMART Water and Energy Efficiency Grant Program to provide funding for projects that conserve and use water more efficiently, increase the use of renewable energy in the management or delivery of water, protect endangered and threatened species, facilitate water markets, or carry out other activities to address climate-related impacts on water or prevent any water-related crisis or conflict.

In June 2013, BOR notified the Authority of its approval of a grant in an amount not to exceed \$300,000 to support funding for the Authority's Water Smart Landscape Rebate Program (Program).

The Program provides a financial incentive to encourage property owners to convert turf to drought-tolerant plants by providing funds to offset a portion of conversion costs.

At this time, the Board of Directors is being asked to approve the assistance agreement, which includes the provisions necessary for the Authority to obtain federal funding.

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

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:ZM:JAW:AMB:LS:kf
Attachment

AGENDA
ITEM #

6

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT**

1A. AGREEMENT NUMBER R13AP30017		1B. MOD NUMBER N/A		2. TYPE OF AGREEMENT <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT 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 100 City Parkway, Suite 700 Las Vegas, NV 89106					
								EIN #:	
				DUNS #:		135965650		Congress. Dist: 01	
6. GRANTS MANAGEMENT SPECIALIST Kelli M. Schulte, LC-10104 Bureau of Reclamation P.O. Box 61470 Boulder City, Nevada 89006-1470 Phone: (702) 293-8550; Email: kschulte@usbr.gov				7. RECIPIENT PROJECT MANAGER 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 Tina Mullis, LC-2731 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 June 30, 2014					
11A. PROGRAM STATUTORY AUTHORITY P.L. 111-11 Omnibus Public Lands Management Act of 2009, Sec. 9504 (a)(1) (A) – (H)						11B. CFDA Number 15.507			
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION		13. REQUISITION NUMBER 13300420051			
Total Estimated Amount of Agreement		\$3,000,000.00		\$300,000.00		14A. ACCOUNTING AND APPROPRIATION DATA Cost Authority: A10-1968-0006-SNW-NV-90-8 Cost Center: 3004200 Object Code: 411G			
This Obligation		\$3,000,000.00		\$300,000.00					
Previous Obligation		\$0.00		\$0.00					
Total Obligation		\$3,000,000.00		\$300,000.00					
Cost-Share %		91%		9%					
14B. TREASURY ACCOUNT FUNDING SYMBOL 14x0680									
15. PROJECT TITLE Water Smart Landscapes Rebate Program-2013									
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 <input type="checkbox"/> 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
For
Water Smart Landscapes Rebate Program-2013**

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 Southern Nevada Water Authority, hereinafter referred to as the "Recipient" or "Grantee," pursuant to *P.L. 111-11 Omnibus Public Lands Management Act of 2009, Sec. 9504 (a) – (h)*. 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

Water that is conserved through WaterSMART Grants assists Reclamation in meeting the Department of Interior's Priority Goal for Water Conservation. Through this Agreement, Southern Nevada Water Authority will expand upon its existing landscape rebate program, which provides a financial incentive for residential property owners to replace turf with water efficient landscaping. The project is expected to result in the replacement of approximately 2.6 million square feet of turf, with an expected water savings of 448 acre-feet annually.

This Program is also a key component in the Southern Nevada Water Authority's 2009-2013 Water Conservation Plan and Water Resource Plan. In Southern Nevada, nearly all water used indoors is recovered, treated, and returned to the Colorado River System for return-flow credits. As a result, the Southern Nevada Water Authority's conservation efforts emphasize reducing outdoor water use, which cannot be recovered through return-flow credits. Water that is conserved through this project will be left in the Colorado River for instream uses in the historically threatened Colorado River Basin and will contribute to existing water banks in California, Arizona, and Southern Nevada.

3. BACKGROUND AND OBJECTIVES

Through the Water Smart Landscapes Rebate program, Southern Nevada Water Authority provides \$1.50 rebates per square-foot for the first 5,000 square-feet of lawn converted per property and \$1.00 rebates per square-foot for each additional square-foot removed. Under this program, no property may obtain more than \$300,000.00 of approved rebates per Southern Nevada Water Authority fiscal year (July 1 through June 30). Rebates for groundwater well users' are limited to 2,500 square-feet per fiscal year.

Based upon a joint Reclamation/ Southern Nevada Water Authority research project that was conducted from 1995 to 2000, every square-foot of grass that is replaced with desert landscaping saves an average of 55.8 gallons of water per year. Through this Agreement, Southern Nevada Water Authority will provide rebates for the conversion of approximately 2.6 million square-feet of turf, resulting in an estimated water savings of 448 acre-feet per year.

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 \$300,000.00, of which the initial amount of federal funds available is limited to \$300,000.00 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 will be utilized by the Southern Nevada Water Authority to encourage property owners to convert turf to drought-tolerant landscaping by providing rebates to offset a portion of the associated conversion costs. Through the Water Smart Landscapes Rebate program, Southern Nevada Water Authority provides \$1.50 rebates per square-foot for the first 5,000 square-feet of lawn converted per property and \$1.00 rebates per square-foot for each additional square-foot removed. Under this program, no property may obtain more than \$300,000.00 of approved rebates per Southern Nevada Water Authority fiscal year (July 1 through June 30). Rebates for groundwater well users' are limited to 2,500 square-feet per fiscal year. Based upon a joint Reclamation/ Southern Nevada Water Authority research project that was conducted from 1995 to 2000, every square-foot of grass that is replaced with desert landscaping saves an average of 55.8 gallons of water per year. Through this Agreement, Southern Nevada Water Authority will provide rebates for the conversion of approximately 2,619,048 million square-feet of turf to water efficient landscaping, resulting in an estimated water savings of 448 acre-feet per year. Rebate amounts are set by Southern Nevada Water Authority's Board based on the number of square feet converted. Average rebate issuance is about \$1.26 per square foot converted.

The following details the general process that applicants to the Water Smart Landscape Rebates Program follow to qualify for and receive landscape conversion rebates:

1. **Application** – Single-family property owners must submit an application to the Water Smart Landscape Rebates Program via mail or internet. Commercial and institutional properties contact a Programs Coordinator directly.
2. **Pre-conversion site inspection** – All properties must meet eligibility requirements. At the pre-conversion site inspection, Southern Nevada Water Authority staff document the existing landscape, determine participation eligibility and explain the program requirements to the property owner or agent.
3. **Six-month performance period** – After Southern Nevada Water Authority deems a property eligible for participation, the property owner is given six months to complete the conversion. Subject to Southern Nevada Water Authority approval, participants may be granted up to six additional months.
4. **Post-conversion site inspection** – Upon notice from the applicant that the conversion is complete, Southern Nevada Water Authority will inspect the landscape to ensure it meets

4. **Post-conversion site inspection** – Upon notice from the applicant that the conversion is complete, Southern Nevada Water Authority will inspect the landscape to ensure it meets minimum requirements and to determine the square-footage eligible for rebate. If program requirements are not met, the applicant is given an additional 60 days or the remainder of the six-month time period to take corrective action.
5. **Rebate issuance** – Following a successful post-conversion site inspection, the customer is notified of the rebate amount. The customer acknowledges the amount by signing a form and returning it. A rebate check is then processed and mailed.

On average, the entire process takes approximately 3-4 months from initial customer request.

Milestones:

As a customer rebate program, the Water Smart Landscapes Rebate program is dependent upon customer demand; however, historically, rebate issuance through the program has remained relatively steady throughout the fiscal year. The anticipated number of square feet of landscape converted and associated expenditures are detailed below

Fiscal Year 2013/2014	Percent	Landscape Converted	Rebate Issuance
Q1 - July 1 – September 30	25%	654,762 square-feet	\$825,000
Q2 - October 1 – December 31	25%	654,762 square-feet	\$825,000
Q3 - January 1 – March 31	25%	654,762 square-feet	\$825,000
Q4 - April 1 – June 30	25%	654,762 square-feet	\$825,000
Total	100%	2,619,048 square-feet	\$3,300,000

This project will result in an estimated recurring annual savings of 448 AFY by converting 2,619,048 square-feet of lawn to water-efficient landscaping. Over the life of the improvement (50 years), the cumulative recurring impact of this project is estimated to result in a savings of 22,400 AF. This project will also result in an estimated energy reduction of 948,864 kWh.

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.

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 ITEM DESCRIPTION	COMPUTATION		RECIPIENT FUNDING	RECLAMATION FUNDING	TOTAL COST
	Price/Unit	Quantity			
OTHER					
Customer Rebates (Rebate amounts are set by SNWA's Board based on the number of square feet converted.	\$1.26/sq ft	2,619,048	\$3,000,000.00	\$300,000.00	\$3,300,000.00
TOTAL DIRECT COSTS--			\$3,000,000.00	\$300,000.00	\$3,300,000.00
INDIRECT COSTS - 0%					
TOTAL PROJECT / ACTIVITY COSTS			\$3,000,000.00	\$300,000.00	\$3,300,000.00

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 shall be entitled to reimbursement for pre-award costs incurred on or after July 1, 2013, for work that has not already been covered by a previous award.

The work that will be completed through this Agreement is for the continuance of an ongoing rebate program. The Recipient is not authorized to be reimbursed for costs that are included within a previous award. Specifically, the work that is conducted on the previous year's awards, under Agreement numbers R12AP30021 or R12AP30011, are not eligible for reimbursement under this Agreement and should be considered separately in order to ensure that there is no confusion in the continuation of this program. Reclamation reserves the right to review expenditure documentation for this Agreement and prior awards to ensure that the funding for these Agreements has been adequately segregated and that there are no discrepancies within the accounting of all awards. In addition, all pre-award 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 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:

Kathy Flanagan
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, NV 89153
Telephone: (702) 258-3173
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):

Shawna M. Thompson, LC-10101
Bureau of Reclamation
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):

Tina Mullis, LC-4231
Bureau of Reclamation
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 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.

8.2.3 Grants Management Specialist. The Grants Management Specialist is the primary administrative point of contact for this agreement and should be contacted regarding issues related to the day-to-day management of the agreement. Requests for approval regarding the terms and conditions of the agreement, including but not limited to modifications and prior approval, may only be granted, in writing, by a Reclamation Grants Officer. Please note that for some agreements, the Grants Officer and the Grants Management Specialist may be the same individual.

Kelli Schulte, LC-10104
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Telephone: (702) 293-8550
Email: kschulte@usbr.gov

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.
- (5) The Grants Officer, Grants Management Specialist, and/or Grants Officer Technical Representative may contact you quarterly for feedback for accrual reporting.

(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	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	For Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	For Semi-Annual Reporting: 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, 2013	N/A
Submit to:	Grants Officer at LCFA@usbr.gov	Grants Officer at LCFA@usbr.gov
Federal Financial Report		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed)
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	For Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	For Semi-Annual Reporting: 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, 2013	N/A
Submit to:	Grants Officer at LCFA@usbr.gov	Grants Officer 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.

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.

If during the course of any activities associated with the execution of this agreement, the grantee becomes aware of 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.

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. This method will not be available after September 30, 2013. After this date, the only available method for request and receipt of payment is the Automated Standard Application for Payment method listed below.

(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. This method will not be available after September 30, 2013. After this date, the only available method for request and receipt of payment is the Automated Standard Application for Payment method listed below.

(3) Automated Standard Application for Payments (ASAP) - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements prior to October 1, 2013. 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. Further information regarding ASAP may be obtained from the ASAP website at <http://www.fms.treas.gov/asap>. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for agreement purposes. Please note that prior to October 1, 2013, all recipients must complete enrollment with ASAP under Reclamation's Agency Location Code for all active financial assistance agreements with Reclamation. After October 1, 2013, ASAP will be the only allowable method for request and receipt of payment.

For information regarding ASAP enrollment, please visit www.usbr.gov/mso/aamd/asap.html or contact the Reclamation ASAP Help Desk [BOR ASAP Enroll@usbr.gov](mailto:BOR_ASAP_Enroll@usbr.gov).

Please note that ASAP enrollment is specific to each Agency and Bureau. If the recipient organization have an existing ASAP account with another Federal agency or Department of the Interior bureau, but not with Reclamation, then the Recipient must initiate and complete enrollment through submission of an enrollment form found at <http://www.usbr.gov/mso/aamd/asap.html>.

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.

(1) 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.

(2) 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.

(3) 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 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 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)

The Central Contractor Registration (CCR) has been migrated to the System for Award Management (SAM). Recipients must continue to comply with the CCR requirements below by maintaining current registration within www.SAM.gov.

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. 11.210 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 18, 2013

Subject: Agreement	Director's Backup
Petitioner: Phillip D. Speight, Deputy General Manager, Administration	
Recommendations: That the Board of Directors approve an agreement between Faiss Foley Warren and the Authority to provide integrated communication and support services related to the Water Conservation Coalition, water quality, water resources, and environmental initiatives, in an amount not to exceed \$900,000, with an option to extend the agreement for five additional one-year periods at the same compensation amount.	

Fiscal Impact:

The required \$900,000 is available in the Authority's Operating Budget.

Background:

Recent projections indicate that Lake Mead, our region's primary water supply, is dangerously close to shortage levels. Severe, unprecedented drought conditions affecting the Colorado River system have created significant issues for southern Nevada. These issues extend beyond conservation efforts and include the safety of our current water resources, water system capacity and water quality implications due to declining lake levels, and long-term protection of our water supply.

The Authority continues efforts to address these significant issues, consistent with its mission to manage our region's water resources. Since 2003, Faiss Foley Warren (FFW) has partnered with the Authority, providing effective, on-going communication and support services related to the quality of the municipal water supply. FFW has been involved in the development of water conservation projects (such as the Water Smart Home program) and continues to provide independent administrative support for the Water Conservation Coalition, a broad-based autonomous group of citizens and business representatives that coordinates with the Authority on water conservation initiatives. Additionally, FFW provides strategic guidance related to other water resource and environmentally-related issues that may impact community stakeholders.

FFW is a credible, highly-regarded firm established in southern Nevada, offering extensive experience in strategic advertising, marketing, public relations, and government affairs services. The Board of Directors is being asked to authorize the General Manager to sign an agreement with Faiss Foley Warren to provide these integrated communication and support services.

This agreement is authorized pursuant to NRS 332.115(a)(b) and Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agreement.

Respectfully submitted:


 Patricia Mulroy, General Manager
 PM:JJE:PDS:JAW:JCD
 Attachments

AGENDA ITEM #	7
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DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type						
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> Other
Business Designation Group						
<input type="checkbox"/> MBE	<input checked="" type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise			
Corporate/Business Entity Name:		FFM L.L.C.				
(Include d.b.a., if applicable)		(DBA) Faiss Foley Warren				
Street Address:		100 N. City Parkway #750		Website: ffwpr.com		
City, State and Zip Code:		Las Vegas, NV 89106		POC Name and Email: Susan Black susan@ffwpr.com		
Telephone No:		702-933-7777		Fax No: 702-933-1261		
Local Street Address:		Same as above		Website: Same as above		
City, State and Zip Code:		Same as above		Local Fax No: Same as above		
Local Telephone No:		Same as above		Local POC Name Email: Same as above		
Number of Clark County, Nevada Residents Employed: 12						

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).

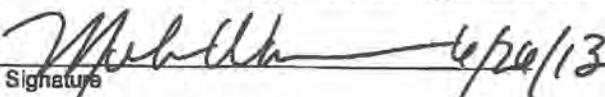
Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned <small>(Not required for Publicly Traded Corporations/Non-profit organizations)</small>
<u>Linda Faiss</u>	<u>Managing Member</u>	<u>33.4%</u>
<u>Helen Foley</u>	<u>Managing Member</u>	<u>33.3%</u>
<u>Melissa Warren</u>	<u>Managing Member/Operations</u>	<u>33.3%</u>

This section is not required for publicly-traded corporations.

- 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.)
- 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.)

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.

 6/26/13
 Signature Melissa Warren
 Managing Member June 26, 2013

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

This Agreement is made and entered into this ____ day of _____, 2013, by and between **Faiss Foley Warren**, hereinafter called "CONSULTANT," and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada, hereinafter called the "AUTHORITY." The CONSULTANT and the AUTHORITY are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties." The term "AUTHORITY" also refers to staff of the AUTHORITY acting within their designated authority and duties.

WITNESSETH:

WHEREAS, the AUTHORITY desires to obtain professional services as more specifically described herein, and

WHEREAS, the CONSULTANT is properly qualified and desires to provide the professional services required by the AUTHORITY, and

WHEREAS, the AUTHORITY, in reliance on the CONSULTANT's representations and proposals, agrees to retain the CONSULTANT, and the CONSULTANT agrees to furnish professional services to the AUTHORITY, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the Parties hereto agree as follows:

I. SCOPE OF SERVICES:

(a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Services" or "Work," as described and within the time indicated in **Exhibit A**, which is attached herewith and made a part of this Agreement.

(b) All Services performed shall be subject to the cost ceiling contained in Paragraph 4 hereof and subject to the AUTHORITY's directions respecting priorities. The CONSULTANT will furnish professional Services in the amount necessary to complete promptly and effectively the Work assigned under this Agreement. All of the Services shall be performed by the CONSULTANT or an approved subcontractor or subconsultant.

(c) In performing Services under this Agreement, the CONSULTANT shall observe and abide by the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Services to be performed hereunder.

(d) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Services assigned under this Agreement. Such personnel shall not be employed by the United States, the State of Nevada, Clark County or any other political subdivision of the State of Nevada.

2. PERIOD OF PERFORMANCE:

This Agreement shall become effective as of the date it is fully executed by both Parties and, unless terminated in accordance with the terms of this Agreement, shall remain in effect until all Services authorized to be performed by the AUTHORITY are completed by the CONSULTANT or terminated in accordance with this Agreement.

3. COMPENSATION:

(a) In consideration for completion of all duties and responsibilities under this Agreement, the AUTHORITY agrees to pay the CONSULTANT for Work completed to the AUTHORITY's satisfaction.

(b) The CONSULTANT shall provide itemized monthly invoices for Services performed during the previous month. Invoices are to be submitted to the AUTHORITY in accordance with the Notice provisions of the Agreement and must reference the name and date of the Agreement. A copy of any invoice received from subcontractors or subconsultants used by the CONSULTANT shall be included.

(c) The AUTHORITY shall pay invoiced amounts from the CONSULTANT based on the fees set forth in **Exhibit A** within thirty 30 calendar days after the date the invoice is received and approved by the AUTHORITY.

4. LIMITATION ON COSTS:

The total cost of Services provided under this Agreement shall not exceed **Nine Hundred Thousand Dollars (\$900,000.00)**.

5. TRUTH-IN-NEGOTIATION CERTIFICATION:

Signing of this Agreement by CONSULTANT shall constitute a truth-in-negotiation certification by CONSULTANT that wage rates and other factual unit costs supporting the compensation of this Agreement are accurate, complete, and current at the time of execution of this Agreement. The original Agreement price and any additions thereto shall be adjusted to exclude any significant sums by which the AUTHORITY determines the Agreement price was increased due to

inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such Agreement adjustments shall be made within one (1) year following the end of the term of this Agreement.

6. INDEPENDENT CONTRACTOR:

The relationship of the CONSULTANT to the AUTHORITY hereunder shall be that of an independent contractor and not an agent or employee. The CONSULTANT shall have complete control over its employees and the method of performing its Work under this Agreement. No permitted or required approval by the AUTHORITY of personnel, costs, documents or Services of the CONSULTANT shall be construed as making the AUTHORITY responsible for the manner in which the CONSULTANT performs its Services or for any acts, errors or omissions of the CONSULTANT. Such approvals are intended only to give the AUTHORITY the right to satisfy itself with the quality of Work performed by the CONSULTANT.

7. JOINT VENTURE:

Nothing herein shall be construed to imply a joint venture or principal and agent relationship between the AUTHORITY and the CONSULTANT, and neither Party shall have any right, power or authority to create any obligation, expressed or implied, on behalf of the other.

8. INTERPRETATION:

The Parties agree that neither Party shall be deemed the drafter of this Agreement and, in the event this Agreement is ever construed by a court of law or equity, such court shall not construe this Agreement or any provision hereof against either Party as drafter of this Agreement.

9. CONFLICT OF INTEREST:

During the course of performance of this Agreement, the CONSULTANT will not contract with any client whose interest is adverse to or would require the CONSULTANT to take a position contrary to that of the Las Vegas Valley Water District and/or the AUTHORITY.

10. PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

The CONSULTANT warrants that no person or company has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees; nor has the CONSULTANT paid or agreed to pay any person, company, corporation, individual or firm other than a partner or bona fide employee, any fee, commission, contribution, donation, percentage, gift, or any other consideration, contingent upon or resulting from award of this Agreement. For any breach or violation of this warranty, the AUTHORITY shall have the right to terminate this Agreement without liability, or at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration and any other damages.

11. PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

(a) No officer, employee or member of the governing body of the AUTHORITY shall (1) participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested or (2) have any interest, direct or indirect, in this Agreement or the proceeds thereof.

(b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the

performance of Services required to be performed under this Agreement. The CONSULTANT further covenants that in the performance of said Services, no person having any such interest shall be employed.

(c) No member of, delegate to or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

12. COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

(a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled under its obligation under this Agreement and shall correct, at its expense, all errors or omissions therein which may be disclosed.

(b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the AUTHORITY as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the AUTHORITY has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

13. INDEMNIFICATION:

The CONSULTANT shall indemnify, hold harmless, and defend without cost to the AUTHORITY, its Board of Directors and its officers, agents, and employees, against any and all losses, claims, costs, damages and liability for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind

whatsoever, whether the person(s) or property of the CONSULTANT, its agents, or subconsultants, or of third parties, arising out of or resulting from CONSULTANT's Services performed under this Agreement, and includes, but is not limited to, any claims for harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors or subconsultants, arising out of the Services under this Agreement, including the negligence, whether active or passive, of the AUTHORITY, and its officers, employees or agents.

14. INSURANCE:

(a) General:

1. The CONSULTANT shall not commence any Work under this Agreement until the CONSULTANT obtains, at its own expense, all insurance as required in this section; however, failure to obtain all insurance shall not relieve the CONSULTANT of the obligation to achieve the schedule milestone dates as defined herein. The types of insurance to be obtained by the CONSULTANT are Workers' Compensation, Employers' Liability, Automobile Liability, Commercial General Liability, and Professional Liability as outlined in the following portions of this section.

2. The Workers' Compensation, Employers' Liability, and Automobile Liability insurance will be maintained in force for the full period of the Agreement.

3. The Professional Liability insurance will be maintained in force for two years following the completion of the project.

4. These insurance provisions are in addition and cumulative to any other right of indemnification or contribution that the AUTHORITY may have in law, in equity, or otherwise and shall survive the completion of the project.

5. Nothing contained in these insurance requirements is to be construed as limiting the extent of the CONSULTANT's total responsibility for payment of claims arising in whole or in part from the actions of a third party when such actions might be taken as a result of the CONSULTANT's operations under this Agreement.

6. At the time of executing this Agreement and before commencement of the Work, the CONSULTANT shall have delivered to the AUTHORITY certificates of insurance and endorsements that attest to the fact that the CONSULTANT has obtained the insurance as specified in this Agreement.

(b) Other Insurance:

1. All insurance provided by the CONSULTANT shall be considered primary with respect to the AUTHORITY's insurance, and any similar insurance maintained by the AUTHORITY shall be considered excess and non-contributory.

2. The CONSULTANT's Workers' Compensation insurance shall be written with a property and casualty insurance company admitted to do business in the State of Nevada and rated A- or better and Class V or higher of financial size category in the current issue of Best's Key Rating Guide.

3. The CONSULTANT's Automobile Liability, Commercial General Liability and Professional Liability insurance shall be written with property and casualty insurance companies admitted to do business in the State of Nevada and

rated A- or better and Class VIII or higher of financial size category in the current issue of Best's Key Rating Guide.

4. In the event any of the CONSULTANT's insurance companies are not admitted to write business in the state of Nevada, then the CONSULTANT will furnish evidence of insurance with insurance companies that are rated A- or better and Class IX or higher of financial size category in the current issue of Best's Key Rating Guide for each coverage written with a non-admitted carrier.

5. The Certificate of Insurance and related endorsements must be satisfactory to the AUTHORITY as to form and content and must comply with all insurance requirements as set forth herein, or the certificate and endorsements may be rejected and thereby, at the option of the AUTHORITY, render this Agreement cancelable.

6. All endorsements are to be dated, reflect the name of the insurance company, the type of insurance, and the policy number; be executed by a duly authorized representative of the insurance company; and be attached to the certificate.

7. The full legal operating names of the CONSULTANT and insurance carrier shall be properly shown where applicable.

8. The cancellation section of the certificate is to be amended to provide 30-day written notice of cancellation and initialed by the Agent.

9. By endorsement (I.S.O. Forms CG 20 10 07 04 and CA 20 48 02 99, or equivalent), the AUTHORITY shall be included as an additional insured under the Commercial General Liability and Automobile Liability insurance policies as to

bodily injury, sickness, disease, or death, personal injury, damage to or destruction of the property or persons which may arise out of or in connection with activities under the Agreement. The CONSULTANT's insurance shall be primary with respect to the additional insureds; any insurance coverage maintained by the AUTHORITY shall be in excess of the CONSULTANT's insurance and non-contributing.

10. By endorsement (I.S.O. Form CG 24 04 10 93 or its equivalent), the CONSULTANT's Commercial General Liability, Automobile Liability and Workers' Compensation Insurance carriers shall waive their transfer rights of recovery (Waiver of Subrogation) against the AUTHORITY, its members and affiliated companies, successors or assignees, including their directors, officers, and employees individually and collectively.

11. The additional insured and waiver of subrogation endorsements shall read as follows:

The Southern Nevada Water Authority, its members, and affiliated companies, successors, or assigns, including their directors, officers, and employees individually and collectively, when acting within the scope of their employment.

12. If the CONSULTANT fails to procure and/or maintain insurance set forth herein, in addition to other rights or remedies, the AUTHORITY shall have the right, if the AUTHORITY so chooses, to procure and/or maintain the said insurance for and in the name of the CONSULTANT with the AUTHORITY as an Additional Insured, and the CONSULTANT shall pay the cost thereof and shall furnish all necessary information to make effective and/or maintain such insurance. In the event

the CONSULTANT fails to pay the cost, the AUTHORITY hereby has the right to offset any premiums from the compensation set forth in this Agreement and directly pay for such coverage.

13. With respect to any and all insurance required under this Agreement, the deductible shall not exceed \$50,000, unless otherwise agreed to by the AUTHORITY or the AUTHORITY'S Risk Management Division.

(c) Workers' Compensation and Employers' Liability Insurance:

1. The CONSULTANT shall procure and maintain such insurance and see that its subcontractors/subconsultants purchase and maintain such insurance as is required under the Nevada Industrial Insurance Act, Nevada Revised Statutes Chapters 616 and 617, for all of its employees working on the project to protect the AUTHORITY from any industrial insurance claims.

2. In the event any class of employees engaged in any Work on the project relative to this Agreement is not protected under the Nevada Industrial Insurance Act, then the CONSULTANT shall provide to the AUTHORITY adequate insurance coverage in a form and by an insurance carrier satisfactory to the AUTHORITY for the protection of such employees.

3. In the event the CONSULTANT is permissibly self-insured for Workers' Compensation insurance in the State of Nevada, the CONSULTANT shall deliver to the AUTHORITY a copy of the Certificate of Consent to Self-Insure issued by the State of Nevada.

4. The CONSULTANT shall procure and maintain Employers' Liability Insurance with limits as set forth in paragraph 12 (h).

(d) Commercial General Liability Insurance:

The CONSULTANT shall procure and maintain Commercial General Liability insurance coverage. The coverage under this policy shall include, but not be limited to, commercial general liability, protective liability, blanket contractual liability, and broad-form property damage. The Commercial General Liability Insurance policy shall be written for limits as outlined under paragraph 12 (h). The amount of coverage shall apply to bodily injury, sickness, disease or death, personal injury, damage to or destruction of the property of persons that may arise out of or in connection with the activities under this Agreement.

(e) Automobile Liability Insurance:

The CONSULTANT shall procure and maintain, at its own expense, automobile liability insurance limits as outlined in paragraph 12 (h), written on a combined-single-limit basis for bodily injury and property damage including all owned, leased, hired, or non-owned motorized vehicles and apparatus and shall indicate these coverages on the certificate.

(f) Professional Liability Insurance:

The CONSULTANT shall procure and maintain Professional Liability Insurance as outlined in paragraph 12 (h). If this coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of this Agreement and the certificate shall so state.

(g) It is the CONSULTANT's sole responsibility to ascertain that the aforementioned insurance requirements are fulfilled. In the event they are not, the CONSULTANT shall not be relieved of their duty to perform, indemnify, defend, and hold harmless the AUTHORITY and all others concerned herein, nor shall the AUTHORITY and all concerned herein be liable to the CONSULTANT or any others in the event the CONSULTANT's insurance, as accepted by the AUTHORITY, fails to meet the full requirements herein.

(h) Insurance Limits

<u>Value of Contract</u>	<u>Coverage</u>	<u>Limits of Liability</u>
\$100,000 to \$999,999	Professional Liability	\$500,000/per claim
		\$1,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
\$1,000,000 to \$4,999,999	Workers' Compensation	Statutory
	Employers' Liability	\$100,000
	Professional Liability	\$1,000,000/per claim
		\$2,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
\$5,000,000 to \$9,999,999		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$500,000
	Professional Liability	\$3,000,000/per claim
\$10,000,000 to \$19,999,999		\$5,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
	Workers' Compensation	Statutory
\$10,000,000 to \$19,999,999	Employers' Liability	\$1,000,000
	Professional Liability	\$5,000,000/per claim
		\$10,000,000 aggregate
	General Liability	\$2,000,000/per occurrence
		\$4,000,000/aggregate

	Automobile Liability	\$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$1,000,000
\$20,000,000 to \$24,999,999	Professional Liability	\$10,000,000/per claim \$20,000,000 aggregate
	General Liability	\$2,000,000/per occurrence \$4,000,000/aggregate
	Automobile Liability	\$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$1,000,000
\$25,000,000 and over	Coverage and limits to be negotiated.	

15. TERMINATION:

The AUTHORITY's General Manager, his/her designee and/or the CONSULTANT may terminate this Agreement on thirty (30) days prior written notice. In the case of termination by the AUTHORITY, the AUTHORITY shall pay the CONSULTANT for all Work performed to the effective date of termination and the reasonable costs of transferring all documentation of all Work to the AUTHORITY.

16. REVIEWS:

(a) The CONSULTANT shall submit draft reports and other materials for review by the AUTHORITY prior to the submission of a final report on materials. Due dates will be negotiated, but in every instance, earlier submittal is encouraged.

(b) The AUTHORITY will review the submittals and any pertinent attachments and mark all required changes. All reviews will be completed within ten (10) working days after receipt of the submission package, and the package will be returned to the CONSULTANT. Corrections and changes to the submission will be made by the CONSULTANT and resubmitted to the AUTHORITY for approval within ten (10) working days after receipt. The final approval will be submitted to the CONSULTANT within five

(5) working days after receipt of the corrected document and any attachments. Alternate review schedules may be negotiated by mutual agreement of the Parties.

17. RELEASE OF INFORMATION:

The CONSULTANT shall make public information releases only as provided for and in accordance with this Agreement. Any and all other public releases of information gathered, obtained, or produced during the performance of this Agreement must be specifically approved in writing by the AUTHORITY prior to release. Such information shall include, but is not limited to, all products, ideas, data, reports, background materials, and any and all other materials belonging to the AUTHORITY. Such public releases of information shall include, but are not limited to, publication in any book, newspaper, magazine, professional or academic journal, the Internet, radio, television, and presentations to professional, academic, and/or other groups or conferences.

18. USE OF MATERIALS:

(a) All documents, computer information, reports, background materials, or other Work products created for or by the CONSULTANT under this Agreement shall be the sole property of the AUTHORITY. All copyrights thereto, except those developed outside the Services performed by the CONSULTANT under this Agreement, shall be or become the property of the AUTHORITY. The AUTHORITY shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its performance of Services under this Agreement. Such materials shall remain the property of the AUTHORITY while in the CONSULTANT's possession.

(b) Upon termination of this Agreement, the CONSULTANT shall turn over to the AUTHORITY any property of the AUTHORITY in its possession and any calculations,

notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

19. RECORDS:

The CONSULTANT shall retain financial and other records related to this Agreement for three (3) years, and shall make available to the AUTHORITY for inspection, all books, records, documents, and other evidence directly pertinent to performance under this Agreement upon reasonable notice.

20. ASSIGNMENT:

The CONSULTANT shall not assign or transfer its interest in this Agreement without the prior written consent of the AUTHORITY.

21. MODIFICATION OF AGREEMENT:

This Agreement may not be changed or modified except by written instrument executed by both Parties or their designees.

22. SEVERABILITY:

Any provisions or portions of this Agreement prohibited as unlawful or unenforceable under any application of law of any jurisdiction shall as to such jurisdiction be ineffective without affecting other provisions of this Agreement. If the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement may be deemed to be a valid and binding Agreement enforceable in accordance with its terms.

23. NON-DISCRIMINATORY EMPLOYEE PRACTICES:

(a) The CONSULTANT shall not employ discriminatory practices in the provision of Services, employment of personnel, or in any other respect on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin.

(b) No person in the United States shall, on the grounds of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement.

(c) The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin. The CONSULTANT shall ensure that applicants are employed, and the employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin. This non-discrimination provision shall include, but not be limited to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause.

(d) The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive

consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin.

(e) The CONSULTANT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers representatives of the CONSULTANT's commitment under this provision and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

24. EQUAL EMPLOYMENT OPPORTUNITY:

(a) The CONSULTANT and any subcontractor or subconsultant working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Services provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.

(b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately available to the AUTHORITY upon the AUTHORITY's request. The CONSULTANT is solely liable for failure to comply with this provision.

25. APPLICABLE LAW:

Nevada law shall govern the interpretation of this Agreement, without reference to its choice of law provisions.

26. VENUE:

The Parties agree that venue for any dispute arising from the terms of this Agreement shall be Clark County, Nevada.

27. ATTORNEY'S FEES:

Except as otherwise set forth in this Agreement, the Parties shall bear their own attorneys' fees and costs incurred in resolving the claims, as well as on the preparation of this Agreement. In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred. For the purposes of this provision, the "prevailing party" shall be that party which has been successful with regard to the main issue, even if that Party did not prevail on all issues.

28. NO THIRD PARTY RIGHTS:

This Agreement is not intended by the Parties to create any right in or benefit to parties other than the AUTHORITY and the CONSULTANT. This Agreement does not create any third party beneficiary rights or causes of action.

29. WAIVER:

The failure of either Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

30. CAPTIONS:

The captions contained in this Agreement are for reference only and in no way to be construed as part of this Agreement.

31. COUNTERPARTS:

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which, when so executed, shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

32. INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, regarding the subject matter of this Agreement are merged in this Agreement and shall be of no further force or effect.

33. NOTICES:

Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the CONSULTANT or AUTHORITY, either by personal delivery, via facsimile, via a scanned document sent via email, or by registered or certified mail, return receipt requested, addressed to the following addresses and fax numbers:

To CONSULTANT: Faiss Foley Warren
Attention: Linda Faiss, President
100 City Parkway, Suite 750
Las Vegas, NV 89106
Linda@ffwpr.com
Fax 702/933-1261

To AUTHORITY: Southern Nevada Water Authority
Attention: Julie Wilcox, Director of Public Services
1001 S. Valley View Boulevard
Las Vegas, NV 89153
Julie.wilcox@lvvwd.com
Fax 702/822-8530

When notice is given by mail, it shall be deemed served three (3) business days following deposit, postage prepaid in the United States mail. When notice is given by facsimile or email transmission, it shall be deemed served upon receipt of confirmation of transmission if transmitted during normal business hours or, if not transmitted during normal business hours, on the next business day following the facsimile or email transmission.

The Parties may designate a new contact person under this provision for notices or invoices or change the address, email address or fax number identified above by notifying the other Party.

EXHIBIT A

SCOPE OF SERVICES

For the period of the contract, Faiss Foley Warren shall plan, create, produce, schedule and place advertising in support of community education programs on behalf of the Southern Nevada Water Authority (SNWA). Additionally, Faiss Foley Warren shall provide administrative and strategic communication support related to the Water Conservation Coalition, water quality, water resources and environmental issues as directed by SNWA staff.

Faiss Foley Warren will determine the methods, details and means of performing the above described services in cooperation with SNWA staff. The following are the identified issue areas for which Faiss Foley Merica will provide the above services. Faiss Foley Warren and SNWA will work together to determine which services will be necessary/appropriate for each of the work areas.

Water Conservation Coalition: Faiss Foley Warren will provide administrative support for the community-based business consortium that provides feedback and guidance to the SNWA's water efficiency initiatives.

Water Quality Education: Faiss Foley Warren will assist the SNWA with the existing public outreach program aimed at providing objective, unbiased information to consumers about municipal water quality and in-home supplemental water treatment systems.

Special Projects/Creative Support: Faiss Foley Warren will collaborate with SNWA staff to develop and execute outreach and education programs related to water resource planning, environmental initiatives and other issues of importance to the SNWA. Faiss Foley Warren may also provide overall graphic arts/creative support of various projects on an as-needed basis.

RATES AND FEES

Based upon the anticipated number of hours devoted to each issue area, the SNWA will compensate Faiss Foley Warren through monthly retainers for administrative, professional and creative services. Outlays related to advertisement placement or production will be compensated on an individual basis, and are included in the \$900,000.00 limitation on costs.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

July 18, 2013

Subject: Agreement	Director's Backup
Petitioner: Ronald E. Zegers, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors approve a professional services agreement between Flow Science Incorporated and the Authority to evaluate the National Park Service and Bureau of Reclamation's proposed Long-Term Experimental and Management Plan and to research its impact on water quality in Lake Mead resulting from the Bureau of Reclamation's future operational plans and the effects of climate change, for an amount not to exceed \$500,000 for the period from date of award through July 1, 2017.	

Fiscal Impact:

The required \$500,000 is available in the Authority's Operating Budget.

Background:

Operational changes of the Glen Canyon Dam, as proposed by the National Park Service and the Bureau of Reclamation (BOR) in their Long-Term Experimental and Management Plan (LTEMP), may have a negative impact on Lake Mead water quality. Quagga mussels, uncertain changes in both water elevation and inflow volumes, as well as potential increases in nutrient loads may impact Lake Mead water quality. The Flow Science Incorporated (FSI) three-dimensional hydraulic and water quality model will be used to predict the impact of these changes on drinking water quality.

If approved, the FSI model, simulating the aforementioned potential changes, will be used to predict water quality at the Authority's intake structures, including the new intake that is under construction. Information gleaned from these predictions may be utilized to provide operational recommendations to the Authority and to assist the Authority in making recommendations to the BOR that will protect Lake Mead water quality.

This agreement is being entered into pursuant to NRS 332.115(1)(b) and Sections 5(n) and 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agreement.

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:REZ:DLJ:PAR
Attachments

AGENDA ITEM #	8
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DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type					
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Non-Profit Organization
Business Designation Group					
<input type="checkbox"/> MBE	<input type="checkbox"/> WBE	<input type="checkbox"/> SBE	<input type="checkbox"/> PBE	<input type="checkbox"/>	<input type="checkbox"/>
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise		
Corporate/Business Entity Name:		FLOW SCIENCE INCORPORATED			
(Include d.b.a., if applicable)					
Street Address:		723 E GREEN ST	Website: www.flowscience.com		
City, State and Zip Code:		PASADENA, CA 91101	POC Name and Email: Coralie Petrie, coralie@flowscience.com		
Telephone No:		626-304-1134	Fax No: 626-304-9427		
Local Street Address:		none	Website:		
City, State and Zip Code:			Local Fax No:		
Local Telephone No:			Local POC Name Email:		
Number of Clark County, Nevada Residents Employed: 0					

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 <small>(Not required for Publicly Traded Corporations/Non-profit organizations)</small>
E. John List	Principal & COB	79

This section is not required for publicly-traded corporations.

- 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.)

- 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.)

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.

Coralie A. Petrie
 Signature
CFO
 Title CFO

CORALIE A. PETRIE
 Print Name Coralie A. Petrie
6-17-13
 Date 6-17-13

DISCLOSURE OF RELATIONSHIP

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			

"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

DAVID L. JOHNSON

Print Name

Authorized Department Representative

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

This Agreement is made and entered into this ____ day of _____, 20__, by and between Flow Science Incorporated, hereinafter called "CONSULTANT," and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada, hereinafter called the "AUTHORITY," to include staff of the AUTHORITY acting within their designated authority. The CONSULTANT and the AUTHORITY are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, the AUTHORITY desires to obtain professional services as more specifically described herein, and

WHEREAS, the CONSULTANT is properly qualified and desires to provide the professional services required by the AUTHORITY, and

WHEREAS, the AUTHORITY, in reliance on the CONSULTANT's representations and proposals, agrees to retain the CONSULTANT, and the CONSULTANT agrees to furnish professional services to the AUTHORITY, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the Parties hereto agree as follows:

1. SCOPE OF SERVICES:

(a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Services" or "Work," as described and within the time indicated in **Exhibit A**, which is attached herewith and made a part of this Agreement.

(b) All Services performed shall be subject to the cost ceiling contained in Paragraph 4 hereof and subject to the AUTHORITY's directions respecting priorities. The CONSULTANT will furnish professional Services in the amount necessary to complete promptly and effectively the Work assigned under this Agreement. All of the Services shall be performed by the CONSULTANT or an approved subcontractor or subconsultant.

(c) In performing Services under this Agreement, the CONSULTANT shall observe and abide by the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Services to be performed hereunder.

(d) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Services assigned under this Agreement. Such personnel shall not be employed by the United States, the State of Nevada, Clark County or any other political subdivision of the State of Nevada.

2. PERIOD OF PERFORMANCE:

This Agreement shall become effective as of the date it is fully executed by both Parties and, unless terminated in accordance with the terms of this Agreement, shall remain in effect until all Services authorized to be performed by the AUTHORITY are completed by the CONSULTANT or terminated in accordance with this Agreement.

3. COMPENSATION:

(a) In consideration for completion of all duties and responsibilities under this Agreement, the AUTHORITY agrees to pay the CONSULTANT for Work completed to the AUTHORITY's satisfaction.

(b) The CONSULTANT shall provide itemized monthly invoices for Services performed during the previous month. Invoices are to be submitted to the AUTHORITY in accordance with the Notice provisions of the Agreement and must reference the name and date of the Agreement. A copy of any invoice received from subcontractors or subconsultants used by the CONSULTANT shall be included.

(c) The AUTHORITY shall pay invoiced amounts from the CONSULTANT based on tasks completed as set forth in **Exhibit A** within thirty (30) calendar days after the date the invoice is received and approved by the AUTHORITY.

4. LIMITATION ON COSTS:

The total cost of Services provided under this Agreement shall not exceed five hundred thousand dollars (\$500,000).

5. TRUTH-IN-NEGOTIATION CERTIFICATION:

Signing of this Agreement by CONSULTANT shall constitute a truth-in-negotiation certification by CONSULTANT that wage rates and other factual unit costs supporting the compensation of this Agreement are accurate, complete, and current at the time of execution of this Agreement. The original Agreement price and any additions thereto shall be adjusted to exclude any significant sums by which the AUTHORITY determines the Agreement price was increased due to

inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such Agreement adjustments shall be made within one (1) year following the end of the term of this Agreement.

6. INDEPENDENT CONTRACTOR:

The relationship of the CONSULTANT to the AUTHORITY hereunder shall be that of an independent contractor and not an agent or employee. The CONSULTANT shall have complete control over its employees and the method of performing its Work under this Agreement. No permitted or required approval by the AUTHORITY of personnel, costs, documents or Services of the CONSULTANT shall be construed as making the AUTHORITY responsible for the manner in which the CONSULTANT performs its Services or for any acts, errors or omissions of the CONSULTANT. Such approvals are intended only to give the AUTHORITY the right to satisfy itself with the quality of Work performed by the CONSULTANT.

7. JOINT VENTURE:

Nothing herein shall be construed to imply a joint venture or principal and agent relationship between the AUTHORITY and the CONSULTANT, and neither Party shall have any right, power or authority to create any obligation, expressed or implied, on behalf of the other.

8. INTERPRETATION:

The Parties agree that neither Party shall be deemed the drafter of this Agreement and, in the event this Agreement is ever construed by a court of law or equity, such court shall not construe this Agreement or any provision hereof against either Party as drafter of this Agreement.

9. CONFLICT OF INTEREST:

During the course of performance of this Agreement, the CONSULTANT will not contract with any client whose interest is adverse to or would require the CONSULTANT to take a position contrary to that of the Las Vegas Valley Water District and/or the AUTHORITY.

10. PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

The CONSULTANT warrants that no person or company has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees; nor has the CONSULTANT paid or agreed to pay any person, company, corporation, individual or firm other than a partner or bona fide employee, any fee, commission, contribution, donation, percentage, gift, or any other consideration, contingent upon or resulting from award of this Agreement. For any breach or violation of this warranty, the AUTHORITY shall have the right to terminate this Agreement without liability, or at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration and any other damages.

11. PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

(a) No officer, employee or member of the governing body of the AUTHORITY shall (1) participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested or (2) have any interest, direct or indirect, in this Agreement or the proceeds thereof.

(b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of Services required to be performed under this Agreement. The

CONSULTANT further covenants that in the performance of said Services, no person having any such interest shall be employed.

(c) No member of, delegate to or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

12. COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

(a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled under its obligation under this Agreement and shall correct, at its expense, all errors or omissions therein which may be disclosed.

(b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the AUTHORITY as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the AUTHORITY has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

13. INDEMNIFICATION:

The CONSULTANT shall indemnify and hold harmless the AUTHORITY, its Board of Directors and its officers, agents, and employees, against any and all losses, claims, costs, damages and liability for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of the CONSULTANT, its agents, or subconsultants, or of third parties, to the

extent arising out of or resulting from CONSULTANT's Services performed negligently under this Agreement, and includes, but is not limited to, any claims for harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors or subconsultants, arising out of the Services under this Agreement. The CONSULTANT is not obligated to indemnify the AUTHORITY for the AUTHORITY's own negligence, whether active, passive or otherwise. CONSULTANT shall defend itself from any actual or alleged claims arising from the CONSULTANT's services under this Agreement. CONSULTANT agrees to compensate the AUTHORITY for reasonable fees, costs or expenses incurred by the AUTHORITY to defend the AUTHORITY from any claims that are ultimately determined by the dispute resolution process to have been caused by and only to the extent of the CONSULTANT's negligent performance.

14. INSURANCE:

(a) General:

1. The CONSULTANT shall not commence any Work under this Agreement until the CONSULTANT obtains, at its own expense, all insurance as required in this section; however, failure to obtain all insurance shall not relieve the CONSULTANT of the obligation to achieve the schedule milestone dates as defined herein. The types of insurance to be obtained by the CONSULTANT are Workers' Compensation, Employers' Liability, Automobile Liability, Commercial General Liability, and Professional Liability as outlined in the following portions of this section.

2. The Workers' Compensation, Employers' Liability, and Automobile Liability insurance will be maintained in force for the full period of the Agreement.

3. The Professional Liability insurance will be maintained in force for two years following the completion of the project.

4. These insurance provisions are in addition and cumulative to any other right of indemnification or contribution that the AUTHORITY may have in law, in equity, or otherwise and shall survive the completion of the project.

5. Nothing contained in these insurance requirements is to be construed as limiting the extent of the CONSULTANT's total responsibility for payment of claims arising in whole or in part from the actions of a third party when such actions might be taken as a result of the CONSULTANT's operations under this Agreement.

6. At the time of executing this Agreement and before commencement of the Work, the CONSULTANT shall have delivered to the AUTHORITY certificates of insurance and endorsements that attest to the fact that the CONSULTANT has obtained the insurance as specified in this Agreement.

(b) Other Insurance:

1. All insurance provided by the CONSULTANT, except Professional Liability and Worker's Compensation, shall be considered primary with respect to the AUTHORITY's insurance, and any similar insurance maintained by the AUTHORITY shall be considered excess and non-contributory.

2. The CONSULTANT's Workers' Compensation insurance shall be written with a property and casualty insurance company admitted to do business in the State of Nevada and rated A- or better and Class V or higher of financial size category in the current issue of Best's Key Rating Guide.

3. The CONSULTANT's Automobile Liability, Commercial General Liability and Professional Liability insurance shall be written with property and casualty insurance companies admitted to do business in the State of Nevada and rated A- or better and Class VIII or higher of financial size category in the current issue of Best's Key Rating Guide.

4. In the event any of the CONSULTANT's insurance companies are not admitted to write business in the state of Nevada, then the CONSULTANT will furnish evidence of insurance with insurance companies that are rated A- or better and Class IX or higher of financial size category in the current issue of Best's Key Rating Guide for each coverage written with a non-admitted carrier.

5. The Certificate of Insurance and related endorsements must be satisfactory to the AUTHORITY as to form and content and must comply with all insurance requirements as set forth herein, or the certificate and endorsements may be rejected and thereby, at the option of the AUTHORITY, render this Agreement cancelable.

6. All endorsements are to be dated, reflect the name of the insurance company, the type of insurance, and the policy number; be executed by a duly authorized representative of the insurance company; and be attached to the certificate.

7. The full legal operating names of the CONSULTANT and insurance carrier shall be properly shown where applicable.

8. The cancellation section of the certificate is to be amended to provide 30-day written notice of cancellation and initialed by the Agent.

9. By endorsement (I.S.O. Forms CG 20 10 07 04 and CA 20 48 02 99, or equivalent), the AUTHORITY shall be included as an additional insured under the Commercial General Liability and Automobile Liability insurance policies as to bodily injury, sickness, disease, or death, personal injury, damage to or destruction of the property or persons which may arise out of or in connection with activities under the Agreement. The CONSULTANT's insurance shall be primary with respect to the additional insureds; any insurance coverage maintained by the AUTHORITY shall be in excess of the CONSULTANT's insurance and non-contributing.

10. By endorsement (I.S.O. Form CG 24 04 10 93 or its equivalent), the CONSULTANT's Commercial General Liability, Automobile Liability and Workers' Compensation Insurance carriers shall waive their transfer rights of recovery (Waiver of Subrogation) against the AUTHORITY, its members and affiliated companies, successors or assignees, including their directors, officers, and employees individually and collectively.

11. The additional insured and waiver of subrogation endorsements shall read as follows:

The Southern Nevada Water Authority, its members, and affiliated companies, successors, or assigns, including their directors, officers, and employees individually and collectively, when acting within the scope of their employment.

12. If the CONSULTANT fails to procure and/or maintain insurance set forth herein, in addition to other rights or remedies, the AUTHORITY shall have the right, if the AUTHORITY so chooses, to procure and/or maintain the said insurance

for and in the name of the CONSULTANT with the AUTHORITY as an Additional Insured, and the CONSULTANT shall pay the cost thereof and shall furnish all necessary information to make effective and/or maintain such insurance. In the event the CONSULTANT fails to pay the cost, the AUTHORITY hereby has the right to offset any premiums from the compensation set forth in this Agreement and directly pay for such coverage.

13. With respect to any and all insurance required under this Agreement, the deductible shall not exceed \$50,000, unless otherwise agreed to by the AUTHORITY or the AUTHORITY'S Risk Management Division.

(c) Workers' Compensation and Employers' Liability Insurance:

1. The CONSULTANT shall procure and maintain such insurance and see that its subcontractors/subconsultants purchase and maintain such insurance as is required under the Nevada Industrial Insurance Act, Nevada Revised Statutes Chapters 616 and 617, for all of its employees working on the project to protect the AUTHORITY from any industrial insurance claims.

2. In the event any class of employees engaged in any Work on the project relative to this Agreement is not protected under the Nevada Industrial Insurance Act, then the CONSULTANT shall provide to the AUTHORITY adequate insurance coverage in a form and by an insurance carrier satisfactory to the AUTHORITY for the protection of such employees.

3. In the event the CONSULTANT is permissibly self-insured for Workers' Compensation insurance in the State of Nevada, the CONSULTANT shall

deliver to the AUTHORITY a copy of the Certificate of Consent to Self-Insure issued by the State of Nevada.

4. The CONSULTANT shall procure and maintain Employers' Liability Insurance with limits as set forth in paragraph 12 (h).

(d) Commercial General Liability Insurance:

The CONSULTANT shall procure and maintain Commercial General Liability insurance coverage. The coverage under this policy shall include, but not be limited to, commercial general liability, protective liability, blanket contractual liability, and broad-form property damage. The Commercial General Liability Insurance policy shall be written for limits as outlined under paragraph 12 (h). The amount of coverage shall apply to bodily injury, sickness, disease or death, personal injury, damage to or destruction of the property of persons that may arise out of or in connection with the activities under this Agreement.

(e) Automobile Liability Insurance:

The CONSULTANT shall procure and maintain, at its own expense, automobile liability insurance limits as outlined in paragraph 12 (h), written on a combined-single-limit basis for bodily injury and property damage including all owned, leased, hired, or non-owned motorized vehicles and apparatus and shall indicate these coverages on the certificate.

(f) Professional Liability Insurance:

The CONSULTANT shall procure and maintain Professional Liability Insurance as outlined in paragraph 12 (h). If this coverage is written on a claims-

made basis, the retroactive date shall be prior to or coincident with the date of this Agreement and the certificate shall so state.

(g) It is the CONSULTANT's sole responsibility to ascertain that the aforementioned insurance requirements are fulfilled. In the event they are not, the CONSULTANT shall not be relieved of their duty to perform, indemnify, defend, and hold harmless the AUTHORITY and all others concerned herein, nor shall the AUTHORITY and all concerned herein be liable to the CONSULTANT or any others in the event the CONSULTANT's insurance, as accepted by the AUTHORITY, fails to meet the full requirements herein.

(h) Insurance Limits

<u>Value of Contract</u>	<u>Coverage</u>	<u>Limits of Liability</u>
\$100,000 to \$999,999	Professional Liability	\$500,000/per claim
		\$1,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
\$1,000,000 to \$4,999,999	Workers' Compensation	Statutory
	Employers' Liability	\$100,000
	Professional Liability	\$1,000,000/per claim
		\$2,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
\$5,000,000 to \$9,999,999		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$500,000
	Professional Liability	\$3,000,000/per claim
		\$5,000,000 aggregate
	General Liability	\$1,000,000/per occurrence
		\$2,000,000/aggregate
	Automobile Liability	\$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$1,000,000

\$10,000,000 to \$19,999,999	Professional Liability	\$5,000,000/per claim \$10,000,000 aggregate
	General Liability	\$2,000,000/per occurrence \$4,000,000/aggregate
	Automobile Liability	\$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$1,000,000
\$20,000,000 to \$24,999,999	Professional Liability	\$10,000,000/per claim \$20,000,000 aggregate
	General Liability	\$2,000,000/per occurrence \$4,000,000/aggregate
	Automobile Liability	\$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	\$1,000,000
\$25,000,000 and over	Coverage and limits to be negotiated.	

15. TERMINATION:

The AUTHORITY's General Manager, his/her designee and/or the CONSULTANT may terminate this Agreement on thirty (30) days prior written notice. In the case of termination by the AUTHORITY, the AUTHORITY shall pay the CONSULTANT for all Work performed to the effective date of termination and the reasonable costs of transferring all documentation of all Work to the AUTHORITY.

16. REVIEWS:

(a) The CONSULTANT shall submit draft reports and other materials for review by the AUTHORITY prior to the submission of a final report on materials. Due dates will be negotiated, but in every instance, earlier submittal is encouraged.

(b) The AUTHORITY will review the submittals and any pertinent attachments and mark all required changes. All reviews will be completed within ten (10) working days after receipt of the submission package, and the package will be returned to the CONSULTANT. Corrections and changes to the submission will be made by the

CONSULTANT and resubmitted to the AUTHORITY for approval within ten (10) working days after receipt. The final approval will be submitted to the CONSULTANT within five (5) working days after receipt of the corrected document and any attachments. Alternate review schedules may be negotiated by mutual agreement of the Parties.

17. RELEASE OF INFORMATION:

The CONSULTANT shall make public information releases only as provided for and in accordance with this Agreement. Any and all other public releases of information gathered, obtained, or produced during the performance of this Agreement must be specifically approved in writing by the AUTHORITY prior to release. Such information shall include, but is not limited to, all products, ideas, data, reports, background materials, and any and all other materials belonging to the AUTHORITY. Such public releases of information shall include, but are not limited to, publication in any book, newspaper, magazine, professional or academic journal, the Internet, radio, television, and presentations to professional, academic, and/or other groups or conferences.

18. USE OF MATERIALS:

(a) Upon payment in full for services completed, all documents, computer information, reports, background materials, or other Work products created for or by the CONSULTANT under this Agreement shall be the sole property of the AUTHORITY. All copyrights thereto, except those developed outside the Services performed by the CONSULTANT under this Agreement, shall be or become the property of the AUTHORITY. The AUTHORITY shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its

performance of Services under this Agreement. Such materials shall remain the property of the AUTHORITY while in the CONSULTANT's possession.

(b) Upon termination of this Agreement, the CONSULTANT shall turn over to the AUTHORITY any property of the AUTHORITY in its possession and any calculations, notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

19. RECORDS:

The CONSULTANT shall retain financial and other records related to this Agreement for three (3) years, and shall make available to the AUTHORITY for inspection, all books, records, documents, and other evidence directly pertinent to performance under this Agreement upon reasonable notice.

20. ASSIGNMENT:

The CONSULTANT shall not assign or transfer its interest in this Agreement without the prior written consent of the AUTHORITY.

21. MODIFICATION OF AGREEMENT:

This Agreement may not be changed or modified except by written instrument executed by both Parties or their designees.

22. SEVERABILITY:

Any provisions or portions of this Agreement prohibited as unlawful or unenforceable under any application of law of any jurisdiction shall as to such jurisdiction be ineffective without affecting other provisions of this Agreement. If the provisions of such applicable law may be waived, they are

hereby waived to the end that this Agreement may be deemed to be a valid and binding Agreement enforceable in accordance with its terms.

23. NON-DISCRIMINATORY EMPLOYEE PRACTICES:

(a) The CONSULTANT shall not employ discriminatory practices in the provision of Services, employment of personnel, or in any other respect on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin.

(b) No person in the United States shall, on the grounds of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement.

(c) The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin. The CONSULTANT shall ensure that applicants are employed, and the employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin. This non-discrimination provision shall include, but not be limited to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause.

(d) The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, or national origin.

(e) The CONSULTANT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers representatives of the CONSULTANT's commitment under this provision and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

24. EQUAL EMPLOYMENT OPPORTUNITY:

(a) The CONSULTANT and any subcontractor or subconsultant working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Services provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.

(b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately

available to the AUTHORITY upon the AUTHORITY's request. The CONSULTANT is solely liable for failure to comply with this provision.

25. APPLICABLE LAW:

Nevada law shall govern the interpretation of this Agreement.

26. VENUE:

The Parties agree that venue for any dispute arising from the terms of this Agreement shall be Clark County, Nevada.

27. ATTORNEYS' FEES AND COSTS:

Except as otherwise set forth in this Agreement, the Parties shall bear their own attorneys' fees and costs incurred in resolving the claims, as well as on the preparation of this Agreement. In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred. For the purposes of this provision, the "prevailing party" shall be that party which has been successful with regard to the main issue, even if that Party did not prevail on all issues.

28. NO THIRD PARTY RIGHTS:

This Agreement is not intended by the Parties to create any right in or benefit to parties other than the AUTHORITY and the CONSULTANT. This Agreement does not create any third party beneficiary rights or causes of action.

29. WAIVER:

The failure of either Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

30. CAPTIONS:

The captions contained in this Agreement are for reference only and in no way to be construed as part of this Agreement.

31. COUNTERPARTS:

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which, when so executed, shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

32. INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged in this Agreement and shall be of no further force or effect.

33. NOTICES:

Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the CONSULTANT or AUTHORITY, either by personal delivery, via facsimile, via a scanned

document sent via email, or by registered or certified mail, return receipt requested, addressed to the following addresses and fax numbers:

To CONSULTANT: Flow Science Incorporated
723 E. Green Street
Pasadena, California 91101
Attention: Susan C. Paulsen
[email address spaulsen@flowscience.com]
[fax no. 626-304-9427]

To AUTHORITY: Southern Nevada Water Authority
PO Box 99954
Las Vegas, NV 89193-9954
Attention: Peggy Roefer
[email address peggy.roefer@snwa.com]
[fax no. 702-856-3633]

When notice is given by mail, it shall be deemed served three (3) business days following deposit, postage prepaid in the United States mail. When notice is given by facsimile or email transmission, it shall be deemed served upon receipt of confirmation of transmission if transmitted during normal business hours or, if not transmitted during normal business hours, on the next business day following the facsimile or email transmission.

The Parties may designate a new contact person under this provision for notices or invoices or change the address, email address or fax number identified above by notifying the other Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year first above written.

SOUTHERN NEVADA WATER AUTHORITY

CONSULTANT COMPANY NAME

By _____
Patricia Mulroy Date
General Manager

By Susan C. Paulsen 6/19/2013
Susan C. Paulsen, Ph.D., P.E. Date
President

Approved as to form:

Laura Ellen Browning
Laura Ellen Browning, Esq.
SNWA Project Attorney

EXHIBIT A

SCOPE OF SERVICES

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The Authority is concerned about potential impacts to the water quality of Lake Mead that may result from proposed operational changes of the Glen Canyon Dam through the Long-Term Experimental and Management Plan (LTEMP), changes due to the invasion of quagga mussels, variable water surface elevation (WSEL) and inflow volumes due to the impacts of climate change and Colorado River shortage operations, and increased nutrient inputs due to population growth in the southwestern United States. Flow Science Incorporated (the "Consultant") hereby proposes to perform the following:

A. Scope of Work

Perform modeling and analysis, on an as-needed basis, to characterize the changes in the water quality and limnology of Lake Mead (including the water quality at the 3rd Intake) due to various changes that may result from LTEMP, the invasion of quagga mussels, variable WSEL and inflow volumes due to the impacts of climate change and Colorado River shortage operations, and increased nutrient inputs due to population growth in the southwestern United States.

The ELCOM/CAEDYM Whole Lake Model (WLM) with the 300-m grid will be used to perform a series of two-year simulations on an as-needed basis. In general the simulations will be performed using the calibration parameters of the existing WLM, although there may be need for a partial model re-calibration should sediment nutrient fluxes and/or quagga mussels be implemented into the modeling.

The simulations will be based on variations of the "baseline" model runs used for the Reclamation Climate Change work, which include temperature, salinity, conductivity, bromide, suspended solids (two particle sizes), dissolved oxygen (DO), chlorophyll, nutrients, total organic carbon (TOC), pH, effluent tracer, and MR/VR inflow tracer.

For each simulation the following output may be extracted (as needed) from the model:

- Animations of temperature, salinity, conductivity, bromide, suspended solids, DO, chlorophyll, nutrients, TOC, pH, effluent tracer, and MR/VR inflow tracer throughout the lake on a daily basis.
- Time-series plots of temperature, salinity, conductivity, bromide, suspended solids, DO, chlorophyll, nutrients, TOC, pH, effluent tracer, and MR/VR inflow tracer at the SNWA

3rd Intake, the Hoover Dam outlets, the surface and near-bottom of Stations CR346.4, LWLVB2.7, LWLVB3.5, VR2.0, CR380.0, and CR394.0.

- Profile (contour) plots of temperature, effluent tracer, and DO at Station CR346.4.
- Profile (contour) plots of temperature, DO, and phosphorus at Stations CR380.0 and CR394.0.
- Plan view contour plots of the whole lake (including Boulder Beach) showing growing season average chlorophyll concentrations.

Simulation results will initially be provided via email in the form of draft plots assembled in PowerPoint files, in order to allow the Authority to review the results quickly and to determine parameters for any subsequent simulations. These plots will present simulation results only, without any additional analyses or discussion.

Final results will be presented in a series of Technical Memoranda (TMs), each of which will incorporate results for several simulations or groups of simulations (generally up to six (6) simulations), and prepared as necessary in order for the Authority to present results to interested parties. Each TM will be provided electronically and will include relevant figures and animations (as described above) illustrating the model results and conclusions drawn from the results, and will document the simulation parameters and inputs. Draft TMs will be submitted for comment and final TMs will be submitted to address comments received on the drafts.

PowerPoint presentations of the final results will be presented at half-day meetings in Las Vegas, NV, to the Authority and other interested parties, as required. Presentations are expected to include results for several simulations or groups of simulations.

B. Additional Modeling Details

It is assumed that the simulations will be based upon variations of a “baseline” simulation. Specifically, the “baseline” simulation is assumed to be the same as (or similar to) the baseline used for the Climate Change modeling performed through the WaterSMART grant from Reclamation. Some minor changes to the “baseline” simulation (such as Colorado River inflow rates and Hoover Dam outflow rates) may be desired, and additional costs for these optional changes are included in the cost estimates below. Further, and more substantial, changes to the baseline condition (e.g., addition of year “2008”) would result in additional costs not included in this scope.

A detailed description of the baseline simulation used for the Climate Change modeling is summarized below. Changes to the baseline simulation that the Authority may wish to consider for future model scenarios, including (but not limited to) the future LTEMP simulations that may involve changes to Hoover Dam operations and implementation of sediment nutrient fluxes, are also discussed.

Summary of Baseline Simulation

The baseline simulation for the Climate Change modeling used 2006–2007 meteorology and inflow rates for the Colorado, Virgin and Muddy Rivers. For the Las Vegas Wash, a constant 20 MGD of baseflow and total annual average effluent flow rate of 200 MGD that varied monthly were assumed. Some re-use flows were removed from the total effluent flow rate such that the net annual average flow to the Las Vegas Wash was 178 MGD. The water quality of the Las Vegas Wash inflow was determined by flow-weighting the constituent concentrations. The nominal effluent total phosphorus load was 225 lbs/day, which refers to the maximum monthly load. The annual average total phosphorus load was 215 lbs/day.

The withdrawal rate through Intake #3 was varied monthly with an annual average withdrawal rate of 389 MGD. The flow through Hoover Dam was assumed to be equally split between the lower (elevation 895 ft) and upper (elevation 1,045 ft) outlets, and the total flow rate was adjusted in order to maintain a constant WSEL of 1100 ft. The resulting average total outflow rate was 8.36 MAF/year. The adjustment was made on a daily basis and maintained the diurnal variation of dam operations. The WSEL of 1100 ft is representative of recent conditions at Lake Mead.

Two suspended solids sizes were simulated, with diameters of 1.2 μm and 2.0 μm and settling velocities of approximately 0.125 m/day and 0.35 m/day, respectively. Particles in these size ranges were assumed to enter in the Colorado River inflow only.

The initial temperature, pH and DO concentrations throughout the lake were set as constant values (based upon Reclamation measurements in the hypolimnion of Station CR346.4 on 1/11/2006). The initial salinity, bromide concentrations, TOC concentrations, nutrient concentrations and effluent tracer concentrations in the upper basins were set equal to the average (over the two-year simulation period) values in the Colorado River inflow (neglecting the effect of the smaller Virgin River and Muddy River inflows), while the flow-weighted average values for the Colorado River and Las Vegas Wash inflows were used to set values in Boulder Basin. The initial suspended-solids concentrations were set equal to the fully-mixed steady-state values, which depend on lake residence times and particle settling times. The flow-weighting and steady-state methodologies were deemed preferable to using historical field data, since they could account for simulated flow rates and concentrations in the inflows that were different from historical values.

Optional Changes to Baseline Simulation

The 2006-2007 inflow rates for the Colorado River measured in the Colorado River above Diamond Creek (USGS Station 09404200) were 9.29 MAF/yr in 2006 and 9.18 MAF/yr in 2007. Flow rates measured at Lees Ferry (USGS Station 09380000) over the same two-year period averaged 8.52 MAF/yr. It may be desirable to scale these flows to the equivalent of an annual rate of 8.23 MAF/yr (the volume received from Lake Powell in “normal” years) at Lees Ferry, by multiplying by 8.23/8.52.

If re-scaling is performed, the Hoover Dam outflows would have to be re-adjusted to maintain the

water surface elevation (WSEL) at the desired elevation of 1,100 ft. This was done for the Climate Change work by adjusting the outflow rate on a daily basis to maintain the WSEL, and then superimposing a daily variation, and this approach could be used here. However, this approach ignores the often seasonal variation in WSEL and dam operations, which may result in the WSEL decreasing during the summer and rising during the winter.

Alternatively, Flow Science recommends using the 2006-2007 Hoover Dam outflow rates directly, but with an additional adjustment made on an *annual* basis, to set the WSEL to 1,100 ft on December 31 of each simulation year. This annual adjustment would be achieved by adding or subtracting a (small) constant flow rate to the 2006-2007 measured flow data. This approach would be more consistent with current operations and anticipated future operations, which may have higher winter inflow rates and lower summer inflow rates, thereby resulting in greater seasonal variation in WSEL.

The Authority may also wish to consider using a WSEL other than 1,100 ft for the baseline condition, and/or to use multiple baseline simulations at different WSEL so that future simulations at multiple WSEL can be compared. For example, higher WSEL may result in lower DO concentrations at the lake bottom, possibly leading to substantial release of nutrients from the sediments. Using different WSEL would require some adjustment of the Hoover Dam outflows in order to account for evaporation differences.

The above changes are relatively minor, and cost estimates are provided in Section C.

Future Scenario Simulations

The modeling work will be conducted to evaluate the effect of different future scenarios on the hydrodynamics and water quality within Lake Mead. These future scenarios may encompass a wide range of conditions including, but not limited to, different LTEMP operations (e.g., different seasonal inflow rates and inflow temperatures of the Colorado River), inclusion and effects of quagga mussels, different WSEL and/or inflow/outflow volumes (e.g., shortage operations), and increased nutrient loads (e.g., higher phosphorus and/or nitrogen loads entering via the effluent in the Las Vegas Wash). The modeling will be accomplished by modifying baseline simulation input(s) to reflect changes resulting from different operations and conditions.

The costs of each model run will depend upon the complexity of the modifications, as well as whether runs are performed individually or in groups. Performing a group of several closely related simulations at the same time will result in a lower cost per simulation than if single simulations are performed serially. Examples are provided in Section C.

Hoover Dam Operations

The future scenario simulations may explore varying Colorado River inflow rates and different WSEL, some of which may necessitate changes to the Hoover Dam operations. Following previous simulations, it is recommended that the upper Hoover Dam outlets (elevation 1,045 ft) be closed in

the simulations when the WSEL falls below 1,060 ft, and the total outflow rate be maintained by increasing flow through the lower outlets (elevation 895 ft).

Additionally, where practical, it is recommended that the same Hoover Dam outflow rates as used in the baseline simulation be used in the future scenario simulations. This may change the simulated WSEL, but will enable simulations to incorporate the potentially different variations in WSEL within a year that may result from different seasonal inflow patterns (e.g., higher winter inflows and lower summer inflows that may occur through LTEMP).

Possible Implementation of Quagga Mussels

Simulations may wish to explore the effects of quagga mussels on the current and future water quality of Lake Mead. In order to do this, quagga mussels first need to be implemented into the WLM through the activation and calibration of mussel routines in CAEDYM. This represents a substantial work effort, but would improve the accuracy of the model.

The implementation of quagga mussels into the WLM would involve several steps. First, a literature search on quagga, zebra, and other mussels would be conducted to obtain information on effects on water quality as well as modeling approaches that have been used in the past. Efforts related to the Great Lakes are anticipated to be of use, but additional sources, including those specific to Lake Mead, will also be sought. The literature will be used to formulate appropriate modeling approaches and routines, including filtering of particulate nutrients and algae from the water column and excretion back into or onto the sediments. Estimates of appropriate rates will be obtained, including lower and upper bounds. At the same time, data on mussel numbers and/or biomass, and mussel size, throughout Lake Mead covering the time period from 2007 through present, will be sought and analyzed.

Next, the mussel routines in CAEDYM will be activated, which includes the set-up of necessary input files (including mussel biomass and filtering and excretion rates) as determined from the literature search and data. This step may necessarily involve debugging of the CAEDYM code, and possibly modifications to some of the routines in order to better capture the mussel-nutrient dynamics. At the completion of this step, a sensitivity analysis will be conducted to examine the effects of low and high rates related to mussel-nutrient dynamics. This will involve simulations using the existing 2007 and 2008 model calibration (but with the quagga mussels implemented).

Finally, the understanding gained from the quagga mussel sensitivity analysis will be used to fully calibrate years 2007 and 2008 (noting that mussels were not believed to be present in appreciable numbers prior to 2007). This would be an iterative process involving comparisons to in-reservoir nutrient and chlorophyll data. The calibration of years 2007 and 2008 may involve changes to other parts of the phosphorus and chlorophyll routines. If this is necessary, then a recalibration of years 2000 through 2006 (excluding quagga mussels) will be required in order to maintain consistency across the calibration period.

Possible Implementation of Sediment Nutrient Fluxes

Because some future scenario simulations may result in lower DO concentrations on the lake bottom (e.g., due to lower inflow rates and warmer temperatures of the Colorado River inflow), release of nutrients (in particular dissolved phosphorus) may occur from the sediments. In turn, the additional phosphorus may lead to additional algae growth (i.e., higher chlorophyll concentrations) and other water quality issues that would be useful to examine with the WLM. The present WLM does not include sediment nutrient fluxes, but they can be added to the model if desired/necessary. This represents a substantial work effort but would improve the accuracy of the model and its ability to simulate lower DO conditions.

The implementation of the sediment nutrient fluxes into the WLM would involve several steps. First, flux rates for soluble phosphorus, nitrate and ammonia would be estimated based upon a literature search and analyses of existing in-reservoir data (i.e., measured nutrient, temperature, DO and pH data). Next, the source code would be modified to enable spatially variable sediment nutrient fluxes, and the improved model would be tested and debugged. Then, trial simulations, using a single model calibration year (one year from the 2000 through 2008 time period) will be used to refine nutrient flux rates based upon comparisons to in-reservoir nutrient data.

The implementation of sediment nutrient fluxes into the WLM has also been included in the proposal for the WaterSMART grant (submitted to Reclamation on 6/11/13). If that grant is funded, then the implementation of sediment nutrient fluxes described above will be carried out under that contract.

Possible Re-calibration with Sediment Nutrient Fluxes

The addition of sediment phosphorus fluxes to the WLM will likely result in increased phosphorus and chlorophyll concentrations. The phosphorus and algae routines in the WLM may need to be re-calibrated to reduce these concentrations to levels in agreement with the measured field data. An optional step in the re-calibration would be to analyze results of a 2011 experimental study of Boulder Basin algae growth at different phosphorus concentrations, in order to better, and uniquely, define model algae-phosphorus parameters. The re-calibration would initially be done for a single model calibration year, and then the model would be validated against the other eight calibration years. The result would be a re-calibrated and validated model for 2000 through 2008. Note that this re-calibration was *not* included in the proposal for the WaterSMART grant.

C. Estimated Costs

Simulations (and other work) will be performed on an as needed basis. Billing will be for actual time and effort expended as supported by proper documentation. Standard Flow Science billing rates, included in Section E, will be used.

Table 1 presents estimated costs for the future scenario simulations, presentations, and technical memos, detailed in Sections A and B. The cost per simulation is typically expected to range from

\$4,500 to \$13,500, depending upon the level of complexity and number of concurrent runs. In some instances there may be unusual model set-up requirements, such as iterative set-up (i.e., the model may have to be run several times in order to determine the appropriate model inputs). In these cases the additional set-up time beyond that required for the basic or complex model runs will be billed at the hourly rates (Section E). If desired a cost estimate can be developed at the time the runs are requested, when the details of the simulation are known.

Table 1: Estimated Costs for Future Scenario Simulations, Presentations, and Technical Memos

Model Runs¹	\$ / run	Total
Basic model run (simple changes to one inflow)	\$ 9,900	\$ 9,900
Complex model run (several changes to inflow and/or WSEL)	\$ 13,500	\$ 13,500
Four (4) concurrent and related model runs (e.g., varying flux rates)	\$ 4,500	\$ 18,000
Model run with unusual set-up requirement (e.g., iterative set-up) (cost estimate can be developed at the time when the runs are requested)	Billing at hourly rates (Section E)	
Reporting²		
Presentation (up to six (6) simulations) (includes \$500 for travel to Las Vegas for half-day meeting)		\$ 5,200
Technical Memo (TM) (up to six (6) simulations)		\$ 15,500
1. Costs include preparation of draft plots for rapid review purposes, but not presentations or reports.		
2. Costs are for one (1) presentation or TM. Multiple presentations and/or TMs may be required over the project duration.		

As identified in Section B, the Authority may choose to update the baseline simulation or add additional baseline simulations. Additionally, some of the future scenario simulations may require the implementation of quagga mussels and/or sediment nutrient fluxes into the WLM. The implementation of sediment fluxes may also include a re-calibration of the chlorophyll-phosphorus routines (see Section B). Estimated costs for this work are provided in **Table 2**. Note that the cost of implementing sediment fluxes (i.e., \$43,700) will be funded with the WaterSMART grant if the grant is awarded.

Table 2: Estimated Costs for Possible Additional Work

Description	Cost
Update or add an additional baseline simulation	
-- adjust flow rates and/or WSEL from existing climate change baseline run	\$ 1,800
-- iterate to fix WSEL through Hoover outflow (if necessary)	\$ 1,800
-- execute simulation, debug, post-process, animate (all parameters)	\$ 3,100
TOTAL	\$ 6,700
Implement quagga mussels	
-- Literature search - filtering/excretion rates, Great Lakes	\$ 16,800
-- Obtain and analyze Lake Mead quagga number/biomass data/estimates (2007-2012)	\$ 25,400
-- Activate mussel routines in CAEDYM and set up new input files	\$ 8,700
-- Modify mussel routines (if necessary) and debug	\$ 19,700
-- Perform initial sensitivity analysis runs (low and high rates) for years 2007 and 2008.	\$ 8,600
-- Calibrate 2007-2008 (iteratively adjust rates to match in-reservoir nutrient (and other) data)	\$ 22,900
-- Recalibrate 2000-2006 (if necessary)	\$ 50,000
-- Calibration report (summarize model input changes, new calibration plots for nutrients/algae)	\$ 15,500
-- Calibration presentation and half-day meeting in Las Vegas (inc. \$500 for travel)	\$ 5,200
TOTAL	\$ 172,800
Implement sediment nutrient fluxes¹	
-- Literature search - nutrient flux rates (upper and lower bounds)	\$ 13,100
-- gather, format, plot, and analyze in-reservoir data. Refine flux rates.	\$ 16,700
-- Modify code to allow spatially variable sediment nutrient fluxes, testing, debugging, further refine flux rates.	\$ 13,900
TOTAL	\$ 43,700
Re-calibrate WLM	
-- Analyze results of 2011 chlorophyll-P experiments (optional)	\$ 10,300
-- Iteratively re-calibrate chlorophyll and P routines for single calibration year	\$ 23,300
-- Update all calibration years (2000 - 2008). May require further iterations.	\$ 39,200
-- Calibration report (summarize model input changes, new calibration plots for nutrients/algae)	\$ 15,300
-- Calibration presentation and half-day meeting in Las Vegas (inc. \$500 for travel)	\$ 5,200
TOTAL	\$ 93,300
1. This cost will be covered by the WaterSMART grant if the grant is awarded.	

D. Schedule

This modeling work will be performed on an as-needed basis with draft results provided to the Authority in a timely manner to enable rapid decision making. It is estimated that the draft results (i.e., draft plots and animations) for a single simulation will be provided within approximately four (4) weeks after the run parameters have been defined and agreed upon by the Authority and Flow Science. Draft results for multiple simulations (typically expected to be between four (4) and six (6) simulations) will be provided within approximately four (4) to six (6) weeks after the run parameters have been defined and agreed upon by the Authority and Flow Science.

Results presented in a final PowerPoint presentation will be provided within approximately one (1) to two (2) weeks of the draft results being reviewed by the Authority. Draft TMs can be provided within approximately three (3) to five (5) weeks after draft results are reviewed by the Authority, while final TMs can be provided within an additional two (2) to three (3) weeks.

The implementation and calibration of quagga mussels into the model will take approximately five (5) to eight (8) months.

The implementation of sediment nutrient fluxes will take approximately two (2) to three (3) months, and the subsequent re-calibration of the WLM (if necessary) an additional four (4) to six (6) months.

RATES AND FEES

FLOW SCIENCE INCORPORATED

SCHEDULE OF HOURLY BILLING RATES

Effective January 2013

Professional

Principal Consultant	\$266.00
Principal Engineer	222.00
Senior Engineer	160.00
Project Engineer III	160.00
Project Engineer II	153.00
Project Engineer I	128.00
Associate Engineer II	111.00
Associate Engineer I	106.00

Assistant Engineer II	96.00
Assistant Engineer I	84.00
Principal Scientist	239.00
Senior Scientist II	180.00
Senior Scientist I	153.00
Project Scientist II	132.00
Project Scientist I	124.00
Managerial	160.00
Administrative	90.00
Clerical	59.00
Intern	46.00
Expenses	At Cost
Mileage	Prevailing IRS Rate

Rates are subject to a 3 % annual escalation

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

July 18, 2013

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, the development of in-state water resources, and the status of the third intake project.	

Fiscal Impact:

None by approval of the above recommendation.

Background:

The Colorado River Basin has been experiencing a severe drought that 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.

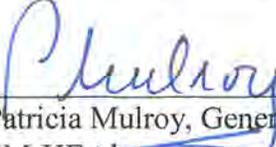
The nature of the drought in the Colorado River Basin has direct effects on water resources and future planning. The drought has prompted communities to launch major conservation initiatives to reduce water use among citizens and businesses, and has resulted in the development and implementation of the Authority's Water Resource and Conservation Plans.

In May 2005, the Board of Directors approved a project for design and construction of a third intake in Lake Mead with the primary objective of protecting southern Nevada's water supply from significant loss of system capacity resulting from a continuing decline in lake elevation. The project design and environmental approvals were completed by 2007. Construction began on the project in March of 2008.

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, the development of in-state water resources, and the status of the third intake project.

The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:



Patricia Mulroy, General Manager
PM:JJE:td

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