

RECLAMATION

Managing Water in the West

Funding Opportunity Announcement Number: R13AF20008

San Joaquin River Restoration Program: Part III of Title X, Subtitle A of Public Law 111-11

Fiscal Year 2013



U.S. Department of the Interior
Bureau of Reclamation
Mid-Pacific Region

March 2013

FOA R13AF20008

San Joaquin River Restoration Program: Part III of Title X, Subtitle A of Public Law 111-11

<http://www.usbr.gov/mp/>

SAN JOAQUIN RIVER RESTORATION PROGRAM: Part III of Title X, Subtitle A of Public Law 111-11

Department of the Interior
Bureau of Reclamation
Mid Pacific Region
2800 Cottage Way
Sacramento, CA 95825

OVERVIEW

Federal Agency Name:	Department of the Interior, Bureau of Reclamation, Sacramento, California
Funding Opportunity Title:	San Joaquin River Restoration Program: Part III of Title X, Subtitle A of Public Law 111-11
Announcement Type:	Initial announcement
Funding Opportunity Number:	R13AF20008
Catalog of Federal Domestic Assistance (CFDA) Number:	15.555
Application Due Date:	Applications due on or before May 8, 2013 by 12:00 p.m. PST
Eligible Applicants:	As described in Section III.A
Cost Share:	Non-Federal Sources: 50% or more of project costs.
Federal Funding Amount:	Up to \$5,000,000.00 per agreement for a project up to 5 years. Applications that request more than \$5,000,000.00 in federal cost share and/or exceed five years in duration will be considered and may be selected for funding if determined that it is in the best interest of the program to fund the project due to the increased benefits to be provided as a result of the larger project and the number of Friant Division long-term contractors that will see benefit from the project.
Estimated number of agreements to be awarded:	Two
Total amount of funding available for award:	Estimated: \$10,000,000.00. The amount of funding available for this FOA is dependent on regional spending priorities and may decrease at any time. This FOA may be canceled if sufficient funding is not available.

PROPOSAL CHECKLIST

The following table contains a summary of the information that you are **REQUIRED** to submit with your application.

Submit an original and disk of documents below		
What to Submit	Required Content	REQUIRED FORM OR FORMAT
Proposal Package	See Sec. IV.C	See below and Section IV.J
Cover Page	See Sec. IV.C.2.1	Office of Management and Budget (OMB), Standard Form (SF) 424*, Application for Federal Assistance.
Assurances	See Sec. IV.C.2.2	Office of Management and Budget (OMB), SF 424B* or SF 424D*, as applicable.
Title Page	See Sec. IV.C.2.3	See format in Section IV.J
Table of Contents	See Sec. IV.C.2.4	See format in Section IV.J
Project Report	See Sec. IV.C.2.5	See format in Section IV.J
Funding Plan Instructions	See Sec. IV.D	See format in Section IV.J
Budget Proposal	See Sec. IV.E.1	See format in Section IV.J
Budget Narrative with Supporting Documentation	See Sec. IV.E.2	See format in Section IV.J
Budget Form SF 424A or SF424C	See Sec. IV.F	Office of Management and Budget (OMB) SF 424A* Budget Information (Non-Construction Programs) or SF 424C* (Construction Programs), as applicable.
*Forms may be downloaded from www.grants.gov under the Funding Opportunity <u>Announcement R13AF20008</u>		

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SECTION I – General Information

I.A.1. BACKGROUND AND PURPOSE

The mission of the Bureau of Reclamation (Reclamation) is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public. The San Joaquin River Restoration Settlement Act (Public Law 111-11) directs the Secretary of the Interior (Secretary), acting pursuant to the Reclamation Act of 1902, as amended, to implement the Stipulation of Settlement (Settlement), dated September 13, 2006, in the litigation entitled *Natural Resources Defense Council, et al. v. Kirk Rodgers, et al.*, U.S. District Court, Eastern District of California, No. CIV.S-88-1658-LKK/GGH. The Settlement identifies a Water Management Goal “to reduce or avoid adverse water supply impacts to all of the Friant Division long-term contractors that may result from the Interim Flows and Restoration Flows.” Part III of Title X, Subtitle A of Public Law 111-11 authorizes the U.S. Department of the Interior, Bureau of Reclamation to provide financial assistance to local agencies within the Central Valley Project (CVP) of California for the planning, design, environmental compliance, and construction of local facilities to bank water underground or to recharge groundwater to reduce, avoid, or offset the quantity of expected water supply impacts to Friant Division long-term contractors caused by the Interim and Restoration flows authorized by Public Law 111-11.

Reclamation is posting a Funding Opportunity Application (FOA) for cost share funding of Part III activities. To be eligible for financial assistance, a proposed activity must meet eligibility criteria described in Section III of the FOA.

To view the Part III Guidelines, please visit:

http://restoresjr.net/program_library/02Program_Docs/201208_Part_III_Guidelines_final.pdf

The amount of funding available for award for this FOA will be determined once final FY 2013 appropriations are made and regional spending priorities are determined. This FOA may be canceled at anytime if sufficient funding is not available. Reclamation may fund up to 50% of approved projects.

I.A.2. PROGRAM OBJECTIVE

The objective of the SJRRP Part III financial assistance program is to fund planning, design, environmental compliance, and construction of local facilities to bank water underground or to recharge groundwater to reduce, avoid, or offset the quantify of expected water supply impacts to Friant Division long-term contractors caused by the release of Interim and Restoration Flows.

I.A.3. OBJECTIVE OF REQUEST FOR FUNDING OPPORTUNITY

This FOA invites recipients to leverage their money and resources, by cost sharing with Reclamation on projects which create broad benefits to Friant Division long-term contractors that emphasize the reduction, avoidance, or offset of water supply impacts while providing cost-effective reduction of Recovered Water Accounts through groundwater recharge and/or banking opportunities. For FY 2013, if the applicant has already committed to accomplish the project as part of another agreement, then these project requirements will not be eligible for funding under this FOA. Projects will be selected through a competitive process that will focus on achieving the outcomes identified in this FOA.

I.B.1. ELIGIBLE PROJECTS

Eligibility for Federal financial assistance will be based on meeting all of the following criteria identified in Part III:

1. Sponsors are local agencies within the CVP.
2. All or a portion of the project benefits must be dedicated to reducing, avoiding or offsetting water supply impacts to Friant Division long-term contractors resulting from the release of Interim Flows or Restoration Flows.
3. Planning, design, and environmental compliance activities have been completed in accordance with the "Project Report" section of these guidelines, or the application requests to cost-share these activities.
4. The proposed Federal cost-share does not exceed 50 percent of the planning, design, and environmental compliance costs and 50 percent of the construction costs.
5. The application provides and/or assists in providing new opportunities for recharge or banking of water underground and/or the recovery of such water, but does not include the purchase of capacity or ownership in existing facilities.
6. The application must be a complete and fully functional unit; capable of providing the stated benefits without the completion of future phases and additional new facilities.

I.B.2. TYPES OF PROJECTS

Proposals may be submitted based on the recommended Project Report outlined in Section IV.J.5 and the Part III Guidelines including: a statement of the problem and need, groundwater recharge and/or banking opportunities, a description of project alternative(s), consistency with selection considerations, an economic analysis, cost-share/Recovered Water Account (RWA) reduction determination, an environmental analysis, legal and institutional requirements, and financial capability to implement the project. The Project Report should emphasize the public benefit resulting from Federal financial assistance to the project sponsor(s).

If a Project Report has already been completed by a project sponsor in another format, or if the information is available in other reports such as regional studies or growth management plans, the sponsor can prepare an Executive Summary document following the suggested outline and provide references indicating where the supporting information may be found. The supporting information should be provided to Reclamation with the Executive Summary.

I.C. PROGRAM AUTHORITY

Public Law 111-11, San Joaquin River Restoration Settlement Act, Title X, Subtitle A, Part III, Section 10202.

SECTION II -- AWARD INFORMATION

II.A. TOTAL PROJECT FUNDING

In FY 2013, \$10 million is available for Part III, Friant Division Improvements, of the San Joaquin River Restoration Act. The amount of funding available to fund projects through this FOA will be determined once Congress approves final FY 2013 appropriations and funding priorities are determined.

II.B. PROJECT FUNDING LIMITATIONS

To facilitate the broad and effective use of limited Federal funds, the Federal share of any one proposed financial assistance agreement shall not exceed 50% of the total project costs. Generally, the non-Federal share of project costs must be expended at the same or greater rate as the Federal share of project costs. Applications for funding may not exceed \$5,000,000 per agreement for a project up to 5 years. Applications that request more than \$5,000,000 in federal cost share and/or exceed five years in duration (after September 30, 2018) will be considered and may be selected for funding if determined that it is in the best interest of the program to fund the project due to the increased benefits to be provided as a result of the larger project and the number of Friant Division long-term contractors that will see benefit from the project..

Funding for the remaining project years will be made available contingent on subsequent congressional appropriations. (Note: Recipients **will not** be asked to reapply to receive subsequent fiscal year funding for a project selected from this FOA, unless the project activities proposed for funding were not included in the application approved for funding under this FOA.

II.C. RECLAMATION RESPONSIBILITIES

If substantial involvement between Reclamation and the recipient is anticipated during the performance of this project the anticipated instrument will be a cooperative agreement. In support of this agreement, Reclamation will provide the following:

Reclamation shall collaborate and participate with the recipient in the management of the project and closely oversee the recipient's activities to ensure that the program objectives are being achieved. This oversight shall include review, input, and approval at key interim stages of the project as identified in the recipient's proposal.

If substantial involvement is not anticipated on the part of Reclamation, the financial assistance instrument will be a grant.

Reclamation retains the right to make awards using either grant or cooperative agreement instruments.

The proposal must demonstrate public benefit for financial assistance agreements.

II.D. AWARD DATE

It is anticipated that potential award recipients will be contacted within 45 days of the closure of the application period. Assistance agreements will be awarded to applicants that successfully pass all pre-award reviews and clearances. An anticipated award date will be on or before August 30, 2013.

SECTION III – ELIGIBILITY INFORMATION

III.A. ELIGIBLE APPLICANTS

Eligible applicants include local agencies within the Central Valley Project, California (PL 111-11, Sec. 10202(a)). Agencies that wish to collaborate on a project may elect to use a grantor--sub-grantee relationship. Agreements will be executed with one eligible applicant only. The application must indicate who will sign the financial assistance agreement and the nature of the agreement between the other participants.

Urban water districts seeking funding must have an updated water management plan as required by California law. All water districts, including agricultural water districts that are not required by Reclamation or California to have a water management plan, will be evaluated in part on whether they (and co- or sub-applicants) maintain current water management plans and updates with Reclamation, California Department of Water Resources, California Urban Water Conservation Council or Agricultural Water Management Council, as appropriate. See Evaluation Criteria, Section V.A.

III.B. COST SHARE GUIDELINES

Cost sharing may be made through any combination of cash or in-kind contributions from the applicant or third party partners. However, all cost share contributions must meet the criteria established in the OMB administrative and cost principles circulars applicable to the applicant. **Cost share contributions MUST be secured at the time of application submittal and included as letters of commitment (See Section IV.J.1.6 Funding Plan).**

In-kind contributions constitute the value of non-cash contributions that benefit a Federally-assisted project. These contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program. **The cost or value of in-kind contributions that have been or will be relied on to satisfy a cost sharing or matching requirement for another Federal financial assistance agreement, a Federal procurement contract, or any other award of Federal funds, may not be relied on to satisfy the cost share requirement.**

Indirect costs that will be incurred during the development or construction of a project which will not be recovered may be included as part of your cost-share. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to any one cost objective. For further information on indirect costs, refer to the OMB cost principles circular applicable to your organization as listed in the Standard Terms and Conditions hyperlink found in Section VIII of this document.

At a minimum, applicants must cost share 50% of the total project costs. For FY 2013, if the applicant has already committed to accomplish the project as part of another agreement, then these project requirements will not be eligible for funding under this FOA. For Matching or Cost Sharing guidelines, see 43 CFR 12.64 (State/Local Governments) or OMB Circular 2 CFR 215.23, Cost Sharing or Matching (Non-profit).

III.C. LENGTH OF PROJECT

The anticipated project award date will be prior to but no later than, August 30, 2013 for up to 5 years in duration through August 30, 2018. The period of performance may exceed five years from the project award date or the pre-award incurrence of costs date of March 30, 2009, as described in further detail below; only in those cases where the project activities are not appropriately severable (e.g. an agreement for construction of a large facility). Any necessary changes to the terms and conditions will be incorporated in a timely manner

(e.g. when a new government-wide requirement becomes effective).

III.D. OTHER REQUIREMENTS

Proposal costs and pre-award costs, as described below, should be identified in the detailed budget estimate.

Pre-award costs that are incurred after program legislation has been enacted, but before an appropriation becomes available are allowable, per Government Accountability Office (GAO) Redbook, Chapter 10, Section 2. Public Law 111-11 was enacted on March 30, 2009; only planning, design, and environmental compliance costs incurred by project sponsors after that date may be eligible to count as part of the non-Federal cost share. Project sponsors must also demonstrate that costs would not have been incurred otherwise, and are reasonable, such that they do not diminish the public benefit from Federal funds and further the statutory purpose of Public Law 111-11. Pre-award costs should be identified in the detailed budget estimate that is part of the initial application. During pre-award clarifications with project sponsors, Reclamation will determine whether pre-award costs listed in the initial application meet these criteria.

Per OMB Regulations, 2CFR Part 225 Appendix B, Section 31;

31. Pre-award costs. Pre-award costs are those incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the proposed delivery schedule or period of performance. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of the awarding agency.

Per OMB Regulations, 2CFR Part 225 Appendix B, Section 33;

33. Proposal costs. Costs of preparing proposals for potential Federal awards are allowable. Proposal costs should normally be treated as indirect costs and should be allocated to all activities of the governmental unit utilizing the cost allocation plan and indirect cost rate proposal. However, proposal costs may be charged directly to Federal awards with the prior approval of the Federal awarding agency.

III.D.1. PROJECT REPORT AND BUDGET PROPOSALS

The applicant must submit technical and budget proposals in accordance with the requirements stated in Section IV of this document.

III.D.2. FUNDING PLAN

The applicant's proposal shall include a funding plan that describes how the non-Reclamation share of the costs will be obtained. If funding will be provided by other than the applicant, the names of these additional sources must be provided. For FY 2013, if the applicant has already committed to accomplish the project as part of another agreement, then the project will not be eligible for funding under this FOA. See Section IV.E for information on submission of the Funding Plan.

III.D.3. PROJECT BENEFIT METHODOLOGY

Reclamation is required to report on potential water management benefits resulting from its financial assistance. Each application should identify as many benefits as possible.

Part III requires the development of a method, acceptable to the Secretary, for quantifying the benefit that will result from the proposed project in terms of reducing, avoiding, or offsetting the water supply impacts caused by the release of Interim and Restoration flows. Applicants should identify how this project benefit methodology will serve as a performance measure for their project and explain how the

measure will be applied and monitored. If an applicant receives an award, the financial assistance agreement will include a provision describing the performance measure and monitoring for the project, which is mutually agreeable to the recipient and Reclamation.

III.D.4. OTHER REGULATIONS

Applicants shall adhere to Federal, California, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. Applicants shall also coordinate and obtain approvals from site owners and operators. See Page 17-18 for additional information regarding environmental and regulatory compliance.

SECTION IV – APPLICATION AND PROPOSAL SUBMISSION

IV.A. ADDRESS TO REQUEST APPLICATION PACKAGE

This document contains all information, forms, and electronic addresses to obtain required forms or information required for the submission of a proposal.

If you are unable to access this information electronically and need assistance, please contact:

Megan Bryant
Grants Management Specialist
E-mail: mbryant@usbr.gov

IV.B. INSTRUCTIONS FOR SUBMISSION OF PROJECT PROPOSAL

Each applicant shall submit a proposal in accordance with the instructions contained in this section. Each proposal shall consist of the following elements: **(1) Project Report; (2) Funding Plan; (3) Budget Table and (4) Budget Narrative with Supporting Documentation.** Detailed instructions for each of these elements are set forth immediately below. The format for the complete proposal is included in Section IV.J of this document.

Applications must be submitted as a complete package. Materials arriving separately will not be included in the application package for consideration and will result in the application being rejected or not funded. **Mailing materials, package, or packing envelopes of the proposal must reference the FOA number R13AF20008. This requirement will include overnight mail labels. FAX copies and electronic mail of proposal documents will not be accepted. Electronic filings of applications are acceptable via grants.gov. If submitting your application in this format, please allow at least two (2) working days for processing.**

Do not include a cover letter or company literature/brochure with your proposal. All pertinent information must be included in your Project Report, Funding Plan, Budget Tables, and Budget Proposals in accordance with the formats below.

Applicants shall submit an **original and an electronic copy on disk** of all proposal documents.

IV.C. PROPOSAL FORMAT AND CONTENT

IV.C.1 Proposal Format and Length

Proposals shall be limited to **thirty (30)** 8-1/2 inch X 11 inch pages, excluding any forms required in these instructions, **single-spaced and not binded**. The font used shall be at least 12 points in size and shall be easily readable. Proposals will be prescreened for compliance to the 30-page limit. The cover sheet (Standard Form 424), Assurances (Standard Form 424B or D, as applicable), Budget (Standard Form 424A or C), required budget tables, budget narrative including supporting documentation, blank pages, title pages, maps, blueprints, Appendix, and table of content pages, will not be counted in the 30-page limit. All pages shall be consecutively numbered, including pages with tables and exhibits. See the Proposal Format in Section IV.J of this document.

IV.C.2. Proposal Content

IV.C.2.1. Cover Page

The cover page shall consist of a completed SF 424 - Application for Federal Assistance. This form must be signed by a person legally authorized to commit your organization to performance of the project. **Inclusion of a properly signed SF 424 in your proposal is a mandatory requirement. Failure to adhere to this requirement will result in the elimination of your proposal from further consideration.** This form may be downloaded from the Funding Opportunity in Grants.gov under Full Announcement.

IV.C.2.2. Assurances

Include with your proposal a completed and signed SF 424B – Assurances – Non-Construction Programs or an SF 424D – Assurances – Construction Programs. This form must be signed by a person legally authorized to commit your organization to performance of the project. **Inclusion of a properly signed SF 424B or SF 424D in your proposal is a mandatory requirement. Failure to adhere to this requirement will result in the elimination of your proposal from further consideration.** These forms may be downloaded from the Funding Opportunity in Grants.gov under Full Announcement.

IV.C.2.3. Title Page

Provide a brief, informative, and descriptive title for the proposed work that indicates the nature of the project. Include the name and address of the applicant, and the name and address, email address, telephone and facsimile numbers of the project manager.

IV.C.2.4. Table of Contents

List all major sections of the proposal in the Table of Contents.

IV.C.2.5. Project Report

The project sponsor will prepare a Project Report. The Project Report must include: a statement of the problem and need, groundwater recharge and/or banking opportunities, a description of project alternative(s), consistency with selection considerations, an economic analysis, cost-share/Recovered Water Account (RWA) reduction determination, an environmental analysis, legal and institutional requirements, and financial capability to implement the project. The Project Report should emphasize the public benefit resulting from Federal financial assistance to the project sponsor(s). Describe any other relevant information.

The detailed guidelines to complete the required Project Report are described below. See Section IV.K.1.5 of this document.

IV.D. FUNDING PLAN INSTRUCTIONS

The applicant's proposal shall include a funding plan that describes how the non-Reclamation share of the project costs will be obtained. Reclamation will use this information in making a determination of financial capability. See Budget Plan Format, Section IV.J.1.6.

IV.E. BUDGET PROPOSAL AND NARRATIVE

IV.E.1. Budget Proposal

General Requirements

Include a project budget that estimates all costs (not just costs to be borne by Reclamation). Include the value of in-kind contributions of goods and services and sources of funds provided to complete the project. The proposal must clearly delineate between Reclamation and applicant contributions. If the applicant has already committed to accomplish the project as part of another agreement, then the project will not be eligible for funding under this FOA. **Exclusion of a budget proposal, a budget narrative, and thorough supporting documentation will result in Reclamation rejecting the proposal.**

Budget Proposal Format

The project budget shall include detailed information on the categories listed below and must clearly identify all project costs and the funding source(s) (i.e., Reclamation or other funding sources). Unit costs shall be provided for all budget items including the cost of work to be provided by contractors. Lump sum costs are not acceptable. Additionally, applicants shall include a narrative description of the items included in the project budget. It is strongly advised that applicants use the budget format available for download under this announcement at www.grants.gov.

IV.E.2. Budget Narrative

The budget narrative is a discussion of, and explanation for, items included in the budget proposal. The budget narrative shall provide a detailed description of how the proposed costs were derived. The narrative should also reference the appropriate required supporting documentation for each of the below categories.

Submission of the following information is mandatory:

IV.E.2.1. Salaries and Wages

Indicate program manager and other key personnel by name and title. Other personnel may be indicated by title alone. For all positions, indicate salaries and wages, estimated hours or percent of time, and rate of compensation proposed. The labor rates should identify the direct labor rate separate from the fringe rate or fringe cost for each category. All labor estimates, including any proposed subcontractors, shall be allocated to specific objectives as outlined in the recipient's technical project description. Labor rates and proposed hours shall be displayed for each objective.

Clearly identify any proposed salary increases and the effective date.

Generally, salaries of administrative and/or clerical personnel should be included as a portion of your indirect costs. If these salaries can be adequately documented as direct costs, they may be included in this section; however, an explanation should be included in your budget narrative.

Provide supporting documents for labor costs only. The documentation should be standard salary list or some other means from organizations payroll office to substantiate the labor rates proposed for salaried and temporary personnel.

IV.E.2.2. Fringe Benefits

Indicate rates/amounts, what costs are included in this category and the basis of the rate computations. Indicate whether these rates are used for proposal purposes only or whether they are fixed or provisional rates for billing purposes. Federally-approved rate agreements are acceptable for compliance with this item. Be consistent with rate/amount language. Use either actual dollar amounts or percentages, but do not use both.

Fringe is the Employer’s portion of payroll taxes, retirement, vacation, health insurance, etc.) -The documentation should be an agreement from a government audit agency or accounting department showing the breakdown for each item. An example is provided below.

Example of Fringe Benefit Table

<i>Benefit Type</i>	<i>Rate</i>
<i>FICA (Social Security)</i>	<i>6.20%</i>
<i>Medicare</i>	<i>1.60%</i>
<i>Unemployment Insurance</i>	<i>6.20%</i>
<i>Worker's Compensation</i>	<i>1.21%</i>
<i>Medical (part of health)</i>	<i>7.04%</i>
<i>Dental package (part of health)</i>	<i>3.55%</i>
<i>Retirement Contribution</i>	<i>14.45%</i>
<i>Holiday Leave (aka vacation)</i>	<i>3.65%</i>
	<i>11.36%</i>
	<i>55.26%</i>

IV.E.2.3. Travel

Include purpose of trip, destination, number of personnel traveling, length of stay and all travel costs including airfare (basis for rate used), per diem, lodging, airfare, and miscellaneous travel expenses. For local travel, include mileage and rate of compensation. (i.e \$0.56 per mile)

Travel costs should be based on the current federally-approved rates. If costs are not, documentation will be needed showing what the rates are based on, i.e. market research, past performance (show breakdown of the past costs.)

IV.E.2.4. Equipment

Itemize costs of all equipment having a value of over \$500 and include information as to the need for this equipment. Also specify whether rental or purchase.

How was equipment priced if being purchased for the agreement?

If equipment is being rented, specify the number of hours and the hourly rate. Local rental rates are only accepted for equipment actually being rented or leased for the project.

If equipment currently owned by the applicant is proposed for use under the proposed project, and the cost to use that equipment is being included in the budget as in-kind cost share, provide the rates and hours for each piece of equipment owned and budgeted. These should be ownership rates developed by the recipient for each piece of equipment.

Was market research performed? (i.e. quotes, or other methodology). If these rates are not available, the U.S. Army Corp of Engineer’s recommended equipment rates for the region are acceptable. Blue Book, Federal Emergency Management Agency (FEMA), and other data bases should not be used. Indicate what type research was performed.

IV.E.2.5. Supplies

Itemize supplies by major category, unit price, quantity, and purpose, such as whether the items are needed for office use, research, or construction.

Provide supporting documentation for the costs associated with supplies and materials and a description of what they will be used for.

Identify how these costs were estimated (i.e., market research-quotes, past experience-explain how these costs are similar, engineering estimates or other methodology-provide supporting information or documents).

IV.E.2.6. Contractual/Construction

Identify all work that will be accomplished by subrecipients, consultants, or contractors, including a detailed budget estimate of time, rates, supplies, and materials that will be required for the objective. If a subrecipient, consultant, or contractor is proposed and approved at time of award, no other approvals will be required. Any changes or additions will require a request for approval.

Identify all work that will be accomplished by subrecipients, consultants, or contractors, including a breakdown of all objectives to be completed, and a detailed budget estimate of time, rates, supplies, and materials that will be required for each objective. Costs should address same information as shown in items 2.1-2.5 and 2.7-2.9.

Identify how the budgeted costs for subrecipients, consultants, or contractors were determined to be fair and reasonable.

Was market research performed? If not, provide justification for single source. If competed, provide quotes or other methodology.

IV.E.2.7. Environmental and Regulatory Compliance Costs

Reference cost incurred by Reclamation and/or the applicant in complying with environmental regulations applicable to this Program, which include NEPA, ESA, NHPA and the Clean Water Act, and other regulations depending on the project, including costs associated with any required permits or approvals.

The amount of the line item should be based on the actual expected environmental compliance costs for the project. However, the minimum amount budgeted for environmental compliance should be equal to at least 1-2 percent of the total project costs. **If the amount budgeted is less than 1-2 percent of the total project costs, you must include a compelling explanation of why less than 1-2 percent was budgeted.**

How environmental compliance activities will be performed (e.g., by Reclamation, the applicant, or a consultant) and how the environmental compliance funds will be spent, will be determined pursuant to subsequent agreement between Reclamation and the applicant. If any portion of the funds budgeted for environmental compliance is not required for compliance activities, such funds may be reallocated to the project if appropriate.

IV.E.2.8. Other

Any other expenses, such as those for reporting, not included in the above categories shall be listed in this category, along with a description of the item and what it will be used for.

No profit or fee will be allowed.

Provide the basis for the estimated cost, assumptions used in the estimate, etc. If objectives involve access to private lands, then land access and project activities on private lands where access has not yet been obtained should be shown as separate objectives with separate budget amounts in the budget table, and explained in the budget narrative. Describe how the budget would be affected if access to lands is not granted as anticipated.

Note: Contingency costs are unallowable unless it can be demonstrated that these costs will be incurred. Per applicable regulations, contingencies are expressly unallowable except under certain conditions.

2 CFR 230(A-122), 2 CFR 225(A-87) and 2 CFR 220 (A-21) Cost Principles for Nonprofit Organizations all read as follows:

Contingency provisions. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening, are unallowable.

IV.E.2.9. Indirect Cost

Show the proposed rate, cost base, and proposed amount for allowable indirect costs based on the applicable OMB circular cost principles for the recipient's organization.

It is not acceptable to simply incorporate indirect rates within other direct cost line items.

If the recipient has separate rates for recovery of labor overhead and general and administrative costs, each rate shall be shown. The applicant should propose rates for evaluation purposes which will be used as fixed or ceiling rates in any resulting award.

Provide a copy of federally approved Indirect Cost Rate Agreement. You may be required to provide a federally approved indirect cost rate. If you do not have a federally approved Indirect Cost Rate Agreement, or if unapproved rates are used, explain why, and include the computational basis for the indirect expense pool and corresponding allocation base for each rate. This can include a recent recommendation by a qualified Certified Public Accountant (CPA) along with support for the rate calculation.

Information on "Preparing and Submitting Indirect Cost Proposals" is available from the Department of the Interior, Interior Business Center, Indirect Cost Section, at http://www.doi.gov/ibc/services/Indirect_Cost_Services/index.cfm.

IV.F. BUDGET FORM

In addition to the above-described budget information and worksheets, the applicant must complete SF 424A, Budget Information – Non-Construction Programs, or an SF 424C, Budget Information, Construction Programs. These forms may be downloaded from the Funding Opportunity in Grants.gov under "Full Announcement".

IV.G. DATE FOR RECEIPT OF PROPOSALS

Proposals will be accepted until 12:00 p.m., Pacific Standard Time, on May 1, 2013. Proposals received after this date and time will not be considered for award.

IV.H. PROPOSAL DELIVERY INSTRUCTIONS

Proposals shall be submitted either in hard copy or through www.grants.gov (electronic filings of applications are acceptable via www.grants.gov). Please **do not** send both a hard copy and submit an application through [grants.gov](http://www.grants.gov). If submitting your application through www.grants.gov, please allow at least two (2) working days for processing. Electronic mail and facsimile transmissions of proposals will NOT be accepted.

Please send hard copies to the following mailing address:

Bureau of Reclamation
Mid-Pacific Region
Attn: Megan Bryant, MP-3807
2800 Cottage Way, Room E-1815
Sacramento, CA 95825-1898

IV.I. PROPOSAL SUBMISSION CHECKLIST

A Proposal Submission Checklist has been included on page iv of this FOA. The Checklist contains a summary of the information you are **required** to submit with your application.

IV.J. FORMATS

This section of this document contains the formats for your Proposal, Project Report, Budget Worksheets, and Budget Narrative.

IV.J.1 Proposal Format

This section contains the forms and formats for your proposal that will meet the proposal submission requirements stated in this Request for Funding Opportunity.

Reclamation highly recommends the applicant's proposal follow the order of the requested elements. This will ensure the review team's ability to find and fairly evaluate each applicant's response to each element.

IV.J.1.1. Cover Page -- SF-424 Application for Financial Assistance

IV.J.1.2. SF-424B, Assurances – Non-construction Programs, or SF-424D, Assurances – Construction Programs form

IV.J.1.3. Title Page

IV.J.1.4. Table of Contents

IV.J.1.5. Project Report

IV.J.1.6. Funding Plan

IV.K.1.7. Budget Proposal and Budget Narrative with Supporting Documentation

IV.K.1.8. Budget Form – SF-424A, Budget Information – Non-Construction Programs, or SF 424C, Budget Information - Construction Programs

IV.J.1.1

COVER PAGE (See Section IV.C.2.1)

This is a standard form (SF-424) required for use as a cover sheet for submission of pre-applications and applications and related information under discretionary programs. This fully completed form must be signed by a person legally authorized to commit the applicant to performance of the project. This form may be downloaded from the Funding Opportunity in Grants.gov under "Full Announcement". **Failure to submit a properly signed SF-424 may result in the elimination of the application from further consideration.**

IV.J.1.2

ASSURANCES FORM (See Section IV.C.2.2)

Include an SF 424B, Assurances – Non-construction Programs, or SF 424D, Assurances – Construction Programs form. Forms may be downloaded from the Funding Opportunity in Grants.gov under "Full Announcement".IV.J.1.2

IV.J.1.3

TITLE PAGE (See Section IV.C.2.3)

SAN JOAQUIN RIVER RESTORATION PROGRAM: Part III of Title X, Subtitle A of Public Law 111-11

PROJECT NAME

PROJECT LOCATION

Applicant Name

Applicant Address

Date

IV.J.1.4

TABLE OF CONTENTS (See Section IV.C.2.4)

Cover Page.

Assurances Form

Title Page

Table of Contents

Project Report

Funding Plan

Budget Proposal and Budget Narrative with Supporting Documentation.

Budget Form

IV.J.1.5

PROJECT REPORT (See Section IV.C.2.5)

Executive Summary

If a Project Report has already been completed by a project sponsor in another format, or if the information is available in other reports such as regional studies or growth management plans, the sponsor can prepare an Executive Summary document following the suggested outline and provide references indicating where the supporting information may be found. The supporting information should be provided to Reclamation with the Executive Summary.

Introduction

Identify the purpose of the study, report preparers, and the non-Federal sponsor(s) of the project. Describe the study area and provide an area/project map. Define the study area in terms of the service area of the project sponsor(s), the site-specific project area where the water will be recharged and/or banked (if different than the service area of the project sponsor(s)), and in the larger regional, watershed or river basin context.

Problem and Need

Describe the water supply objective of the project sponsor(s) and all key water management problem(s) for which the groundwater recharge and/or banking project may provide a solution. Provide a description of the near- and long-term water demand and supplies in the study area, including the expected shortages resulting from the implementation of the San Joaquin River Restoration Program (SJRRP). Identify quantities in acre-feet and when such quantities will be needed. Identify the cost to acquire those supplies, if known, and assess the level of certainty associated with those estimates.

Groundwater Recharge/Banking Opportunities

Address the opportunities for groundwater recharge and/or banking in the study area and identify the sources of water available for these purposes. In acre-feet, include quantities that could be recharged and/or recovered.

Description of Project Alternatives

Describe project alternatives, including the proposed project alternative, that are considered to accomplish the water supply objective identified above. The descriptions must contain sufficient information for Reclamation to assess the potential measures and costs that may be necessary to comply with the National Environmental Policy Act (NEPA) and other applicable federal law. The descriptions should make clear how the alternatives were analyzed and on what basis the proposed project alternative was selected. These measures may include structural and/or nonstructural measures such as water conservation. These alternatives may have already been addressed in other reports.

Describe the no action alternative as well as the action that the sponsor would take if Federal funding was not provided for the project. Describe the project sponsor(s)' ability to recharge and recover groundwater without the proposed project. Provide a map or drawing for each alternative.

Provide a description of each alternative including the physical, institutional, or operational features needed for a fully functioning alternative, and how each alternative would operate. The description must include how each alternative would benefit the public.

Provide an engineering cost estimate and an estimate of the project yield over the life of the project as described in the "Economic Analysis" section of these guidelines.

The following apply to the proposed project alternative only:

- Discuss the dedicated use of, or market for, the groundwater that would be recovered, including the entity recovering the water and/or any contractual commitments for using the groundwater.
- Describe any barriers to the recovery and use of groundwater in the study area and how these barriers would be overcome.
- Discuss how the proposed project alternative would promote or apply a regional or watershed perspective to water resource management or cross-boundary issues. Describe how the Friant Division and/or other Friant Division long-term contractors may be able to participate and/or share in the benefits from the proposed project. Identify known opportunities to expand, combine, or otherwise link projects of other Friant Division long-term contractors to provide synergistic benefits to the region.
- Describe the nature and magnitude of Federal participation in the proposed project alternative. Quantify the anticipated level of Federal benefit (e.g., quantity of annual project yield available for purchase to address unexpected seepage losses in accordance with the Settlement) and any costs associated with Federal participation.

Consistency with Selection Considerations

The "Selection Considerations" section of these guidelines identifies eligibility criteria that will be used to determine the eligibility of a project sponsor's application for funding and identifies selection considerations for purposes of evaluating and ranking the project sponsor's application. Describe how the proposed project meets the eligibility criteria, and provide information on the proposed project to enable an evaluation to be made in accordance with the selection considerations.

Economic Analysis of Alternatives

Present an analysis of the economic feasibility of the project alternatives as described below. This assessment must demonstrate the degree to which the groundwater recharge and/or banking project is cost effective

The basic guidelines for evaluating water development projects at the Federal level are embodied in the Economic and Environmental Principles and Guidelines for Water and Related Land Resource Implementation Studies (P&Gs). However, Part III groundwater recharge and banking projects are locally sponsored projects with Reclamation participation. The local sponsor owns the project and is responsible for O&M; therefore, the projects are not to be construed as Federal projects. Because these projects are not federally built and owned, the P&Gs and the National Economic Development test will not be applied. Rather, the economic analysis described in this section will be used by Reclamation to evaluate the project in comparison to other proposed projects.

Proposed projects and their alternatives will be compared on the cost effectiveness of producing a water supply or reducing water demand such that water supply impacts associated with the SJRRP are reduced, avoided, or offset. While there is a conceptual difference between economic benefit evaluation and cost effectiveness, cost effectiveness is a viable means of evaluating proposed projects, as long as the Part III legislative requirements are addressed. Economic benefits are concerned with additions to the Nation's output of goods and services and/or improvements in the efficiency of production of those goods and services, whereas cost effectiveness is more typically associated with the comparison of alternatives for producing the intermediate product, in this case the water supply, and is expressed as the cost per unit of water produced (Project Cost/Project Yield).

The project sponsor(s) will provide the primary inputs to the cost effectiveness analysis, including detailed information on project costs and benefits as measured by the yield from the project. These are described in more detail in the sections below.

ECONOMIC ANALYSIS PROJECT COST AND YIELD

Project Cost

Provide a construction cost estimate for each project alternative in sufficient detail to permit evaluation and comparison of the alternatives. Construction cost estimates will generally include costs for major structures, facilities, or other types of construction as appropriate for the project. Direct construction costs should be based on quantities and unit prices. Lump-sum estimates should be used only for items of relatively small cost and where developing the estimates are impractical or unnecessarily costly. If the project sponsor is requesting Federal cost sharing for planning, environmental compliance, and design activities, these costs should also be included in the project cost of the alternatives. Contingency costs and Indirect costs are discussed in detail in above section **IV.E. BUDGET PROPOSAL AND NARRATIVE.**

Project Yield

Determine the yield, or amount of recoverable supply, of each project alternative over the expected life of the project for the purpose of reducing the RWA. The engineering analysis will use a project life cycle of 30 years and a corresponding period of the hydrologic record. Note: If a proposed project's life-cycle yield exceeds the water supply impacts due to Interim and Restoration flows over the life of the project, the portion of a project's yield above the water supply impacts cannot be included in the cost effectiveness calculation.

Recovered Water Account Reduction (RWA) Determination

Sponsors must propose a method to calculate RWA reduction based on actual deliveries of to any portion of the project. The only portion of projects eligible for Federal cost-sharing is that which is designed to provide RWA reduction.

Environmental Analysis of Alternatives

Provide the environmental information on the project alternatives that Reclamation will need to fulfill its obligations under National Environmental Policy Act (NEPA). This includes information on the existing environment including social and cultural resources and endangered species; an assessment of the environmental impacts of the proposed project; identification of applicable Federal and State environmental requirements; and mitigation measures where appropriate. Refer to the "National Environmental Policy Act and Other Applicable Federal Environmental Statutes" listed below for further information on this subject.

NATIONAL ENVIRONMENTAL POLICY ACT / OTHER APPLICABLE FEDERAL ENVIRONMENTAL STATUTES

Introduction

A Reclamation agreement to provide construction funds for a locally sponsored groundwater recharge and/or banking project is a Federal action to which NEPA applies. NEPA and accompanying Council on Environmental Quality (CEQ) regulations require Reclamation to determine the environmental impacts of its proposed actions before implementing the proposed actions.

The Endangered Species Act (ESA), the Fish and Wildlife Coordination Act (FWCA), the National Historic Preservation Act (NHPA), and other environmental statutes, as well as cultural resources, Native American, and environmental justice requirements also apply to such funding agreements. Reclamation must determine, in consultation with the appropriate agencies, whether certain species or other resources will be affected by a specific project.

Policies

Reclamation may execute a cost-share agreement for construction of a groundwater recharge and/or banking project prior to completion of NEPA and other environmental and cultural resource requirements, however, environmental and other associated compliance shall be completed prior to the start of ground disturbing actions related to the project. As such, notwithstanding any other provision of the cost-share agreement,

Reclamation shall not provide any construction funds to the recipient for the project, and the recipient shall not begin implementation of the assisted activity described in the cost-share agreement, unless and until

Reclamation provides written notice to the recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed, and the recipient may begin implementation of the assisted activity.

NEPA and other environmental and cultural resource requirements must be complete prior to providing funding for any ground-disturbing activities. If locally funded, ground-disturbing activities of a groundwater recharge and/or banking project are begun by the local project sponsor before these requirements are met, the project sponsor assumes the risk that their action may result in no Federal funding for the project.

NEPA Responsibilities

As the lead Federal agency, Reclamation will review and approve NEPA documents prepared by the project sponsor to ensure all essential information is obtained, and the analysis is adequate to meet NEPA standards. In addition to providing information on other requirements specified in this section, the project sponsor should answer the following questions about the project alternatives, which focus on the requirements of NEPA, the ESA, and the NHPA:

Will the project alternatives impact the surrounding environment (i.e., soil (dust), air, water (quality and quantity), habitat)? Explain the impacts and any steps that can be taken to minimize the impacts.

- Are there any endangered or threatened species in the project area?
- Are there wetlands inside the project boundaries? Estimate how many acres of wetlands exist, and describe any impact the project alternatives will have on the wetlands.
- If the project alternatives will affect individual features of an irrigation or other conveyance system (e.g., head gates, canals, or flumes), state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features.
- Are buildings, structures, or features in the project area listed or eligible for listing on the National Register of Historic Places?
- Are there known archeological sites in the project area?

NEPA Compliance Process

Once it has been established that there is a proposed Federal action, in this case a proposed cost-share agreement for construction, Reclamation's next step is to determine relevant issues and the potential magnitude of environmental impacts. To do this, Reclamation uses one of several tools, depending on the action and the issues involved. These tools range from an Environmental Assessment (EA) leading to a Finding of No Significant Impact (FONSI); an EA leading to a determination of potential significant effects and preparation of an Environmental Impact Statement (EIS); and an EIS with a Record of Decision (ROD). Each involves a different level of effort, time, and resources. Not all groundwater recharge and/or banking projects will require a full EIS process or substantial public involvement. But at a minimum, an EA should be available to the public for review. Federal funding of groundwater recharge and/or banking project construction does not fit under one of Reclamation's categorical exclusions from the EA/EIS process. Reclamation's NEPA Handbook provides details on this process.

Scope of Alternatives

Reclamation will look at the entire groundwater recharge and/or banking project as proposed, and its alternatives, including no Federal action, rather than just the impact of the Federal funds on the project.

Coordination of NEPA Activities with the Project Report

NEPA activities will be completed after the project sponsor's Project Report is submitted and Reclamation executes cost-share agreements with the highest ranking sponsors. The NEPA process may uncover information on alternatives, potential environmental impacts, or mitigation not identified in the Project Report that could significantly affect project design or construction, operational decisions, or even Federal funding decisions. In such a case, the project sponsor will modify the project to be compliant with NEPA and other environmental statutes.

Other Environmental Statutes

For all other environmental requirements not discussed in this section, Reclamation and the project sponsor will work closely together to identify and comply with the requirements for a proposed project, and to determine who is responsible for each requirement (Reclamation or the project sponsor). Typically, these are all considered as a package within the NEPA process at the planning stage. For some requirements, such as

Section 7 ESA consultation, Reclamation is responsible and must take the lead. In some cases, such as obtaining Clean Water Act (CWA), State, or local permits, the project sponsor is responsible.

In a project, these actions may include, but are not limited to:

- Consult under ESA with the U.S. Fish and Wildlife Service (USFWS) or the National Marine Fisheries Service (NMFS) if endangered or threatened species may be affected.
- Consult under the FWCA regarding modifications to a water body that would affect fish and wildlife.
- Identify National Pollution Discharge Elimination System (NPDES) (402), 404, or other permits required under the CWA.
- Identify affected historic sites or cultural resources under the NHPA or other cultural resource statutes, and consult with the State Historic Preservation Officer and Advisory Council for Historic Preservation.
- Identify Native American or other trust resources affected.
- Consider the environmental justice implications of the proposed project.
- Consider the air quality implications of the proposed project.
- Coordinate with the California Environmental Quality Act (CEQA).
- Obtain a permit with the California Department of Fish and Wildlife (DFW) if take of State-listed threatened or endangered plant or animal species may occur.
- Obtain an agreement with DFG if alteration to stream features may occur.
- Identify and coordinate with State or Federal public health requirements regarding recharge and recovery of groundwater supplies.
- Identify and coordinate with State water right petition requirements.
- Identify and coordinate with local agency regarding local plans and policies.

Coordination with California Environmental Quality Act

Part III projects will also need to comply with CEQA. The information from this process will be useful in assisting Reclamation to meet its NEPA obligations, but there are differences in compliance with the two laws and CEQA compliance cannot automatically substitute for Reclamation's NEPA compliance obligations. If timing permits, these differing requirements may be addressed in a single document. The project sponsor will be responsible for CEQA compliance.

The Endangered Species Act

A funding agreement for construction of a groundwater recharge and/or banking project is an action that requires ESA compliance. Under Section 7 of the ESA, Federal agencies are required to ensure that actions they fund, permit, or carry out are not likely to jeopardize the continued existence of a species federally listed as threatened or endangered, or adversely affect or destroy critical habitat designated for those species.

The ESA compliance process begins with a request to either the U. S. Fish & Wildlife Service (USFWS) and/or National Marine Fisheries Service (NMFS) for a report of listed species or listed critical habitat in or near a proposed project area. If the USFWS and/or NMFS determine that there are no listed species or listed critical habitat in or near the proposed project area, then compliance has been completed. If there are listed species or critical habitat in or near the proposed project area, then Reclamation prepares a biological assessment to determine if the project may affect listed species in the area. Reclamation may designate the project sponsor or its contractor to prepare this assessment, but Reclamation, as the responsible Federal agency, must conduct formal consultation if that becomes necessary. If Reclamation determines there is no effect to listed species or critical habitat then compliance is completed. If, however, Reclamation determines that the proposed action may affect, but is not likely to adversely affect the listed species, it must obtain the concurrence of either the USFWS and/or NMFS.

If the biological assessment shows that a species or its habitat may be adversely affected, formal consultation is required. Formal consultation is concluded when the USFWS and/or NMFS publish a final biological opinion as to whether or not the project is likely to jeopardize the continued existence of a species (referred to as "jeopardy" or "no jeopardy"). Reclamation has an opportunity to review and comment on this opinion before it is final. A jeopardy opinion usually identifies reasonable and prudent alternatives to the project that would avoid placing the species in jeopardy or affecting critical habitat, and reasonable and prudent measures to reduce incidental taking of the species.

Reclamation must notify the USFWS and/or NMFS if it accepts the alternative, and must agree to implement the measures, before the proposed project may proceed. Reclamation will include these measures in any funding agreement for project construction as commitments of the project sponsor.

Legal, Institutional, and Regulatory Requirements

Describe the results of any consultation activities under the Endangered Species Act (ESA), Fish and Wildlife Consultation Act (FWCA), and other applicable Federal and State laws, that have occurred between the non-Federal sponsor and appropriate Federal, State, regional, and local authorities during the study.

Identify the public health and environmental quality issues associated with the proposed project. Include Federal, State, and local public health and environmental regulatory requirements associated with the proposed project and the ability of the project to meet those requirements. Provide an analysis of the effects of the change of the source water from its current use to the proposed groundwater recharge and/or banking use, including economic and environmental effects, and effects on downstream water rights. Discuss any water right issues and how they would be resolved.

Discuss how the project meets other legal and institutional requirements, if any, such as contractual water supply obligations, Indian trust responsibilities, water rights settlements, regional water quality control boards, county groundwater ordinances, or other requirements not previously addressed. Discuss known legal and institutional constraints associated with the project that may affect the ability of the project sponsor to implement the project, how the issue(s) would be resolved, and how the project would be affected if the issue(s) is not resolved.

Management and Financial Capability of the Sponsor

Present the proposed schedule and approach for project implementation and the plan for funding the proposed project's construction, operations and maintenance (O&M), and replacement costs, including the non-Federal and other Federal sources of funding.

Document the sponsor's financial capability to fund the non-Federal share of the project costs following the guidelines below.

MANAGEMENT AND FINANCIAL CAPABILITY GUIDELINES

Introduction

Pursuant to Part III, the non-Federal sponsor of a project must demonstrate the financial capability and willingness to fund the non-Federal share of the construction costs and all annual O&M costs. This demonstration must be included in the Project Report according to the FOA and submitted to Reclamation along with supporting documents.

A self-certification alone is not deemed adequate because Reclamation has a responsibility to ensure that Federal funds are prudently invested. The project sponsor(s) must demonstrate the capability to manage and finance the project.

Implementation and Financial Plans

The project sponsor must include an implementation plan for the project that outlines the plan of action and details how the proposed work will be accomplished, including the acquisition of required permits and approvals. The plan should cite factors that might accelerate or decelerate the work and reasons for taking this approach as opposed to others. The plan should also describe unusual features of the project, such as design or technological innovations, innovative cost- and time-saving measures, or extraordinary social and community involvements required to implement the project. The implementation activities should be shown in chronological order to depict the schedule accomplishments and expected target completion dates, and the criteria to be used to evaluate the results and success of the project should be discussed.

The project sponsor must also include a financial plan in the Project Report that includes plans for funding the construction costs identified in the "Economic Analysis" section of these guidelines, as well as the proposed method for funding the project O&M. The plan should include project life-cycle funding, i.e., it should quantify and show how repairs and replacements will be funded, as well as continuing O&M and environmental compliance costs. If applicable, demonstration of financial capability can be drawn from documents that have been prepared by an entity providing the non-Federal cost-share funding and/or were required to obtain the non-Federal cost-share funding.

Non-Federal Funding

The non-Federal project sponsor may obtain the requisite funding by a variety of methods. If bonding authority is used, i.e., municipal bonds, a copy of the underwriter's report or prospectus should be included with the project submittal. This report will describe the inherent risk in the bond issue. A form of certification from the underwriter is necessary to demonstrate the bonds have been sold and the money made available to the sponsor. In those instances where non-Federal funding is dependent on the availability of Federal funds, an indication of bond rating and impending sale will suffice as preliminary documentation. If a bond election and/or formal approval of a governing body (Board of Directors or City Council) is required to provide taxing authority to refund the bonds, a certification of election results and/or a copy of the approved resolution should be included.

In instances where a State Revolving Fund will provide some or all of the non-Federal cost-share, a certification of loan availability should be provided. Federal sources of funding involved in the project must also be identified, as all Federal sources of funding together cannot exceed 50 percent. If another financing method is used by the non-Federal sponsor, Reclamation will seek appropriate supporting documentation during review of the application and Project Report.

Additional Supporting Information

The non-Federal sponsor should include documentation of its past project performance, including but not limited to, experience with projects of similar size and complexity, results of any OMB Circular A-133 Single Audits, and details of any debarment or suspension from Federal assistance programs.

IV.J.1.6

FUNDING PLAN (See Section IV.D)

Part IV -- FUNDING PLAN (See Section IV.D)	
A	Describe how the Applicant will make its contribution to the cost share requirement, including a description of monetary and in-kind contributions, and identification of the source funds contributed by the applicant (e.g., reserve account, tax revenue and/or assessments).
B	If project funding is being provided by funding partners, not including the applicant or Reclamation, please provide the following information: (a) Identify the funding partners and state the amount of funding to be provided by each. (b) Provide letters of commitment from all cost-sharing partners included with the proposal? Yes ___ No ___.
C	Describe any other Federal funding requested or received for the proposed work. Note: Federal funding will not be counted towards the applicant's 50% cost share requirement. For FY 2013, if the applicant has already committed to accomplish the project as part of another agreement, then these project requirements will not be eligible for funding under this FOA.
D	Discuss what lesser amount would be acceptable if Reclamation is unable to provide your total funding request. Discuss any decrease in project size or other problems due to

	decreased Federal funding.
E	Does the budget distinguish between what is a direct and indirect costs? Yes ___ No ___. If not, explain why.

IV.J.1.7

BUDGET PROPOSAL AND NARRATIVE (See Section IV.E)

Applicants shall include a budget narrative with the application. The budget narrative provides a discussion of or explanation for items included in the budget proposal. See Section IV.E.2.1-Section IV.E.2.9 to reference the information that needs to be included in the Narrative.

Exclusion of a budget proposal, budget narrative, or *thorough* supporting documentation will result in Reclamation rejecting the proposal.

IV.J.1.8

BUDGET FORM (See Section IV.F)

Include either an SF 424A, Budget Information – Non-Construction Programs, or an SF 424C, Budget Information - Construction Programs form. Forms are available at www.grants.gov.

AND

A sample budget format is shown on the next page:

SAMPLE BUDGET FORMAT

BUDGET ITEM DESCRIPTION	COMPUTATION		RECIPIENT FUNDING	OTHER FUNDING	RECLAMATION FUNDING	TOTAL COST
	\$/Unit and Unit	Quantity				
1. SALARIES AND WAGES --Position title x hourly wage/salary x est. hours for assisted activity. Describe this information for each position.						
i.e. Manager	\$50/hr.	100	\$2,500		\$2,500	5,000.00
2. FRINGE BENEFITS – Explain the type of fringe benefits and how are they applied to various categories of personnel.						
i.e. 20% applies to all personnel	20%		\$2,000			\$2,000.00
3. TRAVEL —dates; location of travel; method of travel x estimated cost; who will travel						
i.e. mileage	.50	2000 mi	\$500.00		\$500.00	\$1,000.00
i.e. meals/lodging	\$109 x 3	3 days	\$481.00		\$500.00	\$981.00
4. EQUIPMENT —Leased Equipment use rate + hourly wage/salary x est. hours for assisted activity—Describe equipment to be purchased, unit price, # of units for all equipment to be purchased or leased for assisted activity: Do not list contractor supplied equipment here.						
i.e. Excavator	\$165	76	\$11,000.00		\$1,540.00	\$12,540.00
5. SUPPLIES/MATERIALS --Describe all major types of supplies/materials, unit price, # of units, etc., to be used on this assisted activity.						
i.e.						
6. CONTRACTUAL/ CONSTRUCTION —Explain any contracts or sub-Agreements that will be awarded, why needed. Explain contractor qualifications and how the contractor will be selected.						
i.e. Engineering Consultant	\$150/hr	200	\$30,000		\$30,000	\$30,000.00
i.e. Furnish and Install 48B50 RCP pipe	\$90/L.F.	2,000		\$180,000	\$180,000	\$360,000.00
7. ENVIRONMENTAL and REGULATORY COMPLIANCE COSTS – Reference cost incurred by Reclamation or the applicant in complying with environmental regulations applicable to this Program, which include NEPA, ESA, NHPA etc.						
8. OTHER –List any other cost elements necessary for your project; such as extra reporting, or contingencies in a construction contract.						
i.e. Construction contingencies See details under "Other" of the narrative						
i.e. Reproduction		20	\$5.00	\$2,000		\$2,000.00
TOTAL DIRECT COSTS--						
9. INDIRECT COSTS - What is the percentage rate% . If you do not have a Federally-approved Indirect Cost Rate Agreement or if unapproved rates are used - Explain Why.						
i.e 17% of \$102,040						\$17,346.80
TOTAL PROJECT/ACTIVITY COSTS						

SECTION V -- APPLICATION REVIEW INFORMATION

V.A. EVALUATION CRITERIA

Proposals will be evaluated by a technical panel in accordance with the criteria listed below. The relative importance placed on the evaluation criteria is reflected in the points available. Total points available are 100.

V.A.1. Broadest Benefit (30 points maximum)

Applications will be evaluated based on their ability to provide the broadest benefit to the Friant Division service area and the public. Applications that provide water supply benefits for multiple Friant Division long-term contractors will be given higher priority than those applications that benefit only one Friant Division long-term contractor. Priority will be given to applications that provide water in Millerton Lake for the benefit of all Friant Division long-term contractors. The prioritization process will emphasize the equitable distribution of water supply benefits to all Friant Division long-term contractors based on anticipated water supply impacts resulting from the implementation of the San Joaquin River Restoration Program (SJRRP).

1.Points¹	2. Number of contractors²	3. Percent of Project Yield³ made available in Millerton Lake
0	1	0
5	2	10
10	3	15
15	4-5	20
20	6-8	25
25	9-10	30
30	>10	50
1. Broadest benefit points will be awarded based on the higher score of either column 2 or 3. 2. Friant Division long-term contractors 3. Defined in Part III Guidelines, Section 2.4.2		

V.A.2. Recovered Water Account (RWA) Reduction (5 points maximum)

Applications will be evaluated based on their effectiveness at reducing the RWA of the project sponsor(s) in relation to the anticipated water supply impacts of each sponsor(s) resulting from the implementation of the SJRRP. Applications that demonstrate a higher RWA reduction potential relative to the anticipated impacts of each sponsor will be given higher priority. The RWA reduction potential of a project will be determined in accordance with the “Project Benefit Methodology” section of these guidelines. It should be noted that this methodology will be incorporated into the cost-share agreement and will be an enforceable component of the funding agreement.

Points	RWA Reduction as a percent of anticipated water supply impacts¹
1	<20
2	40
3	60
4	80
5	100
1. Averaged for applications with multiple sponsors.	

V.A.3. Cost Effectiveness (25 points maximum)

Applications will be evaluated based on the Federal cost per unit of new yield produced to provide RWA reduction. Applications with the lowest Federal cost per unit of new yield produced to provide RWA reductions will generally be given highest priority. It should be noted that while the “Economic Analysis” section determines the cost effectiveness of all project alternatives based on total project costs, this section will evaluate the cost effectiveness of the proposed project based on the Federal cost-share portion only. This includes any Federal cost-share funding for planning and environmental compliance and mitigation activities requested by the project sponsor. Therefore, project sponsors requesting less Federal funding per unit of new yield to provide RWA reduction will receive higher priority.

Cost effectiveness = Federal cost/ RWA unit

Points	Cost Effectiveness (\$/RWA unit)
1	> 250
2	240
3	230
4	220
5	210
6	200
7	190
8	180
9	170
10	160
11	150
12	140
13	130
14	120
15	110
16	100
17	90
18	80
19	70
20	60

Points	Cost Effectiveness (\$/RWA unit)
21	50
22	40
23	30
24	20
25	<10

V.A.4. Environmental Impacts (15 points maximum)

Using qualitative project information for environmental benefits to the San Joaquin River Restoration, points are assigned based on the bulleted criteria. Consider if the proposal meets one or all of the below benefits. If the proposal meets more than one or two environmental benefits listed below it should score higher. Applications will be evaluated based on, as well as the complexity and cost of any mitigation strategies. Applications with fewer and less significant negative environmental impacts will be given higher priority than applications with significant impacts:

- Project describes the number and extent of identified environmental impacts
- Proposal identifies the complexity and cost of any mitigation strategies
-

Points	Environmental Impacts
Min: 0	Known, anticipated, or reasonably foreseeable impacts, complex or costly mitigation.
Max: 15	No known, anticipated, or reasonably foreseeable impacts, complex or costly mitigation.

V.A.5. Legal, Institutional, and Regulatory Constraints (10 points)

Examples of constraints include: (1) results of consultation activities under applicable Federal and State laws between the non-Federal sponsor and appropriate Federal, State, regional, and local authorities; (2) compatibility with Federal, State, regional, and local environmental and public health regulatory requirements; (3) economic, environmental, and water rights effects of changing the source water from its current use; and (4) other applicable legal, institutional, and regulatory requirements (e.g.: contractual water supply obligations, Indian trust responsibilities, water rights settlements, county groundwater ordinances).

Applications will be evaluated based on:

- Comprehensive consideration of potential constraints;
- The number and severity of identified legal, institutional, and regulatory constraints

Points	Management and Financial Capability
Min: 0	Poor performance history, incomplete Implementation and Financial Plans.
Max: 5	Demonstrated performance history, complete Implementation and Financial Plans

V.B. REVIEW AND SELECTION PROCESS

The Government reserves the right to reject any and all applications which do not meet the requirements of this FOA or which are outside the scope of Part III. Awards will be made for projects most advantageous to the Government. Award selection may be made to maintain balance among the program objectives. The evaluation process will be comprised of three steps described in the following subsections.

V.B.1. First-Level Screening

All applications will be screened to ensure that:

- The application meets the requirements of the FOA package, including submission of the budget proposal, budget narrative, budget supporting documentation, project benefit tables, project benefit worksheet, a funding plan, letter(s) of commitment, and related forms.
- The application contains a properly executed SF-424 Application for
- Financial Assistance and forms SF-424 A&B, non-construction project, or SF-424 C &D, construction project.
- The application includes an official resolution, adopted by the applicant's board of directors, governing body, or appropriate authorized official.
- At least 50 percent of the cost of the project will be paid for with non-Federal funding. Cost share funding from sources outside the applicant's organization, e.g., loans or state grants, should be secured and available to the applicant prior to award. Reclamation may approve an award prior to an applicant securing non-Federal cost-share funds if Reclamation determines that there is sufficient evidence and likelihood that the non-Federal funds will be available to the applicant by the start of the project.
- The applicant meets the eligibility requirements stated in this document.
- The application meets the description of eligible projects in Section I.B.1., "Eligible Projects" and is within the scope of Part III.

- The project can be completed by September 30, 2013, or sufficient project description and milestones to justify a longer period of performance.

Reclamation reserves the right to remove an application from funding consideration if it does not pass all First-Level Screening criteria listed above.

V.B.2. Second-Level Evaluation (Technical Review)

Evaluation criteria will comprise 100 points of the total evaluation weight as stated in Section V.A. Applications will be scored against the evaluation criteria by an Application Review Committee (ARC), made up of experts in relevant disciplines selected from across Reclamation. During Second-Level Evaluation, Reclamation may contact applicants to request clarifications to the information provided if necessary.

V.B.3. Third-Level Evaluation (Managerial Review)

Management will prioritize projects to ensure the total amount of all awards does not exceed available funding levels and to ensure that the projects meet the scope and priorities of the SJRRP. Management may also prioritize projects to ensure that multiple Objective Areas are represented among the projects selected for funding. Positive or negative past performance by the applicant and any partners in previous working relationships with Reclamation may be considered, including whether the applicant is making significant progress toward the completion of outstanding financial assistance agreements and whether the applicant is in compliance with previously funded projects.

V.B.4. Pre-Award Clearances and Approvals

After completion of the third-level evaluation, Reclamation will notify applicants whose proposals have been selected for award consideration and will forward their applications to the appropriate Reclamation regional or area office for completion of environmental compliance.

The local Reclamation office will also complete a business evaluation and determination of responsibility. During these evaluations, the Grants Officer (GO) will also consider several factors which are important, but not quantified, such as:

- Pre-award clearances, determinations, reviews, and approvals
- Allowability and allocability of proposed costs
- Financial strength and stability of the organization
- Past performance, including satisfactory compliance with all terms and conditions of previous awards, such as environmental compliance issues, reporting requirements, proper procurement of supplies and services, and audit compliance
- Adequacy of personnel practices; procurement procedures; and accounting policies and procedures, as established by applicable OMB circulars

If the results of all pre-award reviews and clearances are satisfactory, an award of funding will be made once the agreement is finalized (approximately one to three months from date of initial selection). If the results of all pre-award review and clearances are unsatisfactory, consideration of funding for the project may be withdrawn.

SECTION VI -- AWARD ADMINISTRATION INFORMATION

VI.A. AWARD NOTICES

Successful applicants will receive, by electronic or regular mail, a notice of intent to award.

VI.B. AWARD DOCUMENT

If the applicant is awarded a financial assistance agreement as a result of this FOA, the proposed project and other relevant information from the application will be referenced in the agreement. The agreement document must be signed by a Reclamation GO before it becomes effective.

VI.C. REPORTING REQUIREMENTS AND DISTRIBUTION

If your organization is awarded an agreement as a result of this FOA, you will be required to submit the following types of reports during the term of the agreement.

VI.C.1. Financial Reports

SF-425, Federal Financial Report is available at <http://www.usbr.gov/mso/aamd/doing-business-financial-assistance.html>.

VI.C.2. Program Performance Reports

Performance reports will be submitted quarterly for all planning studies and construction projects until expiration or termination of the Part III financial assistance. The performance reports should include, at a minimum, a comparison of actual accomplishments to the objectives established for the period, the reasons for slippage if established objectives were not met, analysis and explanation of cost overruns, percent-complete estimates, negative developments that will materially impair the ability to meet the project objectives and mitigation actions that have or will be taken to resolve the issues, and favorable developments that enable meeting objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

VI.C.3. Recovered Water Account (RWA) Reports

RWA reports will be provided to Reclamation annually, or more frequently as required to maintain consistency with the RWA accounting process established in the Restoration Flow Guidelines, for the life of the project. The reports will provide a detailed accounting of project operations to document RWA reductions in accordance with the method proposed in the "Project Benefit Methodology" and agreed to by Reclamation.

Part III of Public Law 111-11 requires the development of a method, acceptable to the Secretary, for quantifying the benefit that will result from the proposed project in terms of reducing, avoiding, or offsetting the water supply impacts caused by the release of Interim and Restoration flows. The project benefits quantified under this methodology will justify the portion of a project that a local agency designates as eligible for Federal financial assistance through a cost-share agreement and also serves as the basis for the magnitude of reductions to a local agency's RWA. The total project life-cycle yield will be compared with the total expected water supply impacts incurred over the life of the project as determined by the Settlement Model of Deliveries and Releases from Friant Dam.

SECTION VII -- AGENCY CONTACTS

Organizations or individuals interested in submitting proposals in response to this announcement may direct questions to Reclamation in writing. Questions may be submitted to the attention of Megan Bryant, Grants Management Specialist.

By mail:

Bureau of Reclamation
Attn: Megan Bryant
Mail Code: MP-3807
2800 Cottage Way, Room E-1815
Sacramento CA 95825-1898

By E-mail:

mbryant@usbr.gov

SECTION VIII -- OTHER INFORMATION

VIII.A. Standard Terms & Conditions

If you are awarded a Grant or Cooperative Agreement as a result of this FOA, General and Special Provisions will be included in the agreement at time of award. The provisions are available within agreement templates at <http://www.usbr.gov/mso/aamd/doing-business-financial-assistance.html>, under Agreement Template – Local, State, and Tribal Governments (RF-120) **or** Agreement Template – Nonprofits, Institutions of Higher Education, For-profits (RF-121).

VIII.B. Freedom of Information Act (FOIA)

All applications may be subject to the Freedom of Information Act (FOIA). The FOIA (5 U.S.C.A. §552) generally provides that any person has a right, enforceable in court, to obtain access to federal agency records, except to the extent that such records (or portions of them) are protected from public disclosure by one of nine exemptions or by one of three special law enforcement record exclusions. Proprietary information should be marked “Confidential” to assist in alerting the federal agency to information that may be protected from disclosure.