

**From:** [David Tucker](#)  
**To:** [D. Muirhead](#); [Kirsten Struve](#)  
**Cc:** [John Varela](#); [Chris Ghione](#); [Nicole Merritt](#)  
**Subject:** RE: request supplements for South County JWRC Oct. 1 Item 4.1  
**Date:** Wednesday, September 24, 2025 3:00:06 PM  
**Attachments:** [image001](#)  
[R25AC00103 Executed Agreement](#)  
[R25AC00103-01 Executed Amendment](#)  
[R25AC00103-01\\_Perf\\_Rpt\\_R1\\_Nov27-2024\\_thru\\_Mar31-2025\\_04.30.2025\\_R1](#)

---

Good afternoon, Doug

I wanted to respond to your email and provide the information that I believe you were requesting. Attached please find the USBR Grant agreement with Valley Water for this project. The agreement is represented by two files: (1) R25AC00103-00 is the original agreement and (2) R25AC00103-01 is an amendment that corrects erroneous information in the original agreement. Note the timelines in these documents are not current and the schedule was amended in the Project's first semi-annual report submittal (also attached).

Schedule modification was necessary due to the delay in receiving the final grant agreement from the USBR. Valley Water initiated the procurement process for technical services to support this effort in January 2025, our Board approved the engineering consultant in May 2025, and our consultant thus far has been assembling technical information to support the project. Valley Water has not had any project meetings with Gilroy or Morgan Hill staff beyond requesting a point of contact from each city. Our technical consultant has been assembling representative information and evaluating data gaps. We expect to have an internal kick-off meeting in early October and begin external meeting shortly thereafter.

I hope this helps answer your questions, if not, please give us a call or let's meet after next week's subcommittee meeting.

Best dave

**DAVID W TUCKER**

Pronouns: He/Him/His

SENIOR WATER RESOURCES SPECIALIST

Recycled and Purified Water Unit



**SANTA CLARA VALLEY WATER DISTRICT**

5750 Almaden Expressway, San Jose CA 95118

[www.valleywater.org](http://www.valleywater.org)

10/01/2025

**NOTICE OF AWARD**



AUTHORIZATION (Legislation/Regulations)

P.L. 102-575, Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act of 1992, October 30, 1992, as amended; Water

<b>1. DATE ISSUED</b> MM/DD/YYYY 11/27/2024		<b>1a. SUPERSEDES AWARD NOTICE</b> dated except that any additions or restrictions previously imposed remain in effect unless specifically rescinded	
<b>2. ASSISTANCE LISTING NUMBER</b> 15.504 - Water Recycling and Desalination Construction Programs			
<b>3. ASSISTANCE TYPE</b> Cooperative Agreement			
<b>4. GRANT NO.</b> R25AC00103-00 Originating MCA #		<b>5. TYPE OF AWARD</b> Other	
<b>4a. FAIN</b> R25AC00103		<b>5a. ACTION TYPE</b> New	
<b>6. PROJECT PERIOD</b> MM/DD/YYYY From 11/27/2024		<b>Through</b> MM/DD/YYYY 07/01/2027	
<b>7. BUDGET PERIOD</b> MM/DD/YYYY From 11/27/2024		<b>Through</b> MM/DD/YYYY 07/01/2027	

**8. TITLE OF PROJECT (OR PROGRAM)**  
South County Water Reuse Program Feasibility Study

**9a. GRANTEE NAME AND ADDRESS**  
SANTA CLARA VALLEY WATER DISTRICT  
5750 Almaden Expy  
San Jose, CA, 95118-3614

**9b. GRANTEE PROJECT DIRECTOR**  
Mr. David Tucker  
5750 ALMADEN EXPY  
SAN JOSE, CA, 95118-3614  
Phone: 408-630-3203

**10a. GRANTEE AUTHORIZING OFFICIAL**  
Mr. David Tucker  
5750 ALMADEN EXPY  
SAN JOSE, CA, 95118-3614  
Phone: 408-630-3203

**10b. FEDERAL PROJECT OFFICER**  
Mrs. Kari Cachapero  
2800 Cottage Way  
Sacramento, CA, 95825-1846  
Phone: 916-978-5146

**ALL AMOUNTS ARE SHOWN IN USD**

<b>11. APPROVED BUDGET</b> (Excludes Direct Assistance)		
I Financial Assistance from the Federal Awarding Agency Only		—
II Total project costs including grant funds and all other financial participation		II
a. Salaries and Wages	\$	94,836.00
b. Fringe Benefits	\$	77,765.00
c. Total Personnel Costs	\$	172,601.00
d. Equipment	\$	0.00
e. Supplies	\$	0.00
f. Travel	\$	0.00
g. Construction	\$	0.00
h. Other	\$	25,759.00
i. Contractual	\$	400,000.00
<b>j. TOTAL DIRECT COSTS</b>	<b>\$</b>	<b>598,360.00</b>
k. INDIRECT COSTS	\$	0.00
<b>I. TOTAL APPROVED BUDGET</b>	<b>\$</b>	<b>598,360.00</b>
m. Federal Share	\$	299,180.00
n. Non-Federal Share	\$	299,180.00

<b>12. AWARD COMPUTATION</b>	
a. Amount of Federal Financial Assistance (from item 11m)	\$ 299,180.00
b. Less Unobligated Balance From Prior Budget Periods	\$ 0.00
c. Less Cumulative Prior Award(s) This Budget Period	\$ 0.00
<b>d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION</b>	<b>\$ 299,180.00</b>
<b>13. Total Federal Funds Awarded to Date for Project Period</b>	<b>\$ 299,180.00</b>

<b>14. RECOMMENDED FUTURE SUPPORT</b> (Subject to the availability of funds and satisfactory progress of the project):			
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2	\$	d. 5	\$
b. 3	\$	e. 6	\$
c. 4	\$	f. 7	\$

**15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:**

- a. DEDUCTION
- b. ADDITIONAL COSTS
- c. MATCHING
- d. OTHER RESEARCH (Add / Deduct Option)
- e. OTHER (See REMARKS)

**e**

**16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARING AGENCY ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:**

- a. The grant program legislation
- b. The grant program regulations.
- c. This award notice including terms and conditions, if any, noted below under REMARKS.
- d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.

In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

**REMARKS** (Other Terms and Conditions Attached -  Yes  No)  
See next page

**GRANTS MANAGEMENT OFFICIAL:**

Kari Cachapero, Grants Management Specialist / Program Officer  
2800 Cottage Way  
Sacramento, CA, 95825-1846  
Phone: 916-978-5146

<b>17. VENDOR CODE</b> 0071344853		<b>18a. UEI</b> RL6RZWN7C83		<b>18b. DUNS</b> 069128999		<b>19. CONG. DIST.</b> 16	
<b>LINE#</b>	<b>FINANCIAL ACCT</b>	<b>AMT OF FIN ASST</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TAS ACCT</b>	<b>PO LINE DESCRIPTION</b>	
1	0054000019-00010	\$299,180.00	11/27/2024	07/01/2027	0680	FAB South County Water Reuse Title XVI	

NOTICE OF AWARD (Continuation Sheet)

PAGE 2 of 3	DATE ISSUED 11/27/2024
GRANT NO. R25AC00103-00	

REMARKS:

Program income is not authorized.

Recipients are NOT required to sign the Notice of Award or any other award document or amendment. Recipients indicate their acceptance of an award or amendment to an existing award, including award terms and conditions, by starting work, drawing down funds, or accepting the award or amendment via electronic means. Recipient acceptance of an award/amendment carries with it the responsibility to be aware of and comply with all terms and conditions applicable to the award. Recipients are responsible for ensuring that their subrecipients and contractors are aware of and comply with applicable award statutes, regulations, and terms and conditions. Recipient failure to comply with award terms and conditions can result in Reclamation taking one or more of the remedies and actions described in 2 CFR 200.339343.

NOTICE OF AWARD (Continuation Sheet)

PAGE 3 of 3	DATE ISSUED 11/27/2024
GRANT NO. R25AC00103-00	

Federal Financial Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
11/27/2024	03/31/2025	Semi-Annual	04/30/2025
04/01/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	07/01/2027	Final	10/29/2027

Performance Progress Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
11/27/2024	03/31/2025	Semi-Annual	04/30/2025
04/01/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	07/01/2027	Final	10/29/2027

## AWARD ATTACHMENTS

SANTA CLARA VALLEY WATER DISTRICT

R25AC00103-00

---

1. Agreement Template\_FY25\_Version 01 Published\_508 San Jose



## Federal Financial Assistance Terms and Conditions of Award

### Table of Contents

I. Award Administration and Overview .....	3
1. Authority .....	3
2. Public Purpose of Support .....	3
3. Background and Objectives .....	3
4. Financial Assistance Administrative Regulations .....	4
5. Regulatory Compliance.....	4
6. Acceptance .....	4
7. Amendments .....	5
II. Project Performance .....	5
1. Project Narrative and Milestones .....	5
2. Recipient Responsibilities .....	11
3. Reclamation Responsibilities.....	11
III. Financial Assistance .....	12
1. Available Funding .....	12
2. Approved Budget .....	12
3. Cost Sharing Requirement.....	13
4. Pre-Award Incurrence of Costs .....	13
5. Indirect Costs.....	13
IV. Payment Information .....	13
1. Payment Method .....	13
2. Payment .....	13
3. Return of Funds, Interest or Excess Cash.....	14
V. Reporting Requirements .....	15
1. Reclamation Required Reports and Submission.....	15
1.1 Financial Reporting Requirements .....	15
1.2 Performance Progress Reporting Requirements.....	15
2. Federal-wide Reports and Disclosures.....	16

2.1 System for Award Management.....	16
2.2 Subawards and Executive Compensation.....	16
2.3 Reporting Recipient Integrity and Performance.....	16
2.4 Conflicts of Interest.....	16
2.5 Trafficking Victims Protection .....	18
3. Remedies for Noncompliance.....	18
VI. Program or Project Specific Terms and Conditions .....	18
1. Buy America Preference for Infrastructure Projects .....	18
2. Geospatial Data.....	22
3. Intangible Property.....	23
4. Real Property .....	23
5. Wage Rate Requirements .....	23
VII. Reclamation Contacts.....	24
1. Grants Officer .....	24
2. Grants Management Specialist .....	24
3. Grants Officer’s Technical Representative.....	24
VIII. Department of Interior Standard Terms and Conditions .....	25

## I. Award Administration and Overview

### 1. Authority

This Financial Assistance Agreement (Agreement) is entered into between the Bureau of Reclamation (Reclamation) and Santa Clara Valley Water District (Recipient), pursuant to Public Law 102-575, Reclamation Projects Authorization and Adjustment Act of 1992, Title XVI, Reclamation Wastewater and Groundwater Studies, October 30, 1992, as amended.

### 2. Public Purpose of Support

Valley Water supplies wholesale water to Santa Clara County's approximately 2 million residents and diverse water users, and a safe, reliable supply of clean water is vital for the environmental, economic, and social well-being of the county. Currently, about half of the water used in Santa Clara County is imported from outside the county, primarily through the State Water Project (SWP) and CVP (total about 40%) and the San Francisco Public Utilities Commission's (SFPUC) Regional Water System (RWS) to retailers in the northern part of the county (about 10%). Local supplies make up the balance of overall water use, with about 30% local surface water and groundwater, 5% recycled water, and 15% water conservation. Northern San José and Santa Clara face future water supply reliability challenges related to a temporary, interruptible supply from SFPUC's RWS.

The City of San José's 2020 Urban Water Management Plan also anticipates an increase in water demand based on the proposed development identified in the San José's General Plan (Envision San José 2040). In 2020, the SJMWS service area water use totaled 17,546 acre-feet (AF) of potable water and 4,097 AF of recycled water. Based on the population and jobs growth rates outlined in their General Plan, San José projects potable water use will increase to 33,552 AF and recycled water use to 7,413 AF. Valley Water's proposed AWP has the potential to produce up to 24 MGD for potable reuse and yield about 24,000 AFY of new supply.

### 3. Background and Objectives

The Santa Clara Valley Water District (Valley Water) serves nearly two million people in Santa Clara County by providing a reliable and safe supply of water. The proposed study will focus on assessing the feasibility of constructing a new Advanced Water Purification Facility (AWPF) in San José for potable reuse through groundwater recharge, raw water augmentation, and/or treated water augmentation. The total project cost is anticipated to be greater than \$500 million. If deemed feasible, the proposed facility would help Valley Water reach the goal of at least 10% of the total County water demands being met by drought-resilient recycled and purified water. The project would also support the Valley Water Board of Director's long-term goal of producing up to 24,000 acre-feet per year (AFY) of purified water for potable reuse (drinking water) by the year 2040.

Beyond these reuse specific goals, the proposed study would offer Valley Water and the Partner Agencies an avenue to explore ways to further leverage existing infrastructure, build on existing planning studies, and serve as a basis for further collaboration, interagency agreements, and governance related to residuals management, permitting, and land use decisions.

## Objectives

The following is the proposed San José–Santa Clara Purified Water Program Feasibility Study scope of work that provides the entire planning, engineering, environmental, economic, public information, and administrative management tasks needed to undertake the Feasibility Study investigations. Also included is the scope to complete the Financial Capability Determination that Reclamation requires before disbursing Federal funding for construction activities. The primary products of this scope of work are the Feasibility Study and Financial Capability Determination. As noted in the following discussion, significant information will be drawn from the planning and preliminary engineering work conducted ahead of the preparation of this Feasibility Study. A more formal consultation with Reclamation is needed to develop the scope and timetable to complete the environmental documentation needed for NEPA compliance.

## 4. Financial Assistance Administrative Regulations

All recipients are required to follow the applicable federal, Department of Interior, and Reclamation financial assistance regulations. The provisions of the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance” located at [Title 2 CFR Part 200](#), the Department of the Interior Federal Agency Regulations for Grants and Agreements at [Title 2 CFR Subtitle B, Part 1400-1499](#), and the Financial Assistance Interior Regulations (or FAIR) at [Title 2 CFR Subtitle B, Parts 1402-1402.499](#), are hereby incorporated by reference as though set forth in full text.

## 5. Regulatory Compliance

All recipients must comply, or assist Reclamation, with all regulatory compliance requirements and all applicable state, federal, and local environmental, cultural, and paleontological resource protection laws and regulations, as applicable to this Agreement. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office. If the Recipient begins project activities that require environmental or other regulatory compliance approval, prior to written notice from the GO that all such clearances have been obtained, Reclamation reserves the right to initiate remedies for non-compliance as defined by [2 CFR 200.339-340](#), including termination of this Agreement.

## 6. Acceptance

Recipients of Reclamation financial assistance awards must comply with the applicable terms and conditions incorporated, either directly or by reference, in their Notice of Funding Opportunity No. R23AS00076, WaterSMART: Water Recycling and Desalination Planning

program announcements, and this Notice of Award. These terms and conditions are in addition to the assurances and certifications made as part of the award application process through submission of the Standard Forms SF-424B Assurances for Non-Construction Programs, SF-424D Assurances for Construction Programs, and Certifications Regarding Lobbying (see [SF-424 Family | Grants.gov](#)), or through acceptance of certifications and representations in the System for Award Management ([SAM.gov](#)).

Acceptance of a financial assistance award, including any amendments, from Reclamation carries with it the responsibility to be aware of and comply with all terms and conditions applicable to the award. Acceptance means starting work, drawing down or requesting funds, or accepting the award via electronic means. Accepting the award constitutes a consent to fulfill and comply with all terms and conditions by the recipient.

## 7. Amendments

Any changes to this Agreement shall be made in writing by the Grants Officer (GO), unless determined by Reclamation to be administrative corrections which do not impact the terms and conditions of the Agreement. No statement made by any person, or in writing, other than the GO shall be allowed to amend, modify, or otherwise affect the Agreement.

All recipient requests for amendment of the Agreement, including prior approval requirements set forth in [2 CFR 200.308](#), such as no-cost extensions and changes to key personnel, or the addition of previously agreed upon funding, are addressed to the GO and submitted in writing (including via email) and will include a full description of the reason for the request.

Amendment requests can be submitted to the Grants Management Specialist (GMS) or to the GO identified on the NOA page.

## II. Project Performance

### 1. Project Narrative and Milestones

The Recipients approved project proposal dated 10/4/2024 is incorporated by reference to this Agreement.

#### **Task 1 – Project Management**

##### **Task 1.1 Administration**

Valley Water is responsible for the overall management responsibilities. The prime consultant, hired specifically for this project, will manage, compile invoicing, conduct administration and documentation of subconsultants' activities, and report directly to Valley Water. Valley Water and the prime consultant will hold periodic progress status meetings and up to three stakeholder workshops to be scheduled at specific milestones during the Feasibility Study development process.

### **Task 1.2 Stakeholder Engagement and Outreach**

Stakeholder engagement and outreach is critical to all phases of the project. It supports planning, environmental, and project development and includes the following activities:

- Support of project public outreach and communication needs.
- Stakeholder engagement and relations.
- Public meetings and workshops support.

## **Task 2 – Title XVI Feasibility Study and Report**

The scope of work supports Valley Water’s intent to prepare a Feasibility Study that will identify the most feasible program alternatives in accordance with U.S. Bureau of Reclamation’s WTR 11-01. The tasks below follow the outline of WTR 11-01 and WTR TRMR 128 and define the product of the Feasibility Study Report. The sequence of report sections does not necessarily represent the time sequence of tasks to conduct the study. The study will build on planning and preliminary engineering work that has been completed to date.

### **Task 2.1 Introductory Information**

Basic information regarding the project, Valley Water, and the study area will be summarized based on planning and preliminary engineering studies completed to date and updated with available new information.

### **Task 2.2 Statement of Problems and Needs**

This task provides a description of the study area’s key water resource management problems and needs for which water reclamation, recycling, or desalination may provide a solution. Valley Water plans to leverage information from other studies and current drought and climate data to inform development of the water supply picture in the study area. The statement of problems and needs will describe:

- Problem and Need for a Water Reclamation, Recycling, or Desalination Project.
- Current and Projected Water Supplies.
- Current and Projected Water Demands.
- Water Quality Concerns for the Current and Projected Water Supply.
- Current and Projected Wastewater and Disposal Options other than the Proposed Title XVI project and Plans and Project Costs for New Wastewater Facilities.

### **Task 2.3 Water Reclamation, Recycling, or Desalination Opportunities**

This task will summarize the opportunities for water reclamation, recycling, and desalination providing information for federal requirements specified in WTR 11-01 listed below:

- Uses and market for water reuse.
- Water market available to use recycled water to be produced.
- Considerations that may prevent water reclamation, recycling, or desalination program implementation.
- Water and wastewater agencies with jurisdiction in the potential service area or over

source water for reuse.

- Potential reuse source water origin, including impaired surface and groundwaters.
- Location of source water facilities.
- Current water reuse volumes, treatment technologies, and opportunities for developing improved technologies.

**Task 2.4** Analysis of Alternatives and Feasibility Study Report

The following information is required by WTR 11-01 and WTR TRMR 128 for the analysis and selection of alternatives.

**Task 2.4.1** Non-Federal Funding Future Actions

This task provides a baseline for the “no project” alternative by identifying actions Valley Water might take if no federal funding is provided.

**Task 2.4.2** Project Objectives

This task will develop a draft framework for decision-making to use throughout the evaluation and selection of alternatives. The methodology includes selecting project objectives (e.g., unit cost of product water, regulatory complexity, environmental impacts, water quality, operational complexity, public support, etc.) and assigning weighting factors for each objective to evaluate and score alternatives.

**Task 2.4.3** Alternatives Considered

Based on the planning and preliminary engineering work completed to date, three alternatives including the No Project alternative will be formulated to meet project objectives. These alternatives will receive a reconnaissance-level analysis, and the project objectives will be applied to support collaborative selection of the proposed project alternative in Task 2.4.4. The following subtasks will be conducted to develop information and costs for the three alternatives:

- Alternative Formulation. Formulate conceptual alternatives to meet objectives and to develop an equitable benefit to Valley Water.
- Layout of Alternatives. Project layouts of the pipeline routes and locations of the treatment, wells, storage, pumping facilities, and environmental projects.
- Cost Estimates. Estimated costs will include capital, annual operation and maintenance, replacement, and life-cycle costs.

**Task 2.4.4** Proposed Project Description

The proposed project will require more detailed definition than the alternatives in Task 2.4.3. The proposed Project will be selected by Valley Water (in collaboration with its Partners) applying the objectives discussed in Task 2.4.2. The following subtasks will be conducted on the proposed project:

- Layout of Alternative. Develop project layouts of the pipeline routes and locations of the treatment, storage, well, environmental projects and pumping facilities.

- Geotechnical Review. Describe geologic conditions including topography, stratigraphy, faulting, and seismicity.
- Hydraulic Analysis. Evaluate the hydraulics of the proposed distribution system to determine the hydraulic grade line under anticipated peak demand month flows.
- Cost Estimates. Develop cost estimates including capital, annual operation and maintenance, replacement, and life-cycle costs.
- Discharge Requirements. Describe anticipated effluent treatment and disposal water quality requirements for the proposed project.
- Alternative Measures or Technologies. Identify and summarize alternative measures, or technologies available to the proposed project for water reclamation, distribution, and reuse.

#### **Task 2.4.5 Economic Analysis**

An economic analysis for the project will be conducted, including:

- A life-cycle cost analysis to compare the three alternatives to determine the most cost-effective alternative. The life-cycle costs analysis calculates annual capital costs of implementing alternatives over a 30-year and 100-year period of analysis using the current real discount rate and adds annual operations and maintenance costs.
- The economic benefits of the proposed project alternative relative to the No Project alternative using other water supply options, assuming costs are readily available. Water supply benefits of the proposed alternative will be calculated using the avoided costs from the non-recycled water alternative most likely to be implemented in the absence of the project.

In addition, the prime consultant will perform a non-quantifiable benefits analysis to qualitatively describe the difficult-to-quantify benefits such as drought tolerant water supply and other social or environmental benefits. These qualitative benefits will be incorporated as part of the justification for the Project in conjunction with the comparison of project costs.

#### **Task 2.4.6 Recommended Project Alternative**

Following Tasks 2.4.3 and 2.4.5, the prime consultant will score and rank the alternatives in coordination with Valley Water and perform a sensitivity analysis to determine the effects of scores and/or weighting on resulting ranks. Based on the outcome of this exercise, the prime consultant will recommend a project alternative.

#### **Task 2.4.7 Environmental Considerations and Potential Effects**

This task will provide an overview of anticipated potential environmental effects, regulatory requirements, and compliance measures. The analysis will focus on the selected Project alternative. Final environmental analysis (not part of this task) will be completed after a finding of feasibility. The following topics required by WTR 11-01 will be addressed at a reconnaissance level:

- Potentially significant impacts,
- Potentially significant environmental effects,
- Status of required environmental compliance measures,
- Measures necessary to comply with NEPA and other laws,
- Water supply and water quality,
- Public involvement, and
- Potential effects on historic properties.

**Task 2.4.8** Legal and Institutional Requirements

This task will describe the project's institutional framework, interactions with other agencies and legal requirements. Significant information will be derived from the planning-level engineering work completed to date. Specific topics to be addressed include:

- Water rights issues
- Legal and institutional issues
- Multi-jurisdictional or interagency agreements
- Permitting procedures
- Current and projected wastewater discharge requirements
- Rights to wastewater

**Task 2.4.9** Financial Capability of Sponsor

Under this task, the prime consultant will summarize Valley Water's financial capability to fund or repay their respective share of costs. The following information will be addressed:

- Proposed schedule for implementing the recommended project alternative.
- Willingness of the project sponsor to pay for its share of capital costs and the full operation, maintenance, and replacement costs.
- A plan for funding the recommended project alternative's construction, operation, maintenance and replacement costs, including analyzing the project sponsor's funding for such costs.
- Description of funding sources and restrictions on such sources.

Detailed analysis will be provided in the separate Financial Capability Report (Task 3 of this grant proposal) to demonstrate that Valley Water (the non-federal project sponsor) is financially capable of funding the non-federal share of the project's costs before a funding agreement covering construction can be executed.

**Task 2.4.10** Research Needs

Develop and summarize potential research needs identified during the feasibility study.

**Task 2.4.11** Independent Peer Review

The feasibility study will be independently peer reviewed. The number of reviews, reviewers, and nature of commentary including comment resolution will be summarized.

### **Task 3 – Financial Capability Determination**

The purpose of the Financial Capability Determination is to develop a Reclamation-approved financial analysis. Prior to federal funds being disbursed for project construction activities, a financial capability determination must be approved by Reclamation to ensure non-federal partners can provide their cost share. This task reflects an update to and expansion of information provided in the feasibility report.

- Update Valley Water’s financial statement data to enable Reclamation reviewers to compare project investment costs to existing capital assets, project operation costs to current operation costs, and annual project revenue to existing revenues.
- Update project cost allocation to reflect the current cost estimate, which defines the federal and non-federal shares for the Valley Water.
- Collect information on the non-federal financing plan and status from Valley Water through emails and phone conference calls, or possibly at a meeting. The plans should include details and documentation both for funding of the non-federal share of construction (e.g., loans, grants, bonds) and for any required annual debt service and annual project operations costs (e.g., user fees and tax assessments).
- Coordinate with Reclamation and possibly meet with Reclamation staff to better understand review requirements identified in WTR 11-02; this shall be an opportunity to propose a level analysis based on what Valley Water has available and can provide.
- Submit a draft financial capability report to Valley Water for their review. If requested, Valley Water meetings will be scheduled to discuss comments. After making revisions based on Valley Water review, the financial capability report will be submitted to Reclamation. Responses to Reclamation questions and comments will be prepared, and the financial capability report will be revised as necessary.

### **Task 4 – Pre-Final Design Activities and Coordination**

This task will allow Valley Water and the Partner Agencies to work with the Consultant on any site-specific investigations to gather design data, environmental and cultural resources compliance activities, as-needed pre-final design tasks, and other project related assessments that contribute towards project implementation.

### **Task 5 – Grant Administration**

Administration and reporting will be done in coordination with Valley Water as the primary fiscal agent for this feasibility study. Administration consists of assisting all involved agencies with completing the feasibility study grant agreements and preparing semi-annual reports for the duration of this feasibility study.

<b>Milestone / Task / Activity</b>	<b>Planned Start Date</b>	<b>Planned Completion Date</b>
Pre-project planning – Secure technical support.	July 1, 2024	January 1, 2025
Information collection – Define baseline system.	January 1, 2025	July 1, 2025
Identify conceptual alternatives – identify feasible alternatives.	April 1, 2025	October 1, 2025
Identify feasible alternatives – Develop recommended options.	October 1, 2025	January 1, 2026
Development of feasibility study – Prepare draft report.	January 1, 2026	July 1, 2026
Continue to develop feasibility study – Prepare draft final report.	July 1, 2026	January 1, 2027
Submit feasibility study to USBR – Address feedback.	January 1, 2027	April 1, 2027
Submit final feasibility study to USBR.	April 1, 2027	July 1, 2027

## 2. Recipient Responsibilities

The Recipient shall carry out the approved project in accordance with the terms and conditions stated herein, [2 CFR Part 200](#) (including procurement requirements at [200.320](#)), adherence to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the approved project 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.

## 3. Reclamation Responsibilities

Reclamation monitoring and oversight of this award includes review and approval of financial and performance reports, and other deliverables identified as part of the project scope. Additional monitoring activities may include drawdown approvals, site visits, conference calls, and other on-site and off-site monitoring activities such as inspections or evaluation on Recipient and subrecipient premises. Recipient and subrecipient premises. At the Recipient's request, Reclamation may also provide technical support to the Recipient for the approved project and objectives of this Agreement.

Substantial involvement by Reclamation is anticipated during the performance of activities funded under this cooperative Agreement. Reclamation will work with the Recipient to ensure project deliverables are fully met by participating in regularly scheduled project meetings, assisting with project communications to partners and California Great Basin-400 office management as needed, and providing feedback on presentations and manuscripts or other draft publications.

### III. Financial Assistance

#### 1. Available Funding

The total estimated project cost for this Agreement is **\$1,524,996.00**

The amount of federal funds issued with this action is **\$381,249** as indicated by “Amount of Financial Assistance This Action” within block 12 of the NOA.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the period of performance end date. The only costs which are authorized for a period of up to 120 days following the period of performance are those strictly associated with closeout activities for preparation of the final reports.

#### 2. Approved Budget

The total approved budget summarizes the financial aspects of the project. It is detailed by category in block 11 of the NOA page and/or below. Final costs incurred within 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 budget documentation dated 10/4/2024.

The Recipient is responsible for ensuring federal funds are managed in a manner consistent with [2 CFR Part 200 Subpart E](#), the approved budget, approved project activities, and terms and conditions of award. Recipients are encouraged to direct questions regarding allowability, allocability or reasonableness of costs to the GO for review prior to incurrence of the costs in question.

Summary			
Budget Object Category	Total Cost	Federal Estimated Amount	Non-Federal Estimated Amount
a. Personnel	\$141,957		
b. Fringe Benefits	\$129,039		
f. Contractual	\$1,200,000		
h. Other Direct Costs	\$54,000		
i. Total Direct Costs	\$1,524,996		
j. Indirect Charges	\$0		
Total Costs	\$1,524,996	\$381,249	\$1,143,747
Cost Share Percentage		25%	75%

### 3. Cost Sharing Requirement

At least 75% 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.

The federal share of allowable costs shall not be expended in advance of the Recipient's non-federal share. The expenditure of federal and non-federal funds based upon the cost share percentage above shall occur concurrently. If a bona fide need arises which requires the expenditure of federal funds in advance of the Recipient share, then the Recipient must request written approval from the GO prior to the expenditure. Recipient's may expend their agreed upon share of costs in advance of the expenditure of federal funds without prior written approval.

### 4. Pre-Award Incurrence of Costs

The Recipient shall be entitled to reimbursement for costs incurred on or after September 27, 2023 which if had been incurred after the start date of the period of performance, would have been allowable, allocable, and reasonable under the terms and conditions of this Agreement.

### 5. Indirect Costs

The recipient has declined an Indirect cost Rate.

## IV. Payment Information

### 1. Payment Method

Recipients must utilize the Department of Treasury Automated Standard Application for Payments (ASAP) payment system to request payments. 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. ASAP is the only allowable method for request and receipt of payment. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for Agreement purposes.

### 2. Payment

Financial assistance recipients are paid in advance by electronic drawdown, provided they maintain written procedures that minimize the time elapse between transfer of funds from ASAP accounts and disbursements, and they have financial management systems that meet standards

for fund control and accountability. Advance payments are limited to the immediate cash requirements to carry out the purpose of the approved program or project.

### 3. Return of Funds, Interest or Excess Cash

#### **Payment Method ASAP**

The Recipient must direct returns of funds not spent, excess cash on hand, interest owed to the federal government, and principal to the ASAP system. Returns should include:

- The agency to credit the funding (i.e. Reclamation)
- The relevant ASAP account numbers
- The reason for the return

#### **Payment Method Electronic Transfer**

If the Recipient is unable to return funds owed to the federal government through ASAP, the following electronic transfer information should be utilized:

##### **ACH Returns:**

ABA Routing Number: 051036706

Account number: 312018

Bank Name and Location: Credit Gateway, Federal Reserve Bank, Richmond, VA

Agreement Number: Reclamation Grant or Cooperative Agreement Number

##### **Fedwire Returns:**

ABA Routing Number: 021030004

ABA Short Name: TREAS NYC

Account number: 14060905

Beneficiary Name: Bureau of Reclamation

Bank Name and Location: Federal Reserve Bank, 33 Liberty Street, Federal Reserve Post Office Station, New York, NY 10045

Agreement Number: Reclamation Grant or Cooperative Agreement Number

#### **Payment Method US Mail**

For Recipients that do not have electronic remittance capability, please make check payable to: "Bureau of Reclamation" and include the following in the memo lines of the check:

- The Reclamation award number
- The ASAP account number

**Mail (by USPS only)** the check to Treasury approved lockbox:

DOI-BOR-Region: Denver

P.O. Box 6200-21

Portland, OR 97228-6200

## V. Reporting Requirements

### 1. Reclamation Required Reports and Submission

Reports can be submitted to the GMS via centralized Regional e-mail address for reporting **or** [GrantSolutions](#).

#### 1.1 Financial Reporting Requirements

The interim Federal Financial Report (SF-425) shall be submitted semi-annually, according to the Report Frequency and Submission schedule noted under the *Federal Financial Report Cycle*, following the Notice of Award page in the table at the end of this section. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

Per [2 CFR Part 200.344](#), the **Final** Federal Financial Report (SF-425) shall be submitted within 120 days of the period of performance end date. The recipient shall not incur costs or obligate funds for any purpose pertaining to the operation of the program or activities beyond the period of performance end date and must liquidate all financial obligations incurred under the award. The only costs which are authorized for 120 days following the period of performance end date are those strictly associated with closeout activities in preparation of final reports. All sections of the Final SF-425 must be complete.

Federal Financial Report Submission Schedule			
Report Type	Format	Reporting Period	Due Date
Interim	SF-425	Semi-Annual: October 1-March 31 and April 1 thru September 30	30 days after the end of reporting period
Final	SF-425	Entire period of performance	120 days after the end of period of performance

#### 1.2 Performance Progress Reporting Requirements

Reclamation requires Performance Reports to be submitted semi-annually, according to the Report Frequency and Submission schedule noted under the *Performance Progress Report Cycle*, following the Notice of Award page. Reclamation may utilize standard, OMB-approved forms for the collection of performance information, or no specific format, as identified in the NOFO or program announcement.

For Construction and non-construction, the minimum information to include in Performance Reports are:

- Report identification; recipient name, agreement number, project title.
- A comparison of actual accomplishments to the objectives of the federal award for the reporting period

- Where accomplishments can be quantified, or performance data and analysis informative to Reclamation, if applicable
- A reason(s) why any established goals/objectives were not met, if applicable
- Pertinent information on overall activity such as cost overruns, or high unit costs
- Significant developments such as problems, delays, or adverse conditions, if applicable
- Favorable developments such as objectives ahead of schedule, or less cost than anticipated, if applicable

Per [2 CFR Part 200.344](#), the **Final** Performance Progress Report shall be submitted within 120 days of the period of performance end date. The Final Performance Report shall include a summary of all activities completed during the entire period of performance with the minimum information stated above, and any Program Specific or Data Collection report requirements as stated within the NOFO and this Agreement.

## 2. Federal-wide Reports and Disclosures

### 2.1 System for Award Management

Unless exempted by [2 CFR 25.110](#), recipients must maintain current information in the System for Award Management (SAM) until the final financial report required under the Award is submitted, or the final payment is received, whichever is later, per [Appendix A to Part 25, Title 2](#). This requires recipients to review and update information *at least annually* after the initial registration, or more frequently if required by changes in your information. See [SAM.gov | Home](#). If a recipient allows their SAM registration to lapse, they will be prevented from submitting applications for funding opportunities in Grants.gov, and ASAP accounts are suspended, among other federal financial assistance restrictions.

### 2.2 Subawards and Executive Compensation

Unless exempted by [2 CFR Part 170.105](#), Recipients are required to report information on subawards and executive total compensation to meet the requirements of the federal Funding Accountability and Transparency Act of 2006. Recipients can review [Appendix A to Part 170, Title 2](#) for information on what, where, and when to report.

### 2.3 Reporting Recipient Integrity and Performance

Recipients that have active financial assistance and procurement contracts from federal agencies exceeding \$10,000,000 for any period of time during the period of performance of this Agreement must maintain current information in SAM about civil, criminal, or administrative proceedings as outlined in [Appendix XII to Part 200](#).

### 2.4 Conflicts of Interest

The Recipient must establish safeguards to prohibit its employees and Subrecipients from using their positions for purposes that constitute or present the appearance of a personal or organizational conflict of interest. The Recipient is responsible for notifying the Grants Officer in

writing of any actual or potential conflicts of interest that may arise during the life of this award. Conflicts of interest include any relationship or matter which might place the Recipient or its employees in a position of conflict, real or apparent, between their responsibilities under the agreement and any other outside interests. Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations, consideration of future employment arrangements with a different organization, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the Recipient and/or Recipient's employees and Subrecipients in the matter.

The Grants Officer and the servicing Ethics Counselor will determine if a conflict of interest exists. If a conflict of interest exists, the Grants Officer will determine whether a mitigation plan is feasible. Mitigation plans must be approved by the Grants Officer in writing. Failure to resolve conflicts of interest in a manner that satisfies the government may be cause for termination of the award.

**Definitions:**

This section incorporates by reference [2 CFR Part 200, Subpart A, Acronyms and Definitions](#) including, but not limited to the following additional terms:

- A. Conflict of Interest is defined as any relationship or matter which might place the Recipient, its employees, and/or its Subrecipients in a position of conflict, real or apparent, between their responsibilities under the agreement and any other outside interests. Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations, consideration of future employment arrangements with a different organization, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the Recipient and/or Recipient's employees and Subrecipients in the matter.
- B. Close Personal Relationship means a federal award program employee's childhood or other friend, sibling, or other family relations that may compromise or impair the fairness and impartiality of the Proposal Evaluator and Advisor and Grants Officer in the review, selection, award, and management of a financial assistance award.
- C. Discretionary Federal Financial Assistance means Federal awards including grants and agreements that are awarded at the discretion of the agency.
- D. Employment means:
  - 1. In any capacity, even if otherwise permissible, by any applicant or potential applicant for a Federal financial assistance award;
  - 2. Employment within the last 12 months with a different organization applying for some portion of the award's approved project activities and funding to complete them OR expected to apply for and to receive some portion of the award; and/or
  - 3. Employment with a different organization of any member of the organization employee's household or a relative with whom the organization's employee has a close personal relationship who is applying for some portion of the award's approved project activities and funding to complete them OR expected to apply for and to receive some portion of the award.

E. Non-federal entity means a State, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal award as a Recipient or Subrecipient.

F. Recipient means a non-federal entity that receives a federal award directly from a federal awarding agency to carry out an activity under a federal program. The term Recipient does not include Subrecipients.

G. Subrecipient means a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program, but does not include an individual who is a beneficiary of such program. A Subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

## 2.5 Trafficking Victims Protection

The Recipient, its employees, and its subrecipients under this award may not engage in human trafficking, procuring commercial sex acts, or using forced labor during the performance of the award, or any subawards. Recipients must inform Reclamation immediately of any allegation of such activity. Reclamation may unilaterally terminate this award, without penalty, in addition to other remedies for noncompliance, if a violation of the [Trafficking Victims Protection Act of 2000 \(TVPA\)](#), codified at [2 CFR Part 175.15](#) for financial assistance awards, is determined. Recipients will ensure this provision is included in any agreements entered into for award activities.

## 3. Remedies for Noncompliance

Failure to comply with the recipient reporting, disclosure, and notice requirements contained in this Agreement, terms and conditions, or federal financial assistance regulations, may be considered a material noncompliance with the terms and conditions of the award.

Noncompliance may result in withholding of payments, denying both the use of federal funds and recipient cost-share for all or part of a cost, 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 [2 CFR 200.339-340](#).

# VI. Program or Project Specific Terms and Conditions

## 1. Buy America Preference for Infrastructure Projects

Any financial assistance agreements that may include a project for infrastructure shall include the following term. In addition, the term shall be added to existing financial assistance agreements that may include a project for infrastructure when additional funds are obligated through modification on or after May 14, 2022.

Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for an infrastructure project unless:

- (1) All iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) All manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and
- (3) All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed below.

*Incorporation into an infrastructure project.* The Buy America Preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America Preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

*Categorization of articles, materials, and supplies.* An article, material, or supply should only be classified into one of the following categories: (i) Iron or steel products; (ii) 15 Manufactured products; (iii) Construction materials; or (iv) Section 70917(c) materials. An article, material, or supply should not be considered to fall into multiple categories. In some cases, an article, material, or supply may not fall under any of the categories listed in this paragraph. The classification of an article, material, or supply as falling into one of the categories listed in this paragraph must be made based on its status at the time it is brought to the work site for incorporation into an infrastructure project. In general, the work site is the location of the infrastructure project at which the iron, steel, manufactured products, and construction materials will be incorporated.

*Application of the Buy America Preference by category.* An article, material, or supply incorporated into an infrastructure project must meet the Buy America Preference for only the single category in which it is classified.

*Determining the cost of components for manufactured products.* In determining whether

the cost of components for manufactured products is greater than 55 percent of the total cost of all components, use the following instructions:

- (a) For components purchased by the manufacturer, the acquisition cost, including transportation costs to the place of incorporation into the manufactured product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
- (b) For components manufactured by the manufacturer, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (a), plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the manufactured product.

*Construction material standards.* The Buy America Preference applies to the following construction materials incorporated into infrastructure projects. Each construction material is followed by a standard for the material to be considered “produced in the United States.” Except as specifically provided, only a single standard should be applied to a single construction material.

- (1) Non-ferrous metals. All manufacturing processes, from initial smelting or melting through final shaping, coating, and assembly, occurred in the United States.
- (2) Plastic and polymer-based products. All manufacturing processes, from initial combination of constituent plastic or polymer-based inputs, or, where applicable, constituent composite materials, until the item is in its final form, occurred in the United States.
- (3) Glass. All manufacturing processes, from initial batching and melting of raw materials through annealing, cooling, and cutting, occurred in the United States.
- (4) Fiber optic cable (including drop cable). All manufacturing processes, from the initial ribboning (if applicable), through buffering, fiber stranding and jacketing, occurred in the United States. All manufacturing processes also include the standards for glass and optical fiber, but not for non-ferrous metals, plastic and polymer-based products, or any others.
- (5) Optical fiber. All manufacturing processes, from the initial preform fabrication stage through the completion of the draw, occurred in the United States.
- (6) Lumber. All manufacturing processes, from initial debarking through treatment and planning, occurred in the United States.
- (7) Drywall. All manufacturing processes, from initial blending of mined or synthetic gypsum plaster and additives through cutting and drying of sandwiched panels, occurred in the United States.
- (8) Engineered wood. All manufacturing processes from the initial combination of constituent materials until the wood product is in its final form, occurred in the United States.

*Waivers.* When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. Information on the process for requesting a waiver from these requirements can be found at <https://www.doi.gov/grants/buyamerica>.

When DOI has determined that one of the following exceptions applies, the awarding official may waive the application of the Buy America Preference in any case in which the agency determines that:

- (1) applying the Buy America Preference would be inconsistent with the public interest;
- (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the Buy America Preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Office of Management and Budget (OMB) Made in America Office. There may be instances where an award qualifies, in whole or in part, for an existing waiver described at the Approved DOI General Applicability Waivers website located at <https://www.doi.gov/grants/BuyAmerica/GeneralApplicabilityWaivers>.

#### *Definitions*

"Buy America Preference" means the "domestic content procurement preference" set forth in section 70914 of the Build America, Buy America Act, which requires the head of each Federal agency to ensure that none of the funds made available for a Federal award for an infrastructure project may be obligated unless all of the iron, steel, manufactured products, and construction materials incorporated into the project are produced in the United States.

"Construction materials" means articles, materials, or supplies that consist of only one of the items listed in paragraph (1) of this definition, except as provided in paragraph (2) of this definition. To the extent one of the items listed in paragraph (1) contains as inputs other items listed in paragraph (1), it is nonetheless a construction material.

(1) The listed items are:

- (i) Non-ferrous metals;
- (ii) Plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- (iii) Glass (including optic glass);
- (iv) Fiber optic cable (including drop cable);
- (v) Optical fiber;
- (vi) Lumber;
- (vii) Engineered wood; and
- (viii) Drywall.

(2) Minor additions of articles, materials, supplies, or binding agents to a construction material do not change the categorization of the construction material.

"Infrastructure" means public infrastructure projects in the United States, which includes, at a

minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging.

“Infrastructure project” means any activity related to the construction, alteration, maintenance, or repair of infrastructure in the United States regardless of whether infrastructure is the primary purpose of the project. See also paragraphs (c) and (d) of 2 CFR 184.4.

“Iron or steel products” means articles, materials, or supplies that consist wholly or predominantly of iron or steel or a combination of both.

“Manufactured products” means:

(1) Articles, materials, or supplies that have been:

(i) Processed into a specific form and shape; or

(ii) Combined with other articles, materials, or supplies to create a product with different properties than the individual articles, materials, or supplies.

(2) If an item is classified as an iron or steel product, a construction material, or a Section 70917(c) material under 2 CFR 184.4(e) and the definitions set forth in 2 CFR 184.3, then it is not a manufactured product. However, an article, material, or supply classified as a manufactured product under 2 CFR 184.4(e) and paragraph (1) of this definition may include components that are construction materials, iron or steel products, or Section 70917(c) materials.

“Predominantly of iron or steel or a combination of both” means that the cost of the iron and steel content exceeds 50 percent of the total cost of all its components. The cost of iron and steel is the cost of the iron or steel mill products (such as bar, billet, slab, wire, plate, or sheet), castings, or forgings utilized in the manufacture of the product and a good faith estimate of the cost of iron or steel components.

“Section 70917(c) materials” means cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives. See Section 70917(c) of the Build America, Buy America Act.

## 2. Geospatial Data

The Geospatial Data Act of 2018 outlines specific requirements for federal recipients when collecting or producing geospatial data using Department of the Interior financial assistance funds. Here’s a summary of the key points:

- Due Diligence Search: Federal recipients must first check the GeoPlatform.gov list of datasets to see if the needed geospatial data, products, or services already exist.
- Use of Existing Data: If the required data is already available, recipients must use it rather than producing new data.

- Production of New Data: If the needed data is not available, recipients must produce new geospatial data, products, or services in accordance with guidance and standards established by the Federal Geospatial Data Committee (FGDC), which can be found at [www.fgdc.gov](http://www.fgdc.gov).
- Submission Requirements: Recipients must submit a digital copy of all GIS data produced or collected under the award to the relevant bureau or office.
- Data Format: All GIS data files must be in an open format.
- Metadata Requirements: All delineated GIS data (such as points, lines, or polygons) should be compliant with approved open data standards and include complete feature-level metadata.

These requirements ensure that geospatial data is managed efficiently, used appropriately, and made accessible in a standardized format for future use and sharing. open data standards with complete feature level metadata.

## **2 CFR 1402.315 What are the requirements for availability of data?**

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

(b) The Federal Government has the right to:

(1) Obtain, reproduce, publish, or otherwise use the data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, produced under a Federal award; and

(2) Authorize others to receive, reproduce, publish, or otherwise use such data, methodology, factual inputs, models, analyses, technical information, reports, conclusions, or other scientific assessments, for Federal purposes, including to allow for meaningful third-party evaluation.

## **3. Intangible Property**

If the agreement includes work that could result in the acquisition of intangible property, the following term must be included.

Title to intangible property acquired under this agreement vests upon acquisition with the Recipient, however Reclamation reserves the right to obtain, publish, reproduce, or otherwise use and authorize others to use for Federal purposes in accordance with [2 CFR Part 200.315](#).

## **4. Real Property**

Real property, equipment, and intangible property acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved (2 CFR §200.316). Title to real property acquired or improved under a Federal award will vest

upon acquisition in the non-Federal entity. Except as otherwise provided by Federal statutes or by Reclamation, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests. When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from Reclamation.

## 5. Wage Rate Requirements

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

## VII. Reclamation Contacts

### 1. Grants Officer

The Reclamation GO is the only official with legal authority to; obligate funds, approve amendments, interpret financial assistance statutes, regulations, circulars, policies, and terms of this Agreement. The GO, or Grants Management Official, contact information can be found on the bottom of the Notice of Award cover page.

### 2. Grants Management Specialist

The Reclamation GMS works in conjunction with the GO and is the primary administrative point of contact for this Agreement regarding issues related to the day-to-day management. Requests for approval regarding changes to the terms and conditions of the Agreement, including but not limited to amendments and prior approval, may be submitted to a GMS but can only be approved, in writing, by a Reclamation GO. For some agreements, the Reclamation GO and the Reclamation GMS may be the same individual.

### 3. Grants Officer's Technical Representative

The Grants Officer Technical Representative (GOTR), or Federal Project Officer, is the primary point of contact for the programmatic performance, compliance, and progress for this Agreement and represents Reclamation in questions regarding interpretation of specifications, drawings, and other technical matters. The GOTR assists the GO in documenting performance, resolving compliance issues with project activities/milestones, and other technical conditions of the Agreement, however only the GO has the legal authority over management of this award. The GOTR holds no authority to modify, approve, or make determinations related to the terms and conditions of this award.

## VIII. Department of Interior Standard Terms and Conditions

The Department of the Interior (DOI) Standard Award Terms and Conditions found at <https://www.doi.gov/grants/doi-standard-terms-and-conditions> are hereby incorporated by reference as though set forth in full text. The Recipient is responsible for ensuring their subrecipients and contractors are aware of and comply with applicable statutes, regulations, and agency requirements.

10/01/2025

**NOTICE OF AWARD**



AUTHORIZATION (Legislation/Regulations)

P.L. 102-575, Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act of 1992, October 30, 1992, as amended; Water

**1. DATE ISSUED** MM/DD/YYYY 12/18/2024

**1a. SUPERSEDES AWARD NOTICE** dated 11/27/2024 except that any additions or restrictions previously imposed remain in effect unless specifically rescinded

**2. ASSISTANCE LISTING NUMBER**  
15.504 - Water Recycling and Desalination Construction Programs

**3. ASSISTANCE TYPE** Cooperative Agreement

**4. GRANT NO.** R25AC00103-01  
**Originating MCA #**

**5. TYPE OF AWARD**  
Other

**4a. FAIN** R25AC00103

**5a. ACTION TYPE** Post Award Amendment

**6. PROJECT PERIOD** MM/DD/YYYY  
From 11/27/2024 Through 07/01/2027

**7. BUDGET PERIOD** MM/DD/YYYY  
From 11/27/2024 Through 07/01/2027

**8. TITLE OF PROJECT (OR PROGRAM)**  
South County Water Reuse Program Feasibility Study

**9a. GRANTEE NAME AND ADDRESS**  
SANTA CLARA VALLEY WATER DISTRICT  
5750 Almaden Expy  
San Jose, CA, 95118-3614

**9b. GRANTEE PROJECT DIRECTOR**  
Mr. David Tucker  
5750 ALMADEN EXPY  
SAN JOSE, CA, 95118-3614  
Phone: 408-630-3203

**10a. GRANTEE AUTHORIZING OFFICIAL**  
Mr. David Tucker  
5750 ALMADEN EXPY  
SAN JOSE, CA, 95118-3614  
Phone: 408-630-3203

**10b. FEDERAL PROJECT OFFICER**  
Mrs. Kari Cachapero  
2800 Cottage Way  
Sacramento, CA, 95825-1846  
Phone: 916-978-5146

**ALL AMOUNTS ARE SHOWN IN USD**

11. APPROVED BUDGET (Excludes Direct Assistance)		12. AWARD COMPUTATION	
I Financial Assistance from the Federal Awarding Agency Only		a. Amount of Federal Financial Assistance (from item 11m) \$ 299,180.00	
II Total project costs including grant funds and all other financial participation		b. Less Unobligated Balance From Prior Budget Periods \$ 0.00	
a. Salaries and Wages	\$ 94,836.00	c. Less Cumulative Prior Award(s) This Budget Period \$ 299,180.00	
b. Fringe Benefits	\$ 77,765.00	<b>d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION</b> \$ 0.00	
c. Total Personnel Costs	\$ 172,601.00	<b>13. Total Federal Funds Awarded to Date for Project Period</b> \$ 299,180.00	
d. Equipment	\$ 0.00	<b>14. RECOMMENDED FUTURE SUPPORT</b> (Subject to the availability of funds and satisfactory progress of the project):	
e. Supplies	\$ 0.00	YEAR	TOTAL DIRECT COSTS
f. Travel	\$ 0.00	a. 2	\$
g. Construction	\$ 0.00	b. 3	\$
h. Other	\$ 25,759.00	c. 4	\$
i. Contractual	\$ 400,000.00	d. 5	\$
j. TOTAL DIRECT COSTS	\$ 598,360.00	e. 6	\$
k. INDIRECT COSTS	\$ 0.00	f. 7	\$
<b>I. TOTAL APPROVED BUDGET</b>	\$ 598,360.00	<b>15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:</b>	
m. Federal Share	\$ 299,180.00	a. DEDUCTION	
n. Non-Federal Share	\$ 299,180.00	b. ADDITIONAL COSTS	
		c. MATCHING	
		d. OTHER RESEARCH (Add / Deduct Option)	
		e. OTHER (See REMARKS)	
		<b>16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARING AGENCY ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:</b>	
		a. The grant program legislation	
		b. The grant program regulations.	
		c. This award notice including terms and conditions, if any, noted below under REMARKS.	
		d. Federal administrative requirements, cost principles and audit requirements applicable to this grant.	
		In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.	

**REMARKS** (Other Terms and Conditions Attached -  Yes  No)  
See next page

**GRANTS MANAGEMENT OFFICIAL:**  
Kari Cachapero, Grants Management Specialist / Program Officer  
2800 Cottage Way  
Sacramento, CA, 95825-1846  
Phone: 916-978-5146

17. VENDOR CODE	0071344853	18a. UEI	RL6RZWN7C83	18b. DUNS	069128999	19. CONG. DIST.	16
LINE#	FINANCIAL ACCT	AMT OF FIN ASST	START DATE	END DATE	TAS ACCT	PO LINE DESCRIPTION	
1	0054000019-00010	\$0.00	11/27/2024	07/01/2027	0680	FAB South County Water Reuse Title XVI	

# NOTICE OF AWARD (Continuation Sheet)

PAGE 2 of 3	DATE ISSUED 12/18/2024
GRANT NO. R25AC00103-01	

REMARKS:

Program income is not authorized.

Recipients are NOT required to sign the Notice of Award or any other award document or amendment. Recipients indicate their acceptance of an award or amendment to an existing award, including award terms and conditions, by starting work, drawing down funds, or accepting the award or amendment via electronic means. Recipient acceptance of an award/amendment carries with it the responsibility to be aware of and comply with all terms and conditions applicable to the award. Recipients are responsible for ensuring that their subrecipients and contractors are aware of and comply with applicable award statutes, regulations, and terms and conditions. Recipient failure to comply with award terms and conditions can result in Reclamation taking one or more of the remedies and actions described in 2 CFR 200.339343.

NOTICE OF AWARD (Continuation Sheet)

PAGE 3 of 3	DATE ISSUED 12/18/2024
GRANT NO. R25AC00103-01	

Federal Financial Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
11/27/2024	03/31/2025	Semi-Annual	04/30/2025
04/01/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	07/01/2027	Final	10/29/2027

Performance Progress Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
11/27/2024	03/31/2025	Semi-Annual	04/30/2025
04/01/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	07/01/2027	Final	10/29/2027

## AWARD ATTACHMENTS

SANTA CLARA VALLEY WATER DISTRICT

R25AC00103-01

---

1. R25AP00103-01 Amendment Template\_v2023\_04

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF RECLAMATION  
AMENDMENT 0001  
TO FEDERAL FINANCIAL ASSISTANCE AGREEMENT R25AC00103

**A. PURPOSE OF THIS AMENDMENT:**

The purpose of this amendment is to correct information in various sections and subsections of the executed award. The Terms and Conditions for the San José-Santa Clara Purified Water Program Feasibility Study by Title XVI project were accidentally entered into the Terms and Conditions for the South County Water Reuse Title XVI project. This amendment corrects the following sections and subsections:

- Section 1. Award Administration and Overview
  - Subsection 2. Public Purpose of Support
  - Subsection 3. Background and Objectives
- Section II Project Performance
  - Subsection 1. Project Narrative and Milestones
- Section III Financial Assistance
  - Subsection 1. Available Funding
  - Subsection 2. Approved Budget

All other terms and conditions remain unchanged.

## I. Award Administration and Overview

### 2. Public Purpose of Support

The proposed study will focus on assessing the feasibility of implementing several of the new treatment and pipeline reuse projects that were identified as part of an ongoing update to the 2015 South County Recycled Water Master Plan Update. Since the total project cost is anticipated to be less than \$500 million, Santa Clara Valley Water District (Valley Water) is seeking funding under Funding Group I. If deemed feasible, the reuse projects identified through this feasibility study would help expand the use of recycled water in the region which directly supports Valley Water's goal of having recycled and purified water provide for at least 10% of the total County water demands by 2025. Additionally, as the groundwater management agency for the County, Valley Water is responsible for safeguarding the County's groundwater resources. By potentially increasing the amount of reuse, these projects would help reduce ground water demands and help promote the long-term sustainability of the local groundwater basin.

### 3. Background and Objectives

Valley Water, the South County Regional Wastewater Authority, the City of Gilroy, and the City of Morgan Hill (Partner Agencies) have been working together since 1999 to find ways to develop and broadly distribute high quality recycled water for landscape, agriculture, and industrial uses in the southern portion of Santa Clara County. Recycled water is a reliable source of water supply that can help alleviate dependence on local groundwater, the sole source of water supply for both Gilroy and Morgan Hill and contribute to the long-term water supply of the region. These agencies have completed an update to their 2015 South County Recycled Water Master Plan Update that identified several new reuse opportunities for the southern portion of the County, including expanded treatment, recycled water pipelines, and new satellite facilities. Valley Water and the Partner Agencies would like to use funds from this notice of funding opportunity (NOFO) to further assess these opportunities, which include both non-potable and potable end uses, through the development of a Title XVI Feasibility Study. Development of this feasibility study would help advance planning and preliminary design activities around these new potential projects. The study area will primarily encompass portions of Gilroy and Morgan Hill.

#### Objectives

The following is the proposed South County Water Reuse Program Feasibility Study scope of work that provides the entire planning, engineering, environmental, economic public information, and administrative management tasks needed to undertake the Feasibility Study investigations. Also included is the scope to complete the Financial Capability Determination that Reclamation requires before disbursing Federal funding for construction activities. The products of this scope of work are the Feasibility Study and Financial Capability Determination. As noted in the following discussion, significant information will be drawn from the planning and preliminary engineering work conducted ahead of the preparation of this Feasibility Study. A more formal consultation with Reclamation is needed to develop the scope and timetable to complete the environmental documentation needed for NEPA compliance.

## II. Project Performance

### 1. Project Narrative and Milestones

The Recipients approved project proposal dated 10/4/2024 is incorporated by reference to this Agreement.

#### **Task 1 – Project Management**

##### **Task 1.1 Administration**

Valley Water is responsible for the overall management responsibilities. The prime consultant, hired specifically for this project, will manage, compile invoicing, conduct

administration and documentation of subconsultants' activities, and report directly to Valley Water. Valley Water and the prime consultant will hold periodic progress status meetings and up to three stakeholder workshops to be scheduled at specific milestones during the Feasibility Study development process.

**Task 1.2 Stakeholder Engagement and Outreach**

Stakeholder engagement and outreach is critical to all phases of the project. It supports planning, environmental, and project development and includes the following activities:

- Support of project public outreach and communication needs.
- Stakeholder engagement and relations.
- Public meetings and workshops support.

**Task 2 – Title XVI Feasibility Study and Report**

The scope of work supports Valley Water's intent to prepare a Feasibility Study that will identify the most feasible program alternatives in accordance with U.S. Bureau of Reclamation's WTR 11-01. The tasks below follow the outline of WTR 11-01 and WTR TRMR 128 and define the product of the Feasibility Study Report. The sequence of report sections does not necessarily represent the time sequence of tasks to conduct the study. The study will build on planning and preliminary engineering work that has been completed to date.

**Task 2.1 Introductory Information**

Basic information regarding the project, Valley Water, and the study area will be summarized based on planning and preliminary engineering studies completed to date and updated with available new information.

**Task 2.2 Statement of Problems and Needs**

This task provides a description of the study area's key water resource management problems and needs for which water reclamation, recycling, or desalination may provide a solution. Valley Water plans to leverage information from other studies and current drought and climate data to inform development of the water supply picture in the study area. The statement of problems and needs will describe:

- Problem and Need for a Water Reclamation, Recycling, or Desalination Project.
- Current and Projected Water Supplies.
- Current and Projected Water Demands.
- Water Quality Concerns for the Current and Projected Water Supply.
- Current and Projected Wastewater and Disposal Options other than the Proposed Title XVI project and Plans and Project Costs for New Wastewater Facilities.

### **Task 2.3** Water Reclamation, Recycling, or Desalination Opportunities

This task will summarize the opportunities for water reclamation, recycling, and desalination providing information for federal requirements specified in WTR 11-01 listed below:

- Uses and market for water reuse.
- Water market available to use recycled water to be produced.
- Considerations that may prevent water reclamation, recycling, or desalination program implementation.
- Water and wastewater agencies with jurisdiction in the potential service area or over source water for reuse.
- Potential reuse source water origin, including impaired surface and groundwaters.
- Location of source water facilities.
- Current water reuse volumes, treatment technologies, and opportunities for developing improved technologies.

### **Task 2.4** Analysis of Alternatives and Feasibility Study Report

The following information is required by WTR 11-01 and WTR TRMR 128 for the analysis and selection of alternatives.

#### **Task 2.4.1** Non-Federal Funding Future Actions

This task provides a baseline for the “no project” alternative by identifying actions Valley Water might take if no federal funding is provided.

#### **Task 2.4.2** Project Objectives

This task will develop a draft framework for decision-making to use throughout the evaluation and selection of alternatives. The methodology includes selecting project objectives (e.g., unit cost of product water, regulatory complexity, environmental impacts, water quality, operational complexity, public support, etc.) and assigning weighting factors for each objective to evaluate and score alternatives.

#### **Task 2.4.3** Alternatives Considered

Based on the planning and preliminary engineering work completed to date, three alternatives including the No Project alternative will be formulated to meet project objectives. These alternatives will receive a reconnaissance-level analysis, and the project objectives will be applied to support collaborative selection of the proposed project alternative in Task 2.4.4. The following subtasks will be conducted to develop information and costs for the three alternatives:

- Alternative Formulation. Formulate conceptual alternatives to meet objectives and to develop an equitable benefit to Valley Water.
- Layout of Alternatives. Project layouts of the pipeline routes and locations of the treatment, wells, storage, pumping facilities, and environmental projects.

- Cost Estimates. Estimated costs will include capital, annual operation and maintenance, replacement, and life-cycle costs.

#### **Task 2.4.4 Proposed Project Description**

The proposed project will require more detailed definition than the alternatives in Task 2.4.3. The proposed Project will be selected by Valley Water (in collaboration with its Partners) applying the objectives discussed in Task 2.4.2. The following subtasks will be conducted on the proposed project:

- Layout of Alternative. Develop project layouts of the pipeline routes and locations of the treatment, storage, well, environmental projects and pumping facilities.
- Geotechnical Review. Describe geologic conditions including topography, stratigraphy, faulting, and seismicity.
- Hydraulic Analysis. Evaluate the hydraulics of the proposed distribution system to determine the hydraulic grade line under anticipated peak demand month flows.
- Cost Estimates. Develop cost estimates including capital, annual operation and maintenance, replacement, and life-cycle costs.
- Discharge Requirements. Describe anticipated effluent treatment and disposal water quality requirements for the proposed project.
- Alternative Measures or Technologies. Identify and summarize alternative measures, or technologies available to the proposed project for water reclamation, distribution, and reuse.

#### **Task 2.4.5 Economic Analysis**

An economic analysis for the project will be conducted, including:

- A life-cycle cost analysis to compare the three alternatives to determine the most cost-effective alternative. The life-cycle costs analysis calculates annual capital costs of implementing alternatives over a 30-year and 100-year period of analysis using the current real discount rate and adds annual operations and maintenance costs.
- The economic benefits of the proposed project alternative relative to the No Project alternative using other water supply options, assuming costs are readily available. Water supply benefits of the proposed alternative will be calculated using the avoided costs from the non-recycled water alternative most likely to be implemented in the absence of the project.

In addition, the prime consultant will perform a non-quantifiable benefits analysis to qualitatively describe the difficult-to-quantify benefits such as drought tolerant water supply and other social or environmental benefits. These qualitative benefits will be incorporated as part of the justification for the Project in conjunction with the comparison of project costs.

**Task 2.4.6 Recommended Project Alternative**

Following Tasks 2.4.3 and 2.4.5, the prime consultant will score and rank the alternatives in coordination with Valley Water and perform a sensitivity analysis to determine the effects of scores and/or weighting on resulting ranks. Based on the outcome of this exercise, the prime consultant will recommend a project alternative.

**Task 2.4.7 Environmental Considerations and Potential Effects**

This task will provide an overview of anticipated potential environmental effects, regulatory requirements, and compliance measures. The analysis will focus on the selected Project alternative. Final environmental analysis (not part of this task) will be completed after a finding of feasibility. The following topics required by WTR 11-01 will be addressed at a reconnaissance level:

- Potentially significant impacts,
- Potentially significant environmental effects,
- Status of required environmental compliance measures,
- Measures necessary to comply with NEPA and other laws,
- Water supply and water quality,
- Public involvement, and
- Potential effects on historic properties.

**Task 2.4.8 Legal and Institutional Requirements**

This task will describe the project's institutional framework, interactions with other agencies and legal requirements. Significant information will be derived from the planning-level engineering work completed to date. Specific topics to be addressed include:

- Water rights issues
- Legal and institutional issues
- Multi-jurisdictional or interagency agreements
- Permitting procedures
- Current and projected wastewater discharge requirements
- Rights to wastewater

**Task 2.4.9 Financial Capability of Sponsor**

Under this task, the prime consultant will summarize Valley Water's financial capability to fund or repay their respective share of costs. The following information will be addressed:

- Proposed schedule for implementing the recommended project alternative.
- Willingness of the project sponsor to pay for its share of capital costs and the full operation, maintenance, and replacement costs.
- A plan for funding the recommended project alternative's construction, operation,

maintenance and replacement costs, including analyzing the project sponsor's funding for such costs.

- Description of funding sources and restrictions on such sources.

Detailed analysis will be provided in the separate Financial Capability Report (Task 3 of this grant proposal) to demonstrate that Valley Water (the non-federal project sponsor) is financially capable of funding the non-federal share of the project's costs before a funding agreement covering construction can be executed.

**Task 2.4.10 Research Needs**

Develop and summarize potential research needs identified during the feasibility study.

**Task 2.4.11 Independent Peer Review**

The feasibility study will be independently peer reviewed. The number of reviews, reviewers, and nature of commentary including comment resolution will be summarized.

**Task 3 – Financial Capability Determination**

The purpose of the Financial Capability Determination is to develop a Reclamation-approved financial analysis. Prior to federal funds being disbursed for project construction activities, a financial capability determination must be approved by Reclamation to ensure non-federal partners can provide their cost share. This task reflects an update to and expansion of information provided in the feasibility report.

- Update Valley Water's financial statement data to enable Reclamation reviewers to compare project investment costs to existing capital assets, project operation costs to current operation costs, and annual project revenue to existing revenues.
- Update project cost allocation to reflect the current cost estimate, which defines the federal and non-federal shares for the Valley Water.
- Collect information on the non-federal financing plan and status from Valley Water through emails and phone conference calls, or possibly at a meeting. The plans should include details and documentation both for funding of the non-federal share of construction (e.g., loans, grants, bonds) and for any required annual debt service and annual project operations costs (e.g., user fees and tax assessments).
- Coordinate with Reclamation and possibly meet with Reclamation staff to better understand review requirements identified in WTR 11-02; this shall be an opportunity to propose a level analysis based on what Valley Water has available and can provide.
- Submit a draft financial capability report to Valley Water for their review. If requested, Valley Water meetings will be scheduled to discuss comments. After making revisions based on Valley Water review, the financial capability report will be submitted to Reclamation. Responses to Reclamation questions and comments will be prepared, and the financial capability report will be revised as necessary.

**Task 4 – Pre-Final Design Activities and Coordination**

This task will allow Valley Water and the Partner Agencies to work with the Consultant on any site-specific investigations to gather design data, environmental and cultural resources compliance activities, as-needed pre-final design tasks, and other project related assessments that contribute towards project implementation.

**Task 5 – Grant Administration**

Administration and reporting will be done in coordination with Valley Water as the primary fiscal agent for this feasibility study. Administration consists of assisting all involved agencies with completing the feasibility study grant agreements and preparing semi-annual reports for the duration of this feasibility study.

Milestone / Task / Activity	Planned Start Date	Planned Completion Date
Pre-project planning – Secure technical support.	July 1, 2024	January 1, 2025
Information collection – Define baseline system.	January 1, 2025	July 1, 2025
Identify conceptual alternatives – identify feasible alternatives.	April 1, 2025	October 1, 2025
Identify feasible alternatives – Develop recommended options.	October 1, 2025	January 1, 2026
Development of feasibility study – Prepare draft report.	January 1, 2026	July 1, 2026
Continue to develop feasibility study – Prepare draft final report.	July 1, 2026	January 1, 2027
Submit feasibility study to USBR – Address feedback.	January 1, 2027	April 1, 2027
Submit final feasibility study to USBR.	April 1, 2027	July 1, 2027

**III. Financial Assistance**

**1. Available Funding**

The total estimated project cost for this Agreement is **\$598,359.00**.

The amount of federal funds issued with this action is **\$299,180.00** as indicated by “Amount of Financial Assistance This Action” within block 12 of the NOA.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the period of performance end date. The only costs which are

authorized for a period of up to 120 days following the period of performance are those strictly associated with closeout activities for preparation of the final reports.

## 2. Approved Budget

The total approved budget summarizes the financial aspects of the project. It is detailed by category in block 11 of the NOA page and/or below. Final costs incurred within 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 budget documentation dated 10/4/2024.

The Recipient is responsible for ensuring federal funds are managed in a manner consistent with [2 CFR Part 200 Subpart E](#), the approved budget, approved project activities, and terms and conditions of award. Recipients are encouraged to direct questions regarding allowability, allocability or reasonableness of costs to the GO for review prior to incurrence of the costs in question.

<b>Summary</b>			
<b>Budget Object Category</b>	<b>Total Cost</b>	<b>Federal Estimated Amount</b>	<b>Non-Federal Estimated Amount</b>
a. Personnel	\$90,414		
b. Fringe Benefits	\$82,186		
f. Contractual	\$400,000		
h. Other Direct Costs	\$25,759		
i. Total Direct Costs	\$598,359		
j. Indirect Charges	\$0		
Total Costs	\$598,359	\$299,180	\$299,180
Cost Share Percentage		50%	50%

# Performance Report #1

<b>Recipient Organization:</b> Santa Clara Valley Water District (Valley Water)
<b>Project:</b> South County Water Reuse Program Feasibility Study
<b>Reporting Period:</b> November 27, 2024 thru March 31, 2025

## Performance

### Summary

The South County Water Reuse Program Feasibility Study will focus on assessing the feasibility of implementing several of the new treatment and pipeline water reuse projects that were identified as part of an ongoing update to the 2015 South County Recycled Water Master Plan Update. If deemed feasible, the reuse projects identified through this feasibility study would help expand the use of recycled water in the region which directly supports Valley Water’s goal of having recycled and purified water provide for at least 10% of the total County water demands. Valley Water will be responsible for the overall management of the Project, and a consultant, hired specifically for this Project, will manage, compile invoicing, conduct administration and documentation of subconsultants’ activities, and report directly to Valley Water. Valley Water will hold periodic progress status meetings and stakeholder workshops at specific milestones during the feasibility study development process.

### Consultant Selection Process

On January 9, 2025, Valley Water published an RFP for Technical Support Services for State and Federal Funding Opportunities for Water Reuse. The publication enacted automatic notification to five hundred seventy-six (576) firms registered in the following category codes: Engineering Consulting; Environmental Consulting; Feasibility Studies (Consulting); Engineering Services, Professional; and Environmental Engineering. Of the total 576 firms informed of the solicitation, thirty-two (32) firms confirmed interest as prospective proposers. A total of one (1) proposal was received on February 4.

An Evaluation Committee (EC), with subject matter expertise with technical support services for state and federal funding opportunities, evaluated and ranked the Brown and Caldwell proposal. Based on the technical evaluation, the EC recommended that Valley Water proceed with the proposer to secure technical services for the Project.

Negotiations with have now been successfully completed and the contracting process is ongoing. Staff will recommend Board approval of a Standard Consultant Agreement for Technical Support Services for State and Federal Funding Opportunities for Water Reuse in June 2025. Once these technical services are approved, Valley Water will begin work on the South County Water Reuse Program Feasibility Study.

## Schedule

An overview of the Project Schedule and estimated schedule adjustments is presented in Table 1. The estimated Project Schedule adjustments are the result of a later than anticipated project start date and issuance of an approved grant agreement on November 27, 2024.

**Table 1: Project Schedule**

Milestone/Task/Activity	Agreement		Updated Completion/Projection	
	Planned Start Date	Planned Completion Date	Start Date	Completion Date
Pre-project planning - Secure technical support.	July 1, 2024	January 1, 2025	January 1, 2025	July 1, 2025
Information collection - Define baseline system.	January 1, 2025	July 1, 2025	July 1, 2025	<i>October 1, 2025</i>
Identify conceptual alternatives - identify feasible alternatives.	April 1, 2025	October 1, 2025	October 1, 2025	January 1, 2026
Identify feasible alternatives - Develop recommended options.	October 1, 2025	January 1, 2026	<i>January 1, 2026</i>	<i>March 31, 2026</i>
Development of feasibility study - Prepare draft report.	January 1, 2026	July 1, 2026	March 31, 2026	October 1, 2026
Continue to develop feasibility study - Prepare draft final report.	July 1, 2026	January 1, 2027	October 1, 2026	January 1, 2027
Submit feasibility study to USBR - Address feedback.	January 1, 2027	April 1, 2027	January 1, 2027	April 1, 2027
Submit final feasibility study to USBR.	April 1, 2027	July 1, 2027	April 1, 2027	July 1, 2027

## Budget

An overview of the Project budget and expenses incurred this reporting period is shown in Table 2. The Project has not incurred any expenses during this reporting period.

**Table 2: Project Budget**

Budget Item Description	Agreement	Reporting Period		Total Cost to Date (\$)
	Total Cost (\$)	Total Cost-District Cost-share Match (\$)	Total Cost – Reclamation Grant Funding (\$)	
Personnel Costs	\$ 90,414	\$ 0	\$ 0	\$ 0
Fringe Benefits	\$ 82,186	\$ 0	\$ 0	\$ 0
Contractual Costs	\$ 400,000	\$ 0	\$ 0	\$ 0
Other Direct Costs	\$ 25,759	\$ 0	\$ 0	\$ 0
<b>TOTAL PROJECT COSTS</b>	<b>\$ 598,359</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>