

COPY

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

1A. AGREEMENT NUMBER R14AP00131		1B. MOD NUMBER N/A		2. TYPE OF AGREEMENT <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT Special District					
4. ISSUING OFFICE U.S. Department of the Interior Bureau of Reclamation Mid-Pacific Region 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 DUNS: 098865801/EIN: 84-1024566				5. RECIPIENT Santa Barbara County Water Agency 130 East Victoria St., Suite 200 Santa Barbara, California 93101-2019							
				EIN #:		95-6002833		County:		Santa Barbara	
				DUNS #:		825905268		Congress. Dist:		24	
6. GRANTS MANAGEMENT SPECIALIST Judy A. Hudson Bureau of Reclamation Mid-Pacific Region Office, MP-3837 2800 Cottage Way, Room E-1815 Sacramento, California 95825-1898 Phone: (916) 978-5058/ Fax (916) 978-5175 Email: jhudson@usbr.gov				7. RECIPIENT PROJECT MANAGER Leonard Fleckenstein, Water Conservation Coordinator Santa Barbara County Water Agency 130 East Victoria St., Suite 200 Santa Barbara, California 93101-2019 Phone: (805) 568-3545/Fax: (805) 568-3434 Email: lflecken@cosbpw.net							
8. GRANTS OFFICER TECHNICAL REPRESENTATIVE David White Bureau of Reclamation Mid-Pacific Region Office, MP-410 2800 Cottage Way Sacramento, California 95825-1898 Phone: (916) 978-5271 Email: dwhite@usbr.gov				9A. INITIAL AGREEMENT EFFECTIVE DATE: See Block 17a		9B. MODIFICATION EFFECTIVE DATE:					
				10. COMPLETION DATE September 30, 2016							
11A. PROGRAM STATUTORY AUTHORITY Omnibus Public Lands Management Act of 2009, Public Law 111-11 9504(a)(1)(3)						11B. CFDA Number 15.507					
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION		13. REQUISITION NUMBER 0020043570					
Total Estimated Amount of Agreement		\$396,036.00		\$178,724.00		14A. ACCOUNTING AND APPROPRIATION DATA Cost Center: RR2054000 WBS: RY.30180006.SBCCA40 411G					
This Obligation		\$396,036.00		\$178,724.00							
Previous Obligation		\$ 0.00		\$ 0.00							
Total Obligation		\$396,036.00		\$178,724.00							
Cost-Share %		69%		31%		14B. TREASURY ACCOUNT FUNDING SYMBOL 14XR0680A1					
15. PROJECT TITLE SBCWA: Water Wise Landscape Rebate Program											
16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient BY: _____ DATE: _____				17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation BY: _____ DATE: _____							
16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER <input type="checkbox"/> Additional signatures are attached				17b. NAME OF GRANTS OFFICER Judy A. Hudson							

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**Grant Agreement
Between
Bureau of Reclamation
And
Santa Barbara County Water Agency (SBCWA)
For
SBCWA: Water Wise Landscape Rebate Program**

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Grant Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as "Reclamation," and Santa Barbara County Water Agency, hereinafter referred to as the "Recipient" or "Grantee," pursuant to Omnibus Public Lands Management Act of 2009, Public Law 111-11, Sections 9504(a)(1)(3). The following section, provided in full text, authorizes Reclamation to award this financial assistance agreement:

Public Law 111-11, Title IX, Subtitle F, Section 9504(a)(1)(3) WATER MANAGEMENT IMPROVEMENT

(a) Authorization of Grants and Cooperative Agreements.--

(1) Authority of secretary.--The Secretary may provide any grant to, or enter into an agreement with, any eligible applicant to assist the eligible applicant in planning, designing, or constructing any improvement--

(A) to conserve water;

(B) to increase water use efficiency;

(C) to facilitate water markets;

(D) to enhance water management, including increasing the use of renewable energy in the management and delivery of water;

(E) to accelerate the adoption and use of advanced water treatment technologies to increase water supply;

(F) to prevent the decline of species that the United States Fish and Wildlife Service and National Marine Fisheries Service have proposed for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (or candidate species that are being considered by those agencies for such listing but are not yet the subject of a proposed rule);

(G) to accelerate the recovery of threatened species, endangered species, and designated critical habitats that are adversely affected by Federal reclamation projects or are subject to a recovery plan or conservation plan under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) under which the Commissioner of Reclamation has implementation responsibilities; or

(H) to carry out any other activity--

(i) to address any climate-related impact to the water supply of the United States that increases ecological resiliency to the impacts of climate change; or

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

(3) Requirements of grants and cooperative agreements.--

(A) *Compliance with requirements.*--Each grant and agreement entered into by the Secretary with any eligible applicant under paragraph (1) shall be in compliance with each requirement described in subparagraphs (B) through (F).

(B) *Agricultural operations.*--In carrying out paragraph (1), the Secretary shall not provide a grant, or enter into an agreement, for an improvement to conserve irrigation water unless the eligible applicant agrees not—

(i) to use any associated water savings to increase the total irrigated acreage of the eligible applicant; or

ii) to otherwise increase the consumptive use of water in the operation of the eligible applicant, as determined pursuant to the law of the State in which the operation of the eligible applicant is located.

(C) *Nonreimbursable funds.*--Any funds provided by the Secretary to an eligible applicant through a grant or agreement under paragraph (1) shall be nonreimbursable.

(D) *Title to improvements.*--If an infrastructure improvement to a federally owned facility is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1), the Federal Government shall continue to hold title to the facility and improvements to the facility.

(E) *Cost sharing.*--

(i) *Federal share.*--The Federal share of the cost of any infrastructure improvement or activity that is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1) shall not exceed 50 percent of the cost of the infrastructure improvement or activity.

(ii) *Calculation of non-federal share.*--In calculating the non-Federal share of the cost of an infrastructure improvement or activity proposed by an eligible applicant through an application submitted by the eligible applicant under paragraph (2), the Secretary shall--

(I) consider the value of any in-kind services that substantially contributes toward the completion of the improvement or activity, as determined by the Secretary; and

(II) not consider any other amount that the eligible applicant receives from a Federal agency.

(iii) *Maximum amount.*--The amount provided to an eligible applicant through a grant or other agreement under paragraph (1) shall be not more than \$5,000,000.

(iv) *Operation and maintenance costs.*--The non-Federal share of the cost of operating and maintaining any infrastructure improvement that is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1) shall be 100 percent.

(F) *Liability.*--

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

(ii) *Tort claims act.*--Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code (commonly known as the Federal Tort Claims Act").

(b) *Research Agreements.*--

(1) *Authority of secretary.*--The Secretary may enter into 1 or more agreements with any university, nonprofit research institution, or organization with water or power delivery authority to fund any research activity that is designed--

(A) to conserve water resources;

(B) to increase the efficiency of the use of water resources; or

(C) to enhance the management of water resources, including increasing the use of renewable energy in the management and delivery of water.

(2) Terms and conditions of secretary.—

(A) In general.--An agreement entered into between the Secretary and any university, institution, or organization described in paragraph (1) shall be subject to such terms and conditions as the Secretary determines to be appropriate.

(B) Availability.--The agreements under this subsection shall be available to all Reclamation projects and programs that may benefit from project-specific or programmatic cooperative research and development.

(c) Mutual Benefit.--Grants or other agreements made under this section may be for the mutual benefit of the United States and the entity that is provided the grant or enters into the cooperative agreement.

(d) Relationship to Project-Specific Authority.--This section shall not supersede any existing project-specific funding authority.

(e) Authorization of Appropriations.--There is authorized to be appropriated to carry out this section \$200,000,000, to remain available until expended.

2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION

This grant will fund activities that will increase water reliability by decreasing water usage by non-agricultural customers. The Santa Barbara County Water Agency and its partners will offer rebates to customers to decrease the costs of purchasing water-saving technology. The results of this cost saving project will directly reduce potable water demand from Reclamation's Cachuma Project. Though the proposed project will not be on Reclamation's property, it will reduce water demand from and increase carryover storage for Lake Cachuma.

This regional program is estimated to save 121 AF/year through water-efficient landscape design and the application of water-saving technology. The types of technology that could be approved include, but are not limited to:

- High efficiency irrigation (smart controllers, rotating nozzles, drip irrigation, etc.)
- Water wise or drought tolerant plants
- Removal of turf areas (cash for grass)
- Dedicated landscape meters, in place of mixed master meters
- Rain barrels or tanks and associated equipment
- Rain gardens and associated equipment
- Mulch or other groundcover

The proposed project will directly reduce potable water demand from Reclamation's Cachuma Project. Though the proposed project will not be on Reclamation property, it will reduce water demand from and increase carryover storage for Lake Cachuma.

3. BACKGROUND AND OBJECTIVES

The objective of this agreement is to increase water reliability by decreasing water usage by non-agricultural customers. The SBCWA and its partners will offer rebates to customers to decrease the costs of purchasing water-saving technology.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

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

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of federal funding for this agreement is \$178,724.00, of which the initial amount of federal funds available is limited to \$178,724.00 as indicated by "this obligation" within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this agreement by a Reclamation Grants Officer.

5. SCOPE OF WORK AND MILESTONES

5.1 Santa Barbara County Water Agency (SBCWA) will coordinate with multiple local water purveyors within the County to implement the Rebate Program. To that end, the activities to be funded through this action include:

5.1.1 Developing Rebate Program materials for water customers

5.1.2 Developing an electronic data tracking system

5.1.3 Developing a standard invoice and payment process for all participating water purveyors

5.1.4 Developing outreach materials, especially advertisements

5.1.5 Advertising the Rebate Program amongst the customers of the participating water purveyors

5.1.6 Coordinating activities between SBCWA and participating water purveyors

5.1.7 Approving rebates

5.1.8 Conducting site visits to rebate recipients

5.1.9 Preparing and submitting progress reports.

5.2 Timeline Schedule:

Activity	Start Date	End Date
Develop Program Descriptive Materials for Customers	10/1/2014	9/29/2015
Develop District's Data Tracking Form/Spreadsheet	10/1/2014	9/29/2015
Develop Standard Invoice for Districts & County	10/1/2014	9/29/2015
Develop County Reporting Form	10/1/2014	9/29/2015
Develop Outreach materials	10/1/2014	10/31/2014
Convene Participating Districts to Coordinate Implementation	10/1/2014	9/30/2016
Advertise the Program	10/1/2014	9/30/2016
Conduct site visits	10/1/2014	9/30/2016
Approve rebates	10/1/2014	9/30/2016
Water Providers quarterly report to SBCWA	1/1/2015	9/30/2016
Semi-annual reports to Reclamation	1/1/2015	9/30/2016

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall carry out the Scope of Work (SOW) in accordance with Section 5 of this agreement, and the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the SOW contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.2 Reclamation Responsibilities

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

7. BUDGET

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

BUDGET ITEM DESCRIPTION	COMPUTATION		RECIPIENT FUNDING	OTHER FUNDING	RECLAMATION FUNDING	TOTAL COST
	\$/Unit and Unit	Quantity				
1. SALARIES AND WAGES --Position title x hourly wage/salary x est. hours for assisted activity. Describe this information for each position.						
<i>For 8 participating agencies:</i>						
SB Co. WA Coordinator	\$40.00/hr	153.85	6,154.	0	0	6,154.
Lompoc city staff: J. Main	\$25.49/hr	75.	0	1,910.	0	1,910.
City of Santa Barbara: C. Pare	\$38.44/hr	1100.88	0	42,318.	0	42,318.
Buellton City staff: A. Perez	\$32.91/hr	44.6	0	1,468.	0	1,468.
Buellton City staff: R. Hess	\$51.13/hr	4.5	0	230.	0	230.
VandenbergVCSD: McManigal	\$26.62/hr	47	0	1,251.	0	1,251.
Solvang city: extra help staff	\$18.00/hr	666.667	0	12,000.	0	12,000.
Carpinteria VWD: Eng'g Tech	\$37.98/hr	82.8	0	3,145.	0	3,145.
Carpinteria Field Tech	\$34.30/hr	10.32	0	354.	0	354.
Carpinteria VWD Accountant	\$43.30/hr	5.2	0	225.	0	225.
Carpinteria VWD Ass'st	\$26.19/hr	5.2	0	136.	0	136.
Goleta WD: Water Spec	\$47.92/hr	477.25	0	22,870.	0	22,870.
Goleta WD: Accountant	\$42.54/hr	42	0	1,787.	0	1,787.
Goleta WD: WSC Mgr	\$64.53/hr	28.1	0	1,813.	0	1,813.
Goleta WD: Gen Mgr	\$88.65/hr	14.1	0	1,250.	0	1,250.
				[90,757]		[96,911.]
2. FRINGE BENEFITS – Explain the type of fringe benefits and how are they applied to various categories of personnel.						
<i>Benefits vary across 8 agencies</i>						
SB Co. WA Coordinator	\$25.00/hr	153.85	3,846.	0	0	3,846.
Lompoc staff (J.Main)	\$14.53/hr	75	0	1,090.	0	1,090.
City of Santa Barbara (C. Pare)	\$15.38/hr	1100.88	0	16,933.	0	16,933.
Buellton City staff (Perez)	\$15.04/hr	44.6	0	671.	0	671.
Buellton City staff (Hess)	\$20.16/hr	4.5	0	91.	0	91.
VandenbergVCSD: McManigal	\$15.95/hr	47	0	750.	0	750.
Solvang city: extra help staff	\$0.00/hr	0	0	0	0	0.
Carpinteria VWD: Eng'g Tech	\$22.31/hr	82.8	0	1,847.	0	1,847.
Carpinteria Field Tech	\$21.16/hr	10.3	0	218.	0	218.
Carpinteria VWD Accountant	\$19.04/hr	5.2	0	99.	0	99.
Carpinteria VWD Ass'st	\$14.58/hr	5.2	0	76.	0	76.
Goleta WD: Water Spec	\$42.84/hr	477.25	0	20,445.	0	20,445.
Goleta WD: Accountant	\$38.03/hr	42	0	1,597.	0	1,597.
Goleta WD: WSC Mgr	\$57.69/hr	28.1	0	1,621.	0	1,621.
Goleta WD: Gen Mgr	\$79.25/hr	14.1	0	1,117.	0	1,117.
				[46,555]		[50,401.]
3. TRAVEL —dates; location of travel; method of travel x estimated cost; who will travel						
N/A			0	0	0	0
4. EQUIPMENT —Leased Equipment use rate + hourly wage/salary x est. hours for assisted activity—Describe equipment to be purchased, unit price, # of units for all equipment to be purchased or leased for assisted activity: Do not list contractor supplied equipment here.						
N/A			0	0	0	0
5. SUPPLIES/MATERIALS --Describe all major types of supplies/materials, unit price, # of units, etc., to be used on this assisted activity.						
N/A			0	0	0	0
6. CONTRACTUAL/ CONSTRUCTION —Explain any contracts or sub-Agreements that will be awarded, why needed. Explain contractor qualifications and how the contractor will be selected.						
Outreach advertisements	\$35/adv't	2,000	70,000.	0	0	70,000.
7. ENVIRONMENTAL and REGULATORY COMPLIANCE COSTS – Reference cost incurred by Reclamation or the applicant in complying with environmental regulations applicable to this Program, which include NEPA, ESA, NHPA etc.						
N/A			0	0	0	0
8. OTHER —List any other cost elements necessary for your project; such as extra reporting, or contingencies in a construction contract.						

i.e. Rebates to customers (estimated avg cost per rebate)	Average estimated \$ per rebate	Number of rebates	Recipient \$'s toward rebates	Local agencies' \$'s toward rebates	Reclamation \$'s toward rebates	
SB Co. Water Agency	0	n/a	0	0	0	0
Buellton	728/reb-est	27.473	0	10,000.	10,000.	20,000.
Carpinteria Valley WD	728/reb-est	27.473	0	10,000.	10,000.	20,000.
Goleta WD	728/reb-est	109.89	0	40,000.	40,000.	80,000.
Lompoc	728/reb-est	30.22	0	11,000.	11,000.	22,000.
Santa Barbara	728/reb-est	192.308	0	70,000.	70,000.	140,000.
Solvang	728/reb-est	49.451	0	18,000.	18,000.	36,000.
Vandenberg Village CSD	728/reb-est	54.187	0	19,724.	19,724.	39,448.
TOTAL DIRECT COSTS--			80,000.00	316,036.	178,724.00	574,758.
9. INDIRECT COSTS - What is the percentage rate% and what budget items are included in the percentage rate. If you do not have a Federally-approved Indirect Cost Rate Agreement or if unapproved rates are used - Explain Why.						
N/A			n/a	n/a	0	0
TOTAL PROJECT/ACTIVITY COSTS			80,000.00	316,036.	178,724.00	574,760.

Some numbers are due to rounding of dollars.

FUNDING SOURCES	% TOTAL PROJECT COST	TOTAL COST BY SOURCE
RECIPIENT FUNDING	14%	\$ 80,000.00
OTHER NON-FEDERAL FUNDING (N/A)	55%	\$316,036.00
RECLAMATION FUNDING	31%	\$178,724.00
OTHER FEDERAL FUNDING (N/A)	0%	\$ 0.00
TOTALS	100%	\$574,760.00

7.2 Cost Sharing Requirement

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

7.3 Pre-Award Incurrence of Costs

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

7.4 Allowable Costs (2 CFR Part §225)

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

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

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

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

7.5 Changes (43 CFR §12.70)

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

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

(c) *Budget changes.*

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

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

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

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

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

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

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

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

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

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

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

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

(f) *Requesting prior approval.*

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

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

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

7.6 Modifications

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

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

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

8. KEY PERSONNEL

8.1 Recipient's Key Personnel

The Recipient's Project Manager for this Agreement shall be:

Santa Barbara County Water Agency
Attn: **Leonard Fleckenstein, Water Conservation Coordinator**
130 East Victoria St., Suite 200
Santa Barbara, California 93101-2019
Phone: (805) 568-3545/Fax: (805) 568-3434
Email: lflecken@cosbpw.net

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

8.2 Reclamation's Key Personnel

8.2.1 Grants Officer (GO):

Bureau of Reclamation
Attn: **Judy A. Hudson**
Mid-Pacific Regional Office, MP-3837
2800 Cottage Way, Room E-1815
Sacramento, California 95825-1898
Phone: (916) 978-5058/ Fax (916) 978-5175
Email: jhudson@usbr.gov

- (a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:
- (1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;
 - (2) Approve through formal modification changes in the scope of work and/or budget;
 - (3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;
 - (4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;
 - (5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;
 - (6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Bureau of Reclamation
Attn: **David White**
Mid-Pacific Region Office, MP-410
2800 Cottage Way
Sacramento, California 95825-1898
Phone: (916) 978-5271
Email: dwhite@usbr.gov

- (a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:
- (1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;
 - (2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;
 - (3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;
 - (4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;
- (b) The GOTR does not have the authority to and may not issue any technical assistance which:
- (1) Constitutes an assignment of additional work outside the scope of work of the Agreement;
 - (2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or
 - (3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

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

Bureau of Reclamation
Attn: **Judy A. Hudson**
Mid-Pacific Regional Office, MP-3837
2800 Cottage Way, Room E-1815
Sacramento, California 95825-1898
Phone: (916) 978-5058/ Fax (916) 978-5175
Email: jhudson@usbr.gov

9. REPORTING REQUIREMENTS AND DISTRIBUTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) *Waivers, extensions.*

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

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

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

Required Reports	Interim Reports	Final Report
Performance Report		
Format	No specific format required. See content requirements within Section 9.3 (43 CFR 12.80) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (43 CFR 12.80) above.
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	For Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	Semi-Annual Reporting: Within 30 days after the end of the Reporting Period.	Within 90 days after the completion date of the Agreement
First Report Due Date	The first performance report is due for reporting period ending March 31, 2015.	N/A
Submit to:	Grants Management Specialist	Grants Management Specialist
Federal Financial Report		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed)
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	Semi-Annual Reporting Within 30 days after the end of	Within 90 days after the completion date of the Agreement

	the Reporting Period.	
First Report Due Date	The first Federal financial report is due for reporting period ending March 31, 2015.	N/A
Submit to:	Grants Management Specialist	Grants Management Specialist

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

10. REGULATORY COMPLIANCE

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

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

11. PUBLIC LAW 111-11, SECTION 9504

“SEC. 9504. WATER MANAGEMENT IMPROVEMENT.

- (a) Authorization of Grants and Cooperative Agreements –
 - (1) AUTHORITY OF SECRETARY – The Secretary may provide any grant to, or enter into an agreement with, any eligible applicant to assist the eligible applicant in planning, designing, or constructing any improvement - -
 - (A) to conserve water;
 - (B) to increase water use efficiency;
 - (C) to facilitate water markets;
 - (D) to enhance water management, including increasing the use of renewable energy in the management and delivery of water;
 - (E) to accelerate the adoption and use of advanced water treatment technologies to increase water supply;
 - (F) to prevent the decline of species that the United States Fish and Wildlife Service and National Marine Fisheries Service have proposed for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (or candidate

species that are being considered by those agencies for such listing but are not yet the subject of a proposed rule);

(G) to accelerate the recovery of threatened species, endangered species, and designated critical habitats that are adversely affected by Federal reclamation projects or are subject to a recovery plan or conservation plan under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) under which the Commissioner of Reclamation has implementation responsibilities; or

(H) to carry out any other activity—

(i) to address any climate-related impact to the water supply of the United States that increases ecological resiliency to the impacts of climate change; or

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

(2) APPLICATION – To be eligible to receive a grant, or enter into an agreement with the Secretary under paragraph (1), an eligible applicant shall—

(A) be located within the States and areas referred to in the first section of the Act of June 17, 1902 (43 U.S.C. 391); and

(B) submit to the Secretary an application that includes a proposal of the improvement or activity to be planned, designed, constructed, or implemented by the eligible applicant.

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

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

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

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

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

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

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

- a) IN GENERAL.—Except as provided under chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”), the United States shall not be liable for monetary damages of any kind for any injury arising out of an act, omission, or occurrence that arises in relation to any facility created or improved under this Agreement, the title of which is not held by the United States.
- b) TORT CLAIMS ACT.—Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”).

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

1. REGULATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. PAYMENT

2.1 Payment Standards. (43 CFR §12.61)

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

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

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

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

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

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

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

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

(g) *Withholding payments.*

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

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

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

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

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

(h) *Cash depositories.*

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

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

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

2.2 Payment Method

Recipients must utilize the Department of Treasury Automated Standard Application for Payments (ASAP) payment system to request advance or reimbursement 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.

Recipients must complete enrollment in ASAP for all active financial assistance agreements with Reclamation. ASAP enrollment is specific to each Agency and Bureau; meaning, if a Recipient organization has an existing ASAP account with another Federal agency or Department of the Interior bureau, but not with Reclamation, then the Recipient must initiate and complete enrollment in ASAP under Reclamation's Agency Location Code (1425) through submission of an enrollment form found at www.usbr.gov/mso/aamd/asap.html. For information regarding ASAP enrollment, please visit www.usbr.gov/mso/aamd/asap.html, or contact the Reclamation ASAP Help Desk BOR_ASAP_Enroll@usbr.gov. Further information regarding ASAP may be obtained from the ASAP website at <http://www.fms.treas.gov/asap>.

3. PROCUREMENT STANDARDS (43 CFR §12.76)

(a) *States.* When procuring property and services under a grant, a state will follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their

implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.*

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

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

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

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

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

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

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

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

(7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value

engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

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

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

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

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

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

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

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

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

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

(c) *Competition.*

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

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

(ii) Requiring unnecessary experience and excessive bonding,

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

- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest,
- (vi) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance of other relevant requirements of the procurement, and
- (vii) Any arbitrary action in the procurement process.

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

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

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

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

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

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

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

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

- (A) A complete, adequate, and realistic specification or purchase description is available;
- (B) Two or more responsible bidders are willing and able to compete effectively and for the business; and
- (C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

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

- (A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
- (B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
- (C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- (D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- (E) Any or all bids may be rejected if there is a sound documented reason.

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

- (i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
- (ii) Proposals will be solicited from an adequate number of qualified sources;
- (iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;
- (iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- (v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be

used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

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

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

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

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

(C) The awarding agency authorizes noncompetitive proposals; or

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

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

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

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.*

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

(2) Affirmative steps shall include:

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

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

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

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

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

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

(f) *Contract cost and price.*

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

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

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

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

(g) *Awarding agency review.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. EQUIPMENT (43 CFR §12.72)

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

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

(c) *Use.*

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

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

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

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

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

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

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

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

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

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

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

- (1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.
 - (2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.
 - (3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.
- (f) *Federal equipment.* In the event a grantee or subgrantee is provided Federally-owned equipment:
- (1) Title will remain vested in the Federal Government.
 - (2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.
 - (3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.
- (g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third part named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:
- (1) The property shall be identified in the grant or otherwise made known to the grantee in writing.
 - (2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow 12.72(e).
 - (3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

5. SUPPLIES (43 CFR §12.73)

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

6. INSPECTION

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

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

Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133. Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133, §__.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

8. ENFORCEMENT (43 CFR §12.83)

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

- (1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency,
- (2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,
- (3) Wholly or partly suspend or terminate the current award for the grantee's or subgrantee's program,
- (4) Withhold further awards for the program, or
- (5) Take other remedies that may be legally available.

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

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

- (1) The costs result from obligations which were properly incurred by the grantee or subgrantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are noncancellable, and,
- (2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

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

9. TERMINATION FOR CONVENIENCE (43 CFR §12.84)

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

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

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

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

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

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

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

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

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

13. COVENANT AGAINST CONTINGENT FEES

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

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

Trafficking in persons.

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

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

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

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

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

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

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

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

(A) Associated with performance under this award; or

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

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

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

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

(i) Associated with performance under this award; or

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

(c) *Provisions applicable to any recipient.*

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

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

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

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

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

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

(1) "Employee" means either:

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

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

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

(3) "Private entity":

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

(ii) Includes:

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

(B) A for-profit organization.

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

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

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

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

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

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

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

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

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

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

- (1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as “voluntary transactions.” Such “voluntary transactions” are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR § 24.101(b)(1)(i)-(iv).
 - (2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:
 - (i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;
 - (ii) inform the owner in writing of what it believes to be the market value of the property
- (d) Review of Land Acquisition Appraisals. Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of the Interior’s Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

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

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

A. Requirement for Central Contractor Registration (CCR)

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

B. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions

For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information

about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a state, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. *Subaward*:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. II.210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”).
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. *Subrecipient* means an entity that:
 - a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

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

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

19. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (2 CFR 170 APPENDIX A)

I. Reporting Subawards and Executive Compensation.

a. *Reporting of first-tier subawards.*

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. *Where and when to report.*

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. *Reporting Total Compensation of Recipient Executives.*

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received—

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of

the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:

- i. As part of your registration profile at <http://www.ccr.gov>.
- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. *Reporting of Total Compensation of Subrecipient Executives.*

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

- i. in the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
- ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

- i. To the recipient.
- ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. *Exemptions*

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards,

and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. *Definitions*. For purposes of this award term:

1. *Entity* means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. *Executive* means officers, managing partners, or any other employees in management positions.

3. *Subaward*:

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

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

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. *Subrecipient* means an entity that:

i. Receives a subaward from you (the recipient) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. *Salary and bonus.*

ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.

v. *Above-market earnings on deferred compensation which is not tax-qualified.*

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

20. RECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239).
- (b) The Award Recipient shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C 4712.
- (c) The Award Recipient shall insert the substance of this clause, including this paragraph (c), in all subawards or subcontracts over the simplified acquisition threshold. 42 CFR § 52.203-17 (as referenced in 42 CFR § 3.908-9).

III. LIST OF DOCUMENTS, EXHIBITS, OR OTHER ATTACHMENTS (06/04)

**1. THE FOLLOWING DOCUMENTS, EXHIBITS OR ATTACHMENTS ARE
INCORPORATED AND MADE A PART OF THIS AGREEMENT.**

Attachment Number	Title	No. of Pages
1	Proposal - Water Wise Landscape Rebate Program in Santa Barbara County	18

TECHNICAL PROPOSAL

Executive Summary

Applicant: Santa Barbara County Water Agency
Location: Santa Barbara, Santa Barbara County, California
Date Submitted: 01/22/2014

Summary:

Water purveyors participating in Santa Barbara County's "WaterWise Landscape Rebate Program" will offer rebates to their customers to increase water efficiency in their landscapes. The program will provide water savings by reducing outdoor water usage through measures which will include new technology and actions such as: turf removal, smart irrigation controllers (weather or soil moisture based), high efficiency nozzles (sprinkler heads), and other means of ensuring water wise landscapes and efficient irrigation systems. The County Water Agency will coordinate the program which will be implemented in seven (7) participating water purveyor service areas, most of which are highly dependent on USBR's Cachuma Project for ensuring adequate water supplies. Each purveyor will ensure that landscape improvements are made in conformance with program criteria and will measure water usage before and after implementation, thus quantifiably measuring and determining sustained water savings.

Timeframe: The project will last for 2 years, ending 24 months after the start date.

Federal facility role: The project will not be located on any Federal facility.

Background Data

Map of Project Location: See attached pdf file with map; colored areas are service areas of participating water providers.

Water Sources: The County's residents obtain most of their potable water from three sources: storm runoff collected in reservoir systems (~40%), groundwater withdrawal (~28%), and the SWP (~27%). The Cachuma Reservoir is by far the main surface water reservoir in the County. Downstream discharges from Cachuma Reservoir are also a major contributor to groundwater recharge for communities (Santa Ynez, Solvang, Buellton, and Lompoc), agriculture, and private homes and ranches along the lower Santa Ynez River. Moreover, the State Water Project is also linked to Cachuma, which is the end of the SWP pipeline within Santa Barbara County. SWP water is stored in Cachuma until it is pumped to the County's south coast communities (Goleta, Santa Barbara, Montecito, Hope Ranch, and Carpinteria).

Water Delivery. The county's potable water supply is delivered to the public through a variety of water purveyors: incorporated cities, community service districts, water districts, public utility companies, and conservation districts. Landscape water efficiency is customer dependent and based on the type and age of irrigation system, how it is maintained, and the degree of irrigation management used. Field data throughout the county indicates an overall DU average of 70-75% for agricultural irrigation systems and 50-54% for turf. However, these values can be much lower for individual sites.

Relationship with Reclamation. SBCWA is the master contractor for USBR's Cachuma Project, which is the primary water supply source for many water purveyors in the County, especially for a majority of residents who reside in the water provider service areas impacted by this proposed project. Although SBCWA holds the master contract with Reclamation, the Agency does not have a direct entitlement to Cachuma Project water. Entitlements under the master contract are held for the Member Units, each of which has a defined share of Cachuma Project production. The Member Units participating in this project are the Cities of Santa Barbara, Goleta Water District, and Carpinteria Valley Water District. The additional grant project participants (the cities of Solvang, Buellton and Lompoc along with Vandenberg Village CSD) are downstream of the Bureau's Cachuma Project where groundwater supplies are recharged by flows from the Cachuma Reservoir.

Under the County's agreement with USBR, SBCWA coordinates a Regional Water Efficiency Program (RWEF) which was established in December 1990 to promote the efficient use of water supplies in Santa Barbara County, and to provide information and assistance to the eighteen local water purveyors within the county. The RWEF provides coordination for cooperative efforts among purveyors, acts as a clearinghouse for information on water efficiency technology, and monitors local, state and national legislation concerning efficient water use. The RWEF serves around 400,000 county residents. A number of the RWEF's activities fulfill - on a regional level - the obligations for Best Management Practices (BMP's) in the statewide California Urban Water Conservation Council (Council) Memorandum of Understanding (MOU) and/or the Bureau of Reclamation's water conservation criteria. The County Water Agency is a signatory to the MOU and has prepared a plan to meet the Bureau's water conservation criteria. Many of the regional activities also assist individual water purveyors to satisfy their own conservation goals under the MOU and Bureau Criteria.

SBCWA has had numerous grants from Reclamation over the past two decades, although the Agency has no such grants at present. Each past grant has been very helpful in improving water efficiency and in building a collaborative regional water efficiency program in Santa Barbara County.

Technical Project Description

The Santa Barbara County Water Agency (SBCWA) and participating local water purveyors within the County propose to cooperate on a regional program to offer rebates to all non-agricultural customers for a variety of landscape related water efficient upgrades.

Water purveyors participating in Santa Barbara County's "WaterWise Landscape Rebate Program" will offer rebates to their customers to increase water efficiency in their landscapes. This program will be modeled after a prior successful program and aims to improve upon this program by overcoming design obstacles for customers. It was found that a large barrier for participants who were interested in receiving a rebate and wanted to take part in the program did not know where to start. Adding a design component to this program will give customers a starting point from which they can have a plan of action to implement a water wise landscape. Rebates would be awarded for 50% of the cost of approved equipment and materials, up to \$1000 for residential properties or up to \$2000 per meter/ \$4000 per facility for commercial properties. Cash for grass type rebates would also have the same funding limits. Within the \$1000 rebate, a customer can receive a rebate for 50% of landscape design costs, up to \$250. No general labor will be rebated. The inclusion of landscape design assistance is meant to help customers receive expert advice to plan and design their landscape, overcome knowledge barriers a customer may have, and increase the number of customers who complete landscape retrofits. Projects that do not conserve water would not be eligible for any rebate.

The USBR will fund 50% of customer rebates, matched by the cash from local water purveyors. USBR funds are not based on labor or other in-kind match provided by the water purveyors. USBR grant funds will be available on a first come first served basis for participating purveyors who have the cash match.

Participation in the Water Wise Landscape Rebate Program is voluntary on the part of customers. Rebate amounts must be approved by participating purveyors before the start of each project, as part of a water conservation evaluation by the water provider. Rebates will require sales receipts, invoices, and/or before and after photos to verify project completion. Due to the diversity in size and staffing of the participating water purveyors, each provider may have a slightly different approach for pre and post inspection and rebate approval. Some purveyors with limited conservation staff may rely on pre and post photo inspection and cash for grass programs whereas districts which can perform evaluations will perform pre and post evaluations before issuing rebates.

Description of Program Operation:

Which customers are eligible for the program?

- Any non-agricultural customer of a participating water provider is eligible, including schools and other public facilities.
 - Participation in program is voluntary.

- Purveyor determines customer's eligibility to participate. Applicants must be a water customer for the past 12 months, must have living landscape that is not water wise (dead grass or already low water use landscapes are not eligible). Each purveyor can set its own eligibility criterion which is *at least as strict as the general program eligibility requirements.*

What is Eligible for Rebates?

- Only retrofitted/replaced items are eligible for rebates; no new items will be eligible that are not replacing the same kind of item, unless they are part of a major system-wide or process change pre-approved by water purveyor staff.
- Approaches to landscape water conservation will vary by customer and items eligible for rebate will vary by purveyor. Examples include, *but are not limited to:*
 - High efficiency irrigation (smart controllers, rotating nozzles, drip line etc.)
 - Water wise or drought tolerant plants
 - Removal of turf areas (cash for grass)
 - Dedicated landscape meters, in place of mixed master meters
 - Rain barrels or tanks and associated equipment
 - Rain gardens and associated equipment
 - Mulch or other groundcover
- Landscape design services will also be eligible for rebate to assist the customer in planning their landscape retrofit. This will help overcome common hurdles that are often a barrier to project completion and will help assist customers in designing water efficient landscapes. General labor for project implementation will not be covered by the rebate.

How Much Is The Rebate:

The program covers a portion of the cost of approved eligible items, such as certain equipment, landscaping materials, etc.

- The rebate amounts will not exceed 50% of the products/items eligible for rebate.
- Rebates may be set dollar amounts based on square footage of landscape converted (cash for grass).
- The rebate can cover up to 50% of design costs for the new landscape, up to a design cap of \$250, which is included in the maximum rebate for each customer.
- Landscape retrofits may qualify for a maximum rebate of \$1,000 per residential customer or \$2000 per commercial meter and \$4000 per facility. However, any participating water purveyor may set a lower limit on rebate amounts and may allow only some of the equipment and/or materials to be eligible, e.g. 'cash for grass' only or some other factor not to exceed the limits stated above.

How the WaterWise Landscape Rebate Program will work:

Evaluation component:

- Purveyor determines customer baseline water usage
- Purveyor staff, or for large turf areas, the Cachuma Resource Conservation District schedules & conducts on-site visit/evaluation or photo/ written assessment of property.
- Purveyor approves the customer's landscape plan with list of eligible water conserving items/actions and dollar amount(s) for possible rebates, subject to verification that the water-efficient items or actions are implemented. The

purveyor will stipulate a time period during which the installation/implementation must occur in order to be eligible for a rebate.

Verification component:

- Purveyor performs post-installation inspection to ensure appropriate installation of pre-approved products/items. Purveyors with limited staffing may perform the evaluation and verification via submitted photographs and landscape plans.
- Purveyor reviews receipts to determine amount eligible for rebates.
- Purveyor enters and maintains data on retrofits and costs.

Rebate issuance:

- The customer must request rebates using whatever form or format is deemed appropriate by the water purveyor.
- Purveyor reviews customer's rebate request and issues rebate check(s).
- Purveyor invoices the County WA for only 50% of total rebate amounts.
- WA sends reimbursement check to purveyor quarterly.

Grant Reporting:

- Purveyor sends quarterly progress reports and cost/rebate data to WA using agreed-upon forms/formats.
- Purveyors' data includes staff costs and other costs
- Purveyors must ensure their expenditures meet or exceed the grant agreement's "local match" requirement.
- WA compiles data into a single progress report to USBR
- WA compiles cost/rebate data into financial report to USBR
- WA invoices USBR for reimbursement for payments made to purveyors.

Data Tracking:

Purveyors track participating customer's monthly water usage at the end of the grant period;

Purveyors report water usage data to WA for reporting to USBR.

Outreach:

Outreach for the new WaterWise Landscape Rebate Program will build on lessons learned from the SLRP by taking the following approach:

- Identifying highest water using customers;
- Compiling information on water usage and costs incurred by those customers;
- Communicating water usage and cost information directly with residents, commercial property owners, and school and park administrators;
- Promoting the program through landscape designers, who can help clients address typical roadblocks and see projects to completion;
- Posting information on the WaterWise Landscape Rebate Program on our regional water efficiency website www.WaterWiseSB.org.

Water Agency matching funds will be used for outreach and training in support of the program. This includes advertising and public workshops to promote the program and educate participants, as well as trainings and misc. support for water providers to help build skill sets for employees to perform landscape evaluations.

EVALUATION CRITERIA

Water Conservation

Quantifiable Water Savings:

This program is estimated to save 121 AF/year, shown in Table 1. Estimated water savings were calculated based on an analysis of monthly water use data from participants in a previous *Smart Landscape Rebate Program*. Data from the previous program, which is similar to that proposed here, compared 12 months of post-project water use to 12 months of pre-project baseline water use for each customer, wherever 12 months of pre and post project data was available. Of 289 unique rebates issued, 207 met our analysis criteria and provided a case by case assessment of water savings. Average water savings data from this analysis for each participating provider is shown in Table 2. Since most projects varied considerably in scale and used a variety of conservation technology and/or plant materials, the number of acre feet conserved by each specific technology employed on each project (e.g. turf removal vs. installation of rotating nozzles, etc.) cannot be distinguished.

Table 1. Average annual water supply and projected water savings.

Agency	Average Annual Water Supply during 2010- 2012 (AF)	Estimated Amount of Water Conserved (AF)	Percent Water Conserved
City Santa Barbara	13,310	31	0.23%
Buellton	1,203	10	0.80%
Carpinteria Valley WD	4,161	8	0.18%
Goleta WD	12,284	38	0.31%
Solvang	1,417	17	1.22%
Lompoc	4,559	11	0.23%
Vandenberg Village CSD	1,483	7	0.44%
Total	38,418	121	0.32%

Table 2. Summary Water Savings from Smart Landscape Rebate Program

Water Provider	Number of Unique Rebates issued	Average Water conserved for each rebate (AF)	Annual Water Conserved (AF)	15 Year Lifetime Water Conserved (AF)
Santa Barbara	166	0.16	27.2	407.7
GWD	70	0.89	62.5	938.0
CVWD	26	0.28	7.4	110.5
VVCS	24	0.12	2.9	43.6
Lompoc	3	0.35	0.1	14.9
Total	289	0.35	100.1	1,514.7

For the proposed project, a similar analysis of pre and post project monthly water use data will be performed to measure actual water savings and compare against estimated water savings.

To generate credible estimates for our proposal, we used a combination of data from our previous *Smart Landscape Rebate Program*, along with water provider data. The estimated # of rebates is shown in Table 3 and was generated using the following calculation:

$$\text{Estimated \# of Rebates for each participating provider} = \frac{\text{Total rebate \$ available}}{\text{Average rebate \$ per project}}$$

For this calculation, total rebate dollars available from each local participant and USBR match was used, along with the average rebate amount of \$728 was used from the previous *Smart Landscape Rebate Program*. Note that the estimated number of rebates have been rounded to the nearest whole number.

Table 3: Rebate amounts and estimated number of rebates.

Agency	Total Rebate \$ Available	Avg Rebate	Estimated # of Rebates
City of Santa Barbara	\$ 140,000	\$ 728	192
City of Buellton	\$ 20,000	\$ 728	27
CVWD	\$ 20,000	\$ 728	27
Goleta Water District	\$ 80,000	\$ 728	110
City of Solvang	\$ 36,000	\$ 728	49
City of Lompoc	\$ 22,000	\$ 728	30
Vandenberg Village	\$ 40,000	\$ 728	55
Totals	\$ 358,000		492

Calculations for estimating annual water conserved for each participating provider, shown in Table 4, followed the formula:

$$\text{Annual Water Conserved} = \text{Average AF saved per project} * \text{Estimated \# of rebates}$$

Table 4: Estimated water savings per project, number of rebates, and annual water savings.

Agency	Estimated Water Savings/ project (AF)	Estimated number of Rebates	Estimated Annual Water Savings
City of Santa Barbara	0.16	192	31
City of Buellton	0.35	27	10
CVWD	0.28	27	8
Goleta Water District	0.35	110	38
City of Solvang	0.35	49	17
City of Lompoc	0.35	30	11
Vandenberg Village	0.12	55	7
Totals	0.25	492	121

To estimate the average AF saved per project for each participating water provider, we used each providers average project water savings data from our previous *Smart Landscape Rebate Program*, based on the following considerations:

- *Provider specific average AF savings:*
 - City of Santa Barbara
 - City of Lompoc
 - Carpinteria Valley WD
 - Vandenberg Village CSD

- *Program average AF savings:*
 - City of Buellton
 - City of Solvang
 - Goleta Water District

The Cities of Buellton and Solvang were not in our previous SLRP, so we used the previous program average for their estimates. The Goleta Water District did participate in the previous program but had very high per project water savings (0.89 AF/project) due partly to high participation among home owner associations. We do

not expect this value to be achievable again and choose instead to conservatively apply the program average savings for Goleta Water District projections.

The 2010-2012 average annual acre feet of water supply for the participating water providers is found in Table 1, along with the percentage estimated to be saved by the proposed project.

Water that will be conserved by this project would currently be lost through a variety of pathways; including water lost to evaporation due to inefficient overhead water practices, water lost to urban runoff due to overwatering and poorly managed irrigation, and excessive water lost to transpiration from high ET plants such as turf grass. Only water that is lost below the root zone due to overwatering is currently 'recoverable' water. The majority of the water that will be conserved via this project is currently lost to either evapotranspiration or to storm drains and the ocean while a small percentage of water would infiltrate into the groundwater table.

Water conserved by this project will remain in local surface water reservoirs such as Lake Cachuma, remain within local groundwater basins, or be water that is not requested via the State Water Project. These savings will help reduce pressure on local and statewide water supplies and provide additional buffer during times of drought.

Landscape Irrigation Measures:

Outdoor water use will be reduced by implementing a variety of proven water conservation technologies. Participating water providers will review and approve specific projects based on submitted water conservation project plans. Most water providers will perform on site pre-inspections while some dealing with 'cash for grass' type projects may accept pre-project photos or 'drive by' pre-project evaluations prior to approval. The types of technology that could be approved include, but are not limited to:

- High efficiency irrigation (smart controllers, rotating nozzles, drip irrigation, etc.)
- Water wise or drought tolerant plants
- Removal of turf areas (cash for grass)
- Dedicated landscape meters, in place of mixed master meters
- Rain barrels or tanks and associated equipment
- Rain gardens and associated equipment
- Mulch or other groundcover

As in the previous *Smart Landscape Rebate Program*, these options provide flexibility for customers to reduce water use in ways most appropriate to their needs. By including a program element that will support professional landscape designers and architects within the planning stages, we believe this will result in landscape retrofit plans that more effectively save water, as well as assisting customers overcome common hurdles that are often a barrier to project completion.

Percentage of Total Supply:

The percentage of total water supply conserved by this project was calculated by the following formula and is shown in Table 1:

$$\text{Estimated Amount of Water Conserved} / \text{Average Annual Water Supply}$$

Reasonableness of Costs:

Reasonableness of cost is an important metric to consider for the use of federal and local funding. Cost per acre foot conserved over the project life was calculated using the following formula:

$$\text{Total project cost} / (\text{Acre Feet Conserved} * \text{expected life expectancy of projects})$$

Life expectancy of projects will vary but based on industry accepted life expectancy, we assumed a 15 years average project lifespan. A summary table showing project cost, annual water savings, and cost per acre foot is shown in Table 5:

Table 5: Projected costs, water savings, and cost per AF over project life

Agency	Total Project Cost (\$)	Annual Water Savings (AF)	Total Cost/AF over 15 year project life
City of Santa Barbara	\$ 231,939	31	\$ 503
City of Buellton	\$ 25,611	10	\$ 178
CVWD	\$ 30,172	8	\$ 261
Goleta Water District	\$ 155,895	38	\$ 270
City of Solvang	\$ 55,587	17	\$ 214
City of Lompoc	\$ 28,541	11	\$ 180
Vandenberg Village CSD	\$ 47,564	7	\$ 481
Totals	\$ 575,310	121	\$ 317

Note, total project cost includes water provider cash and staff contributions, USBR rebate match, and a prorated cash match from SBCWA based on the % of local match each provider has committed to.

Energy-Water Nexus:

Increasing Energy Efficiency in Water Management

Water conservation by urban water supplier's results in a direct saving of energy used to transport, treat, and distribute water. As shown in tables 6 and 7 below, the energy saved varies significantly depending on supply source with imported water through the State Water Project consuming 2,919 kWh/AF, significantly more than groundwater or other sources. Where water providers can reduce potable demand, the more expensive and energy intensive water supply sources will often be the first

to be avoided, greatly reducing the energy embedded within potable water used by participating providers.

Table 6: Embedded energy in Goleta Water District potable water system, 2007.

Goleta Water District Embedded Energy 2007				
Water Production	AF	kWh	kWh/AF	kWh/gal
Surface Transport	10,409	-	-	-
Imported Transport	3,007	8,777,433	2,919	0.00896
GW Pumping	439	171,966	392	0.00120
Recycled Water	1,012	107,738	106	0.00033
Treatment	13,855	565,760	41	0.00013
Distribution	14,867	99,656	7	0.00002
Total Upstream	14,867	9,722,552	654	0.00201

Table 7: Embedded energy in the City of Santa Barbara potable water system, 2005.

Santa Barbara Embedded Energy 2005				
Water Production	AF	2005 kWh	kWh/AF	kWh/gal
Surface Transport	13,180	-	-	-
Imported Transport	890	2,597,910	2,919	0.00896
GW Pumping	882	50,066	57	0.00017
Treatment	12,714	606,320	48	0.00015
Distribution	13,538	1,536,979	114	0.00035
Total Upstream	13,538	4,791,275	354	0.00109

Tables from:

http://www.bren.ucsb.edu/research/documents/Synergy_FinalReport.pdf

Additionally, water supply for each provider varies each year depending on the best supply mix for them based on a range of considerations. For these and other reasons, calculating kWh/AF savings for each water provider over the life of the grant is not attempted here.

Benefits to Endangered Species:

Locally, federally endangered species such as the Southern Steelhead Trout (*Oncorhynchus mykiss*), Tidewater Goby (*Eucyclogobius newberryi*), and Red Legged Frog (*Rana draytonii*) will benefit from these projects in many ways. The listed species are all at risk due in part to alteration of natural stream flow patterns,

degraded water quality, and excessive sedimentation, all of which are impaired by surface water diversions, groundwater extraction, and urbanization.

All of the proposed grant funded landscape projects will improve the status of the species by reducing diversions of water from Lake Cachuma and/or local groundwater basins and improve natural flow patterns. Additionally, some of the landscape retrofit projects being promoted will include installation of rain gardens on residential and commercial properties. Rain gardens direct runoff from roofs and other hardscapes into on-site infiltration areas such as swales, reducing runoff and associated storm related pollution and improving groundwater resources through onsite infiltration of stormwater. While the benefits to the listed species will not be measured, the projects will address specific impairments and threats outlined in the recovery plans for these listed species, specifically; reduced diversions from the Santa Ynez River watershed, reduced groundwater pumping, improved groundwater recharge, and reduced peak flow, sedimentation, and urban runoff related pollution.

Water Supply Sustainability:

This kind of project is proven to increase water conservation and efficiency overall, regardless of a water purveyor's water sources. Among Cachuma Project member units and CCWA members, this project will reduce the demand for Lake Cachuma water and State water. Reduced water usage will mean increased carryover storage in Lake Cachuma, less demand for State Water Project water, and reduced draw-down of groundwater supplies, reducing long term potable water demand in Santa Barbara County.

The specific concern addressed by this new rebate program would be the need to reduce demand on the Cachuma Project, where the reservoir is being rapidly depleted under the current drought conditions. In past drought periods, the member units have more readily agreed to voluntary reductions in Cachuma drawdown, whereas the current drought has created competition among Cachuma Project member units for the remaining reservoir supply.

SBCWA has been concerned that previous assumptions may be incorrect regarding Cachuma's actual existing volume of water and hence how long that amount of water can serve the needs of member units. This concern is based on several changes in water demand since the last negotiated contract renewal, including:

- Increases in downstream releases for fish habitat, per the National Marine Fisheries Service's Biological Opinion;
- Increases in downstream releases under the Cachuma Project Settlement Agreement (WR89-18 releases) for downstream water rights holders;
- Increased sedimentation due to major large fires in the Cachuma watershed in the past 7 years.

Due to these concerns, the County is undertaking several studies and developing models to allow better estimates of existing supplies and longevity of those supplies. More specifically, the County is funding: an aerial and bathymetric study of the reservoir to have the best volumetric data; compilation of data on the full historical operations of the Project; determination of the reservoir's available yield; and a model to forecast when the lake will reach certain levels.

An additional critical need is to help water districts meet the State's requirement for a 20% reduction in water usage by 2020. Each of the participating water providers has its own unique status related to this requirement, but even the City of Santa Barbara, which has been a state-wide leader in pursuing water conservation, acknowledges a challenge in meeting the 20% by 2020 requirement.

This proposed program is an excellent example of true regional collaboration. First, because SBCWA is the grant applicant, basically applying on behalf of the seven local water providers. Secondly, some of those water providers could have decided to apply for a grant independently without regard for cooperation with SBCWA or with other water providers. Instead, they are collaborating because they understand the importance of taking a regional approach to water conservation and water management more broadly. Also, with this new rebate program, our regional approach to conservation is being significantly broadened by the participation of two water providers, Solvang and Buellton, which have not previously participated in any rebate program, nor in any landscape conservation program. Participation by Solvang and Buellton is especially significant because it informs and involves residents of the Santa Ynez Valley who were not previously eligible to participate in similar programs offered in other parts of the County. Increased water conservation in the Santa Ynez Valley and in south coast communities helps to ameliorate tensions surrounding Santa Ynez River water rights and usage. These are tensions which have been evident for over 80 years, with litigation in the late 1920's and early 1930's eventually resulting in a State Supreme Court decision (the Gin Chow Agreement) and subsequently in a series of Santa Ynez River Operations Agreements.

As the grant applicant, SBCWA is committing not only staff time to coordinate the program but also contract dollars to fund outreach efforts that will cover all of the participating water providers' service areas. SBCWA will work with the participating agencies to design and implement the outreach program.

Thus, this grant proposal marks a new era in expanded regional collaboration in Santa Barbara County. SBCWA is hopeful that other water purveyors in the County will learn from the example and experiences of purveyors participating in this program and will then be willing to enhance their own conservation efforts by joining in future collaborative efforts modeled on this new program.

Implementation and Results:

Project Planning:

Water conservation plans and drought contingency plans are in place for the majority of the project participants. Formally, the SBCWA developed a *Santa Barbara County Regional Water Shortage/ Drought Management Plan* in 2007. Also in 2007, the SBCWA produced a *Water Shortage Contingency/ Drought Planning Handbook* which assisted local water providers prepare their own drought planning materials.

In addition, four of the seven participating water providers (Carpinteria Valley Water District, Goleta Water District, and Cities of Santa Barbara and Lompoc) are required to develop Urban Water Management Plans (UWMP). The 2010 update of these plans includes a required Water Shortage Contingency Plan which assists them in planning and prioritizing cost effective conservation projects such as these. The same four participants are also subject to SBx7-7 and are actively promoting Demand Management Measures that will reduce potable water use and meet gpcd goals by 2020.

Additional Non-Federal Funding:

This project utilizes non-federal funding through use of local water district staff time, cash rebates, and cash used for program promotion and advertising. Only the cash rebates to customers will be matched by the USBR. Non federal funding was calculated using the following formula:

$$\text{Non-Federal Funding} / \text{Total Project Cost}$$

Local vs. Federal funding is estimated to be 72% vs. 28% based on Table 8.

Table 8. Project funding sources.

	Total \$	% of Total
Local Funding	\$396,310	69%
USBR grant	\$179,000	31%
Total Project	\$575,310	

Connection to Reclamation Project Activities:

The proposed project will directly reduce potable water demand from USBR operated Lake Cachuma as well as in local groundwater basins and State Water Project deliveries. Three of the seven participating water providers directly receive water from the Lake Cachuma project. Additionally, the four remaining providers are all located downstream of Lake Cachuma, one of which receives the majority of their water from a separate Cachuma project participant. These downstream providers

rely heavily on groundwater, which is under the influence of releases into the Santa Ynez River from Lake Cachuma. The proposed projects will not be on Reclamation property but will reduce water demand from and increase carryover storage for the USBR operated Lake Cachuma.

Readiness to Proceed:

Upon entering a financial assistance agreement sometime after May 2014, the project partners will begin the necessary steps to ensure the program can proceed at the start of the project implementation period in fall 2014. The following timeline will be considered and adjusted as needed:

Timeline: including major milestones and dates.

Develop Program Descriptive Materials for Customers: August 31, 2014
Develop District's Data Tracking Form/Spreadsheet: August 31, 2014
Develop Standard Invoice for Districts & County: August 31, 2014
Develop County Reporting Form: August 31, 2014
Develop Outreach materials: August 31, 2014

Convene Participating Districts to Coordinate Implementation: August, 2014
Advertise the Program: September 2014 – and ongoing

Begin site visits: October 2014
Approve rebates: October 2014- ongoing to Sept 2016

Water Providers report to SBCWA: Jan 2015 and quarterly
SBCWA reports to USBR: Feb 2015 and semi-annually.

The initiation of projects will depend on willingness of end use customers to apply but proper preparation by water providers, including developing program logistics and reporting tools, advertising, and other components will help ensure applicants can proceed through the process smoothly once begun. The majority of the participating water providers have been involved in landscape retrofit programs so we do not anticipate significant learning curves to slow completion of projects early in the grant window.

Due to the small footprint of these individual water conservation projects, no major construction permits are anticipated by project participants, reducing permitting delays typical of larger projects.

Performance Measures:

Project benefits will be thoroughly analyzed in partnership with participating water providers. We will assess pre and post project water use for each project to calculate water saved and to compare pre-project estimates vs. actual savings.

To accomplish this, the SBCWA will request from all participating water providers at the conclusion of the program, monthly water use history for all applicants to compare pre and post project water use. SBCWA staff will analyze monthly water use records, identifying each project implementation date and establishing a period prior to implementation that will create 12 months of baseline water use. 12 months of post project water use data will also be analyzed to compare against the initial baseline data. Comparing pre and post project 12 month periods with similar weather will be attempted as much as is practical.

For landscape retrofits that install water wise plants, we do expect the post project analysis to fall within the typical establishment period for new plants. The initial plant establishment period is one where water use is higher than the period several years out from initial planting. For this reason, our estimates of water saved will likely be conservative relative to the 15 year project savings. Plant water needs and associated irrigation will decline over time, after our post project analysis and reporting. These projects will likely result in additional water savings over the expected life of these projects, but will be incalculable within the grant reporting window.

ENVIRONMENTAL COMPLIANCE

- (1) The proposed projects will all take place in the built urban environment on residential and CII properties and will not cause disturbance to native habitats or other natural resources. Additionally, the scale of these small projects is not expected to exceed the level of earth disturbance that would require permitting within the Land Use Development Code (>2500 Sq Ft for CII or >5000 Sq Ft for residential properties).
- (2) The proposed projects will take place on existing residential and commercial properties within the built urban environment and are not expected to encounter or have project boundaries overlap with any critical habitat for listed or proposed federally threatened or endangered species. Therefore, we do not expect any negative impacts on federally listed or proposed threatened or endangered species.
- (3) No wetlands or other surface waters are expected to be encountered by the proposed projects.
- (4) The age of the water delivery systems for the seven participating water providers varies considerably. The common water delivery system for three of

the participating providers (Carpinteria VWD, City of Santa Barbara, and Goleta Water District) relates to the USBR operated Bradbury Dam and associated Lake Cachuma on the Santa Ynez River. Built in the early 1950's, this water supply and flood control reservoir has a 6.4 mile long tunnel that delivers water to the three mentioned water providers, as well as other communities on Santa Barbara's south coast. Once water flows through the tunnel, it continues along the South Coast Conduit, where it is distributed to the providers. This project will not alter or modify the existing water delivery system in any way.

The SBCWA has no water related facilities as it does not distribute or deliver water to customers.

- (5) These projects will upgrade many individual residential and commercial irrigation systems. The age of these systems vary considerably but according to water conservation field crews, are usually on the order of 20-30 years old and are either very inefficient or failing in some way (leaking valves, broken spray heads, inefficient equipment, etc.).
- (6) No buildings, structures, or listed National Register of Historic Places are expected to be participating in our projects.
- (7) Given that these projects will take place in a variety of residential and CII properties, we expect no known archeological sites will be affected.
- (8) We do not expect any disproportionately high and adverse effects on low income or minority populations. We hope that the landscape rebates will allow those who may not be able to otherwise afford it, to make important changes to their irrigation and landscaping. One of the participating water providers, the City of Lompoc, is a Disadvantaged Community (DAC).
- (9) These projects are not expected to limit access to and ceremonial use of Indian sacred sites or result in other impacts to tribal lands.
- (10) We do not expect this project to contribute in a significant way to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area. Water conservation staff will review project plans and plant lists prior to approval of each project. We expect staff to review for some of the common invasive species present on lists such as WUCOLS and advise applicants to avoid these species.

REQUIRED PERMITS AND APPROVALS

No permits or approvals are required for implementation of the proposed program.

