

1. DATE ISSUEDMM/DD/YYYY

06/13/2025

1a. SUPERSEDES AWARD NOTICE dated05/22/2025

except that any additions or restrictions previously imposed remain in effect unless specifically rescinded

2. ASSISTANCE LISTING NUMBER

15.504 - Water Recycling and Desalination Construction Programs

3. ASSISTANCE TYPE

Cooperative Agreement

4. GRANT NO. R25AC00294-02

Originating MCA #

5. TYPE OF AWARD

Other

4a. FAINR25AC00294

5a. ACTION TYPEPost Award Amendment

6. PROJECT PERIODMM/DD/YYYY

From04/10/2025

Through09/30/2027

7. BUDGET PERIODMM/DD/YYYY

From04/10/2025

Through09/30/2027

8. TITLE OF PROJECT (OR PROGRAM)

City of Morro Bay: Water Reclamation Facility Project

NOTICE OF AWARD



AUTHORIZATION (Legislation/Regulations)
P.L. 102-575, Title XVI, Reclamation Wastewater and Groundwater Study and Facilities Act of 1992, October 30, 1992, as amended.

9a. GRANTEE NAME AND ADDRESS

CITY OF MORRO BAY
955 Shasta Ave
Morro Bay, CA, 93442-1934

9b. GRANTEE PROJECT DIRECTOR

Mr. Greg Kwolek
955 Shasta Avenue
Morro Bay, CA, 93442-1301
Phone: 805-772-6564

10a. GRANTEE AUTHORIZING OFFICIAL

Ms. Yvonne Kimball
955 Shasta Avenue
Morro Bay, CA, 93442-1301
Phone: 8057726206

10b. FEDERAL PROJECT OFFICER

Mrs. Katherine Calagua
PO BOX 25007
Denver, CO, 80225-0007
Phone: 3034452049

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

REMARKS (Other Terms and Conditions Attached - ☒ Yes ☐ No)
Original Terms and Conditions are included to correct an administrative error on the Base Agreement and Amendment 01.

GRANTS MANAGEMENT OFFICIAL:

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

17. VENDOR CODE			0071332298		18a. UEI KAFQZMM3MRA5		18b. DUNS 060890571		19. CONG. DIST.		24	
LINE#	FINANCIAL ACCT	AMT OF FIN ASST	START DATE	END DATE	TAS ACCT	PO LINE DESCRIPTION						
1	0054002146-00010	\$0.00	04/10/2025	09/30/2027	0680	FAB Clty of Morro Bay Title XVI						
2	0054002146-00020	\$0.00	04/10/2025	09/30/2027	0680	FAB Clty of Morro Bay Contingency						

NOTICE OF AWARD (Continuation Sheet)

PAGE 2 of 2	DATE ISSUED 06/13/2025
GRANT NO. R25AC00294-02	

Federal Financial Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
04/10/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	09/30/2027	Final	01/28/2028

Performance Progress Report Cycle			
Reporting Period Start Date	Reporting Period End Date	Reporting Type	Reporting Period Due Date
04/10/2025	09/30/2025	Semi-Annual	10/30/2025
10/01/2025	03/31/2026	Semi-Annual	04/30/2026
04/01/2026	09/30/2026	Semi-Annual	10/30/2026
10/01/2026	03/31/2027	Semi-Annual	04/30/2027
04/01/2027	09/30/2027	Final	01/28/2028

AWARD ATTACHMENTS

CITY OF MORRO BAY

R25AC00294-02

1. Amendment 02

Federal Financial Assistance Terms and Conditions of Award

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I. Award Administration and Overview

1. Authority

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

2. Public Purpose of Support

The U.S. Department of the Interior's (Department) WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program provides a framework for Federal leadership and assistance to stretch and secure water supplies for future generations in support of the Department's priorities. Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to support stakeholder efforts to stretch scarce water supplies and avoid conflicts over water.

Through the Title XVI Water Reclamation and Reuse Program (Title XVI), authorized by Public Law (P.L.) 102-575 in 1992, Reclamation provides financial and technical assistance to local water agencies for the planning, design, and construction of water reclamation and reuse projects. Water recycling is a tool in stretching the limited water supplies in the Western United States. Title XVI projects develop and supplement urban and irrigation water supplies through water reuse- thereby improving efficiency, providing flexibility during water shortages, and diversifying the water supply. These projects provide growing communities with new sources of clean water which increases water management flexibility and makes our water supply more reliable. Title XVI water projects are an important part of the WaterSMART Program.

The City depends on imported supplies from the State Water Project, which can be vulnerable to cutbacks during droughts and natural disasters, and the WRF Project will provide a new local, reliable, resilient water supply for the City. This proactive approach will help ensure the City's economy remains strong and prosperous. These infrastructure improvements ensure the project's success and will significantly contribute to its sustainability. The WRF Project incorporates advanced treatment technology to produce purified water that meets indirect potable reuse standards for replenishing and reusing groundwater. The treatment facility has been designed and constructed with a capacity of 0.97 million gallons per day (MGD), which will be capable of producing up to 887 acre-feet per year (AFY) of advanced purified water at full build-out of the City for injection into the Lower Morro Valley Groundwater Basin (Morro Basin) and for non-potable irrigation uses. The infusion of advanced purified water into the Morro Basin will protect against seawater intrusion and nitrate contamination and provide a reliable water supply for the City's growing needs without causing harm to the environment. This eco-efficient facility is a valuable opportunity for the community.

The WRF Project consists of three (3) components, each including recycled water elements. The primary components of the WRF Project are:

1. Water Resources Center – A new WWTP or WRF, including Full Advanced Treatment (*i.e., membrane filtration, reverse osmosis, and ultraviolet/advanced oxidation treatment processes*).
2. Conveyance – Pipelines and pump stations to convey wastewater to the Water Resources Center, treated effluent to the City's existing ocean outfall, and advanced purified recycled water to the Recycled Water Facilities.
3. Recycled Water Facilities – Injection wells and recycled water pipelines to recharge the Morro Basin and offset the need for potable water.

The applicant is a sponsor of water recycling project for the public that have a completed Title XVI Feasibility Study that Bureau of Reclamation (Reclamation) has reviewed and found to meet all the public purpose requirements of Reclamation Manual Release WTR 11-01, and Reclamation has transmitted those findings to Congress where it has been found that this project satisfies the requirements for public purposes.

The WRF Project offers a variety of benefits that address social, economic, and environmental concerns both locally and regionally. These advantages include meeting regulatory standards, improving water quality and ecological with environmental conditions, enhancing the water supply portfolio through diversification, improving economic and budgetary situations, and achieving supply reliability.

3. Background and Objectives

Background:

The City of Morro Bay (City) is a picturesque seaside city in San Luis Obispo County, California. It is situated on the Central Coast of California and has a population of approximately 10,000 people. Being a popular year-round vacation destination, the number of weekend and holiday visitors more than doubles the resident population. The economy of the City is primarily based on small businesses, commercial fishing, and tourism. According to the United States Census Bureau, the total area of the City is 10.3 square miles (27 km²), of which 5.3 square miles (14 km²) is land and 5.0 square miles (13 km²) is water, accounting for 48.63% of the total area.

The City is a small but self-reliant community officially incorporated in 1964. Despite its self-reliance, it faces significant challenges that cannot be ignored. The City has limited water resources, unpredictable weather patterns, and fragile natural ecosystems. The City depends on two (2) water sources to cater to the demand for potable water. The primary source is imported water from the California Department of Water Resources State Water Project (State Water Project), which can be unreliable during extended droughts and vulnerable to natural disasters. The City's groundwater serves as a backup water source, but it can only supply the City with approximately four (4) months of water before running dry. The City is deeply committed to

taking all necessary steps to ensure its residents have access to the water they need to thrive while at the same time protecting its natural resources and ecosystems.

The City has commenced building a Water Reclamation Facility (WRF) to replace the 68-year-old Morro Bay-Cayucos Wastewater Treatment Plant (WWTP). The WRF Project is co-funded with a State of California State Revolving Fund (SRF) loan, as well as an Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) loan. To comply with funding program requirements, the City had completed the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) environmental compliance regulations. The City actively collaborated with the EPA to obtain essential federal, state, and local permits. This partnership aims to enhance land and biodiversity conservation through the innovative use of recycled water. The WRF Project is designed to produce top-quality purified recycled water while also incorporating effective measures to protect and preserve biological resources.

Additionally, the project includes development of the Riparian Enhancement Plan (REP) and conservation easement. These measures were designed to safeguard wildlife and minimize vegetation disruption during construction while promoting sustainable development practices that prioritize the long-term health and well-being of the local ecosystem. Furthermore, the 27-acre parcel of land that houses the WRF Project treatment plant site includes a conservation easement covering 19.5 acres of land, a testament to the project's commitment to preserving the natural environment. This conservation easement covers the REP area, which has been thoughtfully designed to create a native vegetation area and support wildlife habitat for several species, including migratory birds, songbirds, the California red-legged frog, and the American badger. The land will be conserved as open space to provide a habitat for threatened or endangered species, native plants and grasses, and local wildlife, which will help promote a healthier and more resilient ecosystem for future generations.

Objectives:

The WRF Project's primary objective is to augment the water supply by utilizing the City's wastewater, which is directly consistent with Reclamation's WIIN Program's mission. The WRF project will improve groundwater quality, mitigate seawater intrusion, and provide climate change resilience. The project strengthens future water supply reliability while achieving environmental and economic benefits. Advanced purified water injected into the Basin will, over time, reduce the concentrations of nitrate and TDS in the basin while maintaining groundwater levels that help prevent seawater intrusion into the aquifer. Relocation of the City's wastewater treatment facilities from the previous WWTP's current coastal location to its new inland location, out of the floodplain, will protect the new facilities from flooding and sea level rise as anticipated due to climate change.

4. Financial Assistance Administrative Regulations

All recipients are required to follow the applicable federal, Department of Interior, and Reclamation financial assistance regulations. The provisions of the "Uniform Administrative

Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance” located at [Title 2 CFR Part 200](#), the Department of the Interior Federal Agency Regulations for Grants and Agreements at [Title 2 CFR Subtitle B, Part 1400-1499](#), and the Financial Assistance Interior Regulations (or FAIR) at [Title 2 CFR Subtitle B, Parts 1402-1402.499](#), are hereby incorporated by reference as though set forth in full text.

5. Regulatory Compliance

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

6. Acceptance

Recipients of Reclamation financial assistance awards must comply with the applicable terms and conditions incorporated, either directly or by reference, in their Notice of Funding Opportunity R22AS00115 WaterSMART WIIN Act Water Reclamation and Reuse Projects 2022, program announcements, and this Notice of Award. These terms and conditions are in addition to the assurances and certifications made as part of the award application process through submission of the Standard Forms SF-424B Assurances for Non-Construction Programs, SF-424D Assurances for Construction Programs, and Certifications Regarding Lobbying (see [SF-424 Family | Grants.gov](#)), or through acceptance of certifications and representations in the System for Award Management ([SAM.gov](#)).

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

7. Amendments

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

All recipient requests for amendment of the Agreement, including prior approval requirements set forth in [2 CFR 200.308](#), such as no-cost extensions and changes to key personnel, or the

addition of previously agreed upon funding, are addressed to the GO and submitted in writing (including via email) and will include a full description of the reason for the request.

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

II. Project Performance

1. Project Narrative and Milestones

The Recipients approved project proposal dated 1/20/2025 is incorporated by reference to this Agreement.

Objective 1: Contract Support for Program and Administrative Management Services

Perform program management activities for the recycled water component of the WRF Project and support the City in completing administrative items, contract management, consultant/contractor procurement, funding/financing coordination, public outreach, and coordination with City staff.

Objective 1 Outcomes: Contracts for program and administrative management services, project progress reports for funding/financing agencies and City Council, meeting agendas and action item documentation, public meeting agenda packet materials and presentations, public outreach materials, and other associated deliverables.

Objective 2: Contract Support for Hydrogeologic Planning and Analysis Services

Perform hydrogeologic planning and analyses services, including groundwater modeling, field work, data gathering, coordination, permitting, calculations, correspondence, reporting, experimentation, pilot injection well and monitoring well design and construction oversight, injection testing, permitting support, and support of all hydrogeologic components of the recycled water program.

Objective 2 Outcomes: Contracts for hydrogeologic planning and analysis services, groundwater analysis and modeling reports, field investigation reports, transient groundwater model, permitting support documents, injection test plan, injection test report, aquifer storage and recovery permit application and reporting materials, and other associated deliverables.

Objective 3: Contract Support for Environmental and Regulatory Compliance Services

Perform environmental and regulatory compliance services for the recycled water components of the WRF Program, including supporting the City in maintaining compliance with the requirements from the following regulatory agencies: State Historic Preservation Office; United States Fish and Wildlife Service; State Water Resources Control Board – Department of Drinking Water; Regional Water Quality Control Board; California Coastal Commission; Federal Emergency

Management Agency; and various local, regional, state and federal permitting agencies.

Objective 3 Outcomes: Contracts for environmental and regulatory compliance services, biological and archeological surveys and reports, California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) compliance documents, project progress reports for funding/financing agencies and resource agencies, and other associated deliverables.

Objective 4: Construct Advanced Water Purification Facility

Obtain any necessary permits for construction. Construct a 0.97-mgd advanced water purification facility (AWPF) for the WRF. Construction includes procuring materials for installing and testing microfiltration and reverse osmosis equipment, and an ultra-violet light-based advanced purification system, a product water storage tank, a facility pump station, and all necessary appurtenant piping and equipment. The Contractor will minimize risk and ensure worker safety throughout the construction process by designing and installing shoring where appropriate. The Contractor will restore all areas affected to pre-construction conditions. The Contractor will perform all necessary testing and start-up procedures to bring the AWPF into service.

Objective 4 Outcomes: Complete construction of 0.97-mgd AWPF.

Objective 5: Construct Conveyance Pipeline

Obtain any necessary permits for construction. Construct approximately 14,000 linear-feet of 8 and 10-inch High-Density Polyethylene (HDPE) pipe from the AWPF to the Lower Morro Valley Groundwater Basin (Basin) for groundwater replenishment. Construction will be primarily along existing roadways and within Public Right-of-Way and may involve cutting, removing, and replacing pavement in existing paved areas. Where possible, the contractor will install pipeline along the shoulder of the roads to minimize paving and traffic disruption. Contractor will implement a traffic control plan. Contractor will restore all grades to pre-project or design conditions and will repave affected roadways upon completion of the pipeline installation. Contractor will minimize risk and ensure worker safety throughout the construction process by designing and installing safety measures where appropriate. Contractor will perform all necessary testing and start-up procedures to bring the pipeline into service.

Objective 5 Outcomes: Complete construction of conveyance pipeline.

Objective 6: Prepare Design Plans and Specifications for Injection and Monitoring Well Drilling

Prepare design plans and specifications for the drilling of a series of injection and monitoring wells to replenish and monitor the Morro Basin. Present finalized design plans and specifications to project stakeholders. Incorporate stakeholder comments into subsequent submittals. Develop final Bid Documents for use in publicly bidding the project for construction.

Objective 6 Outcomes: Final set of bid documents (plans and specifications) to allow for

contractors to understand the work needed to construct the injection and monitoring wells, limitations to access, regulatory and permitting compliance requirements, such that they can provide a price proposal to construct the Injection Wells.

Objective 7: Procure Contractor for Injection and Monitoring Well Drilling

Prepare and issue bid documents, respond to questions from bidders, and develop addendums if required. Solicit and accept contractor bids, review bids, and develop a Summary of Bids and Award recommendations for stakeholder approval. Complete contract negotiations with selected contractor and execute construction contract.

Objective 7 Outcomes: Execute contract for drilling of the injection and monitoring wells.

Objective 8: Drill Injection and Monitoring Wells

Obtain any necessary permits for construction. Construct a series of injection and monitoring wells to replenish and monitor the Morro Basin. Construction includes installation of the conductor casing and sanitary seals, drilling the pilot borehole, borehole reaming, installation of the casing, screen filter pack and annular seal, well development, aquifer pumping and injection tests, completion of video, plumbness, and alignment surveys, final disinfection, construction of groundwater monitoring wells, and installation of all appurtenant piping and equipment necessary.

Contractor will minimize risk and ensure worker safety throughout the construction process by designing and installing safety measures where appropriate. Contractor will restore all areas affected to pre-construction conditions. Contractor will perform all necessary testing and start-up procedures to bring the injection wells into service.

Objective 8 Outcomes: Complete construction of injection and monitoring wells.

Objective 9: Prepare Design Plans and Specifications for Recycled Water Pipeline Construction and Injection Well Equipping

Prepare design plans and specifications for constructing recycled water pipelines and equipping of a series of injection wells to replenish the Morro Basin. Present finalized design plans and specifications to project stakeholders. Incorporate stakeholder comments into subsequent submittals. Develop final Bid Documents for use in publicly bidding the project for construction.

Objective 9 Outcomes: Final set of bid documents (plans and specifications) to allow for contractors to understand the work needed to construct the recycled water pipelines and equip the injection wells, limitations to access, regulatory and permitting compliance requirements, such that they can provide a price proposal to construct the recycled water pipelines and equip the injection wells.

Objective 10: Procure Contractor for Recycled Water Pipeline Construction and Injection Well Equipping

Prepare and issue bid documents, respond to questions from bidders, and develop addendums if required. Solicit and accept contractor bids, review bids, and develop a Summary of Bids and Award recommendations for stakeholder approval. Complete contract negotiations with selected contractor and execute construction contract.

Objective 10 Outcomes: Select a recommended contractor and execute contract for recycled water pipeline construction and injection well equipping.

Objective 11: Construct Recycled Water Pipelines and Equip Injection Wells

Obtain any necessary permits for construction. Construct a network of recycled water pipelines and equip a series of injection wells to replenish the Morro Basin with recycled water. Recycled Water Pipeline construction to include approximately 10,000 linear-feet of 10-inch High-Density Polyethylene (HDPE) pipe to provide water to the injection wells. Pipeline construction will be primarily along existing roadways, within Public Right of Way and in previously disturbed areas, where possible, and may involve cutting, removing, and replacing pavement in existing paved areas. Where possible, the contract will install pipelines along the shoulder of the roads to minimize paving and traffic disruption. Contractor will implement a traffic control plan. Contractor will restore all grades to pre-project or design conditions and will repave affected roadways upon completion of the pipeline installation. Injection well equipping includes construction of mechanical piping, backflush facilities, electricity/ power distribution facilities, electrical/ motor control buildings, and all appurtenant piping and equipment necessary.

Contractor will minimize risk and ensure worker safety throughout the construction process by designing and installing safety measures where appropriate. Contractor will restore all areas affected to pre-construction or design conditions. Contractor will perform all necessary testing and start-up procedures to bring the injection wells into service.

Objective 11 Outcomes: Complete construction of recycled water pipelines and equipping of injection wells.

Objective 12: Contractual Support for Construction Support Activities

Perform engineering services during construction and construction management activities for the recycled water components of the WRF Program. Engineering Services During Construction to include responding directly to contractor submittals, requests for information, design changes, clarifications during construction, and coordination with the program manager, City, inspectors, regulatory agencies, and construction manager. Construction management services include coordination of submittals, requests for information, reporting, meetings, change orders, inspections, as-built record coordination, testing, and permit compliance.

Objective 12 Outcomes: Contracts for engineering services during construction and construction management services, responses to contractor submittals and requests for information, construction progress inspection reports, change order analysis and documentation, and other associated deliverables.

Milestones/Timeline/Schedule: Title XVI Grant Eligible Construction Activities (7/22/2020 to 9/30/2026)

Year 1 – Construction (Federal FY20: 7/22/2020 – 9/30/2020)

- July 22, 2020 – City received notification from Bureau of Reclamation that the Morro Bay WRF Project Feasibility Study was accepted as complete (Title XVI Grant Agreement Eligibility Start Date).
- 7/22/2020 – 9/30/2020 – Ongoing construction of Advanced Treatment Facility.

Year 2 – Construction (Federal FY21: 10/01/2020 – 9/30/2021)

- FY2021 – Ongoing construction of Advanced Treatment Facility.
- December 2020 – Selected contractor and begin Conveyance Pipeline Construction.

Year 3 – Construction (Federal FY22: 10/01/2021 – 9/30/2022)

- FY2022 – Ongoing construction of Advanced Treatment Facility.
- FY2022 – Ongoing construction of Conveyance Pipeline.
- March 2022 – Pilot Injection Well (Injection Well 1) Construction Bid Date.
- June 2022 – Selected contractor and begin Injection Well 1 Construction.
- August 2022 – Conveyance Pipeline Commissioning Start Date.

Year 4 – Construction (Federal FY23: 10/01/2022 – 9/30/2023)

- January 2023 – Injection Well 1 Construction and Injection Testing Complete.
- April 2023 – Conveyance Pipeline Construction Substantial Completion Date.
- September 2023 – Advanced Treatment Facility Acceptance Test Complete.

Year 5 –Design (Federal FY24: 10/01/2023 – 9/30/2024)

- June 2024 – Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Design Procurement Complete.
- July 2024 – Injection Wells 2 & 3 and Monitoring Well Design and Construction Oversight Procurement Complete.
- November 2024 - Archeological Phase 3 Testing Report submitted to EPA.

Year 6 – Design/Permitting/Bidding/Construction (Federal FY25: 10/01/2024 – 9/30/2025)

- January 2025 – Injection Wells 2 & 3 and Monitoring Well Design Complete.
- April 2025 – Injection Wells 2 & 3 and Monitoring Well Construction Procurement Complete.
- May 2025 - Injection Wells 2 & 3 and Monitoring Well Construction Start Date.
- June 2025 – Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Design

- Complete.
- September 2025 – Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Construction Procurement Complete.

Year 7 – Construction Completion/Project Close-out (Federal FY26: 10/01/2025 – 9/30/2026)

- October 2025 - Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Construction Start Date.
- December 2025 – Injection Wells 2 & 3 and Monitoring Well Construction Complete.
- January 2026 - Regional Water Quality Control Board (RWQCB) and Department of Water Resources (DDW) Permitting Complete.
- June 2026 – Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Substantial Completion Date.
- July 2026 – Injection Well 1, 2, & 3 Groundwater Injection Tracer Study Initiated.
- September 2026 - Recycled Water Pipeline and Injection Wells 1, 2, & 3 Equipping Construction Complete.
- November 2026 – Injection Well 1, 2, & 3 Groundwater Injection Tracer Study Complete.

Year 8 – Post-Construction (Federal FY27: 10/01/2026 – 9/30/2027)

Title XVI Grant Eligibility Construction Activities		
	Planned Start Date	Planned Completion Date
1. Planning and Program Management	July 2020	August 2027
2. Construction of Recycled Water Conveyance Pipeline	December 2020	April 2023
3. Construction of Injection Well 1 and Injection Testing	June 2022	January 2023
4. Recycled Water Facilities Design and Permitting	June 2024	January 2026
5. Construction of Injection Wells 2, 3, & 4 and Monitoring Well	May 2025	December 2025
6. Construction of Recycled Water Pipeline and Injection Wells 1, 2, 3, & 4 Equipping	October 2025	September 2026
7. Final Report and Closeout	October 2026	September 2027

2. Recipient Responsibilities

The Recipient shall carry out the approved project in accordance with the terms and conditions stated herein, [2 CFR Part 200](#) (including procurement requirements at [200.320](#)), adherence to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the approved project contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

2.1. Adhere to all Federal, State, and local laws and regulations and codes, as applicable, and obtain all required approvals and permits. Coordinate and obtain approvals from site owners and operators.

2.2. Perform all tasks pursuant to, and utilizing methods specified in, the Proposal.

2.3. Obtain all additional funds needed to complete Morro Bay Water Reclamation Facility Project that is specified in the Proposal.

2.4. Recognize, through inclusion in planned signage, public ceremonies, public outreach documents, and other appropriate methods, the contribution of Reclamation through the Title XVI toward completion of the project.

2.5. Provide Reclamation with manuscripts published in scientific journals, as data warrant. Promptly provide to Reclamation, at the Recipient's sole cost, electronic files of all field data, photographs, and research products including reports, analyses, databases, and models, as applicable, that are produced by the Recipient in connection with the investigations undertaken through this Agreement, whether published or not.

3. Reclamation Responsibilities

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

Substantial involvement by Reclamation is anticipated during the performance of activities funded under this cooperative Agreement. In support of this Agreement, Reclamation is responsible for the following activities: Actively participate in work to ensure compliance with the CEQA, NEPA and Endangered Species Act. The City and Reclamation Area Office will work together to obtain all applicable state and local permits for work to be performed under this grant.

III. Financial Assistance

1. Available Funding

The total estimated project cost for this Agreement is \$43,710,750.00.

The amount of federal funds issued with this action is \$9,310,095.00 as indicated by “Amount of Financial Assistance This Action” within block 12 of the NOA.

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

2. Approved Budget

The total approved budget summarizes the financial aspects of the project. It is detailed by category in block 11 of the NOA page and/or below. Final costs incurred within budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this Agreement must be in accordance with budget documentation submitted on 2/14/2025 to Reclamation, and any pre-award clarifications conducted between the Recipient and Reclamation.

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

Budget Summary			
Category	Total Cost	Federal Estimated Amount	Non-Federal Estimated Amount
a. Personnel	\$0.00		
b. Fringe Benefits	\$0.00		
c. Travel	\$0.00		
d. Equipment	\$0.00		
e. Supplies	\$0.00		
f. Contractual	\$3,949,129.00		
g. Construction	\$37,802,905.00		
*Contingency	\$1,958,716.00		
h. Other Direct	\$0.00		
i. Total Direct	\$43,710,750	\$9,310,095.00	\$34,400,655.00
j. Indirect Costs	\$0.00		
Total Costs	\$43,710,750		
Cost Share Percentage		21%	79%

*These funds are included in the construction budget, but require prior approval before the recipient may access these funds. See clause Section III, clause 6 Restricted Funds for more information.

3. Cost Sharing Requirement

At least 75% non-federal cost-share is required for costs incurred under this Agreement. If pre-award costs are authorized, reimbursement of these costs is limited to federal cost share percentage identified in this Agreement.

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

4. Pre-Award Incurrence of Costs

The Recipient shall be entitled to reimbursement for costs incurred on or after, July 22, 2020 which if had been incurred after the start date of the period of performance, would have been allowable, allocable, and reasonable under the terms and conditions of this Agreement.

5. Indirect Costs

Indirect costs are not approved for this Agreement.

6. Restricted Funds

6.1 Contingency Costs

Prior approval is required, in writing, from the GO to transfer funds (of any amount) from the contingency cost line-item to other cost categories in the budget. The request for approval from the recipient must be in writing and identify the reason(s) why the transfer is necessary and identify the cost overruns in other budget line-items. If there are no cost-overruns during the performance of construction under this Agreement, funds obligated under the contingency cost line-item may be de-obligated by the GO.

6.2 Prior Approval Requirement

Prior approval is required, in writing, from the GO for Contingency funds to be drawn down or obligated by the Recipient. The restriction, in the amount of \$1,958,716.00, can only be removed by amendment to this Agreement.

IV. Payment Information

1. Payment Method

Recipients must utilize the Department of Treasury Automated Standard Application for Payments (ASAP) payment system to request payments. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of federal funds. ASAP is the only allowable method for request and receipt of payment. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for Agreement purposes.

2. Payment

Financial assistance recipients are paid in advance by electronic drawdown, provided they maintain written procedures that minimize the time elapse between transfer of funds from ASAP accounts and disbursements, and they have financial management systems that meet standards for fund control and accountability. Advance payments are limited to the immediate cash requirements to carry out the purpose of the approved program or project.

3. Return of Funds, Excess Cash, and Interest

3.1 Return of Funds or Excess Cash

Funds, principal, and excess cash returns may be made to Reclamation through the following means.

Payment Method ASAP

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

V. Reporting Requirements

1. Reclamation Required Reports and Submission

Reports can be submitted to the GMS via bor-sha-acq-fa@usbr.gov **or** [GrantSolutions](#).

1.1 Financial Reporting Requirements

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

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

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

1.2 Performance Progress Reporting Requirements

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

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

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

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

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

2. Federal-wide Reports and Disclosures

2.1 System for Award Management

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

2.2 Subawards and Executive Compensation

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

2.3 Reporting Recipient Integrity and Performance

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

2.4 Conflicts of Interest

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

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

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

Definitions:

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

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

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

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

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

2.5 Trafficking Victims Protection

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

3. Remedies for Noncompliance

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

Noncompliance may result in withholding of payments, denying both the use of federal funds and recipient cost-share for all or part of a cost, activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with [2 CFR 200.339-340](#).

VI. Program or Project Specific Terms and Conditions

1. Buy America Preference for Infrastructure Projects

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

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

(1) All iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(2) All manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product; and

(3) All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The construction material standards are listed below.

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

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

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

Determining the cost of components for manufactured products. In determining whether the cost of components for manufactured products is greater than 55 percent of the total cost of all components, use the following instructions:

(a) For components purchased by the manufacturer, the acquisition cost, including

transportation costs to the place of incorporation into the manufactured product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

(b) For components manufactured by the manufacturer, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (a), plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the manufactured product.

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

(1) Non-ferrous metals. All manufacturing processes, from initial smelting or melting through final shaping, coating, and assembly, occurred in the United States.

(2) Plastic and polymer-based products. All manufacturing processes, from initial combination of constituent plastic or polymer-based inputs, or, where applicable, constituent composite materials, until the item is in its final form, occurred in the United States.

(3) Glass. All manufacturing processes, from initial batching and melting of raw materials through annealing, cooling, and cutting, occurred in the United States.

(4) Fiber optic cable (including drop cable). All manufacturing processes, from the initial ribboning (if applicable), through buffering, fiber stranding and jacketing, occurred in the United States. All manufacturing processes also include the standards for glass and optical fiber, but not for non-ferrous metals, plastic and polymer-based products, or any others.

(5) Optical fiber. All manufacturing processes, from the initial preform fabrication stage through the completion of the draw, occurred in the United States.

(6) Lumber. All manufacturing processes, from initial debarking through treatment and planning, occurred in the United States.

(7) Drywall. All manufacturing processes, from initial blending of mined or synthetic gypsum plaster and additives through cutting and drying of sandwiched panels, occurred in the United States.

(8) Engineered wood. All manufacturing processes from the initial combination of constituent materials until the wood product is in its final form, occurred in the United States.

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

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

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

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

Definitions

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

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

(1) The listed items are:

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

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

"Infrastructure" means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and

wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging.

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

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

“Manufactured products” means:

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

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

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

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

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

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

2. Liability

If the Recipient, subrecipients, or contractors use equipment, vehicles, hazardous materials or engage in high-risk activities, which have the potential for claims brought by third parties for death, bodily injury, property damage, or other loss resulting from award activities, then include this term.

a. In general, except as provided under [28 U.S.C. Chapter 171](#) (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 28 U.S.C. Chapter 171, United States Code (commonly known as the “Federal Tort Claims Act”).

3. Wage Rate Requirements

Include this term if any funding for the award is through the Bipartisan Infrastructure Law (BIL).

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

VII. Reclamation Contacts

1. Grants Officer

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

2. Grants Management Specialist

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

3. Grants Officer’s Technical Representative

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

VIII. Department of Interior Standard Terms and Conditions

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