

RECLAMATION

Managing Water in the West

Drought Response Program Framework: WaterSMART Program



U.S. Department of the Interior
Bureau of Reclamation
Policy and Administration
Denver, Colorado

April 2016

Mission Statements

The U.S. Department of the Interior protects America's natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Drought Response Program Framework: WaterSMART Program



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Acronyms and Abbreviations

ARC	Application Review Committee
Climate Strategy	Reclamation’s Climate Change Adaptation Strategy
CMIP	Coupled Model Intercomparison Project
Commissioner	Reclamation’s Commissioner
DCHP	Downscaled Climate and Hydrology Projections
Drought Act	Reclamation States Emergency Drought Relief Act of 1991
FEMA	Federal Emergency Management Agency
FOA	Funding Opportunity Announcement
FY	fiscal year
Framework	Drought Response Program Framework
GO	Grants Officer
GOTR	Grant Officer Technical Representative
Interior	U.S. Department of the Interior
NRCS	Natural Resources Conservation Service
NDMC	National Drought Mitigation Center
OMB	Office of Management and Budget
Policy	Policy and Administration
P.L.	Public Law
President’s Plan	The President’s Climate Action Plan, “Preparing the United States for the Impacts of Climate Change,” released in June 2013
RAC	Reclamation Acquisition Circular
Reclamation	Bureau of Reclamation
SCADA	Supervisory Control and Data Acquisition

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SECURE	Science and Engineering to Comprehensively Understand and Responsibly Enhance Water Act
SECURE Water Act	Section 9504(a), Subtitle F, P.L. 111-11
SNOWTEL	Natural Resources Conservation Snow Telemetry Network
Task Force	Drought Planning Task Force
U.S.	United States
USC	United States Code
USGS	U.S. Geological Survey
WaterSMART	Sustain and Manage America's Resources for Tomorrow
WWCRA	West-Wide Climate Risk Assessment

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Executive Summary

Many areas in the west are currently experiencing unprecedented drought conditions. In the Colorado River Basin, the years 2000 to 2014 represent the worst multi-year drought in approximately 100 years of our measured record, dating back to 1906. On April 22, 2014, the western United States (U.S.) Drought Monitor's weekly report marked the first time in its history that the entire State of California experienced moderate to exceptional drought. While droughts are common in the western U.S. there is growing evidence that climate change is causing longer and more frequent droughts in some areas.¹ As the Nation's largest wholesale water supplier, Bureau of Reclamation (Reclamation) must support our customers, stakeholders, and partners in building resiliency to drought and climate change.

Drought directly impacts Reclamation's ability to deliver water and power to contractors, central to Reclamation's mission. During droughts, reservoir supplies are depleted earlier than usual, which can result in shortages to irrigators later in the season, restrictions on residential water users, and reduced supplies for ecological resources. Drought also impacts water quality due to higher water temperatures and an increased risk of wildfires.

The President's Climate Action Plan, "Preparing the United States for the Impacts of Climate Change," released in June 2013 (President's Plan), highlights drought preparedness as a priority. Likewise, Reclamation's Climate Change Adaptation Strategy (Climate Strategy) includes a commitment to increase support for climate adaptation planning, including planning for drought. Consistent with the President's Plan and Reclamation's Climate Strategy, Reclamation has reformulated its previous Drought Program to improve our ability to assist States, tribes, and local governments to prepare for and address drought in advance of a crisis.

Reclamation's new Drought Response Program supports a proactive approach to drought. The Drought Response Program provides assistance to water users to conduct drought contingency planning, including consideration of climate change information, and to take actions that will build long-term resiliency to drought.

This document, the Drought Response Program Framework (Framework), describes how the program began implementation in 2015. Through the Drought Response Program, funding is allocated through competitive processes for the following activities:

- **Drought Contingency Planning.** – Reclamation provides financial assistance, in the form of cooperative agreements, through a Funding Opportunity Announcement (FOA), on a 50/50 cost-share basis to develop

¹ The Third National Climate Assessment, published by the U.S. Global Change Research Program in 2014, links climate change to increased droughts in western States. <http://nca2014.globalchange.gov>.

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or update drought contingency plans. Plans must include input and participation by multiple stakeholders. Plans will also consider climate change impacts to drought conditions and identify potential drought mitigation and response actions to build resilience to drought as exacerbated by climate change. Actions identified in the plans may be eligible for funding as “drought resiliency projects” (see below), so long as they meet program requirements.

- **Drought Resiliency Projects.** – Reclamation provides financial assistance through a FOA on a 50/50 cost-share basis to implement projects that build long-term resiliency to drought. Proposed drought resiliency projects that are supported by an existing drought contingency plan will be prioritized for program funding. Projects identified in a drought contingency plan as “mitigation” or “response” actions are eligible for funding, so long as the project will result in long-term benefits that will build resiliency to future droughts (e.g., temporary construction projects and water hauling are not eligible drought resiliency projects). Projects that are eligible for funding should address at least one of the following goals:
 - Increasing the reliability of water supplies
 - Improving water management
 - Implementing systems to facilitate voluntary sale, transfer, or exchange water
 - Providing benefits for fish and wildlife and the environment

In general, projects funded under this FOA should be completed within two years of award.

- **Emergency Response Actions.** – Reclamation continues to fund some emergency drought response actions, contingent on available funding, to address ongoing drought emergencies as authorized under Title I of the Reclamation States Emergency Drought Relief Act of 1991 (Drought Act). To be eligible, a State governor or tribal leader must declare a drought and request assistance in writing for the proposed emergency response action, or have a drought plan on file with Congress. Emergency response actions are typically crisis-driven actions in response to unanticipated emergencies. Eligible projects include temporary construction activities (e.g., temporary pipes and pumps, among other installations) and other actions authorized under Title I of the Drought Act (e.g., water purchases and use of Reclamation facilities to convey and store water) that can be completed within six months. Consistent with the Drought Act, emergency response actions will be conducted by Reclamation or through a contract with Reclamation, not through the provision of financial assistance.

Purpose of this Document

This Framework guides Reclamation's implementation of the Drought Response Program on a pilot basis until program processes and requirements are formalized in Reclamation Directives and Standards (development of Directives and Standards is planned for FY 2016). The Framework is used by Reclamation staff as they develop FOAs for the program; oversee projects selected for funding; and interact with stakeholders as they explain and administer the program. In addition, several of the appendices provide guidance to program participants developing drought contingency plans (e.g., Appendix A – Guidance Regarding the Drought Contingency Planning Process and Appendix B – Guidance for Incorporating Climate Change Information into Drought Contingency Plans).

Note, applicants seeking to apply for program funding, or recipients of program funding with questions about financial assistance requirements and processes, should refer to the applicable FOA at www.usbr.gov/drought/ or to the Acquisition and Operations Branch, Mr. Michael Dieterich, at 303-445-2484 or mdieterich@usbr.gov.

This Framework contains the following sections addressing each component of the Drought Response Program:

- Background
- Drought Response Program Overview
- Drought Contingency Planning
- Drought Resiliency Projects
- Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects
- Emergency Response Actions

This Framework also contains several appendices including summaries of the evaluation criteria that will be used to prioritize proposals for funding under the program, guidance regarding the drought contingency planning process, and for incorporating climate change information into the planning process.

Section I: Drought Response Program Overview

Reclamation has been providing emergency drought assistance to States and tribes under the Reclamation States Emergency Drought Relief Act of 1991 (Drought Act) since 1991. Going forward, Reclamation believes that program funding can be used more effectively by focusing on mitigation and planning to increase resiliency to drought in advance of a crisis. In order to maximize program benefits, Reclamation's new Drought Response Program will build on the existing Drought Program to make funding available for activities that will help States, tribes, and local governments *prepare for* and respond to drought. Reclamation will continue to rely on the Drought Act to fund drought contingency plans. In addition, Reclamation will use Section 9504(a), Subtitle F, Public Law (P.L.) 111-11 of the Science and Engineering to Comprehensively Understand and Responsibly Enhance (SECURE) Water Act to fund drought resiliency projects. Using this authority, Reclamation will provide financial assistance through grants and cooperative agreements to eligible entities to implement water management projects that will build long-term resiliency to drought. A full description of eligible drought resiliency projects is provided below in Section III.C.3 – Program Requirements for Drought Resiliency Projects. Reclamation will also retain the ability to utilize Title I of the Drought Act to fund emergency response actions.

I.A Incentivizing Planning and Preparedness

To incentivize planning and preparedness rather than crisis response, the majority of Drought Response Program funding will be allocated for contingency planning and drought resiliency projects. A smaller amount of funding will be reserved for emergency drought response actions each year to address drought related disasters and crises. This approach is supported by the National Drought Mitigation Center (NDMC), which emphasizes the benefits of preparedness planning and drought mitigation to decrease the cost and impacts of responding to drought emergencies:

One frequently cited estimate from FEMA² is that “mitigation” – taking steps ahead of time to prevent known impacts from a natural disaster – saves \$4 for every \$1 expended. Planning ahead is generally seen as more efficient and more effective than measures taken in crisis mode. Drought researchers have found that after-the-fact assistance to farmers, for example, is expensive and doesn't necessarily reach the right people.³

It is expected that providing support for contingency planning and projects to build drought resiliency may also reduce the need for some emergency response actions.

² Federal Emergency Management Agency (FEMA)

³ National Drought Mitigation Center (NDMC), <http://drought.unl.edu/Planning/WhyPlanforDrought.aspx>

I.B Integrating Climate Adaptation into Drought Contingency Planning

The new Drought Response Program also supports the integration of climate change information into drought contingency planning, consistent with Reclamation’s Climate Change Adaptation Strategy (Climate Strategy). There is the growing evidence that climate change will cause longer and more frequent droughts in some areas. The Third National Climate Assessment, published in 2014, states the following regarding the southwestern region of the United States (U.S.):

Climate changes pose challenges for an already parched region that is expected to get hotter and, in its southern half, significantly drier. Increased heat and changes to rain and snowpack will send ripple effects throughout the region’s critical agriculture sector, affecting the lives and economies of 56 million people – a population that is expected to increase 68 percent by 2050, to 94 million. Severe and sustained drought will stress water sources, already over-utilized in many areas, forcing increasing competition among farmers, energy producers, urban dwellers, and plant and animal life for the region’s most precious resource.⁴

Consideration of climate information in contingency planning will help ensure that mitigation and response actions identified through the planning process address future drought conditions as exacerbated by climate change.

I.C Comprehensive Approach to Drought

The elements of the Drought Response Program are complementary and structured to encourage a collaborative, proactive, and comprehensive approach to drought. For example, drought contingency plans funded under the program are required to include participation by multiple stakeholders to encourage more comprehensive plans that address issues important to different sectors (e.g., agricultural, municipal, and environmental). Participation by multiple stakeholders will also broaden support for mitigation and response actions identified in contingency plans. As a complementary measure, the Drought Resiliency Projects Funding Opportunity Announcement (FOA) will incentivize planning prioritizing projects that are supported by an existing drought plan. This requirement is also expected to improve the quality of drought resiliency projects funded. Similarly, the drought contingency planning process includes the development of an operational and administrative framework for responding to a drought emergency, which will lead to more efficient implementation of emergency response actions during a crisis.

⁴ Third National Climate Assessment, U.S. Global Change Research Program, <http://nca2014.globalchange.gov>. The “southwestern region” includes California, Nevada, Utah, Colorado, Arizona, and New Mexico.

I.D Program Administration

The Drought Response Program is managed centrally by Policy and Administration (Policy), part of Reclamation's Commissioner's (Commissioner) Office located in Denver, Colorado. Policy staff coordinates with Reclamation's Acquisitions and Assistance Management Division to issue the FOAs and oversee the application review and selection processes. Once a plan or project is selected for funding, Reclamation's region and area offices will oversee the development of the drought contingency plans and implementation of the drought resiliency projects and emergency response actions. Local oversight of projects and plans will allow for hands-on involvement by Reclamation staff with technical expertise and familiarity with local stakeholder interests.

Section II: Drought Contingency Planning

The following section describes the program requirements and procedures for conducting or updating a drought contingency plan under this program. The application, selection, and award process for allocating funding for contingency planning is addressed in Section IV – Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects.

II.A Drought Contingency Planning Overview

Reclamation provides financial assistance on a competitive basis for an applicant to develop a drought contingency plan, or to update an existing plan to meet the required plan elements described in this Drought Response Program Framework (Framework). Applicants may also request technical assistance from Reclamation to help develop the plan. The following sections of this Framework describe the requirements and procedures applicable to drought contingency planning. Guidance regarding the planning process is also provided in Appendix A – Guidance Regarding the Drought Contingency Planning Process, attached.

“Drought planning” is defined by the NDMC as “actions taken by individual citizens, industry, government, and others before drought occurs to reduce or mitigate impacts and conflicts arising from drought.”⁵ There are many proven approaches to drought planning. For example, the 10-Step Drought Planning Process developed by the NDMC has been applied by States, tribes, and countries around the world.⁶ FEMA’s four-step mitigation planning process is also frequently applied and was recently used by the State of Colorado in developing their Drought Mitigation and Response Plan, www.fema.gov/hazard-mitigation-planning-overview. While the specific steps may vary, most drought contingency planning processes are structured to address the three following questions:⁷

- **How will we recognize the next drought in the early stages?** Planning for and managing drought require monitoring of a variety of water availability and climate factors in order to identify the onset of drought and to assess its severity. Most drought plans include a monitoring plan and early warning system to collect the appropriate water availability and other relevant data. Most drought plans also use drought indices to establish metrics or “triggers” to indicate the onset and different

⁵ NDMC website at <http://drought.unl.edu/Planning/WhatisDroughtPlanning.aspx>

⁶ The 10-Step Drought Planning Process was published by NDMC founding director Dr. Donald Wilhite in 1990 and recently updated in 2005 as “Drought Preparedness Planning: Building Institutional Capacity,” by Wilhite, Michael J. Hayes, and Cody Knutson, published as a chapter in *Drought and Water Crises: Science, Technology, and Management Issues*, edited by Wilhite (CRC Press, 2005).

⁷ See NDMC website at <http://drought.unl.edu/Planning/WhatisDroughtPlanning.aspx> for a discussion of these three questions central to drought planning. See also, Planning and Drought, American Planning Association, Planning Advisory Service, report Number 574, October 2013, at 31.

stages/levels of drought. These metrics and triggers can be used to help administrators determine when to initiate specific response or mitigation actions.

- **How will drought affect us?** A “vulnerability assessment” is typically conducted as part of the drought planning process to evaluate the risks to various resources and sectors within the planning area from drought and the factors driving those risks.⁸ Assessing the level of risk requires a review of past drought impacts, an analysis of historical water supply and water use trends, and how those trends may change over time. Other factors, such as changes in land use and population growth, are also considered as part of this analysis. More recently, vulnerability assessments also include consideration of how future climate change may influence future water supply and demand trends. Information from the vulnerability assessment – i.e., understanding the risks to various resources and the factors contributing to those vulnerabilities – is critical to identifying appropriate mitigation and response actions. This information can also be used to inform the metrics and triggers for initiating mitigation or response actions.
- **How can we protect ourselves from the next drought?** Once potential impacts from drought have been identified, planners can identify mitigation and response actions to address those impacts. Mitigation actions refer to actions taken in advance of a drought that reduce potential drought-related impacts when the event occurs. For example, a mitigation action could include construction of water management improvements to increase flexibility in times of drought, or passing an ordinance to encourage xeriscaping. Drought response actions are those actions taken in response to emerging and ongoing drought, such as curtailing lawn watering. Some drought plans may also identify a process for approving “emergency” drought response measures to respond to an unanticipated crisis that is not already addressed in triggered response actions. For example, installing a temporary pipe or hauling water when a community runs out of water. The NDMC recommends that drought plans identify both mitigation and response actions.

The planning process that is described in this Framework is structured to help planners answer these three key questions and to encourage an open and inclusive planning effort that employs a proactive approach to build long-term resiliency to drought. Reclamation does not intend to reinvent proven approaches to drought contingency planning, when implementing this new program. Instead, the Framework builds on the 10-step process by adding a process to incorporate

⁸ As described in Colorado’s recent drought plan: “Vulnerability from the perspective of drought planning means assessing the threat from potential drought hazards to various sectors across social, economic, environmental, and political fields. “Colorado Drought Mitigation and Response Plan,” Annex B, August 2013, at B.1, <https://www.fema.gov/hazard-mitigation-planning-overview>.

climate change information. This Framework also supports the use of existing information where appropriate, including readily available climate change information from U.S. Department of the Interior's (Interior) WaterSMART (*Sustain and Manage America's Resources for Tomorrow*) Basin Studies or West-Wide Climate Risk Assessments (WWCRA), and other non-Reclamation sources, to develop drought contingency plans.

II.B Authority to Develop Drought Contingency Plans

The drought contingency planning component of the Drought Response Program will be implemented under Title II of the Drought Act (P.L. 102-250, 43 U.S. Code [USC] Section 2201-2214), as amended.

II.C Cost-Share Requirement

Consistent with other Reclamation planning programs, a 50 percent non-Federal cost-share contribution is required as a pre-requisite to receiving assistance to prepare or update a plan under the Drought Response Program. The amount of Federal cost-share funding available for each new plan or plan update will typically be limited to a maximum of \$200,000 (the maximum amount may be adjusted based on annual program appropriations). Applicants may request a reduction or waiver of the non-Federal cost-share amount based on the existence of a significant Federal interest and evidence of financial hardship. Applicants with sufficient resources may choose to contribute a greater non-Federal cost-share in order to develop more complex plans. In most cases, the Federal cost-share will be used to cover the cost of Reclamation technical support for preparing the plan. At the request of an applicant, some of the non-Federal cost-share may also be used to cover the cost of Reclamation technical support in developing the plan.

II.D Planning Requirements

The following sub-sections describe requirements applicable to the development of a drought contingency plan or plan update under this program.

II.D.1 Eligible Applicants

Applicants eligible to apply for funding under this FOA include: States, tribes, irrigation districts, water districts, or other organizations with water or power delivery authority located within the Reclamation States and Hawaii, as follows: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Wyoming, Utah, and Washington; and Hawaii.

II.D.2 Ineligible Entities

Entities that are not eligible for funding under the Drought Contingency Planning FOA include the following:

- Federal governmental entities
- Institutions of higher education
- Individuals

II.D.3 Roles and Responsibilities

The non-Federal entity identified to receive funding through the proposal selection process will be referred to as the planning lead. The planning lead and Reclamation will establish a management structure for the planning process. The planning lead may request Reclamation to contribute to the technical aspects of developing the plan, including input to the evaluation of future conditions under the influence of climate change, development of alternatives, or hydrologic analyses, for example. A detailed work plan will be developed by the planning lead, and reviewed by Reclamation, at the beginning of the planning process and will further define specific roles and responsibilities (see Section II.D.6 – Required Steps for Conducting a Drought Contingency Plan, below).

II.D.4 Collaboration with Interested Stakeholders

Drought contingency plans will be developed through a collaborative process that is inclusive of interested stakeholders within the planning area. Collaboration with multiple stakeholders representing diverse interests in water resources is required. Anticipating that stakeholders will seek different levels of involvement, this Framework describes two different opportunities for involvement, including: (1) Participation on the Drought Planning Task Force (Task Force) (Section II.D.6 – Required Steps for Conducting a Drought Contingency Plan) by stakeholders who want to actively participate in developing the drought contingency plan or plan update; and (2) opportunities to provide input and seek information by stakeholders who do not seek an active role on the Task Force. The planning lead will develop an outreach and communication plan (Section II.D.6 – Required Steps for Conducting a Drought Contingency Plan), to be attached to the detailed work plan, to provide all interested stakeholders opportunities for input at key stages of the planning process and to keep them informed of progress as the plan is developed.

II.D.5 Required Elements of a Drought Contingency Plan

Drought contingency plans and plan updates must be developed in a manner consistent with this Framework. Drought contingency plans must address each of the six elements described immediately below. Updates to an existing plan may focus on only those elements that have not yet been developed in the existing plan, or which require updating. Reclamation does not prescribe any one approach to developing and addressing these elements in a plan or plan update. However, further explanation and guidance to support the development of each

element is provided in Appendix A – Guidance Regarding the Drought Contingency Planning Process to this document. The six required elements of a drought contingency plan are as follows:

- 1. Drought Monitoring.** – The plan must establish a process for monitoring near and long-term water availability, and a framework for predicting the probability of future droughts or confirming an existing drought. This includes a process for the collection, analysis, and dissemination of water availability and other drought-related data (e.g., precipitation, temperature, and streamflow levels, among other indicators). The plan must also explain how this data will be used to predict or confirm droughts, including identifying metrics and triggers (e.g., reservoir level reached at a specific reservoir and use of specific drought indices) that may be used to define stages of drought, to trigger mitigation or response actions, and to define the different stages or levels of severity of drought.
- 2. Vulnerability Assessment.** – The plan must include a vulnerability assessment evaluating the risks and impacts of drought. A vulnerability assessment is an assessment of the risks to critical resources within the planning area and the factors contributing to those risks. Assessments will drive the development of potential mitigation and response actions. The assessment must be based on a range of future conditions, including the effects of climate change. Guidance on incorporating climate change information into drought contingency plans is provided in Appendix B – Guidance for Incorporating Climate Change Information into Drought Contingency Plans to this Framework.
- 3. Mitigation Actions.** – The plan must identify, evaluate, and prioritize mitigation actions and activities that will build long-term resiliency to drought and that will mitigate the risks posed by drought. Mitigation measures are actions, programs, and strategies implemented before drought to address potential risks and impacts. These actions are outside of regular water management activities and are intended to decrease sector vulnerabilities and reduce the need for response actions.
- 4. Response Actions.** – The plan must identify, evaluate, and prioritize response actions and activities that can be implemented during a drought to mitigate the impacts. Response actions are different than mitigation measures in that they are specific actions that are triggered during specific stages of drought to manage the limited supply and decrease the severity of immediate impacts. Response actions can be quickly implemented and provide expeditious benefits.
- 5. Operational and Administrative Framework.** – An operational and administrative framework must be developed to identify who is responsible for undertaking the actions necessary to implement each element of the plan, including communicating with the public about those actions. At a minimum, the framework should identify roles, responsibilities, and procedures necessary to:

- Conduct drought monitoring
- Initiate response actions, including emergency response actions
- Initiate mitigation actions
- Update the plan

The operational and administrative framework may be integrated into each element of the plan, or documented in a specific section of the plan.

6. **Plan Update Process.** – The plan must describe a process and schedule for monitoring, evaluating, and updating the drought contingency plan.

II.D.6 Required Steps for Conducting a Drought Contingency Plan

Once the applicant has been informed that their proposal to develop or update a drought contingency plan was successful, Reclamation will enter into a financial assistance agreement with the applicant, documenting the requirements and conditions related to the provision of financial assistance. Following finalization of the financial assistance agreement, the following steps are required before development of the plan or plan update can begin:

- **Establishment of a Drought Planning Task Force.** – At the outset of the planning process, the planning lead will develop the Task Force, made up of interested stakeholders within the planning area that want to actively participate in developing the drought contingency plan (individual members of the Task Force are referred to as Task Force member). This Task Force could include: tribes; Federal, State, local government agencies; representatives from different sectors, including water purveyors and water users; representatives of environment, power, recreation, agriculture, energy, fire; universities; non-governmental entities; any small business owner adversely affected by drought; a trained facilitator; and communications staff. Planning leads are required to develop a Task Force with diverse membership representing multiple interests in the planning area. The planning lead may also establish working groups to support the Task Force in developing different aspects of the plan. Reclamation will review and provide feedback on the inclusiveness of the task force.
- **Development of a Detailed Work Plan.** – The detailed work plan, to be developed by the planning lead in consultation with Reclamation, will build on information in the proposal submitted under the FOA to describe in detail the various tasks included in developing or updating a plan, along with a detailed budget and project schedule, and the responsibilities of Reclamation (Reclamation will provide input on this element), the planning lead, the Task Force, and other interested stakeholders. The detailed work plan will describe the specific planning tasks and how each

task will be completed, including the responsible party and the methodology. The detailed work plan will be the second task completed following a signed financial assistance agreement, following the establishment of the Task Force. The detailed work plan must be submitted to Reclamation for review and acceptance before substantive work on the drought contingency plan begins, and may be updated as conditions warrant. The detailed work plan includes the following four elements:

- **Introduction**
 - Scope and purpose of the drought contingency plan
 - Planning area
 - Background, including a brief description of how the drought contingency plan will build on any existing or ongoing efforts or plans
- **Planning Approach**
 - Detailed budget and schedule for developing the plan. Be sure to account for how the plan's entire funding will be used, including all contracting, consulting, in-kind contributions, etc.
 - Narrative description of the plan for completing each of the six required elements of the plan, including the approach, steps, methodologies, specific tasks, and individuals responsible for conducting those tasks
 - Planning oversight structure
 - Decision making process
 - Roles and responsibilities of the planning lead(s) and Task Force, including individual Task Force members
 - Coordination between the planning lead(s), Task Force, and interested stakeholders
- **Documentation and Reporting.** – *Note, mandatory program reporting requirements will be documented in the financial assistance agreement.* This section of the detailed work plan will identify the specific tasks and milestones to meet those requirements.
 - Identify deliverables and documentation requirements
 - Reporting requirements and individuals responsible for reporting
 - Review process, i.e., how the draft plan or plan update will be reviewed
- **Communication and Outreach Plan.** –
 - Explanation of how stakeholders and the public will be involved in the planning process, including providing input on the drafting of the drought contingency plan and providing feedback to the Task Force. Participation could occur through public meetings, webinars, public notices, and other forums or approaches.
 - Schedule describing when information about the planning process will be communicated with the public and other stakeholders, and when they can provide input and feedback.

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The final drought contingency plan must be developed by the planning lead and reviewed by Reclamation before considered complete. Reclamation will review the final draft drought contingency plan to ensure conformance with Drought Response Program requirements.

The application, selection, and award process for allocating funding for contingency planning is addressed in Section IV – Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects of this document, below.

Section III: Drought Resiliency Projects

Under this element of the program, Reclamation funds drought resiliency projects. For purposes of the Drought Response Program, “drought resiliency” is defined as the capacity of a community to cope with and respond to drought. The following section provides an overview of applicant eligibility and projects that are eligible for funding. The application review and selection process for drought resiliency projects is addressed in Section IV – Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects, below.

III.A Statutory Authority to Implement Drought Resiliency Projects

The Drought Resiliency Projects FOA will be issued under the authority of Section 9504(a) of the SECURE Water Act, Subtitle F of Title IX of the Omnibus Public Land Management Act of 2009, P.L. 111-11 (USC 10364).

III.B Cost-Share Requirement

Consistent with the requirements of the Section 9504 of the SECURE Water Act, a 50 percent non-Federal cost-share contribution is required as a pre-requisite for receiving assistance. The non-Federal cost-share match may be made through cash or in-kind contributions from the applicant or non-Federal partners and is described in more detail in Section IV – Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects, below. The amount of Federal cost-share funding available for implementing drought resiliency projects will typically be limited to a maximum of \$300,000 (the maximum amount may be adjusted based on annual program appropriations). In general, projects funded under this FOA should be completed within two years of award. Applications for projects requiring more time will be considered for funding only under limited circumstances.

III.C Program Requirements for Drought Resiliency Projects

The Drought Resiliency Projects FOA provides funding for projects that will build long-term resiliency to drought (i.e., projects that will result in long-term benefits that mitigate the impacts of current and future droughts) and help avoid the high cost approach of implementing emergency response actions.

III.C.1 Eligible Applicants

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Applicants eligible to apply for funding for drought resiliency projects include: States, Indian tribes, irrigation districts, water districts, or other organizations with water or power delivery authority. Applicants must also be located in the western U.S. or Territories as identified in the Reclamation Act of June 17, 1902, as amended and supplemented; specifically: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands.

III.C.2 Ineligible Entities

Entities that are not eligible for funding under the Drought Resiliency Projects FOA include the following:

- Federal governmental entities
- Institutions of higher education
- Individuals

III.C.3 Eligible Drought Resiliency Projects

Reclamation will provide funding for projects that build long-term resilience to drought through the Drought Resiliency Projects FOA. Eligible projects will build resiliency to drought by:

- Increasing the reliability of water supplies
- Improving water management
- Facilitating the voluntary sale, transfer, or exchange of water
- Providing benefits for fish and wildlife and the environment

Typically, these types of projects are referred to as “mitigation actions” in a drought contingency plan (i.e., actions taken in advance of a drought to mitigate the impacts of future droughts). However, some types of “response actions” (i.e., actions that can be implemented during a drought to mitigate current impacts) identified in a drought contingency plan may be eligible, if the project will have long-term benefits.

Resiliency projects are intended to decrease vulnerabilities and costs of drought by giving water managers flexibility in times of low water supply. These types of projects are generally beyond routine water management activities or activities required by State law for conservation and efficiency. Projects that are supported by an existing drought contingency plan will be prioritized for funding. Resiliency projects also help avoid the need for emergency response actions, such as water hauling programs and temporary infrastructure. In order to avoid duplication with the WaterSMART Grants program, projects focused on water conservation, such

as canal lining or piping to conserve water, landscape irrigation measures, turf replacement, and rebate programs to promote the installation of high efficiency appliances, are not eligible for funding under the FOA. Eligible projects and examples are described in detail in Appendix E– Evaluation Criteria for Emergency Response Actions of this document.

Section IV: Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects

This section of the document generally describes the application, selection, and award process for financial assistance awards under the Drought Response Program. *Note, applicants seeking to apply for funding under the program, or recipients of program funding with questions about financial assistance requirements and processes, should be referred to the appropriate FOA at www.usbr.gov/drought/ or to the Acquisition and Operations Branch, Mr. Michael Dieterich, at 303-445-2484 or mdieterich@usbr.gov.*

Reclamation will post separate FOAs on Grants.gov to request proposals for financial assistance to develop or update drought contingency plans and to implement drought resiliency projects (referred to as the Drought Contingency Planning FOA and the Drought Resiliency Projects FOA). Because emergency drought response actions are not funded through financial assistance, requests for emergency assistance will continue to be submitted directly to Reclamation using the process described in Section V – Emergency Response Actions, below.

All program requirements to apply for funding and a detailed description of the application review and selection process will be included in the individual FOAs. Following is a summary of the requirements applicable to both FOAs.

IV.A Conditions for Applying

Project proposals must be submitted by an eligible applicant prior to the application deadline, and must meet all of the requirements of the FOA. Eligibility and other program requirements are described in more detail as follows:

IV.A.1 Eligible Drought Contingency Plans and Drought Resiliency Projects

- **Drought Contingency Planning.** – Applicants may request funding to conduct a drought contingency plan or to update an existing plan. Drought contingency plans or plan updates will focus on regions in the Reclamation States and Hawaii. The specific boundaries of the area to be studied will be identified in the proposal. Updates to existing plans must include the development of the six required elements of a drought contingency plan (Section II.D.5 – Required Elements of a Drought Contingency Plan) that are not already contained in the existing plan, or which require updating.

- **Drought Resiliency Projects.** – Applicants may request cost-shared funding to implement drought resiliency projects that will help communities build long-term resilience to drought and reduce the need for emergency response actions. Drought resiliency projects that are identified within a drought plan as response actions or mitigation actions will be prioritized under the program, but must be supplementary to standard water supply-related operation and management activities.

IV.A.2 Application Requirements

Applications for funding under the Drought Contingency Planning FOA and the Drought Resiliency Projects FOA must meet the specific requirements stated in the FOA, including:

- **Timely and Complete.** – Reclamation will consider only those applications submitted by the application deadline stated in the FOA, unless it can be determined that a delay was caused by Federal Government mishandling. Reclamation will consider only those applications that include all of the information required in the FOA.
- **Funding Limit:**
 - **Drought Contingency Planning.** – An applicant may apply for up to \$200,000 in Federal funds to develop a new plan or to update an existing plan. If the applicant requests Reclamation’s technical involvement in the development/update of the plan, the cost of such involvement will be deducted from the amount of funding that may be awarded to the recipient as financial assistance. *Note, that the maximum amount of funding that may be requested for contingency planning may change depending on annual program appropriations, and will be stated in the FOA.*
 - **Drought Resiliency Projects.** – An applicant may apply for up to \$300,000 in Federal funds to implement projects that will build long-term resiliency to drought. *Note, that the maximum amount of funding that may be requested for drought resiliency projects may change depending on annual program appropriations. The final amount will be stated in the FOA.*
 - **Cost-Share.** – Applicants under both the Drought Contingency Planning FOA and under the Drought Resiliency Projects FOA must be capable of cost-sharing 50 percent or more of the total project costs. Cost-sharing may be made through cash or in-kind contributions from the applicant or non-Federal partners. *Note, that applicants for funding to develop a new drought contingency plan or to update an existing plan may request a financial hardship waiver of all or part of the cost.*

IV.A.3 Proposal Selection Process

Applications for funding under the Drought Response Program will be considered using competitive processes, based on established evaluation criteria and requirements.

- **Funding Opportunity Announcements.** – A Drought Contingency Planning FOA and a Drought Resiliency Projects FOA will be prepared on an annual basis. The Policy Coordinator will develop the FOA(s) in consultation with the FOA Grants Officer (GO) to ensure that the FOAs comply with all financial assistance requirements. Both FOAs will be posted on [Grants.gov](https://www.grants.gov) by the FOA GO.
 - **Drought Contingency Planning.** – The FOA will be posted on www.grants.gov once per year.
 - **Drought Resiliency Projects.** – The Drought Resiliency Projects FOA will either be issued annually or on a “rolling” or “standing” basis, thereby allowing Reclamation to accept applications at any time throughout the FY. If a rolling FOA is used, applications may be drawn down for review by the Application Review Committee (ARC) at pre-established deadlines, identified within the FOA (e.g., three times per year).
- **Evaluation Criteria.** – Criteria for FOAs issued under this program will be consistent with the program authorities and Departmental guidance and will be described in detail, including associated point values, in each FOA. A narrative description of the evaluation criteria for the Drought Contingency Planning FOA and the Drought Resiliency Projects FOA are attached as Appendix C – Evaluation Criteria for Drought Contingency Planning and Appendix D – Evaluation Criteria for Drought Resiliency Projects FOA, respectively.
- **Review of Proposals by the ARC.** – In order to ensure consistent administration of the program across all three program elements, a standing ARC will be used to review proposals received under the Drought Contingency Planning FOA, Drought Resiliency Projects FOA, and requests submitted for emergency response actions. Using a standing ARC will facilitate timely review of proposals as the members of the ARC gain more experience evaluating applications both from an administrative and programmatic viewpoint.

The Policy Director, in consultation with the regional directors and Technical Resources Director, will select representatives to serve as members of a standing ARC. The ARC will be responsible for reviewing and ranking proposals for funding in accordance with the evaluation criteria in the FOA. The ARC will establish a “viability line,” for

reviewed proposals, indicating that proposals above the line are technically viable, eligible projects. Proposals which are ranked above the established viability line, but are not ranked high enough for selection during the current review cycle may be carried over for consideration during subsequent cycles. The Policy Coordinator, in coordination with the FOA GO, will oversee the review of applications by the ARC.

- **Final Approval of Proposals for Funding.** – Following the ARC review, the Policy Director will transmit a list of the top-ranking applications to the regional directors, Technical Resources Director, and Program and Budget Director, requesting a “red-flag” review, to identify any problems or issues that would hinder implementation of the proposed project. The Policy Director will consult with the Commissioner regarding projects recommended for funding based on the ARC’s review and the responses to red-flag review. Following consultation with the Commissioner, the Policy Director will record in writing the final project selection list, including justification of any deviation from the ARC’s final recommendations.
- **Notification of Applicants.** – The FOA GO will notify each applicant in writing of the status of its application for funding in a timely manner. The notification will include whether the proposal exceeded the threshold indicated by the viability line, thus qualifying for consideration under subsequent review cycles. The FOA GO will include a statement in the notification that the applicant may request a debriefing with Reclamation to discuss the strengths and weaknesses of the applicant’s project and application.

IV.B Award of Financial Assistance

Once an applicant is notified that their proposal has been selected for an award, Reclamation will begin working with the applicant to develop a financial assistance agreement. The purpose of the financial assistance agreement is to award funding to the applicant and to document the requirements and terms applicable to the award.

IV.B.1 Pre-Award Review and Due Diligence

For each project/plan, a Reclamation GO will conduct and document all pre-award due-diligence activities required to meet Reclamation requirements and Office of Management and Budget (OMB) circulars and regulations. If the results of the pre-award review are satisfactory, Reclamation will proceed with the development of a financial assistance agreement.

IV.B.2 Financial Assistance Agreement

In accordance with the standard requirements for financial assistance agreements executed by Reclamation, agreements executed in support of the Drought Response Program must include:

- Major milestones and estimated dates for completion within the scope of work section of the agreement;
- A detailed budget;
- Submission of financial status and program performance reports on at least a semi-annual basis; and
- Submission of final financial status and program performance reports. These requirements are described in more detail in Section IV.B.5 – Reporting Procedures, below.

IV.B.3 Performance Period

In general, the development of drought contingency plans and implementation of drought resiliency projects should be completed within two years from the date that a financial assistance agreement is signed. Applications for plans/ projects that will require more time will be considered for funding only under limited circumstances.

IV.B.4 Project Oversight

Reclamation’s regional drought coordinators are responsible for overseeing the development of the drought contingency plans and implementation of drought resiliency project under the program. The regional coordinators will ensure that the Program Coordinator is informed of any significant issues that arise during the development, post-award administration, or close-out of the financial assistance agreement, including recipient noncompliance with the terms and conditions of the award; substantive changes to the detailed work plan, budget, or schedule; questionable or disallowed costs; or other such issues that may impact the successful development of the drought contingency plan/ implementation of a drought resiliency project.

- **Modifications (Changes in Scope and Time Extensions).** – Drought contingency plans and drought resiliency projects are required to be completed within the timeframe stated in the financial assistance agreement and shall not exceed the stated Federal cost-share. In the event that a recipient is unable to fully develop the drought contingency plan or implement the drought resiliency project without exceeding the stated costs or within the timeframe described in the financial assistance

agreement, the following shall apply:

- **Requests to Modify the Financial Assistance Agreement.** – If a change in scope or a time extension is requested by the recipient, the regional coordinator will consult with the Grant Officer Technical Representative (GOTR) and Awarding GO, based on information provided by the recipient, to develop a formal written request for the Policy Director’s consideration. The request must be submitted for the Policy Director’s decision at least 90 days before the expiration of the agreement and must include the following information:
 - An explanation of the reason(s) for the request
 - Whether the issue leading to the request could have been avoided
 - The likelihood that another request will be required in the future to complete the project/ plan
 - Whether the modification will result in a significant reduction to the expected benefits of the project/ plan
 - Whether previous time extensions or changes in scope have been executed for the project/ plan
 - Whether the recipient has otherwise complied with the terms of the financial assistance agreement
 - Whether the regional coordinator recommends approving the request
- **Recommendation.** – The Policy Director will make a recommendation of whether the financial assistance agreement should be modified based upon the information provided in the formal written request and any additional information that is developed in coordination with the regional coordinator. The Policy Director will provide a written response informing the regional coordinator of the recommendation within a reasonable timeframe.
- **Formal Modification.** – The Awarding GO will execute a formal modification to the financial assistance agreement based on the Policy Director’s recommendation on how to proceed.
- **Expenditures.** – In general, and as practical, the Awarding GO and the GOTR will ensure that the non-Federal share to develop a drought contingency plan/ implement a drought resiliency project is expended at the same or greater rate as the Federal cost-share, and that costs are allowable, reasonable, and allocable to the project.

IV.B.5 Reporting Procedures

Standard financial assistance reporting requirements described in Reclamation Manual, Directives, and Standards: Requirements for Award and Administration of Financial Assistance Agreements (Grants and Cooperative Agreements) (Acquisition and Financial Assistance ACM 01-01), and applicable OMB

regulations are required to track project progress and benefits, as follows:

- **Drought Response Program Performance Report.** – The GOTR and GO will review and accept all Program Performance Reports. Review of program performance reports shall be documented and uploaded to Information Monitoring and Tracking System, in accordance with Reclamation Acquisition Circular (RAC) (RAC 15-06), describing current financial assistance implementation policies.
 - Program performance reports must include, at a minimum, the following information:
 - Comparison of actual accomplishments to the milestones established by the financial assistance agreement for the period
 - The reasons why established milestones were not met, if applicable
 - The status of milestones from the previous reporting period that were not met, if applicable
 - Whether the project/plan is on schedule and within the original cost estimate
 - Any additional pertinent information or issues related to the status of the project
- **Drought Response Program Financial Status Report.** – The GO will review and accept all Financial Status Reports. Review of financial status reports shall be documented and include, at a minimum, a comparison of recipient draw-downs to date against the approved budget and terms and conditions of the agreement.
- **Final Reports.** – In addition to final reporting requirements applicable to all financial assistance agreements under Reclamation Manual, Directives and Standards ACM 01-01, the Drought Contingency Planning FOA may include additional reporting requirements applicable under this program, including but not limited to:
 - Submittal of a copy of the completed plan or plan update
 - A narrative description of how interested stakeholders were included in the planning process
 - A description of what worked best about the planning process and any lessons learned
- **Recipient Noncompliance.** – The Awarding GO will determine whether failure by the recipient to comply with the terms and conditions of the financial assistance agreement, such as noncompliance with the reporting requirements, requires suspension and/or termination of the agreement. Reclamation will also consider recipient noncompliance during any future red-flag reviews conducted as part of the program.

Section V: Emergency Response Actions

V.A Emergency Response Actions Overview

Reclamation will continue to undertake emergency response actions under the Drought Response Program to minimize losses and damages resulting from drought, relying on the authorities in Title I of the Drought Act, contingent on available funding. Typically, emergency response actions are crisis driven actions in response to unanticipated circumstances. These are distinguishable from “response” actions, which are identified through the contingency planning process and associated with different stages of drought or “triggers.” Eligible emergency response actions are limited to temporary construction activities and other actions authorized under Title I that do not involve construction of permanent facilities. Proposals requesting funding to drill wells, which are permanent facilities, will be considered only under the Drought Resiliency Projects FOA. Title I of the Drought Act does not authorize the use of financial assistance. Therefore, funding for emergency response actions will either be used by Reclamation to implement the action(s) selected for funding, or to contract with another entity to implement the selected action(s).

V.B Statutory Authority to Implement Emergency Response Actions

The Emergency Response component of the Drought Response Program will be implemented under the Drought Act, P.L. 102-250, 43 USC Section 2201-2214), as amended.

V.C Cost-Share Requirement

A non-Federal cost-share is not required for emergency response actions. However, requests for emergency assistance that include a non-Federal cost-share contribution will receive additional points in the evaluation criteria, described in Appendix E – Evaluation Criteria for Emergency Response Actions.

V.D Program Requirements for Emergency Response Actions

In general, “emergency assistance” involves the implementation of actions during a drought disaster to meet the life preservation and basic subsistence needs of those people affected. Under this component of the program, funding will be limited to addressing true emergencies requiring immediate action.

V.D.1 Eligible Applicants

Entities eligible for emergency drought assistance include States, tribes and local government entities located in the Reclamation States and Hawaii, as identified in the Drought Act, as amended.

V.D.2 Eligible Emergency Response Actions

Applicants may request assistance to implement emergency response actions to minimize or mitigate the impacts of drought. Construction activities undertaken under this component of the program are limited to temporary facilities and must be able to be completed within six months of entering into an agreement. Examples of the types of projects that are eligible for assistance include:

- **Temporary Construction, Management, and Conservation Activities.** – Reclamation may undertake temporary construction activities (e.g., temporary pipes and pumps) that minimize losses and damages resulting from drought conditions. The design of temporary facilities is limited to those standards necessary to address drought impacts.
- **Water Acquisitions and Conveyances.** – Reclamation may provide nonfinancial assistance to willing buyers in their purchase of available water supplies from willing sellers. Reclamation may purchase water from willing sellers or utilize Reclamation facilities for the storage and conveyance of project and non-project water, purchased or leased, to mitigate drought impacts or losses
- **Purchasing, Storing, or Conveying Water for Fish.** – Reclamation may make project and non-project water (purchased, stored, conveyed, or delivered) available on a non-reimbursable basis for the purpose of protecting or restoring fish and wildlife habitat.

V.D.3 Ineligible Emergency Response Actions

Permanent construction activities are not eligible for assistance under this component of the program, including the development of wells. Proposals to fund a well should be submitted under the Drought Resiliency Projects FOA. The Emergency Response component of the program is only intended to fund small scale, temporary projects that can be completed quickly.

V.D.4 Application Requirements for Requesting Emergency Drought Assistance

Requests to fund emergency response actions must meet the following requirements to be considered for funding:

- **Request for Assistance under the Drought Act.** – As a pre-requisite to submitting a proposal, the Governor of the affected State or the governing body of the affected tribe must (1) declare a drought and (2) specifically request assistance under the Drought Act for the proposed emergency response action, in a letter to Reclamation’s Commissioner. In the alternative, emergency assistance can also be requested once a drought contingency plan has been approved by Reclamation and is on file with Congress. The Commissioner will respond in writing as to whether the request for emergency assistance is merited.
- **Complete Application Package.** – Following approval by the Commissioner of the request for emergency assistance under the Drought Act, a proposal must be submitted to the Policy Office supporting the emergency response action requested. Reclamation will only accept proposals that include all of the required information identified in the Drought Program Checklist, located on Reclamation’s Drought Response Program website, www.usbr.gov/drought/.
- **Funding Limitations.** – Up to \$300,000 in Federal funds will be made available for each emergency response action. *Note, that the maximum amount of funding that may be requested for emergency response actions may change depending on annual program appropriations.*
- **Performance Period.** – Emergency response actions must be able to be completed within six months of entering into a contract. Actions that are expected to take longer than six months to complete are not eligible for emergency assistance.

V.E Process for Allocating Assistance

Funding for emergency response actions will either be used by Reclamation to implement the action(s) selected for funding, or to contract with another entity to implement the selected action(s). Reclamation’s normal contracting requirements will apply. However, contracts for emergency response actions will be considered a high priority and will be processed as quickly as possible.

V.E.1 Selection Process

Requests for emergency drought assistance will be evaluated using a competitive process, based on established prioritization criteria and requirements.

- **Evaluation Criteria.** – The prioritization criteria for emergency response actions will remain the same as those criteria implemented under the existing Drought Program, with minor clarifications (e.g., requiring a

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more detailed budget and project schedule than we have in the past). These criteria were developed consistent with Title I of the Drought Act. A narrative description of the criteria, including associated point values, is attached as Appendix E – Evaluation Criteria for Emergency Response Actions and will be posted on Reclamation’s Drought Response Program website, www.usbr.gov/drought/.

- **Review of Requests by the ARC.** – Once a request for funding is approved by the Commissioner’s Office, requests to fund emergency response actions will be reviewed and ranked by the standing ARC (described in Section IV – Financial Assistance for Drought Contingency Planning and Drought Resiliency Projects, above) in accordance with the established evaluation criteria. The Policy Coordinator will oversee the review of the requests by the ARC.
- **Final Approval of Proposals for Funding.** – Following the ARC review, the Policy Director will transmit a list of the top-ranking proposals to the regional directors, Technical Resources Director, and Program and Budget Director, requesting a “red-flag” review, to identify any problems or issues that would hinder implementation of the proposed emergency response actions. The Policy Director will consult with the Commissioner regarding projects recommended for funding based on the ARC’s review and the responses to red-flag review. Following consultation with the Commissioner, the Policy Director will record in writing the final project selection list, including justification of any deviation from the ARC’s final recommendations.
- **Notification of Applicants.** – The Policy Director will notify each applicant in writing of the status of its application for funding in a timely manner.

Notification letters that are sent to successful applicants will replace the delegation memorandums that were previously used to initiate the award of funding under the existing Drought Program. In addition to notifying applicants that their proposal has been selected for funding, the successful notification letters will identify appropriate regional contacts (i.e., regional director(s) and regional contracting officer technical representatives). Following the notification letter, the Policy Coordinator will work with Policy’s Budget Office to ensure timely transmission of project related cost account structures to the regional offices, as appropriate

Notification letters that are sent to unsuccessful applicants will include a statement indicating that the applicant may request a debriefing with Reclamation to discuss the strengths and weaknesses of their proposal.

Section VI: Oversight and Reporting Procedures

Once an applicant is notified of that their emergency response action(s) have been selected for funding, Reclamation will begin working with the applicant to develop a contract to implement the emergency response actions. Reclamation's normal contracting requirements will apply.

VI.A Project Oversight

Reclamation's regional drought coordinators are responsible for overseeing the implementation of emergency response actions funded under the program. The regional coordinators will ensure that the Program Coordinator is informed of any significant issues that arise during the implementation of emergency response actions, including but not limited to: substantive changes to the scope of work, budget, or project schedule; questionable or disallowed costs; and non-compliance with the provisions of a contract.

Appendix A: Guidance Regarding the Drought Contingency Planning Process

Many excellent resources are available to guide the development of a drought contingency plan (e.g., the NDMC 10-Step Process is one example, among many others). In addition, Reclamation recognizes that the needs and issues to be addressed, geographic scope, and level of existing planning efforts will vary for each drought contingency plan. Accordingly, Reclamation does not prescribe a singular approach to address each of the six required elements of a drought plan. The following information is intended to provide guidance and further explanation of each of the six required elements, rather than a prescribed approach.

Survey Existing Drought Information and Tools

Surveying existing drought information will establish a starting point to identify the appropriate tools to use in formulating a plan.

- Review past drought plans, document lessons from past droughts and past drought plans. Consult with other entities in the region that may have recently developed a drought plan.
- Choose an acceptable plan development approach, e.g., the 10-Step Process.
- Identify existing resources and tools (e.g., climate change and hydrology information from the National Integrated Drought Information System, Climate Assessment for the southwest, existing studies, WWCRA Impact Assessments, Basin Studies, climate projections, U.S. Geological Survey (USGS) tools for surface/groundwater interaction, groundwater levels, Natural Resources Conservation Service (NRCS) forage availability information, range conditions, etc.

Development of Drought Monitoring Process

Drought monitoring includes the analysis of data to monitor near and long term water availability, and a framework to predict the probability of drought or to characterize the severity of an existing drought. Monitoring is achieved through the collection and analysis of water availability and other types of data (e.g., precipitation, temperature, and streamflow levels, among other indicators related to different types of resources), and the use of drought indices, thresholds, and stages of drought to characterize drought conditions. To develop an effective monitoring process, an entity needs to identify and integrate the use of indices, indicators, and triggers to define drought stages.

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- Indicators are specific measures that can be used to assess drought conditions. Indicators are dependent on local climate and data availability. Example indicators may include precipitation quantities, streamflows, reservoir levels, groundwater levels, snow pack, temperature, vegetation health, and soil moisture. Indicators are used for the establishment of triggers.
- A trigger is an indicator threshold value or range that can be used to define the drought stage, or to trigger a specific response or mitigation action. Example triggers include specific reservoir levels on certain dates, streamflows falling below certain levels, etc.
- Indices effectively integrate drought variables into a single index number. At a minimum, a primary index should be chosen or developed for drought monitoring. However, the trend is to rely on multiple drought indices to trigger mitigation and response actions, which are calibrated to various intensities of drought. Commonly used indices include the U.S. Standardized Precipitation Index, the U.S. Drought Monitor, Crop Moisture Index, Surface Water Supply Index, and Palmer Indices.
- Drought stages represent the severity of drought and are classified in several ways (e.g., moderate, severe, extreme, Stages 1-4, watch, warning, or emergency). Defining drought stages is a crucial step to later implementing drought response actions.

Conducting the Vulnerability Assessment

A vulnerability assessment is an assessment of the risks to critical resources within the planning area and the factors contributing to those risks. For purposes of a drought contingency plan, risk should be viewed as a combination of the frequency of occurrence, magnitude and severity, and consequences. The outcome of this assessment will result in a “baseline” assessment of risk, which should then be used to inform the design and development of mitigation measures and response actions. Steps that may be taken in conducting a vulnerability assessment are as follows:

- Catalog assets and resources in the planning area and across sectors. Sectors may include agricultural, energy, environmental, municipal and industrial, recreational, and socio-economic.
- Identify the “critical resources” that, in terms of consequences, magnitude, and severity, are highly important to protect. Approaches may include, but are not limited to, assigning quantifiable value or least rank order to the catalog of resources.
- Assess, either qualitatively, quantitatively, or both, the potential for future

drought conditions and the risk to critical resources from such conditions. A range of potential future drought conditions should be considered including the incorporation of climate change information. This assessment should include both a historical perspective of climate, water supply, and water use trends, and potential future changes to those trends.

- Assess the underlying cause of critical resource vulnerabilities. The purpose of assessing the underlying causes is to identify the factors or combination of factors that drive vulnerability. These factors should inform the development of mitigation and response actions. These factors may include specific drought characteristics (e.g., drought duration and severity, seasonal characteristics, or changes to temperatures and snowpack), which may also inform the selection of mitigation and response action triggers to be identified as part of the drought monitoring process. Other underlying causes may include social, economic, and environmental considerations.

Wherever possible, the vulnerability assessment should utilize existing resources such as previously conducted Basin Studies or WWCRA. A suggested resource for climate change information is the Downscaled Climate Projections and Hydrology⁹ archive. This archive and the supporting technical memorandums, offer a useful starting point for incorporating climate change information.

Development of Mitigation Measures

Mitigation measures are actions, programs, and strategies implemented before drought to address potential risks and impacts. These actions are outside of regular water management activities and are intended to decrease sector vulnerabilities and reduce the need for response actions. Steps that may be taken in developing mitigation measures are as follows:

- Assess the existing ability and current capacity to reduce and mitigate the risk to critical resources. This assessment should include a listing of the existing programs, policies, operational criteria, etc., and their current capacity for mitigating the risk to critical resources. This assessment will inform the development of additional mitigation measures.
- Identify mitigation goals and priorities; i.e., decreasing consumptive use, developing supply augmentation, prevention of economic loss, etc., Common mitigation actions may include, but are not limited to:
 - Increasing the use of recycled water

⁹ “Downscaled CMIP3 and CMIP5 Climate and Hydrology Projections” at http://gdo-dcp.ucllnl.org/downscaled_cmip_projections/dcpInterface.html. (Coupled Model Intercomparison Project (CMIP))

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- Rehabilitating old infrastructure prone to breaks and spills
- Building new facilities to enhance or improve diversions or storage
- Installing SCADA systems
- Incentivizing the installation water efficient appliances and irrigation systems
- Lowering outlets to minimize dead pool
- Water transfer programs

Identify a strategy to prioritize measures for implementation. This strategy should include technical feasibility, costs, benefits, and third party impacts.

Development of Response Actions

Response actions are different than mitigation measures in that they are triggered by specific stages of drought to manage the limited supply and decrease the severity of immediate impacts. Response actions are planned actions that are implemented based on specific triggers, and are not intended to be emergency/crisis driven.¹⁰ These actions can be quickly implemented and provide expeditious benefits. The steps that may be taken in developing response actions are as follows:

- Develop goals for each stage of drought. For example, a goal for Stage 1 drought could be municipal water users implementing voluntary conservation measures to reduce consumption by 10 percent.
- Identify corresponding actions appropriate for each drought stage. Each stage should have recommended and/or mandatory actions that will assist in achieving the stage goal for multiple sectors, including, but not limited to, public water suppliers, residents, industry, and government entities. Response actions include things such as:
 - Public drought campaigns
 - Demand reduction
 - Water use restrictions, curtailment, or drought surcharges
 - Water waste ordinances
 - System reoperation to reallocate supplies amongst users

Following is an example matrix of drought stages, triggers, goals, and response actions:

¹⁰ Response actions are characterized based on the severity of drought and taken pursuant to specific triggers. In contrast, emergency response actions are crisis driven actions in response to unanticipated circumstances. There are no defined triggers associated with emergency response actions.

Drought Stage	Trigger Points Reservoir Storage as of March 1	Goal/Objective	Response Actions
Moderate	Less than 65% of Average	Educate public on water shortage and encourage conservation	Implement public awareness campaign. Customers shall be asked to voluntarily conserve water mainly through reductions in outdoor water use.
Severe	Less than 55% of Average	Reduce water use by 20%	Customers are mandated to implement conservation measures. Watering landscape shall be limited to 2 times per week, car washing permitted only with use of water saving nozzle and automatic shut off. Any runoff onto sidewalks will result in fines. Restaurants shall only serve water upon request.
Extreme	Less than 45% of Average	Reduce water use by 50%, water use is limited to public health and safety	Ban on all outdoor irrigation/watering. No water shall be used to wash sidewalks, driveways, or structures. Car washing prohibited unless done at a facility that uses recycled water.

- Decide on incentives for compliance, monitoring, and enforcement (if necessary) of proposed actions.
- Develop guidelines and protocols for implementing response actions

Development of an Operational and Administrative Framework

An operational and administrative framework must be developed to identify who is responsible for undertaking the actions necessary to implement each element of the drought contingency plan, and related procedures and resources. The operational and administrative framework is also imperative to responding to drought crises, such as a community running out of potable water. Without a proper framework in place, emergency responses can be slow and inefficient.

There are many appropriate ways to document the operational and administrative framework, including tables identifying the roles and responsibilities of entities with drought related responsibilities, flow charts identifying how information will flow between the responsible entities, and who is responsible for decision-making. The operational and administrative framework may be developed as a stand-alone section of a drought contingency plan, or in the alternative, a description of the roles, responsibilities, procedures, and available resources may be integrated into each section of the drought plan.

- **Content of the Administrative and Operational Framework.** – The

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following are examples of the types of information that can be included in the operational and administrative framework. This is intended as guidance and is not comprehensive:

- **Responsibilities.** – Types of “responsibilities” identified in the operational and administrative framework may include, but are not limited to:
 - Drought monitoring, warning, and information sharing
 - Declaration of drought
 - Activation of any Task Forces or standing work groups
 - Initiation of drought response actions, including emergency response actions
 - Initiation of mitigation actions
 - Procurement and resource tracking
 - Development of public information messages and otherwise communicating with the public and water users regarding drought
 - Requests for assistance under State and Federal assistance programs
 - Request for a Presidential Disaster Declaration (if applicable)
 - Update of drought contingency plan
- **Roles.** – Identification of “roles” (i.e., assigning the above-listed responsibilities to appropriate entities/agencies), including, for example:
 - Flow chart identifying the flow of information between appropriate entities, e.g., from the Governor to State agencies, or from State agencies to city officials, and identifying any Task Forces or working groups with ongoing drought-related responsibilities
 - Table of State/local agency responsibilities
 - Identification of the role of each Task Force or work group and the duties assigned to specific members (i.e., chair, vice-chair, data collector, etc.)
- **Procedures.** – Document processes and procedures, including, for example:
 - Drought declaration process
 - Process for initiating a Task Force or working group
 - Process for requesting State or Federal assistance
- **Resources.** – Available Resources, including, for example:
 - A description of Federal, State, and local drought relief and mitigation programs and drought resources.
 - Tools for communities/citizens/businesses to aid and support drought actions and decisions. This could include user friendly references for:

water rights/allocations, water use facts, flow charts for drought responsibilities and jurisdictions, and any other resources available.

- **Example Matrix for Administrative and Operational Framework.** – The following table illustrates the type of information that could be included in a section of the administrative and operational framework related to monitoring responsibilities:

	Responsibilities	Roles	Procedures	Resources
Monitoring	Monitor drought forecasts and climate conditions	Assign responsibility to an appropriate entity, e.g., Water Availability Task Force	Explain how Task Force is initiated, how often it meets, and deliverables	U.S. Drought Monitor Monthly Climate Report
	Report on indicators and outlooks (e.g., for precipitation, snowpack, streamflow, reservoir levels, etc.)	Identify the duties assigned to specific individuals (e.g., Task Force Chair, scientists, experts in climatology and weather forecasting, etc.).	Process for review, finalization and transmittal of reports to appropriate entities	NRCS Snow Telemetry Network (SNOWTEL) sites Streamflow data
	Share information with other entities	Flow chart showing flow of information to entities, agencies and the public.	Report findings in Drought Situation Report, or prepare media talking points	Identify websites, list servers, scheduled meetings, media contacts, etc.

Development of Plan Update Process

The final step in the planning process is to create a detailed set of procedures for periodic evaluation and updates of the plan.

- **Plan Evaluation Process.** – The 10-Step Drought Planning Process developed by the NDMC, available at <http://drought.unl.edu/planning/planningprocesses.aspx>, recommends both an “ongoing” evaluation of drought plans and a “post-drought evaluation.” The ongoing evaluation involves testing the effectiveness of the plan under simulated drought conditions (i.e., using a “drought exercise”) prior to implementation and periodically thereafter. This will also test the effectiveness of the drought plan given changes in technology, new laws, changes to water infrastructure, changes to political leadership, and other changes. The post-drought evaluation is intended to assess the effectiveness of the plan once it has actually been implemented. According to the 10-Step Process, “post-drought evaluations should include an analysis of the climatic and environmental aspects of the drought; its economic and social

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consequences; the extent to which pre drought planning was useful in mitigating the impacts, in facilitating relief or assistance to stricken areas, and in post-recovery; and any other weaknesses or problems caused by or not covered by the plan.”

- **Measuring Effectiveness of a Plan.** – The evaluation process should include an objective approach to measuring the effectiveness of the drought plan. This should include a documented set of criteria for evaluating the plan, and may include the use of an external entity – such as a nongovernmental organization, university, or research institute – to conduct the evaluation.
- **Timing of Plan Updates.** – The plan should identify regular intervals for plan evaluations and updates. Certain aspects of the plan may benefit from more frequent updates – annually or every two years – whereas updates to the entire plan may be more appropriate every three to five years. For example, as progress is made in implementing mitigation actions, the section of the plan related to mitigation actions may require an update sooner than the rest of the plan.

Appendix B: Guidance for Incorporating Climate Change Information into Drought Contingency Plans

A critical component in conducting the vulnerability assessment for a Drought Contingency Plan is an understanding of the potential for and characteristics of future droughts. Such information is used to not only inform the risk to critical resources in a plan's vulnerability assessment, but the development of mitigation and response actions, and the selection of action triggers in the drought monitoring process. An understanding of future droughts can be informed by the observed past, but in the incorporation of paleo-climate and projected future climate will provide a broader set of possibilities, contributing to a more robust and effective plan overall.

The purpose of this appendix is to provide general guidance regarding the inclusion of projected climate information in assessing future drought conditions. These future conditions will then be used to assess the future risk to critical resources in a plan's vulnerability assessment. Suggested steps are proposed below:

- **Determine the appropriate level of climate change analysis.** – Many sources of existing information describing the potential impacts of climate change to various resources are available, such as WWCRA, Impact Assessments and Basin Studies, National Climate Assessment, or other studies previously conducted by States, universities, or other Federal and non-Federal entities. Depending on the availability and quality of existing studies and resources, a qualitative or quantitative analysis may be appropriate.

A *qualitative* analysis should include: a literature review of climate change studies relevant to the planning area, a qualitative analysis of the potential effects of climate change on planning area hydrology and critical resources, and a justification for why a qualitative analysis was sufficient to meet plan objectives.

If undertaking a *quantitative* analysis, steps 2 through 4, below, apply.

- **Evaluate available climate and streamflow projection information.** – If conducting a quantitative assessment, the first step is to select climate information in which drought-related trends will be assessed, which could include historical information (observations and paleo-climate¹¹) and

¹¹ Reconstructed streamflow from tree-ring can provide a paleoclimate context for past droughts. A suggested data resource for reconstructed streamflow from tree rings is the TreeFlow archive ("TreeFlow - Streamflow Reconstructions from Tree Rings" at <http://treeflow.info/index.html>).

projected future information.¹² Second, evaluate that information for trends in temperature, precipitation, and streamflow that are relevant to the planning area. Because this information is being used to support drought contingency planning, the evaluation should likely focus on assessing dry spell characteristics in the projections, and identifying extreme months or periods of temperature, precipitation, runoff, and soil moisture to characterize drought intensity, duration and frequency.

Third, select drought characteristics to assess within the chosen climate and streamflow projection information. Drought characteristics should be selected based on those features of drought that are most problematic in a given planning area (e.g., extended multi-year or single-year drought). Drought characteristics may include drought duration and severity, seasonal characteristics, or changes to temperatures and snowpack. Planners should consider the range of droughts to be addressed in the Plan, for example ranging from slowly building to rapid onset droughts. Define characteristics to represent this range, and then assess the trends and likelihood of such characteristics in the chosen climate and streamflow information. For example, if the Plan is being developed to address droughts of longer durations (e.g., greater than 10 years) with moderate severity (within the 50th and 75th percentile), describe the features of droughts lasting longer than 10 years in the selected climate and streamflow information and how likely those within the 50th and 75th percentile are to occur.

- **Assess impacts on critical resources.** – The fourth step is to assess how trending climate and drought conditions assessed in step (2) may impact critical resources in the planning area. For example, how might reservoir levels critical to hydropower generation be impacted by specific drought conditions? Other examples might include certain drought types and their influence on the effectiveness of environmental flow constraints on reservoir release operations, and impacts to groundwater resources from additional pumping to meeting municipal and irrigation demands under drought conditions.

This information gained through the steps in this appendix should be used to inform the development of the mitigation and response actions. For example, if it is found that droughts lasting longer than 10 years are expected to occur 50 percent of the time in the future and are expected to be more severe than existing mitigation and response actions are designed for, mitigation and response actions developed as part of this plan should

¹² A suggested data resource for temperature, precipitation, runoff and soil moisture is the Downscaled Climate and Hydrology Projections (DCHP) archive at http://gdo-dcp.ucllnl.org/downscaled_cmip_projections/dcpInterface.html. This archive provides both climate and hydrologic projections at a fine spatial resolution over the contiguous U.S. and offers a useful starting point for surveying many climate projections and the spread of future climate possibilities over the planning area.

be adjusted accordingly. If time and resources warrant, an iterative process could be adopted and the impacts to resources could be reassessed with the mitigation and response actions in place to test their effectiveness and subsequently adjusted as appropriate.

Appendix C: Evaluation Criteria for Drought Contingency Planning

The following criteria will be used by the ARC to rank proposals to develop a drought contingency plan or plan update, submitted under the Drought Contingency Planning FOA.

Evaluation Criterion A – Need for a Drought Contingency Plan or Plan Update (40 points)

Up to 40 points may be awarded based on the extent to which the proposal demonstrates a compelling need to develop or update a drought contingency plan. Proposals that address more urgent needs and more severe drought risks will receive higher priority consideration on this criterion than proposals to address less significant needs and risks.

Describe the severity of the risks to water supplies that will be addressed in the Drought Contingency Plan. What are the risks to water supplies within the applicable geographic area that will be addressed in the plan or plan update, and how severe are those risks? Describe the existing or potential drought risks to specific sectors in the project area (e.g., impacts to agriculture, environment, hydropower, recreation and tourism, forestry). Risks should be quantified and documented to the extent possible. For example, risks could include but are not limited to:

- Whether there are public health concerns or social concerns associated with existing or potential drought conditions. For example, are there water quality concerns including past or potential violations of drinking water standards, increased risks of wildfire, or past or potential shortages of drinking water supplies? Does the community have another water source available to them if their water service is interrupted?
- Whether there are environmental concerns, such as existing or potential impacts to endangered, threatened or candidate species.
- Whether there are local economic losses (past, ongoing, or potential) associated with drought conditions (e.g., business, agriculture, reduced real estate values)
- Whether there are other drought-related risks not identified above (for example, tensions over water that could result in a water-related crisis or conflict, or risks to tribes).

Describe existing or potential drought conditions to be addressed in the Drought Contingency Plan.

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- Will the proposed plan or plan update address a geographic area that is currently suffering from drought or which has recently suffered from drought? Please
- Describe existing or recent drought conditions, including when and how long the area has experienced drought conditions (please provide supporting documentation, [e.g., Drought Monitor, <http://droughtmonitor.unl.edu>]).
- Describe any projected increases to the frequency, severity, or duration of drought in the geographic area resulting from climate change. Please provide support for this response (e.g., reference a recent climate change analysis, if available).

Describe the status of any existing planning efforts. Please explain how this drought contingency plan or plan update relates to other planning efforts ongoing or recently completed in the planning area and how this effort will complement, not duplicate ongoing or completed planning efforts. For plan updates, please explain how the update builds on and adds value to the existing plan.

Evaluation Criterion B – Inclusion of Stakeholders (30 points)

Up to **30 points** may be awarded based on the extent to which the proposal demonstrates that the planning process will be inclusive and incorporate input and participation by a diverse range of stakeholders. Note, “stakeholders” should include a mix of both internal and external stakeholders (e.g., to a tribe, city, or district).

Describe the stakeholders to be involved in the planning process. Please address the following:

- Identify stakeholders in the planning area who have *committed to be involved* in the planning process and describe their commitment, e.g., will they participate on the Task Force, contribute funding or in-kind services, or otherwise engage in the planning process? Do these stakeholders represent diverse interests (e.g., agricultural, municipal, environmental, recreation, tribal)? Be sure to include the specific interest that each stakeholder has in the Drought Contingency Plan. Documentation could include letters from stakeholders committing to be involved in the planning process; such letters should explain what their specific interest is and how they plan to participate.
- Describe stakeholders in the planning area who have *expressed their support* for the planning process, whether or not they have committed to participate. Support can include letters of support from stakeholders or a description of feedback from interested stakeholders; such letters should identify the stakeholder’s specific interest.

- Describe what efforts that *you will undertake* to ensure participation by a diverse array of stakeholders in the development of a plan or plan update. If specific stakeholders have not yet been identified, or if some sectors are not yet represented, explain how you will accomplish this in the first few months after an award. Support could include a description of key stakeholder interests in the planning area and what efforts that you will undertake to engage them in the planning process, including outreach to stakeholders or collaborating with other groups or partners

Evaluation Criterion C – Project Implementation (20 points)

Up to **20 points** may be awarded based on the extent to which the proposal supports the applicant’s ability to meet the program requirements within the two- year timeframe, based on the following:

Describe the approach for addressing the six required elements of a Drought Contingency Plan within the two year timeframe. Note, new plans must address all six required elements (described in Section I.C. Requirements for Developing or Updating Drought Contingency Plans), whereas plan updates may address only those elements not (sufficiently) addressed in an existing plan. Please address the following:

- Describe how each of the six required elements of a Drought Contingency Plan, as applicable, will be addressed within the two-year timeframe. If the proposal is for a plan update, please explain whether all or only some elements of the existing plan will be updated, and why. Please include an estimated project schedule that shows the stages and duration of the proposed work including major tasks, milestones, and dates.
- Describe the availability and quality of existing data and models¹³ applicable to the proposed plan or plan update. Your response to this sub-criterion should demonstrate your understanding of the tasks required to address the required elements of a Drought Contingency Plan under this program.
- Describe how each of the six required elements of a Drought Contingency Plan, as applicable, will be addressed within the two year timeframe. If the proposal is for a plan update, please explain whether all or only some elements of the existing plan will be updated, and why. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.
- Describe the availability and quality of existing data and models⁴ applicable to the proposed plan or plan update. Your response to this sub-criterion should

¹³ Data and models include but are not limited to: hydrologic models, operational models, climate data, water demand data or projections, water quality data, recreational water needs, environmental water needs, demographics, and economic data and models.

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demonstrate your understanding of the tasks required to address the required elements of a Drought Contingency Plan under this program.

- Identify staff with appropriate technical expertise and describe their qualifications. Describe any plans to request additional technical assistance from Reclamation, or by contract.

Evaluation Criterion D – Nexus to Reclamation (10 points)

Up to **10 points** may be awarded based on the extent that the proposal demonstrates a nexus between the development of the Drought Contingency Plan and a Reclamation project or activity. Please provide the following information regarding the connection to a Reclamation project, facility, or activity, or Department of the Interior Initiative:

- Is there a Reclamation project, facility, or activity within the planning area?
- Is the planning area in the same basin as a Reclamation project, facility, or activity?
- In what way will the proposed plan or plan update benefit a basin where a Reclamation project, facility, or activity is located?
- Does the proposed plan or plan update support implementation of a relevant Department of the Interior initiative?

Appendix D: Evaluation Criteria for Drought Resiliency Projects

The following criteria will be used by the ARC to rank proposals for funding under the Drought Resiliency Projects FOA.

Evaluation Criterion A – Project Benefits (40 points)

Up to **40 points** may be awarded based on the expected drought resiliency benefits of the proposed project. Proposals containing a well-supported and detailed description of both quantifiable and qualitative benefits will receive the most points under this criterion. *For projects that do not make additional water supplies available, please describe how the project will improve water management. For projects that make additional water supplies available AND improve water management, please respond to all questions under this criterion.*

Please describe how the proposed project will improve drought resiliency, including:

- Will the project make additional water supplies available?
 - If so, what is the estimated quantity of additional supply the project will provide and how was this estimate calculated?
 - What percentage of the total water supply does the additional water supply represent? How was this estimate calculated?
 - Provide a brief qualitative description of the degree/significance of the benefits associated with the additional water supplies.
- How will the project build long-term resilience to drought? How many years will the project continue to provide benefits?
- How will the project improve the management of water supplies? For example, will the project increase efficiency or increase operational flexibility (e.g., improve the ability to deliver water during drought or access other sources of supply)? If so, how will the project increase efficiency or operational flexibility?
- Will the project make new information available to water managers? If so, what is that information and how will it improve water management?
- Will the project have benefits to fish, wildlife, or the environment? If so, please describe those benefits.

- What is the estimated quantity of water that will be better managed as a result of this project? How was this estimate calculated?
- What percentage of the total water supply does the water better managed represent? How was this estimate calculated?
- Provide a brief qualitative description of the degree/significance of anticipated water management benefits.

If the proposed project includes any of the following components, please provide the applicable additional information:

Salt Water Barriers.—What supply of water is the barrier protecting and to what degree is it comprehensive protection? What is the protected water supply mainly used for?

Wells.—What is the estimated capacity of the new well(s), and how was the estimate calculated? How much water do you plan to extract through the well(s)? Will the well be used as a primary supply or supplemental supply when there is a lack of surface supplies? Please provide information documenting that proposed well(s) will not adversely impact the aquifer it/they are pumping from (overdraft or land subsidence). At a minimum, this should include aquifer description, information on existing or planned aquifer recharge facilities, a map of the well location and other nearby surface water supplies, and physical descriptions of the proposed well(s) (depth, diameter, casing description, etc.). If available, information should be provided on nearby wells (sizes, capacities, yields, etc.), aquifer test results, and if the area is currently experiencing aquifer overdraft or land subsidence. Please describe the groundwater monitoring plan that will be undertaken and the associated monitoring triggers for mitigation actions. Describe how the mitigation actions will respond to or help avoid any significant adverse impacts to third parties that occur due to groundwater pumping.

New Water Marketing Tool or Program.—How does the new tool or program increase the flexibility of acquiring water on the open market? What is the scope of water users and uses that will benefit? Are there any legal issues pertaining to water marketing that could hinder project implementation (e.g., restrictions under Reclamation or State law or contracts, or individual project authorities).

Metering/Water Measurement Projects. —To what extent are the methods tested/proven? To what degree will the project improve the ability to predict the onset of drought earlier and/or with more certainty? To what degree will the project improve the ability to anticipate the severity and magnitude of drought? To what degree will the project improve the likelihood/timing of detecting mitigation action triggers? Explain why this is a necessary sub-component of another eligible Drought Resiliency Project as described in Tasks A-D.

Environmental/Wildlife Projects

- What are the types and quantities of environmental benefits provided, such as the types of species and their numbers benefited, acreage of habitat improved, restored or protected, or the amount of flow provided? How was this estimate calculated?
- What is the status of the species of interest (i.e. endangered, threatened, etc.)? How has the drought impact the species?
- If the proposed project will benefit federally listed threatened or endangered species please consider the following elements:
- Is the species subject to a recovery plan or conservation plan under the ESA?
- What is the relationship of the species to water supply?
- What is the extent of the proposed project that would reduce the likelihood of listing, or would otherwise improve the status of the species?
- Is the species adversely affected by a Reclamation project?

Evaluation Criterion B – Drought Planning and Preparedness (20 points)

Up to **20 points** may be awarded for a proposal based on the extent that the proposed drought resiliency project(s) is supported by an existing drought plan.

Proposals that demonstrate that the proposed project is clearly supported by an existing drought plan will be awarded the most points under this criterion. Such drought plans do not require Reclamation approval and may include plans prepared by someone other than the applicant (e.g., an existing State, county, municipal, or other plan is acceptable).

Please note that this criterion does not address the benefits of the project and the description should be limited to the extent to which a plan supports the project. Project benefits are addressed under V.A.1—Evaluation Criterion A—Building Drought Resiliency, above.

For purposes of evaluating this criterion, please:

- Attach a copy of the applicable drought plan, or sections of the plan, as an appendix to your application. These pages will not be included in the total page count for the application.

- Explain how the applicable plan addresses drought. Proposals that reference plans clearly intended to prepare for and address drought will receive more points under this criterion.
 - Explain whether the drought plan was developed with input from multiple stakeholders. Was the drought plan developed through a collaborative process?
 - Does the drought plan include consideration of climate change impacts to water resources or drought?
- Describe how your proposed drought resiliency project is supported by and existing drought plan.
 - Does the drought plan identify the proposed project as a potential mitigation or response action?
 - Does the proposed project implement a goal or need identified in the drought plan?
 - Describe how the proposed project is prioritized in the referenced drought plan?

Evaluation Criterion C – Severity of Actual or Potential Drought Impacts (20 points)

Up to **20 points** may be awarded based upon the severity of actual or potential drought impacts to be addressed by the project. Proposals that address more urgent needs and more severe drought impacts will receive higher priority consideration on this criterion than proposals that address less significant needs and impacts.

Describe the severity of the impacts that will be addressed by the project:

- What are the ongoing or potential drought impacts to specific sectors in the project area if no action is taken (e.g., impacts to agriculture, environment, hydropower, recreation and tourism, forestry), and how severe are those impacts? Impacts should be quantified and documented to the extent possible. For example, impacts could include, but are not limited to:
 - Whether there are public health concerns or social concerns associated with current or potential drought conditions (e.g., water quality concerns including past or potential violations of drinking water standards, increased risk of wildfire, or past or potential shortages of

drinking water supplies? Does the community have another water source available to them if their water service is interrupted?)

- Whether there are ongoing or potential environmental impacts (e.g., impacts to endangered, threatened or candidate species or habitat)
- Whether there are ongoing, past or potential, local, or economic losses associated with current drought conditions (e.g., business, agriculture, reduced real estate values)
- Whether there are other drought-related impacts not identified above, including tensions over water that could result in a water-related crisis or conflict, for example.
- Describe existing or potential drought conditions in the project area.
- Is the project in an area that is currently suffering from drought or which has recently suffered from drought? Please describe existing or recent drought conditions, including when and the period of time that the area has experienced drought conditions (please provide supporting documentation, [e.g., Drought Monitor, droughtmonitor.unl.edu]).
- Describe any projected increases to the severity or duration of drought in the project area resulting from climate change. Provide support for your response (e.g., reference a recent climate change analysis, if available)

Evaluation Criterion D – Project Implementation (10 points)

Up to **10 points** may be awarded based upon the extent to which the proposed project is capable of proceeding upon entering into a financial assistance agreement. Applicants that describe a detailed plan (e.g., estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates) will receive the most points under this criterion.

- Describe the implementation plan of the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.
(Please note that under no circumstances may an applicant begin any ground-disturbing activities, including grading, clearing, and other preliminary activities, on a project before environmental compliance is complete and Reclamation explicitly authorizes work to proceed).
- Describe any permits that will be required, along with the process for

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obtaining such permits.

- Identify and describe any engineering or design work performed specifically in support of the proposed project.
- Describe any new policies or administrative actions required to implement the project.

Evaluation Criterion E – Nexus to Reclamation (10 points)

Up to **10 points** may be awarded based on the extent that the proposal demonstrates a nexus between the proposed project and a Reclamation project or activity. Describe the nexus between the proposed project and a Reclamation project or activity, including:

- How is the proposed project connected to a Reclamation project or activity?
- Does the applicant receive Reclamation project water?
- Is the project on Reclamation project lands or involving Reclamation facilities?
- Is the project in the same basin as a Reclamation project or activity?
- Will the proposed work contribute water to a basin where a Reclamation project is located?
- Will the project help Reclamation meet trust responsibilities to any tribe(s)?

Appendix E: Evaluation Criteria for Emergency Response Actions

The following evaluation criteria, listed in descending order of importance, will be used to rank requests for emergency assistance under Title I of the Drought Act. Emergency response actions are intended to respond to current drought emergencies. To be eligible for emergency assistance a state governor or tribal leader must declare a drought and request assistance in writing for proposed emergency response actions.

Funding for emergency response actions will be limited to temporary construction activities and other actions authorized under Title I of the Drought Act that can be completed within six months. Examples include temporary construction activities (e.g., temporary pipes and pumps) that minimize losses and damages resulting from drought conditions, water purchases, and using Reclamation facilities to convey and store water.

Evaluation Criterion A – Project Benefits (40 points)

This criterion will evaluate the benefits that are expected to result from implementing the proposed project/ activity (e.g., qualitative benefits of the project, economic benefits, etc.), based on the following:

- Whether the project will result in benefits to the health and safety of people (e.g., projects that will provide access to safe, clean, and affordable potable water supplies for human consumption, cooking, health care facilities, and sanitary purposes) and/ or assist Reclamation with meeting its trust responsibilities to tribes
- Whether the project will result in benefits to fish and wildlife and the environment
- Whether the project is expected to result in other benefits that are not captured above including, but not limited to, projects that promote and encourage collaboration among parties, prevent a water-related crisis or conflict, and facilitate the voluntary sale, transfer or exchange of water

Evaluation Criterion B – Need for the Project (30 points)

This criterion will evaluate the extent to which the proposal demonstrates a compelling need to implement the project during an existing drought, based on the following:

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- The current drought situation (e.g., using the Drought Monitor or similar sources)
- The period of time that the area has been experiencing drought conditions
- The magnitude of the impacts if the proposed project is not funded (e.g., economic, social, public health, etc...)
- How many people are being impacted by the risk(s)
- How the project will address the existing drought risks

Evaluation Criterion C – Nexus to Reclamation (15 points)

This criterion will evaluate the extent that the proposed project has a nexus to Reclamation’s mission, projects, and activities.

Evaluation Criterion D – Project Implementation (10 points)

This criterion will evaluate how well the applicant has thought through the steps that are required for implementing their proposed project, based on:

- Proposal demonstrates a sound approach to implementing the emergency response action within six months of entering into an agreement. Support for this criterion should include:
 - An estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates) for implementing their emergency response action, and
 - A detailed budget estimate that demonstrates that the costs for the project are reasonable.

Evaluation Criterion E – Cost-Sharing (5 points)

This criterion will evaluate whether the applicants will provide a non-Federal cost-share towards the total cost of the emergency response action. A non-Federal cost-share is not required for emergency response actions funded under the Drought Response Program; however, applicants that provide a non-Federal cost-share will receive a small number of points under this criterion.