

Item # 5-5

**City of Carson City
Agenda Report**

Date Submitted: July 25, 2008

Agenda Date Requested: August 7, 2008
Time Requested: Consent

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to approve and authorize the Public Works Director to sign an assistance agreement with the United States Environmental Protection Agency for a grant in the amount of \$286,000.00.

Staff Summary: If approved, this agreement provides \$286,000.00 in federal funding to perform a hydraulic modeling and feasibility study to determine the best practices for reducing arsenic and uranium levels in the community's drinking water through blending and if necessary treatment. Additionally, the modeling will identify required piping to provide for blending, pressure zone stabilization and new source requirements.

Type of Action Requested: (check one)
☐ Resolution ☐ Ordinance
☒ Formal Action/Motion ☐ Other

Does This Action Require A Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: I move to approve and authorize the Public Works Director to sign an assistance agreement with the United States Environmental Protection Agency for a grant in the amount of \$286,000.00.

Explanation for Recommended Board Action: The results of the hydraulic modeling and feasibility study will provide the level of detail necessary to understand the most cost effective methods of blending and/or treatment that is required to maximize the use of existing water resources and maintain full compliance with Federal and State drinking water standards going forward. If approved, this agreement provides \$286,000.00 in federal funding with a match of \$234,000.00 from Carson City. This allows Carson City to have a fully functional water model and develop this critical information at 45% of the actual cost.

As the Board is aware, the relatively recent lowering of the Arsenic standard and more particularly the establishment of a Uranium standard by Federal EPA, has presented challenges for operations in meeting water demands. This issue was one of the major factors that led to the recent call for a Stage 1 Water Restriction (voluntary cut-back), in that we are unable to fully utilize a number of wells on a continuous basis in order not to exceed the annual average for Uranium as required by Federal and State regulations. This model will provide us the ability to predict with a higher degree of accuracy the affects of growth, water demand, additional storage requirements and water conservation needs. While Public Works continues to search for new sources to satisfy future water demands for the community, it is critical that we determine the most cost effective manner to utilize our existing water resources. This funding allows for this opportunity.

In addition the model will provide for evaluating connection to regional resources and how best to utilize these resources in the most efficient manner through our current distribution system and to determine if improvements are necessary.

Applicable Statue, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: If approved, \$286,000.00 in additional funding.

Explanation of Impact: N/A

Funding Source: Funding will supplement the Water Fund

Alternatives: Do not approve and direct staff otherwise.

Supporting Material: Copy of EPA Assistance Grant for Board review.

Prepared By: Ken Arnold, Deputy Public Works Director

Reviewed By:

(Department Head)

Date:

7/29/08

(City Manager)

Date:

7/29/08

(District Attorney)

Date:

7/29/08

(Finance Director)

Date:

7/29/08

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Assistance Agreement or Amendment

Enclosed are two electronically signed originals of an Assistance Agreement or Amendment from the U.S. Environmental Protection Agency, Region 9. Please review the entire document, including the terms and conditions, which set forth your legal responsibilities to EPA and the programmatic and financial reporting requirements of the award.

Within 21 days of receipt, please sign and date both originals in the Affirmation of Award section, keep one original for your records, and return the original marked "RETURN TO EPA" to the following address:

U.S. Environmental Protection Agency
Region 9
Grants Management Office, MTS-7
75 Hawthorne Street
San Francisco, CA 94105

We suggest that you make additional copies for your **Project Manager**, (found on page 1 of the award), **Finance/Fiscal Officer**, and any other personnel in your organization requiring information about the award.

If you or your staff have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative or fiscal matters should be directed to your EPA Grants Specialist. Both contacts are shown on page 1 of the award. You may also access our Region 9 website for additional information to help you manage your grant at:

<http://www.epa.gov/Region9/funding>

For information regarding payments and financial reports, please refer to the following website for the Las Vegas Finance Center:

<http://www.epa.gov/ocfo/finservices/payinfo.htm>

RETURN TO EPA, MTS-7

XP - 98975301 - 0 Page 1

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		ASSISTANCE ID NO.			DATE OF AWARD 06/26/2008 MAILING DATE 07/03/2008 ACH# 90451	
			PRG	DOC ID	AMEND#		
			XP -	98975301	- 0		
			TYPE OF ACTION New				
PAYMENT METHOD: Reimbursement							
RECIPIENT TYPE: Municipal			Send Payment Request to: Las Vegas Finance Center, Fax (702) 798-2423				
RECIPIENT: City of Carson City 3505 Butti Way Carson City, NV 89701 EIN: 88-6000189			PAYEE: City of Carson City 3505 Butti Way Carson City, NV 89701				
PROJECT MANAGER Ken Arnold 3505 Butti Way Carson City, NV 89701 E-Mail: KArnold@ci.carson-city.nv.us Phone: 775-887-2355x1015		EPA PROJECT OFFICER Stephanie Wilson 75 Hawthorne Street, WTR-10 San Francisco, CA 94105 E-Mail: Wilson.Stephania@epamail.epa.gov Phone: 775-885-6190		EPA GRANT SPECIALIST Elizabeth Armour Grants Management Office, MTS-7 E-Mail: Armour.Elizabeth@epa.gov Phone: 415-947-4264			
PROJECT TITLE AND DESCRIPTION WATER INFRASTRUCTURE - Carson City Water System Contaminant Mitigation & Optimization This project seeks to provide information to Carson City officials which will aid them in designing drinking water facilities that will provide safe and secure drinking water supply in the future. This project will provide information to Carson City to allow for reducing arsenic and uranium in the City's drinking water through hydraulic modeling and feasibility analyses development. This assistance agreement provides full federal funding in the amount of \$286,000 from the FY08 line item appropriation for the City of Carson City.							
BUDGET PERIOD 07/01/2008 - 01/31/2009		PROJECT PERIOD 07/01/2008 - 01/31/2009		TOTAL BUDGET PERIOD COST \$520,000.00		TOTAL PROJECT PERIOD COST \$520,000.00	
NOTICE OF AWARD							
Based on your application dated 04/02/2008, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$286,000. EPA agrees to cost-share 55.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$286,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.							
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)				AWARD APPROVAL OFFICE			
ORGANIZATION / ADDRESS U.S. EPA, Region 9 Grants Management Office, MTS-7 75 Hawthorne Street San Francisco, CA 94105				ORGANIZATION / ADDRESS U.S. EPA, Region 9 Water Division, WTR-1 75 Hawthorne Street San Francisco, CA 94105			
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY							
SIGNATURE OF AWARD OFFICIAL Digital signature applied by EPA Award Official		TYPED NAME AND TITLE Jane Diamond, Assistant Regional Administrator			DATE 06/26/2008		
AFFIRMATION OF AWARD							
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION							
SIGNATURE		TYPED NAME AND TITLE Andrew Burnham, Director, Public Works			DATE		

XP - 98975301 - 0 Page 2

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 286,000	\$ 286,000
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$ 0
Other Federal Funds	\$	\$	\$ 0
Recipient Contribution	\$	\$ 234,000	\$ 234,000
State Contribution	\$	\$	\$ 0
Local Contribution	\$	\$	\$ 0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$ 0	\$ 520,000	\$ 520,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.202 - Congressionally Mandated Projects	Consolidated Appropriations Act 2008	40 CFR PART 31

[illegible]

Budget Summary Page

Table A - Object Class Category (Non-construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$0
2. Fringe Benefits	\$0
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$520,000
7. Construction	\$0
8. Other	\$0
9. Total Direct Charges	\$520,000
10. Indirect Costs: % Base	\$0
11. Total (Share: Recipient <u>45.00</u> % Federal <u>55.00</u> %.)	\$520,000
12. Total Approved Assistance Amount	\$286,000
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$286,000
15. Total EPA Amount Awarded To Date	\$286,000

Administrative Conditions

1. The final Financial Status Report (FSR), Standard Form 269A (Rev. 7/97), for this award shall be submitted to the U.S. EPA Las Vegas Finance Center, PO Box 98515, Las Vegas, NV 89193-8515, within 90 days after the end of the project period according to the recipient's respective Code of Federal Regulations Part 31.23(b) and 31.41(b). The LVFC will make adjustments, as necessary, to obligated funds after reviewing and accepting a final Financial Status Report. Recipients will be notified and instructed by EPA if they must complete any additional forms for the closeout of the assistance agreement.
2. The recipient will provide timely reporting of cash disbursements and balances through annual submission (January - December) of a Federal Cash Transactions Report (SF272 and SF272A). The appropriate reports must be submitted to the Las Vegas Finance Center within 15 working days following the end of each calendar year. The recipient may access these forms and the instructions for submission at <http://www.epa.gov/ocfo/finservices/payinfo.htm>.
3. The recipient shall comply with the Single Audit Act and the reporting requirements set forth in OMB Circular A-133.
4. The recipient agrees to comply with the requirements of EPA's Program for Utilization of Small, Minority and Women's Business Enterprises in procurement under assistance agreements as set forth in 40 CFR Part 33. The EPA DBE rule can be accessed at <http://www.epa.gov/osbp>. In addition, the recipient agrees to make good faith efforts whenever procuring construction, equipment, services and supplies under an EPA assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply with 40 CFR Section 33.301. Records documenting compliance with the six good faith efforts shall be retained.

The recipient accepts the applicable MBE/WBE fair share objectives/goals negotiated with EPA by the Nevada Department of Conservation and Natural Resources, as follows:

	<u>MBE</u>	<u>WBE</u>
Construction	12%	10%
Equipment	11%	23%
Services	7%	25%
Supplies	13%	28%

By signing this financial assistance agreement, the recipient is accepting the fair share objectives/goals stated above and attests to the fact that it is purchasing the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as Nevada Department of Conservation and Natural Resources.

Pursuant to 40 CFR Section 33.404, the recipient has the option to negotiate its own MBE/WBE fair share objectives/goals. If the recipient wishes to negotiate its own MBE/WBE fair share objectives/goals, the recipient agrees to submit proposed MBE/WBE objectives/goals based on an availability analysis, or disparity study, of qualified MBEs and WBEs in their relevant geographic buying market for construction, services, supplies and equipment.

CONTINUED ON PAGE 5

The submission of proposed fair share goals with the supporting analysis or disparity study means that the recipient is not accepting the fair share objectives/goals of another recipient. The recipient agrees to submit proposed fair share objectives/goals, together with the supporting availability analysis or disparity study to Joe Ochab, MTS-1, the Regional MBE/WBE Coordinator, within 120 days of acceptance of the financial assistance award. EPA will respond to the proposed fair share objectives/goals within 30 days of receiving the submission. If proposed fair share objectives/goals are not received within the 120 day time frame, the recipient may not expend its EPA funds for procurements until the proposed fair share objectives/goals are submitted.

A recipient of a Continuing Environmental Program Grant or other annual grant agrees to create and maintain a bidders list. A recipient of an EPA financial assistance agreement to capitalize a revolving loan fund also agrees to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Refer to 40 CFR Section 33.501 (b) and (c) for specific requirements and exemptions.

5. The recipient agrees to complete and submit to the Grants Management Office, MTS-7, a MBE/WBE Utilization Report (EPA Form 5700-20A), within 30 days after the end of the semi-annual reporting period; i.e., by April 30 and October 30 of each calendar year. Negative reports are required. Recipients of financial assistance agreements that capitalize revolving loan programs agree to require entities receiving identified loans to submit their MBE/WBE participation reports on a semiannual basis to the financial assistance agreement recipient, rather than to EPA. Only procurements with certified MBE/WBEs are counted towards a recipient's MBE/WBE accomplishments. A final MBE/WBE report must be submitted within 90 days after the end of the project period. Your grant cannot be officially closed without all MBE/WBE reports. EPA Form 5700-52A may be obtained from the EPA Office of Small Business Program's Home Page on the internet at www.epa.gov/osbp.

6. When procuring services, equipment, and/or supplies under this assistance agreement, the recipient will follow the same policies and procedures it uses for procurements from its non-Federal funds. The recipient will follow their own procurement policies and procedures provided that the policies and procedures conform with EPA regulations 40 CFR Part 31.36 or 30.44 (as applicable) which state that all procurement transactions will be conducted in a manner providing full and open competition.

7. Payment to consultants. Per 40 CFR Part 31.36(j), EPA's participation in the salary rate (excluding overhead and travel) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule, to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills and if the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. As of January 1, 2008, the rate is \$571.12 per day and \$71.39 per hour. This rate does not include overhead or travel costs and the recipient may pay these in accordance with its normal travel practices.

Subagreements with firms or individuals for services which are awarded using the procurement requirements in 40 CFR Parts 30 or 31, as applicable, are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See 40 CFR Part 31.36(j)(2) or Part 30.27(b).

8. The cost principles of 2 CFR 225, 230, or 220 (formerly OMB Circular A-87, A-122, or A-21) are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

9. The recipient agrees to comply with Title 40 CFR Part 34, *New Restrictions on Lobbying*. The recipient shall include the language of this provision in award documents for all subawards exceeding \$100,000, and require that subrecipients submit certification and disclosure forms accordingly.

In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

10. The recipient shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. The recipient shall abide by its respective 2 CFR 220, 225, or 230 (formerly OMB Circular A-21, A-87, or A-122), which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.

11. Pursuant to EPA Order 1000.25 and Executive Order 13101, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration. Recipient shall comply with the requirements set forth in Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

12. The recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if a property is in compliance (FEMA ID is currently not required), or to find other information about the Act.

13. The recipient organization of this EPA assistance agreement must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title 40 CFR 36.200 - 36.230. Additionally, in accordance with these regulations, the recipient organization must identify all known workplaces under its federal awards, and keep this information on file during the performance of the award.

Those recipients who are individuals must comply with the drug-free provisions set forth in Title 40 CFR 36.300.

The consequences for violating this condition are detailed under Title 40 CFR 36.510. Recipients can access the Code of Federal Regulations (CFR) Title 40 Part 36 at http://www.access.gpo.gov/nara/cfr/waisidx_06/40cfr36_06.html.

14. The recipient shall fully comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons)." The recipient is responsible for ensuring that any lower tier covered transaction as described in Subpart B of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. The recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. The recipient acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

Recipient may access the Excluded Parties List System at www.epls.gov. This term and condition supersedes EPA Form 5700-49, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters."

Programmatic Conditions

P1. In accordance with 40 C.F.R. §31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement workplan for the period; 2) the reasons for slippage if established outputs/outcomes were not met by the agreed upon or scheduled date; and 3) any additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.

In accordance with 40 C.F.R. § 31.40(d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

P2. The recipient agrees to submit to the EPA Project Office a short narrative describing the environmental and public health benefits of this project in the workplan. Additionally, within 90 day of the conclusion of the project, the recipient shall submit an assessment of how effective the project was in achieving the stated environmental and public health objectives.

END-OF-DOCUMENT