

<p style="text-align: center;">BOARD FOR FINANCING WATER PROJECTS</p> <p style="text-align: center;">POLICY</p>	<p style="text-align: center;">EFFECTIVE DATE</p> <p style="text-align: center;">05/03/06</p>	<p style="text-align: center;">PAGE</p> <p style="text-align: center;">Page 1 of 2</p>
<p style="text-align: center;">SUBJECT: REQUEST FOR CHANGES TO GRANT FUNDING OR PROJECT SCOPE</p>		

STATEMENT OF POLICY:

It is the policy of the Board for Financing Water Projects (Board) to establish guidelines for consideration of requests for changes to grant funding or project scope to assure that appropriate justification is provided and that the changes are in conformance with NRS 349.

PURPOSE:

To establish a policy to provide appropriate guidance for requests to increase funding of a previously approved grant, requests to apply funds not needed for the original project to other projects and/or requests to change the scope of the project.

BOARD POLICY:

1. With increases in materials, fuel and labor, some projects will not have enough grant funds to complete the projects that were approved by the Board. In order for the Board to consider a grantee's request for additional funding, the grantee must demonstrate the following:
 - a. The water rates are at least 1.5% of the median household income.
 - b. The grantee has applied for a loan for the maximum amount possible.
 - c. The project shows reasonable progress with no delays of more than three months.
 - d. The grantee has reviewed all possible alternative designs that would meet the project needs and has chosen the most cost effective alternative.
 - e. The grantee must show complete justification for the project cost increases including engineering costs.

If an increase is granted by the Board, the amount of the increase will be subject to the original grant scale determined for the project.

2. If a change in scope of a previously approved project involves significant engineering changes or new system components not previously proposed, the Board will require the applicant to submit a new grant application and will be subject to the conditions listed in item 1. a - e. Significant engineering changes include, but are not limited to: change in number of storage tanks or wells, change in the location of a storage tank(s) if the new location will require additional earthwork or slope stabilization, change in water treatment technology, and removing one project element and substituting another (e.g., eliminating a pipeline replacement and adding a booster pump).

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3. If grant funds remain after a project is completed and the grantee wishes to use those funds for other system improvements, the grantee must submit a new grant application.