

both Federal and non-Federal land or interests, the O&M may be performed by the Federal agency, the sponsor(s), or both as mutually agreed by the Federal agency, sponsor(s), and NRCS. If O&M of project measures is performed by mutual agreement, the cost of O&M may be shared by the Federal agency and sponsor(s) as agreed.

(c) The sponsor(s) shall obtain NRCS approval before modifying a project measure of changing land use to fulfill a different purpose.

§ 654.12 Financing operations and maintenance.

Sources of funds needed to operate and maintain project measures for the duration of the O&M agreement shall be identified in the watershed or RC&D measure plan.

§ 654.13 Designating responsibility for operation and maintenance.

Those organizations or agencies responsible for the O&M of each project measure shall be identified in the watershed or RC&D measure plan.

§ 654.14 Duration of sponsor(s)' responsibility.

(a) Sponsor(s)' responsibility for O&M of a completed project measure begins when a part of all of the contract installing such measure is completed and accepted from the contractor. If the installation of the project measure is performed by force account, division of work, or performance of work methods, the sponsor(s)' O&M responsibilities begin on the date the work or portion thereof is completed as determined by NRCS, except for completed work located on Federal lands which are subject to special-use permits. The O&M agreement shall specify that O&M will continue through: (1) The evaluated life of the project, or (2) the evaluated life of measures that are economically evaluated as a unit, or (3) the useful life of cost-shared measures that are for land conservation or land utilization. The sponsor(s)' duties and liabilities for the measures under other Federal and State laws are not affected by the expiration of the O&M agreement.

(b) For project measures being installed in segments, the sponsor(s)

shall be responsible for O&M of completed and accepted segments. However, the NRCS may share in the cost of repairing damages to a completed segment when the damage is attributed to the continuation of work on uncompleted segments of the measure or when due to the fact that the measure was only partially completed.

§ 654.15 Operation and maintenance.

Sponsor(s) are to operate and maintain completed project measures in:

(a) Compliance with applicable Federal, State, and local laws, regulations, and ordinances.

(b) Compliance with any applicable conditions set forth in the instruments by which the landrights were acquired for installing, operating, and maintaining the project measures.

(c) A manner that will not significantly degrade the environment and will permit project measures to serve the purpose for which they were installed as set forth in the watershed or RC&D measure plan.

(d) Compliance with the time frames and O&M work items established in the plan of O&M and inspection reports.

(e) Accordance with agreements with NRCS on admission charges and user fees for public recreation and/or fish and wildlife facility. Admission or user fees shall be charged only as necessary to produce revenues required to amortize the sponsor(s)' share of installation costs and to provide adequate O&M for that portion of the project measures pertaining to public recreation and/or fish and wildlife facility. Sponsor(s)' admission or user fee charges require prior NRCS approval throughout the life of the O&M agreement.

(f) Accordance with the schedule for withdrawal of water in water impounding structures as specified in the watershed or RC&D measure plan or other legal documents.

(g) A manner consistent with the project objectives.

§ 654.16 Property management.

Sponsor(s) are to:

(a) Use real property acquired in whole or in part with Federal funds as long as needed for the purpose for