



Topic: **Authority Board Agenda Item 2-4**

2018 April 23

Subject: **USDA data requests for Rural Development grant**

Requested Action:

No action requested. Informational item.

Detailed Description/Background:

Based on an exploratory meeting with US Department of Agriculture’s (USDA’s) Rural Development program, staff provided information for their consideration to determine if the Project could be eligible for either a low-interest loan and/or grant opportunity. The USDA has available funding for water projects that benefit rural communities – both directly (water supply) and indirectly (source of employment, business support functions, and consumers).

Benefits: Based on information provided by the participants in the Reservoir Committee, the Project could provide approximately 15 rural communities having an estimated total population over 100,000 people who could receive direct benefits and could provide indirect benefits to over 250,000 people.

Costs: Three different scenarios were developed to estimate a range of costs for USDA’s consideration as contributing to provide applicable benefits. The estimated construction costs are \$44 Million, \$550 Million, and \$714 Million, respectively.

USDA is currently reviewing the working draft information that was provided on April 8, 2018. It is expected that subsequent meetings will be needed to determine what, if any, portions of the Project may be eligible for USDA’s participation and what, if any, terms and conditions would apply. What seems likely is that any USDA participation would need to be deemed to be a contribution to those water agencies who can demonstrate the linkage to rural development benefits.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

None.

Staff Contact:

Jim Watson

Attachments:

None.