



Topic: **Reservoir Committee Agenda Item 1.5**

2020 May 21

Subject: **Reclamation Financial Assistance Agreement**

Requested Action:

Recommend approval of the Authority Board, at their May 27, 2020 meeting, of Resolution No. 2020-01 providing for an application to the USBR for a Financial Assistance Agreement (FAA) for WIIN Act funds.

Detailed Description/Background:

The 2019 federal budget appropriated \$6M in WIIN act funds toward the Sites Reservoir Project. The proposed Resolution is needed to initiate development of the FAA. A separate action will be necessary to authorize executing the FAA.

Staff has been working closely with Reclamation staff to prepare the FAA. Reclamation's participation will be a 50/50 percent cost share with \$4 million of funding dedicated to Sites expenses and the other \$2M toward Reclamation expenses on the Sites project. Staff is working with Reclamation to determine if \$1million of the funding dedicated to Sites expenses will either come in cash or contributed work performed by Reclamation, either way there will be no impact on the Amendment 2 Work Plan. This funding will allow the project to continue development of the environmental documents and permits. The scope does not commit the Authority to any specific type of reservoir project. Should the project not get built, these funds are not required to be paid back to the federal government.

Prior Action:

None.

Fiscal Impact/Funding Source:

The approved phase 2 work plan includes \$4M of WIIN Act funding to advance project environmental planning and engineering work. The funds are expected to be received in early 2021.

Staff Contact:

Joe Trapasso

Attachments:

None.