



Requested Action:

Consider authorization for the Executive Director to execute a Federal Financial Assistance Agreement with USBR for \$6.9M in WIIN Act Funds.

Detailed Description/Background:

The 2021 federal budget appropriated \$13.7M in WIIN act funds toward the Sites Reservoir Project. The project team has worked with Reclamation to assign these funds to specific planned work activities. Approximately \$10.4M of the total appropriation is expected to be directly reimbursable to the Authority. The additional \$3.3M is retained for Reclamation staff. Of the \$10.4M, \$3.5M for environmental planning and permitting were included in an amended Financial Assistance Agreement. The remaining \$6.9M in funds are to be encumbered under a new agreement, with a preincurrence of cost dating January 1, 2021.

The key scope in the new agreement will likely include the following tasks. Note that due to the preincurrence of cost, several of these tasks have already been completed or are near completion:

- Permitting: Biological Assessment, Clean Water Act 404/401, Water Right Application
- Operations: Modeling for RDEIR/SDEIS, Operations Plan, Version 1
- Engineering: DSOD Engagement Plan, CWC Feasibility Study, Hydraulics Modeling, LiDAR Surveying, WAPA Feasibility Study, Class 3 Cost Estimate
- Geotechnical: Field Data Collection Work Plan, Geotechnical Investigations for Preliminary Engineering
- Real Estate: Landowner Coordination
- Project Controls Project Master Schedule, Plan of Finance

Much of work included in the new agreement is covered under Amendment 2. However, some presumed work for Amendment 3 is also included, such as geotechnical investigations and Class 3 cost estimates.

Staff have been working closely with Reclamation staff to prepare the FAA. Some revisions to the scope of work may be included in the final submittal to Reclamation, but the total reimbursed cost will not change. This funding will

allow the project to continue to advance in several technical areas, and 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. However, the amount expended by Reclamation must remain below the max 25% total cost share in accordance with the WIIN Act and the cost sharing MOU.

Prior Action:

May 2020: Reclamation Financial Assistance Agreement approved and signed by Sites Project Authority.

Fiscal Impact/Funding Source:

The approved phase 2 work plan does not include revenue from this appropriation due to expected timing of funds received. Amendment 3 revenue estimates include \$10.0M from FY21 WIIN Act appropriations. The funds from the amended agreement are expected to be received beginning in early 2022, and the funds from the new agreement are expected to be received in late 2022.

Staff Contact:

Joe Trapasso/Erin Heydinger

Primary Service Provider:

HDR

Attachment:

None.