



Meeting: **Joint Reservoir Committee & Authority Board**
Agenda Item 1.5

February 17, 2023

Subject: **Water Storage Investment Program (WSIP) Early Funding Agreement (EFA) Amendment**

Requested Action:

Reservoir Committee and Authority Board consider authorization for the Executive Director to submit a request to the California Water Commission (CWC) to amend the Early Funding Agreement for the increased Maximum Conditional Eligibility Determination (MCED) and project schedule changes.

Detailed Description/Background:

Sites Project Authority entered into an EFA with CWC to provide financial assistance for planning related activities for the Sites Reservoir Project. Funds available to the Project through the EFA are limited to 5% of the Commission’s MCED of the Proposition 1 award. An initial MCED of \$816,377,686 was conditionally committed to the Project in 2018, of which the early funding portion awarded totaled \$40,818,884. Since the initial award, CWC has provided the Project with two inflation increases, of 1.5% and 2.5%, along with a rank 3 adjustment of \$25,625,000 bringing the current MCED to \$875,396,369. The proposed amendment would bring the funds available to the Project through the EFA back to 5% of the MCED, an increase of available project revenue totaling approximately \$2.95M. Two other Prop 1 projects have had their similar request approved without issue and we expect the same for Sites since the original funds are expected to be 100% spent before the end of this year. The table below shows the sequence of Prop 1 award adjustments along with the proposed amendment.

	Commission MCED	Early Funding Limit	% of MCED	Notes
Initial Award	\$816,377,686	\$40,818,884	5.0%	
01/2021 Adjustment	\$836,787,128	\$40,818,884	4.9%	2.5% inflation adjustment
03/2022 Adjustment	\$875,396,369	\$40,818,884	4.7%	Rank 3 adjustment and 1.5% inflation adjustment
<i>Proposed Amendment</i>	\$875,396,369	\$43,769,818	5.0%	

The current EFA requires all work to be completed by June 30th, 2023 and requested funds to be invoiced prior to September 30th, 2023. In addition to

increasing the amount of early funding available, the proposed amendment would seek to extend the schedule to reflect work to be completed by December 31, 2024 and invoiced prior to March 31st, 2025.

Prior Action:

August 20, 2018: Board adoption of resolution to authorize the Sites Project Authority to enter into an early funding agreement with CWC for Prop 1 WSIP early funding.

Fiscal Impact/Funding Source:

The proposed \$2.95M increase to the CWC Prop 1 EFA is captured in the Board approved Amendment 3 Work Plan and 2023 revenue budget.

Staff Contact:

Marcus Maltby/Joe Trapasso

Primary Service Provider:

Brown and Caldwell – Project Controls

Attachments:

None