



Topic: **Authority Board Agenda Item 1.5**

2020 May 21

Subject: **Reclamation Financial Assistance Agreement**

Requested Action:

Consider approval 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:

Attachment A: Resolution 2020-01



**BEFORE THE BOARD OF DIRECTORS OF THE
SITES PROJECT AUTHORITY**

RESOLUTION NO. 2020-01

In the Matter of:

Authorizing Execution of Documents for the Financial Assistance Agreement with the Bureau of Reclamation utilizing the WIIN Act Funding.

WHEREAS, the United States Bureau of Reclamation (Reclamation) is considering participation in the Sites Reservoir Project under Water Infrastructure Improvements for the Nation (WIIN) Act, Public Law No: 114-322; and

WHEREAS, Section Sec. 4007 of the WIIN Act authorizes the United States Department of Interior, among other things, to participate in state-led water storage projects in an amount up to 50% of the total project cost; and

WHEREAS, Reclamation's participation is consistent with Section 14 of the Reclamation Project Act of 1939; and

WHEREAS, it is provided in the Further Consolidated Appropriations Act, 2020 H. R. 1865—132, enacted into law December 20, 2020: "That in accordance with section 4007 of Public Law 114–322, and as recommended by the Secretary in a letter dated February 13, 2019, funding provided for such purpose in fiscal years 2017 and 2018 shall be made available to...the North-of-the Delta Off stream Storage (Sites Reservoir Project)"; and

WHEREAS, the Project Description for Sites Reservoir Project listed in the Secretary letter dated February 13, 2019 states, "This project includes an additional 1.8 million AF of off-stream surface storage to restore flexibility and adaptability to Central Valley Project (CVP) and State Water Project (SWP) operations. Funds will be used to address any comments on the final Feasibility Report, advance the EIS/EIR, and various related activities, including execution of a cost-sharing agreement with the Sites Project Authority."; and

WHEREAS, the Sites Project Authority ("Authority") is a joint powers authority formed by and existing among various irrigation districts and other local water districts and local governments within the Sacramento River hydrologic region pursuant to a Joint Exercise of Powers Agreement as last amended Feb 13, 2017, and through a Reservoir Committee established by the Authority has partners that are not located within said hydrologic region, participating with development of the Sites Project; and

WHEREAS, the Bureau of Reclamation is intending to award the Authority up to \$4,000,000 for the Financial Application Agreement.



NOW, THEREFORE BE IT RESOLVED by this Board of Directors as follows:

1. The foregoing recitals are true and correct.
2. The Executive Director, or their designee, is authorized and directed to prepare the necessary data, conduct investigations, file such applications, execute a funding agreement and any amendments thereto, and sign invoices with the Bureau of Reclamation related to the Financial Assistance Agreement from the WIIN Act funding and its implementing regulations.
3. The Authority's officers and Executive Director are authorized to do all things necessary and proper to carry out and implement the above reference matters with the Bureau of Reclamation.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Sites Project Authority this 27th day of May 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I, Fritz Durst, Chair Authority Board of the Site Project Authority, do hereby certify that the resolution set forth above is true and accurate copy of the resolution adopted by the Board of Directors of the Sites Project Authority at a duly called meeting of the Board on May 27, 2020 and that said resolution has not been rescinded, amended or modified and is in full force and effect as of the date hereof.

In Witness Whereof, I have executed this certificate this 27th day of May 2020.

Fritz Durst, Chair Authority Board, Sites Project Authority