



Topic: **Reservoir Committee Agenda Item 1.4**

**2021 May 20**

Subject: **Reclamation Financial Assistance Agreement Amendment**

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**Requested Action:**

Authorize the Executive Director to execute an amended Federal Financial Assistance Agreement with USBR which increases the federal assistance to the project from \$6.3M to \$13.4M.

**Detailed Description/Background:**

The 2020 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, \$3.7M for environmental planning and permitting are included in this amended Financial Assistance Agreement. The remaining funds will be incumbered under a new agreement.

The key scope additions to the amended agreement are shown on Attachment A. The only material change from the current agreement terms is the maximum reimbursable amount.

The new Financial Assistance Agreement for the remaining funds appropriated will be developed to include other project activities, such as engineering, operations, geotechnical exploration, and project funding. This scope of work includes will result in \$6.7M of work reimbursed by WIIN Act Funds.

The majority of the work included in the amended agreement is covered under Amendment 2. However, some presumed work for Amendment 3 is also included, such as finalizing the EIR/EIS and key project permits.

Staff have been working closely with Reclamation staff to prepare the FAA. This funding will allow the project to continue to advance in several technical areas. 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:**

**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. Preliminary Amendment 3 revenue estimates do include \$10.0M from FY20 WIIN Act appropriations. The funds are expected to be received beginning in early 2022.

**Staff Contact:**

Joe Trapasso

**Attachment:**

Attachment A: Financial Assistance Agreement Amendment Scope Summary

Amended Financial Assistance Agreement for WIIN Act Funds

<b>Task 1 – Environmental Planning</b>	
<b>Existing Agreement</b>	<b>Additional Tasks in Amended Agreement</b>
Prepare Draft Environmental Work Plan	Finalize Response to Public Comments
Prepare Draft EIR/EIS Project Description Chapter	Perform Analysis of Alternative 3
Prepare Revised Administrative Draft EIR/Supplemental Draft EIS	Prepare Admin Final EIR/EIS
Prepare Revised Public Draft EIR/Supplemental Draft EIS	Prepare Administrative Record for Final EIR/EIS
-	Prepare Final EIR/EIS Mitigation Monitoring and Reporting Program
-	Support Findings, Notice of Determination
<b>Prior task total: \$3.3M</b>	<b>New scope total: \$2.4M</b>
<b>Task 2 - Permitting</b>	
<b>Existing Agreement</b>	<b>Additional Tasks in Amended Agreement</b>
Prepare Mitigation Planning for Admin Draft Biological Assessment (BA)	Begin the preparation of the Admin Draft BA
Prepare Adaptive Management Plan	Finalize Incidental Take Permit (ITP) for Construction and Submit to CDFW
Prepare Terrestrial Analysis	Finalize ITP for Operations and Submit to CDFW
Prepare Incidental Take Permit (ITP) for Construction and Submit to CDFW	Finalize Section 106 Permit and Submit to SHPO
Prepare Incidental Take Permit for Operations and Submit to CDFW	Prepare CVFPB Encroachment Permit
Prepare Section 106 Permit and Submit to SHPO	Permitting and Environmental Monitoring for Geotechnical Exploration
Work with Reclamation for LEDPA Analysis for 404 Application	Contract with CDFW for additional permitting support
<b>Prior task total: \$3.0M</b>	<b>New scope total: \$4.7M</b>
<b>Summary</b>	
Existing Agreement Total:	<b>\$6.3 million</b>
Additional Scope in Amendment:	<b>\$7.1 million</b>
Amended Agreement Grand Total:	<b>\$13.4 million</b>
Total Expected Reimbursement from WIIN Act:	<b>\$6.7 million</b>