

Engineering, Operations, & Technology Committee

Adopt Resolution in Support of Federal Funding Application from the U.S. Bureau of Reclamation to Advance the Pure Water Southern California Program

Item 8-2 November 18, 2024

# Item 8-2 PWSC LSWRP Grant Resolution

## Subject

Adopt a resolution in support of a grant application to the U.S. Bureau of Reclamation (Reclamation) for funding under the Large-Scale Water Recycling Program (LSWRP) to advance the Pure Water Southern California Program (PWSC)

## Purpose

This resolution will enable Metropolitan and Reclamation to proceed with developing a grant agreement

## Next Steps

Return to Board to authorize the General Manager or his/her designee to enter agreement

## Pure Water Southern California Overview



# PWSC LSWRP Grant Resolution

# LSWRP Background

- Metropolitan worked with sponsors to develop Bipartisan Infrastructure Law (P.L. 117-58, § 40905)
  - Enacted November 15, 2021
  - \$450 M in funding available in LSWRP
  - Buy America requirements

## Application timeline

- November 2023 applied for LSWRP \$125 M grant for planning & design
- January 2024 submitted LSWRP Feasibility Study
- May 2024 USBR approved Metropolitan's Feasibility Study & issued Notice of Intent to award \$99.2 M



#### United States Department of the Interior

BUREAU OF RECLAMATION For Box 29007 Degree, CO 80223-0007



84-27130

#### VIA ELECTRONIC MAIL

Motropolition Water District of Southern Coliffornia Atte. Mr. Baymand Jay, Principal Resource Specialist Groat Management Office 300 North Alamuda Street Lee Augoles, CA 90012-3352

Subject: Notion of Funding Opportunity No. R23A500433 — WaterSMART. Large-Scale Water Recycling Projects for Fiscal Years 2023 and 2024 Year Application Titled, "Large Scale Water Recycling Planning and Design for Pure Water Seatharn California"

#### Dear Mr.

The Barran of Reclamation (Reclamation) is pleased to inform you first your application for where SMART). Large-Scale Water Recoyding Program flunding was enough time receiving the highest ratings and is now being consistend for around with funding available under the literation influentmentum Law (BELL P.L. 117-58. Reclamation anticipates awarding Federal funds in the amount of \$99,1-90,096. These products.

In morting with you to develop your Brancott are stated agreement. Such transform will aboutly notice the activities orderined a your proposal to ensure that activities ordigible for familiary are identificial and that the proposal costs are althoughts under financial assistance regulations and the Notice of Funding Opportunity (NOTO). If some costs or activities are determined to be indigible or anallowable, Reclamation will mark with you to refer the scope of work and badget for the project. In addition, Reclamation will mark indige a refer to a state of the state of the project. The difficient privilence prior to extend that non-Foderal cost share will be available. The first funding amount may be adjusted if measonery. However, nor that an earned protect on this fluiding may be set made for Reclamation to ensure the project be Foderal regulatory and statistery compliance, and to otherwise ownsee the implementation of the project.

All new financial ossistance awards for influstructure projects must must they Assertes requirements. Office of Management and Budget (OMB) implementing gainfunce states that the flay Assertes provisions apply to projects carried our Brough ER. Insuling and ansated appropriations. See OMB Management M-22-13 for further deaths. Phase more that Reclamation's WaterSMART program required from a growth flow in purpose the results for the analysis of the Management of the Belling Assertation Belling Bel

### LSWRP Grant

- May 2024 LSWRP application approved & received Notice of Intent to award up to \$99.2 M
  - Metropolitan can seek reimbursement for up to 25% of planning & design costs up to \$99.2 M
  - Funds available for 3 years
  - Board resolution required prior to grant agreement

...Reclamation is pleased to inform you that your application for LSWRP funding was among those receiving the highest ratings...

11/25/2024 Board Montag

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Attachment 2, Page 1 of 1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALLFORMA IN SUPPORT OF ITS APPLICATION FOR FUNDING UNDER THE WATERSMART LARGE SCALE WATER RECYCLING PROGRAM

WHEREAS, the U.S. Bursom of Reclamation ("Reclamation") requested applications from oposions to fluidings unspect development under the Larges Scale Water Recycling Program ("LSWRP") for projects with an estimated cost of over \$100 million that meet the requirements of the LSWRP authorized by the Infrastructure Invastructure and John Act of 2021, and

WHEREAS, the Metropoistan Water District's Pure Water Southern California Program is eligible for the USBR grant funding pursuant to the Act's pusidelines and published eligibility guidelines, and

WHEREAS, in November 2023, The Metropolitan Water Dentet of Southern California ("Metropolitan") sufficiently on application for great funding to support pleaning and design for Pure Water Southern California ("LSWRP Application"), as action that was determined to be exampt from the California Environmental Quality Act ("CEQA") under Senton 153180340 of the State CEQA Guidelinus.

WHEREAS, is May 2014, Reclamation notified Metropolitan of Reclamation's intent to award Metropolitan up to \$99,199,096 in federal grant Sanda.

WHEREAS, trice to an award, Reclamation requires Metropolitan to adopt a resolution ventifying the identity of the Metropolitan official with legal sufficient years that an approximate (ii) the hourd of directors, governing body, or appropriate official his reviewed and susports the application submitted, and (iii) this Metropolitan will work both Reclamation to meet established desolutes for entering into a grain or cooperative amorement.

NOW, THEREFORE, BE IT RESOLVED that the Metropolitan Board of Directors ("Board") reviewed and supports the LSWEP Application.

BE IT FURTHER RESOLVED that, subject to board approval of a grant or cooperative agreement, Metropolitus's General Missager or his her designee will have the legal authority to enter into that agreement.

BE IT FURTHER RESOLVED by the Board that Metropolitan's General Manager or his/her designee will work with Reclamation to meet established program deadlines for entering into a great or cooperative agreement.

THEREBY CERTIFY that the firegoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water Director of Southern California at its meeting held Notember 19, 2021.

> Secretary of the Board of Directors of The Metropolitan Water District of Southern California

# **Grant Resolution Required Terms**

- Identify Metropolitan official with legal authority to enter into an agreement
- Board of Directors reviewed & support submitted grant application
- Commitment to work with Reclamation to meet deadlines for entering into grant agreement

\*Adopting the resolution does not accept the grant

# PWSC LSWRP Grant Resolution

## Next Steps

- Discuss additional terms with Reclamation including:
  - No obligation to return funding if Board decides not to approve program
  - Performance period extends 3 years from agreement date
  - Reimbursement of qualified costs from 4/3/2020 - Title XVI Feasibility Study approval
  - Metropolitan can draw down funding over term as we demonstrate available cost match
- Return to Board to authorize the grant agreement
- Pursue additional non-federal matching funds

## **Board Options**

Option #1

Adopt the proposed resolution, verifying that the Board reviewed and supports the grant application, that subject to board approval of a grant agreement, the General Manager or his/her designee will have the legal authority to enter into that agreement, and that the General Manager or his/her designee will work with the United States Bureau of Reclamation to meet established deadlines for entering into a grant agreement.

Option #2
 Do not adopt the resolution

## Staff Recommendation

Option #1

