

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)

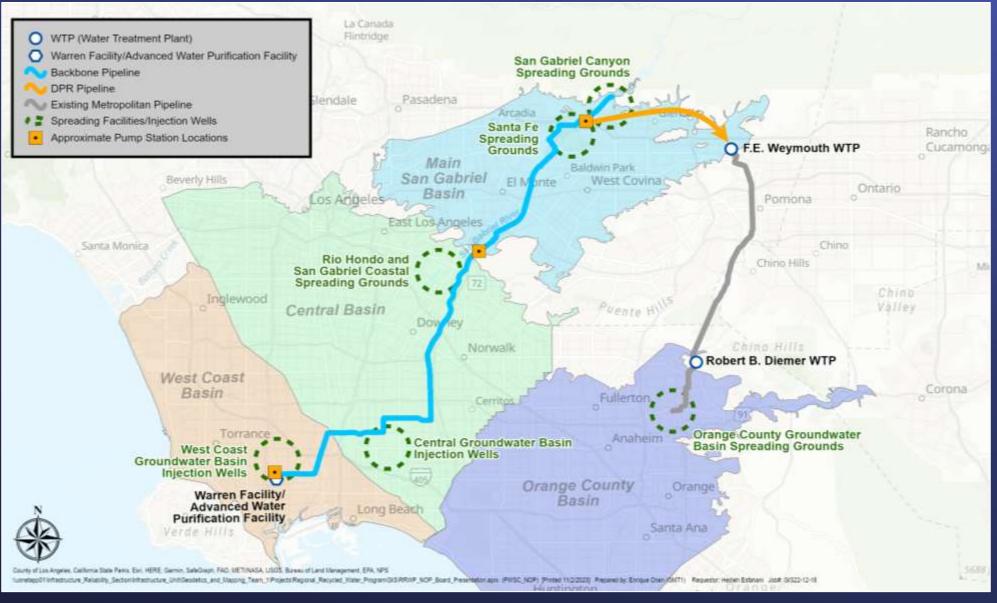
Purpose

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

Dear 3



1.5.11

VIA ELECTRONIC MAIL

Metropoliton Water District of Southern California Atta: Mr. Baymond Joy, Principal Resource Specialist Grant Management Office 100 North Alamada Street. Los Aspiles, CA 90012-3352

Subject: Notice of Funding Opportunity No. R23:A500433 - WaterSMART. Large-Scale Water Recycling Projects for Fiscal Years 2023 and 2024 Your Application Titled, "Large Scale Water Recycling Planning and Design for Pare Water Southern California?

POL Box 29007

The Banase of Reclamation (Reclamation) is pleased to inform you that your application for WaterSMART: Lorge-Scale Water Recycling Program funding was among those receiving the highest ratings and is now being considered for award with funding available under the Hipertison Influstructure ow (BILA P.L. 117-58. Reclamation anticipates awarding Federal fands in the amount of \$99,199,0 De voer mojuat

In working with you to develop your fitteness accessors agreement, Reclamation will closely review the activities outlined in your proposal to ensure that activities eligible for funding are identified and that the proposed costs are allowable under financial assistance regulations and the Notice of Ferding Opportanity (NOFO). If some costs or activities are determined to be ineligible or unaflowable, Reclamation will work with you to refine the scope of work and balant for the project. Is addition Reclamation must have sufficient evidence prior to award that non-Federal cost share will be available The final funding amount may be adjusted if necessary. Please note that a small portion of this facalized may be set mide for Reelamation to ensure the project's Federal regulatory and statutory compliance, and to otherwise overnee the implementation of the project.

All new financial assistance awards for inflastructure projects must must flay. America requirements. Office of Management and Budget (OMB) implementing guidance states that the Buy America provisions apply to projects carried out through BEE, funding and annual appropriations. See CAIB Menormature M-22-11 for further details. Please note that Reclamation's WaterSMART program sessived final approval for a <u>waiver</u> for the <u>Build America, Buy America</u> requirements on February 15, 2024. This waiver allows for conditional and time-limited purchase of non-demestic products used in water infrastructure projects funded under WaterSMART programs.

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% ulletof planning & design costs up to \$99.2 M
 - Funds available for 3 years
 - Board resolution required prior to grant agreement \bullet

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

11/19/2024 Resard Meeting

Attachment 2, Page 1 of 1

BESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORMA IN SUPPORT OF ITS APPLICATION FOR FUNDING UNDER THE WATERSMART LARGE SCALE WATER RECYCLING FROGRAM

6.3

WHEREAS, the U.S. Bursem of Reclamation ("Reclamation") requested applications from spontors to facilities project development under the Lugos 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 latinstructure Involutions and John Act of 2021, and

WHEREAS, the Metropolitan Water District's Pare Water Spattern California Program in eligible for the USBR grant familing pursuant to the Act's guidelines and published eligibility guidelines, and

WHEREAS, in November 2022, The Metropolitan Water Denict of Southern California ("Metropolitar") unimatived on application for prant functions to support planning and design for Pare Writer Southern California (LSWRP Applications"), an action that was determined to be example from the California Environmental Quality Act ("CEQA") under Section 1537(80)(4) of the State CEQA Deciderian.

WHEREAS, in May 2024, Reclamation notified Metropolitan of Reclamation's intent to award Metropolitan up to \$99,199,096 in fielmal grant flands.

WHEREAS, prior to an avoid, Backmatton resume Metropolitan to adopt a modulation verifying (i) the identity of the Metropolitan official with legal sufficiently to estimation an agreement, (ii) the board of directors, government body, or appropriate official has reverse ed and supports the application submitted, and (iii) that Metropolitan util work with Reclamation to meet established deadlines for entering into a grant or cooperative assemant.

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

BE IT FURTHER RESOLVED that, subject to board approval of a grant or cooperative agreement, Metropolitan's General Masager or has 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 havber designee will work with Reclamation to meet established programs deallines for entering into a grant or cooperative agreement.

1 HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Meteopolitas Water Distinct of Southern California at its meeting held Notember 19, 2024.

> 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

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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

