



AGENDA STAFF REPORT

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Agenda Number: F
File ID: 0710.1017 0643.5216

Section Name: CONSENT CALENDAR
Project ID: LN0002, NP2004, NP2006, NP2007, NP2008, NP2009, NP2010, NP2011, NP2012N NP2013, NP2205

MEETING DATE: November 14, 2023

SUBJECT: Approve Resolution No. 2023-31 for Submission of a Grant Application with the United States Bureau of Reclamation (USBR) under the Title XVI WIIN Program for the WRP 10 Non-Potable Water System Expansion Project

TO: BOARD OF DIRECTORS

FROM: FINANCE, RICK ARAGON

**GENERAL MANAGER
RECOMMENDATION:**

RECOMMENDATION:

Approve the resolution and authorize the General Manager to execute application documents to be submitted to USBR for the WIIN grant program.

BUDGET IMPACT:

CVWD is submitting an application to USBR for the WaterSMART: Title XVI WIIN Water Reclamation and Reuse Projects program for the WRP 10 Nonpotable Water System Expansion project. The deadline to submit the application is December 7, 2023.

The district remains eligible to apply for funding under this program since the Title XVI Feasibility Study for the WRP 10 Non-Potable Water System Expansion Project was approved by USBR in 2019. The feasibility study includes both the NPW 2017-18 Connection and the NPW 2020-21 Connection Projects. The maximum amount of the grant award was raised from \$20 million to \$30 million with a 75% nonfederal cost share in the latest funding opportunity.

The NPW 2017-18 Connection Project was awarded \$12,276,517 in WIIN grant funds. CVWD is qualified to apply for additional WIIN grant funds until the maximum \$30 million or 25% of the project costs is met, whichever is less.

CVWD would qualify for approximately \$7,425,000 in WIIN grant funding. If awarded, this would reduce the loan amount on the NPW 2020-21 Project with the State Water Resource Control Board (SWRCB).

The following table summarizes project costs and proposed funding sources:

2020-21 NPW Connection Project		
Description		Estimated Costs
Total Project Cost	\$	29,700,000
<u>Funding Sources</u>		
Supplemental Water Supply Charge (SWSC)		12,000,000
Grant Award		5,000,000
SWRCB Loan Principal		10,530,000
Loan Principal Adjustment		2,170,000
Total Funding Sources	\$	29,700,000
Total Loan Principal	\$	12,700,000
WIIN Grant Portion (If Awarded - 25% of total cost)		(7,425,000)
Revised Principal Total	\$	5,275,000

PROCUREMENT METHOD:

☒ N/A

If other, please explain:

BACKGROUND

N/A

PRIOR BOARD ACTION:

In December 2020, staff applied to obtain funding from SWRCB for the second NPW Connection Project, listed on the 2020 fundable project list with SWRCB. The project consists of designing and constructing about 12 miles of NPW pipeline segments, meter connections and pump capacity upgrades from WRP-10 to connect nine (9) end users. The project's objective is to expand CVWD's NPW service area, reduce reliance on groundwater, and utilize NPW for turf irrigation.

On October 24, 2023, the Board approved an additional loan amount of \$2,170,000 as part of the final budget approval for the NPW 2020-21 Connection Project with the SWRCB. The total principal amount of loan with SWRCB is \$12,700,000.

On June 11, 2019, the Board approved staff to pursue Title XVI - WIIN grant funding. The WIIN Grant had a maximum award (at the time) of \$20 million with a 75% nonfederal cost share. CVWD received notice of award on August 18, 2022, in the amount of \$12,276,517 which will reduce the loan on the NPW 2017-18 project.

DISTRICT STRATEGIC PLAN GOAL(S)/OBJECTIVES(S):

N/A

ENVIRONMENTAL IMPACT:

☒ No

Submission of a grant application is not an action subject to CEQA review; however, the 2018-19 NPW Connections Project and the 2020-21 NPW Connections Project completed CEQA review, including an Initial Study/Mitigated Negative Declaration, board approval and filing a Notice of Determination with the Riverside County Clerk and State Clearinghouse. The board certified the Mitigated Negative Declaration for the project and

adopted the Mitigation Monitoring and Reporting Program for the FY 2017-18 NPW Pipeline Projects on August 14, 2018. The board also certified the Mitigated Negative Declaration for the project and adopted the Mitigation Monitoring and Reporting Program for the FY 2020-21 NPW Pipeline Projects on December 8, 2020. No further environmental review is required.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

N/A

ATTACHMENTS

Att 1– Resolution No. 2023-31 - WIIN Grant