

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

June 13, 2022

**Approval of Resolution 2022-4 Authorizing the District to Solicit Financial Assistance
through the Execution of an Application and Agreement
with the United States Bureau of Reclamation**

Synopsis

The Board of Directors is requested to approve Resolution 2022-4 authorizing the District to solicit financial assistance for the District's portion of construction of the partnered Northwest Recharge, Recovery, and Delivery System (NWRDRS) project. This Resolution will authorize the District to solicit financial assistance through the execution of an application and agreement with the United States Bureau of Reclamation (Reclamation). With the Bipartisan Infrastructure Law investing billions of dollars in water system infrastructure, staff believes submitting this project, that is ready for construction, would be in the best financial interest of the District. This Resolution will authorize staff to proceed with submitting documents, approving documents, and entering into agreements, if grant funding is provided to the District. This grant will be used for the number one priority project within the District's Fiscal Year 2023 Capital Improvement Program.

Background

Reclamation issued a Notice of Funding Opportunity No. R23AS00005 for the WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2023. Funding of up to \$5,000,000 may be awarded for a project that can be completed within three years with a 50% funding match required.

The District will cash fund with Water Resource Utilization Fees the land acquisitions, the District's portion of the design, and the District's portion of the construction that is not funded by the Grant for this partnered NWRDRS project.

Issues

In order to be eligible for grant funding associated with the Reclamation WaterSMART Drought Response Program, staff recommend submitting an application for the District's portion of the construction of NWRDRS.

If a grant is awarded, the revision to the Buy America Preference guidance has the potential to increase bid prices and potential cost increases that could occur with contractor's requirement to pay Davis Bacon federal wages.

Staff would like to act quickly on this construction ready project to get ahead of the anticipated high demand for funding. This project could be an early success story for the Bipartisan Infrastructure Law.

Recommendation

It is recommended that the Board of Directors review and discuss with staff the request to solicit financial assistance in the form of grant funding for the NWRRDS partner project. It is also recommended that the Board authorize the Board Chair, General Manager, and Chief Financial Officer to sign all associated documents to accomplish this funding request.

Recommended Motion

I move to approve and adopt Resolution 2022-4 authorizing the District to solicit grant funding through the execution of an application and agreement with the United States Bureau of Reclamation for an amount up to \$5,000,000 for the District's portion of construction of the Northwest Recharge, Recovery, and Delivery System.

Respectfully submitted,

Diane Bracken, M.Adm.
Chief Financial Officer

I concur with the recommendation.
Respectfully submitted,

Joseph Olsen, P.E.
General Manager