Quarterly Implementation Update #10

Bipartisan Infrastructure Law (BIL, PL 117-58)
Inflation Reduction Act (IRA, PL 117-169)
December 7, 2023
Agenda for today:

- BIL, IRA summaries & implementation to date
- Where is the money going?
- Funding opportunities – open, closed, still to come
- Staffing and Buy America Updates
- Any comments, questions & answers

B.F. Sisk Dam/San Luis Reservoir, California. Allocated BIL Dam Safety funding of $100 million in FY 2022 (Section 40901(6)), and BIL Water Storage funding of $22 million in FY 2022 and $10 million in 2023 (Section 40902). Excludes funding under Water Infrastructure Improvements for the Nation (WIIN) Act. Photo by Aric Coppola, Reclamation, October 2023.
Reclamation’s BIL program:

<table>
<thead>
<tr>
<th>Program area</th>
<th>BIL Section(s)</th>
<th>Program funding amount and type</th>
<th>Recipient type</th>
<th>Awarding process</th>
</tr>
</thead>
<tbody>
<tr>
<td>New or expanded water storage &amp; conveyance</td>
<td>40901(1), 40902, 40903</td>
<td>$1.15 billion; contracts and competitive grants</td>
<td>Contractors and non-federal agencies</td>
<td>FAR contracting and competitive</td>
</tr>
<tr>
<td>Aging Infrastructure / Extraordinary Maintenance (XM)</td>
<td>40901(2), 40904</td>
<td>$3.2 billion; contracts and grants</td>
<td>Contractors and operators of Reclamation transferred works</td>
<td>FAR contracting, repayment contracts</td>
</tr>
<tr>
<td>Rural Water Projects (MT, ND, NM, SD, IA, and MN)</td>
<td>40901(3)</td>
<td>$1 billion; grants</td>
<td>Contractors, tribes and non-federal agencies</td>
<td>Financial Assistance</td>
</tr>
<tr>
<td>Water recycling and reuse</td>
<td>40901(4), 40901(5)</td>
<td>$1 billion; competitive grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Desalination</td>
<td>40901(5), 40908</td>
<td>$250 million; competitive grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Safety of Dams</td>
<td>40901(6)</td>
<td>$500 million; contracts</td>
<td>Contractors and non-federal agencies</td>
<td>FAR contracting</td>
</tr>
<tr>
<td>WaterSMART Grants</td>
<td>40901(7)</td>
<td>$400 million; grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Colorado River Drought Contingency Plans (DCPs)</td>
<td>40901(8), 40906</td>
<td>$300 million; contracts and grants</td>
<td>Contractors, tribes and non-federal agencies</td>
<td>Discretionary awards and NOFOs</td>
</tr>
<tr>
<td>Cooperative Watershed Management</td>
<td>40901(9)</td>
<td>$100 million; grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Aquatic Ecosystem Restoration</td>
<td>40901(10)</td>
<td>$250 million; grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Multi-benefit projects for Watershed health</td>
<td>40901(11), 40907</td>
<td>$100 million; grants</td>
<td>Tribes and non-federal agencies</td>
<td>Competitive NOFO</td>
</tr>
<tr>
<td>Endangered Species in the Colorado River</td>
<td>40901(12)</td>
<td>$50 million; contracts and grants</td>
<td>Contractors, tribes and non-federal agencies</td>
<td>Discretionary awards</td>
</tr>
</tbody>
</table>
BIL project numbers

- Reclamation has allocated BIL funding to 402 projects, some in consecutive years.
- $2.9 billion in BIL funding has been allocated.
- All 17 western states plus Hawaii, Alaska and Puerto Rico are home to projects allocated funding from BIL.
- 238 WaterSMART projects funded by BIL, 82 of those to small-scale projects (<$100k).
- 129 Aging infrastructure/XM projects funded by BIL.
- Other categories listed at usbr.gov.

Musselshell-Judith Rural Water Project, Montana. Allocated BIL Rural Water Project funding of $3 million in FY 2024, $25 million in FY 2023, and $37 million in FY 2022 (Section 40901(3)). Pictured is the project reservoir site on the Phase 1 segment, water service to the Town of Harlowton, MT. Photo by Lindy Johnson, Reclamation, October 2023.
BIL projects funded as of December 2023

- 162 (40.3%) Surface & Groundwater Storage
- 129 (32.09%) Rural Water Projects
- 33 (8.21%) Endangered Species Recovery in Colorado River Basin
- 24 (5.07%) Drought Contingency Plan Implementation
- 11 (2.74%) Cooperative Watershed Management Projects
- 8 (1.99%) Water Recycling and Reuse $550M Title XVI
- 8 (1.99%) Multi-Benefit Habitat Restoration Projects
- 4 (1%) WaterSMART Nature
- 6 (1.45%) Aging Infrastructure Account
- 1 (0.23%) WaterSMART Grants

Total projects: 403
BIL funding allocated as of December 2023

- Aging Infrastructure Account
- Rural Water Projects
- Surface & Groundwater Storage
- Water Recycling and Reuse $550M Title XVI
- WaterSMART Grants
- Dam Safety
- AIA $100M Critical Failure
- Drought Contingency Plan Implementation
- WaterSMART Nature
- Endangered Species Recovery in Colorado River Basin
- Surface & Groundwater Storage $100M Grants/Planning
- Multi-Benefit Habitat Restoration Projects
- Cooperative Watershed Management Projects
- AIA $100M Carey Act
- Desalination Projects
- Drought Contingency Plan Implementation Upper Colo...
- Aquatic Ecosystem Restoration & Protection Projects
## Status of WaterSMART Program Funding Opportunities

<table>
<thead>
<tr>
<th>Program</th>
<th>Eligible Applicants</th>
<th>Federal/Non-Federal Cost Share</th>
<th>Funding</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water and Energy Efficiency Grants</td>
<td>Category A Applicants: States, Indian tribes, irrigation districts, water districts, or other organizations with water or power delivery authority. Category B Applicants: Nonprofit conservation organizations that are acting in partnership and with the agreement of an entity described above.</td>
<td>Up to $500,000 for projects to be completed within two years; up to $2 million for projects to be completed within three years; and up to $5 million for large projects to be completed within three years. Non-Federal Cost Share: 50% or greater.</td>
<td>Reclamation’s FY22 and FY23 spend plans for Bipartisan Infrastructure Law (BIL) funding together include $310 million for these funding opportunities. Consistent with BIL, 25% of that amount is designated for Environmental Water Resources Projects that improve natural infrastructure.</td>
<td>FY23 selections were announced on April 21, 2023. 84 projects were selected to receive $140 million in federal funding, including Bipartisan Infrastructure Law funding. The FY24 Funding Opportunity was posted November 12, 2023. First round of applications are due February 22, 2024.</td>
</tr>
<tr>
<td>Small-Scale Water Efficiency Projects</td>
<td>Applicants must be located in the Western United States or United States Territories specifically: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming (the “17 Western States”), Alaska, Hawaii, American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, or Puerto Rico.</td>
<td>Up to $100,000 for projects to be completed within two years. Total project costs should generally be less than $225,000. Non-Federal Cost Share: 50% or greater.</td>
<td>$36 million available for cooperative watershed management projects under BIL in FY22 and FY23 is also being allocated through the Environmental Water Resources Projects funding opportunity.</td>
<td>FY22 selections were announced on January 5, 2023. 82 projects were selected to receive $7 million in Bipartisan Infrastructure Law funding. The FY24/25 Funding Opportunity was posted November 2, 2023. The first round of applications for FY24 funding are due January 16, 2024.</td>
</tr>
<tr>
<td>Drought Resiliency Projects</td>
<td>Funding for on-the-ground projects and modeling tools that will increase water reliability and improve water management.</td>
<td>Up to $500,000 for projects to be completed within two years; up to $2 million for projects to be completed within three years; and up to $5 million for projects to be completed within three years. Non-Federal Cost Share: 50% or greater.</td>
<td>These funding opportunities are also being used to allocate available FY23 appropriations. Each funding opportunity includes further details.</td>
<td>The FY24 Funding Opportunity was posted August 7, 2023. Applications received by November 7, 2023 are currently under review. Selections are expected around mid-March 2024.</td>
</tr>
</tbody>
</table>
Where is BIL funding going?
BIL funding opportunities, 2023-2024

Open now:

- Title XVI WaterSMART grants of up to $30 million per project, through 12/7/23
- Desalination WaterSMART grants up to $30 million per project, through 12/7/23
- Small-Scale Water Efficiency WaterSMART grants up to $100,000 per project, through 1/16/24
- Aquatic Ecosystem WaterSMART grants up to $20 million per project, through 1/24/24
- Water & Energy Efficiency WaterSMART grants up to $5 million per project, through 2/22/24
- Planning & Design WaterSMART grants up to $400,000 per project, through 4/4/24
- Large-Scale Water Recycling WaterSMART grants, up to 25% of project costs, through 3/29/24
In FY 2023, Reclamation’s BIL program:

- Supported 13,128 jobs
- Contributed $1.39 billion to Gross Domestic Product
- Largest program area was Construction on rural water projects, at 36%
- Next largest area was planning, design and construction of water recycling projects, at 27%
Jobs and Buy America Update

- Buy American Request for Information (RFI).
- Environmental Protection Agency (EPA) invites public comment on domestic availability of products used in construction, alteration, and/or maintenance of water infrastructure.
- Federal Register publication on 11/20/23; comments requested by 12/20/23.
Jobs and Buy America Update

Buy America Approved Waivers:

- DOI Small Grants Waiver ($250,000), approved through 2/20/2028.
- DOI De Minimus Purchases Waiver (5% of project costs, max of $1 million), approved through 2/20/28.
- DOI Pacific Islands & Territories Waiver, approved through 2/15/2025.
- DOI Tribal Waiver for Federally recognized tribes, approved through 9/1/2024.
- AMI Capable Water Meters – Santa Clarita Valley Water Agency, approved through 1/31/2025.
- AMI Capable Water Meters – City of Rialto, approved through 12/31/2025.
# Growth in Financial Assistance

<table>
<thead>
<tr>
<th>Region</th>
<th>Sum of Awards</th>
<th>Count of Awards</th>
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</thead>
<tbody>
<tr>
<td>CGB</td>
<td>$102,357,266</td>
<td>57</td>
</tr>
<tr>
<td>CPN</td>
<td>$17,483,580</td>
<td>68</td>
</tr>
<tr>
<td>LCB</td>
<td>$58,175,786</td>
<td>60</td>
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<tr>
<td>DO</td>
<td>$46,015,919</td>
<td>162</td>
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<tr>
<td>MB</td>
<td>$132,291,927</td>
<td>52</td>
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<tr>
<td>UCB</td>
<td>$64,072,115</td>
<td>97</td>
</tr>
<tr>
<td>Total</td>
<td>$420,396,592</td>
<td>496</td>
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</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Sum of Awards</th>
<th>Count of Awards</th>
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</thead>
<tbody>
<tr>
<td>CGB</td>
<td>$162,847,957</td>
<td>97</td>
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<tr>
<td>CPN</td>
<td>$29,379,581</td>
<td>75</td>
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<tr>
<td>LCB</td>
<td>$65,019,063</td>
<td>68</td>
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<tr>
<td>DO</td>
<td>$117,925,739</td>
<td>288</td>
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<tr>
<td>MB</td>
<td>$102,013,752</td>
<td>40</td>
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<tr>
<td>UCB</td>
<td>$253,734,748</td>
<td>83</td>
</tr>
<tr>
<td>Total</td>
<td>$730,920,843</td>
<td>651</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Sum of Awards</th>
<th>Count of Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>CGB</td>
<td>$219,670,605</td>
<td>119</td>
</tr>
<tr>
<td>CPN</td>
<td>$36,071,181</td>
<td>77</td>
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<tr>
<td>LCB</td>
<td>$352,297,764</td>
<td>74</td>
</tr>
<tr>
<td>DO</td>
<td>$186,759,209</td>
<td>216</td>
</tr>
<tr>
<td>MB</td>
<td>$337,035,882</td>
<td>55</td>
</tr>
<tr>
<td>UCB</td>
<td>$184,849,328</td>
<td>92</td>
</tr>
<tr>
<td>Total</td>
<td>$1,316,683,971</td>
<td>633</td>
</tr>
</tbody>
</table>

Note: FY2023 Financial Assistance is ~three times the FY2021 amount.
Total awards = total number of funded actions (new awards as well as funded Amendments)
Staffing Update

- Reclamation at 272 new infrastructure-related hires as of December 2023.

- Human Capital remains central to Reclamation’s BIL and IRA implementation.

- 23 active Reclamation Postings for BIL on USAJobs as of December 6, 2023, some for multiple vacancies and locations.

- Engineering, environmental specialist, program management, budget, procurement, archeologist, and construction control positions in high demand.

Edwards Aquifer Authority TX, flow meter improvements to existing SCADA system funded by Reclamation WaterSMART Program BIL funding through the Small-Scale Water Efficiency Program. Site visit November 2023.
Inflation Reduction Act
Public Law 117-169

Bob Wolf
Director, Program and Budget

Grayford Payne
Deputy Commissioner, Policy, Administration and Budget

December 7, 2023
Sec. 50231
Domestic Water Supply Projects
Sec. 50231
Domestic Water Supply Projects

Reclamation is working with the Indian Health Service to accomplish a whole of government approach to solving the drinking water crises in the West.
Sec. 50231
Domestic Water Supply Projects

WaterSMART Grant Applications are Under Review.

Current Opportunities:


Tribal Domestic Water Supply Projects

TRIBAL DOMESTIC WATER SUPPLY GRANT PROGRAM

• Under Development Now
• Announcement expected around the beginning of the next year in the form of a Dear Tribal Leader letter.
• Applications will be accepted from Tribes until late Spring/early Summer of 2024.
• Grants will be available for Planning, Design, and Construction of Domestic Water Supply projects.
Sec. 50232
Canal Improvement Projects
Sec. 50232
Canal Improvement Projects

The generation of power from solar energy is rapidly expanding as a major form of renewable energy in the United States. In relation to water canal facilities, solar panels can be installed next to or above the canals.
Sec. 50232
Canal Improvement Projects

• On Friday, July 28, 2023, Reclamation distributed an internal call for proposals to the regions that describes project eligibility and criteria.

• Project proposals were due from Reclamation regional directors no later than October 30, 2023. Selections will follow a process of initial screening for eligibility, technical sufficiency evaluations, and management reviews.

• Cooperative agreement(s) are anticipated to be executed around September 2024.

• Proposed projects are to place solar panels over canals associated with Reclamation projects as a pilot or demonstration for Reclamation.

• 6 Projects are currently under active consideration with announcements expected soon.
Sec. 50233
Drought Mitigation
Colorado River - Bucket 1

• Existing system conservation programs have proven successful but insufficient to stabilize the system.

• Established in 2022, when elevations in Lake Mead and Lake Powell were projected to hit critical elevations as soon as 2023.

• System Conservation saved over 1 million acre-feet in 2023

• The program has proven successful – lowest release from Lake Mead in 30 years.

• Lake Mead is currently ~40 feet higher than it was projected to be at this time last year.
Colorado River System Conservation - Bucket 2

- The Lower Basin is working through 84 Project Proposals from 37 Entities, announcements will begin on a rolling basis in 2024.
- Announcements will be on a rolling basis, depending on level of project complexity, and will begin in early 2024.

<table>
<thead>
<tr>
<th>State Breakdown</th>
<th># of proposals</th>
<th>% of proposals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona*</td>
<td>53</td>
<td>63%</td>
</tr>
<tr>
<td>California</td>
<td>15</td>
<td>18%</td>
</tr>
<tr>
<td>Nevada</td>
<td>15</td>
<td>18%</td>
</tr>
<tr>
<td>Ineligible/No State</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100%</td>
</tr>
</tbody>
</table>

- Upper Basin Bucket 2 program will be announced in early 2024.
Section 50233
Drought Mitigation in Other Basins

- Project proposals were solicited through Reclamation regional offices.
- Proposals were accepted through Aug. 25, 2023.
- Reclamation received over 100 project proposals, which are currently under review.
- Selections are expected this Winter.
Sec. 80004
Emergency Drought Relief for Tribes
Section 80004
Emergency Drought Relief for Tribes

• $12.5 million through Sept. 30, 2026, for near-term drought relief actions to mitigate drought impacts for Indian Tribes that are impacted by the operation of Bureau of Reclamation water projects.

• None of the funds provided are subject to cost-sharing or matching requirements.

• A funding announcement is undergoing review currently.

• The solicitation for projects should be published in GRANTS.GOV in early 2024.
Closing comments

• BIL is in its third fiscal year, IRA is in year two.

• BIL and IRA are funding opportunities, application periods and spend plans translating into progress on the ground.

• Stay engaged and sign up for BIL and IRA notifications.

• BIL and IRA will succeed on partnerships, collaboration, focus on performance and results.

City of Norman, Oklahoma Mayor Larry Heikkila, Council Members and staff from the city with staff from Reclamation’s Oklahoma-Texas Area Office, November 2023. The City of Norman received $2 million through a Reclamation WaterSMART Program Water and Energy Efficiency Grant.
Thank You for participating!

• BIL Resources: https://www.usbr.gov/bil – see the FAQ’s or E-mail us at usbr.bil@usbr.gov

• IRA Resources: https://www.usbr.gov/inflation-reduction-act or E-mail us at usbr.ir.act@usbr.gov

• WaterSMART Resources: https://www.usbr.gov/watersmart/