



— BUREAU OF —
RECLAMATION

Quarterly Implementation Update #9

Bipartisan Infrastructure Law (BIL, PL 117-58)

Inflation Reduction Act (IRA, PL 117-169)

September 7, 2023

Reclamation BIL Accomplishments

- Selected 370 distinct projects, totaling \$2.7 billion.
- Will obligate a total of \$1.4 billion in BIL funds by end of FY 2023.
- Developed and initiated four brand new programs.
Recycling-Large Scale; Small Storage; Aquatic Ecosystem, and Multi-Benefit Watershed
- Developed and executed the critical Aging Infrastructure Program.
Designed to reduce the extraordinary maintenance backlog.
The program will ultimately allocate \$3.2 billion.
- Appropriated \$2.1 billion in BIL funds over five years under WaterSMART.
- Reduced the shortage of water in the Colorado River by investing over \$528 million in BIL funds alone.
- Completing several rural water projects within five years.
Previously expected to take 20 years.



Agenda for today:

- Re-cap of Reclamation's BIL and IRA allocations
- Implementation backdrop
- Reclamation BIL and IRA projects and funding being allocated in 2023
- Funding opportunities – open, closed, still to come
- Any comments, questions & answers



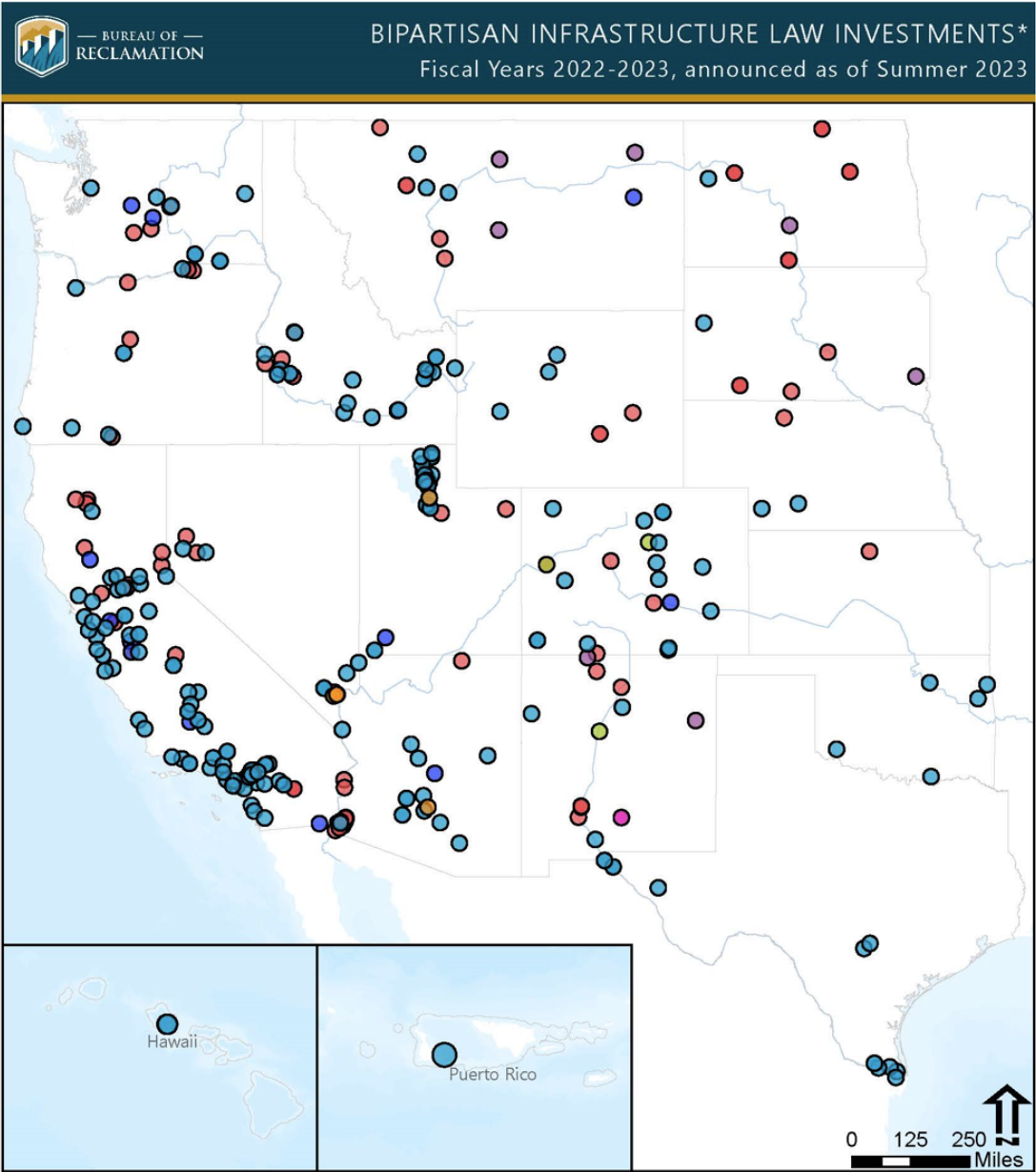
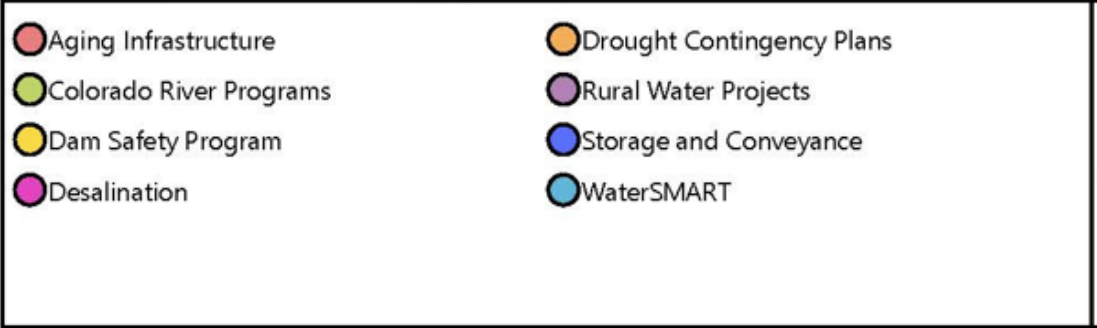
Roza Dam Fish Screen, Yakima Project, Washington state. BIL-funded Extraordinary Maintenance on the Roza Fish Screen of \$3 million in FY 2023.



Reclamation's BIL program:

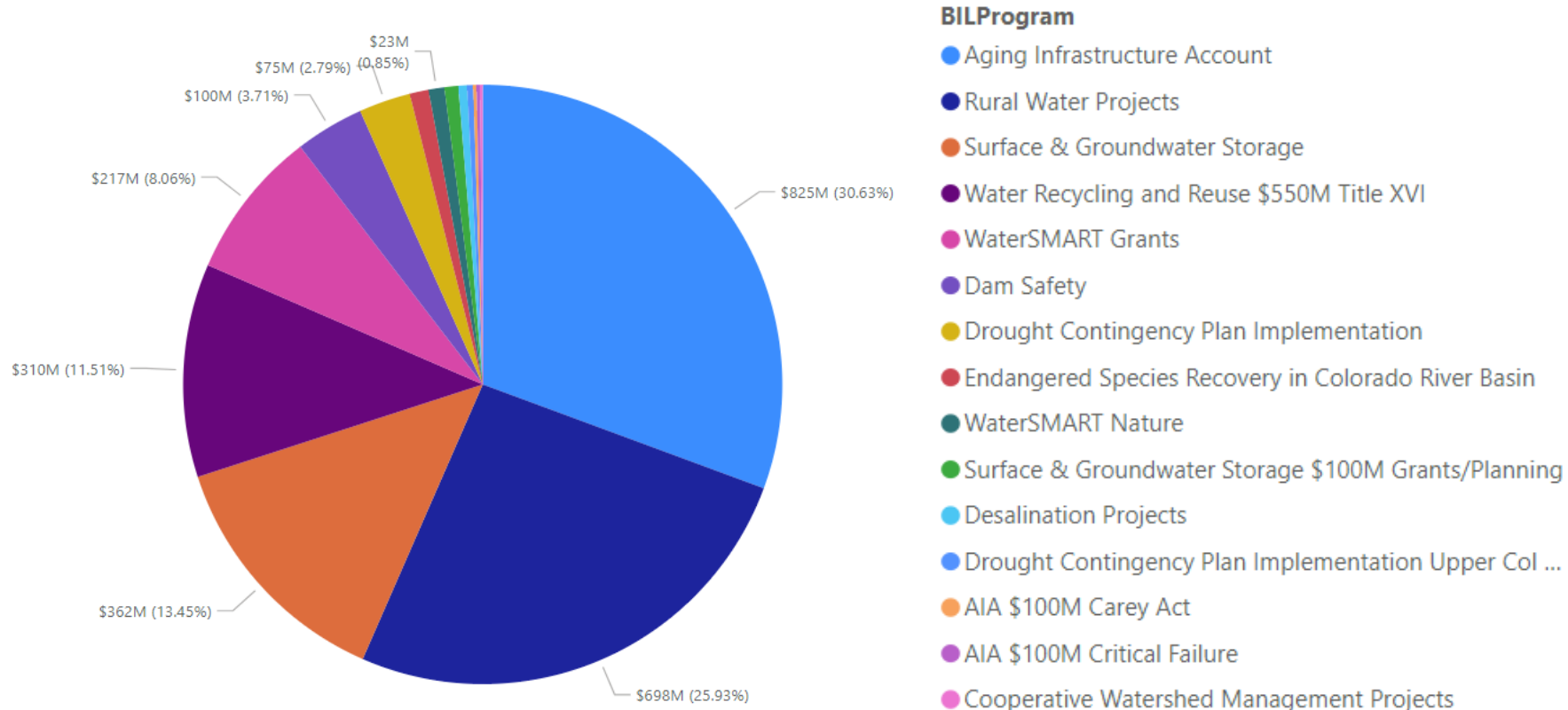
Program area	BIL Section(s)	Program funding amount and type	Recipient type	Awarding process
New or expanded water storage & conveyance	40901(1), 40902, 40903	\$1.15 billion; contracts and competitive grants	Contractors and non-federal agencies	FAR contracting and competitive
Aging Infrastructure / Extraordinary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

BIL execution to date September 2023

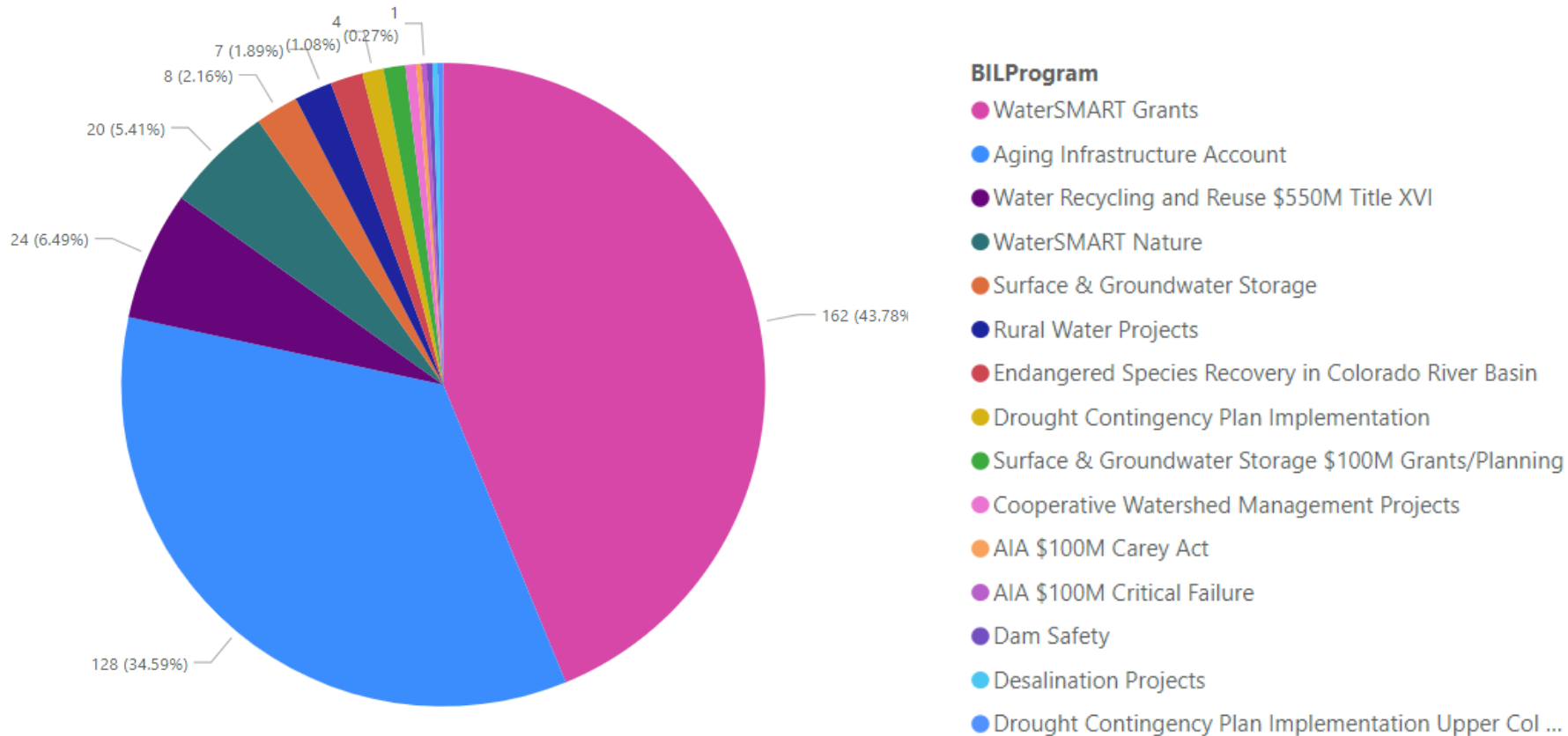


BIL funding allocated as of 2023:

- \$2.7 billion in BIL funding announced for specific projects to date
- Rural Water, Aging Inf./XM and WaterSMART still lead in dollar value



BIL project numbers by program, 2023:



- 370 projects awarded, but some in multiple years
- All 17 western states, plus Alaska, Hawaii, and Puerto Rico
- Aging Inf./XM and WaterSMART lead in number of projects



BIL status as of 2023:

- More than a dozen BIL or BIL-related funding opportunities (NOFO's or application cycles) issued to date
- New programs: Small Storage, Aquatic Ecosystem Restoration, and Environmental Water Resources Projects, Planning & Design
- More BIL NOFO's on the way for the rest of 2023



LaPrele Dam, Converse County, Wyoming. BIL-funded allocation of \$5 million in FY 2023.



BIL-funded funding opportunities, 2023:

- Applied Science Grants (open through 10/17/23)
- Planning & Project Design Grants (open through 10/17/23)
- Drought Resiliency Projects (open through 10/31/23)
- Cooperative Watershed Management Program (open through 12/5/23)
- Aquatic Ecosystem Restoration Program NOFO (second application period open through 1/24/24)
- Large-Scale Water Recycling (opening soon)
- Title XVI WIIN projects (opening soon)
- Desalination Construction (opening soon)
- Small Storage (second application period) (opening September 2023)

Go to usbr.gov/watersmart and usbr.gov/bil for more information



BIL projects / funding at work in 2023:

Unprecedented investments in:

- Disadvantaged communities
- Aging infrastructure
- Water conservation
- Drought resilience

...underway now via BIL and IRA



Gila River Indian Community (GRIC), Arizona, July 2023. FY 2022 and 2023 BIL allocations totaling \$62.6 million to GRIC's Reclaimed Water Pipeline Project



BIL projects / funding at work in 2023:



Orestimba Creek Recharge and Recovery Project, Del Puerto Water District, California. Funded from the BIL's Small Storage Program, pictured at groundbreaking June 29, 2023.

Dozens of BIL-funded projects are in active implementation as of September 2023

Reclamation also participates with DOI on the Ecosystem Restoration Program (BIL Section 40804)



BIL projects / funding at work in 2023:

- Strong participation and application response from tribes and Reclamation stakeholders
- All WaterSMART funding opportunities are open to tribes



Navajo-Gallup Project, San Juan Lateral, New Mexico. BIL funding of \$123 million in FY 2022 and \$139 million in 2023. Pictured at construction site visit, June 2023



Funding opportunities:

- BIL funding opportunities all year
- Info disseminated via both 'push and pull'
- Customized alerts at usbr.gov/bil



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- Bipartisan Infrastructure Law
- Inflation Reduction Act
- WaterSMART
- Colorado River
- All Reclamation News Releases



Buy America: Covered Reclamation Programs

Covered:

- WaterSMART:
 - Title XVI Projects
 - Desalination Construction Projects
 - Large-Scale Recycling
 - Drought Resiliency Projects
 - Water and Energy Efficiency Grants
 - Small-Scale Water Efficiency Projects
 - Environmental Water Resources Projects
- Aquatic Ecosystem Restoration
- Aging Infrastructure / XM
- Rural Water
- Other programs that include funding for infrastructure

Exempt:

- PL 93-638 Indian Tribes & Tribal Organizations
- 2021 Conservation Service Corps
- Fishing Events
- WaterSMART planning activities (Drought Contingency Planning, CWMP Phase I, Applied Science Grants, Water Marketing)
- Research & Development/Science & Technology



Buy America: Approved Waivers to Date

- 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
- AMI Capable Water Meters – City of Rialto



Other activities in implementation:

BIL Announcements	
August 16, 2023	Reclamation awards \$29.9 million to the Sacramento Regional County Sanitation District for Harvest Water
August 14, 2023	Biden-Harris Administration Announces \$50 Million to Enhance Key Water Infrastructure in the Upper Colorado River Basin Through President's Investing in America Agenda
August 7, 2023	Biden-Harris Administration Makes Nearly \$200 Million Available for Drought and Climate Resiliency Projects as Part of Investing in America Agenda
July 27, 2023	Biden-Harris Administration Investing \$152 Million Through Investing in America Agenda to Expand Water Storage in the West
June 29, 2023	Biden-Harris Administration Makes Up to \$5 Million Available for WaterSMART Funding Opportunities
June 8, 2023	Tribal Information Session (Recording) and Stakeholder Information Session (Recording)
May 3, 2023	Secretary Haaland Announces \$12.6 Million from Bipartisan Infrastructure Law for Desalination Research Facility in Southern New Mexico
May 1, 2023	Biden-Harris administration to replace Leadville Mine Drainage Tunnel Treatment Plant
April 28, 2023	Biden-Harris Administration breaks ground on Boone Reach trunk line of Arkansas Valley Conduit
April 21, 2023	Biden-Harris Administration Announces Over \$140 Million for Water Conservation and Efficiency Projects in the West
April 6, 2023	Biden-Harris Administration Announces \$20 Million from Bipartisan Infrastructure Law for Drought Resilience Projects in California and Utah
April 5, 2023	Biden-Harris Administration Announces Nearly \$585 Million from Bipartisan Infrastructure Law to Repair Aging Water Infrastructure, Advance Drought Resilience
March 14, 2023	Biden-Harris Administration makes \$30 million in Bipartisan Infrastructure Law funds available to restore and protect aquatic ecosystems
February 22, 2023	View Reclamation's webinar on the Small Storage Program.

- Colorado River drought – more than \$1.9 billion from BIL allocated to 200+ projects in the Colorado River Basin
- BIL allocations in the CO Basin span Endangered Species, Drought Relief, Aging Infrastructure and more
- More BIL allocations forthcoming specific to CO Basin



Timeline excerpt of major BIL milestones with links to relevant announcements or funding lists. www.usbr.gov/bil

Inflation Reduction Act

Sec. 50233 Drought Mitigation in Reclamation States

\$4 billion to mitigate drought impacts, with priority given to the Colorado River Basin and other basins experiencing comparable levels of long-term drought.

- (1) Compensation for a temporary or multiyear voluntary reduction in diversion of water or consumptive water use
- (2) Voluntary system conservation projects that achieve verifiable reductions in use of or demand for water supplies or provide environmental benefits in the Lower Basin or Upper Basin of the Colorado River
- (3) Ecosystem and habitat restoration projects to address issues directly caused by drought in a river basin or inland water body

Funding is available through FY 2026



Lower Colorado River Basin System Conservation and Efficiency Program (Short Term)

A. Proposals for system conservation resulting in water remaining in Lake Mead at a set price of:

- One-Year agreement: \$330 per acre-foot
- Two-year agreement: \$365 per acre-foot
- Three-year agreement: \$400 per acre-foot

B. Proposals describing lower Colorado River Basin water conservation plans resulting in reductions in consumptive use

- Price per acre-foot based off an economic justification; proposed conservation amount and duration

Current estimates of (A) suggest a savings of over 450,000 acre-feet of water in 2023 (B) in development.

¹Similar program implemented in the Upper Basin

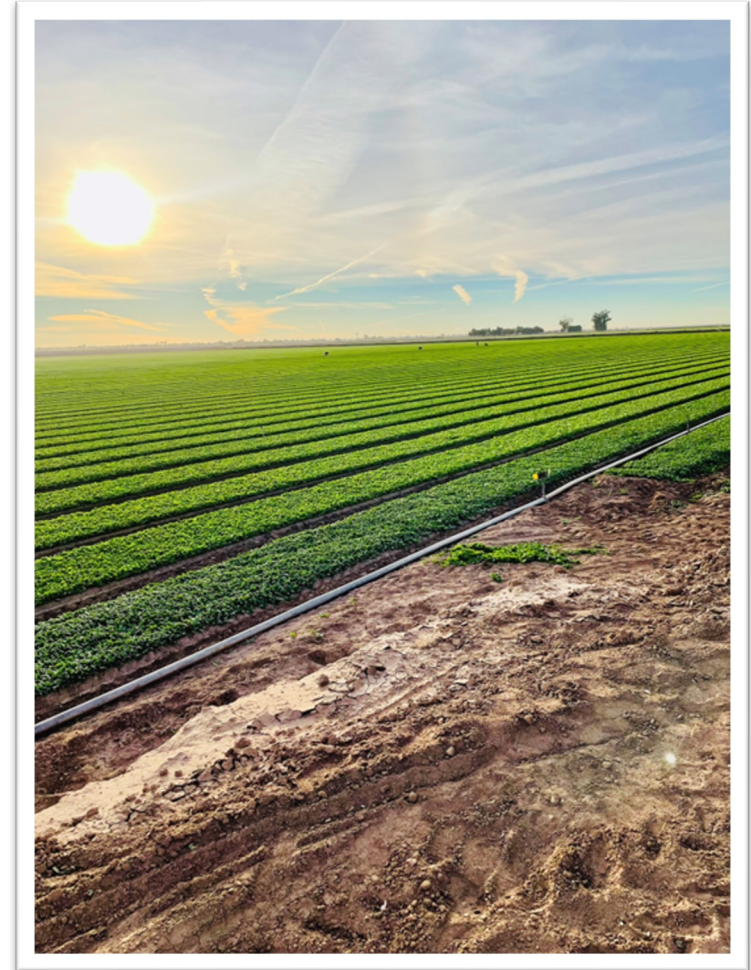


Lower Colorado River Basin System Conservation and Efficiency Program (Long-Term)

Long-term system efficiency improvements that will result in multi-year system conservation based on:

- Quantifiable, verifiable water savings in Lake Mead
- Additional water to the applicant's water supply enabling a consumptive use reduction
- Viability for full implementation, including by demonstrating financial and technical capability
- Monitoring to ensure the proposed benefits to the system are realized

Proposals were received through Aug 18; BOR is currently analyzing the proposals.



Salton Sea

- Agreement executed on Dec. 16, 2022, with the California Natural Resources Agency, the Imperial Irrigation District, and Coachella Valley Water District to mitigate drought impacts on the Salton Sea
- \$250 million for support of projects and technical capacity
- \$22 million to be obligated in FY 23. Remainder is subject to additional system conservation in California



Upper Colorado River Basin System Conservation Pilot Program

System Conservation Pilot

Program 1A and 1B

- \$125M through 2026
- \$16.6 million allocated in 2023

Executed agreements provide for a savings of 37,810 acre-feet of water in 2023



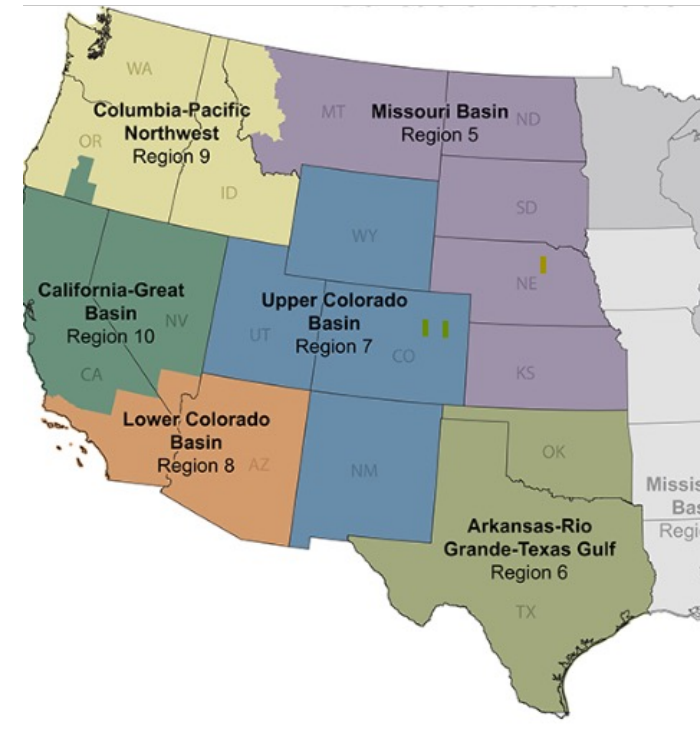
Inflation Reduction Act

Sec. 50233 Drought Mitigation in the Reclamation States

BASINS OTHER THAN THE COLORADO RIVER:

Reclamation received upwards of 90 proposals and criteria recommendations for water conservation projects in basins outside the Colorado River

Reclamation is currently analyzing these
Proposals



Inflation Reduction Act

Sec. 50231. Domestic Water Supply Projects

\$550 million available through September 30, 2031, for up to 100 percent of the cost of the planning, design, or construction of water projects to provide domestic water supplies to disadvantaged communities or households that do not have reliable access to domestic water supplies



- Reclamation allocated \$5.5 million to U.S. Territories (Guam, American Samoa, US Virgin Islands, and Northern Mariana Islands)
- Two WaterSMART categories (Drought Resiliency Projects, which closes Oct 17; Planning and Project Design, which closes Oct 31) also provide opportunities to seek funding under this authority
- Reclamation is currently developing a program for the remainder of the funds



Inflation Reduction Act

Sec. 50232. Canal Improvement Projects

- \$25 million through Sept. 30, 2031, for the design, study, and implementation of projects (including pilot and demonstration projects) to cover water conveyance facilities with solar panels
- Regional Offices are being asked to submit proposals by October 30, 2023



Inflation Reduction Act

Sec. 80004. Emergency Drought Relief for Tribes

Reclamation is authorized to provide \$12.5 million in emergency drought relief funding to federally recognized Indian Tribes in the 17 western states impacted by Reclamation water projects.

Funding is available through September 30, 2026

Reclamation plans to solicit proposals this fall



Closing comments



Nimbus Dam Fish Ladder nursery modernization, Central Valley Project, California. BIL-funded Extraordinary Maintenance of \$10 million in FY 2023.

- BIL/IRA are underway now
- Funding opportunities, internal formulation, application periods, and spend plans translating into progress on the ground
- Success through partnerships, collaboration, focus on performance and results

Additional information:

- BIL Resources: www.usbr.gov/bil – see the FAQ's or E-mail us at usbr.bil@usbr.gov
- IRA Resources: www.usbr.gov/inflation-reduction-act or E-mail us at usbr.ir.act@usbr.gov
- WaterSMART Resources:
<https://www.usbr.gov/watersmart/>

Thank you!

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