

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.8
(ID # 26366)

MEETING DATE:
Tuesday, November 05, 2024

FROM : EXECUTIVE OFFICE

SUBJECT: EXECUTIVE OFFICE: Approve Allocation of American Rescue Plan Act (ARPA) Funds from the Contingency Allocation Category to the Rancho California Water District for Increased Costs Associated with Construction of the Hydroelectric Facilities Water Energy Management Project, and Approve and Execute the First Amendment to Infrastructure Project Funding Agreement Between the County of Riverside and the Rancho California Water District, through Fiscal Year 26/27, District 3. [\$800,000 Total Cost - 100% ARPA Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize \$800,000 for Rancho California Water District from the ARPA Contingency Allocation Category to be Obligated to Increased Costs Associated with Construction of the Hydroelectric Facilities Water Energy Management Project;
2. Approve and Execute the First Amendment to the Infrastructure Project Funding Agreement Between the County of Riverside and the Rancho California Water District for Delivery of the Hydroelectric Facilities Water Energy Management Project, and the Carancho Pump Station Expansion and Improvement Project, for a Total Cost of \$800,000, through Fiscal Year 26/27; and
3. Authorize the Chair of the Board of Supervisors to Execute the Amendment on Behalf of the County.

ACTION:Policy


Juan C. Perez, Chief Operating Officer

10/30/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: November 5, 2024
xc: E.O.

Kimberly A. Rector
Clerk of the Board

By 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 400,000	\$ 400,000	\$ 800,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% ARPA			Budget Adjustment: N/A	
			For Fiscal Year: 24/25 – 26/27	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 11, 2021, President Biden signed into law a \$1.9 trillion economic stimulus bill also known as the COVID-19 Stimulus Package or the American Rescue Plan Act (ARPA). The intent of the bill is to accelerate the United States recovery from the economic and health impacts of the COVID-19 pandemic. ARPA includes \$362 billion in Coronavirus State and Local Fiscal Recovery Funds (ARPA Fiscal Recovery Funds) for eligible state, local, territorial, and tribal governments.

Riverside County's share of the American Rescue Plan funding is estimated to be \$479 million, of which the first installment of \$239,937,299 was received on May 10, 2021, and the second installment in the same amount was received on June 6, 2022. The funds must be obligated by December 31, 2024, and expended by December 31, 2026.

On April 27, 2021, the Executive Office presented the Board of Supervisors with a preliminary ARPA funding allocation and on October 19, 2021, presented a revised funding allocation after the U.S. Treasury released the ARPA interim funding guidelines. The revised allocation included a new category for Child Care. The funding allocation obligates funds to 7 categories: Infrastructure, Housing & Homelessness, Economic Recovery, County Departments Response, Non-Profit Assistance, Child Care and Revenue Backfill.

On October 4, 2022, the Board of Supervisors approved the ARPA 2nd installment funding allocation which allocated \$33 million per district to be obligated towards infrastructure, housing and homelessness, workforce development, neighborhood revitalization, business revitalization, childcare facilities, and non-profits.

On September 12, 2023, (Agenda Item 3.4), at the recommendation of the County's 3rd District, the Board of Supervisors approved execution of an ARPA Infrastructure Project Funding Agreement with the Rancho California Water District (RCWD) for delivery of RCWD's Hydroelectric Facilities Water Energy Management Project, and Carancho Pump Station Expansion and Improvement Project. The results of RCWD's bid process detailed an increase in construction costs for the Hydroelectric Facilities Water Energy Management Project from \$3.038 million to \$7.988 million. The attached First Amendment to the ARPA Funding Agreement would formalize a revised cost share, with RCWD contributing \$4,150,000, and the County contributing \$800,000, of the total \$4.95 million increase in Project construction costs.

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The proposed First Amendment also includes a minor adjustment to Project schedule to reflect a revised construction contract award date; however, the Project construction completion date is unchanged. All other terms memorialized in the original ARPA Funding Agreement would remain intact.

Additional Fiscal Information

The Executive Office has identified the need to set aside \$15 million in ARPA funds in a Contingency Allocation category, previously identified as Future Allocations, to cover ARPA approved infrastructure project contingencies. The County's contribution of \$800,000, which is subject to the attached First Amendment to ARPA Funding Agreement, is being recommended for funding from this Contingency Allocation Category.

Impact on Residents and Businesses

The proposed water supply infrastructure project will improve quality of life and promote economic recovery in County communities by improving water systems, and lessening power demand.

ATTACHMENTS

- 1st Amendment to Infrastructure Project Agreement Between the County of Riverside and the Rancho California Water District



Stephanie Perez, Deputy Director of Admin. Services 10/29/2024


Aaron Gettis, Chief of Deputy County Counsel 10/28/2024

1 IN WITNESS HEREOF, the parties hereto have caused this Amendment to the Agreement to be duly
2 executed on November 5, 2024

3
4 COUNTY:
5 COUNTY OF RIVERSIDE, a political subdivision
6 of the State of California

SUBRECIPIENT:
RANCHO CALIFORNIA
WATER DISTRICT

7 By: 
8 **CHUCK WASHINGTON**
9 Chair, Board of Supervisors

By: 
10 **KATHLEEN NAYLA**
11 CFO/Treasurer
12 General Manager


13 ATTEST:
14 Clerk of the Board
15 Kimberly Rector

16 ATTEST:
17 
18 **ANTHONY FLORES**
19 District Secretary

20 By: 
21 Deputy

(Seal)

22 APPROVED AS TO FORM
23 County Counsel

24 By: 
25 **KRISTINE BELL-VALDEZ**
26 Deputy County Counsel