

# Staff Report

**TO:** Board of Directors  
**FROM:** Jennifer Hanson, General Manager  
**DATE:** May 13, 2026  
**SUBJECT:** **Scotts Flat Spillway Reconstruction Funding Goals**

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## ***ADMINISTRATION***

### **RECOMMENDATION:**

Receive verbal presentation regarding potential external funding sources for Scotts Flat Spillway Reconstruction.

### **BACKGROUND:**

The Scotts Flat Spillway Reconstruction Project is required by both the Federal Energy Regulatory Commission (FERC) and the Division of Safety of Dams (DSOD). The current cost estimate for the project is \$66 million. Staff have been working with the regulatory agencies to reduce the project's cost by removing the reconstruction of the upper plunge pool and instead constructing new anchors to address existing issues with the plunge pool's drainage system. The District has received tentative approval of the cost reduction strategy and should receive a formal response within the next 30 days. If staff is successful with this project scope modification, the project cost would decrease by approximately \$8 to 10 million.

Below is the project cost estimate based on the 100% design provided by HDR in February 2026. The Upper Plunge pool portion is identified as approximately \$11 million, but removing the upper plunge pool will not reduce the project cost by the full \$11 million because, in lieu of the full replacement, the added anchors and new walls connecting the existing upper plunge pool to the new chute will incur new costs, hence the noted \$8 to 10 million in potential savings.

<b>2/2/2026 100% Design Estimate (costs in millions)</b>	Total Project	Upper Plunge Pool	Spillway Chute & Lower Plunge Pool
Base Cost	\$45.2	\$6.76	\$38.4
Estimate Contingency (15%)	\$6.8	\$1.0	\$5.8
Subtotal Construction Estimate	\$51.9	\$7.8	\$44.2
Construction Contingency (10%)	\$5.2	\$0.8	\$4.4
<b>Grand Total Construction:</b>	<b>\$57.1</b>	<b>\$8.6</b>	<b>\$48.6</b>
DSOD Permit Fees	\$0.3	\$0.1	\$0.3
Engineering	\$2.5	\$1.0	\$1.5
CEQA Permitting	\$0.2	\$0.1	\$0.1
CM/inspection	\$4.3	\$0.6	\$3.7
Engineering Services During Construction	\$0.4	\$0.1	\$0.3
Bio, cultural/CEQA monitoring	\$1.2	\$0.18	\$1.0
<b>Project Total Estimate</b>	<b>\$66.1</b>	<b>\$10.6</b>	<b>\$55.5</b>

In addition to the value engineering rescope to remove the upper plunge pool from the project, the District has already obtained preliminary authorization for a \$5 million grant from the Department of Energy.

Other potential external funding opportunities are summarized below:

**Proposition 4 Funding:** Staff previously submitted an application to the Department of Water Resources for Proposition 4 funding. DWR placed the application on hold when California voters approved a new bond (the Climate Bond) that authorizes \$10 billion in general obligation bonds to fund water, wildfire, drought, parks, and clean energy projects. DWR recently issued grant program guidelines, available for a 45-day public comment period. The public comment period closes on June 11, 2026. Staff is participating in this process and will submit an application for the full allowable amount once the program guidelines are adopted and issued.

**Federal Appropriations Bill:** Community Project Funding (CPF) allows members of Congress to request direct funding for state, local, and tribal government entities or eligible nonprofits. Key guidelines require for-profit recipients to be banned, a 20% non-federal match for most projects, and strong evidence of community support, with applications typically submitted early in the calendar year. Staff have been working with federal representatives to obtain support for this funding. The funding request will be made in the calendar year prior to the initiation of construction, likely 2027, and staff will be requesting \$10 million.

Staff has set a total goal of obtaining up to \$25 million in external funding for this project.