



# STAFF REPORT

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**Meeting Type:** Board of Directors  
**Title:** Approve a Project Partnership Agreement with the U.S. Army Corps of Engineers for Water Supply Projects  
**From:** Shaun Horne, Director of Watershed Resources  
**Through:** Alex Anaya for Ben Horenstein, General Manager  
**Meeting Date:** July 07, 2026

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**TYPE OF ITEM:** X Action Information

**RECOMMENDATION:** Approve a Project Partnership Agreement (PPA) with the United States Army Corps of Engineers (USACE) in the amount of \$2,658,333 to fund a portion of the design for the Atmospheric River Capture Project (ARC Project) with a District cost-share of \$658,333 (25%) for the 2026 initial increment of work and authorize the General Manager to execute the agreement

**SUMMARY:** The 2022 Water Resources Development Act (WRDA) authorized \$28 million in federal funding to Marin County, including supporting Marin Water’s long-term Water Supply Roadmap (Roadmap). In January 2026, the District secured the first \$2 million appropriation and was subsequently written into USACE’s 2026 Work Plan. District staff have begun coordinating with the USACE San Francisco District (USACE SF) to identify an eligible project and outline the scope for the initial increment of work. Staff recommends approval of the PPA to include a non-federal cost share in the amount of \$658,333 (25% of the total initial increment cost of \$2,658,333) for design of a portion of the ARC Project and authorization for the General Manger to execute the contract.

**DISCUSSION:** The 2022 WRDA authorized \$28 million in federal funding through the USACE Environmental Infrastructure (EI) program to support “water and wastewater infrastructure, including water supply, in Marin County.” WRDA is strictly authorizing legislation and does not include funding, which must be secured through the annual Energy and Water Appropriations process or supplemental appropriations. In January 2026, the District secured the first \$2 million appropriation through the Federal Energy and Water Appropriations Act. Following Congressional appropriation, the District was written into USACE’s 2026 Work Plan.

District staff have begun coordinating with USACE SF regional office to identify a discreet element of the Atmospheric River Capture (ARC) Project, the District’s current longer-term preferred alternative water supply project, to determine the scope of the initial \$2 million increment. The EI program requires a 75% federal cost share and 25% non-federal sponsor cost share, in this case \$658,333 to be borne by the District. The PPA is required by the USACE in order to advance the first increment of

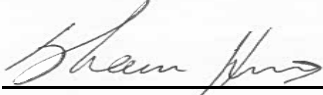

work, which will entail pipeline design. The design work will be focused on an 18,000 linear foot section of the ARC Project. The USACE will develop 100% design plans and specifications. Staff will work closely with the USACE design team and project manager to ensure that the design conforms to the District’s design work for the remainder of the project.

The District will seek additional appropriations through the annual federal appropriation process. District staff has submitted requests to secure additional Energy and Water Appropriations in fiscal year 2027 to help advance the ARC Project and Roadmap.

**ENVIRONMENTAL REVIEW:** The District is currently completing the CEQA analysis for the ARC Project and the USACE will complete a NEPA analysis prior to the Board’s consideration of project approval.

**FISCAL IMPACT:** The total project cost for the initial increment is \$2,658,333. The federal cost share (75%) is \$2,000,000 and the non-federal sponsor cost share (25%) is \$658,333. The District would use funding currently allocated for the ARC Project to cover the 25% cost-share.

**ATTACHMENT(S):** None.

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Watershed	 Shaun Horne Watershed Resources Director	 Alex Anaya for Ben Horenstein General Manager