

- **Board of Directors**  
**Water Planning and Stewardship Committee**

September 11, 2007 Board Meeting

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7-4

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**Subject**

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Adopt resolution to accept \$2 million in state grants for High Efficiency Clothes Washer Program

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**Description**

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Board resolution is requested to accept \$2 million awarded under the Proposition 50 grant program. The California Department of Water Resources (DWR) notified Metropolitan in June that its high efficiency clothes washer (HECW) proposal targeting more efficient devices was selected for funding. Board resolution accepting grant funds, shown in [Attachment 1](#), is a prerequisite for entering into cost-sharing agreements with DWR.

To date, Metropolitan has provided about 200,000 rebates for high efficiency clothes washers. There is widespread participation in Metropolitan's HECW rebate program by member agencies. The HECW Program is an integral component of Metropolitan's efforts to sustain momentum in achieving Integrated Resources Plan goals for urban water conservation. HECW water savings have helped buffer the decrease in regional ultra-low-flush toilet rebates. Clothes washers are the second largest use of water inside homes.

Grant funding would replace bridge funding consistent with implementation strategies approved by the Board in March 2007. Currently, Metropolitan's base incentive for HECW retrofits is \$85 per unit. The Proposition 50 award would replace bridge funding of \$25 per unit. Using both funding sources, Metropolitan would offer \$110 per unit and some member agencies would contribute more. Staff anticipates that approximately 80,000 rebates would be provided under the grant to retail customers through participating member agencies and Metropolitan's proposed regional residential program. The project is expected to achieve direct water savings of more than 30,000 acre-feet of water over the life of the appliances.

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**Policy**

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By Minute Item 47013, dated March 13, 2007, the Board approved transition to funding HECWs with a water factor of 5.0 or better with an incentive of \$85 per HECW; and authorized bridge funding.

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**California Environmental Quality Act (CEQA)**

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CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA because they involve continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed actions are not subject to CEQA because they involve other government fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed actions are not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

**Board Options**

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**Option #1**

Adopt the CEQA determination and resolution accepting Proposition 50 grant ([Attachment 1](#)).

**Fiscal Impact:** Receipt of \$2 million in state funds under Proposition 50. Metropolitan would contribute about \$2 million.

**Business Analysis:** Achieve a direct water savings of more than 30,000 acre-feet of water for approximately 80,000 units over the life of the devices

**Option #2**

Do not adopt the resolution accepting Proposition 50 grant ([Attachment 1](#)).

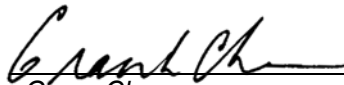
**Fiscal Impact:** Loss of \$2 million in grant funding, and reduced Metropolitan incentive payouts

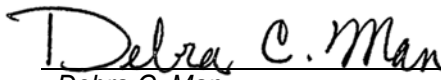
**Business Analysis:** Lost opportunity to increase regional water conservation

**Staff Recommendation**

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Option #1

	8/20/2007
Grace Chan	Date
for Stephen N. Arakawa	
Manager, Water Resource Management	

	8/24/2007
Debra C. Man	Date
for Jeffrey Kightlinger	
General Manager	

**Attachment 1 – Resolution for the High Efficiency Clothes Washer Rebate Program targeting Water Factor 5.0 or better**

**Resolution for the High Efficiency Clothes Washer Rebate Program  
targeting Water Factor 5.0 or better**

RESOLUTION \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA ACCEPTING FUNDING PURSUANT  
TO THE WATER USE EFFICIENCY GRANTS OF THE  
WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH  
PROTECTION ACT OF 2002 (CHAPTER 7, SECTION 79550 (g) OF PROPOSITION 50)

FOR

HIGH EFFICIENCY CLOTHES WASHER REBATE PROGRAM  
TARGETING WATER FACTOR 5.0 OR BETTER

WHEREAS, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Chapter 7, Section 79550 (g) of Proposition 50) appropriated funds to the Department of Water Resources to be used in making water use efficiency grants to various water agencies, including The Metropolitan Water District of Southern California; and

WHEREAS, the acceptance of the grant funds by Metropolitan has been determined to not be a project under the California Environmental Quality Act (CEQA) Section 15378(b)(4) of the State CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that pursuant to and subject to all the terms and provisions of Proposition 50 funds, Metropolitan shall accept \$2 million in grant funds from the California Department of Water Resources for the High-Efficiency Clothes Washer Program targeting Water Factor 5.0 or better.

BE IT FURTHER RESOLVED that the General Manager of The Metropolitan Water District of Southern California is hereby authorized and directed to execute the contracts, and to designate the Project Manager for the administration of the projects authorized to approve and sign project invoices, and act as liaison to the Department of Water Resources. Mr. Andrew M. Hui shall be the initial Project Manager.

BE IT FURTHER RESOLVED that the Board Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the Department of Water Resources.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held September 11, 2007.

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Board Executive Secretary  
The Metropolitan Water District  
of Southern California