



- Board of Directors
Water Planning and Stewardship Committee

2/12/2013 Board Meeting

7-5

Subject

Adopt resolutions to (1) support applications, and (2) authorize General Manager to accept funding and enter into contracts with Bureau of Reclamation for WaterSMART grant funding if awarded

Executive Summary

This action authorizes the General Manager to accept up to \$1.8 million in grant funding, if awarded, from the Bureau of Reclamation's 2013 WaterSMART: Water and Energy Efficiency Grant program.

Metropolitan submitted two applications for consideration: \$1.5 million to expand the California Friendly Turf Replacement Incentive Program and \$300,000 for a Landscape Irrigation Efficiency Pilot Program. The nonfederal cost share of up to \$4.2 million over three years would be provided by Metropolitan from its existing conservation budget, by its member agencies and/or by other nonfederal sources. Project participation would be available to all member agencies.

Details

The U.S. Bureau of Reclamation (Reclamation) WaterSMART: Water and Energy Efficiency Grant annually invites states, Indian tribes, irrigation districts, water districts and other organizations to leverage their money and resources on projects that:

- Conserve and use water more efficiently;
- Increase the use of renewable energy and improve energy efficiency;
- Benefit threatened and endangered species;
- Facilitate water markets;
- Carry out other activities to address climate-related impacts on water; and
- Prevent any water-related crisis or conflict.

The WaterSMART: Water and Energy Efficiency Grants Program for FY 2013 has an estimated budget of \$21.5 million depending on final fiscal year 2013 appropriations. Federal funding of up to \$1.5 million per application is available for large projects. Multiple applications may be submitted, but no more than \$750,000 per year will be awarded to any single applicant. The federal cost share of the project is limited to 50 percent of total project costs. Projects must be completed within three years of award. Reclamation is scheduled to announce tentative awards in March 2013 and finalize agreements by September 2013. Reclamation's guidelines require inclusion of board resolutions supporting grant proposals within 30 days of application submittal as a prerequisite for consideration ([Attachment 1](#) and [Attachment 2](#)).

In January, Metropolitan submitted two applications for consideration:

1. \$1.5 million for Phase II of California Friendly Turf Replacement Incentive Program; and
2. \$300,000 for the Landscape Irrigation Efficiency Pilot Program.

The California Friendly Turf Replacement Incentive Program has been one of Metropolitan's most popular and highly visible programs with the potential to dramatically change landscape practices in Southern California. Phase II of this program would sustain momentum and participation while saving approximately 7,165 acre-feet (AF) of water. The second application is for the Landscape Irrigation Efficiency Pilot Program, which would implement education, training and enhanced incentives for landscape water use efficiency. This program would save approximately 2,435 AF. Both applications are consistent with the Long Term Conservation Plan approved by Metropolitan's Board in 2011. The combined cost of the two programs is \$6.0 million, of which \$1.8 million could be provided by Reclamation. The nonfederal cost share of up to \$4.2 million over three years would be provided by Metropolitan from its existing conservation budget, and/or by its member agencies or by other nonfederal sources. All member agencies would be eligible to participate and could further leverage funding to increase local incentives.

The board resolutions required as part of the application process are intended to confirm governing body review and support of the applications. The Board resolutions:

1. Acknowledge support of the applications;
2. Delegate authority to the General Manager to accept funding and enter into agreements, if awarded;
3. Commit Metropolitan to match funds and/or in-kind contributions specified in the applications; and
4. Commit Metropolitan to work with Reclamation to meet established deadlines.

The resolutions do not obligate Metropolitan to accept funding if awarded. Metropolitan would still have discretion to accept or decline potential funding after an award.

Policy

By Minute Item 47705, dated November 18, 2008, the Board authorized the Turf Removal Pilot Program, and the requirement that ordinances be enacted to participate in extraordinary conservation programs.

By Minute Item 48449, dated October 12, 2010, the Board adopted the 2010 Integrated Water Resources Plan Update.

By Minute Item 48772, dated August 18, 2011, the Board adopted the Long Term Conservation Plan and revisions to the water conservation policy principles.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves 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 action is 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

Option #1

Adopt the CEQA determination and the resolutions to support WaterSMART grant applications and authorize the General Manager to accept funding and enter into agreements with Reclamation, if awarded.

Fiscal Impact: Provide up to \$4.2 million to match \$1.8 million federal grant(s) over a three-year period. Nonfederal funding would come from Metropolitan's existing conservation credits program budget, member agencies and/or other sources such as state grants.

Business Analysis: Achieve lifetime water savings of approximately 7,165 acre-feet for turf replacement and 2,435 acre-feet for the Landscape Irrigation Efficiency Pilot Program

Option #2

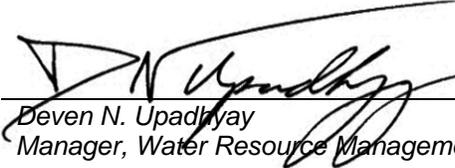
Do not adopt resolutions supporting grant applications.

Fiscal Impact: None

Business Analysis: Metropolitan would miss an opportunity to receive grant funding of up to \$1.8 million to expand water conservation and increase water use efficiency within its service area.

Staff Recommendation

Option #1

 Deven N. Upadhyay Manager, Water Resource Management	1/23/2013 Date
 Jeffrey Kightlinger General Manager	1/29/2013 Date

Attachment 1 – Resolution supporting USBR WaterSMART Grant Funding Application 1
Attachment 2 – Resolution supporting USBR WaterSMART Grant Funding Application 2

Resolution supporting USBR WaterSMART Grant Funding Application 1

RESOLUTION _____

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
IN SUPPORT OF ITS PROPOSAL FOR FUNDING
UNDER THE WATERSMART: WATER AND ENERGY EFFICIENCY GRANTS

FOR

PHASE II CALIFORNIA FRIENDLY TURF REPLACEMENT INCENTIVE PROGRAM

WHEREAS, the U.S. Department of the Interior Bureau of Reclamation (Reclamation) is requesting proposals for water use efficiency activities from the WaterSMART: Water and Energy Efficiency Grants for FY 2013; and

WHEREAS, the submittal of a proposal for grant funding by Metropolitan has been determined not to be subject to California Environmental Quality Act (CEQA) pursuant to Sections 15378(b)(2) and 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 the Board supports the proposal for Phase II California Friendly Turf Replacement Incentive Program under the Bureau of Reclamation’s WaterSMART: Water and Energy Efficiency Grants for 2013.

BE IT FURTHER RESOLVED that Metropolitan’s Board delegates legal authority to Metropolitan’s General Manager to enter into an agreement with Reclamation relevant to receipt of the requested WaterSMART grant.

BE IT FURTHER RESOLVED that Metropolitan is capable of providing the amount of funding and/or in-kind contributions specified in the funding plan.

BE IT FURTHER RESOLVED that if selected for funding, Metropolitan will work with Reclamation to meet established program deadlines.

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 February 12, 2013.

Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California

Resolution supporting USBR WaterSMART Grant Funding Application 2

RESOLUTION _____

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
IN SUPPORT OF ITS PROPOSAL FOR FUNDING
UNDER THE WATERSMART: WATER AND ENERGY EFFICIENCY GRANTS

FOR

LANDSCAPE IRRIGATION EFFICIENCY PILOT PROGRAM

WHEREAS, the U.S. Department of the Interior Bureau of Reclamation (Reclamation) is requesting proposals for water use efficiency activities from the WaterSMART: Water and Energy Efficiency Grants for FY 2013; and

WHEREAS, the submittal of a proposal for grant funding by Metropolitan has been determined not to be subject to California Environmental Quality Act (CEQA) pursuant to Sections 15378(b)(2) and 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 the Board supports the proposal for a Landscape Irrigation Efficiency Pilot Program under the Bureau of Reclamation’s WaterSMART: Water and Energy Efficiency Grants for 2013.

BE IT FURTHER RESOLVED that Metropolitan’s Board delegates legal authority to Metropolitan’s General Manager to enter into an agreement with Reclamation relevant to receipt of the requested WaterSMART grant.

BE IT FURTHER RESOLVED that Metropolitan is capable of providing the amount of funding and/or in-kind contributions specified in the funding plan.

BE IT FURTHER RESOLVED that if selected for funding, Metropolitan will work with Reclamation to meet established program deadlines.

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Secretary of the Board of Directors
of The Metropolitan Water District
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