



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

1/12/2016 Board Meeting

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**Revised 7-1**

**Subject**

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Adopt resolution to support Metropolitan's application for United States Bureau of Reclamation grant funding of \$1 million for High-Efficiency clothes washer rebates and authorize entering into a contract with United States Bureau of Reclamation if awarded

**Executive Summary**

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This action adopts a resolution supporting an application to the United States Bureau of Reclamation (Reclamation). See [Attachment 1](#) for the Resolution. If awarded grant funding, this action also authorizes the General Manager to accept up to \$1 million in grant funding and enter into a contract with Reclamation for its WaterSMART: Water and Energy Efficiency Grants for FY 2016.

In January, Metropolitan would submit an application requesting \$1 million for its high-efficiency clothes washer incentive. If awarded, the nonfederal cost share of \$2.4 million over three years would be provided by Metropolitan from its conservation budget. Project participation would be available to all member agencies.

**Details**

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The U.S. Bureau of Reclamation (Reclamation) through the WaterSMART: Water and Energy Efficiency Grant Program annually invites states, Indian tribes, water districts, and other organizations to apply for funding assistance. The program targets projects that conserve water, increase water efficiency, increase use of renewable energy, improve energy efficiency, benefit endangered and threatened species, facilitate water markets, reduce climate-related impacts on water, or prevent any water-related crisis or conflict.

The WaterSMART: Water and Energy Efficiency Grants for FY 2016 has an estimated budget of \$23.3 million depending on final FY 2016 appropriations. Grants up to \$1 million per applicant are available. Applicants can submit multiple applications, but no more than \$1 million (\$500,000 per year) will be awarded to any one applicant. Applicants must provide at least a 50 percent cost share. Projects must be completed within three years of award.

To date, Metropolitan has provided more than 200,000 rebates for high-efficiency clothes washers (HECW). The HECW Program is an integral component of Metropolitan's efforts to sustain momentum in achieving Integrated Resources Plan goals for urban water conservation. Clothes washers are the second largest use of water inside homes. Staff anticipates that the grant would help provide approximately 40,000 rebates to retail customers through Metropolitan's SoCal WaterSmart Program. The project is expected to achieve direct water savings of approximately 20,000 acre-feet of water over the life of the appliances.

WaterSMART requires inclusion of a board resolution supporting grant proposals within 30 days of the application submittal date. The Board resolution documents the governing body's support of the application. The Board resolution: acknowledges support of the applications; authorizes the General Manager to accept funding; delegates authority to the General Manager to enter into a contract; recognizes that Metropolitan is capable of providing the amount of funds and/or in-kind contributions specified in the funding plan; and commits Metropolitan to work with Reclamation to meet established deadlines. The resolution does not obligate Metropolitan to accept funding. Metropolitan has the discretion to accept or decline potential funding after award.

## Policy

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Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Into Contracts.

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

By Minute Item 47013, dated March 13, 2007, the Board approved funding High Efficiency Clothes Washers (HECW) with a water factor of 5.0 or better with an incentive of \$85 per HECW.

By Minute Item 45208, dated February 11, 2003, the Board approved Metropolitan's policy principles on water use efficiency.

## California Environmental Quality Act (CEQA)

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### 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, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not defined as a project and is not subject to CEQA pursuant to Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

### CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and

- a. Adopt the resolution;
- b. Authorize the General Manager to accept grant funds, if awarded; and
- c. Authorize the General Manager to enter into a contract for the grant funds.

**Fiscal Impact:** Addition of grant funds to existing \$2.4 million of Metropolitan funding that would allow for more rebates to be issued.

**Business Analysis:** This grant would allow Metropolitan's funding to be used to reach more participants by subsidizing Metropolitan's incentive for high-efficiency clothes washers.

### Option #2

Do not adopt the CEQA determination or resolution and do not accept grant funding.

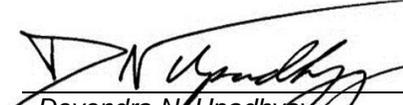
**Fiscal Impact:** None

**Business Analysis:** Without the grant funds, Metropolitan would reach fewer participants in the conservation incentive program.

**Staff Recommendation**

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Option #1

  
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Devendra N. Upadhyay  
Manager, Water Resource Management

1/7/2016  
Date

  
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Jeffrey Kightlinger  
General Manager

1/7/2016  
Date

**Attachment 1 – Resolution Supporting USBR WaterSMART Grant Funding Application (High Efficiency Clothes Washer Incentive)**

Ref# wrm12640656

Resolution for the High-Efficiency Clothes Washer Incentive Program

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  
HIGH-EFFICIENCY CLOTHES WASHER INCENTIVE PROGRAM

WHEREAS, the U.S. Bureau of Reclamation (Reclamation) is requesting proposals for water use efficiency activities from the WaterSMART: Water and Energy Efficiency Grants for FY 2016; and

WHEREAS, the submittal of a proposal for grant funding by Metropolitan has been determined to be exempt from the California Environmental Quality Act (CEQA) under Sections 15378(b)(2) and 15061(b)(3) 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 High-Efficiency Clothes Washers under Reclamation's WaterSMART: Water and Energy Efficiency Grants for FY 2016.

BE IT FURTHER RESOLVED that Metropolitan's Board authorizes Metropolitan's General Manager to accept grant funding of up to \$1 million.

BE IT FURTHER RESOLVED that Metropolitan's Board delegates legal authority to Metropolitan's General Manager to enter into an agreement with Reclamation, subject to the approval of the General Counsel, 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 January 12, 2016.

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