



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Bay-Delta Resources

● Bay-Delta Watershed Projects Update

Summary

In September 2024, Metropolitan's Board authorized the General Manager to enter into agreements to provide funding for three pilot investigations associated with forest restoration programs in the northern Sierra. These pilot investigations are meant to evaluate the cost-effectiveness and potential benefits of improved forest health on water supply resilience and water quality for Metropolitan and other water agencies across the state.

The forest restoration programs are being funded through a new finance model known as a Forest Resilience Bond, and is managed by the non-profit Blue Forest, which was founded to advance restoration projects through partnerships. The financing mechanism combines public and private funding to expedite restoration efforts that otherwise could take decades to advance. This letter provides an update on the three projects and other activities surrounding the projects.

North Feather I Forest Resilience Bond

The North Feather project brings together a diverse coalition of organizations to finance the acceleration of forest restoration in an area of the Feather River Watershed heavily impacted by the 2021 Dixie Fire. This project aims to restore forest health and reduce the risk of catastrophic wildfires, protecting communities and creating a more resilient landscape and water supply. The North Feather I Forest Resilience Bond officially launched in December 2024, and preliminary work began under a federal emergency authorization. Additional work on the larger project footprint began in July 2025. Official public launch materials include a [July 9, 2025, North Feather I Forest Resilience Bond Press Release](#) and a [North Feather I Forest Resilience Bond Public Launch Video](#).

Plumas Community Protection I Forest Resilience Bond

The Plumas Community Protection project will aid in the protection of communities, water supply, water quality, and biodiversity in the Feather River watershed. Forest health projects implemented in watersheds upstream of the Bay-Delta may help support long-term sustainability, protect key species and habitats, and contribute to climate change adaptation of the State Water Project. The Plumas Community Protection I Forest Resilience Bond is anticipated to launch in September and work will begin in fall 2025.

Upper Butte Creek I Forest Resilience Bond

The Upper Butte Creek project will offer a unique opportunity to investigate the benefits of improving the health of a watershed on vulnerable fish species. Butte Creek supports the largest population of naturally spawning wild spring run chinook salmon and may be the only remaining naturally spawning population in the region, given recent wildfires. Work on the Upper Butte Creek project is anticipated to begin in spring next year following delays resulting from recent fires in the area and issues related to the U.S. Forest Service staffing and National Environmental Policy Act processes.

Upper Feather River Watershed Site Visits

In June 2025, a few Metropolitan board members and executive staff spent two days in the Upper Feather River Watershed. The first day included a tour of the North Feather I Forest Resilience Bond project area to see the restoration work that is underway and learn more about the impacts of the Dixie Fire (2021) on the watershed and its communities. The second day focused on building relationships in the upper watershed and included meetings

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with local leaders to learn more about their communities and concerns. Building on the success of the site visits in early June, staff is planning for another site visit to the watershed in early October 2025. In January 2026, leaders from the Upper Feather River Watershed will travel to Southern California for a tour of Metropolitan's facilities and the broader service area. Metropolitan looks forward to continued dialogue and exploring what we can accomplish together as partners.

Purpose

Informational