



One Water & Stewardship Committee

Authorize resolutions to support water use efficiency programs selected to receive USBR FY24 WaterSMART: Water and Energy Efficiency Grants Program funding

Item 7-5

October 7, 2024

Item 7-5
USBR
WaterSMART:
Water and
Energy
Efficiency
Grants Program
(WEEG)

Subject

Authorize resolutions to support two applications selected to receive United States Department of the Interior, Bureau of Reclamation FY24 WaterSMART: Water and Energy Efficiency Grants Program funding totaling \$2 million; and authorize the General Manager to accept this funding and enter contracts with the United States Department of the Interior, Bureau of Reclamation.

Purpose

Obtain the required Board resolutions for staff to proceed in negotiating financial assistance awards with USBR

Staff Recommendation and Fiscal Impact

Option #1: Authorize resolutions to support applications selected to receive FY24 WaterSMART: WEEG Program funding totaling \$2 million; and authorize the General Manager to accept this funding and enter contracts with USBR. Accepting grant funds would require Metropolitan to commit to a non-federal cost share of \$2 million. This cost share is budgeted as existing Metropolitan funding in the conservation program budget.

USBR WaterSMART: Water and Energy Efficiency Grants Program (WEEG)

- Annual federal grant opportunity focusing on quantifiable and sustained water savings
- Prioritizes projects that have sustainability benefits, address the impacts of climate change and enhance drought resiliency

MWD's Active/Pending USBR WaterSMART: WEEG Grant Projects			
Program Year	Project Title	Funding Request	Status
FY22	Regional Public Agency Turf Replacement Incentive Program	\$2M	Awarded implemented into turf replacement program on November 1, 2022.
FY23	Regional Residential and CII Turf Replacement Incentive Program	\$5M	Awarded implemented into turf replacement program on March 4, 2024.
FY24	Residential Direct Install Program for Disadvantaged Communities	\$1.75M	Awarded, seeking resolution
	Direct Install Turf Replacement Program for Disadvantaged Communities	\$250K	Awarded, seeking resolution

Residential Direct Install Program for DAC in Partnership with Southern California Gas Company



- \$1.75M application submitted in February 2024, selected for funding in August 2024
- Funding will be implemented directly into MWD's existing Residential Direct Install Program in Partnership with SoCalGas to reach approximately 3,200 additional homes
- Metropolitan would simply need to modify the program order authorizing SoCalGas to spend an additional \$3.5M on measures funded by MWD to implement grant funds

Direct Install Turf Replacement Program for DAC



- \$250K application submitted in February 2024
 - MWD notified of selection for funding in August 2024
- Funding to be implemented into a direct install turf replacement program to reach approximately 40 homes (~20 grant funded) in the MWD service area
- Staff finalizing scope and preparing RFP/RFQ to hire landscape contractors
- Anticipate a Summer 2025 Program Launch

Cost-Share Requirement

USBR WaterSMART: Water and Energy Efficiency Grants Program Cost Share Commitment			
Project Title	Total Project Costs	USBR Grant Request	MWD Cost Share
Residential Direct Install Program for Disadvantaged Communities	\$3.5M	\$1.75M	\$1.75M
Direct Install Turf Replacement Program for Disadvantaged Communities	\$500K	\$250K	\$250K
Total Cost Share Commitment			\$2M

- Cost Share: 50%, or dollar for dollar match based on total project costs is required
- MWD applied for \$1.75M and \$250K, respectively, as that was the total amount included in our FY24-26 budget for these programs and the maximum we could commit as matching funds

Board Options

- Option #1: Authorize the resolutions to support two applications selected to receive for United States Department of the Interior, Bureau of Reclamation WaterSMART: Water and Energy Efficiency Grants Program funding for FY24 totaling \$2 million; and authorize the General Manager to accept this funding and enter contracts with the United States Department of the Interior, Bureau of Reclamation.
- Option #2: Do not support or accept grant funding

Staff Recommendation

- Option #1

