



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# Committee Item INFORMATION

## ***One Water and Adaptation Committee***

5/11/2026 Committee Meeting

---

**6h**

### **Subject**

---

Additional information requested by One Water and Adaptation Committee on developing and entering into an agreement with LADWP and LA County Dept of Public Works Funding Pilot

### **Executive Summary**

---

In May 2025, Metropolitan's One Water and Adaptation Committee directed staff to work with the Los Angeles County Department of Public Works (County) to develop a Multi-Benefit Program Funding Pilot (Pilot Program) that would allow the County to fund stormwater capture improvements on private property within Los Angeles County. Metropolitan and County staff developed and evaluated several versions of a pilot program, drawing on research and lessons learned from similar programs in other counties. In November 2025, the County selected the Los Angeles Department of Water and Power's (LADWP) service area for participation in the Pilot Program. The proposed Pilot Program was further refined following subsequent discussions and input from LADWP. The proposed Pilot Program includes (1) an extension of LADWP's Landscape Efficiency Assistance Program, utilizing funding from the County and Metropolitan; (2) development of a new process for Metropolitan to administer and provide funds from an outside entity to a member agency; and (3) an independent third-party cost-benefit analysis of the Pilot Program. In March 2026, the Board deferred this item to May 2026 and directed staff to return with a discussion item to answer three questions posed by Committee members. This item will answer those questions.

### **Applicable Policy**

---

Metropolitan Water District Section 130: General Power to Provide Water Services

Metropolitan Water District Section 130.5: Legislative Findings and Declarations Relating to Conservation

Metropolitan Water District Administrative Code Section 4210: Water Conservation Metropolitan Water District

Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 52776, dated April 12, 2022, the Board adopted the 2020 Integrated Water Resources Plan Update, as set forth in Agenda Item 7-1 board letter.

By Minute Item 49542, dated September 10, 2013, the Board authorized new conservation program initiatives effective October 1, 2013.

By Minute Item 49068, dated May 8, 2012, the Board authorized changes to Metropolitan's Water Conservation Program effective July 1, 2012.

By Minute Item 48772, dated August 16, 2011, the Board adopted the Long-Term Conservation Plan and revisions to the water conservation policy principles.

### **Related Board Action(s)/Future Action(s)**

---

Future Action Item

## Details and Background

---

In May 2025, Metropolitan's One Water and Adaptation Committee directed staff to work with the Los Angeles County Department of Public Works (County) to develop a Multi-Benefit Program Funding Pilot (Pilot Program) that would allow the County to fund stormwater capture improvements on private property within Los Angeles County. Metropolitan and County staff developed and evaluated several versions of a pilot program, drawing on research and lessons learned from similar programs in other counties. In November 2025, the County selected the Los Angeles Department of Water and Power's (LADWP) service area for participation in the Pilot Program. The Pilot Program as originally proposed by staff was further refined following subsequent discussions and input from LADWP. The current proposal for the Pilot Program includes: (1) an extension of LADWP's Landscape Efficiency Assistance Program, utilizing funding from the County and Metropolitan; (2) development of a new process for Metropolitan to administer and provide funds from an outside entity to a member agency; and (3) an independent third-party cost-benefit analysis of the Pilot Program. In March 2026, staff presented the proposed Pilot Program to the One Water and Adaptation Committee with the recommendation to implement the program as described above. The Committee raised a number of additional questions for staff research and bring back to the Committee for further discussion and direction. The May 2026 Board item on the Pilot program was subsequently recommended for deferral by the Committee Chairperson. Staff has prepared additional information related to the questions asked at the May 2026 committee meeting. This board informational letter provides staff's responses to the key questions raised by Committee members.

### **Question 1: What challenges does Metropolitan face in developing and implementing a direct install program for disadvantaged communities?**

Metropolitan's enabling Act limits its powers to providing wholesale water service. (MWD Act, § 130.) Although conservation is specifically authorized in Metropolitan's Act, it is authorized for the purpose of meeting Metropolitan's water-related purposes. (MWD Act, § 130.5.) To date, Metropolitan's conservation programs have been offered to all properties, regardless of economic classification, in Metropolitan's service area.

Metropolitan's 2020–2026 Residential End Use study provides a three-year snapshot of indoor and outdoor water use in DAC and non-DAC households across the service area. Data from this study shows that DAC households already use 45 percent less water in their outdoor landscapes than non-DAC households, due to fewer landscapes and more prudent water use. However, Metropolitan has not determined a water-related benefit from increased funding in disadvantaged communities (DAC) for conservation efforts. Without a water-related benefit, equity is not an authorized statutory basis to fund a Metropolitan program.

Although participation in the turf replacement program is lower in DAC areas, it is available to all areas within the service area. Metropolitan has studied the manner in which other water agencies fund DAC programs, including through affordability workshops in which other agencies have presented to the Board their approaches, and found that those agencies use non-rate revenues to fund DAC programs.

A regional direct install program presents administrative and potentially legal challenges for Metropolitan. Metropolitan does not currently employ staff with the required stormwater expertise to assist property owners with the design and installation of the prescriptive stormwater feature. The cost for this type of consulting service in San Diego and Orange Counties is approximately \$1-2 million dollars annually. A regional program would be expected to triple the costs seen at the County level. In addition, information from LADWP's development of the Landscape Efficiency Assistance Program (LEAP) shows that Metropolitan's Water Efficiency Team would require an additional 2.5 full-time employees (FTEs) to run a regional direct install program. Metropolitan's involvement in a direct install program would also increase exposure to claims by property owners as a result of working directly on private property.

The proposed Pilot Program includes the use of \$250,000 of Metropolitan funds as matching funds to a direct install grant provided by the United States Bureau of Reclamation (USBR). Metropolitan has determined that the Pilot Program can be used to identify a water-related purpose for this type of program that has not yet been identified in prior industry studies.

**Question 2: What is the comparable cost to Metropolitan for a Metropolitan-led direct install program instead of the proposed pilot program?**

The average cost of projects in member-agency-led direct install programs is \$16 per square foot. These programs utilize contractors to install landscapes that meet the current regional turf replacement program requirements. The proposed Pilot Program is a direct install program administered by LADWP. The landscapes to be installed as part of the proposed Pilot Program are expected to increase the cost to at least \$20 per square foot for the added prescriptive stormwater feature and other enhanced landscape options. A Metropolitan-led program instead of a member agency-led program would not necessarily provide cost savings or efficiencies. It would potentially require additional staff time and additional resource development to install these enhanced landscapes and would be estimated to cost a minimum of approximately \$25 per square foot. Metropolitan does not currently have the staffing, resources, and expertise to implement a direct install program. Key activities in a direct install program that exceed Metropolitan’s resources currently include: receiving, processing, and coordinating enhanced stormwater capture programs with potentially hundreds of participants and coordinating with the many vendors required to do the actual field work.

The following chart compares the estimated cost per acre-foot for the proposed Pilot Program with the estimated costs of a Metropolitan-led program. The figures include the standard cost per acre-foot for the regional turf replacement program as a reference. Estimates for a Metropolitan-led direct install program are based on total project design and construction costs, along with estimates of Metropolitan administrative costs and staff time. A Metropolitan-led program would require 2.5 additional FTEs for the Water Efficiency Team. The time required to develop a Metropolitan-led direct install program is prohibitive for the current USBR grant which requires that the funds be utilized by December 31, 2027. A Metropolitan-led program cannot be developed and implemented by this deadline. Therefore, it is anticipated that, without additional new funds for the conservation program, all costs associated with a Metropolitan-led direct install program would be funded by reductions to existing conservation programs.

Metropolitan’s administrative costs for the proposed Pilot Program is equivalent to \$225,800, which brings Metropolitan’s total proposed contribution to \$825,800.

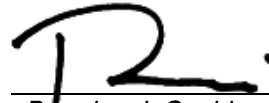
<b>Program</b>	<b>Total Cost per AF</b>	<b>Metropolitan Cost per AF</b>
Regional Turf Replacement Program	N/A	\$630
Proposed Pilot Program	\$12,700	\$2,700
Metropolitan-led Direct Install	\$17,200	\$4,700

**Question 3: How would the proposed pilot program be scaled up to the regional level if the program is successful?**

One goal of the proposed Pilot Program and study will be to quantify the water-related benefits of enhanced landscapes to the participating agencies. Additionally, if the study results show that there is a water-related purpose for a DAC direct install program, then Metropolitan would be able to better support the costs to scale up to a regional program.

The proposed Pilot Program has broader, scalable opportunities beyond turf replacement. Metropolitan does not currently have a process in place that allows non-member agencies to contribute funding directly to Metropolitan programs without member agency participation. Similarly, member and retail agencies can partner with outside entities on local conservation programs only when agency staff have the capacity to do so. Many agencies are

hindered from developing partnerships due to the administrative burden of executing agreements for each program. Under the proposed Pilot Program, Metropolitan will develop a process(es) to assist in program administration and provide the County's funding to LADWP for completed projects. If the proposed Pilot Program is successful, this process could be introduced region-wide as a uniform and streamlined process for any number of potential partners for local programs and Metropolitan's regional programs.



*Brandon J. Goshi*  
Manager, Water Resource Management

*5/7/2026*  
Date



*Shivaji Deshmukh*  
General Manager

*5/7/2026*  
Date