

Master Planning for Climate Action Master Plan for Water

The Metropolitan Water District of Southern California finds itself at a historic crossroad. Metropolitan's Board of Directors, having completed a two-day retreat ending February 14, 2023, resolves to continue to build understanding among board members and the agencies they represent to build~~and~~ agreement about water supply resilience, affordability and equity, climate impacts, risks, vulnerabilities facing the region's water system and the communities it serves and work together to advance strategies for an equitable and resilient water future.

We will do so through an inclusive and iterative process, in close consultation with our member agencies ~~and~~and reaching out to the many interested parties and affected communities we serve. The Subcommittee on Long-Term Regional Planning & Business Modeling will provide a reporting~~forum~~ and organizing structure to ensure progress as described below.

Goals for the coming months include:

- Align Metropolitan's planning efforts with the plans of its member agencies to reflect an integrated approach to water resources, finance, and climate resilience.
- Focus water planning first on near-term needs such as facilities to serve the SWPDA and then on long-term regional needs, reflecting the responsibility of Metropolitan as a regional entity, consistent with the planning and choices of its 26 member agencies.
- Develop criteria for prioritizing "no regrets" investments for climate resilience as long-term investments are identified by the Master Plan.
- Develop business model options to strengthen Metropolitan's ability to perform its core statutory mission and financial sustainability, which will enable necessary investment and operations to support climate resilience in the region's water supply.

- Prepare Metropolitan to complete a biennium budget for Fiscal Years 2024-2026 that reflects the priorities resulting from the Board's alignment of water supply and delivery, climate and financial planning.

Resilience

The Board will consider adopting~~affirms~~ the following working definition of resilience for climate change planning purposes, consistent with that of the State of California Governor's Office of Planning and Research:

Resilience is the capacity of any entity – an individual, a community, an organization, or a natural system – to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience.

The Board will further define resilience in the context of the Master Plan as it is developed.

Next Steps

The Board chair and vice chairs will work together to coordinate the timing and development of issues for consideration by the full Board of Directors and/or by the committees and subcommittees under their respective purview. The vice chair for finance and planning recommends that the first next step is a second board retreat, to be held as part of the next monthly board meeting, with an objective that board members have an opportunity to develop empathy and understanding for each other and the needs of our respective member agencies and to ensure the process is inclusive of their needs from the outset.

The Subcommittee on Long-Term Regional Planning & Business Modeling will provide a regular meeting forum and organizing structure to ensure progress and is charged with maintain~~develop~~ing a calendar~~schedule~~ for next steps, beginning as soon as their next meeting. While this Subcommittee is a public and transparent process, further public engagement is expected as part of the Board process, including dialogue with and input from member agencies which is considered essential to the success of the Board process. The Board vice chairs will help contribute to the scope of discussion under their purview as described above.

In preparing future discussions and proposals, staff will work to provide the data and analyses as requested and necessary to support the Board process, ~~its vice chairs and the Subcommittee chair to prepare next steps and~~ to consider retreat feedback, including the following. This is not an exhaustive or exclusive list, but rather one that highlights points raised during the retreat that held widespread interest:

Finance and Planning

- Resource planning must take a holistic approach that involves not only MWD and member agency supply projections, ~~and~~ considerations and choices but also financial, risk, environmental, and community impact analyses.
- Affordability (for underserved communities and all member agency ratepayers), cost impacts, equitable allocation of costs and benefits and the return on investments are critical to inform water resource and investment choices.
- The Needs Assessment of the Integrated Resources Plan provides an important tool for supply analyses and the development of resource options. It should be accessible to support member agency planning, be used as a starting point to work with member agencies to develop a baseline against which to evaluate existing project commitments and prospective proposals and remain updated with existing and appropriately projected member agency supplies as well as emerging efficiency standards and regulatory mandates.
- Resource planning must assume ~~a commitment to~~ conservation as a core supply that sets a measurable proactive demand management pricing target.

Climate Action

- Climate resilient solutions must ~~include better interconnections for the State Water Project Dependent Areas and approaches to protect~~ the entire MWD service ~~other areas vulnerable due to single source dependence.~~
- Metropolitan should acknowledge and plan for current and planned member agency ~~treat~~ local resources under its LRP or other programs as regional assets and work with Member Agencies to develop new investment and partnership strategies

- to expand local resources, especially for smaller member agencies that may need or request MWD participation.
- Groundwater and storage opportunities can be facilitated and maximized through greater integration maximizing use of MWD's delivery system, working in collaboration with MWD member agencies and groundwater agencies as regional assets.
 - A comprehensive Climate Vulnerability and Risk Assessment will inform resource planning and investments and provide a tool for Metropolitan's Board, staff and Member Agencies to consider the cascading impacts of climate and pursue solutions that advance multiple objectives and benefits.
 - The assumptions that create our planning scenarios should be expressly stated and dynamic—updatable and regularly updated—including with the latest climate science. This is part of creating an adaptive framework for decision making.

Strategic Communications and Engagement

- Engagement of member agencies and the broad set of interested parties will improve planning and identify potential partnerships and willingness to pay for MWD programs.
- The collective strength of the region can be brought to bear only when Metropolitan aligns member agencies along advocacy goals and targets.
- Joint communications strategies can reduce conflicting messages, promote greater understanding about the value of water and help distinguish the trends of climate from individual weather events, even considering different facts and circumstances being experienced by MWD member agencies.