



- Board of Directors  
*Engineering and Operations Committee*

9/14/2021 Board Meeting

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**7-1**

## **Subject**

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Authorize an increase of \$185,000 to an agreement with Rincon Consultants, Inc. for a new not-to-exceed amount of \$1 million for services related to the preparation of a Climate Action Plan and CEQA documentation; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## **Executive Summary**

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In October 2018, Metropolitan's Board of Directors awarded an agreement to Rincon Consultants, Inc. for the preparation of a Climate Action Plan (CAP) and associated California Environmental Quality Act (CEQA) documentation. Staff has provided periodic updates to the Board as various milestones were reached, including oral reports on the results of a comprehensive emissions inventory and forecast of future emissions based on data from the 2015 Urban Water Management Plan (UWMP) forecasts, a recommended emissions quantification and tracking protocol, and recommended near-term and long-term emissions targets. Staff has drafted the CAP and Program Environmental Impact Report (PEIR); however, preparation of these documents has taken longer than initially expected. New forecast numbers from the 2020 UWMP adopted earlier this year, and more recent emissions data are now available. In addition, due to an increase in public interest in Metropolitan's draft CAP, additional public outreach to non-governmental organizations (NGOs) and peer review is recommended. This letter requests authorization to increase the agreement with Rincon Consultants, Inc. to an amount not to exceed \$1 million to update the draft CAP and PEIR with current forecast and emissions data and to support additional public outreach and engagement efforts.

## **Details**

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### **Background**

In October 2018, Metropolitan's Board of Directors authorized the development of a CAP. The CAP would streamline CEQA greenhouse gas (GHG) analysis and substantially reduce costs to Metropolitan from project-by-project GHG mitigation through a comprehensive programmatic document that identifies energy and GHG reduction actions from past, current, and future conservation programs and other activities to offset GHG emissions from future projects, such as the proposed Regional Recycled Water Program. Under CEQA, a qualified CAP must include:

- An emissions inventory (Completed).
- A forecast of future emissions (Completed).
- A GHG reduction target (Completed).
- Actions to reduce or eliminate an agency's GHG emissions (Completed).
- Adoption of the CAP in a public process (Future action).

In addition, a CEQA document that analyzes the impacts of CAP implementation must be prepared and certified by the Board along with the adoption of the CAP.

The CAP and PEIR have been drafted; however, since the initial preparation, additional emissions data have been certified and reported to the Climate Registry, and the 2020 UWMP was adopted by the Board, which changes the forecast for future emissions in the CAP. Staff recommends updating the CAP with the new emissions numbers and forecast data to ensure the document that is released for public review as part of the CEQA review process contains the most recent information available.

In addition, Metropolitan has received several recent inquiries about the CAP from interested parties and stakeholders. During the public review period for the Notice of Preparation (NOP) of the draft PEIR, a public workshop was held to solicit comments to be addressed in the draft document, as required by CEQA. Few parties attended the online meeting, and only a few comments were received during the NOP comment period. Due to the recent interest, staff recommends a workshop for NGOs to introduce the CAP, ensure stakeholder engagement, and receive feedback before the plan is released for public review as part of the CEQA process. In addition, a peer review of the draft CAP by sustainability officers from a select group of local agencies within Metropolitan's service area is also recommended prior to public review to ensure a robust review process. Feedback from the peer review and workshop will be incorporated, as appropriate, into draft documents prior to release for CEQA public review. Following the public review, staff will respond to comments, finalize the documents, and present both to the Board for review and approval.

Staff is requesting an increase of \$185,000 to the existing Rincon Consultants, Inc. agreement to update the draft CAP with current forecast and emissions data, support the workshop and peer review, and incorporate revisions to the draft CAP and PEIR resulting from the additional outreach prior to public release of these documents.

#### **Amendment to an Agreement for Environmental Support (Rincon Consultants, Inc.)**

In October 2018, the Board authorized a new agreement with Rincon Consultants, Inc. for environmental support to develop the CAP and associated CEQA document. Rincon Consultants, Inc. has completed the majority of the scope of work identified under the agreement, including development of a CAP and supporting CEQA document, which includes a baseline inventory of current GHG emissions, quantification of planned project emissions, identification and evaluation of GHG reduction measures, a business-as-usual emissions forecast, and an implementation and monitoring strategy. Additional services required of the consultant at this time include support for: (1) additional outreach to the public, including a workshop and peer review, and incorporation of feedback; and (2) an update of the draft CAP and PEIR with current emissions and forecast data. These activities were not anticipated under the original scope of work.

This action authorizes an increase of \$185,000 to an existing agreement with Rincon Consultants, Inc. for a new not-to-exceed total of \$1 million for environmental services associated with additional public outreach and incorporation of current data into the CAP and CEQA document. For this agreement, Metropolitan established a Small Business Enterprise participation level of 25 percent; Rincon Consultants, Inc. has agreed to meet this level of participation. The subconsultants for this agreement are Ascent Environmental, Inc., Katz & Associates, Inc., and Carollo Engineers, Inc.

#### **Alternatives Considered**

In developing the recommended approach, staff considered the use of in-house resources instead of amending the consultant agreement. This work is highly specialized, however, and Metropolitan has insufficient in-house technical staff to complete the scope of work. In addition, staff would have to shift current workloads, potentially resulting in delays to other critical projects. The use of in-house staff would be inefficient when compared to the use of the consultant team, as in-house staff would need to familiarize themselves with the project and outstanding issues. For these reasons, staff recommends amending the current agreement so that the consultant can perform the activities associated with the revised scope.

#### **Conclusion**

This action ensures that Metropolitan's CAP incorporates the most recent data before it is released to the public for review and comment and that additional stakeholder engagement occurs to ensure the preparation and adoption of a comprehensive CAP that outlines a path for Metropolitan to reduce its GHG emissions and reinforce its commitment as a leader in climate action planning and the protection of local, statewide, and worldwide resources from the effects of climate change.

#### **Next Steps**

Staff will concurrently hold a workshop to encourage public participation in the public review process and distribute the draft CAP for peer review. Following the workshop and peer review, staff will update the draft CAP and PEIR to incorporate workshop and peer review feedback, as appropriate, as well as recent forecast and

emissions data. After public review of the draft CAP and PEIR, staff will prepare responses to all comments received and make any changes to the draft CAP and/or draft CEQA document, as necessary. Staff will return to the Board to adopt the CAP and certify the PEIR.

## **Policy**

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Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 51350, dated October 9, 2018, the Board awarded an \$815,000 agreement to Rincon Consultants, Inc. for specialized environmental support to develop the CAP and associated CEQA document.

## **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 (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action involves fiscal decisions that will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In addition, 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) and other government fiscal activities, which do not involve any commitment to any specific project, or which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). Finally, 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).

### **CEQA determination for Option #2:**

None required

## **Board Options**

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### **Option #1**

Authorize an increase of \$185,000 to an agreement with Rincon Consultants, Inc. for a new not-to-exceed amount of \$1 million for services related to the preparation of a Climate Action Plan and CEQA documentation.

**Fiscal Impact:** Expenditure of \$185,000 in operations and maintenance funds, which is a budgeted expenditure in the current biennial budget period.

**Business Analysis:** Approval will allow staff to host a workshop to further engage the public, conduct peer review, update the draft CAP and CEQA document with current data and feedback received, and release both documents for public review, which will allow Metropolitan to leverage existing and planned water, energy, and other conservation measures to help offset GHG impacts from future capital projects and mitigate the effect of GHG-related climate change.

### **Option #2**

Do not authorize an increase in the maximum amount payable under this agreement with Rincon Consultants, Inc.


**Fiscal Impact:** None

**Business Analysis:** Metropolitan would release the draft CAP and CEQA document with outdated numbers and without stakeholder engagement, which could increase the likelihood of legal challenge, jeopardize the adoption of the CAP, and forego an opportunity to leverage existing and planned water, energy, and other conservation measures to help offset GHG impacts from future capital projects.

## Staff Recommendation

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Option #1

  
Shane O. Chapman  
Chief Administrative Officer

8/24/2021  
Date

  
Adel Hagekahlil  
General Manager

9/1/2021  
Date

Ref# cao12680521