



- Board of Directors  
*Water Planning and Stewardship Committee*

9/14/2021 Board Meeting

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7-4

## Subject

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Express support for the 2021 California Resilience Challenge and approve a financial sponsorship of \$200,000 to continue as a Resilience Leader and Steering Committee member; the General Manager has determined that this action is exempt or otherwise not subject to CEQA

## Executive Summary

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The California Resilience Challenge (Challenge) builds resilience against increasing climate change threats through state-wide collaboration. Metropolitan helped launch the Challenge in 2019 with a \$200,000 sponsorship. The sponsorship co-funded 12 climate resiliency projects and gave Metropolitan a position on the Challenge's Steering Committee. Metropolitan has another opportunity to support the Challenge with a second \$200,000 sponsorship this year. The sponsorship would co-fund a second round of projects targeting underrepresented communities. Sponsorship would also renew Metropolitan's position on the Steering Committee.

## Timing and Urgency

Staff requests approval now to enable Metropolitan to co-fund the Challenge's current Request for Proposals (RFP) for new projects and to participate in the project selection process scheduled to start this month.

## Details

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### Background

Climate change is intensifying California's already volatile climate to greater extremes—with increasingly severe droughts, floods, heat waves, and wildfires. The extremes witnessed over just the past few years show California is experiencing climate change in real time. Many under-resourced communities in California do not have the technical, managerial, or financial resources to adapt. While California leads the country in climate change mitigation, it lacks consistent funding for climate change adaptation.

The Bay Area Council Foundation founded the Challenge with a diverse group of stakeholders in 2019 to address climate adaptation funding gaps. The Challenge aims to accelerate adaptation by funding projects to serve as case studies for other communities. Metropolitan's \$200,000 sponsorship helped launch the organization, co-funded 12 projects in 2020, and gave Metropolitan a leadership position with a seat on the Challenge's Steering Committee. **Attachment 1** lists the Challenge sponsors along with descriptions of the 2020 climate resiliency projects.

The Challenge initiated a second RFP for climate resiliency projects in 2021 (2021 RFP) and requested Metropolitan's participation. Projects funded under the 2021 RFP are required to benefit underrepresented communities while also addressing one or more of the following climate change risks:

- Drought
- Flood
- Fire
- Extreme heat

The 2021 RFP was open to public agencies, non-governmental / community-based organizations, and tribal entities. Project awards will range from \$100,000 up to a maximum of \$200,000, with close to \$2 million expected to be awarded. The RFP opened for project proposals on July 12, 2021. It closes on September 13, 2021. The Challenge plans to announce the winning projects in December 2021. **Attachment 2** summarizes the Challenge's 2021 RFP.

Staff seeks Board authorization to sponsor the Challenge with a \$200,000 contribution. If approved, the sponsorship would co-fund the 2021 RFP and renew Metropolitan's position on the Steering Committee. As a Steering Committee member, Metropolitan would participate in the project selection process. Metropolitan's sponsorship would include speaking opportunities at Challenge events along with visibility on communication materials.

If approved, the sponsorship would maintain Metropolitan's role as a leader in climate resiliency. Metropolitan co-founded the Water Utility Climate Alliance, an organization of 12 of the largest water utilities in the nation collaborating on climate change adaptation challenges. As an innovator in planning under uncertainty, Metropolitan has been considering climate change in its Integrated Resources Plan (IRP) since the early 2000s. The 2020 IRP confronts climate change resiliency directly. Participation in the Challenge gives Metropolitan a seat at the table with other climate resiliency leaders, creating opportunities for staff to collaborate with peer organizations.

Projects funded by the Challenge benefit Southern California by serving as road maps for communities contending with similar challenges. By strengthening individual communities, these projects increase the overall climate resiliency of California's interconnected water and power infrastructure.

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## **Policy**

Metropolitan Water District Administrative Code Section 11103: Participation in Projects or Programs Serving District Purposes

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 51624, dated June 11, 2019, the Board authorized the General Manager to commit \$200,000 to the California Resilience Challenge and serve on the Steering Committee.

By Minute Item 44813, dated March 12, 2002, the Board adopted the proposed policy principles regarding global climate change and water resources.

By Minute Item 50358, dated January 12, 2016, the Board adopted the 2015 Integrated Water Resources Plan Update, as set forth in Agenda Item 8-3 board letter.

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## **California Environmental Quality Act (CEQA)**

### **CEQA determination for Option #1:**

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). In addition, the proposed action is not subject to CEQA because it involves other government fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment. (Section 15378(b)(4) of the State of CEQA Guidelines).

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

None required

## Board Options

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### Option #1

Authorize the General Manager to sponsor the California Resiliency Challenge with a \$200,000 contribution and renew Metropolitan's seat on the Steering Committee.

**Fiscal Impact:** \$200,000. This item is not budgeted. Expenditures will be managed within the Water Resource Management O&M budget to accommodate this item.

**Business Analysis:** Allows Metropolitan to continue participating in the California Resiliency Challenge by co-funding climate adaptation projects. It also renews Metropolitan's seat on the Steering Committee. Participation in the Challenge enhances Metropolitan's status as a leader in climate resiliency planning while creating opportunities to collaborate with peer organizations.

### Option #2

Take no action.

**Fiscal Impact:** None

**Business Analysis:** Metropolitan would miss an opportunity to co-fund beneficial climate resiliency projects while reducing its role as a national leader in water utility climate change adaptation.

## Staff Recommendation


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### Option #1

  
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Brad Coffey  
Manager, Water Resource Management

9/7/2021

Date

  
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Adel Hagekhalil  
General Manager

9/8/2021

Date

**Attachment 1 – Challenge Sponsors and 2020 Funded Projects**

**Attachment 2 – California Resilience Challenge – 2021 Request for Proposals and Timeline**

Ref# wrm12682074

### Challenge Sponsors and 2020 Funded Projects

**Table 1. Climate Resiliency Challenge Sponsors**

Sponsoring Entity	Sector	2019 Sponsor	2021 Sponsor
Alaska Airlines	Private Company	✓	
CSA Insurance Group – Automobile Association of America	Private Company		✓
JP Morgan Chase and Co.	Private Company	✓	✓
Kaiser Permanente	Private Company		✓
Metropolitan Water District of Southern California	Utility	✓	TBD
Pacific Gas and Electric	Utility	✓	✓
Resources Legacy Fund	Foundation	✓	✓
S.D. Bechtel, Jr. Foundation	Foundation	✓	
San Francisco Public Utilities Commission	Utility	✓	
Santa Clara Valley Water District	Utility	✓	✓
Southern California Edison	Utility	✓	✓
Wareham Development	Private Company		✓

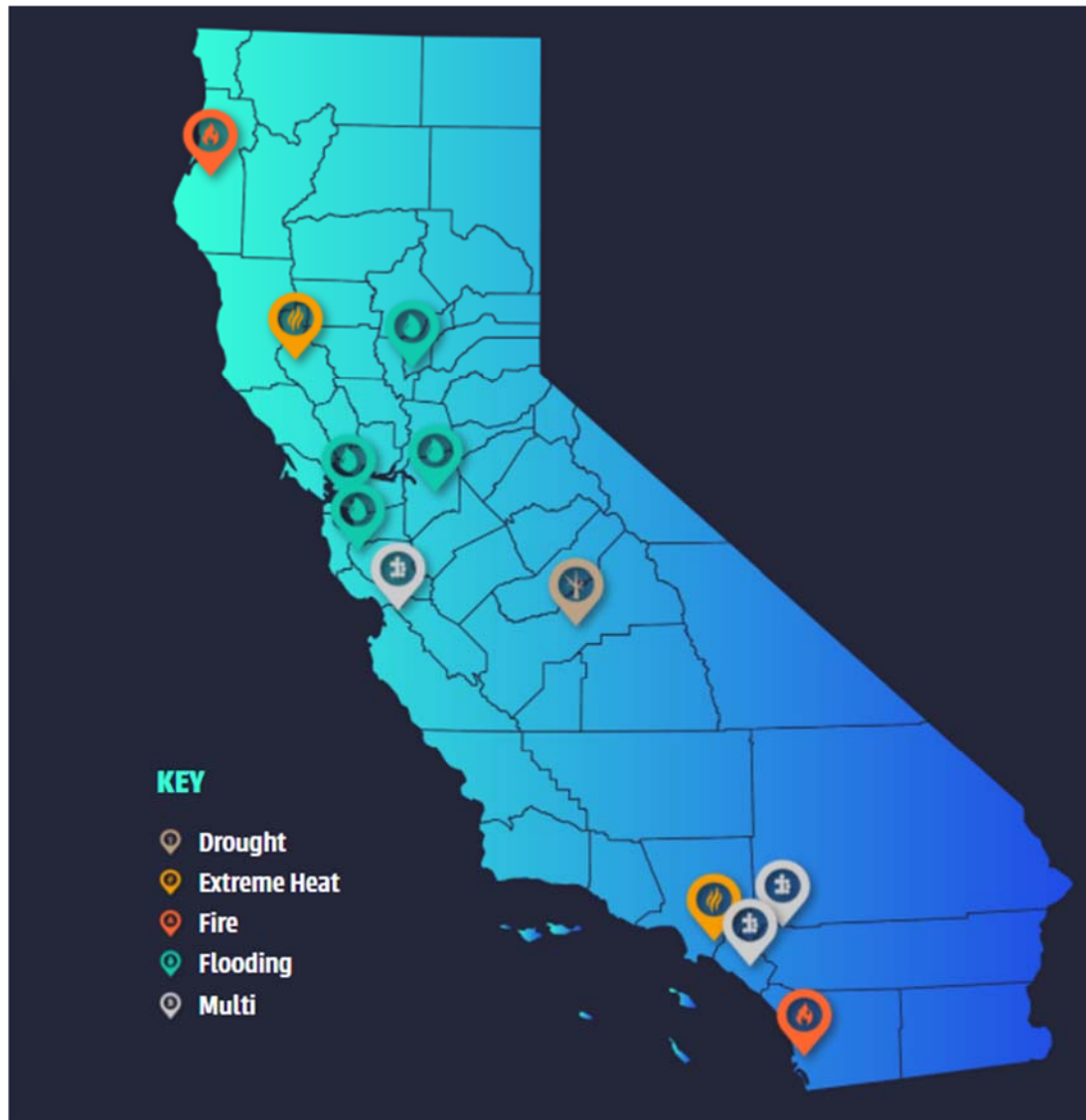
**Table 2: 2020 Project Descriptions**

<b>Lead Entity</b>	<b>Project Description</b>	<b>Risk</b>
<b>Gateway Cities Council of Governments</b>	In partnership with Tree People and Loyola Marymount University, Gateway Cities COG proposes to develop local Tree Canopy Assessments and Community Prioritization Reports for four municipalities in Southeast Los Angeles, in order to mitigate and reduce extreme heat.	Extreme Heat
<b>Santa Ana Regional Transportation Center</b>	The Santa Ana Regional Transportation Center (SARTC) is a major transportation hub for Orange County – but the facility is currently at risk of service disruption and damage during extreme climate events, including flooding and power outages due to extreme heat events. With support from the California Resilience Challenge, SARTC is conducting a microgrid feasibility study that could enable this critical facility to continue serving the community even during the most extreme climate events.	Multi-Benefit Extreme Heat Flooding
<b>Western Riverside Council of Governments</b>	Western Riverside Council of Governments WRCOG, in collaboration with its 19 member jurisdictions, will develop a comprehensive sub-regional Energy Resiliency Plan aimed at improving Western Riverside County’s resilience to Public Safety Power Shutoffs, power shortages and emergencies. The Plan will identify specific projects and strategies to develop independent energy sources in each jurisdiction, including back-up generators, energy storage, and development of local power microgrids.	Multi-Benefit Heat Fire
<b>Fighting Fire with Incentives in San Diego</b>	As climate change increases wildfire risks across California, individual homeowners can reduce community wildfire risk by creating defensible spaces and hardening their properties to make them less flammable. With support from the California Resilience Challenge, the San Diego County Office of Emergency Services is partnering with United Policyholders and local firefighters to develop a pilot mitigation certificate program to incentivize homeowners to implement fire-reduction strategies.	Fire
<b>Resilient Groundwater in California’s Agricultural Heartland</b>	With help from the California Resilience Challenge, the South Fork Kings Groundwater Sustainability Agency is conducting a feasibility study on an aquifer storage and recovery project to improve water-supply resilience in the face of climate change. The study	Drought

	includes a landowner survey on water use, workshops with disadvantaged communities, and pilot testing of aquifer storage and recovery techniques.	
<b>Extreme Flooding in the Lower San Joaquin River Basin</b>	Climate change projections predict a drastic increase in flood risk for the Lower San Joaquin River and Delta South Basin in the coming years due to rising sea levels and an increase in flows coming down the San Joaquin River. In partnership with the California Resilience Challenge, the San Joaquin Area Flood Control Agency is engaging with State, regional, and local stakeholders to develop alternatives for a coordinated basin-wide solution that addresses this increase in flood risk while also looking to achieve multiple other benefits, including improving habitat through ecosystem restoration, improving groundwater sustainability, and enhancing public recreation.	Flooding
<b>Repairing the Gold Rush's Tarnished Legacy</b>	Local communities in the Yuba River watershed are still grappling with the toxic legacy of the California Gold Rush, including degraded forests, meadows, and water quality. The California Resilience Challenge is helping the Yuba Water Agency quantify the economic impact of mine remediation and other restoration activities that will allow the Agency to develop long-term funding mechanisms for restoration work to increase local resilience to wildfires and drought while improving ecosystems and public health.	Multi-Benefit
<b>Keeping Groundwater at Bay</b>	Communities along the San Francisco Bay shoreline are preparing for rising sea levels along their respective waterfronts. However, rising sea levels also threaten to cause flooding from below by lifting groundwater tables. The California Resilience Challenge is partnering with Aquatic Science Center to support research that will help Bay Area communities better understand and plan for the effect of sea level rise on groundwater tables and critical infrastructure.	Flooding
<b>Transforming Schools into Resilience Centers</b>	San Mateo County is one of California's most flood-prone coastal regions. With assistance from the California Resilience Challenge, the City/County Association of Governments of San Mateo County is working with the San Carlos School District to develop plans to transform several campuses into	Flooding

	community resilience assets by using onsite stormwater capture to reduce runoff, augment local water supplies, and reduce local heat islands through increased vegetation.	
<b>Greening the City of Watsonville</b>	The City of Watsonville is located along the flood prone Pajaro River in the Pajaro River Watershed. With assistance from the California Resilience Challenge, Watsonville is developing a plan to integrate green infrastructure across the city's existing plans and to identify a pipeline of implementation projects that will improve flood protection along the Pajaro River, increase local water supply resilience, sequester carbon, and improve public health and well-being.	Multi-Benefit Flood Drought Heat
<b>Resilient Communities at Clear Lake</b>	Clear Lake has supported indigenous peoples for centuries. However, Clear Lake is experiencing significant fish die-offs and toxic algal blooms due to increased water temperatures. The California Resilience Challenge is helping the Big Valley Band of Pomo Indians expand water quality monitoring to improve public health and the recreational economy of the Clear Lake region.	Heat
<b>High-Tech Forest Resilience</b>	California's forests and woodlands store carbon and provide habitat to an extraordinary diversity of plants and wildlife. However, a century of fire suppression and the ongoing climate emergency have placed these forests at risk. The California Resilience Challenge is helping the Humboldt County Resource Conservation District use advanced LIDAR geospatial technology to create forest carbon inventories to improve wildfire resilience and maximize carbon sequestration.	Fire

Figure 1. Map of 2020 Climate Resiliency Projects





## Climate Resilience Challenge - 2021 Request for Proposals and Timeline

### Summary of Request for Proposals

RFP Element	Description
<b>Funding</b>	\$2.0 million total - Not-including Metropolitan's potential sponsorship
	\$100,000 to \$200,000 per project award
	Funding match not required
<b>Project Requirements</b>	Project must be in California
	Address one or more of the following climate change impacts - Drought - Flooding, including sea level rise - Fire - Extreme Heat
	Benefit an underrepresented community
<b>Grant Eligibility</b>	California Public Entities - Must partner with a Community-Based Organization
	Non-Governmental / Community-Based Organizations - Must serve an underrepresented community
	State agencies, commissions and interstate compacts are ineligible
<b>Eligible Projects and Activities</b> (partial list)	Infrastructure resiliency, feasibility studies, economic analysis
	Hazard mitigation, adaptation plans, conceptual design
	Climate vulnerability assessments, data and geospatial analysis
	Collaborative climate adaptation activities, convening stakeholders
	Projects addressing or increasing underrepresented community participation
<b>Ineligible projects</b>	Construction projects, design specifications, non-adaptation related
<b>Evaluation Criteria</b>	Benefits to underrepresented communities
	Impact and sustainability - Does it protect critical infrastructure? - Can it be replicated and scaled? - Does it lead to a viable project?
	Collaboration
	Co-benefits across multiple impacts or sectors
<b>Term</b>	Start by July 1, 2022
	Complete by July 31, 2024

**Request for Proposal Timeline**

July 12, 2021	RFP opens
September 13, 2021	RFP closes
September – October 2021	Proposal evaluations
December 2021	Awards announcements