



Finance and Asset Management Committee

Climate Adaptation Master Plan for Water – Draft Year One Progress Report and Next Steps

Item 8-3

May 14, 2024

Item 8-3

Climate Adaptation Master Plan for Water - Draft Year One Progress Report

Subject

Concur with the Climate Adaptation Master Plan for Water – Draft Year One Progress Report and Next Steps

Purpose

The CAMP4W Draft Year One Progress Report documents progress since February 2023 and sets up next steps for 2024. Concurrence confirms that the Report reflects the progress to date and identifies next steps for 2024 recognizing that Report components are subject to change based on new information and analyses.

Climate Adaptation
Master Plan for Water

Year One Progress Report Sections

CAMP4W Year One
Progress Report

Executive Summary

Section 1: Background, Need
and Outcome

Section 2: Climate Decision-
Making Framework

Section 3: Development of
Adaptation Strategies

Section 4: Business Model
and Affordability

Section 5: Policies Initiatives
and Partnerships

Section 6: Adaptive
Management

2024 Next Steps



Member Agency Comments

7 Comment Letters representing 16 Agencies

Key focus areas

1. CAMP4W Annual Report and Data Updates
2. Water Use Efficiency Time-Bound Target (GPCD)
3. Member Agency Role in CAMP4W
4. Importance of Water Quality and Public Health
5. Business Model Considerations

Member Agency Comments

CAMP4W Annual Reports and Data Updates



Concern

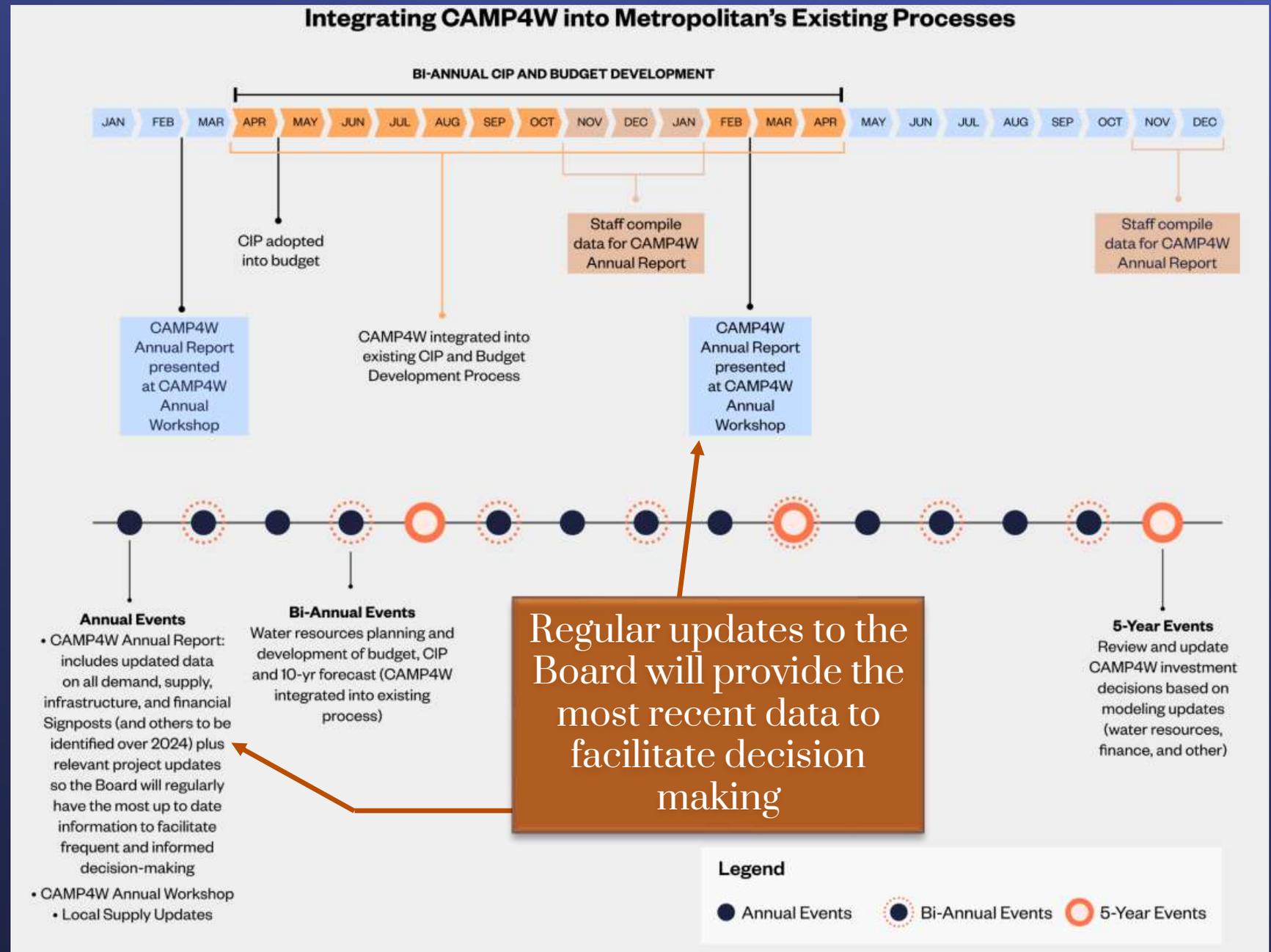
Assumptions used in the 2020 IRP Needs Assessment related to available supplies and demands need to be reviewed regularly, and Time-Bound Targets adjusted accordingly, to inform Board investment decisions.

Response

Consistent with an Adaptive Management approach, staff will be annually updating the inputs to the IRP Needs Assessment and resulting scenarios, and the Board may choose to adjust Time-Bound Targets accordingly. Staff will provide an annual update of inputs by the end of 2024. Starting in 2026, annual updates will be provided in the beginning of each year. (pgs. ES-7, ES-10, 2-4, 6-2, 6-3)

Section 6: Adaptive Management

Institutionalizing Adaptive Management



Member Agency Comments

Water Use Efficiency Time-Bound Target

Concern

Total GPCD does not account for economic growth, agricultural uses and differing climate conditions. Member agencies should not be evaluated based on GPCD.

Response

Footnote 5, pgs. ES-7 & 2-4:

*Specific GPCD Time-Bound Targets will be identified later this year based on final SWRCB standards. If the Board wishes to set a higher target, it would be **designed to track** water use efficiency trends **by sector** over time and will take **local conditions, including climate**, into consideration.*



Member Agency Comments

Member Agency Role in CAMP4W



Concern

Member Agency managers (MAM) are uniquely positioned to assess and inform local resource challenges and opportunities. SWP-D process provides a model of cooperative adaptation and Member Agencies should be involved in project and program evaluation.

Response

CAMP4W will continue to be a transparent process with oversight from the CAMP4W Task Force. Metropolitan staff will also continue to consult MAMs through its monthly meetings as well as topically-focused strategy sessions to inform inputs to the modeling, projects and programs. While Met staff will conduct initial scoring of Metropolitan projects and programs, methodologies and results will be discussed with and open to feedback from the Task Force.

Water Quality and Public Health



Concern

Seeking assurance that Metropolitan remains committed to protecting public health, that acute public health issues will be addressed expeditiously and requests that water quality improvements and investments be exempt from the CAMP4W process.

Response

Revisions made to reinforce Metropolitan's commitment to public health and clarify that CAMP4W is not intended to hinder urgent or emergency projects. CAMP4W is a long-term planning process to prepare Metropolitan for changes over time, which could help prepare for long term water quality risks exacerbated by climate change. The Task Force will also be identifying additional thresholds for inclusion in the CAMP4W process in 2024 and can take these concerns into account. (pgs. ES-1, 3-2)

Business Model Considerations

Comments/Concerns:

- Suggests focus on developing a clear understanding of Metropolitan's current Business Model and identification of the problem Metropolitan is addressing (suggests categories of Met's role and core function; rate refinement; new revenue opportunities) before identifying the Business Model components to address
- Need a clear understanding of the purpose and desired outcome of Business Model refinement
- A gap analysis and understanding current business model risks would inform Business Model discussion
- Treatment Surcharge was prioritized in the Biennial Budget adoption and that discussion should proceed
- Metropolitan should consider its minimum annual sales as fixed revenue
- Business Model discussion should address Board Governance
- Encourage ample time and resources be allocated for the robust deliberation needed to be successful

2024 Next Steps

Draft Year One
Progress Report
Sections 4

Business Model

- Establish the schedule for ongoing integration of finance planning into CAMP4W
- Incorporate risk analysis into the Board's investment decision-making
- Consider business model alternatives
- Identify how Metropolitan can pursue options that advance affordability and equity goals



2024 Next Steps

Draft Year One
Progress Report
Section 5

Policies, Initiatives, and Partnerships

- Develop and consider policies and initiatives
- Explore Metropolitan and Member Agency partnership opportunities
- Pursue external partnership and collaboration opportunities
- Continue community engagement



2024 Next Steps

Draft Year One
Progress Report
Section 6

Adaptive Management

- Refine Adaptive Management and how to institutionalize it into Metropolitan's processes
- Further develop Signposts and specific metrics
- Develop CAMP4W Annual Report Template
- Refine process for integrating CAMP4W projects into CIP and budget
- Identify early "Go Projects" and program opportunities
- Continue development of dashboard and digital support tools



Draft 2024 CAMP4W Task Force and Committee Meetings

CAMP4W Task Force	Discussion Topic		
May 30	Business Model Refinement (then moves into parallel track)		
June 26	Parallel Planning Processes and Climate Vulnerability Assessment		
July 24	Signposts / Annual Report Template /Time-Bound Targets		
August 28	Refined Evaluative Criteria / Example Project Scoring		
September 25	Institutionalizing CAMP4W in Board Processes, CIP, Budget	Other Committees	Discussion Topic
October 23	CAMP4W Partnerships and Collaboration	June / July	Legislation and Communications Committee: Community Engagement Update
November 27	Business Model Refinement Update		
December	Go Projects and Programs	August	One Water and Stewardship Committee: Policies and Initiatives
		September	One Water and Stewardship Committee: Programs Update (LRP, SWM, WUE)

Board Options

Option No. 1

Concur with the Climate Adaptation Master Plan for Water: Draft Year One Progress Report and Next Steps

Option No. 2

Do not concur

Board Options

Staff Recommendation

Option No. 1

