

Finance, Audit, Insurance, and Real Property Committee

Next Steps on the Climate Adaptation Master Plan for Water

Item 9-3 April 11, 2023

Potential Upcoming Board Policy Decisions

Climate Adaptation Master Plan for Water (CAMP4W)

- 1) Develop mutual understanding of key terms and outline goals and potential impacts for Metropolitan and Member Agencies related to:
 - Resilience, Reliability, Financial Sustainability, Affordability
- 2) Develop evaluative criteria to measure climate resilient strategies for:
 - Local and regional water supply and conveyance projects
 - Storage development inside and outside service area
 - Investments in imported water supply
 - Demand management and conservation programs
- 3) Identify potential pathways for future investment to meet resilience, reliability, financial sustainability and affordability goals and objectives and evaluate against criteria
- 4) Evaluate organizational needs for meeting goals and objectives including:
 - Business model options
 - Financing and rate structures
 - Workforce development

Potential Climate Adaptation Master Planning Process

Defining the Problem

- Board Retreat
- Initiate mutual understanding of climate vulnerabilities, MA needs and interests, values and challenges

Readiness & Structure

- Discuss planning and schedule
- Start to discuss key terms
- Hire climate, planning consultants

Resilience & Reliability

- BoardWorkshop
- Mutual understanding of terms
- Discuss climate risks
- Water Supply Gap Analyses
- Align MWD planning with MA plans
- Consider evaluative criteria

Affordability & Financial Sustainability

- BoardWorkshop
- Mutual understanding of terms
- Test criteria
- Identify vulnerable / high risk areas
- Discuss tradeoffs and co-benefits

Resilient Water Supply Pathways

- BoardWorkshop
- Consider potential pathways
- Discuss tradeoffs and co-benefits
- costs
 associated
 with
 potential
 pathways

Water Resilience & Business Model

- Consider potential pathways
- Explore
 financing
 models for
 regional and
 local projects

Water Resilience & Financial Sustainability

- Test pathways
- Consider "no regrets" projects
- Explore connection to CIP and Biennial Budget

Decision Making Framework

- Consider an adaptive framework for decisionmaking
- Refine CIP and Biennial Budget

Member Agency and Public Engagement

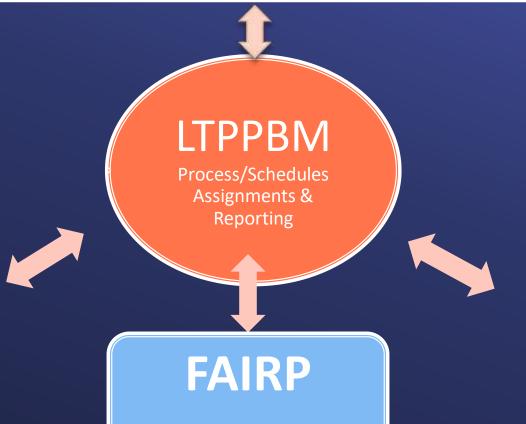
DRAFT Board Committee Reporting Structure

BOARD OF DIRECTORS

Final Approvals • Focused Workshops

Other Committees

EOT: SWPDA projects, PWSC, CIP discussions, power supply **EOP**: Ethical decision making **EIA**: Affordability, Equity



OWS

Risk
Evaluative Criteria
Resilient Water Supply
Pathways
Demand Management &
Conservation

Process/Schedules
Business Model
Financing Plan
Rates Review

Upcoming Board Workshops

Climate Adaptation Master Plan for Water (CAMP4W)

Tuesday, May 23rd

Dialogue focused on:

- Communicating interests and needs
- Key terms: Resilience, Reliability, Financial Sustainability, Affordability

Tuesday, June 27th

Dialogue focused on:

- Member Agency Needs Assessment
- Gaps Identification
- Alignment of Member Agency and Met planning

Workshop #1: Key Terms

May 23, 2023

- Address the following:
 - Resilience
 - Reliability
 - Affordability
 - Financial Sustainability
- Metropolitan Staff will address the following questions:
 - How does Metropolitan define these terms now?
 - How are they used in practice?
 - How do evolving climate conditions impact our understanding of those terms?
 - What initial ideas does Met staff have for further developing our understanding?
- Prior to May 23 workshop, Member Agencies will be asked for input and their own definitions and practices

