AGENDA STAFF REPORT

Control: 26001775

MEETING DATE:	11/17/2026
LEGAL ENTITY TAKING ACTION:	Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S):	All Districts
SUBMITTING AGENCY/DEPARTMENT:	OC Public Works
DEPARTMENT CONTACT PERSON(S):	Amanda Carr, 714-955-0601 Grant Sharp, 714-955-0633

SUBJECT: Approve Retroactive Grant Award for WaterSMART Program

CEO CONCUR	**COUNTY COUNSEL REVIEW**	**CLERK OF THE BOARD**
Concur	Approve resolution to form	DISCUSSION 3 Votes Board Majority

Budgeted: Yes	**Current Year Cost:** N/A	**Annual Cost:** N/A
Staffing Impact: No		**Sole Source:** N/A
Current Fiscal Year Revenue: $500,000	**Funding Source:** FED: 100% (Grant)	**County Audit in Last 3 years:** No
Levine Act Review Completed? N/A		
Prior Board Action: 12/3/2024 #30		

RECOMMENDED ACTION(S):

1. Adopt a Resolution to retroactively accept the award of $500,000 for the United States Bureau of Reclamation WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2025 H2OC RainSmart Large Landscape Turf Upgrade Incentive Program.

2. Authorize the Director of OC Public Works or designee to negotiate and execute a Financial Assistance Agreement with the United States Department of the Interior Bureau of Reclamation and to approve minor amendments and modifications to the agreement, provided there is no increase in financial obligations of the County.

SUMMARY:

Retroactive acceptance of the WaterSMART Grants: Water and Energy Efficiency Grants award will allow OC Public Works to expand water conservation efforts countywide through implementation of the H2OC RainSmart Large Landscape Turf Upgrade Incentive Program.

BACKGROUND INFORMATION:

The United States Department of the Interior, Bureau of Reclamation (USBR), administers the WaterSMART Program to support projects that improve water conservation, increase water-use efficiency, and strengthen drought resilience in the western United States.

On November 13, 2024, OC Public Works submitted an application to USBR under Funding Opportunity No. R24AS00052, WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2025, for the H2OC RainSmart Large Landscape Turf Upgrade Incentive Program (Program). On December 3, 2024, the Board of Supervisors (Board) approved the retroactive grant application.

The Program expands the OC Stormwater Program's existing large landscape turf conversion efforts by providing funding and start-to-finish technical assistance to homeowner associations (HOAs) throughout Orange County. Approximately 82 percent of Orange County residents live within one of the county's 4,972 HOAs, which collectively manage substantial areas of non-functional turf. The Program is expected to complete 15 to 25 large landscape turf upgrade projects, convert approximately 500,000 square feet of turfgrass to climate-appropriate, low water-use landscaping and conserve an estimated 67.5 acre-feet of water per year.

On June 2, 2026, USBR notified the County of Orange (County) that the application was among those receiving the highest ratings during the competitive review process and is being considered for award of a financial assistance agreement. USBR indicated its intent to award $500,000 in federal funding for implementation of the Program, subject to completion of federal environmental and cultural resource review, verification of matching funds and execution of financial assistance agreement.

The total project cost is estimated at $2,605,000. A 50 percent non-federal cost share is required by the grant. After the federal award amount of $500,000 is deducted, the remaining $2,105,000 exceeds the 50 percent match requirement and will be provided by turf removal and water use efficiency incentives from the Metropolitan Water District of Southern California ($1,000,000), the OC Stormwater Program National Pollutant Discharge Elimination System (NPDES) Shared Costs and other County cost-share funds already designated for this work ($1,067,500) and program participant contributions ($37,500). No additional County funds are required.

The Program supports numerous County and regional planning efforts, including the South Orange County Water Quality Improvement Plans, the South Orange County Integrated Regional Water Management Plan, the Integrated Regional Water Management Program (OC Plan) and the County's Climate Action Plan. The Program is also coordinated with complementary regional turf conversion and landscape efficiency programs administered by the Municipal Water District of Orange County and Moulton Niguel Water District, which serve overlapping portions of Orange County.

This grant award is coming to the Board of Supervisors retroactively. County policy requires grant awards to be brought to the Board for acceptance within 60 days of the award notification. The timing of departmental review and document preparation did not allow the award to be brought to the Board within the 60-day requirement. Board approval is requested to retroactively accept the grant award and authorize execution of the forthcoming financial assistance agreement with USBR.

Compliance with CEQA: The action is not a project within the meaning of CEQA Guidelines Section 15378 and is therefore not subject to CEQA, since it does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The approval of this agenda item does not commit the County to a definite course of action in regard to a project since the proposed action is intended to retroactively accept the grant award and authorize a grant agreement for the Program. This proposed activity is therefore not subject to CEQA. Any

future action connected to this approval that constitutes a project will be reviewed for compliance with CEQA.

FINANCIAL IMPACT:
Revenue associated with the grant is included in Budget Control 034, FY 2026-27 Budget.

STAFFING IMPACT:
N/A

REVIEWING AGENCIES/DEPARTMENTS:
N/A

ATTACHMENTS
Attachment A - Grant Award Form
Attachment B - Memo
Attachment C - Award Letter
Attachment D - Resolution