

# Capitola City Council

## Agenda Report

**Meeting:** May 28, 2026

**From:** Public Works Department

**Subject:** Monterey Bay Area Regional Climate Project Working Group



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**Recommended Action:** Authorize the City Manager to execute a Memorandum of Understanding (MOU) to join the Monterey Bay Area Regional Climate Project Working Group (RCPWG).

**Background:** Climate change is a priority issue for organizations across the Monterey Bay Area region, encompassing Santa Cruz, San Benito, and Monterey counties. A focused and organized approach to accessing State and federal sustainability and resilience funding and resources is required to bring the region together to collectively and equitably achieve climate targets and resilience outcomes. Access to large-scale transformative grant opportunities has the potential to accelerate the implementation of climate change mitigation and adaptation projects and programs across the three-county region. To this end, the Monterey Bay Area Regional Climate Project Working Group (RCPWG) was formed in 2022 to collaborate and access transformative funding opportunities to achieve the region's climate and resilience goals. The RCPWG has led the development of projects and grant applications and has been successfully awarded over \$33 million since 2022. The City of Capitola is a founding member of the RCPWG and the City's Environmental Projects Manager serves on the RCPWG Strategy Team.

The mission of the RCPWG is to collaborate among groups and organizations in the Monterey Bay Area region, including organizations within Santa Cruz, San Benito, and Monterey Counties, to develop, prioritize, secure funding for, and effectively and equitably advocate for and implement regionally beneficial climate mitigation and adaptation projects and programs. The RCPWG is currently composed of staff from Monterey, Santa Cruz, and San Benito Counties, as well as staff from the Cities of Capitola, Salinas, Santa Cruz, and Watsonville, and the Association of Monterey Bay Area Governments (AMBAG). Each member agency provides annual contributions to support the activities of the RCPWG, particularly to hire grant writing consultants to develop regional and multi-jurisdictional grant applications. The cities of Marina and Monterey have recently adopted resolutions to join the RCPWG as formal dues-paying members, and the cities of Carmel-by-the-Sea, Hollister, and Seaside, among other jurisdictions, continue to participate in the RCPWG as observers.

The RCPWG adopted an interim charter in February 2023 to establish its initial governance structure and allow the group to pursue funding for the region while continuing to build its membership and relationships with social and environmental justice community-based organizations (CBOs).

**RCPWG Activities:** The RCPWG recognizes the importance of pursuing large regional grants for decarbonization and climate resilience by working collaboratively as a region, both to overcome individual capacity constraints and compete with larger, better-resourced metropolitan regions. Members of the RCPWG benefit from learning about grant opportunities, jointly developing competitive grant proposals, and accessing an established network of consulting and CBO partners that can lead and contribute to the development of grants and implementation of projects that address climate change in the region.

One or more representatives from each member agency participate in the RCPWG's Strategy Team meetings to discuss RCPWG administration and upcoming grant opportunities. Additionally, the RCPWG Chair and Vice Chair meet with the Managing Consultant, as needed, to discuss consultant contract

obligations, agendas for upcoming meetings, the status of secured grant-funded projects, and strategies to pursue new grant funding opportunities. The primary activities of RCPWG members include:

- Share knowledge of grant opportunities and project updates across jurisdictions,
- Scope projects and design roles in grant applications and other funding proposals,
- Participate in grant-funded roles and projects,
- Evaluate grant application preparation and project execution process,
- Attend one call every six weeks, or as needed, to discuss RCPWG operations and grant opportunities,
- Hire and manage consultants,
- Collectively decide which grants to pursue and how to pursue them, and
- Support ongoing discussions of governance for RCPWG and equity considerations.

As described in the charter, the RCPWG uses consent-based decision-making with respect to:

- The RCPWG's annual budget and work plan, funded by member contributions,
- What grants the RCPWG pursues,
- Which advisors to invite to participate in discussions (including regional agencies, nonprofit 501(c)3 organizations, or tribal organizations/governments),
- Subcommittee formation, and
- Membership and leadership.

Since 2022, the RCPWG has successfully secured over \$33 million in grant funding for regional climate resilience, electrification, adaptation, and workforce development initiatives. Awards include funding from the California Air Resources Board, U.S. Department of Transportation, Department of Energy, NOAA, and other state and regional partners to support municipal fleet electrification, EV charging infrastructure, climate adaptation planning, residential decarbonization, and implementation funding strategies across the Monterey Bay region.

Discussion: The RCPWG secured a grant from the California Governor's Office of Land Use and Climate Innovations' Regional Resilience Grant Program in 2024, which includes formalizing the governance of the RCPWG by creating a new joint Memorandum of Understanding (MOU) and updating the interim charter. The MOU and revised charter (Attachment 1) aim to establish necessary administrative and governance structures to promote a cooperative regional partnership for ensuring successful and sustainable execution of RCPWG activities.

The MOU defines and formalizes the RCPWG's membership and dues structure, annual contribution levels for current members, and the Association of Monterey Bay Area Governments' role as RCPWG's Fiscal Sponsor, as well as payment terms, amendment processes, and compliance with relevant California state laws. The revised charter defines and formalizes the RCPWG's membership categories, leadership structure, decision-making processes, annual budget and work plan development process, subcommittees, and meetings.

Public Works staff will continue to represent the City on the RCPWG Strategy Team and coordinate with the Commission on the Environment regarding regional climate initiatives and grant opportunities.

Fiscal Impact: The City of Capitola budgets \$5,000 annually from Green Building Funds to support participation in the RCPWG. Under the proposed MOU, annual dues for the City of Capitola are \$5,000 for FY 2026-27 and FY 2027-28. These pooled member contributions support regional grant development, administration, and collaborative climate resilience initiatives.

Attachments:

1. RCPWG Memorandum of Understanding and Charter

Alignment with 2025-2029 Strategic Plan Priority: Accountable Government; Healthy Families, Community, and Environment

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