



MEMORANDUM

FC 14

TO: Board of Directors

FROM: WSDMC

SUBJECT: Water Supply and Demand Management Committee (WSDMC)
Aug. 25, 2025 Meeting Summary

DATE: Sept. 23, 2025

This memorandum summarizes agenda items from the meeting of the Water Supply and Demand Management Committee (WSDMC) held on Monday, August 25, 2025.

Receive an update on Water Conservation Program costs.

The Committee discussed the following with staff input including: Program budget and rebudgeting, Program public outreach and buy-in, Water Supply Master Plan conservation goals, possibilities of obtaining state funds for the Program, capturing runoff water as an additional conservation strategy, and tracking and communication with local cities participation in the Model Water Efficient New Development Ordinance.

The Committee received the information and took no formal action.

Receive information on Assembly Bill 130 and Senate Bill 131 as it relates to the implementation of Model Water Efficient New Development Ordinance (MWENDO).

Staff confirmed that Valley Water did not support these bills. Staff also clarified the bills only apply to residential building standards, and that commercial building standards are not directly affected by the moratorium. Staff noted they will return with further information to the Committee regarding ongoing efforts related to water efficiency building standards for commercial development.

The Committee discussed the following with staff input including: general California Environmental Quality Act reforms relating to the bills, focusing on commercial buildings relating to MWENDO, getting to the objectives of MWENDO relating to impacting land use decisions, and Valley Water's water conservation budget.

The Committee received the information and took no formal action.

Receive and discuss information on the Sites Reservoir Project.

Staff stated that last week, the California Water Commission awarded the Sites Project an additional \$219 million in Prop 1 funding through the Water Storage Investment Program (WSIP), on Friday, the Sites Authority Board authorized an early funding agreement with the California Water Commission for five percent of that amount (which is approximately \$10.5 million) that could be authorized for early funding, the Project has funding through June 2026, and at Valley Water's current 0.2 percent level of participation, Valley Water's total share of the capital costs are estimated to be in the range of \$15-\$18 million, but cost could fluctuate depending on participation level.

Staff further provided information relating to the water right hearing process with the State Board, noting a status conference is scheduled for September 4, 2025, and stated the negotiations with Reclamation on their participation agreement are scheduled to start September 8 and 9, 2025. Staff noted opposition of the project from some environmental groups and support from the Governor, and that the price of the project has increased, but is still one of the lowest unit costs projects in the Water Supply Master Plan update.

The Committee received the information and took no formal action.

Review and Discuss the Water Supply and Demand Management Committee (WSDMC) Work Plan and Upcoming Discussion Items.

Discussion ensued relating to the remaining 2025 meeting dates and redistributing items in the work plan. The Committee unanimously approved canceling the September 22, 2025 meeting and combining topics with the October 27, 2025 meeting.

The Committee received the information and took no formal action.

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Board member comments and suggestions can be forwarded to Stephanie Simunic, Assistant Deputy Board Clerk II at (408) 630-2408 or by email to ssimunic@valleywater.org.