

TO: Board of Directors**FROM:** WSDMC**SUBJECT:** Water Supply and Demand Management Committee (WSDMC)
May 5, 2025 Meeting Summary**DATE:** *June 10, 2025*

This memorandum summarizes agenda items from the meeting of the Water Supply and Demand Management Committee (WSDMC) held on Monday, May 5, 2025.

Receive Information and Discuss Proposed Storage Projects Contained in Valley Water's Water Supply Master Plan 2050.

The Committee discussed the following with staff input including: if enhanced flexibility could be realized in operating existing water utility system if the proposed storage opportunity is an integral part of Valley Water's water utility system, the ability to deliver water to storage (put) and ability to retrieve banked supplies (take) in various reservoirs, and challenges relating to project partnerships. The Committee requested that the following is explained in the report to the Board: the difference between Valley Water creating storage vs. storage elsewhere as part of the Pacheco project update, the Water Supply Master Plan adaptive management process relating to Pacheco, and a more in-depth discussion relating to put and take. Director Hsueh requested the commentors questions and concerns are addressed in the Pacheco report that goes to the Board. The Committee received the information and took no formal action.

Receive an Informational Update on the Pacheco Reservoir Expansion Project with a Focus on Partnerships and the Role of the Project in the Water Supply Master Plan.

The Committee discussed the following with staff input including: cost as the main dealbreaker for not moving forward with the project, and a future cost-benefit analysis. Director Hsueh requested the public commentors questions and concerns are addressed in the report that goes to the Board. The Committee received the information and took no formal action.

Receive and Discuss Information Regarding the Status of Potential Groundwater Banking Projects.

The Committee discussed the following with staff input including: projects in the portfolio, adaptive management and the Monitoring and Assessment Program (MAP) in the Water Supply Master Plan, potential challenges and supplies relating to the Sacramento Regional Bank, and the importance of partnerships with other water agencies. Director Hsueh reminded staff to include information relating to put and take capacities in future updates on potential groundwater banking projects to the Committee. The Committee received the information, provided positive feedback and took no formal action.

Receive information on the Water Use Projections, Water Demand Elasticity and Customer Affordability Study, including the Study Scope, Objectives, Status Updates, and Provide Feedback to Staff.

The Committee discussed the following with staff input including: similarities between Valley Water and other water agencies relating to water demand trends and forecasting, spatial and sector segmentation, and reserve policies. Staff stated that revenue projections based on a small rebound, water rates are updated annually, and if water usage plays out differently updates are made. Director Hsueh stated that, over the years, Valley Water has continually improved its tools and methodologies in estimating water demand for the upcoming fiscal year. Staff clarified that Valley Water's Urban Water Management Plan uses supply numbers for the whole county. Chairperson Hsueh requested the fiscal team answer the public commentators questions. Staff solicited the Committee's inputs on updating the full Board about the studies, for each subject (water use projection, water demand elasticity, customer affordability) or until the completion of all three subjects. The Committee did not have a specific recommendation for staff. Director Ballard stated she likes drilling down on land use information. 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.

The Committee received the information and briefly discussed the schedule of agenda items. The Committee unanimously agreed to cancel the June 2, 2025 meeting.

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