

Exhibit to Agenda Item #2

Discuss authorizing the Chief Executive Officer and General Manager to execute the **Water Forum 2050 Agreement**, including the **Sacramento Municipal Utility District Purveyor Specific Agreement**.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, April 14, 2026, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Background

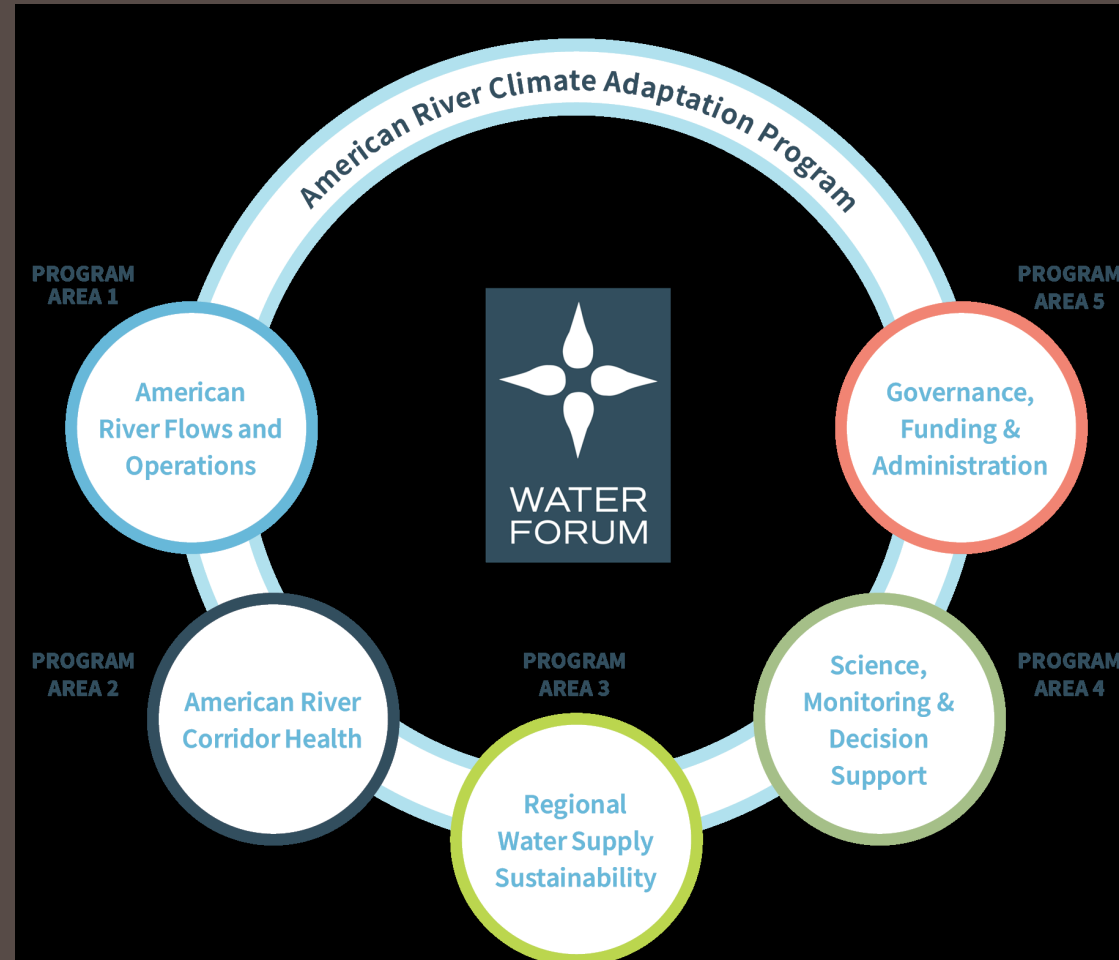
- Original Water Forum Agreement signed in 2000.
 - A visionary, vaunted agreement under which 40 regional public entities and organizations signed with the coequal objectives to:
 1. Provide a reliable and safe water supply for the region's economic health and planned development
 2. Preserve the fishery, wildlife, recreational, and aesthetic values of the Lower American River

Among other things, the Forum set a Lower River flow standard, planning to reduce consumption of surface and groundwater especially in dry years, coordination among members and increased habitat and recreation.

Water Forum 2050

- A replacement agreement is ready for execution.
- **American River Climate Adaptation Program:**
 - Accelerated decline of salmonids, recreation, and water quality
 - Decreased reliability of the region's urban water supply
 - Increased threat of external claims for American River water due to water-shortage pressure elsewhere in the state
 - Increased drying of soils and plants due to higher temperatures
 - Increased need for overall regional water resilience due to evolving regulatory requirements
 - Greater regulatory controls driving up costs, affecting affordability

Water Forum 2050 Program Areas



Participants

Business Caucus

AKT Development*
Associated General Contractors*
North State Building Industry Association*
Sacramento Association of Realtors*
Sacramento Metropolitan Chamber of Commerce*
Sacramento Regional Builders Exchange
Green Acres Nursery & Supply

Environmental Caucus

Environmental Council of Sacramento*
Friends of the River*
Save the American River Association*
Sierra Club Mother Lode Chapter*

Public Caucus

American River Flood Control District
American River Parkway Foundation
City of Rancho Cordova
City of Sacramento Planning Department*
League of Women Voters, Sacramento County*
Placer County
Sacramento Area Council of Governments
Sacramento Area Flood Control Agency
Sacramento County*
Sacramento Regional Parks
Sacramento Valley Conservancy
Sacramento Municipal Utility District*

Water Caucus

California American Water*
Carmichael Water District*
Citrus Heights Water District*
City of Folsom*
City of Roseville*
City of Sacramento*
East Bay Municipal Utility District
El Dorado Irrigation District*
El Dorado Water Agency*
Fair Oaks Water District*
Golden State Water Company/Arden-Cordova Water District*
Orange Vale Water Company*
Placer County Water Agency*
Regional Water Authority*
Sacramento Suburban Water District*
Sacramento County Water Agency*
San Juan Water District*

*Signatory to 2000 Water Forum Agreement

SMUD's Purveyor Specific Agreement

- Notes our Central Valley Project (CVP) water service contract of 30,000 acre-feet, of which we use in the low- to mid-6,000s in recent years (from a peak of 21,000).
- Acknowledges uncertainty around SMUD's water use at Ranco Seco considering changes in water use around possibly modifying the Cosumnes Power Plant (CPP) to use alternative fuels or even to produce hydrogen.
- Recognizes ongoing possible temporary assignments, as with Roseville.
- SMUD will participate in dry year planning processes.

Requested Action

Authorize the Chief Executive Officer and General Manager to execute the **Water Forum 2050 Agreement**, including the **Sacramento Municipal Utility District Purveyor Specific Agreement**.