



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Bay-Delta Resources Group

- **Bay-Delta Management Report**

Summary

This report provides a summary of activities related to the Bay-Delta for March 15, 2026–April 15, 2026.

Purpose

Informational

Attachments

Attachment 1 – Letter from Department of Water Resources to MWD on Delta Conveyance Project Capacity

Attachment 2 – Delta Conveyance Project Quarterly Update

Detailed Report

Decide on Sites Reservoir and Protect Our Bay-Delta Interests

Delta Conveyance Project

On April 6, 2026, the Department of Water Resources notified General Manager Deshmukh that the remaining unallocated capacity in the Delta Conveyance Project is available to current participants (**Attachment 1**). Agencies may reserve additional capacity without upfront planning costs, with expenses to be allocated later based on overall participation.

Additionally, a quarterly report with updates on the Delta Conveyance Project is attached to this board report (**Attachment 2**). It includes status updates on water rights, permitting, and biological opinions.

Sites Reservoir

The State Water Resources Control Board (State Board) Administrative Hearings Office released a draft decision and draft water right permit for the Sites Reservoir Project on March 21. This initiated a public comment period through May 22, 2026. A revised draft may be issued around July 15, 2026, followed by a 30-day comment period. The State Board is scheduled to consider adoption on September 1, 2026. The hearing record includes 21 parties, 60 witnesses, 2,115 exhibits, and 32 hearing days. The water right permit is a key milestone, enabling the capture of unappropriated Sacramento River water and advancing the Sites Project toward construction and operation. Metropolitan staff is reviewing the materials to assess potential implications for Project operations and benefits, and will provide a more detailed update to the Board once the initial assessment is completed.

Advance Science and Multi-Benefit Solutions That Improve the Sustainability of the Delta and Inform Regulation

A request for bids for the Webb Tract Wetland Restoration Project was issued on March 23. There was a job walk on April 9 that was attended by nine prime contractors and eight subcontractors. Bids for this project are due on May 4, 2026.

Board Report Bay-Delta Management Report

Metropolitan staff, with Deputy Project Leader for the United States Fish and Wildlife Service Heather Swinney, presented to members from Director Gold's and Director Crane's service area on work on the Delta Islands. Subjects of the presentation included innovations in restoration, the culturing of Delta Smelt, floating wetlands, and ongoing research projects.

DEPARTMENT OF WATER RESOURCES

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April 6, 2026

Shivaji Deshmukh, General Manager
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153
sdeshmukh@mwdh2o.com

Re: Availability of additional Delta Conveyance Project capacity

Dear Mr. Deshmukh:

2026 looks like it may exemplify the defining characteristic of California climate – extreme variability. Our snowpack has been essentially wiped out by record hot temperatures and dry conditions in March. Typically, we see our peak snowpack at this time of year but as of today, it is just 20 percent of average statewide.

After three wet years that resulted in California being entirely drought free for the first time in twenty-five years, 2026 is reminding us that the only guarantee in California climate is that there is no guarantee.

As a long-standing and steadfast participant in the development of the Delta Conveyance Project, you and your agency know better than anyone that California is becoming hotter and drier, and the snowpack we have historically relied on to store water for use during the dry season will have to be augmented to fuel California's world-leading economy.

Public water agencies throughout California are planning for this reality. Storage, conveyance, recycling, desalination, storm water capture, conservation and efficiency may be options under consideration alone or in combination.

State Water Project Contractors are fortunate to participate in the backbone of California's water infrastructure. Since being completed in the early 1970's, the State Water Project has not just conserved and subsequently delivered water to its participants. It also gives each SWP Contractor the means to participate in the state's evolving water market, by using transfers and exchanges to move water to where it is needed most or to save it for a (not) rainy day.

The Department's Delta Conveyance Project builds on six decades of investment in the State Water Project by agencies like yours and will ensure that California's essential water infrastructure continues to provide a reliable water supply and access to the flexibility that enables SWP contractors to move water to where it is needed most.

The Delta Conveyance Project has a small percentage of unallocated capacity. Increasing your agency's share of Delta Conveyance Project capacity can help ensure these benefits will be there when they are needed most. The Department is offering the remaining available capacity to current project participants. Each participant is different, and the Department is committed to ensuring that agencies that elect to reserve a portion of the remaining capacity will have the flexibility to deploy that additional capacity in the manner that best serves their specific circumstances. Signing up for additional capacity is a smart, risk-free way to maximize your agency's investment in the SWP.

Agencies that contact the Department and express an interest in additional Delta Conveyance Project capacity will have that additional allocation set aside for them in the same manner as their current allocation. Planning costs and implementation costs will ultimately be allocated according to all agencies' proportionate participation in the project; however, no additional financial contribution toward planning is required to reserve a portion of the remaining capacity.

I greatly appreciate your commitment to the pursuit of the Delta Conveyance Project and greatly value our continued partnership in moving this important project forward.

Sincerely,



Karla Nemeth
Director

cc: Jennifer Pierre, General Manger, State Water Contractors
Carrie Buckman, Office Manager, Delta Conveyance Office
John Yarbrough, Deputy Director, State Water Project

Bay-Delta Initiatives

Quarterly DCP Activity Report – April 2026

DELTA CONVEYANCE PROJECT QUARTERLY UPDATE

KEY PERMITS AND CERTIFICATIONS

As part of the Metropolitan's Board's December 2024 authorization to amend the DCP funding agreement, all key permits and certifications were anticipated by the end of 2026. Although some of these have been completed as of the date of this report, Metropolitan staff will be reviewing the status of the remaining permits regularly to identify if any are initially denied, significantly delayed, or issued with conditions that reduce water supply benefits, increase costs, or increase mitigation obligations.

Please Note: Additions to each prior quarterly update will be shown in **red**.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

- DWR certified the Final Environmental Impact Report (EIR) and adopted the CEQA Findings of Facts, the Mitigation, Monitoring and Reporting Program and the Statement of Overriding Considerations on December 21, 2023.
- DWR also formally approved the Bethany Alignment on December 21, 2023. DWR filed the Notice of Determination with the State Clearinghouse starting the 30-day statute of limitations for CEQA litigation which ended January 22, 2024.
- DWR prepared an Addendum to the Final EIR in February 2025 to reflect refinements, including refinements through the CESA consultation process for ITP, which was issued by CDFW in February 2025.
- DWR prepared a Second Addendum to the Final EIR in August 2025 to incorporate proposed design and construction refinements, as well as innovations, which resulted in an estimated reduction in construction costs of \$1.25 billion.

WATER RIGHTS PROCESS

- On February 23, 2024, DWR filed the Change in Point of Diversion petition with the State Water Resources Control Board to add two new points of diversion to the State Water Project as part of the DCP.
- The Administrative Hearing Office's proceeding regarding the petition began February 18, 2025.
- In March 2026 opposing parties cross examined the DWR and the State Water Contractor's rebuttal testimony witnesses.
- The opposing parties must submit their rebuttal testimony in April 2026.
- The hearing is scheduled to be completed by the end of August 2026.

CALIFORNIA ENDANGERED SPECIES ACT INCIDENTAL TAKE PERMIT (CESA ITP)

- DWR received the Incidental Take Permit under the California Endangered Species Act in February 2025.
- This action authorized DWR to take listed species state-protected under CESA, so long as impacts are minimized and fully mitigated through conditions in the permit.
- There is a pending amendment to the CESA ITP; however, the California Department of Fish and Wildlife has not publicly finalized any amendments to date.
- DWR is working with CDFW, as necessary, through the permit's term to request additional amendments if conditions change due to new biological information, changes in listing status of covered species, or necessary updates to minimization or mitigation measures.

DELTA PLAN CERTIFICATION OF CONSISTENCY

- DWR filed a certification of consistency with the Delta Plan for the DCP on October 17, 2025.
- The certification focuses on the Bethany Reservoir alignment for the DCP.
- Ten groups filed appeals with the Delta Stewardship Council, which heard the appeals on February 26-27, 2026.
- The Council is holding a hearing on April 23-24, 2026, to adopt a written determination on the appeals.

NATIONAL ENVIRONMENTAL POLICY ACT

- The U.S. Army of Engineers construction Environmental Impact Statement was finalized on November 21, 2025.

ENDANGERED SPECIES ACT BIOLOGICAL OPINIONS

- The Biological Opinions for the Long-Term Operations of the Central Valley Project and the State Water Project, which included operations of the DCP programmatically, were issued on November 8, 2024 (U.S. Fish and Wildlife Service) and December 6, 2024 (National Marine Fisheries Service).
- USFWS released the final project-level Biological Opinion for construction on March 9, 2025.
- The anticipated timeline for the project-level construction Biological Opinion from NMFS is in 2026.