



SAN GORGONIO PASS
WATER AGENCY
A California State Water Project Contractor

FOR IMMEDIATE RELEASE

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Cost-Benefit Analysis Reveals Critical Need for Delta Conveyance Project

Project Remains California Water's Most Affordable, Beneficial Solution

BEAUMONT, CA (May 16, 2024) – San Geronio Pass Water Agency (SGPWA) supports the findings of the independent benefit-cost analysis of the Delta Conveyance Project (DCP) released by the California Department of Water Resources (DWR). The study underscores how crucial the DCP is to securing California's water supplies and the State Water Project's (SWP) delivery capabilities. The gains of the project more than double the costs, generating \$38 billion in total benefits.

The DCP will modernize water infrastructure in the Sacramento-San Joaquin Delta through a tunnel system that improves how the SWP captures and moves water during wet years to use during dry spells. It is a core development that rehabilitates the SWP to ensure it dependably moves water where and when needed. A version of the conveyance project has been proposed for decades.

The DCP advances critical climate adaptation, reduces sea level rise and earthquake vulnerability, creates more water supply reliability, and enhances water quality. Beyond these vital dependability measures, the updated DCP cost estimate includes \$200 million set aside for a Community Benefits Program. Recognizing the effects of construction on Delta communities, the program will include grant funds for local projects.

"The DCP is the backbone of our sustainability, here and across California," SGPWA General Manager Lance Eckhart said. "SGPWA is dedicated to advancing water security for the Pass area, and modernizing the SWP's aging system is an important step toward regional resiliency."

The updated cost estimate, which accounts for inflation, shows that DCP expenses remain flat. Design refinements — such as optimizing the pumping plant configuration underground, reducing tunnel shaft diameter, and reevaluating intake screen positions — are expected to yield an estimated \$1.2 billion in savings. Taxpayers do not pay for the DCP and these bonds are not state liabilities. SGPWA and participating public water agencies will fund the project through bonds, similar to how homeowners purchase and finance a home through a mortgage.

"The time to invest in the DCP is now. There is a real cost to doing nothing, including frequent and larger water shortages, higher water rates and food prices, and job loss," said SGPWA

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Board of Directors President Mickey Valdivia. “Had the project been operational from January to May 2024, the SWP could have captured and moved about 921,000 acre-feet of additional water.”

The DCP is an essential tool for navigating climate extremes and optimizing the SWP, responsible for delivering water for 27 million Californians and 750,000 acres of agricultural land. To sustain the fifth-largest economy in the world, we must shore up our infrastructure to continue to provide affordable, high-quality water to millions of Californians.

The DWR approved the DCP in December 2023 and is pursuing major environmental compliance and permitting processes before construction. Currently, 18 out of 29 public water agencies receiving water from the SWP are engaged in DCP planning. To learn more about the DCP, visit water.ca.gov/Programs/State-Water-Project/Delta-Conveyance.

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About San Geronimo Pass Water Agency

Formed in 1961, SGPWA is a State Water Contractor that serves a 225-square-mile area of western Riverside County. The service area includes the cities of Calimesa, Beaumont, and Banning, and the communities of Cherry Valley, Cabazon, and the Banning Bench. In addition to importing State Water Project (SWP) water from Northern California to augment local groundwater sources, the Agency builds local system infrastructure, participates in water transfers, partners in statewide water projects and collaborates on regional water reliability and conservation efforts.