



FOR IMMEDIATE RELEASE

November 25, 2020

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SAN GORONIO PASS WATER AGENCY INVESTMENT INTO FUTURE WATER SUPPLIES

As the San Geronio Pass Water Agency (SGPWA) approaches its 60th anniversary in 2021, the Board of Directors made a historic decision to ensure necessary long term imported water supplies to the region. On November 16, 2020 the SGPWA Board voted unanimously to support the Delta Conveyance Project (DCP). This is a major infrastructure project slated to begin construction around 2030 that will greatly enhance the operations and reliability of the State Water Project (SWP).

Selected Reservoirs in the State Water Project



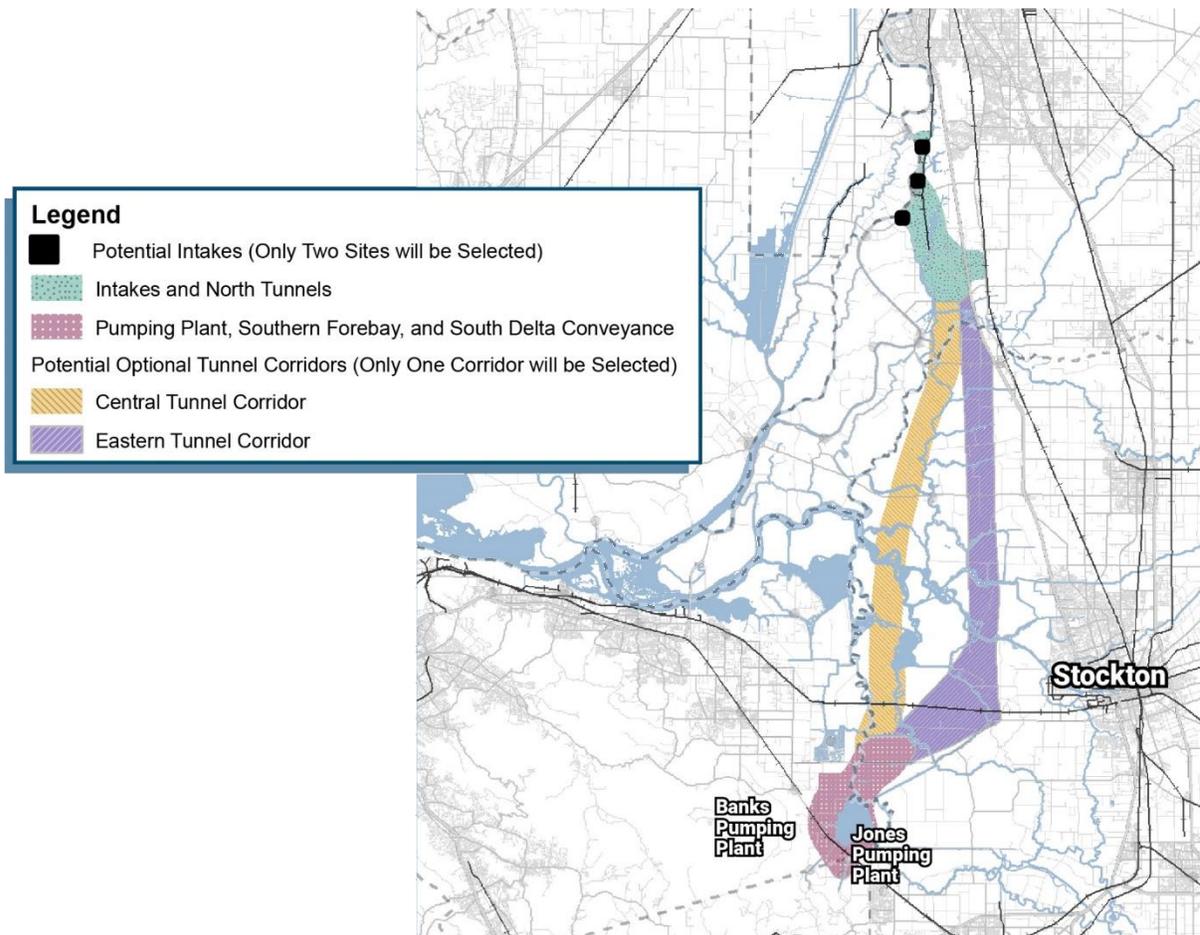
The SWP captures water originating from the Sierra-Nevada Mountains and transports it to 29 State Water Contractors throughout the state. This water would normally flow from the mountains, to various rivers, through the San Joaquin Delta and ultimately be lost to the Pacific Ocean via the San Francisco Bay.

The SWP was built under the leadership of the state's 32nd Governor, Edmund G. "Pat" Brown (served 1959-1967). Construction of the SWP, initiated in 1961, is the nation's largest state-built water project and supports the world's 5th largest economy. This system includes aqueducts, pump stations, dams, reservoirs and

other facilities to distribute water to municipal and agricultural entities along its 444 mile length. Captured water starts its journey south, at the Delta. Water is pumped for many miles across the Delta as a "natural conveyance". Using the Delta to move water was initially used as a cost saving measure to get the project started with the intention of a modern conveyance to come later.

In 1982, the Peripheral Canal was a state ballot measure that would move water around the Delta and would be a major step in finishing the SWP as intended in the 1960's. Fueled by Northern vs. Southern California rivalry, the ballot measure failed. Incidentally, Edmund's G. Brown's son, Edmund G. "Jerry" Brown, was governor during this time. Jerry Brown later publicly expressed regret about being unable to finish his father's project.

In the meantime, using the Delta as a surrogate for a modern engineered conveyance was becoming more problematic. Endangered fish, invasive plants, water quality problems and a host of increasing regulatory constraints made it harder and harder to pump water through the Delta. Governor Jerry Brown returned as the state's 39th governor in 2011 and one of his primary objectives was to finish modernizing the Delta conveyance. The 2015 "California Water Fix" was an ambitious plan to build a two-tunnel system underneath the Delta. A change in leadership in 2019 with Gavin Newsom, along with North vs. South tensions, resulted in a compromise large one-tunnel system and a rebrand to the "Delta Conveyance Project (DCP)".



The DCP will consist of two intakes along the northern portion of the Delta, adjacent to the Sacramento River, and approximately 42 miles of tunnel. Two potential routes have been proposed. When completed, the project will have a maximum capacity of roughly

12,000 acre-feet of water per day (one acre-foot of water will generally support about 2+ California households for a year).

The DCP materially increases the reliability of imported water supply, finishes a major component originally planned as part of the SWP, and helps protect the 60 years of investment in the project. The DCP will allow imported supplies to flow underneath a labyrinth of environmental/regulatory restrictions. The DCP is also a hedge against major existential threats, such as a seismic event in the Delta or projected sea level rise, both of which would bring saline water into the Delta and could severely hamper water exports for years.

On November 16, 2020, the SGPWA Board approved a minimum 1.22% participation level in the DCP to support local water demands. This results in an estimated increased of supply to the region of over 7,000 acre-feet per year. The Board also directed General Manager Lance Eckhart to increase the Agency's participation level if extra capacity in the project became available.

The project is estimated to cost approximately 15.9 billion dollars and payments will be spread over 40 years. Construction payments are likely to begin in the 2030's. Many of the current SGPWA SWP costs are expected to end in 2035 and local property taxes are expected to easily cover the region's share of the projected DCP costs.

Board President Ron Duncan remarked "I was happy to see four directors seal their legacy of assuring the regional water supply for decades to come by voting in favor of the project." With the anticipated recent election results, this vote represents the last major decision for Directors Lenny Stephenson, David Castaldo, Mike Thompson and David Fenn.

For more information, please call 951-845-2577 or email leckhart@sgpwa.com

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San Gorgonio Pass Water Agency (SGPWA) is one of 29 State Water Project (SWP) contractors, and was established by the State Legislature in 1961. The agency's primary mission is to import supplemental water and to protect and enhance local water supplies for use by present and future water users. SGPWA sells imported water to local water agencies within the SGPWA service area, which extends from Calimesa to Cabazon and includes Beaumont-Cherry Valley Water District, the City of Banning and the Yucaipa Valley Water District as its current retail service providers.