STATE OF CALIFORNIA
COBCP - Narrative
DF-151 (REV 07/21)

Fiscal Year	Business Unit	Department	Priority No.
FY 2026-27	3860	Water Resources	

Budget Request Name	Capital Outlay Program ID	Capital Outlay Project ID
3860-155-COBCP-2026-MR 3860-157-BCP-2026-MR	3225	11155

Project Title
Proposition 50 South Delta Gates

Project Status and Type
Status: New ☐ Continuing ☒ Type: ☒Major ☐ Minor

Project Category *(Select one)*

☒CRI *(Critical Infrastructure)*	☐WSD *(Workload Space Deficiencies)*	☐ECP *(Enrollment Caseload Population)*	☒SM *(Seismic)*
☐FLS *(Fire Life Safety)*	☐FM *(Facility Modernization)*	☐PAR *(Public Access Recreation)*	☐ ☒RC *(Resource Conservation)*

Total Request (in thousands)	Phase(s) to be Funded	Total Project Cost (in thousands)
$145,833	Construction	$ 220,000

Budget Request Summary

The Department of Water Resources requests $31,460,000 from Proposition 50 (Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002) and $4,373,000 from Proposition 13 (Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act) to fund the state's share of costs for implementing the South Delta Gates (SDG), formerly South Delta Permanent Operable Gates, project. This request will be partially funded through the reversion of $11.3 million Proposition 50. DWR also requests $110,000,000 Federal Trust Fund Authority.

The SDG project is a critical project under the CALFED Bay-Delta program aimed at improving water supply reliability and addressing long-standing issues in South Delta through a permanent solution. The project includes constructing and installing three permanent structures with operable gates across three South Delta channels.

DWR requests the addition of provisional language to provide extended encumbrance to June 30, 2030.

Requires Legislation	Code Section(s) to be Added/Amended/Repealed	CCCI
☐ Yes ☒ No	Click or tap here to enter text.	Click or tap here to enter text.

Requires Provisional Language	Budget Package Status
☒ Yes ☐ No	☐ Needed ☐ Not Needed ☐ Existing

Impact on Support Budget

One-Time Costs	☐ Yes	☒ No	Swing Space Needed	☐ Yes	☒ No
Future Savings	☐ Yes	☒ No	Generate Surplus Property	☐ Yes	☒ No
Future Costs	☐ Yes	☒ No			

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Jacob McQuirk	5/14/2026	Brian Fuller	5/14/2026
Department Director	**Date**	**Agency Secretary**	**Date**
Cindy Messer	5/14/2026	Amanda Martin for Sec. Crowfoot	5/14/2026

Department of Finance Use Only

Principal Program Budget Analyst	**Date submitted to the Legislature**
Andrew Hull	5/14/2026

A. **COBCP Abstract:**

The SDG project has been identified for implementation for over two decades by DWR, the California Natural Resources Agency, and the United States Bureau of Reclamation (USBR) under the CALFED Bay-Delta Program (CALFED). The project intends to address long-standing critical water resources and water quality issues in the South Delta, specifically water supply reliability for In-Delta and export users and water quality.

The SDG project's purpose is to implement one of the CALFED Record of Decision (ROD) Stage 1 actions (described below) and will contribute to the resolution of long-standing and still on-going problems in the South Delta. These barriers' purpose is threefold:

1. to act as water level control structures to capture water at high tides and maintain them at certain stages for agricultural diversion;
2. to improve water quality by increasing water circulation to meet the State Water Resources Control Board water quality objectives set for the South Delta in the Bay-Delta Plan; and
3. to allow free passage of the protected migrating fish species.

This appropriation request supports the implementation of the SDG project. It will fund existing positions and cover direct contractor payments.

It consists of the following requests:

Note: This request has been made in accordance with Proposition 50, Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, Water Code Section 79512. It states:

"*79512. Except as otherwise expressly provided in this division, upon a finding by the agency authorized to administer or expend money appropriated from the fund that a particular project or program for which money has been allocated or granted cannot be completed, or that the amount that was appropriated, allocated, or granted is in excess of the total amount needed, the Legislature may reappropriate the money for other high priority needs consistent with this division.*"

In accordance with Section 79512, the California Natural Resources Agency finds that the projects and programs authorized to receive funding under Water Code Sections 79545, 79545(a), 79550(a), (c), (d), (e), (f), (g), 79560.1 79561.5(a), and 79567 for which money has been allocated is in excess of the total amounts needed for their completion. DWR needs and would like to use all of the excess amounts for its high priority project, the South Delta Gates project, which has been authorized to receive funds from Proposition 50, in accordance with Section 79550 (b).

B. **Purpose of the Project:**

The San Francisco Bay and Sacramento and San Joaquin Rivers Delta are the hub of California's extensive water supply system and supplies a substantial portion of the water used in the State for domestic, industrial, agricultural, and environmental purposes. Over the years, the Bay-Delta's capacity to provide reliable supplies of water and sustain fish and wildlife species has been reduced. This has occurred because of increased demand for water from the Bay-Delta and other factors such as pollution, degradation of fish and wildlife habitat, and deterioration of

Delta levees. Allocating water from the Bay-Delta has been the subject of conflicts and disputes among stakeholders such as farmers, urban water contractors, and environmentalists for years.

In 1994, California and several federal agencies entered into a partnership to resolve the historic and ongoing conflicts in the Bay-Delta. This partnership resulted in an agreement known as the Bay-Delta Accord, which in 1995 led to the development of the CALFED, defined as "*Collaboration Among State and Federal Agencies to Improve California's Water Supply*". The program developed a long-term approach for better management of the Delta's water resources. It focused on developing a plan to address four main problem areas: water quality, ecosystem quality, water supply reliability and levee system integrity.

In 2000, a Record of Decision (ROD) for the CALFED Bay-Delta Final Programmatic Environmental Impact Statement and Report (EIS/EIR) was issued, which represented the culmination of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) processes. The ROD reflects a final selection of a long-term plan, which includes specific actions to improve water quality, stabilize Delta levees, restore the ecosystem, and provide water supply reliability. For the South Delta one of the specific actions that has been identified is the installation of permanent operable barriers, which are planned for implementation from this request.

Program Need:

SDG Project is planned for implementation under the CALFED program. While some progress has been made implementing some actions identified under the ROD, the need for action remains as certain conditions not only haven't improved, but they further declined.

The SDG project intends to address two of these conditions, specifically (1) the water quality with regard to salinity and (2) protection fish species protected under the Endangered Species Act (ESA) and California Endangered Species Act (CESA).

- The State Water Resources Control Board set water quality objectives in the Bay-Delta Plan for the South Delta and without implementation of SDG those objectives cannot be met. SDG would be operated to induce water circulation in the South Delta channels, which consequently would flush the high salinity waters out of the channels, thus resulting in water quality improvement for beneficial uses.

- SDG project gates would be operated to allow free passage of the migrating ESA and CESA listed fish species. The ability to rapidly change gate operations will benefit ESA and CESA protected fish species, including the endangered Delta smelt. The operable gates would allow for adaptive management and have the ability to alter south Delta water flow patterns.

C. **Relationship to the Strategic Plan:**

This proposal will help meet DWR's mission which states: "*To sustainably manage the water resources of California, in cooperation with other agencies, to benefit the state's people and protect, restore, and enhance the natural and human environments.*"

Alternatives:

1. No action. Under this alternative, the conditions in the South Delta would not improve and are likely to further decline. This alternative would not address the State Water Resources Control Board's (SWRCB) requirements to meet the Bay-Delta Plan's salinity objectives, therefore increasing the risk of highly unfavorable proceedings by the Board. Such proceedings could curtail water exports from the Delta and would reduce the State's water supply reliability for domestic, industrial, agricultural, and environmental purposes.

2. Alternative solutions to address water quality were assessed by the SWRCB. To improve water quality and to meet the SWRCB's water quality objectives in the South Delta, two measures were identified: (1) Restricting/reducing the water exports from the Delta and (2) Increasing flow through the South Delta from increased releases of water from upstream reservoirs. SWRCB's Decision 1641 (D-1641) states: "*these measures could result in an unreasonable use of water and a significant reduction in water supplies South and west of the Delta*." In addition, neither of these measures would manage water levels for in-Delta water diverters.

3. Implement the SDG project. This alternative would meet the SWRCB's salinity objectives, manage water levels for in-Delta water diversion, and allow free passage of protected fish species in the South Delta.

D. Recommended Solution:

1. Which alternative and why?

   The recommended solution is Alternative 3, to implement the SDG project.

   Reasons:
   - SDG project is one of the actions identified in the CALFED Bay-Delta Program ROD.
   - SDG is supported by State and Federal agencies and local interests participated in the CALFED planning process as well as current interested parties.
   - SDG project authorized for implementation and funding by federal legislation.
   - SDG project has been identified as an eligible project for funding under Water Code Section 79190 (Propositions 13 and 50, voters approved bond measures).
   - SDG project will be installed permanently and will
     - improve water quality and meet water quality objectives of the Bay-Delta Plan;
     - manage water levels for in-Delta water diverters;
     - allow free passage of migrating protected fish species; and
     - enable adaptive operation of the gates to benefit protected fish species.

2. Detailed scope description.

   The SDG project consists of three permanent barriers with operable gates to be installed in South Delta channels at the following locations:

   - Middle River (near the confluence of Middle River with Victoria Canal).
   - Grant Line Canal (near the confluence of Grant Line Canal and Old River).
   - Old River (east of the Delta-Mendota Canal [DMC] approximately 4,000 feet southeast of the intersection of the Alameda, Contra Costa, and San Joaquin County lines).

The operable gates (barriers) will be installed permanently and remain in the channels. The operable gates will act as water level control structures; will capture and retain water at high tides upstream of them for In-Delta diverters at pre-set stage levels. The operable gates will rapidly be opened on the flood portion of the tide and closed on the ebb tide. Consequently, the operators will be able to respond quickly to real-time conditions for fish, water levels, and water quality.

3. Basis for cost information.

Engineers licensed by the California Department of Consumers Affairs, Board of Professional Engineers, Land Surveyors, and Geologists employed by DWR estimated the total project costs based on the project's preliminary design.

4. Factors/benefits for recommended solution other than the least expensive alternative.

N/A. SDG is the least expensive alternative.

5. Complete description of impact on support budget.

SDG will not have an impact on the support budget.

6. Identify and explain any project risks.

Project risks include standard risks associated with any large construction project. Because these facilities would be constructed in Delta channels, there are additional restrictions for in-water work to protect fish and possible disturbance of other protected species. These restrictions have been considered and incorporated into the project.

7. List requested interdepartmental coordination and/or special project approval (including mandatory reviews and approvals, e.g. technology proposals).

The SDG project will need to be coordinated with several State Departments such as the Department of Fish and Wildlife Service, Central Valley Regional Water Quality Control Board, Central Valley Flood Control Board, Delta Stewardship Council, and Delta Protection Commission. This coordination will take place as part of the implementation process.

E. Consistency with Government Code Section 65041.1:

Does the recommended solution (project) promote infill development by rehabilitating existing infrastructure and how? Explain.

SDG is not a land development project, thus Paragraph (a) of Government Code Section 65041.1 is not applicable.

Does the project improve the protection of environmental and agricultural resources by protecting and preserving the state's most valuable natural resources? Explain.

Yes. The SDG will improve the protection of both environmental and agricultural resources. The operable gates will provide the flexibility needed for the protection of

valuable natural resources while meeting water quality objectives of the State Water Resources Control Board and improving water levels for local agricultural diversions.

Does the project encourage efficient development patterns by ensuring that infrastructure associated with development, other than infill, support efficient use of land and is appropriately planned for growth? Explain.

SDG is not a land development project, thus Paragraph (c) of Government Code Section 65041.1 is not applicable. It uses a minimal amount of land as the barriers will be located in the channels; there are no adjacent developments; the project area is not planned for growth; and accessible by existing levee roads and by boats in water ways.