

NOTICE TO STATE WATER PROJECT CONTRACTORS**Date: November 19, 2024****Number: 24-05****Subject: Reimbursement of Delta Conveyance Planning Contributions**

From: Original signed by
John Yarbrough
Deputy Director, State Water Project
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State Water Project (SWP) Contractors have provided much of the funding for Delta conveyance planning in recent years. As 2024 ends, participating SWP Contractors are once again considering their financial support for Delta conveyance planning.

When these contributions were made, the Department and the contributing SWP Contractors agreed that the money would be reimbursed if a Delta conveyance project was approved and constructed. The actual timing of any reimbursement depends upon the satisfaction of additional legal and contractual conditions, including finalizing arrangements for participation in the project.

Reimbursement would not only return sums of money that SWP Contractors have advanced to the Department, but it would also be the mechanism by which those costs would be allocated proportionately among SWP Contractors that participate in the project. Establishing the scope of reimbursement is therefore desirable as DWR and the SWP Contractors continue to refine financial planning for the Delta Conveyance Project.

To that end, on November 19, 2024, the Director of the California Department of Water Resources, Karla A. Nemeth, determined that the Department would reimburse funds in accordance with the explicit terms of the agreements under which funds were contributed. This means that funds contributed pursuant to contribution agreements executed in the latter half of 2018 and subsequent contribution agreements executed since that time, including any additional future contributions made pursuant to such agreements, will be eligible for reimbursement.

The Director has also determined that Department expenditures of available SWP revenue for Delta conveyance planning from and after 2018 will also be reimbursed, subject to the same general conditions applicable to reimbursement of SWP Contractor contributions.

Any questions regarding this matter may be directed to Carolyn Buckman at Carolyn.Buckman@water.ca.gov.