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Department of Water Resources v. Metropolitan Water District of Southern California

Court of Appeal, Third District, California - December 31, 2025 - Cal.Rptr.3d - 2025 WL 3769783

Department of Water Resources (DWR) brought action seeking validation of its authority to issue revenue bonds for planning, acquisition, and construction of facilities for conveyance of water in Sacramento-San Joaquin Delta as modification of previously-authorized Feather River Project.

Respondents, including environmental groups, state water contractors, taxpayer association, and public agencies, opposed validation, filed writ petition, and asserted affirmative defenses challenging DWR's approval of bonds without complying with California Environmental Quality Act (CEQA).

The Superior Court denied CEQA petition and DWR's complaint for validation. DWR and respondents cross-appealed.

The Court of Appeal held that DWR's proposed project to construct facilities for conveying water in Sacramento-San Joaquin Delta did not constitute a "modification" of the Feather River Project authorized by the Central Valley Project (CVP) Act for which DWR could issue bonds.

Under Central Valley Project (CVP) Act, which authorized a statewide water development project, the Department of Water Resources' (DWR) authority to make "further modifications" to the Feather River Project portion of the project is not so broad as to permit DWR to add entirely new and different "units" to the State Water Project, and, at minimum, any "further modifications" must be consistent with the Feather River Project's features and tethered to its purposes, objectives, and effects.

Under the Central Valley Project (CVP) Act, which authorized a statewide water development project, the Department of Water Resources (DWR) lacks the authority to approve a new State Water Project "unit" under the guise of a "further modification" of the Feather River Project portion of the project.

For purpose of determining whether Department of Water Resources' (DWR) proposed project to construct facilities for conveying water in Sacramento-San Joaquin Delta was a "modification" of the Feather River Project authorized by the Central Valley Project (CVP) Act that DWR could issues bonds for, although water conservation and redistribution were a primary objective of the Feather River Project, the project additionally was designed with the secondary objective of preserving and increasing water flows through the Sacramento-San Joaquin Delta to control salinity, protect fish and wildlife, and firm the supply of surplus water available for export.

Department of Water Resources' (DWR) proposed project to construct facilities for conveying water in Sacramento-San Joaquin Delta did not constitute a "modification" of the Feather River Project authorized by the Central Valley Project (CVP) Act for which DWR could issue bonds; Delta program

was defined broadly and generically, affording DWR nearly unlimited discretion to specify the facilities for which bonds would be issued, with nothing to restrict the use of water, its direction, or its purpose and no way to determine whether future Delta program facilities would be consistent with the features, scope, and purpose of Feather River Project.

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