

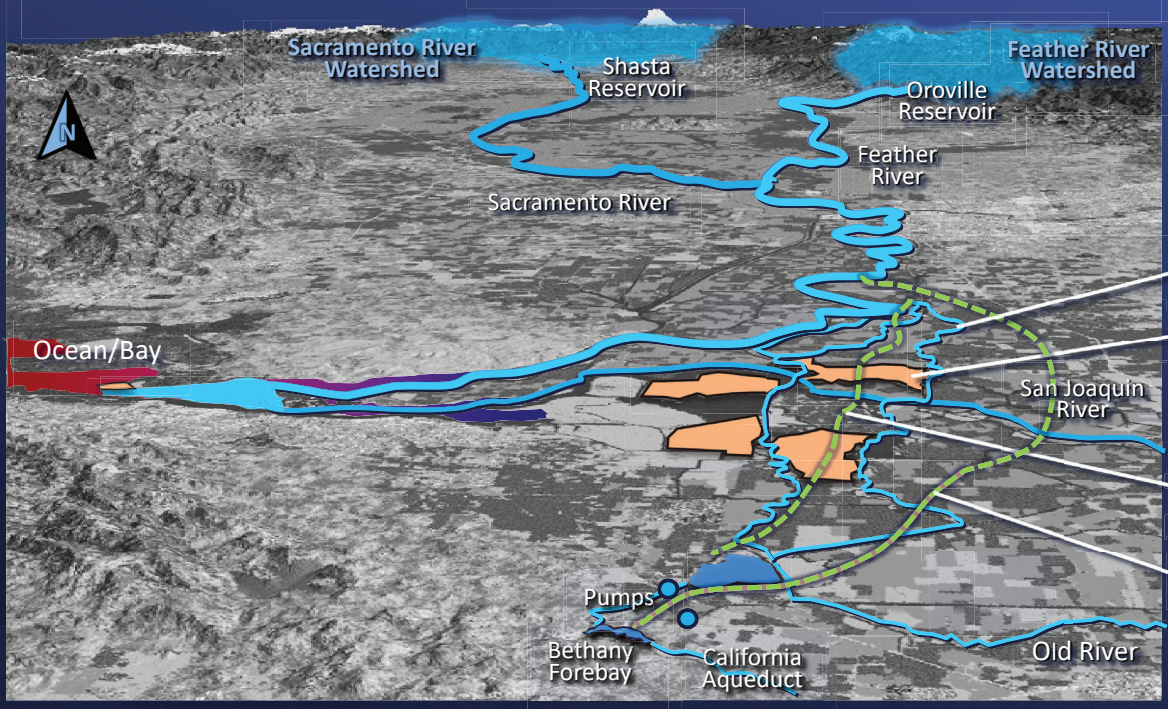
DELTA ISLANDS DISCUSSION

MWDOC Board
August 5, 2026

TODAYS DISCUSSION

- Overview of Delta Islands
- Metropolitan Board Policies & Discussion
- Improvement Initiatives – Pathway Reliability & Island Revenue
- Ad Hoc Committee Initial Process

OVERVIEW



Existing Pathway

Metropolitan's Islands

Yr 2015 – TWIN Tunnels
California WaterFix Project

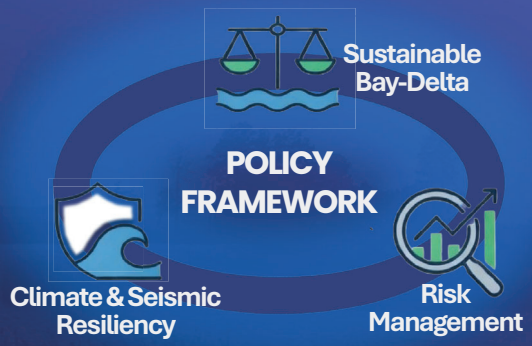
Yr 2019 – SINGLE Tunnel
Delta Conveyance Project



Board Policies & Discussions

MWD BOARD POLICIES

Bay-Delta Policy Framework 2022



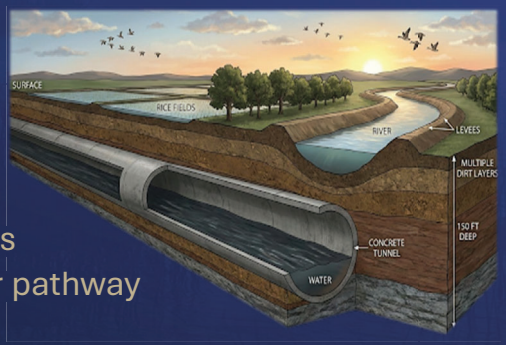
- Promote a sustainable Bay-Delta
- Support statewide & regional actions that further coequal goals in the Delta Reform Act
- Address the risks associated with climate change
- Invest in actions that provide seismic and climate resiliency

"The Delta is a major pathway for the source of water for most of the state and the sustainability of Delta water supplies is a critical element of Southern California's water reliability."

– 2022 Board-adopted Bay-Delta Policy Objectives and Framework (Policy Area 2A)

MWD BOARD DISCUSSION

- **Initial Reasons for Island Purchase**
  - Secure tunnel portal sites and project mitigation properties
  - Address existing pathway reliability, subsidence, restoration & science
- **Key Changes**
  - Realigned tunnel path
  - Shifted from twin to single tunnel
- **Strategic Discussion**
  - Conditions evolved, remain consistent with Board policies
  - Single tunnel still requires a dependable Delta freshwater pathway
  - Island levee system is crucial for supply reliability
  - Improved levees boost seismic, ecosystem, and climate resilience
  - Ownership strengthens MWD's ability to make strategic investments



MWD BOARD DISCUSSION



Fiscal Challenge

- **Expenses** - currently exceed revenues
- **Appraisals** - lower than purchase price
- **Debt Service** - interest only; no principal paid until 2037
- **Negative Equity** - outstanding debt obligations
- **Restrictions** - land uses limited by County ordinances

A Look Forward

- Pursuing funding partners, co-owners, potential buyers
- Advancing strategic initiatives, revenue opportunities
- Developing financial model & market study to inform Board process
- Continue securing grants ~ $100 million to date



IMPROVEMENT INITIATIVES

OPTIMIZING LEVEE DEFENSE

Multi-Initiative Approach





Levee Enhancement

DELTA SMELT & FISH FOOD SUPPLEMENTATION

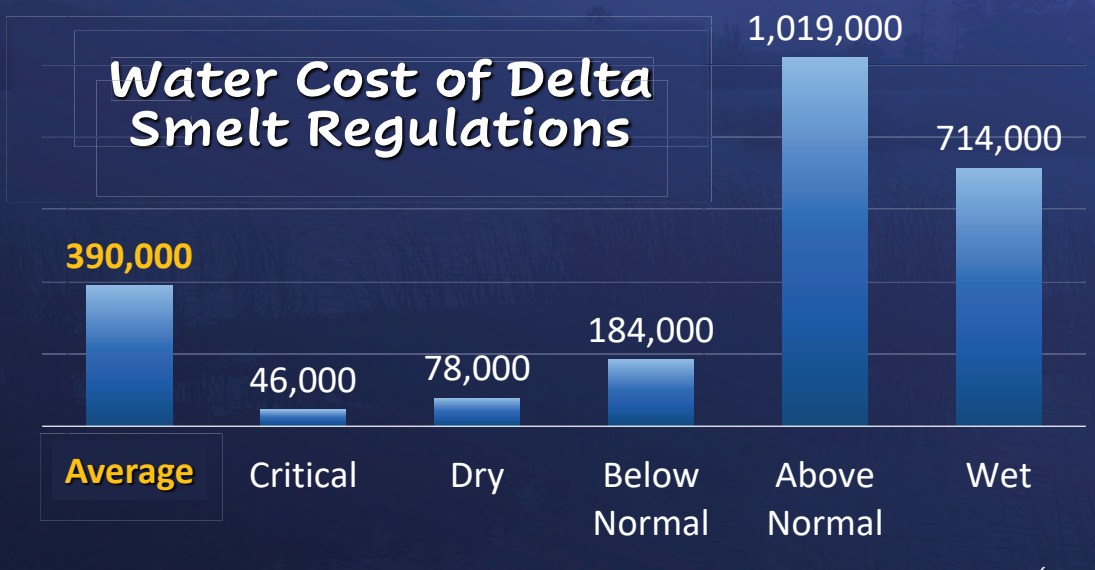
RESEARCH





DELTA SMELT & FISH FOOD SUPPLEMENTATION

Aids in Enhancing Regulatory Flexibility



Data analysis by MWD (Steve Micko, 8/2025)

IMPROVEMENT INITIATIVES

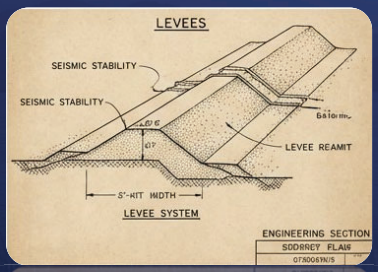
RESILIENCY PROJECTS

- Enhanced Modern Levees
- Real-Time Levee Monitoring
- Emergency Depots & Stockpiles
- Delta Smelt Supplementation
- Restoration & Subsidence Control

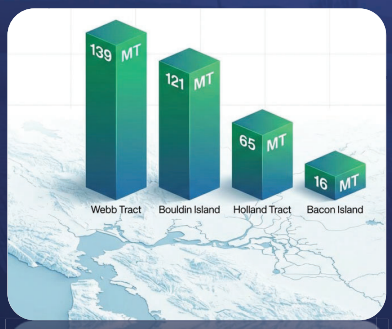
KEY RISK MITIGATION



IMPROVEMENT INITIATIVES



FORTIFY EXISTING PATHWAY



GENERATE VALUE



PROTECT THE FLOW

MWD BOARD

Recent Discussions

- Establish Ad Hoc Committee on Delta Islands
- Requested Delta island Market Study
- Evaluate hold or sell options


THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
1928