

Construction
Industry Coalition
On Water Quality

July 15, 2025

Governor Gavin Newsom 1021 O Street, Suite 9000 Sacramento, CA 95814

Senate President Pro Tempore Mike McGuire 1021 O Street, Suite 8518 Sacramento, CA 95814

Speaker of the Assembly Robert Rivas State Capitol P.O. Box 942849 Sacramento, CA 94249-0029

Coalition Members:



Subject: Support for Delta Conveyance Project Streamlining Trailer Bill

Dear Governor Newsom, Pro Tem McGuire, and Speaker Rivas

Construction Industry Coalition on Water Quality (CICWQ) represents management and union labor from four construction industry trade associations working in Southern California. We are submitting this letter and supporting petition list from California construction businesses to express our strong support for the Delta Conveyance Project (DCP) budget trailer bill introduced by Gov. Newsom, which we believe is essential to the economic health of California and the quality of life of its residents.

The construction industry supports the acceleration and completion of the DCP review and approval process because of the critical importance of a reliable State Water Project (SWP) to all of Southern California's residents, businesses, industries, and institutions – and to all the 71% of California's population the SWP serves from the Bay Area to the Mexican border. The DCP assures a high degree of water supply reliability that is lacking under the project's current design – a

design that is vulnerable to "the seemingly inevitable collapse of the levee system

in the Delta," as one California water leader recently stated.

The DCP has been redesigned in response to public comments and is now smaller, more environmentally responsive, and less intrusive to Delta communities than previous designs. It will bring an end to the current practice of moving water through the Delta against natural flows, making it much more protective of the Delta's ecosystems, and the mitigations that will be required through the project's environmental review will help to further protect and improve those ecosystems.









Financially, the Department of Water Resources' (DWR) <u>2024 Benefit/Cost Analysis</u> of the DCP looked at both a primary and secondary scenario and found that for the primary scenario, every dollar expended on DCP would yield a benefit of \$2.20. For the secondary scenario, every dollar expended would yield a benefit of \$2.33.

The analysis also documented that water conveyed through the State Water Project (SWP) is more affordable than alternative supplies like desalination or recycling. While these alternative sources are necessary and thus should still be pursued, the large volume of water delivered by the SWP remains incredibly cost effective and cannot easily be replaced.

The area served by the SWP is the beating heart of California's economy, cumulatively producing a GDP of more than \$2.25 trillion, which, by itself, would be the 8th largest economy in the world. Southern California represents \$1.6 trillion of the SWP's total GDP, with more than 600,000 businesses and more than 22 million residents relying on the project for approximately a third of the region's water supply.

We need the DCP to be completed so the SWP can be modernized, ensuring that it is stronger, more efficient, and climate resilient – all of which will provide the water supply reliability, affordability, and certainty necessary to sustain and grow our economy. In addition, construction of the DCP will generate thousands of good-paying union construction jobs and stimulate local economies, especially in areas hardest hit by economic downturns.

The Governor's budget trailer bill will not result in the exclusion of public engagement on the DCP; it will only bring a much-needed halt to the bureaucratic, judicial and political gridlock that has plagued a "Delta solution" for half a century. That in turn will bring us more swiftly to a point where informed decisions can be made regarding investment in and construction of the project.

Each year, DCP obstruction and delays add another \$500 million in costs to the project – costs that ultimately will be paid by California's water ratepayers, including struggling small businesses and millions of disadvantaged families and individuals. Thus, the budget trailer bill would bring real savings for Californians – and for the State budget.

Continued inaction under the pretext of caution is no longer viable or wise, given the looming risks of earthquakes and extreme weather events that could significantly diminish (and even cut off for multiple years) a significant water supply to 71% of Californians. Therefore, and for the reasons stated above, the construction industry in California strongly supports the DCP budget trailer bill and urges you to do the same.

Sincerely,

Michael W Luis

Michael W. Lewis Executive Vice President Construction Industry Coalition on Water Quality

Attachments:

Construction Industry Petition List

CICWQ is an advocacy, education, and research 501(c)(6) non-profit group of trade associations representing builders and trade contractors, home builders, labor unions, landowners, and project developers.

CICWQ membership is comprised of members from four construction and building industry trade associations in southern California: The Associated General Contractors of California, Building Industry Association of Southern California, Southern California Contractors Association, and United Contractors.

Collectively, members of these associations build a significant portion of the transportation, public and private infrastructure, and commercial and residential land development projects in California.



Construction Industry Coalition on Water Quality

CONSTRUCTION INDUSTRY COALITION ON WATER QUALITY PETITION TO SUPPORT DELTA CONVAYENCE PROJECT

The following members of the California construction industry proudly co-sign the CICWQ letter in support of the Delta Conveyance.

Al Borkowski, ABC Builds Inc.

David Queyrel, Anacal Engineering Co. Richard Leider, Anvil Builders Inc

John Buchholz, Buchholz Landscaping Company

Bruce Watkins, Cal Preserving

Dewayne Weaver, California Commercial Roofing System's

James Gasparo, Cooley Equipment

Samantha Hartley, Double Jack Industries, LLC

Doyle Heaton, DRG Builders, Inc. Stephen Manz, Earthtone Construction

Joseph Nanci, EBS General Engineering, Inc.

Victor Rollandi, SDV Services, Inc. James Slosarik, El Gato Painting

Christopher Cairo, Engineered Structures of San Diego

Kurt Volmer, Fire Sprinkler Systems, Inc.

Dave Lorenz, Fullmer

Kristopher Ellis, Green Light Wiring

Don Greb, Griffin Soil

James Pardee, Griffith Company Jose Martin, Griffith Company Andre Abajian, SoCal Removal

Laer Pearce, Laer Pearce & Associates
Max Kroschel, Lescure-Engineers

Michael Lewis, Lewis Associates LLC Leonard Smith, Lsmith Construction

KHOREN Abrahamian, Mazzetti

Brian Rickey, Mike Bubalo Construction
Dave Sorem, Mike Bubalo Construction
D. Nielsen Pollock, Nielsen Construction CA
John Luttman, North Coast Engineering, Inc.

Prentice Deadrick, Resident

Tom Riggins, Riggins Construction & Management, Inc.

Greg Salsbury, Salsbury Engineering Inc.

Miguel Guajardo, El Camino Construction & Engineering Corp

JOHN Gasparo, Security Paving Company, Inc.

Jack Norton, SJA Inc

Paul Manning, Skanska USA Civil Adib Mahdi, Smart Power Solutions

Lindy Hatcher, Home Builders Association of the Central Coast

Suzanne Cook, Strategic Commercial Roofing System's

Bill Strouss, Strouss Brothers Construction, Inc.

Tanya O'Coyne, TSC Restoration, Inc.

Aurelio Fernandez, Universal Industrial Finishing Inc.

Gill Costa, Verdiag

Richard Voytilla, Voytilla equipment Sales Dale Winchell, Winchell Construction, Inc.