



Delta Counties Coalition

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"Working together on water and Delta issues."

MEDIA STATEMENT

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Contact: Elisia De Bord
916-874-4627; 916-533-1872 (cell)
deborde@saccounty.gov

Statement from the Delta Counties Coalition on Appellate Court Rejection of Delta Tunnel Financing

The Delta Counties Coalition (DCC) welcomes the opinion by the Third District Court of Appeal, which upheld the lower court's ruling that the State of California lacks legal authority to issue billions of dollars in bonds to finance the proposed Delta tunnel project without explicit legislative approval.

This decision affirms what Delta communities, counties, and local agencies have raised for years: that a project of this scale, cost, and consequence cannot be advanced through administrative maneuvering or broad interpretations of decades-old statutes. The court made clear that the Department of Water Resources exceeded its authority by attempting to classify the Delta tunnel as a "modification" of the State Water Project, rather than what it plainly is — a massive new conveyance facility with far-reaching impacts.

For the counties and residents who live and work in the Delta, this ruling is an important step toward transparency, accountability, and lawful decision-making. The proposed tunnel would fundamentally alter Delta land use, threaten local water supply reliability, place additional pressure on fragile ecosystems, and expose ratepayers and communities to escalating financial risk — all without clear authorization from the Legislature or any water supply benefits for affected regions.

The court's opinion underscores a basic principle: if the State wishes to pursue a project with an estimated – and questionable – price tag of \$20 billion and decades-long consequences, it must do so openly, with full legislative scrutiny and public accountability. Delta communities should not be asked to bear the environmental, economic, and social costs of a project that has yet to demonstrate clear benefits or a lawful funding path.

While proponents have suggested the ruling does not end the project, it undeniably raises serious questions about its viability. Just last year, the Governor unsuccessfully attempted to tack legislation onto the State Budget that would have bypassed many hurdles for the tunnel, and his representatives at that time confidently told the Legislature that they would prevail on this matter in court. This calls into question this project's other significant problems. At a minimum, this court decision requires the State to pause and reconsider whether continued pursuit of the tunnel is prudent, lawful, or aligned with California's broader goals for sustainable water management, climate resilience, and regional equity.

The Delta Counties Coalition remains committed to collaborative, science-based water solutions that protect the Delta, support local communities, and provide reliable water supplies statewide — without sacrificing the rule of law or the voices of those most directly affected.

Links:

[Court of Appeal Opinion](#)

[Delta Counties Coalition Webpage](#)