



**42 N. Sutter Street, #506
Stockton, CA 95202
(209) 475-9550
www.RestoretheDelta.org**

May 3, 2016

Ms. Barbara Keegan
Chair, Board of Directors
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3686

Dear Ms. Keegan,

In reviewing the proposed budget summary for 2016-2017, and the Ad Valorem Tax Resolution noticed on the May 10, 2016 Agenda for the Board of Directors meeting (Item 2.10), it is unclear to observers whether interim costs for California Water Fix are included in that recommended resolution.

Does the proposed levy of Ad Valorem Real Property Taxes in Fiscal Year 2016-17 to meet the cost of its water supply contract with the State of California include assessment for a contribution by the Santa Clara Valley Water District to California Water Fix? Or is the revenue generated from this levy to be used strictly to pay for water supply from the State Water Project for Santa Clara Valley Water District?

If you can help clarify this issue before the May 10, 2016 Board of Directors meeting, I believe it would help to alleviate concerns and questions from Santa Clara Valley Water District ratepayers that are being asked of our organization.

Thank you for your assistance with this question.

Yours in service,

Barbara Barrigan-Parrilla
Executive Director, Restore the Delta

Michele King

Subject: FW: Question regarding May 10, 2016 Board Agenda
Attachments: Letter to Barbara Keegan SCVWD 5-3-16.docx; ATT00001.htm

From: Michele King
Sent: Thursday, May 05, 2016 5:07 PM
To: 'barbara@restorethedelta.org'
Subject: FW: Question regarding May 10, 2016 Board Agenda

Sent on behalf of Chair Keegan

Dear Ms. Barrigan-Parrilla,

Thank you for your letter dated May 3, 2016 in which you ask whether the proposed State Water Project tax levy for Fiscal Year 2016-17 under item 2.10 of the May 10, 2016 agenda includes paying for a contribution to the California WaterFix. The answer is that it does not. In other words, the revenue generated from the State Water Project tax in FY 2016-17 will be used strictly to pay for water supply from the State Water Project and not for any costs associated with the California WaterFix. If the Board chooses to participate in the WaterFix, the FY 2016-17 proposed budget includes \$1.8M that would be paid for by water charges as opposed to the State Water Project tax. If the Board chooses to not participate in the WaterFix, then the \$1.8M in the FY 2016-17 budget would be returned to reserves, which would reduce future water charge increases assuming all other variables are equal.

I hope this response provides the requested clarification and I want to thank you for your interest and participation in this year's budget and rate setting process.

Sincerely,

A handwritten signature in blue ink that reads "Bar Keegan". The signature is fluid and cursive, with the first name "Bar" and the last name "Keegan" clearly visible.

Barbara Keegan
Chair/Board of Directors
Santa Clara Valley Water District