Michele King

Subject: FW: Comments related to 6/11/24 agenda item 8.1

From: Katja Irvin <katja.irvin@sbcglobal.net>
Sent: Wednesday, June 5, 2024 8:50 PM
To: Clerk of the Board <clerkoftheboard@valleywater.org>
Cc: Molly Culton <molly.culton@sierraclub.org>
Subject: Comments related to 6/11/24 agenda item 8.1

Dear Valley Water Board and Staff,

Thank you for responding to the Sierra Club's request for additional information about the costs of the Pacheco Reservoir project (Item 8.1, Attachment 2: Sierra Club Response). This information is helpful for the Board and the public to better understand the costs for this project.

After studying staff's response and further consideration of the staff report, we have a few follow-up questions and comments.

Questions:

1. Are the budget numbers provided in the response to Sierra Club comments from the 30% Design Construction Cost Estimate, or are they from the Five-Year CIP Total Project Cost? (Note that the budget estimates provided in the response add up to about $1.9 billion while 30% Design Estimate is about $2 billion and the CIP TPC is about $2.2 billion.)

2. To follow up on our question about expenditures to date (Item 8.1, Attachment 1: PowerPoint, Slide 4), staff's answer indicates that the difference between $80.5 million in this report and $129.5 million "Actual/Appropriated thru FY24" in the *CIP FY 2025-29 Financial Overview* will be spent in the final quarter of FY 24 (April-June 2024). Is our assumption correct? Otherwise, can this difference be explained in more detail?

3. The cost staff provided for the CEQA lawsuit does not include cost for the preparation and processing of the environmental document. What is the estimated/budgeted cost for that document preparation and associated CEQA process?

Comments:

1. The $2.2 billion un-inflated project cost estimate is obviously low (almost the same as the Anderson Dam project which is much less complicated). The cost estimate is simply not believable.

2. The information on project rate impacts (Item 8.1, Attachment 1: PowerPoint, Slide 7) is not clear. Staff should clarify whether the rate increases shown for each date range are cumulative (starting from FY 29)

or are separate new increases just during the period shown. It would also be helpful to explain why these estimates only start in FY 29 and not earlier.

Sincerely,

Katja Irvin
Guadalupe Group Conservation Chair
Sierra Club Loma Prieta Chapter