

Michele King

From: Katja Irvin <katja.irvin@sbcglobal.net>
Sent: Monday, May 13, 2024 6:52 PM
To: Darin Taylor; Jessica Collins
Cc: Rick Callender; Rita Chan; Aaron Baker; Ryan McCarter; Luz Penilla; Enrique De Anda; Lonnie Spin; Board of Directors; Clerk of the Board
Subject: Re: Follow-up questions about Pacheco numbers in the budget (re 5/14 Board meeting item 3.4)

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Jessica,

Thank you for pointing out the next steps about when the Final CIP will be posted, and for confirming the updates that I am concerned about will be made.

I apologize for not putting this all together. It is a lot of information to digest! And hopefully I will remember all these nuances for next year.

Best regards,
Katja

On Monday, May 13, 2024 at 05:30:33 PM PDT, Jessica Collins <jcollins@valleywater.org> wrote:

Good evening Katja,

Thank you for your interest in our Capital Improvement Program. We appreciate your review, feedback, and participation in our public process. Our responses to your questions are included below in [blue](#) font.

1. Your response (see highlighted text below) says the final CIP document will be updated. There are no updates to the CIP for tomorrow's CIP agenda item 3.4. When will the CIP be updated?

[Recommendation C of item 3.4 asks the Board to "Direct staff to incorporate the identified changes to the CIP Draft FY 2025-2029 Five-Year Plan and finalize the FY 2025-2029 Five-Year Plan by June 30, 2024."](#)

2. Item 3.4 Attachment 2: Draft FY 2025-29 Five-Year Plan shows planned expenditures for Pacheco in FY25 at \$19.053M (pages 55 and 210). Will the final CIP document also be updated to change this to \$10.6M million to reflect what you explained below?

[Yes, the Final CIP document will be updated in alignment with the updated financial information included in Attachment 1: Final CIP Financial Overview. Page one of Attachment 1 shows the FY 25](#)

planned expenditures for the Pacheco Reservoir Expansion Project as \$10.593M, which aligns with the rounded \$10.6M referenced in your question.

Response to your closing comments:

1. For the sake of transparency and informing the Board and the public, it would be better to have the updated CIP in this agenda packet.

Once the CIP Draft Five-Year Plan is released for public review, we do not make changes to that document. The updated financial information, which the Board considers in its adoption of the resolution, is included in Attachment 1: Final CIP Financial Overview. Due to the fact that changes that can occur after production of the CIP Draft Five-Year Plan, including any direction given by the Board during tomorrow's meeting, and the fact that the Five-Year Plan cannot be considered Final until the Board's adoption of the resolution approving the Final Five-Year Plan, staff does not produce the full document until after the Board approval is received.

2. Failing that, the Board should be informed about when and where the updated final CIP will be made available.

As stated in the next steps portion of the memo, upon the Board's adoption of the resolution approving the CIP Final FY 2025-29 Five-Year Plan (Attachment 5), staff will prepare the Five-Year Plan document, which will be provided to the Board and made available to the public on Valley Water's website at <https://www.valleywater.org/how-we-operate/five-year-capital-improvement-program>.

Please let us know if you have any further questions.

JESSICA COLLINS
UNIT MANAGER

Business Planning and Analysis Unit

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Clean Water • Healthy Environment • Flood Protection

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From: Katja Irvin <katja.irvin@sbcglobal.net>
Sent: Monday, May 13, 2024 4:38 PM

To: Darin Taylor <DTaylor@valleywater.org>
Cc: Rick Callender <rcallender@valleywater.org>; Rita Chan <rchan@valleywater.org>; Aaron Baker <ABaker@valleywater.org>; Ryan McCarter <RMcCarter@valleywater.org>; Luz Penilla <LPenilla@valleywater.org>; Jessica Collins <JCollins@valleywater.org>; Enrique De Anda <EDeAnda@valleywater.org>; Lonnie Spin <LSpin@valleywater.org>; Board of Directors <board@valleywater.org>; Clerk of the Board <clerkoftheboard@valleywater.org>
Subject: Re: Follow-up questions about Pacheco numbers in the budget (re 5/14 Board meeting item 3.4)

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Hi Darin,

Sorry for this last minute inquiry. Just a couple of quick follow up items I hope you can clarify.

3. Your response (see highlighted text below) says the final CIP document will be updated. There are no updates to the CIP for tomorrow's CIP agenda item 3.4. When will the CIP be updated?
4. Item 3.4 Attachment 2: Draft FY 2025-29 Five-Year Plan shows planned expenditures for Pacheco in FY25 at \$19.053M (pages 55 and 210). Will the final CIP document also be updated to change this to \$10.6M million to reflect what you explained below?

For the sake of transparency and informing the Board and the public, it would be better to have the updated CIP in this agenda packet. Failing that, the Board should be informed about when and where the updated final CIP will be made available.

Thank you for any clarification you can offer.

Best regards,

Katja

On Friday, May 3, 2024 at 05:09:10 PM PDT, Darin Taylor <dtaylor@valleywater.org> wrote:

Hello Katja,

Below are responses to your questions to help you understand the information provided at the Board Meeting on April 24.

1. Why does page 280 of the budget show \$10.6M for Pacheco in 2025, but the earlier pages (100 and 196) just show "--"?

Answer: Page 280 of the Summary Budget Book shows that \$15.1M is the anticipated unspent and unencumbered FY 24 budget that will be carried forward, of which \$10.6M is anticipated to be carried forward and spent in FY 25 and \$4.5M is anticipated to be carried forward and spent in FY 26. Page 100 and 196 show that staff is proposing no new appropriations for the project in FY 25, because the carry forward budget should be enough to cover the activities planned for FY 25.

2. Is there any information about the carry over funding for Pacheco in the Budget document? Or where can I find this information?

Answer: There is no further information other than what I mentioned above.

3. On page 23 of the CIP it shows the FY24 budget for Pacheco was about \$42M, but the column for "FY24 Unspent" is blank. Should that be "19,053"?

Answer: The information shown on Page 23 of the draft CIP is outdated. Unfortunately, the nature of preparing a draft CIP document (and draft budget document for that matter) is that it is accurate as of a point in time, until the next change comes in. The final CIP document will be updated to be in sync with the final budget document and will reflect \$15.1M of anticipated unspent and unencumbered FY 24 budget for the Pacheco Project that will get carried forward, and that no new appropriations are needed in FY 25.

4. What I heard at the meeting last night is that there is no additional funding needed for Pacheco in FY25 beyond the carry over from FY24. Did I understand that correctly?

Answer: Yes.

DARIN TAYLOR
CHIEF FINANCIAL OFFICER

Office of the Chief Executive Officer

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From: Katja Irvin <katja.irvin@sbcglobal.net>

Sent: Thursday, May 02, 2024 3:10 PM

To: Darin Taylor <DTaylor@valleywater.org>

Subject: Re: Follow-up questions about Pacheco numbers in the budget

***** This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. *****

Hi Darin,

I'm sure you have been busy with the budget and all, but since I haven't heard from you I wanted to check in to see if you will be able to respond to my questions below.

Or should I send these questions through the Board?

Thank you for always being so helpful.

Best regards,

Katja

On Thursday, April 25, 2024 at 04:09:05 PM PDT, Katja Irvin <katja.irvin@sbcglobal.net> wrote:

Hi Darin,

I'm hoping you can help me understand the Budget and CIP information about Pacheco. Here are my remaining questions.

1. Why does page 280 of the budget show \$10.6M for Pacheco in 2025, but the earlier pages (100 and 196) just show "--"?
2. Is there any information about the carry over funding for Pacheco in the Budget document? Or where can I find this information?
3. On page 23 of the CIP it shows the FY24 budget for Pacheco was about \$42M, but the column for "FY24 Unspent" is blank. Should that be "19,053"?
4. What I heard at the meeting last night is that there is no additional funding needed for Pacheco in FY25 beyond the carry over from FY24. Did I understand that correctly?

Overall, it is unclear to me how much money is planned to be spent on Pacheco in FY25. For transparency, I think this information should be clearly provided in the Budget document.

Thank you for helping me to understand how these expenditures are documented, and updating the Budget and CIP as needed to address my questions.

Best regards,

Katja Irvin

Guadalupe Group Conservation Chair

Sierra Club Loma Prieta Chapter