

**Melissa Stone**

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**From:** Katja Irvin <katja.irvin@sbcglobal.net>  
**Sent:** Tuesday, February 14, 2017 3:32 PM  
**To:** Clerk of the Board; John Varela  
**Cc:** Gary Kremen; Barbara Keegan; Richard Santos; Tony Estremera; Linda LeZotte; Nai Hsueh; 'Mike Ferreira'; 'Barbara Kelsey'  
**Subject:** 2/14/17 Agenda Item 4.3 Budget Message

Chair Varela and Members of the Board,

The Sierra Club Loma Prieta Chapter submits the following comments for the record regarding February 14, 2017 Board Meeting Agenda Item 4.3, Board of Directors Fiscal Year 2018 Budget Message.

1. What we don't see in the budget message is any plan to be more transparent and allow more public input with regard to different budget options.
  - a. There should be trade-offs, i.e. a fixed budget to keep within.
  - b. If the overall budget is increasing, the amount and sources of new funding should be identified for the public, as well as how each new or increased expenditure will impact water rates and property tax. The public deserves to know when Board decisions impact how much they pay for water and infrastructure.
2. There is much to say about the top ten urgent priorities for the FY 2018 budget.
  - a. It would be useful to break these into categories based on when we (or the environment) will start to benefit from the expenditure: within two years, 5 years, more than 10 years? That would greatly help analysis of budget tradeoffs.
  - b. Priorities 1 & 9, Water Fix and Storage (mostly likely Sites Reservoir) are the most expensive projects and their questionable benefits would not be realized for at least 15 years. Furthermore, 2018 costs for these projects is currently unknown. We think it is important for the initial budget to focus on more immediate priorities. If allocations for either of these projects are needed before July 2018, it would be more appropriate to use the budget adjustment process.
  - c. We assume that priority 2, Care of Facilities and Assets, includes State Water Project and Central Valley Project assets the District relies on. It would be helpful to change the text to make that clear. This is especially important since the District should be changing priorities in light of the Oroville Dam emergency.

We look forward continuing our engagement with the District on the 2018 budget.

Sincerely,

Katja Irvin  
Water Committee Chair  
Sierra Club Loma Prieta Chapter