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Subject: WSDMC May 17, 2024 agenda item 2.4, Pacheco Cost Update, Sierra Club comments
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Dear WSDM Committee,

This staff report about costs associated with the Pacheco Dam Project provides very little new information about Project costs. Unless significant new information is provided, there is no reason for this item to be presented to the full Board of Directors in June.

Given that the next Project cost update will be provided at the completion of the 60% Design Phase (about a year from now), what new information can be provided to the Board and public now to increase understanding of Project costs? One possibility is to ask staff to drill down on the \$2.7B cost estimate. Here are some line items that would help the Board and the public understand how various activities will contribute to the Total Project Cost.

- Planning/Design: cost for environmental review, cost for permitting, cost for geotechnical investigations, cost for 60% design documents, cost for 90% design, and cost for real estate services
- Environmental: cost for mitigation and cost for monitoring (of special interest to the Sierra Club)
- Construction: cost for roads, cost for new transmission lines and connection to grid, cost for pump station, cost for pipelines, cost for demolition of current dam, cost for habitat restoration between new and old dam, cost for land acquisition, and break down of cost to construct the new dam (materials/labor/equipment and fuel/etc.)
- Contingency allocated for: unanticipated changes during construction, litigation, and weather or other natural disasters

There are certainly other line items of interest that the WSDM Committee might identify.

Regarding expenditures to date, the Final CIP Financial Overview for the recently approved CIP shows the actuals spent through prior year + planned expenditures in current year are \$129,517,000. It seems important to explain the over \$49 million difference between the number in the CIP and the \$80,466,470 expenditures to date shown in this staff report.

The following information about expenditures to date would also be useful for the Board and the public to know.

- How much was spent on the CEQA lawsuit and where it is accounted for on Slide 4
- How much was spent to acquire the WIFIA loan (\$233,948 through FY23) and where it is accounted for on Slide 4
- Full accounting of how expenditures have been funded (WSIP, water rates, parcel taxes, etc.)

Lastly, an important aspect of cost is the cost per acre-foot, which should be discussed in this presentation. The Water Supply Master Plan 2040 shows \$2,000/AF of water supplied. The Water Supply Master Plan Monitoring and Assessment Program Update 2021 shows \$18,800/AF of storage space. Some discussion about these estimates and when they will be re-evaluated should be included in this report.

Sincerely,

Katja Irvin, Sierra Club Loma Prieta Chapter
Molly Culton, Sierra Club California