

EXHIBIT 17-D

**2004-2005 BUDGET PROCESS
POTENTIAL ADJUSTMENTS
MAY 17, 2004**

	<u>Amount</u>	<u>Description/Consequence</u>
<u>PERSONNEL</u>		
Salaries	\$0	Adjustment pending conclusion of labor negotiations
Retirement	0	Adjustment pending conclusion of labor negotiations
Employee Insurance	0	Adjustment pending conclusion of labor negotiations
Staff Development	(200)	Projection adjustment
<u>SERVICES & SUPPLIES</u>		
Board Member Comp	(5,000)	Projection adjustment
Telephone	1,400	Not included in original request
Membership Dues	6,300	Not included in original request
Miscellaneous	700	Not included in original request
Office Supplies	5,600	Not included in original request
Conference Facilities	10,000	Rental of Board meeting facilities
Printing/Duplicating/Binding	2,700	Not included in original request
Professional Fees	(5,000)	Projection adjustment - annual audit cost
Professional Fees	12,000	Facilitators - strategic planning & staff functionality
Legal Services	(50,000)	Use litigation reserve for extraordinary costs
Legal Services	25,000	Not included in original request - WDD
Travel	10,300	Not included in original request
Transportation	8,900	Not included in original request
Operating Supplies	7,500	Not included in original request
<u>FIXED ASSETS</u>		
Pickup	2,000	Increased cost for vehicle not purchased in 2003-2004
Automobile for 2nd Inspector	(10,000)	Reduce to actual projected cost
Digital Recorder for Board meetings	2,000	Not included in original request
Elmo documents camera	2,000	Not included in original request
Conference room upgrade for Board meetings	20,000	Not included in original request
Computer tablets for cons. rep. fieldwork	(6,000)	Not needed until WDD database project done
Monitor replacements	(3,200)	Fund as needed out of hardware upkeep funds
<u>PROGRAM EXPENSES</u>		
1-2-1.8.a - 2nd ASR well, bid prep support	(10,000)	Delay moving forward with 2nd ASR well
1-2-1.8.b - Construction management	(70,000)	Delay moving forward with 2nd ASR well
1-2-1.8.c - Summary report	(15,000)	Delay moving forward with 2nd ASR well
1-2-1.8.d - C57 contractor	(75,000)	Delay moving forward with 2nd ASR well
2-4-1 F - Sediment control & intake retrofit	(26,100)	Defer sand separator unit future FY
2-4-12 - Fisheries supplies, chemicals, etc.	(6,500)	Loss of continuous turbidity measurement
2-5-2-3 - Temp use permit, lagoon monitor wells	(1,300)	Projection adjustment
2-6-2- D - Water quality chemical analysis	500	Projection adjustment
1-3-2 A - Sand City desal, complete draft EIR	(90,000)	No revisions to draft EIR
1-3-2 B - Sand City desal, workshops/hearings	(20,000)	Do not circulate draft EIR for public comment
1-3-2 C - Sand City desal, prepare final EIR	(50,000)	No final EIR
1-3-1 Water supply project CEQA	25,000	Consultant review of Moss Landing desalination information
2-1-2 A.1 - Riparian seed collection & prop.	(1,500)	Reduce riparian habitat maintenance & restoration
2-1-2 A.2 - Riparian supplemental planting	(2,500)	Reduce riparian habitat maintenance & restoration
2-1-2 B - Riparian maintenance projects	(1,500)	Reduce riparian habitat maintenance & restoration
2-1-3 A - Riparian equipment	(2,000)	Reduce riparian habitat maintenance & restoration
2-1-4 - Riparian hazard/trash removal	(5,000)	Reduce riparian habitat maintenance & restoration
2-3-1 A - Repairs at Valley Hills restoration proj.	(110,000)	Defer or not do bank restoration
2-3-2 - Install in stream habitat structures-G.P.	(31,500)	Do only if grant funding of 60% or more
2-6-5 - Implement Ordinance No. 105	(45,000)	Reduce consultant budget to \$25,000 based on current needs
3-1-2 - Public information program, newsletter	(40,000)	No newsletters during fiscal year
4-1-1 A - Water allocation draft EIR	(200,000)	Defer for one year
4-1-2 A - Water credit transfer EIR	(125,000)	Not currently anticipated
4-1-2 B - Water credit transfer legal assistance	(10,000)	Not currently anticipated
4-1-3 F - Prepare map set - Ordinance 105	(3,600)	Completed FY 2003-2004
4-1-3-F - Commercial factor review	50,000	Various reviews (approx. 50% reimbursable)
4-1-4 - Revisions to water permit process	30,000	Increase total to \$180,000
4-2-4 - Implement water conservation regulation	(100,000)	Duplicate of other expenditures
4-2-6 - Retrofit rebates, promote program	(5,000)	Reduce advertising budget may impact water savings
<u>OTHER</u>		
Flood/drought reserve	(17,400)	No reserve contribution in 2004-05
Net Reduction	(\$921,400)	
Reduction Target	(\$897,255)	