From: Kate Haug [redacted]
Sent: Monday, August 31, 2026 10:41 AM
To: City Council <citycouncil@cityofsebastopol.gov>
Cc: Phill Carter <pcarter@cityofsebastopol.gov>; Stephen Zollman <szollman@cityofsebastopol.gov>; Jill McLewis <jmclewis@cityofsebastopol.gov>; Sandra Maurer <smaurer@cityofsebastopol.gov>; hausnetwork [redacted]; Neysa Hinton <NHinton@cityofsebastopol.gov>; Mary Gourley <mgourley@cityofsebastopol.gov>; Oriana Hart <ohart@cityofsebastopol.gov>; Laura Hagar [redacted]; Kyle Falbo [redacted]
Subject: Public Comment for 9/1/26

Dear Council and City Staff,
Please find my public comment for the 9/1/26 Council Meeting.
Your decision on funding for Well 4 will have a long-term and significant impact on the Water Fund. There is an option available as has been pointed out in other public comments that saves Ratepayers over $3,000,000 (roughly 1/3 of the total Water System infrastructure budget). Saving $3,000,000 in interest would allow for more infrastructure repair without raising Water rates. Unlike previous Councils that made terrible and legally suspect financial decisions, I hope you will take the time to do your own research and read the information presented in public comment to take fiscally responsible action.
Best,
Kate Haug

Dear City Council,

It is crucial that you make a prudent choice when looking at Well 4 financing.

I urge you to ask Staff to implement the EFOC reforms, which are feasible and will not endanger the General Fund.

I urge you to ask Staff to present an option of a $4,000,000 loan at the lower DWSRF rate for Well 4 funding. Analysis shows that this option would allow Well 4 to move forward and also save Ratepayers and the Water Fund over $3,000,000. The total amount of Water Infrastructure, as identified by the 2026 Water Master Plan, is over $10,000,000.

In this situation, $3,000,000 is 30% of total funding. Saving $3,000,000 by borrowing less and getting a lower interest rate allows completion of 30% more infrastructure without raising rates. This is a win/ win for Ratepayers and the Enterprise Funds. It is also Council's duty to pursue the most economically efficient financing method on behalf of the Ratepayer.

Council has a duty to pursue the route that is the most fiscally responsible and will fix the most infrastructure without needing to raise rates.

Council needs to implement the full package of EFOC reforms to stabilize the Water Fund.

We cannot do a new Rate Study until the Sewer Master Plan is updated.

We cannot do a new Rate Study until there has been a full year of time tracking by staff to determine legally justified expenses and Cost Allocation to the Enterprise Funds.

Implementing the EFOC recommendations, including correcting current illegal allocations, moving engineering to Contract Services, and moving the Syserco Loan to the General Fund, will have minimal impact on the General Fund and create stability within the Water Fund until a new Rate Study and Cost Allocation Plan can be done in FY 2027.

Please adhere to your legal duties and take a financing route that is the best choice for Ratepayers and the long term health of the Water Fund.

Please take responsibility for past errors and implement the EFOC recommendations.

Thank you,
Kate