



SIERRA CLUB

LOMA PRIETA

SAN MATEO, SANTA CLARA & SAN BENITO COUNTIES

May 27, 2019

Valley Water Board of Directors
5750 Almaden Expressway
San Jose, CA 95118

RE: May 28, 2018 Agenda Item 2.2 CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Dear Chair LeZotte and Members of the Board,

The subject agenda item raises many questions and concerns. Why is Valley Water purchasing 5,257 acres of farm and conservation land in Merced County from 4S Ranch Partners LLC? Please reply to this letter to explain this purchase, AND hold an open session ASAP to inform the public about this behind-the-scenes action the Water District is trying to hide from everyone.

As a ratepayer and taxpayer in Santa Clara County, I'm very concerned that Valley Water is planning this purchase without any ratepayers/taxpayers (or other stakeholders such as water retailers) having any idea about the purpose or cost of this action. What "project" is this purchase supporting? Which year's budget will the funds for the purchase come from? Which budget line item will the funds come from? What is the range in dollars the District is allocating to the purchase?

Furthermore, the Sierra Club is concerned that the District is engaging in ad hoc water supply planning. We assume this purchase is related to water supply since, at the last full Board meeting on May 14, the Board referred the item back to the Water Storage Exploratory Committee (WSEC). Although the item was not discussed by the WSEC, it is back on the full Board's closed session agenda two weeks later! Does anyone at the District realize how bad that looks?

This action provides further evidence that water supply planning at Valley Water is dysfunctional. The 2017 Water Supply Master Plan has yet to be completed – it's already two years late and there's no sign that it will be completed and approved by the Board any time soon. Nonetheless, looking at the draft priorities for that Plan, it isn't clear where this purchase of land, we are assuming for some kind of groundwater project, fits into that planning process.

California Water Research recently wrote a blog about the 4S Ranch Properties and prior water transfers from that property to water districts outside of Merced County. Without

more transparency and public process, the public is left to speculate that Valley Water is attempting to do something similar, to sell and trade groundwater.

<https://cah2oresearch.com/2019/05/11/scvwd-pulls-purchase-of-controversial-merced-ranch-land-from-agenda/>

Thank you for considering the need to be more careful and more transparent about this property purchase, and following the correct procedures for referring and analyzing the "project" in relation to overall water supply planning by the District.

Respectfully submitted,

A handwritten signature in cursive script that reads "Katja Irvin".

Katja Irvin
Conservation Committee Co-Chair
Sierra Club Loma Prieta Chapter