

Valley Water Board of Directors and Senior Staff.

June 9, 2024

Subject: June 11, 2024 Agenda Item 8.1

Board of Directors of the Santa Clara Valley Water District (Valley Water) will receive an update from staff regarding the expenses of the Pacheco Dam Project.

Dear Valley Water Board of Directors and Senior Staff:

With this letter I am asking the Directors to indicate in their discussions at what point would this project no longer be feasible to you.

Valley Water staff has said that the Water Supply Master Plan (WSMP) update taking place this year will provide an opportunity for the Board to reconsider the Pacheco Reservoir project.

An organization with “having the blinders on” is limited in its outlook. Let’s find a way to calibrate what it would take to look at options from all sides rather than with a one-track position.

As part of your discussion, I recommend you state to the public:

At what point when there are no additional funding partners would you no longer support the project. (Despite Valley Water's efforts to secure partners to help pay for the dam over the years, the failure to secure new partners shows the infeasibility and instability of this venture.)

At what cost forecast would you no longer support the project – in recognition of the actual cost of Anderson versus the estimates used to plan the project. (Valley Water's fiscal year [FY 2024 Capital Improvement Project report](#) indicates a lack of cost control, with the project's expenses ballooning to \$2.2 billion. In the most likely scenario, with no partners and considering interest, the projected total costs would soar to \$5.5 billion, placing additional strain on Santa Clara ratepayers for a very limited and speculative water supply benefit.)

If this project is in fact the costliest and riskiest of the options in the Water Master Plan, at what point do you no longer support the Pacheco Dam Project.

Are you willing to make these criteria public? If not, I suggest that the thinking is characterized by “tunnel vision” – which could be restated here as “dam vision”.

Sincerely,  
Rita Norton

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