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May 26, 2025

Chairman and Members of the Board of Directors
Santa Clara Valley Water District

Subject: Agenda: Items 3.4 and 3.9, May 27, 2025
 Time to cut our losses: Cancel Pacheco Project

It's time to cut our losses.

The proposed budget and plans to seek funding to support the range of projects identified in the CIP is a testament to the critical and unique role that the Water District plays in the lives and enterprise of Santa Clara County, and speaking as a private citizen and long-time resident of the Valley, I commend your ambitious efforts. I also recognize and acknowledge that in many ways, the Board has few options but to continue to pursue ambitious and long range targets in support of your primary objectives to provide an adequate water supply and protect homes and businesses from flooding. No other agency in the Valley is tasked with these obligations.

Although your choices are limited, you still have the option to make intelligent, evidence-based decisions for the greater public good, and in the interest of fiscal responsibility. In view of all of the facts and circumstances, it no longer makes any sense to waste the taxpayer's money to pursue the Pacheco Reservoir Expansion project. Estimated costs have ballooned from around \$900 thousand to almost \$3.0 *BILLION*, and the District has still not even completed the required environmental review processes. The California Water Commission noted that no permits have been issued, and it is well known that none of the County Water Retailers and none of the other water agencies are interested in paying for the expansion project. Pulling the plug might mean having to return some funds, but this would be more fiscally responsible than continuing the current wasteful and futile approach.

There are alternative solutions that not only have greater support and are much less expensive, including raising B.F. Sisk Dam to increase the capacity of San Luis Reservoir – which is now being done. There are numerous other projects that deserve funding, not the least of which is the need to complete the repairs to Anderson and Coyote Dams to restore reservoir storage capacity. In view of the impacts of climate change, and the obvious uncertainty of future availability of funds requiring Federal approvals, it would seem the most responsible course of action is to cut our losses and make better decisions.

Respectfully submitted,

Jeffrey B. Hare

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