

June 28, 2022

Mr. Jerry Brown
Executive Director
Sites Project Authority
122 Old Highway 99 West
Maxwell, CA 95955

Subject: Request to Increase Valley Water's Participation Level in the Sites Reservoir Project

Dear Mr. Brown,

Santa Clara Valley Water District (Valley Water) is writing to indicate our interest in increasing our participation level under the terms and conditions of the Third Amendment to the 2019 Reservoir Project Agreement for the Sites Reservoir Project (Project). Valley Water currently has a participation level in the Project of 0.2% which produces an average annual yield of 500 acre-feet (AF). We are requesting the opportunity to increase our participation in the planning phase of the project to a level which would supply an average annual yield of 6,000 AF when space in the Project becomes available. Valley Water is committed to recommending this increased participation level to our Board of Directors at the earliest opportunity following an invitation for increased participation from the Sites Project Authority (Authority), unless new information becomes available indicating an increase is not advisable.

Valley Water is aware that the Project is currently fully subscribed and that other existing participants, including the U.S. Bureau of Reclamation, have indicated a desire to increase participation in the Project. In addition, several new agencies have indicated an interest in joining the Project. We encourage the Authority to prioritize and fulfill increased participation requests from existing participants before inviting new participants into the Project.

Thank you for your attention to this request. Please contact Cindy Kao, Imported Water Manager, at 408-630-2346 with any questions.

Sincerely,

Rick L. Callender, Esq.
Chief Executive Officer
Valley Water