



SIERRA CLUB
LOMA PRIETA

Sierra Club Loma Prieta Chapter
Serving San Mateo, Santa Clara and San Benito Counties
Protecting Our Planet Since 1933

3921 East Bayshore Road, Suite 204
Palo Alto, CA 94303

June 10, 2018

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

RE: June 12, 2018 Agenda Item 5.1 Water Supply Master Plan Update

Dear Chair Santos and Members of the Board,

The Sierra Club Loma Prieta Chapter continues to follow water supply planning in Santa Clara County on behalf of conservation, nature and our many members who are concerned about the environment. We encourage you to fully engage in the 2017 Water Supply Master Plan Update as a *planning process* where alternatives are evaluated and prioritized.

We have participated throughout the Master Plan Update process and we support all the local water supply projects approved as part of the plan to date (no regrets, potable re-use, etc). We also support staff recommendations in the Supplemental Agenda Memorandum as follows.

- **Enhancing headwaters to capture storm flows in the Uvas Reservoir watershed.** This is the sort of innovate, multi-benefit solution that is coming into favor with the One Water approach. We encourage the District to be an innovator and use this project to demonstrate the effectiveness of these methods.
- **Lower level of service goal in the range of 80-85% of demands during a drought.** Given the demonstrated ability of county residents to conserve when needed, and the uncertainties regarding future demand and supply, the proposed level of service goal is attainable and will provide flexibility to reduce investments and maintain reasonable water rate increases.

There are a few over-arching issues the Sierra Club has continued to emphasize, and we think it's important to keep in mind.

- **Potential for over-estimating future demand.** Last year the Board requested yearly updates showing how demand is tracking compared to estimates in the 2015 Urban Water Management Plan and the Water Supply Master Plan baseline. We hope this year's report will be presented soon and the results will be used to inform this planning process.
- **Potential for over-investing in costly capital projects.** The Board has voted to participate in the WaterFix which, along with the costs of retrofitting several local dams and expanding recycled water, will tie up capital expenditures for generations. We think this is an important factor in deciding whether to include the Pacheco Dam Expansion project in the Water Supply Master Plan. This decision should be discussed with stakeholders and placed on the Board's agenda.

- **Likely cost overruns.** The WaterFix and the dam projects are likely to cost far more than current estimates. We think it would be prudent for the District to plan for some range of cost increases and consider how these increases would impact the outcomes of this Master Plan.
- **Potential for over-burdening ratepayers.** Even before the decision on Pacheco Reservoir and the likely cost overruns, the District is planning to raise rates about 10% per year every year for the foreseeable future (in addition to any increases by retailers). This means rates will double over about eight years. We hope you consider the ramifications for ratepayers of these additional costs and plan to address excessive rate hikes beyond a certain threshold such as 11% per year.

Lastly, we encourage the District to engage in as much outreach to stakeholders and the public as possible during the remaining months of this process. At the Board's strategy session last Friday June 8, Director Estremera mentioned that the 1996 Water Supply Master Plan process included several community meetings. Has the District given up on this approach? In addition to public meetings, we think it would serve the District to **reach out** and hold meetings structured for stakeholder input with elected officials and with a wide variety of NGOs.

The Sierra Club would appreciate the opportunity to provide additional input on the Master Plan. We have several comments we have not included in this letter in the interest of brevity.

Thank you for diligently representing the interests of Santa Clara County residents, businesses and property owners.

Respectfully submitted,

A handwritten signature in dark ink that reads "Katja Irvin". The signature is written in a cursive, flowing style.

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