

Handout 2.1-C
4/11/19



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Morgan Hill, CA 95037
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April 10, 2019

Valley Water
5750 Almaden Expressway
San Jose, CA 95118

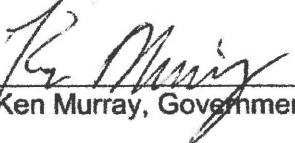
Dear Directors Varela, Keegan, Santos, LeZotte, Hsueh, Estremera and Kremen,

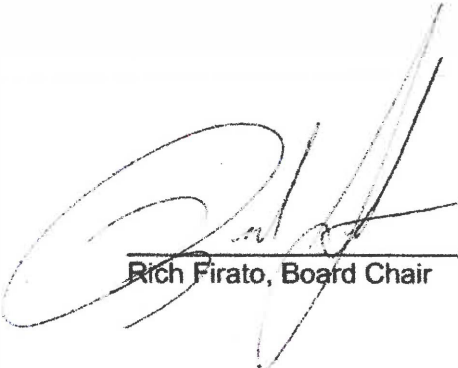
The Morgan Hill Chamber of Commerce believes having a local economy rich in and supportive of agriculture is critical to South Santa Clara County's overall economic success. Many South County Farmers currently face significant financial challenges and uncertainty in their business. These challenges are particularly acute for our tenant farmers, which represent a significant percentage of our overall farming population.

In the past, Valley Water has extended a special temporary pricing program for the South County agriculture community which partially reflected the costs they incurred by operating their own wells. With farmers experiencing an already very-low profit margin, the eradication of the current special pricing program would lead to water rates almost tripling over the next 7 years, thus resulting in what we fear will be the demise of the area's prime farmland. That being said, the Morgan Hill Chamber of Commerce on behalf of South County Farmers encourages the continuation of the special temporary pricing program and also urges an investigation into the possibility of making this a more permanent program. Our Ag Community needs all of our support to maintain this area as the "Valley of Heart's Delight!"

Thank you for your time.

Sincerely yours,


Ken Murray, Government Relations Chair


Rich Firato, Board Chair


John Harner, President & CEO

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APR 12 2019

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