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April 12, 2021

Valley Water
Board of Directors
Sent via email to Glenna Brambill (gbrambill@valleywater.org)

Re: April 13, 2021 Agenda Item 2.10, related to Groundwater Production Charges

Dear Valley Water Directors,

On behalf of the Santa Clara Valley Open Space Authority, **I strongly support limiting the groundwater charge to agricultural customers as much as possible, and in no event, more than 10% of the Municipal and Industrial (M&I) rate, and support this across all zones.**

Agricultural operations in Santa Clara Valley provide a raft of services to our communities and the region, some of which are obvious, but many of which are often overlooked. Of course, farmers provide us with food, and local sources of produce make better climate sense than relying on distant sources. As well, our farms provide many ecosystem services that benefit our communities, like absorbing and spreading rainfall during heavy storms, providing places for wildlife to roam along the edges of fields, and stopping sprawl and the associated greenhouse gas emissions when agricultural lands are preserved at our urban edges.

Many agricultural producers are faced with very low profit margins, so even small increases in water rates can make a large difference in the economic viability of an agricultural operation. Many farmers are tenant farmers who would bear the brunt of increased rates, while having no control over whether a property is protected by a Williamson Act contract or conservation easement, so there is an important equity concern to consider here as well.

Increasing water rates for our farmers works against the aim of preventing the further loss of our vital working lands. The Santa Clara Valley Ag Plan, a plan developed in 2017 by the Santa Clara County and Open Space Authority in to limit conversion of farmland to development as a climate strategy envisions permanently protecting up to 12,000 acres of our highest priority agricultural lands in the next decade, but this effort will be moot if ag operations increasingly cease to be economically feasible.

The Open Space Authority recommends keeping groundwater rates charged to agricultural users as low as possible. We support, and express preference for, the Santa Clara County Farm Bureau's recommendation, submitted to the April 5, 2021 meeting of Agricultural Water Advisory Committee, to freeze agricultural groundwater rates at current levels for 15 years, if at all feasible, and to recognize the recharge benefits that agricultural lands provide. Alternatively, however, if not feasible, we strongly request that rates in all zones certainly be limited to no more than 10% of the Municipal and Industrial (M&I) rate, consistent with the alternative staff recommendation.

In addition, the Open Space Authority stands ready to partner with Valley Water and our county's agricultural community to help identify and bring to bear other opportunities to address the upward pressure on agricultural groundwater costs, for instance by assisting with on-farm water conservation measures, including but not limited to partnering on voluntary State grant funding programs like SWEEP.

Thank you for the opportunity to comment on this important issue.

Sincerely,



Andrea Mackenzie
General Manager

Cc: Santa Clara Valley Open Space Authority Board of Directors