April 18, 2022

Santa Clara Valley Water District
5700 Almaden Expressway
San Jose, CA 95118

Re: Fiscal Years 2023-27 Draft Capital Improvement Program and Fiscal Year 2022-23 Groundwater Production Charges

Dear Valley Water Staff and Board of Directors,

The following comments were delivered to the Board of Directors on January 11, 2022 during a Work Study Session on Fiscal Years 2023-27 Preliminary Capital Improvement Program and Preliminary Fiscal Year 2022-23 Groundwater Production Charges. We request these comments be included in the public record for the public hearing on Fiscal Years 2023-27 Draft Capital Improvement Program and Fiscal Year 2022-23 Groundwater Production Charges.

It isn’t likely that the County will return to “normal” water use by 2026. It’s more likely the next four years will be drier and water demand will continue to be substantially below projections. It’s good to see Valley Water staff looking at other demand scenarios, but the rate projections are using the optimistic baseline scenario (in staff report) or the outdated 2020 Monitoring and Assessment Program report projections (in Protection and Augmentation of Water Supplies report) to project rate increases. That may cause less public outrage, but it isn’t accurate. Demand will be lower, and rates will need to go up more than what is currently being projected. It would be more conservative to acknowledge this risk and use a scenario with low or no future rebound in demand.

The proposed water rate increases are of great concern. Over the next 3 years at the baseline scenario, the average San Jose water bill will go up by $323 per year, and that’s the optimistic scenario. And that’s only Valley Water’s cost increases. The utilities will have cost increases too. This is unsustainable. Something has to change.
Valley Water needs to re-evaluate the Capital Improvement Program and look for projects that are not necessary that can be eliminated because water needs to be affordable. Many people here are wealthy, but there are also a lot of people who struggle to pay their bills.

What makes most sense is to stop the new Pacheco Reservoir project. The project will not provide any additional water supply. The only real benefit of the project is in-county water storage (operational flexibility). This is not enough benefit to justify spending billions of dollars and over-burdening the residents of Santa Clara County. Nearby San Luis Reservoir is expanding and can be used for additional storage. Increasing participation in the Los Vaqueros Reservoir expansion is another option.

Aside from that, if Anderson Reservoir is any guide, the cost for Pacheco will go up again at every stage, from 10% to 30% to 60% to 90% design, and on into construction.

Thank you for your consideration.

Sincerely,

Katja Irvin, AICP
Water Committee Co-Chair
Sierra Club Loma Prieta Chapter