SCOPE
Santa Clarita Organization for Planning and the Environment
TO PROMOTE, PROTECT AND PRESERVE THE ENVIRONMENT, ECOLOGY
AND QUALITY OF LIFE IN THE SANTA CLARITA VALLEY
POST OFFICE BOX 1182, SANTA CLARITA, CA 91386

12-12-12

Board of Directors
Castaic Lake Water Agency
27234 Bouquet Canyon Rd.
Saugus, CA 91350

Re: Resolution of Necessity and all action items pertaining to the purchase of Valencia Water Company

We object to these actions on the following grounds:

1. The Board should not spend public money to complete a $73 million dollar transaction with taxpayer money that was negotiated behind closed doors. This proposal will raise rates for Valencia Water Company customers and perhaps others. The public should know exactly how they will be affected and have the opportunity to give input on how their money will be spent.

2. The cost of clean up for Valencia Supply Wells recently closed due to pollution should be analyzed to evaluate how much this will cost the public if this company is acquired.

3. No settlement for water pollution due to PCE and TCE has been reached with Whittaker Bermite. While the CPUC may limit ratepayer claims against a private water company, no such protection exists for a public Company. The potential financial liability of such ratepayer actions against CLWA should be carefully evaluated before proceeding.

Failure to Comply with CEQA
Combining Valencia Water Company and Santa Clarita Water Company will result in a physical change to the environment. Ground water may be piped to other areas from Valencia wells that were not previously served by Valencia. Polluted ground water from areas within the Valencia Water Co. affected by the Whittaker Bermite plume may be blended and provided to areas not previously served from such wells, or more pumping from other areas to make up the loss may occur.

The Agency states that it intends to combine the facilities of these two companies. A physical change will also occur when facilities are combined since new pipes, pumps or other connections will be needed.

Further, Santa Clarita Water Company is not permitted by state law to ground water outside its service area, nor exceed a certain percentage of ground water production. How does the Agency intend to verify compliance with this state when the two systems are combined? These issues must be disclosed in an environmental review document.

We therefore believe that the Agency may not proceed further with a contract or any other approval for this project without complying with the California Environmental Quality Act by
Comments on CLWA Actions to Acquire Valencia Water Co.

providing a review document to the public and responding to public comment on that document.

**Failure to comply with AB134**
This law states that CLWA may not pump ground water outside the specified service area of Santa Clarita Water Company. Any change to those boundaries will require approval of the legislature. CLWA has no such approval. The Agency, and your Board, if you approve these actions, are knowingly proceeding in a manner contrary to law.

We ask that you delay approval on this matter until the above issues are resolved.

Sincerely,
SCOPE Board of Directors

[Signature]

Attachments
Well Reports for Valencia Wells from Dept. of Health Services
Valencia Press Release regarding well shut down
Signal News Article regarding spread of pollution plume