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San Jose, CA 95128-3514

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October 3, 2022

Town of Los Gatos
Town Council and City Staff

Re: Adopt a Resolution Granting 4 New York Avenue to the Los Gatos-Saratoga Union High School District and Authorize the Town Manager to Negotiate and Execute the 4 New York Avenue Grant Agreement and All Documents Needed to Complete the Transaction in a Form Acceptable to the Town Attorney

Dear Council Members and Staff;

San Jose Water Company (SJW) has owned property at the westerly terminus of New York Avenue since 1906. Initially, this property was used as a ground water production site. The wells have since been retired. A portion of the property is currently in beneficial use for a water supply pressure regulator station to serve a large part of the Town of Loas Gatos.

In addition, another portion of the property has been and continues to be leased to Boy Scout Troop #2 for a nominal sum per year.

The SJW property is essential for operation of the SJW water system and continued access via New York Avenue is important. In addition, SJW has essential transmission and distribution pipelines within New York Avenue including 12", 21" and 24" diameter pipelines. As SJW continues to make improvements to our system, these pipelines and appurtenances will need to be continually maintained and eventually replaced.

Finally, any reduction in access rights or underground utility rights would impair the value of the SJW property.

We recommend and would appreciate the Town's consideration of SJW needs for continued use of New York Avenue for access and maintenance of underground utilities. Given the age, evolution and complexity of property and property rights within and in the vicinity of New York Ave., it would be prudent for a record of survey to be completed. At a minimum SJW would require a reservation of the full ROW extent as a Public Utility Easement (PUE), Public Service Easement (PSE) and full

unpaired rights for ingress and egress to our facilities and whatever else can be part of the vacation to afford SJW a guarantee that no encroachment into the vacated ROW can occur without express acceptance from SJW. We expect a thorough evaluation and hope that the Town will provide a reservation of easement for continued access to the SJW property and a reservation of a public service easement covering the full width of New York Avenue with any quitclaim of New York Avenue to the Los Gatos High School.

If you have any questions, you may contact me by phone at 408-918-7296 or by email at Scott.Hoffman@sjwater.com.

Sincerely,

Hoffman, Scott
Digitally signed
by Hoffman, Scott
Date: 2022.10.03
13:40:02 -07'00'

Scott Hoffman
Manager of Property & Permit Services

Cc:
Bill Tuttle, VP of Engineering, SJWC
Ed Lambing, Chief Engineer, SJWC