

Press Release
Great Oaks Water Company
November 30, 2009

Santa Clara Valley Water District Ordered to Refund More Than \$4.6 Million in Illegally Collected Taxes to Great Oaks Water Company

Today, the Santa Clara County Superior Court issued its decision ordering the Santa Clara Valley Water District to refund \$4,623,095.52, plus statutory interest, in illegally collected groundwater charges to Great Oaks Water Company. The Court also found that the Water District had violated the Santa Clara Valley Water District Act through its unlawful spending and over-budgeting practices, and awarded Great Oaks damages in the amount of \$1,306,830.00.

The decision today follows the Court's April decision finding that the Santa Clara Valley Water District had violated the California Constitution and its own District Act.

John Roeder, CEO of Great Oaks commented: "Great Oaks Water Company is very pleased with the result handed down by the Court today. For more than four years, we have said that the Santa Clara Valley Water District has been violating the California Constitution and the Water District Act, and this decision confirms that we have been right all along. Both Great Oaks and the Water District received a fair hearing and the result should come as a surprise to no one."

According to Great Oaks' General Counsel, Tim Guster, "The Water District has said it will appeal, spending hundreds of thousands if not millions more in taxpayer dollars in its continuing campaign to deny Santa Clara County residents their constitutionally-guaranteed right to vote on taxes. The Water District will even say that all this is being done in the public interest, when clearly that is not true. Denying the right to vote on taxes is never in the public interest."

Mr. Roeder, long an advocate of legal compliance by the Water District, commented further: "There is no room in local, state or federal government for elected officials, like those on the Water District Board, to violate the Constitution. If the Water District Board members do not resign, they should be recalled so that the residents of Santa Clara County can elect responsible people who will honor the California Constitution and the laws of this State."

"As long as the Water District continues its repeated violations of the California Constitution and continues to fight to deny residents of Santa Clara County the right to vote on taxes, your water bills will remain too high."

Mr. Guster added, "The decision from the Court today is expected to become final by early next year, after which the District will file its appeal. Great Oaks will continue to fight for its rights and those of its customers."

Great Oaks Water Company, celebrating its 50-year anniversary, is a water utility regulated by the California Public Utilities Commission. Great Oaks serves more than 100,000 customers in south San Jose and Coyote Valley. Great Oaks delivers clean, refreshing water pumped from the vast underground aquifers of Santa Clara County, and Great Oaks' customers enjoy some of the lowest water rates in the County.

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