

February 27, 2008

Mr. Rod Diridon
California Trolley and Railroad Corporation
1600 Senter Road
San Jose, CA 95112

Subject: San Jose Steam Railroad Museum

Dear Mr. Diridon:



This letter is in response to your January 31, 2008, letter requesting that the Santa Clara Valley Water District (District) endorse the concept of a San Jose Steam Railroad Museum (Railroad Museum) on the site of the 1863 San Francisco and San Jose Steam Railroad's historical southern terminus. At the February 26, 2008, Board meeting, you presented information on the proposed Museum and solicited our support.

As you are aware, the District is a main sponsor of the Guadalupe River Project in partnership with the City of San Jose, the Redevelopment Agency, and the Corps of Engineers. The Guadalupe Project not only provides flood protection to areas of San Jose which had been previously susceptible to frequent flooding, but also provides many recreational and open space amenities. The District believes that the Railroad Museum would be an excellent and exciting complement to the existing public amenities that have already been provided and our support would be generally consistent with District policies.

Please note that certain project elements remain to be constructed in areas adjacent to the proposed Railroad Museum; specifically, the Corps of Engineers is obligated to replace the existing trestle bridge with a bridge that will not be as susceptible to trapping debris, and to reinforce the abutments supporting the Coleman Avenue Bridge. These improvements are scheduled to be completed as soon as federal appropriations are approved and final design approval by UPRR is obtained. Completion of these project elements is the District's main interest at this time.

Therefore, we must condition our otherwise enthusiastic support with the caveat that the proposed Railroad Museum not conflict, compete for funding with, increase cost of or otherwise delay completion of the remaining Guadalupe Project elements.

In summary, we support the concept and invite you to submit detailed plans as they evolve so that our staff can evaluate and ensure compatibility with existing and future Guadalupe Project improvements. We also strongly encourage you to consult the Redevelopment Agency which is the lead agency for developing and updating the Guadalupe Project Master Plan.

Sincerely,



Rosemary Kamei
Chair/Board of Directors

cc: The Honorable Zoe Lofgren
16th Congressional District
635 North First Street, Suite B
San Jose, CA 95112

Board of Directors (7), B. Goldie, A. Gurevich