

Farallon roots examined, Baca's bedfellows seen

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ALAMOSA - San Luis Valley water users this week discovered an Ivy League connection to one of the Valley water's most recent enemies.

Yale University endowment fund dollars, in association with Farallon Capital Management Corp., helped buy the Valley ranch which investors hoped would turn their money into liquid gold.

Dropping the bombshell on this discovery was Chris Canaly who reported this unique find to the Rio Grande Water Conservation District board on Tuesday.

Canaly said before Thanksgiving last year she had received a call from someone seeking information on Farallon and Stockman's Water.

This last weekend the person called back, and she learned her caller was a graduate student at Yale University.

"He has been doing research because there are many students at Yale questioning the investment practices of the university," Canaly said.

Yale owned half of Vaca Partners (also associated with Farallon), the limited partnership set up for the Baca Ranch investment, the graduate student told Canaly. Vaca Partners owns a 50-percent share of Cabeza de Vaca LLC, which owns Baca Ranch (Stockman's Water Company, Gary Boyce.)

Canaly said this information "means Yale backed those ballot initiatives we had to fight."

Like its predecessor, American Water Development Inc. (AWDI), Stockman's Water proposed to export Valley water from the Baca Ranch.

After multi-year legal battles, including failed ballot initiatives which would have threatened Valley water practices, Stockman's water exportation plans were thwarted by

the pending sale of the Baca Ranch as part of the conversion of the Great Sand Dunes National Monument to a national park. (That sale is still in the works, with the Nature Conservancy negotiating the initial purchase.)

Yale's investment in the Baca Ranch is going to pay off, Canaly explained, because the ranch is being sold for substantially more than Yale and other investors put into it. "They had \$15 million going in and will get \$30 million going out," she explained.

Rio Grande Water Conservation District President Ray Wright commented, "You put it in perspective, how many dollars the district and the Valley and the state have spent in attempting to deal with this, and it isn't quite rape, but it's close."

Canaly said for a nonprofit organization, Yale has some major investments, including basically owning 5 percent of the state of Maine.

Yale owns about 800,000 acres where clear cutting practices are being conducted, contrary to the forestry practices taught in Yale's own classrooms.

"They aren't even practicing the same kind of management on land they own, because obviously they are into the bottom dollar."

Yale students have detailed some of these inconsistencies on a web site, www.yaleinsider.org, Canaly said. "They have a whole exposé on the Stockman's water project," she said.

Canaly asked the water district board to write letters to key people connected with the university - "let them know we don't appreciate where they decided to make their investments."

She said perhaps a letter like that might give some of the Yale trustees courage to make changes in the way the university invests its money.

The San Luis Valley Ecosystem Council, with whom Canaly is associated, will also be writing a letter to Yale, as will other groups concerned about Valley water issues.

Wright said a letter to Yale might be appropriate action.

RGWCD Attorney David Robbins said this brings out the importance of the district working with groups such as the Ecosystem Council which has different contacts than the district itself.

Although not all of these groups agree on everything, he said, "I think everyone works together for the same basic purpose which is to try to protect the San Luis Valley, its citizens, its economy, its way of life and the environment."