December 1, 2015

Santa Clara Valley Water District Attention: Clerk of the Board of the Directors 5750 Almaden Expressway San Jose, CA 95118

Dear Santa Clara Valley Water District Board of Directors,

I am submitting my Letter of Interest, Application for SCVWD Board of Directors and Responses to the Qualifying Supplemental Questions for the vacant District 1 Seat. In the 2014 elections, I ran for this seat and I received ~45% of the vote (20,573 votes). Some of the key initiatives that I advocated for in 2014 are those that the Santa Clara Valley Water District implemented this year, which included expanding recycled water to South County residents and businesses, increased water conservation strategies, utilization of innovative technologies and management of the voter approved Safe, Clean Water projects and tax payer funded budget.

My interests in serving the community continued after the 2014 elections. On July 1, 2015, I was appointed to the San Jose Mineta International Airport Commission by City Councilmember Ash Kalra and I became a Board Member of my neighborhood Homeowner's Maintenance Association representing 600 family homes.

Furthermore, I have the pleasure of being a Public Agency Worker for the County of Santa Clara for the past eight years. The past seven years I have worked in the County Parks and Recreation Division. I have also served as a Union Steward for SEIU-Local 521 during my employment at the County as well as with my past employer (United Airlines) with the internationally recognized AFL-CIO, AFA-CWA union so I am very familiar working in a unionized environment and representing employees in a labor-management organization.

In college, I studied Electrical Engineering and Physics on a U.S. Air Force ROTC college scholarship while simultaneously becoming a Registered Financial Representative through the Securities and Exchange Commission.

Thank you for your time in reviewing my application package.

Sincerely,

Tom Cruz

San Jose, CA 95138

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## APPLICATION FOR SANTA CLARA VALLEY WATER DISTRICT BOARD OF DIRECTORS - DISTRICT 1

Please complete this application in its entirety and submit an original signed copy along with a letter of interest containing your name, residence address, occupation, summary of interest in the position, and any other relevant qualifications and experience, to the Office of the Clerk of the Board at 5750 Almaden Expressway, San Jose, California 95118, by 4:00 p.m. Wednesday, December 2, 2015.

## A. CONTACT INFORMATION

Name (First, Last):				
Tom Cruz				
Residence Address (Street	et Address, City, State, Zip):			
	San Jose, CA 9	95138	4	
	Little de Obsesse	Cell Phone:	E-Mail:	
Home Phone:	Work Phone:	Cell Pilone.	C-Ivian.	

## B. QUALIFYING SUPPLEMENTAL QUESTIONS (Fedals) three set and a sheet of paper of necessary

1. Explain why you think you should be appointed to the District 1 Board of Directors seat.

In the 2014 elections, I ran for the District 1 seat and I received ~45% of the South County vote (20,573 votes). I developed relationships with the agricultural community and they supported me throughout my campaign and continue to date. Many of the key initiatives that I advocated for in my 2014 self-funded campaign are those that the SCVWD implemented this year and will be in the near future, which included expanding recycled water to South County residents and businesses, increased water conservation strategies, utilization of innovative technologies and stringent

management of the voter approved Safe, Clean Water projects and tax payer funded budget.

My interests in serving the community continued after the 2014 elections. I persevered and continued to advocate for my community. Since then I have actively served and represented my community in South County. On July 1, 2015, I was appointed as a Commissioner to the San Jose Mineta International Airport Commission by Councilmember Ash Kalra where I represent approximately 100,000 residents of the City of San Jose's District 2. (See attached sheet for full response.)

2. Describe the experience you have that will assist you with the responsibilities required of you while serving as a member of the Board of Directors.

As the son of a retired U.S. Air Force veteran and grandchild of a farmer, during my childhood (and summer breaks as I became older) I was raised in an agricultural environment (i.e., farm, cattle, livestock) with a high expectation of integrity. Because of this upbringing, I possess firsthand experience with the hard work and challenges experienced by the farming community. I am known in the community for being honest, caring and trustworthy. I keep my promises and I will do the same for the entire community of South County. I have been a resident of District 1 (South County) with my wife for almost 20 years and I am very familiar with the water issues affecting my community.

As referenced above, I have experience as a public official as a San Jose Mineta International Airport Commissioner and I am fully committed to serving my community. (See attached sheet for full response.)

- 3. A. What are your detailed thoughts on the current SCVWD practice of using parcel (property) taxes for State Water Project costs versus having the water consumers pay for 100% of these costs?
  - B. If some of the costs are to be paid by property owners, should certain property owners who are not able to receive any water from the SCVWD despite asking for water, be required to pay the costs?

I agree with the Water District's practice of using property taxes for the State Water Project, including the Twin Tunnels project as this would benefit the entire state. Although it is a \$25B statewide cost, the Water District's costs would be approximately \$228M between now and 2024. The Water District has nearly 2M customers and the ratio is 0.000057 percent property tax per home towards the State Water Project. To aid towards paying the Water District's cost, the average homeowner currently paying \$36 per year on their property tax will increase only a nominal amount over the next ten years to \$60 per year to pay towards the bond debt.

Property owners pumping groundwater from a well and not receiving water directly from the Water District should be monitored to avoid excessive consumption. (See attached sheet for full response.)

4. Agricultural water rates in both North and South County are heavily subsidized by water consumers and tax payers in Morgan Hill, Gilroy and others. Please explain your reasoning behind supporting the continuation of tunds for conservation, reduced water rates and other projects.

I agree with the Open Space Credit Policy in support of the Agricultural community in South County in order to preserve this industry. I further support the Water District using 1% ad valorem property taxes to subsidize the farming community in order for them to continue to provide us with agricultural products. Maintaining a viable Agricultural industry in South County is critical. Retaining reasonable agricultural groundwater production charges at less than 10% of the M&I charge is important for the sustainability of our farming community.

5. What do you think will be the most significant challenges that the District will be facing in the next few years?

Water supply is a precious commodity that is a basic human need. The unknown of whether the drought will continue will affect how to efficiently plan in the short and long-term. Even if the anticipated El Nino rains arrive, it will be important to educate the public that the drought is still not over. The SCVWD implemented successful water conservation strategies to aid during the drought. However, the challenge exists with innovative programs for the community to continue to save water when they have already done a significant amount. Purchasing imported water goes hand-in-hand with this challenge due to water availability and increase in costs for this water supply.

Another challenge in South County is the Lake Anderson seismic retro-fit. The recent findings that commencement of construction work will be delayed by one year due to new trace faults coupled with the water capacities in the reservoir will need to continue to be closely monitored.

(See attached sheet for full response.)



## APPLICATION FOR SANTA CLARA VALLEY WATER DISTRICT BOARD OF DIRECTORS - DISTRICT 1

6. What three items would be your highest priority if you are appointed as a SCWWD District 1 Board Member? First, building relationships with the current SCVWD Board is of upmost importance to me and understanding in-depth each Board Member's interests. I will partner with the Board to provide oversight of the tax-payer funded budget and ensure that the community money will continue to be appropriately managed. This includes ensuring that the 15-year voter approved Safe, Clean Water projects are completed as promised to the community including restoration of wildlife habitat and increased open space. Furthermore, utilizing my collaborative communication skills I will seek to develop positive relationships with the Board, Water District management, union representatives and employees.

Second, I will promote and support the District's Expedited Purified Water Program to increase supply of recycled water to South County residents and businesses. I will also further develop my relationships with the agricultural community including the Santa Clara Farmer's Bureau and the City of Gilroy's SCRWA.

(See attached sheet for full response.)

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Applicant Signature	$\overline{\mathcal{O}}$	Date Signed

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 Explain why you think you should be appointed to the District 1 Board of Directors seat.

In the 2014 elections, I ran for the District 1 seat and I received ~45% of the South County vote (20,573 votes). I developed relationships with the agricultural community and they supported me throughout my campaign and continue to date. Many of the key initiatives that I advocated for in my 2014 self-funded campaign are those that the SCVWD implemented this year and will be in the near future, which included expanding recycled water to South County residents and businesses, increased water conservation strategies, utilization of innovative technologies and stringent management of the voter approved Safe, Clean Water projects and tax payer funded budget.

My interests in serving the community continued after the 2014 elections. I persevered and continued to advocate for my community. Since then I have actively served and represented my community in South County. On July 1, 2015, I was appointed as a Commissioner to the San Jose Mineta International Airport Commission by Councilmember Ash Kalra where I represent approximately 100,000 residents of the City of San Jose's District 2.

In addition, my immediate residential community (Basking Ridge) continues to be my interest and I became a Board Member in February 2015 of my Homeowner's Maintenance Association representing 600 affluent homes. In the short time that I have been in this role, I have made motions at board meetings to make positive differences in my community that had been stalled in past years. I also partnered with City Councilmember Ash Kalra's Office and assisted in marketing "National Night Out" in the Basking Ridge community in August 2015 with my own personal funds and time to increase participation and neighborhood spirit. As a result, it was a very successful event with the majority of the community in attendance.

Lastly, I decided to become active in the community after successfully overcoming a medical illness a couple of years ago. What helped me return to good health was the positivity and motivation of my community friends and family. It is because of this support that changed my perspective of life and my desire to give back to the community who helped me. Therefore, I have made it a personal choice to give back to my community by being their voice and as a way of showing my gratitude.

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2. Describe the experience you have that will assist you with the responsibilities required of you while serving as a member of the Board of Directors.

As the son of a retired U.S. Air Force veteran and grandchild of a farmer, during my childhood (and summer breaks as I became older) I was raised in an agricultural environment (i.e., farm, cattle, livestock) with a high expectation of integrity. Because of this upbringing, I possess firsthand experience with the hard work and challenges experienced by the farming community. I am known in the community for being honest, caring and trustworthy. I keep my promises and I will do the same for the entire community of South County. I have been a resident of District 1 (South County) with my wife for almost 20 years and I am very familiar with the water issues affecting my community.

As referenced above, I have experience as a public official as a San Jose Mineta International Airport Commissioner and I am fully committed to serving my community. My experience working with the public has been recognized by City Councilmember Ash Kalra as being an asset to the members of Santa Clara County with his decision to appoint me to this coveted four-year Commission seat. In addition, I will have the pleasure to be part of a delegation representing the San Jose Airport on the British Airways inaugural flight from San Jose to London in May 2016 due to my commitment in representing the public.

As an example of my sincere interest and commitment in supporting the community, I have the pleasure of being a Public Agency Worker as a union employee of the County of Santa Clara for the past eight years. I have also served as a Union Steward for SEIU-Local 521 during my employment at the County as well as with my past employer (United Airlines) with the internationally recognized AFL-CIO, AFA-CWA union so I am very familiar working in a unionized environment and representing employees in a labor-management organization.

Furthermore, I studied Electrical Engineering and Physics on a U.S. Air Force ROTC college scholarship while simultaneously becoming a Registered Financial Representative through the Securities and Exchange Commission. My financial experience allows me to easily understand detailed budgets, financial reports, investments and money management. I will utilize my unique educational and work experience background in science and finance as an asset in my abilities to understand and apply towards the Water District's projects and budgeting.

I will devote myself to serving the hard working residents, farmers, agricultural businesses and their families. I would be proud to represent the South County community. For these reasons, I feel that I am a well-qualified candidate for the vacant SCVWD Seat 1.

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- 3. A. What are your detailed thoughts on the current SCVWD practice of using parcel (property) taxes for State Water Project costs versus having the water consumers pay for 100% of these costs?
- B. If some of the costs are to be paid by property owners, should certain property owners who are not able to receive any water from the SCVWD despite asking for water, be required to pay the costs?

I agree with the Water District's practice of using property taxes for the State Water Project, including the Twin Tunnels project as this would benefit the entire state. Although it is a \$25B statewide cost, the Water District's costs would be approximately \$228M between now and 2024. The Water District has nearly 2M customers and the ratio is 0.000057 percent property tax per home towards the State Water Project. To aid towards paying the Water District's cost, the average homeowner currently paying \$36 per year on their property tax will increase only a nominal amount over the next ten years to \$60 per year to pay towards the bond debt.

Property owners pumping groundwater from a well and not receiving water directly from the Water District should be monitored to avoid excessive consumption. If the District verifies that property owners are not able to receive any water by any means even after asking the District, these owners should be considered for an exemption with future verifications.

4. Agricultural water rates in both North and South County are heavily subsidized by water consumers and tax payers in Morgan Hill, Gilroy and others. Please explain your reasoning behind supporting the continuation of the rapidly expanding "open space credit" expense or reducing that expense so the SCVWD can use those funds for conservation, reduced water rates and other projects.

I agree with the Open Space Credit Policy in support of the Agricultural community in South County in order to preserve this industry. I further support the Water District using 1% ad valorem property taxes to subsidize the farming community in order for them to continue to provide us with agricultural products. Maintaining a viable Agricultural industry in South County is critical. Retaining reasonable agricultural groundwater production charges at less than 10% of the M&I charge is important for the sustainability of our farming community.

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5. What do you think will be the most significant challenges that the District will be facing in the next few years?

Water supply is a precious commodity that is a basic human need. The unknown of whether the drought will continue will affect how to efficiently plan in the short and long-term. Even if the anticipated El Nino rains arrive, it will be important to educate the public that the drought is still not over. The SCVWD implemented successful water conservation strategies to aid during the drought. However, the challenge exists with innovative programs for the community to continue to save water when they have already done a significant amount. Purchasing imported water goes hand-in-hand with this challenge due to water availability and increase in costs for this water supply.

Another challenge in South County is the Lake Anderson seismic retro-fit. The recent findings that commencement of construction work will be delayed by one year due to new trace faults coupled with the water capacities in the reservoir will need to continue to be closely monitored.

The Board decisions that will be required over the next year with the Expedited Purified Water Program and distribution of recycled water at the Silicon Valley Advanced Water Purification Center will be critical. In particular, the decisions involved to whether to proceed with the Public-Private-Partnerships or Progressive Design-Build at the conclusion of this accelerated water project.

6. What three items would be your highest priority if you are appointed as a SCVWD District 1 Board Member?

First, building relationships with the current SCVWD Board is of upmost importance to me and understanding in-depth each Board member's interests. I will partner with the Board to provide oversight of the tax-payer funded budget and ensure that the community money will continue to be appropriately managed. This includes ensuring that the 15-year voter approved Safe, Clean Water projects are completed as promised to the community including restoration of wildlife habitat and increased open space. Furthermore, utilizing my collaborative communication skills I will seek to develop positive relationships with the Board, Water District management, union representatives and employees.

Second, I will promote and support the District's Expedited Purified Water Program to increase supply of recycled water to South County residents and businesses. I will also further develop my relationships with the agricultural community including the Santa Clara Farmer's Bureau and the City of Gilroy's SCRWA.

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Third, I would also support utilization of innovative technology to enhance and implement water supply strategies including de-salinization as an option. I would like to incorporate advanced water technologies within the Water District and external partners.