



District Attendees

Randy Marx	Board President
Michael McRae	Board Vice President
Chris Petersen	Board Member
Misha Sarkovich	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Technical Services Manager

Other Attendees

Ali Shafaq	Associate Engineer
Tonya Perez	Financial Analyst
Mike Northcutt	Construction Inspector
Rebecca Simon	Human Resource Administrator
Kim Sarkovich	Visitor

Absent

Gary Page	Board Member
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AGENDA ITEMS

I. CALL TO ORDER

- Board President Marx called the meeting to order at 6:01 p.m.

II. PUBLIC COMMENT

- General Manager Gray introduced Fair Oaks Water District (FOWD) employees.

III. DISCUSSION AND POSSIBLE ACTION

Discussion and possible action on FOWD employee compensation and retention

1. Regular COLA Capped at 4% (Starting 01-01-2023)

- General Manager Gray recommended the Board approve the regular Cost-of-Living Adjustment (COLA) capping at 4% starting in 2023. He indicated there is no current cost and FOWD will update the Employee Compensation Policy.

- Visitor Kim Sarkovich inquired about tying the COLA to Consumer Price Index (CPI) and becoming a negative number. She suggested the policy should mention a minimum of 1% and no greater than 4% (or excluding negatives).
- Director Sarkovich mentioned he will amend the motion to specify the COLA will be from 0-4%.

Director Sarkovich moved to amend the motion with COLA starting at 0% and capped at 4%.

Board Vice President McRae seconded the motion.

Motion carried with the following votes: Marx – aye, McRae – aye, Petersen – aye and Sarkovich – aye.

Absent: Director Page

2. *Implement a District paid Retirement Medical Insurance Allowance Policy (Starting 01-01-2023)*

- General Manager Gray provided an overview of the recommended Retirement Insurance Allowance Policy.
- General Manager Gray proposed a potential alternative option that would allow retired employees to obtain health insurance through the District by obtaining the discounted group rate at no cost to the District.
- Director Sarkovich stated that he prefers this alternative option.

The Board decided there will be no action taken on this item and will study it with the goal of producing a couple of proposals by the end of the year.

3. *Provide a 3% District match for individual employee contributions into the FOWD sponsored deferred compensation 457 Plan (Starting 07-01-2022)*

- General Manager Gray stated that FOWD currently does not offer a matching contribution and only one-third of employees are enrolled in the 457 Plan.
- Director Sarkovich proposed a fixed dollar amount instead of the 3%. A matching contribution of up to \$2,000 annually, for a total potential fixed annual cost of \$62,000.

Director Sarkovich moved to amend the motion and provide a fixed amount of up to \$2,000 District match for individual employee contributions starting on July 1, 2022.

Vice President McRae seconded the motion.

Motion carried with the following votes: Marx – aye, McRae – aye, Petersen – aye and Sarkovich – aye.

Absent: Director Page

4. Immediate 5% Base Pay Increase for All Positions (Starting 7-01-2022)

- Director Sarkovich agreed with the 5% base pay increase.
- Director Petersen inquired if FOWD has ever given mid-year raises.
- General Manager Gray replied FOWD has not given mid-year raises.

Director Sarkovich moved to approve the proposed pay increase.

Board Vice President McRae seconded the motion.

Motion carried with the following votes: Marx – aye, McRae – aye, Petersen – aye and Sarkovich – aye.

Absent: Director Page

5. Temporary District Reorganization (Starting 06-01-2022)

- a. Eliminate one Field Operations Crew for the remainder of 2022.
- b. Contract for all water main work for the remainder of 2022.
- c. Rotate three managers (GM, OM, TSM) to work weekly at the Corp Yard Building to provide Field Leadership for the remainder of 2022.

Director Sarkovich moved to approve the proposed reorganization.

Director Petersen seconded the motion.

Motion carried with the following votes: Marx – aye, McRae – aye, Petersen – aye and Sarkovich – aye.

Absent: Director Page

- Board President Marx recommended to the salary survey be updated.

IV. PUBLIC COMMENT

- Visitor Kim Sarkovich suggested FOWD perform a full compensation study.
- Director Sarkovich inquired about the process of getting into the water business and obtaining certifications.
- General Manager Gray responded that the Sacramento State Water Program offers fundamental water courses.
- Operations Manager Huckaby mentioned FOWD offers entry level positions that allow employees to obtain training and certifications within the first year of employment.

V. ADJOURNMENT

With no further business to come before the Board, Board President Marx adjourned the meeting at 7:59 p.m.

The Board approved the preceding minutes on August 15, 2022

Tom R. Gray
General Manager/Board Secretary

Date