



**District Attendees**

Randy Marx	Board President
Michael McRae	Board Vice President
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**

George Babcock	Visitor
Betty Jo Borem	Visitor
Ramona Luna-Barkey	Visitor
Vernon Brown	Visitor
Deanne Ellsworth	Visitor
Todd Ellsworth	Visitor
Mary Clawshell	Visitor

**Absent**

Chris Petersen	Board Member
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**AGENDA ITEMS**

**I. CALL TO ORDER**

- Board President Marx called the meeting to order at 6:30 p.m.

**II. PUBLIC COMMENT**

- None.

**III. PUBLIC WORKSHOP ON FOWD 2023, 2024 AND 2025 PROPOSED WATER RATES**

- General Manager Gray provided an overview of the budget process and proposed rate increases.
- The Board thanked staff for their work and management of the FOWD.

- Visitor Brown complimented FOWD for being frugal. He commented the proposed cumulative rate increase is closer to 27% rather than 25%.
- Visitor Clawshell suggested FOWD post an outdoor sign, include a note on the invoices or perform more public outreach to spread the message regarding the proposed rate increase. She pointed out the Public Hearing is scheduled during Thanksgiving week, which may also hinder attendance and awareness of the proposed rate increase.
- General Manager Gray explained the timing of the hearing is based on regulatory statute to have it completed before the end of the year.
- General Manager Gray provided an overview on current and on-going capital projects.
- The public requested FOWD to provide detail on key projects.
- Board President Marx commented that a lot of the money going back to wells will have a payback, this will make FOWD more reliable and self-sufficient. This is an investment in FOWD's sustainability and being able to control its own destiny.
- General Manager Gray stated FOWD has been absorbing the costs (SJWD increase and inflation) for many years. The proposed rates are what FOWD needs to keep serving its customers and is irrelevant for the rate increases of other water districts.
- The public recommended smaller increments for a longer period of time to minimize the financial impact, especially for fixed income households.
- The public stated FOWD should provide detail commitments on the \$8M reserves.
- Visitor Babcock summarized how FOWD has made decisions based on their customers' benefit. He stated there is never a good time to increase rates.
- Director Sarkovich thanked everyone for attending the meeting. He stated that inflation is the reason why he agreed to these proposed rates. Most of the money gets invested in capital projects such as groundwater wells and transmission pipeline that customers don't get to see. FOWD will ask rate payers for money only when it is needed and now is the time. FOWD is gaining its financial independence by investing in wells.
- Board President Marx suggested revising some slides to reflect more transparency, based on today's comments, before posting it on FOWD's website.

#### **IV. CONSENT CALENDAR**

The following consent calendar items were considered and acted upon as follows:

1. Approval of Minutes
  - a. Regular Board Meeting of August 15, 2022
  - b. Special Board Meeting of September 19, 2022
2. Accept and File Treasurer's Report for the month of September 2022
3. Accept and File Investment Report for the month of August 2022
4. Accept and File Financial Expense Reports for the month of September 2022
5. Approval of Warrants

6. Approval of Cal-Card Statements for the month of September 2022
7. Approval of Board Expense Report for the month of September 2022

Director Sarkovich moved to approve the consent calendar as presented.

Vice President McRae seconded the motion.

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

Absent: Director Petersen.

## **V. PRESENTATION & CORRESPONDENCE**

1. None.

## **VI. DISCUSSION AND ACTION ITEMS: OLD BUSINESS**

### **1. Update and discussion on the Northridge Well Property Expansion Project**

- General Manager Gray provided an overview and stated there is a meeting scheduled for October 27, 2022 to finalize the project.

### **2. Update and discussion on the FOWD Corporation Yard Redevelopment Project**

- General Manager Gray stated that Gutierrez and Associates have sent over the final planning documents for comment. FOWD's feedback is due by the end of the week.

### **3. Update and discussion on FOWD ASR Program**

- General Manager Gray provided an overview of the project.

## **VII. DISCUSSION AND ACTION ITEMS: NEW BUSINESS**

### **1. Update and discussion on FOWD Water Supply for the month of September 2022**

- Technical Services Manager Siebensohn provided a summary of the water supply report.

### **2. Discussion and possible action on additional funding for 2022 expenses**

- Finance Manager Ha-Ly asked for authorization to allow General Manager Gray to transfer \$59,000 from contingency/reserves fund to cover the following expenses: water supply – energy cost wells, equipment repair, backflow testing and supplies, and Proposition 218.

Director Sarkovich moved to approve the proposed transfer to cover for additional funding.

Vice President McRae seconded the motion.

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

Absent: Director Petersen

## **VIII. UPCOMING EVENTS**

1. October 19, 2022 – FORPD Meeting at FOWD
  - Information Only.
2. November 29 to December 2, 2022 – ACWA 2022 Fall Conference
  - Information Only.

## **IX. REPRESENTATIVE REPORTS**

1. **Sacramento Groundwater Authority (SGA)**
  - General Manager Gray attended meeting and provided an overview.
2. **Regional Water Authority (RWA)**
  - Board President Marx attended meeting and provided an overview.
3. **Sacramento Water Forum**
  - General Manager Gray provided an overview.
4. **Other**
  - None.

## **X. DIRECTORS' REPORTS & COMMENTS**

1. **Budget Committee – (Sarkovich)**
  - None.
2. **Technical Advisory Committee – (Marx, McRae)**
  - None.
3. **Capital Improvement Committee – (Sarkovich)**
  - None.
4. **Personnel Committee – (McRae, Petersen)**
  - None.
5. **Public Relations Committee – (McRae)**
  - None.
6. **Wholesale Water Agreement Ad-Hoc Committee – (McRae, Petersen)**
  - None.
7. **Carmichael Water District Ad-Hoc Committee – (Marx, McRae)**
  - None.

**XI. GENERAL MANAGER’S REPORT**

**1. Maintenance Work Report**

- Report provided, no discussion.

**2. Capital Projects Status Reports**

- Report provided, no discussion.

**3. Authorizations of Additional Funding**

- Report provided, no discussion.

**4. Water Transfer Status Report**

- None.

**5. Claims Against District**

- Report provided, no discussion.

**6. Employee Update**

- General Manager Gray provided an update and overview.

**7. Water Issues – Update on Regional Involvement**

- None.

**8. Other**

- None.

**XII. PUBLIC COMMENT**

- Visitor Babcock provided suggestions for the upcoming presentation/public hearing.

**XIII. ADJOURNMENT**

- With no further business to come before the Board, Board President Marx adjourned the meeting at 9:10 p.m.

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The Board approved the preceding minutes on November 21, 2022

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Tom R. Gray  
General Manager/Board Secretary

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Date