



District Attendees

Daniel Gilliam	Board Member
Barry Brown	Board Member
Misha Sarkovich	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Shawn Huckaby	Operations Supervisor
Chi Ha-Ly	Sr. Financial Analyst

Other Attendees

Paul Cornwell	Visitor
Joe Maloney	Visitor
Jeffrey Mitchell	Kronick, Moskovitz, Tiedemann & Girard
Michael Ryan	Anova Architects
Shannon Bolick	Anova Architects
Mike Kozlowski	Anova Architects

Absent

Randy Marx	Board President
Timothy Healey	Board Vice President

AGENDA ITEMS

I. Call to Order

Director Gilliam called the meeting to order at 6:30 p.m.

II. Public Comment

None.

III. Consent Calendar

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

1. Approval of Minutes:
 - a. Regular Board Meeting of August 13, 2007
2. Accept and file: Treasurer's report for the month of August, 2007
3. Accept and file: Investment report for the month of July, 2007
4. Accept and file: Monthly Financial Expenses for July, 2007

5. Approval of Warrants
6. Approval of Cal Card Statement
7. Approval of Monthly Board Expense Report for August, 2007
 - Director Brown pulled Item III.1 and III.2. Director Brown noted that on the minutes under section VI.1, the dates should be changed from November 13th and November 14th to November 12th and November 13th.
 - Director Brown inquired on the three damaged claims totaling approximately \$3,600.
 - General Manager Gray stated that these are generally damages made while installing meters. He will report back with the specifics at the next Board meeting.
 - Director Gilliam stated that staff may want to put a more detailed description of the damages.
 - Director Gilliam inquired on the two annual dues paid to RWA.
 - General Manager Gray stated that one of the payments is for the annual dues and the other is for the Water Efficiency Program.

M/S/C Sarkovich/Brown, to approve the consent calendar as amended.

IV. Presentation & Correspondence

1. Fair Oaks Village Enhancement Committee presentation by Director Brown.

- Director Brown apologized that the Chair from the Chamber of Commerce was unable to give the presentation. Director Brown stated that the Fair Oaks Village Enhancement Committee was formed to explore a possible unified vision to make it a more viable and attractive location. The Committee will put together an overall plan that addresses building, parking, street use, street beautification, lighting, signage and public open spaces. The Committee has 11 representatives including two business owners, two chamber members, two property owners, one representative from FOWD, one representative from Fair Oaks Parks & Recreation, one representative from Sacramento County and one resident.
- The Committee developed a logo, mission statement and a list of tasks. The Committee will start involving the public in every meeting.
- Director Brown stated that he needs the Board to support his representation on the Fair Oaks Village Enhancement Committee.
- Director Gilliam appointed Director Brown to be FOWD's representative for the Fair Oaks Village Enhancement Committee.

2. Presentation of the schematic design of the proposed FOWD Administration Building.

- General Manager Gray stated that on behalf of the Capital Improvement Committee and the design team, Anova, we are happy to present to the public and to the full Board recommendations for moving forward with schematic design of the new FOWD Administrative Building Phase I.

- Mr. Ryan introduced the new design team member, Mike Kozlowski. He stated that the purpose of the presentation is to inform the Board of the current schematic design concepts and to obtain authorization from the Board to move forward with development of the detailed design.
- Mr. Ryan indicated that Ms. Bolick would be presenting designs on the following project elements: Site Plan, Floor Plan, Exterior Elevations, and Cost Estimates.
- Ms. Bolick stated that the site plan includes parking for employees and customers. The building includes two levels. The first floor includes the Board room, customer service, conference room which will also be used for emergency operations center. There will be restrictions on public access. There will be an elevator.
- The second floor includes administrative staff workspace, conference room, storage facility, restroom and shower. There is a small balcony on the backside of building.
- Director Brown inquired on the cover for the balcony for staff to shelter from the rain.
- Director Brown inquired if there would be possibility of providing access through Racy property to the park.
- General Manager Gray stated that it may pose a liability for the District.
- Mr. Ryan stated that the cost estimates increased from the original plan. One of the reasons is the square footage increase to the public areas.
- General Manager Gray emphasized that the public areas were upgraded; while the staff areas will be designed with a priority on function and maintenance.
- Mr. Ryan stated that his team will look more closely at the project contingencies.
- Director Brown inquired on the contingencies.
- Mr. Ryan stated that there are two types of contingencies, one is the estimated contingency. The estimated contingency covers possible overages in material estimates. The other contingency is the change order contingency. This change order contingency money is reserved for new items that might come up during the project that was not part of the original plan estimate.
- Director Brown suggested adding the cover for people coming out of the rain in the back of the building as an additional condition.
- General Manager Gray stated that the District move forward with detailed design that includes a cover to the rear of the building that could be included at a later date; if the project budget allows.
- General Manager Gray stated he really appreciated the directors' attendance at the regular design team meetings and input they provided.
- Director Sarkovich stated that he is pleased with the 6,990 square feet.
- General Manager Gray recommended the following direction from the Board, "Move forward with detailed design with 6,990 square feet @ \$293 per square foot as a design condition. Any future design changes that increase the cost or square footage, be removed from another area of the project."
- Mr. Maloney inquired if the District will bid this project.
- General Manager Gray stated that the project construction would be competitively bid.

V. Action Items: Old Business

1. Update on the FOWD 5-Year Financial Plan

- General Manager Gray stated that a draft RFQ has been completed. He will present it to the Budget Committee, obtain refinements and bring it back to the Board for action.

2. Report Back Items:

a. Results of Groundwater Supply Exercises

- General Manager Gray stated at the last meeting groundwater supply exercises were discussed relative to the San Juan Family of Agencies. Phase I was completed by Citrus Heights Water District in June. Phase II was completed by FOWD on August 7th. Phase III was completed between August 28th and 31st. The purpose of the exercises were to maximize water production for groundwater sources, test system distribution capability, reduce surface water consumption, test District inter-ties with other agencies, and generate a system and flow information matrix. The Citrus Heights Water District today, without any improvements, can produce about 3,700 gpm of groundwater and the FOWD can produce approximately 6,000 gpm of groundwater.
- The District ran the tests without New York and Park Wells on line. When these wells are rehabilitated/re-drilled, the District will be able to meet the groundwater estimates in that wholesale master plan. This information will be part of the information used to develop future water supply agreements within the family.
- Director Brown inquired why New York Well was not turned on.
- Mr. Nisenboym stated that the New York Well was not in production due to mechanical failure.
- General Manager Gray stated that the recently completed master plan calls for the New York Well to be redrilled.
- Director Brown inquired whether there was an overview report of the exercise not just individual report.
- General Manager Gray stated yes.
- Director Brown stated that there needs to be an objective for the testing.
- General Manager Gray stated that the objective of the exercise was to determine how much groundwater can be produced to offset the use of surface water.

VI. Action Items: New Business

1. Discussion and possible action on guidelines for the preparation of an Emergency Response Plan update for the District.

- General Manager Gray stated that Mr. Shawn Huckaby is the project manager for the Emergency Response Plan (ERP). Staff has been working on the ERP and needs policy direction from the Board to continue. The following are recommended items for continued development of an ERP:

- a) Obtain a Resolution of the Board of Directors to approve and adapt the National Incident Management System (NIMS) as the standard for incident management
- b) Become NIMS compliant.
- c) Contact the Environmental Protection Agency (EPA) and ensure they have a copy of the District Vulnerability Assessment (VA) and District “Certification of Completion of an Emergency Response Plan” form.
- d) Prepare an Emergency Response Plan (ERP) using the California Rural Water Association ERP template. ERP will be prepared using Fair Oaks Water District (District) staff as the primary resource.
- e) Incorporate the results of the Vulnerability Assessment (VA) prepared by the District in May 1999 into the ERP.
- f) Incorporate current “Communications Guide” information into the ERP.
- g) Incorporate current “Emergency Command Center” information into the ERP.
- h) Incorporate current “Emergency Notification Plan” into the ERP.
- i) Provide updated ERP to the Department of Health Services (DHS).
- j) Limit Distribution of the ERP and VA. Secure a copy of the ERP off site.
- k) Prepare a quick reference guide from the ERP and distribute to key personnel.
- l) Archive obsolete ERP, Communications Guide, Emergency Command Center, Emergency Notification Plan copies. Organize electronic copies in a central location in a folder labeled archive. Limit access to folder.
- m) Provide training for personnel named in ERP.
- n) Establish protocols for future ERP updates.
 - Director Brown believes that the Board should review the Vulnerability Assessment.
 - Director Sarkovich recommended that the Technical Committee review the Vulnerability Assessment document.
 - General Manager Gray stated that he can have the Technical Committee review the Vulnerability Assessment document and have the Technical Committee report back to the full Board in a closed session at the next meeting.

M/S/C Brown/Sarkovich, to adopt the above recommendations subject to review of the Vulnerability Assessment by the Technical Committee and report to the Board in closed session.

2. Discussion on providing public water service to the Bluffs Condominium Project.

- General Manager Gray stated that included in the Board package is information pertaining to the Bluffs Condominiums. General Manager Gray stated that private community totaling 114 units are being served public water and based on flat rates; however, the District does not own the main. General Manager Gray suggested that the District installs the services and meters and the HOA pays for the materials. In addition, the HOA will identify and pay for any deficiencies in

accordance with the DOHS standards for separation of public water system and sewer system. The District will then own and maintain the main line.

- Director Gilliam inquired on leakage to the main line.
- General Manager Gray stated that it has normal leakage.
- Director Gilliam inquired on who owns the backflow.
- General Manager Gray stated that the HOA owns the backflow.
- Director Brown inquired on the size of the main line.
- General Manager Gray stated that it is an 8-inch main line.
- Director Sarkovich inquired on the cost to install 2,000 linear feet of an 8" main line.
- Mr. Nisenboym indicated that it would be approximately \$260k.
- Director Brown stated that he had been up in that subdivision and observed construction companies tied into the hydrants and apparently they did not have to go through the District to obtain permit.
- General Manager Gray emphasized that Director Brown brought up a good point. He also emphasized that the District would not allow this today.
- General Manager Gray asked that the Board allow him to negotiate with the HOA.
- Director Gilliam stated that he did not want any final decision made until it has been brought to the Board.

M/S/C Sarkovich/Brown, authorize General Manager Gray to negotiate with HOA a deal in the best interest of both parties.

3. Discussion and possible action on Personnel Committee report dated June 21, 2007.

- Director Brown stated that these items came about when the Personnel Committee interviewed staff members. He would like for the Board to look at the time line and see if the Board is comfortable with the scheduled timeline. Director Brown stated that some of the items have already been resolved. He went over some items from the Personnel Committee including:
 - Four day workweek vs. a five day workweek. The General Manager needs to assess on productivity and report back to the Board by the end of the year.
 - Technical Backup-there is currently backup for positions.
 - Admin. Asst. – wasn't clear on the individual's role, but since that time, the Admin. Assistant's role has been identified.
 - Grievance Policy – it is important to have and should be completed by the end of December.
 - Performance Review
 - Director Gilliam inquired if the District has a formal evaluation.
 - General Manager Gray stated "yes." The District revised the performance evaluation process and previously presented it to the Board.
 - Policy Update
 - General Manager Gray stated that the Policy Manual deadline is December 2007.

- Director Brown stated for the policy, the emphasis of the Committee is put together an overview of all the pieces. A complete list of all the policies would be a sub-element.
- Director Brown stated that in the Committee discussion, there were suggestions of breaking the policies into various categories:
 1. policies that have been approved;
 2. policies that need to be revised; and
 3. policies that had been suggested but no action taken.
- He indicated that General Manager Gray can work on an overview for now and work toward combining the policies later.
- Online Payment
 - General Manager Gray stated that regarding online payments, customers are able to make online payments through their bank but not through the District's website.
- Keeping Employees Informed
 - Director Brown stated that field employee did not have access to email/computers.
 - General Manager Gray stated development of a plan to increase internal communications was a 2007 goal. General Manager Gray emphasized that this was not a problem, but it was brought up as communication enhancement.
- Exempt Employees
 - General Manager Gray stated that the District is currently following the California guidelines to classify its exempt employees.
- Makeup Time
 - General Manager Gray stated that the District no longer provides makeup time.
- Director Brown inquired if the Board finds this useful.
- Director Gilliam indicated it would be nice to complete this once a year.
- General Manager Gray stated that from staff view, this has very positive residual value.

VII. Upcoming Events

1. **September 20 / Assemblyman Niello Ice Cream Social (Sacramento)**
Item placed for information only.
2. **September 21 / RWA Winning Garden Event (Folsom)**
Item placed for information only.
3. **October 1-4 / CSDA Annual Conference (Monterey)**
Item placed for information only.
4. **October 12 / EBMUD Annual Pardee BBQ (Ione)**
 - General Manager Gray stated that EBMUD hosts their annual BBQ to provide updates on strategic plans and the District is invited to attend.

5. October 22-26 / AWWA Fall Conference (Sacramento)

Item placed for information only.

6. November 27-30 / ACWA Fall Conference (Indian Wells)

- General Manager Gray stated that Director Brown, Director Gilliam and President Marx are scheduled to attend the ACWA Fall Conference.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- No report.

2. Regional Water Authority (RWA)

- General Manger Gray stated that a meeting is scheduled for September 13, 2007.

3. San Juan Family of Agencies Executive Committee

- General Manager Gray stated there was discussion on wholesale meters. The meters that supply the retail agencies are in need of upgrade and maintenance for accurate reading.

4. Other

- None.

IX. Director's Reports & Comments

1. Budget Committee – (Sarkovich, Healey)

- Director Sarkovich would like to schedule a meeting to go over the 2008 budget and long-term financial planning.

2. Technical Advisory Committee – (Brown, Marx)

- Director Brown stated that there was scheduling conflict and the Committee has not been able to meet.

3. Capital Improvement Committee – (Gilliam, Sarkovich)

- Discussed in previous section.

4. Personnel Committee – (Marx, Brown)

- Discussed in previous section.

5. Public Relations Committee – (Brown, Healey)

- General Manager Gray stated that he is working on a draft RFQ and will present to the Public Relations Committee next week.

6. Other

- None.

X. General Manager's Reports

1. Monthly Work Performance Report.

- General Manager Gray reported that there were 72 meters installed in August 2007. He stated that the crews did a great job given the fact that they had also completed a main project.

2. New Building Status

- Discussed in previous section.

3. Update on FOWD/Aerojet MOU

- General Manager Gray stated that the goal is to have this completed by October 2007.

4. Update on Town and Heather Well Projects

- General Manager Gray stated that landscaping is underway at Heather Well. He is looking forward to an open house for the public and the Board. There was one complaint on Heather Road relative to water hardness. The District is trying to educate and inform the customer that the groundwater they receive is of highest quality of the area.

5. Update on San Juan Family Water Shortage Plan/Water Supply Agreements

- Discussed in previous section.

6. FOWD Five-Year Financial Plan (2008-2012)

- Discussed in previous section.

7. Public Outreach Program

- Director Brown stated that it is a work in progress.

8. 2007 Water Conservation Program

- General Manager Gray stated that it is tied into the BMP renegotiations.

9. 2007 Emergency Response Plan

- Discussed in previous section.

10. Other

- Director Brown inquired on the sign for the new building.
- General Manager Gray presented the sign to the Board.
- Director Gilliam inquired on the cost and who will pay for the sign; whether the architects will be cost-sharing.
- General Manager Gray stated that he will look into it.

XI. Public Comment

- Mr. Cornwell stated that he received a letter, but it was signed by Director Gilliam and not President Marx.
- Director Gilliam stated that President Marx was not available and he authorized General Manager Gray to respond and for Director Gilliam to sign the response.
- Director Gilliam stated that Mr. Cornwell needs to provide new information in order for the Board to look into his two backflows.
- Director Sarkovich inquired on the annual cost of the inspection and who bears the cost of the inspection.
- General Manager Gray stated that it costs anywhere from \$50-\$100 and the individual is responsible for the inspection.

XII. Adjournment

With no further business to come before the Board, Director Gilliam adjourned the meeting at 9:02 p.m.

The Board approved the preceding minutes on November 13, 2007

Tom R. Gray
General Manager/Board Secretary

Date