



AGENDA ITEM III.1a

Regular Board Meeting

Approved Minutes

February 9, 2009

District Attendees

Daniel Gilliam	Board President
Misha Sarkovich	Board Vice President
Barry Brown	Board Member
Timothy Healey	Board Member
Randy Marx	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Chi Ha-Ly	Senior Financial Analyst

Other Attendees

Mark Salmon	Visitor
Paul Cornwell	Visitor

Absent

AGENDA ITEMS

I. Call to Order

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

II. Public Comment

- Mr. Cornwell stated that on the January 12, 2009 regular Board meeting minutes, he indicated that, “the letter didn’t provide him the answer, not that he needed clarification.”
- President Gilliam stated that the District has answered Mr. Cornwell in the letter and that the District will not provide additional attention to this matter.
- General Manager Gray stated that the District provided a response to all issues in Mr. Cornwell’s letter and no more resources will be spent on this issue. He indicated that if Mr. Cornwell has a new issue, the District will be happy to address it.
- General Manager Gray presented the election certificates to Directors Marx and Vice President Sarkovich.
- President Gilliam presented the plaque and thanked Director Healey for serving as FOWD’s president in 2008.

III. Consent Calendar

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

1. Approval of Minutes:
 - a. Regular Board Meeting of January 12, 2009
2. Accept and file: Treasurer’s report for the month of January, 2009
3. Accept and file: Investment report for the month of December, 2008
4. Accept and file: Monthly Financial Expenses (no report)
5. Approval of Warrants
6. Approval of Cal Card Statement
7. Approval of Monthly Board Expense Report for January, 2009

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

IV. Presentation & Correspondence

1. **ACWA Joint Powers Authority Insurance refund**
 - General Manager Gray stated that the District received a \$39,000 refund from ACWA-JPIA for premiums paid.
2. **FOWD recycling program continues to produce revenue**
 - General Manager Gray stated that the recycling program previously adopted by the Board continues to produce revenue in 2009. The District generated approximately \$28,000 from the program in 2008.

V. Discussion and Action Items: Old Business

1. **Consider appointments to serve as District representatives to various organizations and committees**
 - The following are 2009 Committee and Board assignments.

2009 – BOARD ASSIGNMENTS	
Board Name	Members
SGA	Marx, Gilliam
RWA	Marx, Gray
ACWA JPIA	Gilliam
SJWD Executive Committee	Marx, Gray
WFSE	Healey, Gray

2009 – COMMITTEE ASSIGNMENTS	
Committee Name	Members
Budget	Sarkovich, Healey, Gray
Capital Improvement	Gilliam, Sarkovich, Gray
Personnel	Marx, Gilliam, Gray
Public Relations	Brown, Healey, Gray
Technical Advisory	Marx, Brown, Gray

VI. Discussion and Action Items: New Business

1. Discussion and possible action on approval for Richardson and Company to complete a 2008 financial audit of FOWD in accordance with the current contract

- General Manager Gray requested that the Board approve for Richardson and Company to perform the 2008 FOWD annual financial audit.

M/S/C Sarkovich/Healey, to approve Richardson and Company to complete the FOWD 2008 annual financial audit.

2. Discussion and possible action on declaring Water Conservation - Stage 3 status within the FOWD service area

- General Manager Gray stated that the District previously adopted the policy 6060, “Water Conservation” and the Board recently took an action that approved for the District to work in conjunction with the San Juan Water District Family of Agencies to have a consistent water conservation message. He stated that there will be a meeting on February 24, 2009 to discuss going to Stage 3 Water Warning. He indicated that the February 24, 2009 meeting will not include the enforcement procedures as they are handled at the individual District level.
- General Manager Gray stated that the San Juan Water District included in the draft “Wholesale Drought and Marketing Strategies by Drought Stage” document, \$500,000 for Stage 3 Water Warning.
- Director Brown indicated that it would be better if there are ways to maximize resources (i.e. one patrol person for all four agencies) and minimize cost through opportunity of joint operations.

M/S/C Sarkovich/Marx, to authorize the General Manager to declare a water warning within the Fair Oaks Water District service area on February 24, 2009 and bring back a resolution that formalizes Stage 3 Water Warning.

3. Discussion and possible action on Conjunctive Use Water Transfers

- The Board requested General Manager Gray to draft a letter to San Juan Water District stating the District's position on conjunctive use water transfer, conservation and the estimated \$500,000 cost for water conservation.
- General Manager Gray stated that he and Director Brown would like to see SGA's objective of water from the basin benefit the basin be included in the letter.

M/S/C Brown/Marx, to authorize General Manager Gray to work with Director Marx to draft a letter addressing conservation, the proposed water transfer, and other related issues.

VII. Upcoming Events

- 1. February 18 / Supervisor MacGlashan Breakfast Meeting / FO Village Cafe**
 - Information only.
- 2. April 6-9, 2009 / CA-NV AWWA Spring 2009 Conference / Santa Clara**
 - General Manager Gray stated that Operations Manager Nisenboym will attend the conference on behalf of the District.

VIII. Representative Reports

- 1. Sacramento Groundwater Authority (SGA)**
 - General Manager Gray stated that a meeting is scheduled for this Thursday, February 12, 2009.
- 2. Regional Water Authority (RWA)**
 - No meeting.
- 3. San Juan Family of Agencies Executive Committee**
 - Director Brown stated that he introduced Director Marx to the San Juan Executive Committee. He stated that the SJWD General Manager is on two committees at ACWA, the Water Conservation and Delta Vision Implementation Committees. A draft of the water conservation principles is available and it discusses the importance of water conservation.
- 4. Other**
 - None.

IX. Directors' Reports & Comments

- 1. Budget Committee – (Sarkovich, Healey)**
 - No meeting.
- 2. Technical Advisory Committee – (Brown, Marx)**

- No meeting.
- 3. Capital Improvement Committee – (Gilliam, Sarkovich)**
 - Director Gilliam stated that the Committee meets weekly. The preliminary grading is complete.
- 4. Personnel Committee – (Marx, Gilliam)**
 - President Gilliam stated that the Committee met and will be reporting in closed session.
- 5. Public Relations Committee – (Brown, Healey)**
 - No meeting.
- 6. Other**
 - Director Brown stated that the construction committee has lost its usefulness. He indicated that the work on the building can be fully monitored by the General Manager.
 - General Manager Gray stated that during his absence, President Gilliam, besides attending the building construction meetings, was a tremendous support staff.

X. General Manager’s Reports

1. Legal Matters

- General Manager Gray distributed an email written from the District’s Legal Counsel related to Sacramento County delinquent fees discussed at the January 12, 2009 Regular Board Meeting. The Legal Counsel communicated in the email that the District is able to charge late fees but cannot add interest to Sacramento County accounts.
- General Manager Gray stated the contract related to the County work on Hazel Avenue has been reviewed by the District’s attorney. After minor edits, it was sent back to the County of Sacramento.

2. Meter Implementation (Installation & Future Planning)

- The District installed 97 meters in January of 2009. He also stated that the District installed approximately 1,300 meters in 2008 (kudos to our staff).

3. New Building Projects

- Discussed earlier.

4. Operate within 2009 Budget

- General Manager Gray stated that the District is operating within the budget.

5. FOWD Financial Plan for Metered Rates

General Manager Gray stated that he will work with the Budget Committee to develop a metered rate plan for residential customers.

6. Surface Water and GW Supply Agreements

No report.

7. GW Remediation Issues (Aerojet)

No report.

8. Wholesale Meter Upgrades

- Operations Manager Nisenboym stated that San Juan has installed 17 meters to date and they will be completing the remaining installations by the end of March.
- General Manager Gray stated that the District has installed one of the three wholesale meters to date.

9. Update and Revise FOWD Policy Manual

- General Manager Gray stated that he directed staff to work on the Manual and it is a top priority.
- President Gilliam agreed that this is a high priority.

10. Fair Oaks 40-inch Pipeline Project Planning & Design

- No report.

11. Hydraulic Model Development

- General Manager Gray stated that that the hydraulic model is complete. The District is working with San Juan on a model access agreement.
- Director Brown inquired on the status of the emergency water supply agreement now that the hydraulic model is complete.
- General Manager Gray stated that he had a discussion with San Juan last week on the emergency water supply agreement and the need to now make it a priority.

12. Website Update

- General Manager Gray stated that the new IT employee is engaged in keeping the website current.

13. Other

- None.

XI. Public Comment

- None.

President Gilliam closed the open session at 7:39 p.m.

XII. Closed Session Pursuant to Government Code Sections 54957

1. Public Employee Performance Evaluation - General Manager's performance evaluation and conference involving compensation

President Gilliam reopened the meeting to the public at 8:10 p.m.

XIII. Report from Close Session

The following action was taken by consensus of the FOWD Board in closed session:

“Effective January 1, 2009, increase the annual salary of the General Manager by 4% and provide a onetime 5% matching contribution to the District’s 457 Deferred Compensation Plan as a performance incentive payment in accordance with section 4(iii) of the General Managers Employment Agreement.”

XIV. Public Comment

None.

XV. Adjournment

With no further business to come before the Board, President Gilliam adjourned the meeting at 8:14 p.m.

The Board approved the preceding minutes on March 9, 2009

Tom R. Gray
General Manager/Board Secretary

Date