



AGENDA ITEM III.1a

Regular Board Meeting

Approved Minutes

October 12, 2009

District Attendees

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

Other Attendees

Paul Cornwell	Visitor
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Absent

Barry Brown	Board Member
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AGENDA ITEMS

I. Call to Order

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

II. Public Comment

- None.

General Manager Gray requested that the Board to remove item VI.3 from the agenda due to the confidentiality.

III. Consent Calendar

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

1. Approval of Minutes:
 - a. Regular Board Meeting of September 14, 2009
2. Accept and file: Treasurer's report for the month of September, 2009

3. Accept and file: Investment report for the month of August, 2009
4. Accept and file: Monthly Financial Expenses for August, 2009
5. Approval of Warrants
6. Approval of Cal Card Statement
7. Approval of Monthly Board Expense Report for September, 2009

M/S/C Sarkovich/Marx, move to approve the consent calendar.
Absent: Brown

IV. Presentation & Correspondence

- 1. September 23, 2009 letter from SJWD on rate increase effective January 1, 2010**
 - General Manager Gray informed the Board of the rate increases in 2010 for Water Purchases from SJWD. He stated that there are three components: commodity charge (12% increase), standby charge (12% increase) and debt service (will report back on the impact).
- 2. October 2, 2009 letter on “Water Bill Package” from Sacramento-San Joaquin Delta region leaders**
 - General Manager Gray stated that FOWD signed on to take a position on a legislation that is proposed in the State.

V. Discussion and Action Items: Old Business

- 1. Report back on the proposed plan for OU-5 cleanup of the Aerojet General Superfund site**
 - General Manager Gray stated that the letter to Federal EPA is to comment on the proposed plan for OU-5 cleanup plan for the Perimeter Groundwater Operable Unit of the Aerojet Superfund Site.
- 2. Discussion and possible action on the Architect’s budget for the New Building Project**
 - General Manager Gray stated in your package is the background information and related recommendation to increase Anova’s approved contract amount from \$273,200 to \$304,500. The Board has approved a budget of \$354,200. This increase will still be \$50,000 below the approved budget.

M/S/C Sarkovich/Marx, move to approve the consent calendar.
Absent: Brown

- 3. Report back on FOWD provided public water service to 8486 Rick Mary Court**
 - General Manager Gray provided a report on 8486 Rick Mary Court.

4. Report back on FOWD provided public water service to 9140 Fair Oaks Boulevard

- General Manager Gray provided a report on resolution to billing issues for water service at 9140 Fair Oaks Boulevard.

VI. Discussion and Action Items: New Business

1. Discussion on the 2009 New Building Project Budget Status

- General Manager Gray stated that he was asked by the Capital Improvement Committee to provide the full Board and public a financial status of the New Building project. He stated this Board approved the building project budget of \$3.2M. In the 2009 Budget, the Board reduced the budget to \$2.8M. The total project is currently estimated to be under budget of approximately \$280,000.

2. Discussion and possible action on water conservation funding of the Fair Oaks Horticulture Center and the Fair Oaks Village Enhancement Committee Village Triangle Project

- General Manager Gray stated that he was informed by the Fair Oaks Horticulture Center that the District cannot do a general contribution to the fund but instead a gift of funds. Since the District cannot do a gift of funds; it was recommended that the District follow the same type of contribution as RWA. He stated that RWA annually contributes \$2,500 to the Fair Oaks Horticulture Center. He stated that since the District's continued annual support to the Fair Oaks Horticulture Center is achieved through its membership to RWA, he proposed reassigning the additional \$1,500 contributed directly by FOWD to drought tolerant landscaping in the Village Triangle area.
- Vice President Sarkovich inquired what happens if RWA stops the contribution to the Fair Oaks Horticulture.
- General Manager Gray indicated that the Village Triangle would be based on annual approval based on FOWD benefit and if need be, the District can reassign back to the Fair Oaks Horticulture Center.

3. Discussion and possible action item

- This item was removed from the agenda.

VII. Upcoming Events

1. ACWA 2009 Fall Conference / December 1-4, 2009 / San Diego

- General Manager Gray indicated that he would like to meet with the attending directors prior to attending the ACWA conference.
- President Gilliam stated that although he is not attending the conference, he would like to attend the meeting also.

VIII. Representative Reports

- 1. Sacramento Groundwater Authority (SGA)**
 - General Manager Gray provided the SGA Board package.
- 2. Regional Water Authority (RWA)**
 - No meeting.
- 3. San Juan Family of Agencies Executive Committee**
 - General Manager Gray stated that under agency update, he informed other Districts that FOWD will have no rate increase and no new debt in 2010.
- 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*)**
 - General Manager Gray stated that the Capital Improvement Committee did not meet but provided substantial information to staff.
- 4. Personnel Committee – (*Marx, Gilliam*)**
 - No meeting.
- 5. Public Relations Committee – (*Brown, Healey*)**
 - No meeting.
- 6. Other**
 - None.

X. General Manager's Reports

- 1. Legal Matters**
 - General Manager Gray stated that the Marx-Jackson case will have the 23rd hearing coming up this Thursday.
- 2. Meter Implementation (Installation & Future Planning)**

- General Manager Gray stated that the District will provide the Board with more detail on the background for areas staff is working on.
- 3. New Building Projects**
 - President Gilliam stated that the design of the building came out nicely.
 - 4. Operate within 2009 Budget**
 - General Manager Gray requested the Board to refer to the Monthly Financial Statement provided for Item III.4.
 - 5. FOWD Financial Plan for Metered Rates**
 - General Manager Gray stated that the District has some questions related to the wholesale meter upgrades and is still working on it.
 - 6. Emergency Water Supply Agreement**
 - General Manager Gray stated that this item will be discussed with San Juan Water District along with the Wholesale meter upgrades.
 - 7. GW Remediation Issues (Aerojet)**
 - Discussed earlier.
 - 8. Wholesale Meter Upgrades**
 - Discussed earlier.
 - 9. Update and Revise FOWD Policy Manual**
 - No report.
 - 10. Fair Oaks 40-inch Pipeline Project Planning & Design**
 - General Manager Gray stated that San Juan Water District has selected a contractor for the Fair Oaks 40-inch Pipeline Project.
 - 11. Hydraulic Model Development**
 - General Manager Gray stated that the Wholesale Hydraulic Model has been completed; currently working on a Retail Model.
 - 12. Website Update**
 - General Manager Gray stated that the District is constantly updating the website to include recent activity. The District uploaded its Fall 2009 newsletter content to the website. The next newsletter will be in Spring; as the District generally sends out two newsletters annually.
 - 13. Other**
 - None.

XI. Public Comment

- None.

President Gilliam closed the open session at 6:55 p.m.

President Gilliam called the closed session meeting to order at 6:56 p.m.

XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957

1. Executive employee evaluation and hiring: District Financial Auditor

President Gilliam reopened the meeting to the public at 7:05 p.m.

XIII. Report from closed session

- The following is the reportable action taken by the FOWD Board of Directors during closed session on October 12, 2009. "Direct staff to negotiate a contract with JJCPA, Inc. to provide professional accounting services required to complete an annual financial audit of FOWD; beginning with the year ending on December 31, 2009."

M/S/C Sarkovich/Healey

Absent: Brown

XIV. Public Comment

- None.

XV. Adjournment

With no further business to come before the Board, President Gilliam adjourned the meeting at 7:10 p.m.

The Board approved the preceding minutes on November 9, 2009

Tom R. Gray
General Manager/Board Secretary

Date