



District Attendees

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

Other Attendees

David Newlin	Visitor
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Absent

AGENDA ITEMS

I. Call to Order

President Healey called the meeting to order at 6:31 p.m.

II. Public Comment

None.

III. Consent Calendar

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

Approval of Minutes:

- a. Regular Board Meeting of August 11, 2008
2. Accept and file: Treasurer's report for the month of August, 2008
3. Accept and file: Investment report for the month of July, 2008
4. Accept and file: Monthly Financial Expenses for July, 2008
5. Approval of Warrants
6. Approval of Cal Card Statement
7. Approval of Monthly Board Expense Report for August, 2008

M/S/C Gilliam/Marx, to approve the consent calendar.

IV. Presentation & Correspondence

1. Letter invitation to the Sacramento County hosted Community Meeting for the residents of Fair Oaks, Gold River, and Orangevale

- General Manager Gray stated that Supervisor Roberta MacGlashan invited the Board members to attend the Community meeting. He distributed the preliminary meeting agenda and emphasized that this would be a good opportunity to answer public questions about the District's New Administrative Building.

V. Discussion and Action Items: Old Business

1. Report back on 2008 Groundwater production

- General Manager Gray provided an overview on monthly groundwater production. He stated that the SMUD bill for Town Well is approximately \$11,000 per month. The District received a credit from SJWD of \$11,764 for groundwater production.

2. Report back on Information Technology services at FOWD

- General Manager Gray stated that the new Firewall has been installed. The District will be requesting for proposals for the remaining IT services.

3. Update on the proposed drilling of a monitoring well by Aerojet in the FOWD service area

- General Manager Gray reported that a collaborative public outreach effort about the groundwater remediation plan continues. He stated that drilling of the monitoring well will help protect the District's groundwater supply.

4. Update on website maintenance and public outreach activities at FOWD

- General Manager Gray stated that the District received a bid from one vendor for the website design which is included in the Board Package. He indicated that the District will continue to seek additional proposals.
- Director Sarkovich stated that it would be good to go out for bid.

5. Update on the 2009 Capital Project Plan

- General Manager Gray stated that he would like to refer back to the two recommendations made at the August 11, 2008 Regular Board Meeting. The first recommendation passed and the second recommendation failed. The recommendations are listed below.
 - First recommendation - add the list of capital improvements with an estimated cost of \$681k to the 2009 budget;

- Second recommendation - direct Technical Committee to develop 2010 and 2011 recommendations for capital improvements; which would be incorporated into the financial plan.
- General Manager Gray stated that he will meet with the Finance Committee and bring the Proposed 2009 Budget back for consideration.
- Vice President Brown suggested that a staff report should accompany each item having discussion and possible action.
- General Manager Gray agreed.

VI. Discussion and Action Items: New Business

1. Discussion and possible action on outstanding invoices for financial software upgrades

- General Manager Gray stated that there are outstanding invoices from the billing and accounting system conversions (dating back to 2003) totaling \$33k. He stated that the District cannot begin the billing and accounting software upgrades until these outstanding invoices are paid. General Manager Gray indicated that this was not budgeted in 2008.

M/S/C Brown/Sarkovich, to approve payment of expenses.

2. Discussion on JPIA Auto and General Liability Program financial trends

- General Manager Gray informed the Board that the District's auto and general liability cost for 2008-2009 is \$93k compared to the previous three year averages of \$82k.

3. Discussion and possible action on the bidding process for the scheduled construction of the new FOWD administration building

- General Manager Gray stated that as an irrigation District, the District is not bound to the California Public Contract Code for certain projects based on funding source. He stated that the District will go out for competitive bid in accordance with District policy.
- General Manager Gray stated that contractors will be pre-qualified before being allowed to bid.
- Director Marx inquired if the District's Legal Counsel approved the document.
- General Manager Gray stated Legal Counsel Jeff Mitchell has reviewed the documents and he has a written confirmation.

M/S/C Gilliam/Sarkovich, to approve to go out for bid on the construction improvements and award the contract for the improvements in accordance with FOWD policies.

- 4. Discussion and possible action on FOWD wholesale meter replacement project**
 - General Manager Gray recommended that the District install three wholesale meters for accurate meter reading for water delivered to FOWD from SJWD. The engineer's estimated cost is \$28k. The District will complete the project at an estimated cost of \$15k using District labor.
 - President Gilliam inquired if the \$15k included labor.
 - General Manager Gray stated that the \$15k does not include labor.

M/S/C Brown/Sarkovich, to authorize the installation of three wholesale meters for \$15k using District labor.

- 5. Update on the Fair Oaks Village Enhancement Community; unveiling of the "Village Vision"**
 - Vice President Brown reported that there were two Community Workshops held and that they had a great turnout. The events were very successful in communicating the vision plan. The Committee is still meeting twice a month to try to implement the vision. He stated that there is a hard copy of the vision.
 - Vice President Brown stated that the Committee's next step is to discuss transportation issues, signage and seeking funding for the improvements.
 - Mr. Newlin informed the Board that this Wednesday at 4PM, there will be a presentation of the vision.

VII. Upcoming Events

- 1. Fair Oaks, Gold River, Orangevale Community Meeting / September 18, 2008**
 - Information only.
- 2. 2008 ACWA Fall Conference / Long Beach / December 2-5, 2008**
 - Vice President Brown and possibly, Director Marx, will be attending

VIII. Representative Reports

- 1. Sacramento Groundwater Authority (SGA)**
 - General Manager Gray reported that the meeting held on August 14, 2008 focused on the updating and funding of the Groundwater Management Plan.
 - General Manager Gray emphasized that the SGA Groundwater Management Plan is an investment of almost \$2M. There were questions on how the plan will be maintained.
- 2. Regional Water Authority (RWA)**
 - The meeting is scheduled for September 11, 2008.

3. San Juan Family of Agencies Executive Committee

- Vice President Brown reported that the ACWA doesn't have a published position for the Delta Vision and drought. A workgroup has been established within ACWA to develop the policies. Shauna Lorange is part of the workgroup.
- Vice President Brown stated SJWD is considering having a full-time wholesale Conservation Coordinator. Currently, the position is shared (50/50) with Roseville.

4. Other

- None.

IX. Directors' Reports & Comments

1. Budget Committee – (Sarkovich, Healey)

- Discussed prior.

2. Technical Advisory Committee – (Brown, Marx)

- No meeting.

3. Capital Improvement Committee – (Gilliam, Sarkovich)

- Director Gilliam stated that the District is expecting the completion of the design review by September 11, 2008; public hearing is expected to take place the first week of October; first comment on grading should be received by September 16, 2008; approval of grading permit by October 3, 2008; and approval of total engineering package by October 24, 2008.

4. Personnel Committee – (Marx, Gilliam)

- No meeting.

5. Public Relations Committee – (Brown, Healey)

- No meeting.

6. Other

- Vice President Brown suggested adding item 6, other.

X. General Manager's Reports

1. On-going Litigation (4 cases: Grass, MTBE, EDD, Marx-Jackson)

- General Manager Gray provided brief status overviews.

2. Meter Implementation (Installation & Future Planning)

- General Manager Gray stated that 47 meters were installed for August 2008. The total YTD is 950. He indicated that this decrease in meters was due to 1 ½ crews being pulled to complete a minor main replacement, resulting in a \$31k savings to the District.

3. New Building Projects

- Discussed earlier.

4. Operate within 2008 Budget

- General Manager Gray stated that the Board approved approximately \$50k of unbudgeted expenses. He reported that he met with a representative from the County and discussed the election fees. Since both Directors ran unopposed, the County will only charge for setup fee; thus, the District will save approximately \$18k.

5. FOWD Financial Plan (5-year)

- Discussed earlier.

6. Surface Water and GW Supply Agreements

- Discussed earlier.

7. GW Remediation Issues (Aerojet)

- Discussed earlier.

8. Wholesale Meter Upgrades

- General Manager Gray stated that the wholesale meter project went out to bid.

9. Update and Revise FOWD Policy Manual

- President Healey appointed the Technical Advisory Committee to review the policy manual.
- Director Gilliam stated that he would like to review the personnel policy.

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

- General Manager Gray stated that the 40-inch pipeline project is on hold.

11. Hydraulic Model Development

- General Manager Gray stated that the Hydraulic Model Development is in progress.

12. Website Update

- Discussed earlier.

13. Other

- Vice President Brown stated that he met with the current executive director at RWA and discussed certain issues. He voiced concern about the limitations on legislative process. He suggested a more aggressive conservation program.

XI. Public Comment

- None.

XII. Adjournment

With no further business to come before the Board, President Healey adjourned the meeting at 8:02 p.m.

The Board approved the preceding minutes on October 13, 2008

Tom R. Gray
General Manager/Board Secretary

Date