



District Attendees

Michael McRae	Board President
Gary Page	Board Vice President
Randy Marx	Board Member
Misha Sarkovich	Board Member
Mike Carey	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Chi Ha-Ly	Finance Manager
Shawn Huckaby	Customer Service Manager
Ben Voight	Operations Superintendent

Other Attendees

Tim Menezes	Visitor
George Babcock	Visitor

Absent

AGENDA ITEMS

I. CALL TO ORDER

- Board President McRae called the meeting to order at 6:37 p.m.

II. PUBLIC COMMENT

- General Manager Gray offered his gratitude and appreciation to Randy Marx for his term as 2018 Board President.

III. CONSENT CALENDAR

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

1. Approval of Minutes

- a. Special Board Meeting of December 6, 2018
- b. Regular Board Meeting of December 10, 2018
- c. Regular Board Meeting of December 18, 2018
2. Accept and File Treasurer’s Report for the month of December 2018
3. Accept and File Investment Report for the month of November 2018
4. Accept and File Financial Expense Report (no report)
5. Approval of Warrants
6. Approval of Cal Card Statements for the month of December 2018
7. Approval of Board Expense Report for the month of December 2018

Director Sarkovich moved to approve the consent calendar as presented.

Director Page seconded the motion.

- Board President McRae inquired about consent calendar item III.5 approval of warrants regarding the State Resource Control Board invoice for \$37,000.
- General Manager Gray replied that the warrant is an inspection fee from the state agency and is required to operate.
- Director Sarkovich inquired as to when we will have the financial statements ready.
- Finance Manager Ha-Ly replied that once the audit is completed, FOWD will have the comprehensive annual financial report ready for the Board. The audit is scheduled for February.

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

IV. PRESENTATION & CORRESPONDENCE

- 1. Correspondence from ACWA JPIA thanking FOWD for hosting “Traffic Control & Flagger Training”**
 - General Manager Gray presented a correspondence from ACWA JPIA thanking FOWD for hosting “Traffic Control & Flagger Training.”
- 2. Correspondence from Water Programs, Sacramento State regarding “Water and Wastewater Specialist Survey”**
 - General Manager Gray presented a correspondence from the Water Programs, Sacramento State regarding “Water and Wastewater Specialist Survey.” FOWD participated in the survey which helped Sacramento State develop the program to certify water operators.
 - Director Marx informed the Board that he is currently employed by Sacramento State Water Program and gave praise to staff for working on the survey.

3. Correspondence from Voter Registration and Elections regarding 2019 Index of Elected Officials.

- General Manager Gray presented the correspondence from the Voter Registration and Elections Regarding 2019 Index of Elected Officials.

V. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

1. Update and discussion on Regional Water Authority (RWA) Regional Water Reliability Plan

- General Manager Gray presented an update on the RWA Regional Water Reliability Plan.
- Board President McRae requested General Manager Gray to provide an overview of the plan.
- General Manager Gray stated that the Regional Water Reliability Plan is looking at maximizing regional efficiency to generate revenue to offset rates globally.

2. Discussion and possible action on RWA fees for Groundwater Banking Program

- General Manager Gray recommended that the Board authorize the General Manager to enter into an agreement with RWA to participate in the creation of a water bank model at a cost not to exceed \$25,000.
- Director Carey inquired as to which agencies are participating in the water bank model.
- General Manager Gray replied that all RWA member agencies are expected to participate.
- Director Marx inquired if San Juan Water District was participating as a wholesale entity or as a retail agency.
- General Manager Gray replied that San Juan Water District's retail agency would participate.

Director Sarkovich moved to authorize the General Manager to enter into an agreement with RWA to participate in the creation of a water bank model at a cost not to exceed \$25,000.

Director Page seconded the motion.

- Director Sarkovich inquired as to who is the consultant.
- General Manager Gray replied Stantec.
- Director Sarkovich inquired as to when the study will be done.
- General Manager Gray replied that he will find the projected end date and will report back to the Board.
- Director Sarkovich inquired as to how FOWD will benefit from this study.

- General Manager Gray replied the study will determine the effects of pumping groundwater.
- Director Carey stated that he would like more information on the study.

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

- 3. Update and discussion on RWA Lobbying Subscription Program activities**

 - General Manager Gray provided the Board with information regarding RWA Lobbying Subscription Program activities.
- 4. Update and discussion on FOWD Corporate Yard Design Contract**

 - General Manager Gray provided a status update on the 10317 FOB Building Corporate Yard Design Contract. Wednesday January 16, 2019 is the planned date for the first draft of the professional agreement contract with Gutierrez and Associate.
- 5. Update and discussion on the 2019 IT Support Plan**

 - General Manager Gray provided an update on the 2019 IT support plan.
 - Director Marx inquired if there were any concerns from the vulnerability assessment.
 - General Manager Gray replied that there were no areas of concern.
- 6. Report back on FOWD nomination of Director Page to Sacramento LAFCo Special District Advisory Committee**

 - General Manager Gray reported that the FOWD nomination of Director Page to Sacramento LAFCo Special District Advisory Committee has been completed in accordance with Board direction.
- 7. Report back on the implementation of FOWD Board direction on Employee CalPERS payments for 2019**

 - General Manager Gray reported on the implementation of FOWD Board direction on Employee CalPERS payments for 2019.
 - Director Sarkovich stated there was no way to create a separate category for the General Manager. He stated that staff does not have to follow the motion made at the previous Board meeting to create separate classes.

VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

- 1. Update and discussion on FOWD water supply for the month of December 2018 and year-end**

 - Operations Manager Nisenboym reported that December precipitation was normal. FOWD total system demand from all sources for the month of December was recorded at 382.33 AC-FT. The San Juan wholesale connections provided 340.38 AC-FT and groundwater wells produced 41.95 AC-FT of the total water demand. CTP connection is the only wholesale connection. The December 2018 total

demand represents a decrease of 10.05% from the December 10-year average. The 2018 overall production was 9,690 AC-FT, which is 21% lower than 2013.

- Director Page inquired as to the Heather Well casing is iron or stainless steel.
- Operations Manager Nisenboym replied that the design preference is stainless steel.
- Director Sarkovich stated that he would like to complement Operations Manager Nisenboym on the format and would like staff to keep the same going forward.

2. Consider appointment to serve as District representatives to various organizations and committees.

- The following appointments were made by President McRae for 2019.

2019 - BOARD ASSIGNMENTS		
Agency Name	2018	2019
Sac. Groundwater Authority	Marx	Marx, Sarkovich
Regional Water Authority	Marx, Gray	Marx, Gray
ACWA JPIA	Marx	Marx, Sarkovich
Water Forum SE	Page, Gray	Page, Gray

2019 - COMMITTEE ASSIGNMENTS		
Committee Name	2018	2019
Budget	Sarkovich, Page, Gray	Sarkovich, Carey, Gray
Capital Improvement	McRae, Sarkovich, Gray	Sarkovich, Carey, Gray
Personnel	Sarkovich, McRae, Gray	McRae, Page, Gray
Public Relations	Sarkovich, Page, Gray	Page, Carey, Gray
Technical Advisory	Marx, McRae, Gray	Marx, McRae, Gray
Wholesale Water Agreement	Sarkovich, Marx, Gray	Page, McRae, Gray
CWD 2X2	Sarkovich, Page, Gray	Marx, McRae, Gray

2019 - OUTREACH ASSIGNMENTS		
Agency/Committee Name	2018	2019
FO Chamber	Gray	Gray, McRae
Office of County Supervisor	Gray	Gray, McRae
Office of State Assemblyman	Gray	Gray, McRae
Office of State Senator	Gray	Gray, McRae
FOVEC	Gray	Gray, McRae
CSDA	Gray	Gray, McRae
AWWA	Gray	Gray, McRae
ACWA	Marx, Gray	Marx, Gray
LAFCo	Gray	Page, Gray

3. Discussion and possible action on changing November 11, 2019 Regular Board Meeting to a different date due to the Veterans Day holiday

- General Manager Gray recommended that the Board move the November 11, 2019 Regular Board Meeting to November 18, 2019 due to the Veterans Day holiday.

Director Sarkovich motioned that the Board change the November 11, 2019 Regular Board Meeting to November 18, 2019 due to the Veterans Day holiday.

Director Carey seconded the motion.

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

4. Discussion and possible actions on 2019 FOWD Salary Ranges for all Board approved positions

- General Manager Gray recommended that the Board approve the 2019 FOWD salary ranges for all Board approved positions.

Director Carey motioned to approve the 2019 FOWD salary ranges for all Board approved positions.

Director Sarkovich seconded the motion.

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

5. Update and discussion on the scope of work for the Skyway and New York Wells projects.

- General Manager Gray presented an update of the scope of work for the Skyway and New York Wells projects.
- Board President McRae inquired if the pilot hole at the Skyway was 8” and if FOWD is anticipating that well to be a high volume well.
- General Manager Gray replied that the pilot hole is 8” and the well is anticipated to be low volume.
- Director Sarkovich inquired on the purpose of design review meetings.
- General Manager Gray replied that the design review meetings are check in points throughout the project.

6. Discussion and possible action on additional funding for 2018 and funds for work in progress projects to be carried forward to 2019

- Finance Manager Ha-Ly recommended that the board approve the General Manager to transfer \$6,035.58 from 2018 reserves and to carry forward \$383,533.91 of 2018 funds for work in progress projects to 2019.

Director Sarkovich motioned to approve the General Manager to transfer \$6,035.58 from 2018 reserves and to carry forward \$383,533.91 of 2018 funds for work in progress projects to 2019.

Director Carey seconded the motion.

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

7. Discussion on FOWD’s fire hydrant maintenance and replacement program

- Operations Superintendent Voight provided an overview of FOWD’s fire hydrant maintenance and replacement program.
- Director Page inquired if there is a state requirement that FOWD maintain the fire hydrants.
- General Manager Gray replied that there are no requirements.

8. Discussion and possible action on Kenneth Tank Site Developer buy-out agreement

- General Manager Gray requested that the Board authorize the General manager to enter into an agreement for the Kenneth Tank Site Developer buy-out agreement.
- Board President McRae inquired if FOWD already has an easement for the driveway from Kenneth to the property.
- General Manager Gray replied that the driveway is part of the improvements. Currently, there is a temporary construction drive.

9. Discussion on scheduling the General Manager’s performance evaluation

- Board President McRae stated that he requested the General Manager to provide the Board with a presentation and it was determined that more time was needed and the General Manager’s Performance Evaluation will be scheduled for Wednesday, January 30, 2019 at 5:30 p.m.

VII. UPCOMING EVENTS

1. San Juan Water District Finance Committee Meeting / January 22, 2019 / SJWD Administration Building

- Information only.

2. San Juan Water District Special Board Meeting / January 23, 2019 / SJWD Administration Building

- Information only.

3. Fair Oaks Chamber of Commerce Business Luncheon/ January 17, 2019/ Smokey Oaks Tavern

- Director Carey requested to attend the Fair Oaks Chamber of Commerce Business Luncheon.

VIII. REPRESENTATIVE REPORTS

1. Sacramento Groundwater Authority (SGA)

- None.

2. Regional Water Authority (RWA)

- None.

3. Sacramento Water Forum

- None.

4. Other

- None.

IX. DIRECTORS' REPORTS & COMMENTS

1. Budget Committee – (Sarkovich, Page)

- None.

2. Technical Advisory Committee – (Marx, McRae)

- None.

3. Capital Improvement Committee – (McRae, Sarkovich)

- None.

4. Personnel Committee – (McRae, Sarkovich)

- None.

5. Public Relations Committee – (Sarkovich, Page)

- None.

6. Wholesale Water Agreement Ad-Hoc Committee – (Sarkovich, Marx)

- Director Sarkovich stated that San Juan Water District complained that FOWD did not send a representative to the meeting discussing the new rate structure for 2019. The next meeting is on January 22, 2019 and it may be in the best interest of the District to send a representative.
- Director Page stated that it was determined that FOWD would send a letter to San Juan Water District.
- Director Sarkovich stated that the General Manager should send a letter on behalf of the District.
- Board President McRae stated that the letter should come from the FOWD Board.
- General Manager Gray stated that the letter should come from the Board and he will help develop it.

7. Carmichael Water District Ad-Hoc Committee – (Sarkovich, Page)

- General Manager Gray stated that he contacted the General Manager at Carmichael and is expecting dates for possible committee meetings.
- Director Sarkovich inquired as to where FOWD stands with Carmichael Water regarding surplus of surface water.
- General Manager Gray replied that Carmichael Water can answer that question.

8. Other

- None.

X. GENERAL MANAGER’S REPORT

1. Monthly 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 reported that the one open position will be going into interviews in the next couple of days.

7. Water Issues – Update on Regional Involvement

- None.

8. Other

- General Manager Gray reported the meter replacement program will be purchasing 300 meters at a cost of \$38,000.
- General Manager Gray Presented a Christmas card from the mother of a FOWD employee expressing thanks to FOWD.

XI. PUBLIC COMMENT

- Mr. Babcock inquired if San Juan was overbuilding in anticipation of their merger with Sacramento Suburban Water District.

- Board President McRae replied that the overbuilding goes back, and he does not understand the reasoning from the people in charge.

President McRae closed the open session meeting at 9:07 p.m.

President McRae called the closed session meeting to order at 9:15 p.m.

XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956

1. Conference on Anticipated Litigation (Subdivision (d) of Section 54956.9)

President McRae closed the closed session meeting at 10:20 p.m.

President McRae reopened the meeting to the public at 10:20 p.m.

XIII. REPORT FROM CLOSED SESSION

- None.

XIV. PUBLIC COMMENT

- None.

XV. ADJOURNMENT

With no further business to come before the Board, President McRae adjourned the meeting at 10:20 p.m.

The Board approved the preceding minutes on March 11, 2019

Tom R. Gray
General Manager/Board Secretary

Date