



**District Attendees**

Timothy Healey	Board President
Misha Sarkovich	Board Vice President
Lonny Gossett	Board Member
Randy Marx	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Chi Ha-Ly	Finance Manager

**Other Attendees**

Ted Costa	SJWD Board Member
Michael McRae	Visitor
Robert Sissen	Visitor
Sean Hutton	Visitor

**Absent**

**AGENDA ITEMS**

**I. Call to Order**

President Healey 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 March 12 2012
  - b. Special Board Meeting of March 21, 2012
2. Accept and file Treasurer's report for the month of March, 2012
3. Accept and file Investment Report for the month of February, 2012
4. Accept and file Monthly Financial Expenses for the month of March, 2012
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of March, 2012

7. Approval of Monthly Board Expense Report for the month of March, 2012

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

#### **IV. Presentation & Correspondence**

##### **1. Letter dated April 1, 2012 from the ACWA Health Benefits Authority**

- General Manager Gray stated that the letter discussed the actions needed to be taken to ratify the joining of HBA and ACWA JPIA.

#### **V. Discussion and Action Items: Old Business**

##### **1. Update and Discussion on a new FOWD Director to represent Division 2**

- General Manager Gray stated the Division 2 Director left the office on March 12, 2012. The District has notified the County within the 15 day timeframe. He stated that the District needs to appoint a new Director within 60 days. He proposed putting out a public announcement around April 23, 2012 and have the Board interview the candidates. This position will be valid until the November General Election.
- Vice President Sarkovich stated that he would like to have a Special Board Meeting scheduled to interview the candidates before the May Board meeting.

##### **2. Update and discussion on FOWD Water Supply for the month of March, 2012**

- Operations Manager Nisenboym provided a report for the month of March.

##### **3. Update and discussion on the FOWD Website project**

- General Manager Gray reported that the District is working with the consultant on the complete redesign of the FOWD's website and will present to the Board of Directors prior to going live.

##### **4. Update and discussion on the Comprehensive Annual Financial Report for the year ended December 31, 2011**

- General Manager Gray stated that a copy of the published CAFR is provided to the Board.

#### **VI. Discussion and Action Items: New Business**

##### **1. Discussion and possible action on FOWD Resolution No. 12-02 relating to ACWA JPIA**

- General Manager Gray recommended that the Board approve the resolution 12-02; providing consent to dissolve HBA and have HBA join ACWA-JPIA.

M/S/C Sarkovich/Marx, to approve Resolution No. 12-02

**2. Discussion and possible action on proposed SJWD 5% wholesale water rate increase for 2013 and schedule for adoption by the SJWD Board**

- General Manager Gray stated that SJWD proposed to increase 5% on wholesale water rates. He provided a brief overview of the budget assumptions by SJWD and the SJWD budget review and adoption schedule.
- The Board stated that the District should include a billing insert notifying the customers of the SJWD budget hearing and adoption schedule and also include a brief history of SJWD rate increases to FOWD.

**3. Report back on the Town Hall Meeting held by State Senator Ted Gaines on April 3, 2012 at the FOWD**

- General Manager Gray provided an overview of the meeting.

**4. Report back on meter sizing – discussion documented in Board Minutes from meeting held on July 9, 1996**

- General Manager Gray stated that the District charged for meter sizing back in 1996.

**VII. Upcoming Events**

**1. April 18, 2012 / Supervisor Susan Peter's FO Community Meeting / Fair Oaks**

- Information only.

**2. May 8-11, 2012 / ACWA Spring Conference / Monterey CA**

- Information only.

**VIII. Representative Reports**

**1. Sacramento Groundwater Authority (SGA)**

- No report.

**2. Regional Water Authority (RWA)**

- Director Marx reported on the presentation of the delta plan and the new reservoir.

**3. San Juan Family of Agencies Executive Committee**

- No report.

**4. Other**

- None.

**IX. Directors' Reports & Comments**

**1. Budget Committee – (Sarkovich, Healey)**

- No meeting.

**2. Technical Advisory Committee – (Gilliam, Marx)**

- No meeting.

**3. Capital Improvement Committee – (Gilliam, Sarkovich)**

- No meeting.

**4. Personnel Committee – (Marx, Gilliam)**

- No meeting.

**5. Public Relations Committee – (Gossett, Healey)**

- None.

**6. Other**

- None.

**X. General Manager's Reports**

**1. Monthly Work Performance Report.**

- General Manager Gray provided an overview of the monthly work performance report and a status update of the 2012 metered water analysis.

**2. Operate within 2012 Budget**

- General Manager Gray reported that, based on the monthly financial report, the District is currently operating 25% under budget through March 2012.

**3. Metered Rates Conversion Project**

- General Manager Gray stated that the District continues to work with customers on meter sizing issues.

**4. Fair Oaks 40-inch Pipeline Project Planning & Design**

- General Manager Gray stated that this item will be discussed in closed session.

**5. Policy Handbook Update**

- No report.

## **6. Delta Issues – Update on Regional Involvement**

- No report.

## **7. Other**

- General Manager Gray stated that SJWD has a Finance Committee meeting on 4/10/2012 at 4 p.m. and on the agenda is the 2013 budget.
- General Manager Gray stated the City of Sacramento has hired a person to manage local conservation/water efficiency and she stated that the Sacramento region was not doing enough relative to water efficiency efforts.

## **XI. Public Comment**

- Mr. Hutton provided an overview of his development project. He stated that he does not want to pay for the installation of the 6” pipeline on Earnsclyff.
- General Manager Gray stated that the District did not include this pipeline in the current year budget; therefore, the District offered a compromise to the customer on cost sharing if the customer needed to have the line installed at this time.
- The Board stated that General Manager Gray needs to work with the customer and attempt to resolve the issue by cost share.

President Healey closed the open session at 7:45 p.m.

President Healey called the closed session meeting to order at 7:52p.m.

## **XII. Closed Session Pursuant to Government Code Sections 54956.8, 54956.9 and 54957**

1. Existing Litigation (Subdivision (a) of Section 54956.9) Name of case: Bluff City Inc. vs. Fair Oaks Water District et al. Sacramento County Superior Court
2. Anticipated litigation; significant exposure to litigation involving San Juan Water District related to the Fair Oaks 40-Inch Pipeline Rehabilitation Project.
3. Public Employee Performance Evaluation – General Manager’s performance evaluation and conference involving compensation

President Healey reopened the meeting to the public at 9:09 p.m.

## **XIII. Report from Closed Session**

General Manager will receive a one-time contribution of 4% of base annual salary into a defined retirement plan.

M/S/C Gossett/Sarkovich

**XII. Public Comment**  
None.

**XII. Adjournment**  
With no further business to come before the Board, President Healey adjourned the meeting at 9:10 p.m.

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The Board approved the preceding minutes on May 14, 2012

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Tom R. Gray  
General Manager/Board Secretary

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Date