



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
Keith Durkin	SJWD Assistant General Manager
Jeffrey Mitchell	Kronick, Moskovitz, Tiedemann & Girard
Tom Parker	Visitor
Tom Minero	Visitor

Absent

AGENDA ITEMS

I. Call to Order

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

II. Public Comment

- None.
- General Manager Gray stated that item XII.2 under closed session should read “Existing litigation” rather than “Anticipated litigation.”

III. Consent Calendar

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

1. Approval of minutes
 - a. Regular Board Meeting of April 9, 2012
2. Accept and file Treasurer’s report for the month of April, 2012
3. Accept and file Investment Report for the month of March, 2012

4. Accept and file Monthly Financial Expenses for the month of April, 2012
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of April, 2012
7. Approval of Monthly Board Expense Report for the month of April, 2012

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

IV. Presentation & Correspondence

1. No report.

V. Discussion and Action Items: Old Business

1. Update and discussion on FOWD Water Supply for the month of April, 2012

- Operations Manager Nisenboym provided an overview of the water supply.

VI. Discussion and Action Items: New Business

1. Discussion and possible action on FOWD Resolution No. 12-03: “A Resolution of the Board of Directors of the Fair Oaks Water District Calling for a General Election” on November 6, 2012

- General Manager Gray recommended that the Board approve resolution 12-03, calling for the General Election this coming November 6, 2012 of Directors from Divisions 2, 4 and 5.

M/S/C Sarkovich/Gossett, moved to adopt Resolution No. 12-03.

VII. Upcoming Events

1. May 16, 2012 / Supervisor Susan Peter’s FO Community Meeting / Fair Oaks

- Information only.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- Director Marx provided a brief overview of the meeting covering budget and technical issues.

2. Regional Water Authority (RWA)

- No report.

3. San Juan Family of Agencies Executive Committee

- General Manager Gray provided an overview of groundwater pumping and budgetary items.

4. Other

- None.

IX. Directors' Reports & Comments

1. Budget Committee – (Sarkovich, Healey)

- No meeting.

2. Technical Advisory Committee – (Vacant, Marx)

- No meeting.

3. Capital Improvement Committee – (Vacant, Sarkovich)

- No meeting.

4. Personnel Committee – (Marx, Vacant)

- 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 below budget through April 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. General Manager Gray stated that there was a letter from SJWD dated April 18, 2012 addressing customers of SJWD and FOWD related to SJWD entering litigation against FOWD.

5. Policy Handbook Update

- No report.

6. Delta Issues – Update on Regional Involvement

- No report.

7. Other

- General Manager Gray stated that there was a complaint regarding wage compliance by subcontractor related to the Admin. Building Project that was recently dismissed.
- General Manager Gray asked the office holders for FOWD to complete the County Elections Office form 460 - financial disclosure statement if necessary.
- General Manager Gray provided an overview of the SJWD Finance Committee meeting held on May 1, 2012.
- General Manager Gray reported on Edgevale Court. He stated that the District met with Mr. Hutton and completed a field survey of the project area. The project is complicated and the District did not want to take on the liability by using its staff to complete the project. The District offered to pay 50% of the offsite cost.
- General Manager Gray reported on ACWA Conference.

XI. Public Comment

- Mr. Minero inquired on the water bill's fixed service charge.
- General Manager Gray stated that the District has a lot of information related to the fixed service charge in its rate study and budget documents. He stated that Mr. Minero can meet with staff to go over the details.
- Vice President Sarkovich stated that the District has had flat rate billings and in January 2012, the District went to metered rates. He indicated that the District had three public hearings on the new rate structure.

President Healey closed the open session at 7:03 p.m.

President Healey called the closed session meeting to order at 7:10 p.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. Existing litigation; significant exposure to litigation involving San Juan Water District related to the Fair Oaks 40-Inch Pipeline Rehabilitation Project.

President Healey reopened the meeting to the public at 8:16 p.m.

XIII. Report from Closed Session

None.

XII. Public Comment

None.

XII. Adjournment

With no further business to come before the Board, President Healey adjourned the meeting at 8:17 p.m.

The Board approved the preceding minutes on June 11, 2012

Tom R. Gray
General Manager/Board Secretary

Date