



**District Attendees**

Misha Sarkovich	Board President
Randy Marx	Board Vice President
Daniel Gilliam	Board Member
Timothy Healey	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**

Lonny Gossett	Director Elect Division 3
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**AGENDA ITEMS**

**I. Call to Order**

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

**II. Public Comment**

- Mr. Cornwell inquired on the status of his request for the backflow removal.
- General Manager Gray stated he had no new information to report.

**III. Consent Calendar**

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

1. Approval of minutes
  - a. Regular Board Meeting of November 8, 2010
2. Accept and file: Treasurer's report for the month of November, 2010
3. Accept and file: Investment report for the month of October, 2010
4. Accept and file: Monthly Financial Expenses for the month of October, 2010
5. Approval of Warrants
6. Approval of Cal-Card Statement
7. Approval of Monthly Board Expense Report for November, 2010

- President Sarkovich inquired on the “Thank you” coupons under the Cal-Card summary.
- General Manager Gray stated that these were for the customers participating in a State required water sampling program.

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

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

- 1. Letter dated November 2, 2010 from the Government Finance Officers Association acknowledging Award of Certificate of Achievement for Excellence in Financial Reporting to the FOWD for the fiscal year ending December 31, 2009**
  - General Manager Gray stated that the District received the Achievement Award for the Financial Reporting for 2009.
  - President Sarkovich thanked staff for their hard work.
- 2. Oath of Office Timothy Healey as Director Division 1**
  - General Manager Gray administered the oath of office to Director Timothy Healey.
- 3. Oath of Office for Daniel Gilliam as Director Division 2**
  - General Manager Gray administered the oath of office to Director Daniel Gilliam.
- 4. Oath of Office for Lonny Gossett as Director Division 3**
  - Item deferred due to absence of Director Elect.
- 5. Letter dated November 1, 2010 from Chubb Group of Insurance Companies Loss Control Visit**
  - General Manager Gray reported that the Chubb Group Insurance Companies conducted an inspection of the fire protection and life safety systems in New Administration building. He provided an overview of the inspection.
- 6. Letter dated November 8, 2010 from Sacramento LAFCO – Nominations for SDAC Membership**
  - General Manager Gray informed the Directors of openings on the Special District Advisory Committee at Sacramento LAFCO.
- 7. Letter dated December 1, 2010 from ACWA JPIA – Appreciation of Participation in Training**
  - General Manager Gray stated that JPIA thanked the District for participating in many of its training programs.

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

**1. Discussion and possible action on an agreement between FOWD and the Fair Oaks Historical Society**

- General Manager Gray distributed the draft agreement between FOWD and the Fair Oaks Historical Society. He indicated that this agreement included additional indemnification clauses that would protect the District.

M/S/C Gilliam/Healey, Recommended approval of the agreement after legal review.

**2. Discussion and review of the Winter 2010 FOWD Edition of “Water Currents”**

- General Manager Gray reported that the District completed the Newsletter in-house.
- General Manager Gray provided an overview of the Newsletter’s content.

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

**1. Discussion and possible action on selection of Board President and Vice President for 2011**

M/S/C Sarkovich/Gilliam, to nominate Director Marx as Board President.

M/S/C Gilliam/Marx, to nominate Director Healey as Board Vice President.

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

- Item deferred to the next regular board meeting.

**3. Discussion on FOWD Policy No. 4050; the General Manager’s performance review and possible scheduling for a future closed session**

- General Manager Gray provided the policy for the Board to review related to the General Manager’s performance evaluation.

**3. Discussion and possible action on the annual independent audit, to be performed by JJACPA, Inc. for the year ending December 31, 2010**

- General Manager Gray recommended that the Board approve JJACPA, Inc. to perform the District’s audit for the year ended 2010.

M/S/C Gilliam/Healey

## **VII. Upcoming Events**

### **1. Special District and Local Government Institute Governance Workshops / Anaheim / February 17-18, 2011**

- Information only.

### **2. Other**

- General Manager Gray invited the Directors to attend the District's annual Holiday celebration at the District on Tuesday, December 21, 2010 at noon.

## **VIII. Representative Reports**

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

- No report.

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

- Vice President Marx stated that SGA just had their year-end audit and it appears that they controlled their cost well.

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

- General Manager Gray stated that there will be discussion on the wholesale meter cost allocation between SJWD and the agencies.

### **4. Fair Oaks Village Enhancement Committee**

- General Manager Gray inquired if the Board would like him to actively participate in the Fair Oaks Village Enhancement Committee.
- President Sarkovich stated that it would be up to the General Manager.
- General Manager Gray stated that he will only monitor FOVEC and attend as required.

### **5. Other**

- General Manager reported that he attended ACWA and provided an overview of the activities.

## **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 – (Brown, Healey)**
  - No meeting.
6. **Other**
  - None.

**X. General Manager’s Reports**

1. **Legal Matters**
  - No report.
2. **Meter Implementation (Installation & Future Planning)**
  - President Sarkovich stated that the District seems to be installing to the first quarter of 2011 because it has over 400 meters remaining to be installed.
  - General Manager Gray stated that the final few meters will be installed in the first quarter of 2011.
3. **New Building Projects**
  - President Sarkovich inquired on the status for Savings by Design rebate. He stated that SMUD was waiting for additional information from the District.
  - General Manager Gray stated that he will look into this and report back to President Sarkovich.
4. **Operate within 2010 Budget**
  - General Manager Gray stated that the District continues to operate under budget for 2010 operations; referring to the monthly financial report.
5. **FOWD Financial Plan for Metered Rates**
  - Discussed earlier.
6. **Emergency Water Supply Agreement**
  - No report.
7. **GW Remediation Issues (Aerojet)**
  - No report.
8. **Wholesale Meter Upgrades (construction complete; project to remain listed)**
  - No report.
9. **Update and Revise FOWD Policy Manual**
  - No report.

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

- Discussed earlier.

**11. Hydraulic Model Development**

- No report.

**12. Website Update**

- No report.

**13. Unbudgeted Projects**

- None.

**14. Other**

- None.

**XI. Public Comment**

- None.

President Sarkovich closed the open session at 7:40 p.m.

President Sarkovich called the closed session meeting to order at 7:47 p.m.

**XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8, 54956.9 and 54957**

1. Existing Litigation (Subdivision (a) of Section 54956.9) Name of case: Hubbard vs. Fair Oaks Water District et al. Sacramento County Superior Court

President Sarkovich reopened the meeting to the public at 8:04 p.m.

**XIII. Report from closed session**

- None.

**XIV. Public Comment**

- None.

**XV. Adjournment**

With no further business to come before the Board, President Sarkovich adjourned the meeting at 8:05 p.m.

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The Board approved the preceding minutes on January 10, 2011

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Tom R. Gray  
General Manager/Board Secretary

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Date