



District Attendees

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

Other Attendees

Ted Costa	SJWD Board Member
Andy Sells	ACWA JPIA Chief Executive Officer

Absent

Timothy Healey	Board Member
Randy Marx	Board Member

AGENDA ITEMS

I. Call to Order

President Sarkovich called the meeting to order at 6:33 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 January 14, 2013
2. Accept and file Treasurer's Report for the month of January, 2013
3. Accept and file Investment Report for the month of December, 2012
4. Accept and file Monthly Financial Expenses for the month of January, 2013
5. Approval of Warrants

6. Approval of Cal-Card Statements
 - a. Statement for December, 2012
 - b. Statement for January, 2013
7. Approval of Monthly Board Expense Report for the month of January, 2013
 - Director McRae inquired on the paving expenses difference between the monthly financial reports versus the check register.
 - General Manager Gray stated that the monthly financial report includes operating expenses only. The paving expenses in the check register are for the capital projects while the item referenced in the financial report was for maintenance paving. He stated the capital projects are being reviewed and monitored monthly and staff can bring these to the Board.
 - President Sarkovich stated that the capital project report can be a line item under General Manager's report starting next month.
 - Director McRae inquired why there are so many line items for employee recognition.
 - General Manager Gray stated that the Board allotted an amount in the annual budget for employee recognition and that staff elected to use a significant amount of the budget for a 2012 holiday party (covered by the referenced expenses).

M/S/C McRae/Gossett, to approve the consent calendar.

Absent: Directors Healey and Marx

IV. Presentation & Correspondence

1. Presentation by ACWA JPIA staff to FOWD

- ACWA JPIA Chief Executive Officer Sells presented a check in the amount of \$38,099 for the property and general liability insurance refund. He stated that the District participates in all of ACWA JPIA's programs and that the District is being rewarded for good risk management.
- He also thanked Operations Superintendent Shawn Huckaby for sitting on ACWA JPIA Property and General Liability insurance program committee and HR Payroll Administrator Stacy Peterson for sitting on the ACWA JPIA benefits program committee.

2. Correspondence dated January 10, 2013 from ACWA JPIA – "Presidents Special Recognition Award"

- ACWA JPIA Chief Executive Officer Sells stated that FOWD received the President's Awards for both the liability and property programs for achieving 20% or less loss ratio in claims.

V. Discussion and Action Items: Old Business

1. Update and discussion on FOWD Water Supply for the month of January, 2013

- Operations Manager Nisenboym reported that the District's overall consumption was slightly below the 10-year average for January. Wholesale connections provided approximately 389 AC-FT of water supply and groundwater wells produced approximately 11 AC-FT of water supply for the month. In January, the wholesale connections provided approximately 97% and groundwater wells produced 3% of the total water demand.

2. Discussion and possible action on FOWD's updated policy 2040: "Compensation for Directors"

- General Manager Gray stated that the attached policy 2040 has been modified to match FOWD's Ordinance No. 93-02. He stated that based on Ordinance No. 93-02 and District Policies 2060: "Expenses Incurred for Approved District Activities" and 2070: "Attendance at Educational & Training Functions," it has always been the Board's intention to pay for training/conferences.
- General Manager Gray stated that he also took this opportunity to modify the District's stipend from \$100 to \$125 for the various increases in expenses to Board members including gas. He stated other water agencies in the surrounding areas stipend range from \$125 to \$145. He also noted that with the proposed increase, the District is still within budget for 2013.
- Directors McRae, Gossett and Sarkovich stated that they would like to keep the Director stipend at \$100 per meeting.

M/S/C McRae/Gossett, moved to approve the updated policy 2040 (which has been modified to match Ordinance No. 93-02) with the stipend remaining at \$100 per meeting.

Absent: Directors Healey and Marx

3. Discussion and possible action on Candidate Statement Fees

- General Manager Gray stated that Resolution 12-03 states that the Candidate is to pay for the candidate statement fees for the November 6, 2012 election. He also included previous years' resolutions showing that the candidate is to pay for the statement fees. He recommended that the Board direct staff to develop a policy clearly stating that the candidate should pay for the statement fees.
- After further discussion, President Sarkovich directed staff to develop a policy on requiring the candidate to pre-pay the candidate statement fees and bring it back to the March 2013 Board meeting.

4. Report back and discussion on 2012 residential water use and rates

- General Manager Gray provided a comparison of water usage for various households compared to the flat rate for 2012. He noted that the District's projected revenues in the Five-Year Financial Plan / 2012 Budget was within 5% of actual revenues collected for 2012.

5. Report back and discussion on Edgevale Court Subdivision

- General Manager Gray stated that the Edgevale Court Subdivision project has been completed. The District agreed to pay 50% for the design and construction as approved by the Board previously. The total cost was \$92,414.75 with the District portion being \$42,206.88. With the connection fees being used to offset the project, the net cost to the District is approximately \$13,000.

6. Report back and discussion on 4425 Kenneth Avenue regarding Public Water Protection

- General Manager Gray stated that the backflow device has been relocated and the District has inspected it.

7. Report back and update on 2012 year-end financial audit

- General Manager Gray stated that the auditors began the 2012 year-end audit. There is no finding on the transactions audited. They will complete the audit and report back at the March regular Board meeting.

VI. Discussion and Action Items: New Business

1. No report.

VII. Upcoming Events

1. Fair Oaks Chamber Luncheon / February 21, 2013 / FORPD Club House

- Information only.

2. Fair Oaks Community Coffee Meeting with Supervisor Susan Peters / March 20, 2013 / Dianda's Italian Bakery and Cafe

- Information only.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- General Manager Gray stated that Director Marx is not able to attend and asked that Director McRae attend if available.

2. Regional Water Authority (RWA)

- General Manager Gray provided the agenda for RWA's Executive Committee.

3. San Juan Family of Agencies Executive Committee

- General Manager Gray provided Draft minutes from the Executive Committee, Board agendas for SJWD and Draft Minutes of the SJWD Regular Board Meeting.

4. Other

- None.

IX. Directors' Reports & Comments

1. Budget Committee – (Sarkovich, Healey)

- No meeting.

2. Technical Advisory Committee – (Marx, McRae)

- No meeting.

3. Capital Improvement Committee – (McRae, Sarkovich)

- No meeting.

4. Personnel Committee – (Gossett, McRae)

- No meeting.

5. Public Relations Committee – (Healey, Gossett)

- No meeting.

6. Other

- None.

X. General Manager's Report

1. Monthly Work Performance Report.

- General Manager Gray provided an overview of the work completed by staff.

2. Operate within 2013 Budget

- General Manager Gray reported that the District is 28% under the budget YTD as of the January 2013.

3. Metered Rates Conversion Project

- This item will be removed from the General Manager's Report and replaced with with Capital Projects.

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

- General Manager Gray stated that the FO-40 inch is near completion and more detail to come at the upcoming meetings.

5. Delta Issues – Update on Regional Involvement

- General Manager Gray provided a brief overview of the Delta issues.

6. Other

- Director McRae inquired if anyone sent the list to be added to the General Manager's Report.
- General Manager Gray stated that he did not receive a request. He stated that he can add reviewing and updating the policies on the list.
- President Sarkovich stated that General Manager can add the policy update to the General Manager's Report.
- President Sarkovich stated that General Manager Gray can bring a list of items and the Board will review the list to add to the General Manager's Report.
- Vice President Gossett stated he would like to know the staff more and obtain their views of the District's operations. He suggested having some staff attend Board meetings.
- General Manager Gray stated that he can have staff come to the Board meeting to present to the Board or schedule early morning meetings for staff to meet with the Board.
- General Manager Gray also suggested that the Personnel Committee meet and select employees to interview. This will be done without any managers present.
- Vice President Gossett indicated that he would like to schedule the Personnel Committee meeting.
- Director McRae inquired if the District ever had any safety violations.
- General Manager Gray reported that the District has not had one since he has been at the District.
- Director McRae requested that any issues related to disciplinary actions or violations or service interruptions be brought to the Board's attention.
- President Sarkovich stated that this would be for closed session if any item is related to staff.
- It was decided that service interruptions can be reported under item Capital Projects and that safety related items would be under General Manager's Report.

XI. Public Comment

- None.

XII. Adjournment

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

The Board approved the preceding minutes on March 11, 2013

Tom R. Gray
General Manager/Board Secretary

Date