



District Attendees

Misha Sarkovich	Board President
Michael McRae	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
Northridge Country Club Representatives	

Absent

Lonny Gossett	Board Vice President
Timothy Healey	Board Member

AGENDA ITEMS

I. Call to Order

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

General Manager Gray stated that Directors Gossett and Healey are both out of the State and are unable to attend the Board meeting.

II. Public Comment

- None.

General Manager Gray requested that the Board move item V.3 “Discussion on providing water supply to North Ridge Country Club” to follow the consent calendar.

President Sarkovich approved moving item V.3 “Discussion on providing water supply to North Ridge Country Club” to follow the consent calendar.

III. Consent Calendar

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

1. Approval of minutes
 - a. Regular Board Meeting of June 10, 2013
2. Accept and file Treasurer's Report for the month of June, 2013
3. Accept and file Investment Report for the month of May, 2013
4. Accept and file Monthly Financial Expenses
 - a. No report
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of June, 2013
7. Approval of Monthly Board Expense Report for the month of June, 2013
 - Director McRae inquired about the truck pricing differences between the purchase authorization form and check register.
 - General Manager Gray stated that it may have to do with discounts. Staff can either reconcile it now or report back.
 - Director McRae stated that staff can report back on this item.

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

Absent: Directors Gossett and Healey

IV. Presentation & Correspondence

1. Letter dated June 12, 2013 from customer located at 8601 Ranchwood Court

- General Manager Gray stated that the customer at 8601 Ranchwood Court asked the Board to consider offering a reduced Agricultural Rate. The customer indicated that he does not need the Agriculture Rate; however, he feels that dry creeks and a potential for orchards dying will affect the character of Fair Oaks.
- The Board communicated that the District is not an Agriculture area and should focus on water efficiency. The Board determined that it does not want to offer a stand-alone rate for Agriculture. The Board also noted that FOWD needs to comply with the water reduction of 20% per capita in urban water demand by 2020.
- The Board told staff to draft a letter to the customer informing him that the Board will not consider a reduction rate for Agriculture and President Sarkovich will sign the letter.

V. Discussion and Action Items: Old Business

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

- Operations Manager Nisenboym reported the District's overall consumption was below the 10-year average for the month of June. Wholesale connections provided approximately 1,341 AC-FT of water supply and groundwater wells produced approximately 154 AC-FT of water supply for the month.

2. Report back on discussions on the Wholesale Water Agreement update

- General Manager Gray stated there is no new information to report.

3. Discussion on providing water supply to North Ridge Country Club

- General Manager Gray stated that FOWD has been working with North Ridge Country Club towards an agreement. He hopes to have an action item at the August Board meeting.
- North Ridge Country Club legal representative, Doug Craft, stated he appreciates FOWD's consideration and is looking towards an arrangement that would work for North Ridge Country Club and FOWD.
- President Sarkovich stated he is pleased to see progress and is looking forward to an agreement at the next Board meeting.

VI. Discussion and Action Items: New Business

1. Discussion on submittal of the 2012 Government Compensation in California Report to the State Controller's Office

- General Manager Gray informed the Board that FOWD already submitted the 2012 Government Compensation Report to the State Controller's Office. The deadline for this report is July 23, 2013.

VII. Upcoming Events

1. Fair Oaks Chamber Luncheon / July 19, 2013 / FORPD Clubhouse

- Information only.

2. Senator Ted Gaines Community Leaders Breakfast / August 14, 2013 / El Dorado Hills

- Information only.

3. Supervisor Susan Peters Community Coffee Meeting / August 21, 2013 / FOWD

- Information only.

4. CSDA Annual Conference / September 16-19, 2013 / Monterey

- Information only.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- Director Marx stated that the approved SGA's budget increases FOWD's annual dues from \$19,200 to \$20,700 (approximately 7% increase). He also stated that a presentation and discussion on setting an MCL for Chromium in water supplies was held.
- General Manager Gray stated that at this time, FOWD does not have an immediate Chromium threat based on the current proposed standards.

2. Regional Water Authority (RWA)

- General Manager Gray stated at the last two meetings, RWA discussed strategic planning. RWA will discuss goals and objectives at the upcoming meeting.

3. San Juan Family of Agencies Executive Committee

- General Manager Gray reported the Executive Committee met on June 25, 2013. There were discussions on the Wholesale Water Agreement, the Pump Back Project and the BMP 1.4 Retail Conservation Pricing Workshop.
- General Manager Gray stated he included the upcoming SJWD agenda in the Board packet.
- Director Marx provided a brief overview of the SJWD & SSWD joint board meeting. He stated there were four options and one of the options is to consider a consolidation of SJWD & SSWD into a single entity with a single elected Board of Directors.
- SJWD Director Costa added that the next 2x2 meeting is scheduled for July 12, 2013 at 11:30 a.m.

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 Maintenance Work Report.

- General Manager Gray provided a brief overview of the water sales comparison between 2012 and 2013. He stated more water has been delivered for the first six months in 2013 compared to 2012. He stated FOWD keeps track of the O&M water use.

2. Capital Projects Status Report

- General Manager Gray provided the Board with the Capital Projects Status Report.

3. Safety Issues Update

- No report.

4. Financial Issues Update

- General Manager Gray stated that the June and July financials will be included at the next Board meeting. He indicated that the District is around 20% under budget.

5. Delta Issues – Update on Regional Involvement

- No report.

6. Other

- General Manager Gray presented to the Board a copy of improvement plans for the next capital project to be completed – indicating that the design was completed by FOWD staff at a savings of \$30-\$50K to District ratepayer.

President Sarkovich closed the open session meeting at 7:15 p.m.

President Sarkovich called the closed session meeting to order at 7:22 p.m.

XI. Closed Session Pursuant to Government Code Section 54956

1. Conference with Legal Counsel on 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. Conference with Legal Counsel on Anticipated Litigation (2 cases)

President Sarkovich reopened the meeting to the public at 8:48 p.m.

XII. Report from Closed Session

- None.

XIII. Public Comment

- None.

XIV. Adjournment

With no further business to come before the Board, President Sarkovich adjourned the meeting at 8:50 p.m.

The Board approved the preceding minutes on August 12, 2013

Tom R. Gray
General Manager/Board Secretary

Date