



District Attendees

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| 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

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| Ted Costa | SJWD Board Member |
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Absent

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| Randy Marx | Board Member |
| 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 Marx and Healey both called in with notification of absence.

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 August 12, 2013
2. Accept and file Treasurer's Report for the month of August, 2013
3. Accept and file Investment Report for the month of July, 2013
4. Accept and file Monthly Financial Expenses for the month of August, 2013

5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of August, 2013
7. Approval of Monthly Board Expense Report for the month of August, 2013
 - Director McRae inquired on the professional services payment for the American River Basin Plan under the treasurer's report (item III.2).
 - General Manager Gray stated that these fees are related to the District placing the grant fund projects into the Integrated Regional Water Management Plan. These projects include a storage tank at Gum Ranch, a well at Gum Ranch, an extension of water main across the American River, and an upgraded interconnection with Carmichael Water District.

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

Absent: Directors Marx and Healey

IV. Presentation & Correspondence

1. Correspondence dated August 12, 2013 from ACWA JPIA regarding Trench and Excavation Training held at FOWD on July 23, 2013

- General Manager Gray stated that ACWA JPIA thanked the District for hosting their Trench and Excavation training. He noted that one of FOWD's staff is working towards being an ACWA JPIA instructor for field service training.

2. Correspondence dated August 20, 2013 from Special District Leadership Foundation

- General Manager Gray stated that this letter acknowledged the FOWD's General Manager receiving renewal of Special District Administrator's certification.

V. Discussion and Action Items: Old Business

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

- Operations Manager Nisenboym reported the District's overall consumption was below the 10-year average for the month of August. Wholesale connections provided approximately 1,340 AC-FT of water supply and groundwater wells produced approximately 292 AC-FT of water supply for the month.

2. Update and discussion on a formal agreement to supply water to the North Ridge Country Club

- General Manager Gray stated that the draft agreement is currently with District's legal counsel for review.

3. Update and discussion on the Joint Board Meeting of the San Juan Family

- General Manager Gray provided information from the San Juan Family Joint Board Meeting.

4. Discussion and possible action on an agreement to provide public water supply to Bluff City, Inc. and related properties

- General Manager Gray stated that based on the proposed agreement, FOWD will pay for the installation of 114 connections at the Bluff City Development. Bluff City will pay FOWD \$138,100 for the materials. The payment will be made in 60 monthly installments (\$2,301.67 per month) starting January 1, 2014.

VI. Discussion and Action Items: New Business

1. Discussion and possible action on changing November's Regular Board Meeting Date

- General Manager Gray stated that the Board regularly meets on the second Monday of each month. The second Monday of this November, which falls on Veterans Day. He recommended that the Board consider rescheduling the Board meeting from November 11, 2013 to November 4, 2013.

M/S/C Gossett/McRae, approved to reschedule the November Regular Board meeting from November 11, 2013 to November 4, 2013.

Absent: Directors Marx and Healey

2. Discussion and possible action on RWA's Strategic Plan Update with Refined RWA objectives

- General Manager Gray stated the draft revisions to the RWA's Strategic Plan Update are attached for the Board to review and comment.

3. Discussion and possible action on a schedule for completing a budget and financial plan for 2014

- General Manager Gray provided the following timeline for the 2014 Proposed Budget.

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| ✓ August 27, 2013 | Managers Workshop on Budget Development |
| ✓ August 29, 2013 | Managers Workshop on Budget Development |
| ✓ September 11, 2013 | Technical Committee Meeting to Review Capital Project Needs |
| ✓ September 16, 2013 | Budget Committee Meeting to Review Financial Plan |
| ✓ October 14, 2013 | Full Board Public Discussion of Proposed 2014 Budget |
| ✓ November 4, 2013 | Discussion & Possible Action on 2014 Budget by Full Board |

- Director Gossett suggested preparing a two-year budget rather than an annual budget to save staff time.
- President Sarkovich prefers an annual budget because it is easier to adjust expenses on an annual basis.
- Director McRae stated that he believes that there are pros and cons to a one year and a two-year budget. He stated while a two-year budget saves staff time, it would be harder to predict the second year expenses with a two-year budget.
- Director Gossett stated that staff can review expenses and come back for an adjustment at year-end if the District goes to a two-year budget.
- General Manager Grays stated that he is fine with whatever the Board decides. He indicated the District needs to update existing Board policy on Budget preparation.

VII. Upcoming Events

- 1. Technical Committee Meeting / September 11, 2013 / FOWD**
 - Information only.
- 2. Budget Committee Meeting / September 16, 2013 / FOWD**
 - Information only.
- 3. CSDA Annual Conference / September 16-19, 2013 / Monterey CA**
 - Information only.
- 4. Fair Oaks Chamber Luncheon / September 19, 2013 / FORPD Clubhouse**
 - Information only.
- 5. Supervisor Susan Peters Community Meeting / October 16, 2013 / FOWD**
 - Information only.

VIII. Representative Reports

- 1. Sacramento Groundwater Authority (SGA)**
 - No report.
- 2. Regional Water Authority (RWA)**
 - Discussed earlier.
- 3. San Juan Family of Agencies Executive Committee**
 - General Manager Gray stated that there was a Joint Board Workshop with discussions on Delta issues, will serve letters and water supply availability.

- General Manager Gray noted that based on the information he obtained, “deadpool” occurs when Folsom Lake reaches 90,000 AF of water or a water elevation of 230 feet.

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)

- Vice President Gossett mentioned that the Personnel Committee met and he asked that General Manager Gray provide the report.
- General Manager Gray stated there were two suggestions made at the Personnel Committee meeting. The first suggestion was to have the Personnel Committee attend the monthly employee meeting on employee compensation. He stated that every year, there is an employee meeting where employees and management will discuss compensation at the District.
- General Manager Gray stated that the second suggestion the Personnel Committee made was for the Board members of the Personnel Committee to meet with a group of District employees quarterly to get their direct input rather waiting for year-end.

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 monthly maintenance report. He reported that the water consumption data for 2013 is similar to 2012.

General Manager Gray informed the Board that the District will be replacing a main in Fair Oaks Blvd. near the “Village” area.

2. Capital Projects Status Report

- No report.

3. Safety Issues Update

- No report.

4. Financial Issues Update

- No report.

5. Delta Issues – Update on Regional Involvement

- No report.

6. Other

- General Manager Gray reported that Operations Superintendent Shawn Huckaby worked diligently with PG&E and was able to have PG&E drop a \$34,000 claim that our insurance carrier was about to pay.
- General Manager Gray also noted that District staff reviewed charges and was able to obtain refunds of approximately \$2,200 in charges from US Bank.

XI. Public Comment

- None.

XII. Adjournment

With no further business to come before the Board, President Sarkovich adjourned the meeting at 7:47 p.m.

The Board approved the preceding minutes on October 14, 2013

Tom R. Gray
General Manager/Board Secretary

Date