



District Attendees

Lonny Gossett	Board President
Michael McRae	Board Vice President
Timothy Healey	Board Member
Randy Marx	Board Member
Misha Sarkovich	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
Tom Parker	Visitor

Absent

AGENDA ITEMS

I. Call to Order

President Gossett called the meeting to order at 6:31 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 December 9, 2013
2. Accept and file Treasurer's Report for the month of December, 2013
3. Accept and file Investment Report for the month of November, 2013
4. Accept and file Financial Expense Report (No Report)

5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of December, 2013
7. Approval of Monthly Board Expense Report for the month of December, 2013

Director Marx moved to approve the consent calendar.

Director Sarkovich seconded the motion.

Motion carried with the following votes: Gossett – aye, Healey – aye, Marx – aye, McRae – aye, and Sarkovich – aye.

IV. Presentation & Correspondence

1. Staff presentation recognizing the 2013 FOWD Board President

- General Manager Gray presented a plaque to Director Sarkovich to recognize and thank him for serving as Board President in 2013.

2. Correspondence dated December 13, 2013 from SMUD regarding “Sacramento Municipal Utility District Hazel Avenue Electrical Facilities Relocation and Expansion Project”

- General Manager Gray stated the attached correspondence from SMUD indicated that the Hazel Avenue mainline extension would occur in spring 2015.

V. Discussion and Action Items: Old Business

1. Discussion and possible action on FOWD’s Policy No. 5050: “District Reserve Funds”

- The Board tabled this item and asked that staff bring it forward for review and discussion in October, 2014.

2. Update and discussion on FOWD Water Supply for the month of December, 2013 and year-end

- Operations Manager Nisenboym reported the District’s overall consumption was 6.7% above the 10-year average for the month of December. Wholesale connections provided approximately 495 AC-FT of water supply and groundwater wells produced approximately 34 AC-FT of water supply for the month.
- The 2013 total consumption from all water supply sources is 6% higher than 2012 (12,259 AC-FT in 2013 vs. 11,550 AC-FT in 2012).
- General Manager Gray stated that there will be a Special Board Meeting at SJWD on January 15, 2014 at 6 p.m. to discuss the water supply. He recommended that all of FOWD Board members attend.

- General Manager Gray stated he received a formal request from SJWD for FOWD to turn on all of its water wells. He would like the Board's direction on this matter. He also requested that the Board allow him to discuss with Aerojet the impact of having all the wells turned on prior to doing so.
- The Board mentioned that the District should attempt to have a written emergency water supply agreement in place soon. The Board realizes the immediate need to turn on all the wells to help with the water supply shortage; therefore, the Board directed staff to turn on all the water wells after meeting with Aerojet; again noting the need for written agreements as soon as possible.

VI. Discussion and Action Items: New Business

1. Discussion and possible action on Resolution No. 14-01: "A Resolution Declaring a Stage Three – Water Warning within the Fair Oaks Water District Service Area"

- General Manager Gray stated that with the extremely dry conditions, the US Bureau of Reclamation has reduced water flow in the American River. General Manager Gray recommended that the Board declare a Stage Three - Water Warning, with a request to forego outdoor water use for an indeterminate duration. He stated that the estimated financial impact is 10% reduction in overall revenue due to water sales.

Director Marx moved to approve Resolution No. 14-01, declaring a Stage Three - Water Warning, with a request to forego outdoor water use for an indeterminate duration.

Director Healey seconded the motion.

Motion carried with the following votes: Gossett – aye, Healey – aye, Marx – aye, McRae – aye, and Sarkovich – aye.

- Director Sarkovich stated that the dry-year / water supply conditions should be on the agenda for the next few Board meetings with status updates.

2. Discussion and possible action on entering into a contract with GEI Consultants, Inc. to provide professional services to FOWD

- General Manager Gray requested the Board to approve non-bid professional services for the Madison Well to GEI Consultants, Inc. He stated the Madison Well Project is included in the 2014 Budget and is now viewed as an emergency water supply project.

Director Marx moved to approve GEI Consultants, Inc. to provide professional services to FOWD not to exceed \$100,000.

Director Healey seconded the motion.

Motion carried with the following votes: Gossett – aye, Healey – aye, Marx – aye, McRae – aye, and Sarkovich – aye.

3. Discussion and possible action on appointments to Board committees and as FOWD representatives at other organizations

- The following are 2014 Board committees and FOWD representatives.

2014 Board Assignments	
Organization Name	Members
SGA	Marx
RWA	Marx, Gray
ACWA JPIA	Marx
SJWD Executive Committee	Marx, Gray
WFSE	Vacant, Gray

2014 Adhoc Committee Assignments	
Committee Name	Members
Budget	Sarkovich, Vacant, Gray
Capital Improvement	McRae, Sarkovich, Gray
Personnel	Gossett, McRae, Gray
Public Relations	Vacant, Gossett, Gray
Technical Advisory	Marx, McRae, Gray

VII. Upcoming Events

1. Supervisor Susan Peters Community Meeting / January 15, 2014 / FOWD Board Room

- Information only.

2. Fair Oaks Chamber of Commerce Business Luncheon / January 16, 2014 / Fair Oaks Community Club House

- Information only.

3. Other

- General Manager Gray informed the Board of the request from Fair Oaks Parks and Recreation District for FOWD to address water issues.
- General Manager Gray informed the Board of the request from the Fair Oaks Cemetery District for FOWD to address water issues.

- General Manager Gray included an agenda of Citrus Heights Water District's upcoming meeting highlighting the items related to conservation stages and water supply issues.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- No meeting.

2. Regional Water Authority (RWA)

- Director Marx reported on the drought conditions discussed at the RWA meeting.
- General Manager Gray stated that the agencies unanimously adopted a resolution requesting all agencies to reduce water demand by 20%.

3. San Juan Family of Agencies Executive Committee

- No 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)

- President Gossett invited Directors to attend the employee meeting on January 21, 2014.

5. Public Relations Committee – (Healey, Gossett)

- No meeting.

6. Other

- Director Healey announced his resignation as of January 13, 2014. He stated that he is taking a trip around the world at the end of January 2014 and would not be able to serve as Board of Director for the Fair Oaks Water District. He stated that it was a pleasure serving as a Board member of the District. He thanked Tom R. Gray and Board members.

- Director Sarkovich thanked Director Healey for his years of service.
- General Manager Gray thanked Director Healey for his valuable input during his service at the Fair Oaks Water District.

X. General Manager’s Report

1. Monthly Maintenance Work Report

- General Manager Gray provided a brief overview of the December water sales and noted that the water revenue for 2013 exceeded projected amounts by approximately \$100,000.

2. Capital Projects Status Report

- General Manager Gray provided an overview of the capital projects.

3. Safety Issues Update

- General Manager Gray provided an overview of the upcoming training.

4. Financial Issues Update

- General Manager Gray stated that the District is still finalizing 2013 expenses and will provide the report at the next Board meeting.

5. Delta Issues – Update on Regional Involvement

- No report.

6. Other

- None.

XI. Public Comment

- SJWD Assistant General Manager Durkin thanked the Board for directing the General Manager to turn on all the wells to help with the water supply shortage.

XII. Adjournment

With no further business to come before the Board, President Gossett adjourned the meeting at 8:32 p.m.

The Board approved the preceding minutes on February 10, 2014

Tom R. Gray
General Manager/Board Secretary

Date