



District Attendees

Randy Marx	Board Member
Misha Sarkovich	Board Member
Tom Tafoya	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Chi Ha-Ly	Finance Manager

Other Attendees

George Babcock	Customer
Wendy Lee	Customer

Absent

Michael McRae	Board President
Dave Underwood	Board Vice President

AGENDA ITEMS

I. Call to Order

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

II. Public Comment

Director Sarkovich stated Director McRae had a scheduled absence and Director Underwood is sick and unable to attend.

Mr. Babcock stated he appreciates the recent bill insert the District sent.

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 12, 2015

2. Accept and file Treasurer's Report for the month of January, 2015
3. Accept and file Investment Report for the month of December, 2014
4. Accept and file Financial Expense Report – *Report Deferred*
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of January, 2015
7. Approval of Monthly Board Expense Report for the month of January, 2015

Director Marx moved to approve the consent calendar.

Director Tafoya seconded the motion.

Motion carried with the following votes: Marx – aye, Sarkovich – aye, and Tafoya– aye.

Absent: Directors McRae and Underwood

IV. Presentation & Correspondence

1. Correspondence dated February 1, 2015 from customer located at 5560 Illinois Avenue

- Ms. Lee stated she submitted to the Board, a package showing her new drought landscape. She would like the Board to consider providing incentives to offset her landscaping costs.
- General Manager Gray stated that the Board heard from Ms. Lee and other customers relative to landscape and water conservation. Through the effort of Mr. Gossett, who presented the landscape incentive program, the Board took action and approved for staff to put together a landscaping incentive program. Currently, a flat \$75 per customer is being proposed.
- Ms. Lee stated that \$75 is worthless compared to the amount of money she spent on her landscape.
- The Board and staff discussed the comment made by Ms. Lee regarding the incentive amount offered for the program. It was determined that the District did not want to increase customers' water rates in order to fund the landscape incentive program. Staff will bring the proposed landscape incentive program back to the Board in May 2015.

V. Discussion and Action Items: Old Business

1. Update and discussion on FOWD Water Supply for the month of January, 2015

- Operations Manager Nisenboym reported that the total 388.9 AC-FT of water demand in January was met from 9.9% (38.36 AC-FT) groundwater pumping and 90.1% (350.54 AC-FT) surface water provided by SJWD. The District's overall consumption was 12.95% below the 10-year average with a 24.72% reduction from January 2014.

2. Update and discussion on the San Juan Water District and Sacramento Suburban Water District merger process

- General Manager Gray provided an update of the SSWD/SJWD merger.

3. Update and discussion on the project to pump SSWD groundwater into the SJWD Wholesale service area

- General Manager Gray provided an overview of the proposed agreement for the Pump Back project. He believes this agreement obligates the pre-1914 rights.
- Director Sarkovich directed General Manager Gray to seek Citrus Heights Water District's comments on the agreement.

4. Update and discussion on Groundwater Invoice sent to SJWD in September of 2014

- General Manager Gray reported that the District sent the groundwater invoice to SJWD in September 2014 and has not received a response yet. SJWD hired a consultant to look at the invoice. The groundwater invoice is scheduled to be formally introduced to the SJWD Board.

5. Update and discussion on providing public water service to 4811 Manzanillo Street

- General Manager Gray stated the customer at 4811 Manzanillo previously sent a letter to the Board related to water billing concerns. Staff worked with the customer, addressed the problems, and made adjustments as necessary. The customer was satisfied.

6. Update and discussion on providing public water service to 4141 Temescal Street

- General Manager Gray reported that staff worked with the customer at 4141 Temescal Street per Board's direction and the customer was satisfied.

VI. Discussion and Action Items: New Business

1. Discussion and possible action on nomination of Paul E. Dorey to the ACWA/JPIA Executive Committee

- No action was taken.

2. Update and discussion on annual independent audit of the District

- General Manager Gray stated that the auditors started the interim field work in January and will be back in February for the year-end audit.

3. Update and discussion on the meeting of the SJWD Executive Committee

- General Manager Gray reported that SJWD has eliminated the SJWD Executive Committee and there is no formal communication at this time; in its place, SJWD ad-hoc meetings will be called as needed. Upon discussion, the Board directed staff to draft a letter for President McRae recommending the time previously slotted for the SJWD Executive Committee meetings to be used to host a San Juan users meeting to discuss the merger and other topics.

4. Update and discussion on the development of a RFQ to design the equipping of the Madison Well

- General Manager Gray reported that the RFQ for the Madison Well is being reviewed and should be sent out by March 2015.

5. Discussion and possible action on an Annual Paving Service Contract for the District

- General Manager Gray stated that the District pre-qualified seven vendors and sent the bid package to them. The District received four bids with only two vendors providing the unit prices; the bids have been provided in the Board packet for review. General Manager Gray recommended that the Board authorize the General Manager to sign a contract with Central Valley Engineering and Asphalt Inc. for the road surface restoration services for 2015 based on the submitted low bid and prior experience. General Manager Gray also noted that the proposed contract is for 2015; with a possible one year extension into 2016 based on a successful relationship between the vendor and District.

Director Marx moved to approve the contract as recommended.

Director Tafoya seconded the motion.

Motion carried with the following votes: Marx – aye, Sarkovich – aye, and Tafoya– aye.

Absent: Directors McRae and Underwood

VII. Upcoming Events

1. Supervisor Susan Peters Community Coffee Meeting / February 18, 2015 / Fair Oaks Water District

- Information only.

2. Fair Oaks Chamber of Commerce Business Luncheon / February 19, 2015 / Fair Oaks Community Club House

- Information only.

VIII. Representative Reports

1. Sacramento Groundwater Authority (SGA)

- No report.

2. Regional Water Authority (RWA)

- No report.

3. San Juan Family of Agencies Executive Committee

- No report.

4. Other

- None.

IX. Directors' Reports & Comments

1. Budget Committee – (*Sarkovich, Underwood*)

- No meeting.

2. Technical Advisory Committee – (*Marx, McRae*)

- No meeting.

3. Capital Improvement Committee – (*McRae, Sarkovich*)

- No meeting.

4. Personnel Committee – (*Tafoya, McRae*)

- No meeting.

5. Public Relations Committee – (*Underwood, Tafoya*)

- No meeting.

6. Other (Wholesale Water Communications)

- Director Marx stated that the 2x2 ad-hoc committees met (Director Marx, Director Underwood, SJWD Director Bob Walters and SJWD Director Dan Rich). He stated they all agreed that there is a lack of trust and a lot of staff time is being spent because of this. He stated that he and Director Underwood need to become more familiar with the agreements currently available to help in the discussion with San Juan on current issues.

X. General Manager's Report

1. Monthly Maintenance Work Report

- Report provided for information. No discussion.

2. Capital Projects Status Report

- Report provided for information. No discussion.

3. Safety Issues Update

- No report.

4. Financial Issues Update

- No report.

5. Employee Update

- General Manager Gray reported that one employee resigned his position at the District due to compensation.
- General Manager Gray reported that 2014 performance reviews are complete for all employees except for the managers.

6. Delta Issues – Update on Regional Involvement

- No report.

7. Other

- General Manager Gray reported that Einar Maisch was selected as General Manager for Placer County Water Agency and Rich Plecker was selected as Environmental Utilities Director for the City of Roseville.

XI. Public Comment

- Mr. Babcock stated he is impressed with administration and Board.

Director Sarkovich closed the open session meeting at 7:49 p.m.

Director Sarkovich called the closed session meeting to order at 7:55 p.m.

XII. Closed session pursuant to government code section 54956

1. Conference with legal counsel on anticipated litigation (subdivision (d) of section 54956.9) – one case

Director Sarkovich reopened the meeting to the public at 8:25 p.m.

XIII. Report from closed session

- No report.

XIV. Public Comment

- None.

XV. Adjournment

With no further business to come before the Board, Director Sarkovich adjourned the meeting at 8:27 p.m.

The Board approved the preceding minutes on March 9, 2015

Tom R. Gray
General Manager/Board Secretary

Date