



District Attendees

Michael McRae	Board President
Gary Page	Board Vice President
Misha Sarkovich	Board Member
Randy Marx	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Chi Ha-Ly	Finance Manager
Shawn Huckaby	Customer Service Manager

Other Attendees

George Babcock	Visitor
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Absent

AGENDA ITEMS

I. CALL TO ORDER

- Board President McRae called the meeting to order at 6:33 p.m.

II. PUBLIC COMMENT

- None

III. PUBLIC HEARING

1. Public hearing related to moving the FOWD from election “At-Large” to election “By Division”

- General Manager Gray held a public hearing related to moving the FOWD from election “At-Large” to election “By Division.” The FOWD legal counsel recommended the District participate in the election of its District 1 Board Member, on the March 3, 2020 general election, without any changes to the boundaries. They recommended the District address the boundary modification for the November 2020 general election instead.

- Director Sarkovich stated that one of the reasons for the change is to open District 1 to include a larger area and increase the chances of someone running for the open Board position.
- General Manager Gray stated that Sacramento County Election office is willing to make the change however they do not provide legal guidance.
- Director Sarkovich inquired to the FOWD's legal counsel's objection to making the change at the next election.
- General Manager Gray replied that legal counsel stated election code 22000 as the reason for the recommendations.
- Director Sarkovich inquired if there are no candidates for the open position can the District keep the position vacant.
- General Manager Gray replied that he will need to research the topic and bring it back to the Board.
- Director Page stated that the District should follow legal advice.
- General Manager Gray stated that under the direction of the Board the FOWD will follow legal counsels' recommendations related to the change from election "At-Large" to election "By Division" during the November 2020 general election.

2. Presentation by Staff on the FOWD Division Boundary and Election Modification Project

- General Manager Gray presented the FOWD Division Boundary and Election Modification Project.

IV. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

1. Discussion and possible action on County of Sacramento Hazel Avenue Phase II Project

- General Manager Gray presented an update to the Hazel Avenue Phase II Project. The contractor is seeking \$1.2 million in change orders. Sacramento County reviewed all the change orders from the contractor and provided a reconciled amount to FOWD. The County is unaware if the contractor will accept the reconciled payment or seek litigation.
- Director Page inquired to the potential legal cost to the District.
- General Manager Gray replied that if the Board agrees to pay the reconciled cost a future litigated cost is still possible.

Director Marx moved to approve the \$221,030.38 payment to County of Sacramento for the Hazel Avenue Phase II Project.

Director Sarkovich second the motion

Motion carried with the following votes: McRae – aye, Page – aye, Sarkovich – aye, and Marx –aye

2. Workshop and discussion on an annual FOWD budget for 2020 including operations and capital investment

- General Manager Gray provided a summary of the proposed annual budget including projected expenses, revenue and analysis of a 5-year projected spending plan.
- Director Sarkovich suggested that the shortfall for upcoming years' projects could come from private placement.
- Director Sarkovich stated that he would like the rate chart to be included in the budget summary and published on FOWD's website.
- The Board did not make any changes to the 2020 Proposed Budget and directed staff to place the 2020 Proposed Budget on the November 18, 2019 Regular Board Meeting Agenda for Board approval.

V. PUBLIC COMMENT

- Mr. Babcock inquired on the other sources of revenue.
- General Manager Gray replied that the other sources are from grants issued and other funding not related to water sales.
- Mr. Babcock suggested rewording the budget summary to clarify the other sources of revenue.
- Mr. Babcock expressed his concern for the operations crew working on the area around the bluffs.
- General Manager Gray replied that he understands the concern and will do his best to address it.

President McRae closed the open session meeting at 8:20 p.m.

President McRae called the closed session meeting to order at 8:32 p.m.

VI. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956

1. Conference on Anticipated Litigation (Subdivision (d) of Section 54956.9)

President McRae closed the closed session meeting at 9:02 p.m.

President McRae reopened the meeting to the public at 9:02 p.m.

VII. REPORT FROM CLOSED SESSION

- None.

VIII. PUBLIC COMMENT

- None.

IX. ADJOURNMENT

With no further business to come before the Board, President McRae adjourned the meeting at 9:02 p.m.

The Board approved the preceding minutes on November 18, 2019

Tom R. Gray
General Manager/Board Secretary

Date