



**District Attendees**

Misha Sarkovich	Board President
Randy Marx	Board Vice President
Michael McRae	Board Member
Gary Page	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Technical Services Manager

**Other Attendees**

George Babcock	Visitor
Ted Costa	Director, San Juan Water District

**Absent**

Nadine Reid	Board Member
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**AGENDA ITEMS**

**I. CALL TO ORDER**

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

**II. PUBLIC COMMENT**

- San Juan Water District Director Costa stated that he is running for a position with LAFCo under the platform of water sustainability. He provided a brief overview of his reasons for running for the position.

**III. CONSENT CALENDAR**

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

1. Approval of Minutes
  - a. Regular Board Meeting on August 9, 2021

- b. Special Board Meeting August 18, 2021
2. Accept and File Treasurer's Report for the month of August 2021
3. Accept and File Investment Report for the month of July 2021
4. Accept and File Financial Expense Report for the month of August 2021
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of August 2021
7. Approval of Board Expense Report for the month of August 2021

President Sarkovich moved to approve the consent calendar as presented.

Vice President Marx seconded the motion.

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

Absent: Reid.

#### **IV. PRESENTATION & CORRESPONDENCE**

1. **None.**

#### **V. DISCUSSION AND ACTION ITEMS: OLD BUSINESS**

##### **1. Update and discussion on FOWD Groundwater Well Projects**

- General Manager Gray presented an update on the FOWD Groundwater Well Projects. Skyway Well equipping design is 98% complete and will go out to bid in the next few weeks. New York Well is drilled and equipping phase is currently under design. A minor odor issue has been detected as water is pumped from the New York Well – this issue is currently under review.
- President Sarkovich inquired as to the timeline of Skyway Equipping.
- General Manager Gray replied that staff will provide an updated schedule to the Board.
- Director Page inquired if the New York Well conditions were present before the old well was taken out of service.
- General Manager Gray replied that the quality issues did not exist, and the well was taken out of service due to the aging equipment.
- Vice President Marx inquired about the options being explored to mitigate the taste and odor issue.
- General Manager Gray replied that nothing has been determined at this time and options will be presented to the Technical Committee for review.

**2. Update and discussion on FOWD Corporate Yard Redevelopment Project**

- President Sarkovich stated that the Capital Improvement committee met with the Architect to mitigate concerns from the neighbors. The redesign will need to be submitted to the County by September 15, 2021, in order to be included in the next Fair Oaks Community Planning Advisory Committee Meeting packet.
- Director Page stated that he was able to investigate the site conditions with the property neighbors. He inquired if there was concern about the strength of the current retaining wall.
- General Manager Gray replied that the walls appear to be old and may not last the same length as the new building. The walls are on the neighbor's property and not owned by FOWD.

**3. Update and discussion on the 2022 draft FOWD Annual Budget**

- General Manager Gray stated that staff has developed a draft 2022 FOWD Budget and will schedule a meeting with the Budget Committee within the next few weeks.
- President Sarkovich asked that Director Page attend the Budget Committee.

**4. Update and discussion on drought conditions**

- General Manager Gray provided an overview of the current drought conditions.

**VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS**

**1. Update and discussion on FOWD Water Supply for the month of August 2021**

- Technical Services Manager Siebensohn provided an overview of the Water Supply for August 2021.
- General Manager Gray highlighted that FOWD customers conserved close to 20% water compared to 2013 – also noting that FOWD met 40% of total water demand for the month of August 2021 with groundwater.
- Director Page stated that FOWD should inform customers that they are doing a good job at conserving water.

**2. Discussion and possible action on an updated FOWD Policy No. 5110: "Procurement and Payment Policy"**

- Finance Manager Ha-Ly provided a brief overview of the changes to the Procurement and Payment Policy. Significant changes include adding the Technical Services Manager for purchase approval and check signing.

President Sarkovich moved to adopt the updated FOWD Policy No. 5110: "Procurement and Payment Policy."

Vice President Marx seconded the motion.

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

Absent: Reid.

**3. Discussion and possible action on FOWD Resolution No. 21-07: “A Resolution for Check Signing Authorization”**

President Sarkovich moved to adopt resolution No. 21-07: “A Resolution for Check Signing Authorization.”

Vice President Marx seconded the motion.

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

Absent: Reid.

**4. Discussion and possible action on proposed new FOWD Policy No. 6035: “Fire Hydrant Use and Maintenance”**

- Operations Manager Huckaby provided an overview of the Fire Hydrant Use and Maintenance Policy.
- President Sarkovich inquired whether there is a cost associated with this program.
- General Manager Gray stated there will be a cost for the hydrant stickers of a few hundred dollars and internal staff time.
- Director Page stated he understands there is a need for maintaining the fire hydrants; however, he does not know of a law requiring a special district to maintain the fire hydrants.
- General Manager Gray believes that the FOWD should be maintaining the fire hydrants as part of the public service.
- Director McRae inquired if there was a process for the construction water.
- General Manager Gray reported that FOWD has a procedure in place that collects a monetary deposit equipment use and that bills for usage.
- Vice President Marx inquired whether FOWD charges the fire department for training since it was listed as one of the six nonemergency uses.
- General Manager Gray stated FOWD would like to have the fire department inform FOWD when they use the fire hydrant and to get a backflow device. However, FOWD does not charge the fire department for water use for training and emergencies.
- SJWD Director Costa stated SJWD has attempted to get insurance companies to pay the water if the fire department is using the water to save a building.
- General Manager Gray stated that as a public service, emergency water supply is covered by the fixed charge included in FOWD rates.

- President Sarkovich moved to adopt the FOWD Policy No. 6035: “Fire Hydrant Use and Maintenance.”

Vice President Marx seconded the motion.

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

Absent: Reid.

#### **5. Discussion and possible action on additional funding for 2021**

President Sarkovich moved to authorize the General Manager to transfer \$100,600 from reserves to cover 2021 expenses.

Vice President Marx Director McRae seconded the motion.

Director McRae inquired if FOWD can defer the services upgrades.

General Manager Gray stated that this was part of the County Overlay Projects and therefore could not be deferred.

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

Absent: Reid.

### **VII. UPCOMING EVENTS**

#### **1. Regional Water Authority 20<sup>th</sup> Anniversary Celebration / October 7, 2021 / Sacramento, CA**

- Information Only.

#### **2. ACWA Fall Conference / November 30 – December 3, 2021 / Pasadena, CA**

- Information Only.

### **VIII. REPRESENTATIVE REPORTS**

#### **1. Sacramento Groundwater Authority (SGA)**

- None.

#### **2. Regional Water Authority (RWA)**

- General Manager Gray stated the agenda from the last RWA Board Meeting was included in the Board Packet. There were discussions on the Water Forum Phase II of renegotiations, Sacramento Central Groundwater Authority and SGA possible merger and adopting resolution of support for an ACWA Vice President candidate. RWA had a motion to support one of the candidates for ACWA Vice President. On

behalf of the FOWD, General Manager Gray stated he abstained from voting because Director Marx was not present.

**3. Sacramento Water Forum**

- None.

**4. Other**

- None.

**IX. DIRECTORS' REPORTS & COMMENTS**

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

- None.

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

- None.

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

- None.

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

- None.

**5. Public Relations Committee – (Page, Reid)**

- None.

**6. Wholesale Water Agreement Ad-Hoc Committee – (Page, McRae)**

- None.

**7. Carmichael Water District Ad-Hoc Committee – (Marx, McRae)**

- None.

**X. GENERAL MANAGER'S REPORT**

**1. Maintenance Work Report**

- Report provided, no discussion.

**2. Capital Projects Status Reports**

- Report provided, no discussion.

**3. Authorizations of Additional Funding**

- Report provided, no discussion.

**4. Water Transfer Status Report**

- General Manager Gray reported that all water transfers in the Sacramento Region were halted due to the drought.

**5. Claims Against District**

- None.

**6. Employee Update**

- General Manager Gray reported that the District lost three key employees within a few weeks. They were good employees, and they were happy with FOWD. Two of the employees left because of post-employment benefits offered at other companies. The other employee left due to the ability to work from home and higher pay.

**7. Water Issues – Update on Regional Involvement**

- None.

**8. Other**

- None.

**XI. PUBLIC COMMENT**

- Mr. Babcock inquired if the customers had the legal responsibility of maintaining the retaining wall related to the Corporate Yard Project.
- General Manager Gray replied that he is not a lawyer, but he would assume so.
- Mr. Babcock believes that the FOWD should be maintaining the fire hydrants as part of the public service. He stated that FOWD should not charge the fire department for water use in emergencies; however, FOWD should bill for the water used for training.

President Sarkovich closed the open session meeting at 7:46 p.m.

President Sarkovich called closed session meeting to order 7:51 p.m.

**XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956**

**1. Conference on Anticipated Litigation (Subdivision (d) of Section 54956.9) – one case**

President Sarkovich closed the closed session meeting at 8:23 p.m.

President Sarkovich reopened the meeting to the public at 8:23 p.m.

**XIII. REPORT FROM CLOSED SESSION**

- Nothing to report.

**XIV. PUBLIC COMMENT**

- None.

**XV. ADJOURNMENT**

With no further business to come before the Board, President Sarkovich adjourned the meeting at 8:23 p.m.

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The Board approved the preceding minutes on October 11, 2021

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Tom R. Gray  
General Manager/Board Secretary

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Date