



**District Attendees**

Misha Sarkovich	Board President
Randy Marx	Board Vice President
Mark Dolby	Board Member
Chris Petersen	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Water Supply Superintendent

**Other Attendees**

George Babcock	Visiting Customer
Carolyn Bramson	Visitor
Barbara Beck	Visitor
John Briggs	Visitor
Terry Erlewine	Visitor

**Absent**

**AGENDA ITEMS**

**I. CALL TO ORDER**

- President Sarkovich called the meeting to order at 6:34 p.m.

**II. PUBLIC COMMENT**

- General Manager Gray noted that the next Board Meeting falls on President's Day, February 17, 2025.
- President Sarkovich stated that it could be moved to the following day, Tuesday, February 18, 2025.

**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 16, 2024
2. Accept and File Treasurer's Report for the month of December 2024
3. File Investment Report for the month of November 2024
4. Accept and File Financial Expense Report for the month of December 2024
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of December 2024
7. Approval of Board Expense Report for the month of December 2024

President Sarkovich moved to approve the consent calendar as presented.

Director Dolby seconded the motion.

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

#### **IV. PRESENTATIONS AND CORRESPONDENCE**

1. None

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

##### **1. Board discussion and direction on the process for the appointment of the Director to represent FOWD Division 2**

- General Manager Gray provided an overview of the process and recommendations:
  - Interview all applicants that meet the minimum requirements
  - Invite all applicants to be interviewed by the FOWD Board of Directors at a Special Board Meeting scheduled for Monday, January 27, 2025, starting at 6:30 p.m. (time modified by President Sarkovich).
  - FOWD Board calls for a Special Board Meeting of the FOWD Board of Directors for Monday, January 27, 2025, starting at 6:30 p.m. (time modified by President Sarkovich).
- General Manager Gray provided a status update. As of the Wednesday January 15, 2025, deadline for application submittal, five applications were received. Summary of the applications received are as follows: Leon Corcos, John Briggs, Terry Erlewine, Susannah Martin, and George Babcock.
- President Sarkovich provided a brief overview of the process. Each Board Member will have a ballot, they will each provide a score from 1-5 for each candidate (five being the highest score). General Manager Gray will be responsible for tabulating and providing the final score to the Board. The meeting, by law, has to be public. Each interview will last about thirty minutes and the same questions will be asked of each candidate.
- President Sarkovich proposed to have the interviews scheduled in the same order as the applications were received, starting at 6:30 p.m.
- General Manager Gray proposed that the Special Board Meeting be scheduled for January 27, 2025, at 6:30 p.m. He will contact each candidate and schedule the

interviews in thirty-minute increments, will accommodate scheduling as necessary and will kindly request candidates to show up in staggering time slots to allow privacy and fairness to each candidate when questions and responses are being presented.

- The Board decided to have the interviews in a staggering format, in thirty-minute increments and to provide each candidate with privacy. General Manager Gray will facilitate the interviews by reading the questions to each candidate. After interviews have been conducted, the public will be allowed to provide any public comment.
- General Manager Gray provided an overview of the interview process: interviews, deliberation, and then public comment. The public does not ask any questions of the candidate or have any interaction with them, but they do have an opportunity for public comment.
- President Sarkovich stated that after any public comments are made, the Board will deliberate and fill out their individual ballots and hand them over to General Manager Gray. The score will be 1-5, their preferred candidate will get 5 points, second choice will get 4 points and so on. General Manager Gray will tally up the scores and the Board will proceed to vote, and the candidate will be sworn in at the next Board Meeting.
- An unknown visitor inquired if they could be present during the interview process.
- President Sarkovich responded that the public is welcome to attend the interview, starting at 6:30 p.m. and sit throughout all five interviews. The interviews will end around 9:00 p.m. and then the Board will vote.
- President Sarkovich noted there will be no other agenda items at the January 27, 2025, Special Board Meeting. It will solely be the interviews and votes.
- General Manager Gray clarified that any public statements made after the interviews are conducted should be collaborative and supportive. They can be critical but stated in a polite manner. The public should address the Board, not the individual candidates.
- President Sarkovich noted that each candidate will have an opportunity to make a closing statement. Follow up questions by the Board will also be allowed.
- An unknown visitor inquired if the scores will be made public.
- President Sarkovich stated that the public can ask General Manager Gray for the scores. He would like this process to be fully transparent and open. In case of a tie, the Board will discuss..
- General Manager Gray stated he defers to the Board, but he could announce the top two scores.

## **2. Update and discussion on the Northridge Well Project**

- General Manager Gray provided an overview and update. The bid packet has been completed and ready to go. He asked the Board if they would like to review the bid packet before it goes out.
- President Sarkovich responded that he doesn't need to see it. The bid packet has been done before for other projects like New York Well and Skyway Well. It's not FOWD's first rodeo. He stated that time is of the essence and to keep the ball moving.

- General Manager Gray stated the bid will go out in the next two weeks. He will report back at the next Board Meeting.
3. **Update and discussion on “Make Water a California Way of Life” regulations that took effect on January 1, 2025**
    - Information item only, no staff recommendation.
    - General Manager Gray provided a brief overview and addressed questions from the Board.
  4. **Update and discussion on the proposed merger of SJWD and SSWD**
    - General Manager Gray provided an update. SJWD General Manager Helliker announced at the last Regional Water Authority Meeting that the merger has stopped. Two Board Meetings ago, SJWD voted 3-2 to stop merger from moving forward.

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

1. **Consider appointments to serve as District representatives to various organizations and committees**
  - General Manager Gray provided an overview. 2025 Board assignments will be revised to reflect changes discussed among the Board.
  - President Sarkovich recapped the appointments listed in the following tables.

**FAIR OAKS WATER DISTRICT  
2025 ASSIGNMENTS**

<b>2025 - BOARD ASSIGNMENTS</b>	
Agency Name	2025
Sac. Groundwater Authority	Marx, Petersen
Regional Water Authority	Marx, Gray, Petersen (alternate)
ACWA JPIA	Petersen, Dolby (alternate)
Water Forum SE	Petersen, Gray

<b>2025 - COMMITTEE ASSIGNMENTS</b>	
Committee Name	2025
Budget	Sarkovich, Marx, Gray
Capital Improvement	Sarkovich, Petersen, Gray
Personnel	Vacant, Dolby, Gray
Public Relations	Vacant, Dolby, Gray
Technical Advisory	Marx, Petersen, Gray
FOWD and SJWD 2x2 Ad-Hoc	Sarkovich, Petersen, Gray
FOWD and CWD 2x2 Ad-Hoc	Dissolved
Corporate Yard Ad-Hoc	Dissolved

<b>2025 - OUTREACH ASSIGNMENTS</b>	
Agency/Committee Name	2025
FO Chamber	Gray, Sarkovich
Office of County Supervisor	Gray, Sarkovich
Office of State Assemblyman	Gray, Sarkovich
Office of State Senator	Gray, Sarkovich
FOVEC	Gray, Sarkovich
CSDA	Gray, Sarkovich
AWWA	Gray, Sarkovich
ACWA	Gray, Sarkovich
LAFCo	Gray, Sarkovich

- 2. Sacramento Region comments on the Draft Sacramento / Delta Bay-Delta Updates to the Water Quality Control Plan**
  - Information item only, no comments.
- 3. Discussion on FOWD Water Supply for the month of December 2024 and 2024 year-end** Water Supply Superintendent Siebensohn provided a summary of the water supply report.
  - He addressed questions from the Board concerning the production of Skyway Well.
  - General Manager Gray noted that Skyway Well is a new well and staff would like to run and test it because it's still under warranty.
- 4. Discussion and possible action on 2024 funds for work in progress projects to be carried forward to 2025 and additional funding for 2025 expenses**
  - Finance Manager Ha-Ly recommended the Board to authorize General Manager Gray to carry forward \$643,079.04 of the unused funds from 2024 to 2025 for capital projects in progress and transfer \$100,000 from contingency fund to cover capital project.

President Sarkovich moved to authorize General Manager Gray to carry forward \$643,079.04 of the unused funds from 2024 to 2025 for capital projects in progress and transfer \$100,000 from contingency fund to cover capital project.

Director Petersen seconded the motion.

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

- 5. Update and discussion on FOWD participation in the Fair Oaks Community Menorah Lighting Event**
  - General Manager Gray provided a brief summary of the event he attended on behalf of FOWD. They had FOWD as a guest of honor and it was a touching and wonderful event. The event took place at the VFW Hall.
- 6. Update and discussion on FOWD 2024 Metered Water Deliveries**
  - Information item only.
  - Operations Manager Huckaby provided an overview and update. He addressed questions from the Board and the public.
  - FOWD staff reconciles annual water supply and metered water deliveries at the end of each year. This reconciliation process is performed by comparing the combination of surface water purchased from San Juan Water District and groundwater produced from FOWD wells against actual water delivered to customers, as measured through FOWD water meters. The difference is calculated and reported as non-revenue water loss. Industry standards (e.g. AWWA) allow up to 10% non-revenue water loss as an acceptable number and good indicator of a well-maintained water system. FOWD non-revenue water loss was at 5.36% for 2024.

- General Manager Gray complimented staff for the 2024 outcome.
- 7. Update and discussion on FOWD Fire Hydrants and readiness to perform**
- Information item only.
  - General Manager Gray provided an overview and addressed questions from the public and the Board.
- 8. Discussion and possible action on General Manager’s Amended and Restated Employment Agreement**
- General Manager Gray provided an overview.

President Sarkovich moved to approve General Manager Gray’s amended and restated employment agreement as presented.

Director Dolby seconded the motion.

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

- 9. Discussion and possible action on Board Member request for FOWD participation in upcoming local events**
- President Sarkovich provided an overview. He stated that he would like FOWD to be present and be part of the community. He suggested FOWD provide raffle tickets to staff as part of the employee appreciation program/employee retention fund so employees can attend these types of events. He stated that the Rotary Club and Fair Oaks Historical Society would be great events for FOWD to be part of.
  - General Manager Gray stated that expenses need to be related to FOWD’s mission: water reliability, water quality, and water efficiency. There is a benefit to community involvement, but it has to be related to FOWD’s mission. FOWD has a \$10,000 yearly budget set aside for the employee appreciation program. Out of this budget, a \$1,000 donation is given to Orangevale Food Bank on behalf of FOWD employees. The rest of the budget is used for breakfast during employee meetings, summer picnic, end-of-the-year holiday party and small miscellaneous rewards throughout the year.
  - General Manager Gray mentioned FOWD participates at the Chicken Festival and the Harvest Festival every year.
  - The Board discussed and addressed questions from the public regarding FOWD’s event participation, attendance, budget and inclusivity/selection of events.
  - An unknown visitor suggested FOWD should have a policy in place stating how many events they will be attending and how they will select the type of event to attend.
  - The Board had a discussion and decided not to sponsor the Rotary Club and Fair Oaks Historical Society events at this time.

## **VII. UPCOMING EVENTS**

- 1. January 29, 2025 / FOWD Presentation to the FOHS / Fair Oaks**
  - General Manager Gray will be presenting.
- 2. February 11, 2025 / Supervisor Desmond Community Meeting / FOWD**
  - Meeting will be at 5:30 p.m.
- 3. February 13, 2025 / SGA Board Meeting / Sacramento**
- 4. February 18, 2025 / RWA Board Meeting / Sacramento**

## **VIII. REPRESENTATIVE REPORTS**

- 1. Sacramento Groundwater Authority (SGA)**
  - None.
- 2. Regional Water Authority (RWA)**
  - None.
- 3. Sacramento Water Forum**
  - None. Renegotiation process is ongoing.
- 4. Other**
  - None.

## **IX. DIRECTORS' REPORTS & COMMENTS**

- 1. Budget Committee – (Sarkovich, Dolby)**
  - None.
- 2. Technical Advisory Committee – (Marx, Petersen)**
  - None.
- 3. Capital Improvement Committee – (Petersen, Dolby)**
  - None.
- 4. Personnel Committee – (Vacant, Dolby)**
  - None.
- 5. Public Relations Committee – (Vacant, Dolby)**
  - None.
- 6. FOWD and SJWD 2x2 Ad-Hoc Committee – (Vacant, Petersen)**
  - None.



7. **FOWD and CWD 2x2 Ad-Hoc Committee – (Vacant, Marx)**
  - None.
8. **FOWD Field Services Center Ad-Hoc Committee – (Sarkovich, Petersen)**
  - None.

**X. GENERAL MANAGER’S REPORT**

1. **Maintenance Work Report**
  - Report provided.
2. **Capital Projects Status Report**
  - Report provided.
3. **Authorizations of Additional Funding**
  - Report provided.
4. **Water Transfer Status Report**
  - None.
5. **Claims Against District**
  - Report provided.
6. **Employee Update**
  - None.
7. **Water Issues – Update on Regional Involvement**
  - None.
8. **Other**
  - None.

**XI. PUBLIC COMMENT**

- None.
- General Manager Gray noted that three out of the five applicants running for the Board are present.
- The three applicants introduced themselves: George Babcock, Terry Erlewine and John Briggs.

President Sarkovich closed the open session meeting at 8:33 p.m.

President Sarkovich opened the closed session meeting at 8:38 p.m.

**XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54954 AND 54956**

1. Conference with legal counsel on existing litigation; Government Code Sections 54954.5 and 54956.9; Citrus Heights Water District & Fair Oaks Water District v. San Juan Water District
2. Conference on Anticipated Litigation; Government Code Section 54956.9(d) – two cases

President Sarkovich closed the closed session meeting at 9:48 p.m.

President Sarkovich reopened the meeting to the public at 9:48 p.m.

**XIII. REPORT FROM CLOSED SESSION**

- None.

**XIV. PUBLIC COMMENT**

- None.

**XV. ADJOURNMENT**

With no further business to come before the Board, President Sarkovich adjourned the meeting at 9:48 p.m.

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The Board approved the preceding minutes on February 18, 2025

  
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Tom R. Gray  
General Manager/Board Secretary

02-25-2025  
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Date