



**District Attendees**

Michael McRae	Board President
Chris Petersen	Board Vice President
Randy Marx	Board Member
Misha Sarkovich	Board Member
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Technical Services Manager

**Other Attendees**

Paul Helliker	SJWD General Manager
George Babcock	Visiting Customer

**Absent**

Mark Dolby	Board Member
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**AGENDA ITEMS**

**I. CALL TO ORDER**

- Board President McRae called the meeting to order at 6:30 p.m.
- General Manager Gray stated that Director Dolby informed him prior to the meeting that he was unavailable to attend.

**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 July 17, 2023
2. Accept and File Treasurer's Report for the month of July 2023
  - Board President McRae addressed the Board Policy spending limits and the amounts listed for paving.
  - General Manager Gray explained that for cost-effective purposes, paving is usually

done on various projects at once.

3. Accept and File Investment Reports for the months of June and July 2023
4. Accept and File Financial Expense Report for the month of July 2023
  - Board President McRae inquired about paving expenses.
  - General Manager Gray suggested that staff prepare a paving expense presentation for the next Board meeting.
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of July 2023
7. Approval of Board Expense Report for the month of July 2023
  - Visitor Babcock stated that, relative to his statements, the July 17, 2023 minutes should be corrected to reflect that the rebates were purchased in one calendar year and installed in another calendar year that is why he didn't qualify for the rebates.
  - General Manager Gray stated that FOWD will amend the minutes to include "and installed in another calendar year."

Director Petersen moved to approve the consent calendar as amended.

Director Marx seconded the motion.

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

Absent: Dolby

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

1. None.

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

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

- General Manager Gray reported that the Skyway Well Project is about 85% completed and in final stages of being equipped to be placed into production. The New York Well equipping has not begun. FOWD applied for a grant extension due to project delays and the extension was granted.
- Board President McRae inquired about the Skyway Well expected production date.
- Technical Services Manager Siebensohn estimated the production date to be in late September.
- Board President McRae inquired about the bidding status on the New York Well.

- General Manager Gray stated that projects are being prioritized and provided an overview of expectations. He also mentioned that materials have already been purchased.
2. **Update and discussion on the SJWD Wholesale Master Plan Project**
    - General Manager Gray stated that FOWD and Citrus Heights Water District (CHWD) submitted comments to SJWD. SJWD pulled the project back and have yet to complete addressing the submitted comments. A new draft is expected to be received in the next couple of weeks.
    - SJWD General Manager Helliker stated that FOWD will be provided with a copy of the final version.
  3. **Update and discussion on the recruitment to fill open positions at the FOWD**
    - General Manager Gray provided an update and mentioned a new DSO has been hired.
    - Operations Manager Huckaby provided an overview of the new and experienced DSO hire.
    - General Manager Gray stated that there are currently fourteen applicants for the Assistant General Manager position.
    - General Manager Gray stated he accepted an invitation from CHWD to be part of the interview panel for their engineer position.

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

1. **Update and discussion on FOWD Water Supply for the month of July 2023**
  - Technical Services Manager Siebensohn provided a summary of the water supply report.
2. **Discussion on Board direction for the development of a 2024 FOWD Annual Budget**
  - General Manager Gray summarized the Board's direction for the 2024 annual budget.
  - Director Sarkovich and Board President McRae were satisfied with the guidelines provided for preparing the 2024 Proposed Budget.
  - SJWD General Manager Helliker commented that the Wholesale Master Project is a twenty (20) year plan. He thanked FOWD for their comments and mentioned that changes were made to address the feedback received. He also provided an overview and update on the master plan.
  - Board President McRae inquired if SJWD's rate plan is concrete or if it's pending approval.
  - SJWD General Manager Helliker stated that per contract, SJWD is required to give one-hundred and fifty (150) days' notice regarding any rate modifications. Their

financial plan was sent to FOWD in July 2023. During this window, FOWD is welcome to submit their feedback. The final version will be presented for review and approval at their December board meeting.

- General Manager Gray stated that staff is working on a comment letter regarding SJWD's financial plan. Adjustment to FOWD's fixed costs will also be addressed as a routinely discussed budget topic.
- Director Sarkovich expressed his opinion on fixed costs.

### **3. Discussion and possible action on additional funding for 2023 expenses**

- Finance Manager Ha-Ly recommended the Board to authorize General Manager Gray to transfer \$85,500 from reserves to cover the remaining 2023 expenses. She provided a summary for each project and reasoning for the requested amount.
- Board President McRae appreciated the transparency on fund transfers.

Director Marx moved to approve the additional funding for the remaining 2023 expenses as presented.

Vice President Petersen seconded the motion.

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

Absent: Dolby

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

- Operations Manager Huckaby provided an overview of the proposed updates.
- Board President McRae inquired about the contracts' expiration dates.
- General Manager Gray stated that staff will report back to further discuss this topic.

Board President McRae moved to approve the updated FOWD Policy No. 5110: Procurement and Payment as presented.

Director Sarkovich seconded the motion.

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

Absent: Dolby

### **5. Discussion and possible action on Election of Special District Representative to Sacramento LAFCo**

- The Board of Directors directed General Manager Gray to select and vote for a candidate to represent the Special District Representative to Sacramento LAFCo.
- General Manager Gray stated he will report back at the next Board meeting.

**6. Discussion and possible action on the Voluntary Agreement Early Funding Contract**

- General Manager Gray stated that staff recommends approval of the agreement with the Sacramento Regional Water Authority and direction for him to sign the agreement and related documents.
- General Manager Gray addressed and answered questions by the Board of Directors pertaining to the agreement, its fiscal impact and projects.
- SJWD General Manager Helliker provided input on the agreement.

Director Sarkovich moved to approve the Voluntary Agreement Early Funding Contract.

Director Marx seconded the motion.

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

Absent: Dolby

**VII. UPCOMING EVENTS**

1. None.

**VIII. REPRESENTATIVE REPORTS**

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

- Director Marx provided an overview from the meeting and reported that no actions were taken.

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

- General Manager provided an overview.

**3. Sacramento Water Forum**

- General Manager provided an overview.

**4. Other**

- None.

**IX. DIRECTORS' REPORTS & COMMENTS**

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

- None.

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

- None.

- 3. Capital Improvement Committee – (Sarkovich, Dolby)**
  - None.
- 4. Personnel Committee – (McRae, Petersen)**
  - None.
- 5. Public Relations Committee – (McRae, Dolby)**
  - None.
- 6. FOWD and SJWD 2x2 Ad-Hoc Committee – (McRae, Petersen)**
  - Board President McRae, Vice President Petersen and General Manager Gray attended the meeting. Vice President Petersen provided an overview of the meeting.
  - General Manager Gray commented on the potential for an ASR permit for the wholesale area that would include SJWD, FOWD, CHWD and Orange Vale Water Company.

**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**

- Visiting Customer Babcock inquired if there is a Bay Delta Agreement with Sacramento River / American River.
- General Manager Gray responded that in general, all the agreements are related to the same issue of supplying water.
- SJWD General Manager Helliker provided input about other agencies utilizing river water.
- Board President McRae commented that he visited Folsom Lake about two weeks ago and it was high. He also inquired about the “show and tell item” from Skyway Well.
- Technical Services Manager Siebensohn explained that it’s a motor power cable and it contains special wiring for shielding purposes.

Board President McRae closed the open session meeting at 8:22 p.m.

Board President McRae opened the closed session meeting at 8:42 p.m.

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

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

Board President McRae closed the closed session meeting at 9:50 p.m.

**XIII. REPORT FROM CLOSED SESSION**

- None.

**XIV. PUBLIC COMMENT**

- None.

**XV. ADJOURNMENT**

With no further business to come before the Board, Board President McRae adjourned the meeting at 9:50 p.m.

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The Board approved the preceding minutes on September 18, 2023



Tom R. Gray  
General Manager/Board Secretary

10-04-2023

Date