



**District Attendees**

Randy Marx	Board President
Mark Dolby	Board Vice President
Misha Sarkovich	Board Member
Chris Petersen	Board Member
George Babcock	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Water Supply Superintendent
Rebecca Simon	Human Resource Administrator
Blake Chetcuti	Engineer

**Other Attendees**

Marge Wood	Visitor
Trevor Joseph	RWA Manager of Technical Services

**Absent**

**AGENDA ITEMS**

**I. CALL TO ORDER**

- President Marx called the meeting to order at 6:31 p.m. He noted that five Board Members are present.

**II. PUBLIC COMMENT**

- None.

General Manager Gray requested Agenda Item V.3 be pulled from the Agenda and will provide an update at the February 2026 Regular Board Meeting.

General Manager Gray recommended moving Agenda Item IV. 1 before the consent calendar.

President Marx agreed.

### **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 15, 2025
2. Accept and File Treasurer's Report for the month of December 2025
3. File Investment Report for the months of:
  - a. November 2025
  - b. December 2025
4. Accept and File Financial Expense Report for the month of December 2025
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of December 2025
7. Approval of Board Expense Report for the month of December 2025
  - President Marx noted paving costs of \$129K and asked staff to reiterate how that works.
  - Operations Manager Huckaby stated that the paving costs is related to fire hydrant replacement projects.
  - General Manager Gray stated that paving with the County has become a problem. With the Madison Avenue T-Main project FOWD was able to offset about \$190K of payment charges with help from the local County Supervisor and Project Manager.

Director Babcock moved to approve the consent calendar as amended.

Director Dolby seconded the motion.

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

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

1. **RWA staff presentation on the Sacramento Regional Water Bank**
  - Trevor Joseph presented and responded to questions from the Board.

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

1. **Update and discussion on the FOWD Northridge Well Project (verbal – no written staff report)**
  - General Manager Gray stated that well drilling is complete and waiting for the well completion report. Well equipping and site design are in progress.

2. **Update and discussion on the FOWD Transmission Main Replacement Project – Phase I (verbal – no written staff report)**
  - General Manager Gray provided an update that the project is complete. Staff are in a dispute with the contractor over change order requests. Staff will provide an update at the February meeting.
3. **Discussion and possible action on the New York Well Phase II Project – Equipping & Site Work**
  - Item deferred to February 2026 Regular Board Meeting.
4. **Update and discussion on the Riverfront Main Replacement Project**
  - Engineer Chetcuti provided an update that staff is scheduling the work to be completed in 2026 due to a history of leaks. He stated that the project is expected to be completed within budget.
  - General Manager Gray stated that the project has been pushed off due to the difficulty of the bluffs and staff found a solution. He has committed to the neighbors that this project will be completed during his tenure with FOWD.

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

1. **Discussion on FOWD Water Supply for the month of December 2025 and 2025 year-end**
  - Water Supply Superintendent Siebensohn provided a summary of the water supply report.
  - Director Babcock asked about reorganizing the columns on the report to start with 2013 as the first column.
  - General Manager Gray responded that staff would reorganize the columns in the report.
2. **Consider appointments to serve as District representatives to various organizations and committees**
  - General Manager Gray provided an overview.
  - Director Sarkovich recommended keeping the same assignments as previous year and change organizations to Board President Marx with General Manager Gray.
  - President Marx stated that he will keep the assignments the same with the organizations as amended, replacing Director Sarkovich with President Marx.
  - The following table lists the 2026 Board/Committee/Outreach Assignments.

**FAIR OAKS WATER DISTRICT  
2026 ASSIGNMENTS**

<b>2026 - BOARD ASSIGNMENTS</b>	
Agency Name	2026
Sac. Groundwater Authority	Marx, Petersen
Regional Water Authority	Marx, Gray, Petersen (alternate)
ACWA JPIA	Petersen, Dolby (alternate)
Water Forum SE	Petersen, Gray

<b>2026 - COMMITTEE ASSIGNMENTS</b>	
Committee Name	2026
Budget	Sarkovich, Marx, Gray
Capital Improvement	Sarkovic, Petersen, Gray
Personnel	Babcock, Dolby, Gray
Public Relations	Babcock, Dolby, Gray
Technical Advisory	Marx, Petersen, Gray
FOWD and SJWD 2x2 Ad-Hoc	Petersen, Marx, Gray

<b>2026 - OUTREACH ASSIGNMENTS</b>	
Agency/Committee Name	2026
FO Chamber	Gray, Marx
Office of County Supervisor	Gray, Marx
Office of State Assemblyman	Gray, Marx
Office of State Senator	Gray, Marx
FOVEC	Gray, Marx
CSDA	Gray, Marx
AWWA	Gray, Marx
ACWA	Gray, Marx
LAFCo	Gray, Marx

**3. Discussion and possible action on FOWD Resolution No. 26-01: “Water Forum 2050 Agreement”**

- General Manager Gray provided a staff recommendation to approve the FOWD Resolution No. 26-01 and read the resolution for the Board.
- Director Babcock expressed appreciation for the work done on the agreement. He stated that he is concerned that the agreement states it is co-equal with water districts and other entities because not all are equal. He stated that water districts should be more protected. If there is a drought period and to ensure water for our customers, there are no protections for that because one of the entities in the agreement could sue FOWD. The agreement is not legally binding, and it concerns him that it does not mention that people come first.
- General Manager Gray responded that water districts being sued by the environmental caucus and businesses in 2002 is what brought the Water Forum Agreement forward. He stated that it brought entities together, while not legally binding, to prevent litigation.
- General Manager Gray stated that the agreement is implemented through mutual commitments and if there are multiple years of drought, FOWD will provide water to customers first.
- Director Petersen provided comments on the history of the Water Forum Agreement.
- Director Babcock stated that he is nervous about the agreement not stating that other groups will not necessarily acquiesce to the others.
- General Manager Gray responded that it is an agreement with a level of trust between the caucuses. He stated that if others do not follow the intention of the agreement, the water caucus will push back.
- Visitor Joseph stated that he absolutely agrees with General Manager Gray. It is a matter of trust built up over decades that goes a long way with state and federal funding. They are pleased to hear that there are no disputes or litigation/verge of litigation. He stated that RWA continually points to the Water Forum Agreement that has enabled them to be successful and advance projects.

Director Sarkovich moved to approve the FOWD Resolution No. 26-01 as presented.

President Marx seconded the motion.

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

**4. Discussion and possible action on the Water Forum 2050 – Interagency Agreement for the Administration and Management of the Water Forum**

- General Manager Gray provided a staff recommendation to approve the proposed Agreement. He stated that the Agreement is legally binding and reviewed the staff report for the Board.
- General Manager Gray stated that the annual cost has increased due to Sacramento County backing out of some funding that needs to be split among the signatories.
- Director Sarkovich asked how long the commitment will be.

- General Manager Gray stated 2050 but there are off ramps listed in the agreement.

President Marx moved to approve the Water Forum 2050 – Interagency Agreement for the Administration and Management of the Water Forum.

Director Sarkovich seconded the motion.

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

**5. Discussion and possible action on 2025 funds for work in progress projects to be carried forward to 2026 and additional funding for 2026 expenses**

- Finance Manager Ha-Ly requested that the Board authorize the General Manager to carry forward \$713,699.66 of the unused funds from 2025 to 2026 for work in progress, capital projects (\$689,899.66), operating expenses (\$23,800), and transfer \$200,000 from the contingency fund to cover 2026 capital projects and \$14,000 from reserve fund to cover 2026 operating expenses.
- The Board stated that the \$200,000 transfer from the contingency fund to cover 2026 capital project will be reviewed after the project is reconciled.

Director Sarkovich moved to authorize the \$713,699.66 funds for work in progress projects to be carried forward to 2026 and additional funding of \$14,000 to be transferred from the contingency fund.

Director Petersen seconded the motion.

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

**6. Discussion and possible action on FOWD Policy No. 4070: “Employee Compensation”**

- Human Resource Administrator Simon provided an overview for approval of updated FOWD Policy No. 4070: “Employee Compensation” due to a Board approved line being deleted from the policy in error.
- Director Sarkovich stated that the change to the policy was approved during COVID as part of the employee retention problem and asked if there were any plans to change this policy.
- General Manager Gray responded no and that FOWD does not have a retention problem right now because these changes were made; he does not want to go backwards.
- Director Babcock asked if anyone was qualified and did not receive it.
- General Manager Gray responded no because staff have been implementing the incentive believing that it was in the policy approved by the Board.

Director Sarkovich moved to adopt FOWD Policy No. 4070: “Employee Compensation” as presented.

Director Petersen seconded the motion.

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

**7. Update and discussion on FOWD 2025 Metered Water Deliveries**

- Operations Manager Huckaby provided an overview and responded to Board questions.

**8. Discussion and possible action on Skyway Motor Failure**

- Water Supply Superintendent Siebensohn provided an update and responded to Board questions.

**9. Discussion and possible action on rescheduling the February 2026 Regular FOWD Board of Directors Meeting (verbal- no written staff report)**

- General Manager Gray provided a staff recommendation to reschedule February 16, 2026, Board meeting due to President’s Day Holiday to February 23, 2026.
- President Marx agreed and asked staff to send an Outlook invite to Board Directors.

**VII. UPCOMING EVENTS**

**1. January 27, 2026 / RWA Executive Committee Meeting**

**2. February 12, 2026 / SGA Board Meeting**

**VIII. REPRESENTATIVE REPORTS**

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

- None.

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

- General Manager Gray reported that approving the executive committee was on the agenda.
- General Manager Gray reported that FOWD approved the executive committee with the condition that a sub-committee be assigned to look at the difference between the intended and current executive committee make-up. It was approved and FOWD was appointed to the sub-committee.

**3. Sacramento Water Forum**

- None.

**4. Other**

- None.

**IX. DIRECTORS’ REPORTS & COMMENTS**

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

- None.

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

**X. GENERAL MANAGER’S REPORT**

- 1. Maintenance Work Report**
  - Report provided.
  - Director Babcock inquired about non-meters and if that is where the discrepancy comes from provided in Item VI. 7.
  - Operations Manager Huckaby stated that the services with no meters are private fire services and typically there is no water usage.
  - General Manager Gray stated that when they are used, FOWD estimates the water usage.
- 2. Capital Projects Status Report**
  - Report provided.
- 3. Authorizations of Additional Funding**
  - Report provided.
- 4. Water Transfer Status Report**
  - None.
- 5. Claims Against the District**
  - Report provided.
- 6. Employee Update**
  - None.
- 7. Water Issues – Update on Regional Involvement**
  - None.

**8. Other**

- Director Sarkovich asked why FOWD does not have water pressure regulators strategically placed throughout the system.
- General Manager Gray reviewed the pressure zones and regulatory requirements. He stated that private pressure regulators could be installed at the property owners expense.

**XI. PUBLIC COMMENT**

- None.

President Marx closed the open session meeting at 9:13 p.m.

President Marx opened the closed session meeting at 9:21 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; Sacramento Superior Court Case No. 23WM000064
2. Conference on Anticipated Litigation; Government Code Section 54956.9(d) – one case

President Marx closed the closed session meeting at 9:56 p.m.

President Marx reopened the meeting to the public at 9:56 p.m.

**XIII. REPORT FROM CLOSED SESSION**

- None.

**XIV. PUBLIC COMMENT**

- None.

**XV. ADJOURNMENT**

With no further business to come before the Board, President Marx adjourned the meeting at 9:56 p.m.

---

The Board approved the preceding minutes on February 23, 2026



Tom R. Gray  
General Manager/Board Secretary

3-17-2026

Date