



AGENDA ITEM III.1a

Regular Board Meeting

Approved Minutes

July 20, 2026

District Attendees

Randy Marx	Board President
Mark Dolby	Board Vice President
Misha Sarkovich	Board Member
George Babcock	Board Member
Tom R. Gray	General Manager
Chi Ha-Ly	Finance Manager
Shawn Huckaby	Operations Manager
Rebecca Simon	Human Resource Administrator
Nick Kepler	Operations Superintendent

Other Attendees

None

Absent

Chris Petersen	Board Member
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AGENDA ITEMS

I. CALL TO ORDER

- President Marx called the FOWD Regular Board Meeting to order at 6:30 p.m., noting that Director Petersen had an excused absence.

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 June 15, 2026
2. Accept and File Treasurer's Report for the month of June 2026
3. File Investment Report for the month of May 2026
4. Accept and File Financial Expense Report for the month of June 2026
5. Approval of Warrants

6. Approval of Cal-Card Statements for the month of June 2026
7. Approval of Board Expense Report for the month of June 2026

Director Sarkovich moved to approve the consent calendar.

President Marx seconded the motion.

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

Absent: Director Petersen

IV. PRESENTATIONS AND CORRESPONDENCE

1. Presentation of the 2026 FOWD Total Compensation Study by Bryce Consulting

- General Manager Gray delivered a presentation on the 2026 FOWD Total Compensation Study prepared by Bryce Consulting.

2. Correspondence dated June 12, 2026 from the University of California Agriculture and Natural Resources Department

- General Manager Gray reported that FOWD will participate in the Fair Oaks Master Gardeners Harvest Day again in 2026.

V. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

1. Discussion and possible action on acceptance and approval of the 2026 Fair Oaks Water District Total Compensation Study

- General Manager Gray provided an overview.

President Marx moved to approve the 2026 Fair Oaks Water District Total Compensation Study.

Director Sarkovich seconded the motion.

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

Absent: Director Petersen

2. Update and discussion on grant funding for the FOWD Northridge Well Project

- General Manager Gray provided an overview.

3. Update and discussion on the financial reconciliation of the FOWD 2025 Urban Water Management Plan Project

- General Manager Gray provided an overview.

4. Update and discussion on the New York Avenue Water Main Replacement Project – Phase II

- General Manager Gray provided an overview.

5. Update and discussion on the FOWD Field Services Center Project located at 10317 Fair Oaks Boulevard

- General Manager Gray stated that the consultant provided an updated schedule and it is provided in the publicly available Board packet.
- General Manager Gray provided answers to Board Member questions.

6. Update and discussion on the FOWD Fall 2026 Customer Newsletter (verbal- no written staff report)

- General Manager Gray asked for input from the Board on potential content and for individual Board members to send a list to him of any content to consider.
- General Manager Gray stated that staff will prepare an overview of potential topics for inclusion in the newsletter. He suggested convening a Public Relations Committee meeting to review and finalize the newsletter content.

VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

1. Discussion on FOWD Water Supply for the month of June 2026

- General Manager Gray presented the June 2026 water supply report.

2. Discussion on Board direction for the development of a 2026 FOWD Annual Budget and budget development schedule

- General Manager Gray provided an overview of the proposed budget schedule.
- The Board provided direction to move forward with schedule as outlined by General Manager Gray.

3. Discussion and possible action on the required payment of the employer accrued unfunded liability for pension benefits

- General Manager Gray provided an overview.

Director Sarkovich moved to authorize payment of \$423,147 to CalPERS for the employer accrued unfunded liability for the fiscal year 2026-2027.

Director Babcock seconded the motion.

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

Absent: Director Petersen

4. Discussion and possible action on additional funding for 2026 expenses

- Finance Manager Ha-Ly presented request for additional funding for 2026 expenses.

Director Sarkovich moved to authorize the General Manager to transfer \$29,000 from the contingency fund to cover 2026 expenses.

President Marx seconded the motion.

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

Absent: Director Petersen

5. Discussion and possible action on awarding contract for installation of water service and air release valve upgrades required due to a County of Sacramento paving project

- Operations Manager Huckaby provided an overview.

Director Babcock moved to authorize the General Manager to enter into an agreement with Rawles Engineering for the upgrade of three existing water services and two air release valves (ARVs) for a not to exceed cost of \$150,000.

Vice President Dolby seconded the motion.

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

Absent: Director Petersen

VII. UPCOMING EVENTS

- 1. July 21, 2026 / RWA Executive Committee Meeting / Sacramento**
- 2. August 13, 2026 / SGA Board Meeting / Sacramento**
- 3. August 25, 2026 / RWA Board Meeting / Sacramento**

VIII. REPRESENTATIVE REPORTS

1. Sacramento Groundwater Authority (SGA)

- None.

2. Regional Water Authority (RWA)

- General Manager Gray reported that the RWA meeting on July 9, 2026, was held at FOWD. He then provided a brief summary of the meeting.

3. Sacramento Water Forum

- None.

4. Other

- General Manager Gray reported that he met with the new FORPD District Administrator in July 2026.

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.

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

- General Manager Gray distributed a CA Special District Board Member Handbook to each Board member.

XI. PUBLIC COMMENT

- None.

President Marx closed the open session meeting at 7:26 p.m.

President Marx opened the closed session meeting at 7:45 p.m.

XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54954, 54956 AND 54957

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 with legal counsel on existing litigation; Government Code Sections 54954.5 and 54956.9; Corcos & FOVEC v. Fair Oaks Water District; Sacramento Superior Court Case No. 26VVM000022
3. Public Employee Performance Evaluation Involving the General Manager; Government Code Sections 54954.5(e) and 54957

President Marx closed the closed session meeting at 8:54 p.m.

President Marx reopened the meeting to the public at 8:54 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 8:54 p.m.

The Board approved the preceding minutes on August 17, 2026



Tom R. Gray
General Manager/Board Secretary



Date