



District Attendees

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|-------------------|---------------------------|
| Michael McRae | Board President |
| Gary Page | Board Vice President |
| Misha Sarkovich | Board Member |
| Randy Marx | Board Member |
| Tom R. Gray | General Manager |
| Michael Nisenboym | Operations Manager |
| Chi Ha-Ly | Finance Manager |
| Shawn Huckaby | Customer Service Manager |
| Ben Voight | Operations Superintendent |

Other Attendees

| | |
|-----------------|---|
| Paul Helliker | San Juan Water District (SJWD), General Manager |
| Efren Gutierrez | Gutierrez and Associates, Principle Architect |
| Efren Gutierrez | Gutierrez and Associates, Architect |
| Mari Gutierrez | Gutierrez and Associates, Architect |
| Tim Menezes | Visitor |
| George Babcock | Visitor |

Absent

AGENDA ITEMS

I. CALL TO ORDER

- Board President McRae called the meeting to order at 6:32 p.m.

II. PUBLIC COMMENT

- San Juan Water District General Manager Helliker stated that a letter was sent to the Governor about the water resilience portfolio.

President McRae moved items V.1 before the consent calendar.

III. CONSENT CALENDAR

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

1. Approval of Minutes
 - a. Regular Board Meeting of August 12, 2019
2. Accept and File Treasurer's Report for the month of August 2019
3. Accept and File Investment Report for the month of July 2019
4. Accept and File Financial Expense Report for the month of August 2019
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of August 2019
7. Approval of Board Expense Report for the month of August 2019

Director Page moved to approve the consent calendar as presented.

Director Marx seconded the motion.

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

IV. PRESENTATION & CORRESPONDENCE

- 1. Presentation by Gutierrez/Associates on the FOWD's Corporate Yard Project**
 - Gutierrez/Associates Principle Architect Efren Gutierrez presented potential designs for the FOWD's Corporate Yard Project.
 - Director Sarkovich stated that he would like the design to match the administrative building more.
- 2. Letter to SJWD Director Costa dated August 15, 2019**
 - General Manager Gray provided the Board with an update on the letter to SJWD Director Costa dated August 15, 2019.

V. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

- 1. Update and discussion on the Sacramento Region Water Utility Collaboration / Integration Study (Originally the SJWD & SSWD Consolidation Process)**
 - General Manager Gray provided the Board with an update on the Sacramento Region Water Utility Collaboration / Integration Study.
- 2. Update and discussion on FOWD request for an MOU on the Hinkle Reservoir Outage Operations Planning Project**
 - General Manager Gray provided an update of the FOWD request for an MOU on the Hinkle Reservoir Outage Operations Planning Project.

- Director Page inquired as to the reason for the MOU.
 - General Manager Gray stated that the Hinkle Reservoir will need to be taken out of service and require the San Juan service area to share water resources due to the temporary closure of the reservoir.
 - San Juan Water District General Manager Helliker stated that the project is to repair the lining of the 62-million-gallon reservoir. The agreement would allow all agencies to share the hydraulic model being developed for the project.
 - General Manager Gray stated that he will share information and work with SJWD on generating a MOU with the participating agencies.
- 3. Update and discussion on FOWD Water Supply for the month of August 2019**
- Operations Manager Nisenboym provided an update on the water supply for the month of August 2019. System demand was 1,384.43 AC-FT, 10.80% of demand was supplied from groundwater sources. Surface water supplied 1,234.36 AC-FT. On August 13, 2019 the FOWD closed the FO-40 pipeline and maintains a single connection to San Juan Wholesale.
- 4. Update and discussion on the 2019 New Groundwater Wells Project**
- General Manager Gray presented an update on the 2019 New Groundwater Wells Project.
 - Director McRae inquired if it was possible to get a schedule for the project.
 - General Manager Gray replied that the current project is to design the wells and once designed it will be returned to the Board for review and direction.
 - Director McRae inquired on the completion date of the design.
 - General Manager Gray requested that an update be presented at the next board meeting.
- 5. Update and discussion on FOWD Transmission Main Master Plan Project**
- General Manager Gray presented an update on the FOWD Transmission Main Master Plan Project. An RFP for professional services for the project was sent to twelve local firms. It was released August 23, 2019 and closes September 27, 2019. Currently the main needs to be repaired. The options presented are, completing a temporary fix for \$85,000 or a long-term fix for \$700,000.
 - Director McRae stated the Board is authorizing \$85,000 for the emergency repair.
- 6. Update and discussion on the Kenneth Tank Site Phase I Improvement Project**
- General Manager Gray presented an update on the Kenneth Tank Site Phase I Improvement Project.
- 7. Update and discussion on vacant FOWD Division 1 Director Position**
- General Manager Gray presented an update on the vacant FOWD Division 1 Director Position.
- 8. Update and discussion on FOWD compliance with the California Voting Rights Act (CVRA)**

- General Manager Gray presented an update on FOWD's compliance with the California Voting Rights Act.

VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

1. Update and discussion on FOWD GM comments at the August 28, 2018 SJWD Board Meeting

- General Manager Gray presented an update on the August 28, 2018 SJWD Board Meeting.

2. Discussion and possible action on a request for a FOWD resolution in support of nominating SJWD Director Tobin to be the next Vice-President of ACWA

- No action.

3. Discussion and possible action on Board goals for the development of a 2020 FOWD annual budget

- General Manager Gray requested the Board to provide goals for the development of a 2020 FOWD annual budget.
- Director Sarkovich stated that he does not want an automatic rate increase. Each time San Juan increases rates, the Board will vote on a rate increase. Director Sarkovich is fine with the 30% groundwater pumping.
- General Manager Gray replied that he will bring to the Board different groundwater pumping scenarios.
- The Board provided the following direction for 2020 FOWD annual budget development: no new debt, focus on completion of corporate yard, T-main replacement, 70% surface water and 30% groundwater mix, master planning and new wells.
- Director Sarkovich stated that he would like a Special Board Meeting with the Technical Committee and the Budget Committee combined to review the proposed draft budget.

4. Discussion and possible action on the State Water Resources Control Board's updated guidelines for local agencies

- General Manager Gray presented the State Water Resources Control Board's updated guidelines for local agencies.

5. Discussion and possible action on additional funding and fund reallocation for 2019

- Finance Manager Ha-Ly recommended that the Board authorize the General Manager to transfer \$102,500 from reserves to cover expenses related to water main installation on Hazel Avenue north of Madison (\$11,500) and for costs related to the Skyway pilot hole (\$91,000). Additionally, staff requests a transfer of \$27,000 from the online bill pay account to the credit card processing fee account.

- Director Sarkovich inquired about taking money from the contingency account to cover FOWD labor cost when labor is budgeted as a whole number and is under budget.
- General Manager Gray stated the practice established a few years ago was to have capital project budget transfers approved by the Board.

Director Page moved to authorize the General Manager to transfer \$91,000 from reserves account and the reallocation of funds of \$27,000 from the online bill pay account to the credit card processing fee account.

Director Sarkovich seconded the motion.

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

VII. UPCOMING EVENTS

- 1. Fair Oaks Chamber of Commerce Business Luncheon / September 19, 2019 / Wild Rooster Bistro / Fair Oaks**
 - Information only.
- 2. San Juan Water District**
 - a. Special Board Meeting / September 3, 2019 / SJWD Administration Building**
 - Information only
 - b. Special Board Meeting / September 20, 2019 / SJWD Administration Building**
 - Information only
 - c. Finance Committee Meeting / September 24, 2019 / SJWD Administration Building**
 - Information only
 - d. Regular Board Meeting / September 28, 2019 / SJWD Administration Building**
 - Information only.
- 3. 2019 CSDA Annual Conference / September 25-28, 2019 / Anaheim, CA**
 - Information only.

VIII. REPRESENTATIVE REPORTS

- 1. Sacramento Groundwater Authority (SGA)**
 - None.

2. Regional Water Authority (RWA)

- Information only.

3. Sacramento Water Forum

- General Manager Gray presented information on an event on Sailor Bar salmon spawning area.

4. Other

- None.

IX. DIRECTORS' REPORTS & COMMENTS

1. Budget Committee – (Sarkovich, Vacant)

- None.

2. Technical Advisory Committee – (Marx, McRae)

- None.

3. Capital Improvement Committee – (Sarkovich, Vacant)

- None.

4. Personnel Committee – (McRae, Page)

- None.

5. Public Relations Committee – (Page, Vacant)

- None.

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

- None.

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

- None.

8. Other

- None.

X. GENERAL MANAGER'S REPORT

1. Monthly 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

- None.

5. Claims Against District

- Report provided; no discussion.

6. Employee Update

- General Manager Gray stated that currently there are four open positions. One staff left to go back into construction. One left to for personal reasons. One staff was terminated. One is a new position. The District received great candidate applications to fill the open positions.

7. Water Issues – Update on Regional Involvement

- None.

8. Other

- None.

XI. PUBLIC COMMENT

- Mr. Babcock stated that the architectural presentation was interesting and recognized the thoughtful work done by staff and consultants.

President McRae closed the open session meeting at 9:16 p.m.

President McRae called the closed session meeting to order at 9:16 p.m.

XII. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956

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

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

President McRae 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 McRae adjourned the meeting at 9:48 p.m.

The Board approved the preceding minutes on October 14, 2019

Tom R. Gray
General Manager/Board Secretary

Date