



District Attendees

Misha Sarkovich	Board President
Randy Marx	Board Vice President
Chris Petersen	Board Member
Mark Dolby	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
Nick Kepler	Operations Superintendent

Other Attendees

Absent

AGENDA ITEMS

I. CALL TO ORDER

- President Sarkovich called the meeting to order at 6:30 p.m. He noted that five Board Members are present.

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 November 17, 2025
 - Director Babcock stated that on page three of the meeting minutes it should be Director Babcock and not General Babcock.
2. Accept and File Treasurer's Report for the month of November 2025

3. File Investment Report for the month of October 2025
4. Accept and File Financial Expense Report for the month of November 2025
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of November 2025
7. Approval of Board Expense Report for the month of November 2025

President Sarkovich moved to approve the consent calendar as amended.

Director Petersen 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. Recognize FOWD Director Sarkovich for serving as the FOWD Board President

- General Manager Gray presented recognition item on behalf of FOWD employees and Board Members from the employee recognition fund.

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 the final drilling report is being processed. The equipping design is underway. The request for 100% grant funding has been submitted and is being discussed.

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 negotiating the final change orders requests with the contractor.
- Director Petersen asked about the air release valve being lowered in front of the planter in the neighborhood.
- General Manager Gray stated that it is a standard design in the public right of way.
- Operations Superintendent Kepler agreed it is a standard design.
- Director Petersen stated that he had been contacted by a resident and was encouraged to read the email communications with FOWD. He will be meeting with the resident.
- General Manager Gray will follow-up with Director Petersen to provide communications FOWD had with the resident, who is with the homeowner's association, about the air release valve.

3. Update and discussion on the New York Well Equipping Project (verbal – no written staff report)

- General Manager Gray stated the contract has been awarded to start the construction of the equipping. The design is complete and the work is scheduled to begin next month.

- President Sarkovich asked about delays due to weather.
- General Manager Gray stated that inclement weather may impact construction.

VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

1. Discussion on FOWD Water Supply for the month of November 2025

- Water Supply Superintendent Siebensohn provided a summary of the water supply report.

2. Discussion and possible action on the selection of a Board President and Vice President for 2026

- General Manager Gray provided an overview.

President Sarkovich moved to appoint Director Marx as Board President and Director Dolby as Vice President for 2026.

Director Petersen seconded the motion.

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

3. Discussion and possible action on General Manager’s Amended and Restated Employment Agreement

President Sarkovich moved to approve the attached amended and restated employment agreement between General Manager and FOWD and authorize FOWD Board President to sign the employment agreement.

Director Babcock 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 2026 Salary Ranges for all Board approved positions

- General Manager Gray provided a staff recommendation to approve the proposed 2026 Salary Ranges for all Board approved positions with a 3% Cost of Living Adjustment.

President Sarkovich moved to approve the proposed 2026 Salary Ranges as presented.

Director Dolby 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 auditor renewal for the 2025 year-end financial audit

- General Manager Gray presented a staff recommendation to approve Richardson & Company, LLP as the independent auditor for the 2025 year-end financial audit.

President Sarkovich moved to approve Richards & Company, LLP as the independent auditor for the 2025 year-end financial audit.

Director Babcock 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 additional funding for 2025 expenses

- Finance Manager Ha-Ly provided an overview for additional funding.

President Sarkovich moved to authorize the General Manager to transfer \$10,000 from the reserve funds to cover 2025 expenses.

Director Marx seconded the motion.

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

- Director Babcock inquired if the Board already approved \$102K for IT Consulting Services and FOWD anticipates ending the year with a total cost of \$95K, why is additional funding needed.
- Finance Manager Ha-Ly stated it should read...“FOWD anticipates ending the year with a total cost of \$103,468.53” rather than \$95,185.56.

President Sarkovich moved to authorize the General Manager to transfer \$10,000 from the reserve funds to cover 2025 expenses as amended.

Director Babcock 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’s Annual Financial Risk Assessment

- General Manager Gray provided an overview.

8. Discussion and possible action on FOWD Policy No. 5070: “Investment of District Funds”

- General Manager Gray presented an overview and stated it is recommended that the policy be reviewed and updated annually. Attached is the current FOWD Policy 5070 with no changes.

President Sarkovich moved to approve the FOWD Policy 5070: “Investment of District Funds.”

Director Dolby seconded the motion.

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

VII. UPCOMING EVENTS

- 1. December 16, 2025 / RWA Executive Committee Meeting**
- 2. December 17, 2025 / SJWD Regular Board Meeting / SJWD Office**
- 3. January 14, 2026 / SJWD Special Board Workshop – Retail Rate Structure / SJWD Office**

VIII. REPRESENTATIVE REPORTS

- 1. Sacramento Groundwater Authority (SGA)**
 - Director Marx attended the meeting and SGA offered to provide a presentation at water districts on SIGMA.
 - General Manager Gray stated that he could schedule this presentation for the next FOWD Board Meeting if there was a desire.
 - President Sarkovich directed staff to schedule the presentation for the next meeting.
- 2. Regional Water Authority (RWA)**
 - None.
- 3. Sacramento Water Forum**
 - General Manager Gray reported that staff will provide a summary of the Water Forum 2050 Agreement with recommendation to approve and sign at the next meeting.
- 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.
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**
 - General Manager Gray stated that he announced at the staff holiday meeting the transition plan leading to his retirement. He will be working more as a General Manager, working on less projects.
 - The transition will be dynamic, and staff may need more consulting services or another technical employee. He stated that periodic updates will be brought to the Board during the transition.
 - General Manager Gray stated that Board has indicated that 6 months before the end of the General Manager contract, a recruitment for a new General Manager will be initiated. He added that this will provide a few months for General Manager Gray and the new General Manager to work together.
7. **Water Issues – Update on Regional Involvement**
 - None.
8. **Other**
 - None.

XI. PUBLIC COMMENT

- None.

President Sarkovich closed the open session meeting at 7:02 p.m.

President Sarkovich opened the closed session meeting at 7:10 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 Sarkovich closed the closed session meeting at 7:50 p.m.

President Sarkovich reopened the meeting to the public at 7:50 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 7:50 p.m.

The Board approved the preceding minutes on January 26, 2026

Tom R. Gray
General Manager/Board Secretary

Date

3. File Investment Report for the month of October 2025
4. Accept and File Financial Expense Report for the month of November 2025
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Director Petersen seconded the motion.

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XIV. PUBLIC COMMENT

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XV. ADJOURNMENT

With no further business to come before the Board, President Sarkovich adjourned the meeting at 7:50 p.m.

The Board approved the preceding minutes on January 26, 2026



Tom R. Gray
General Manager/Board Secretary

2-24-2026

Date