



AGENDA ITEM IV.1b

Regular Board Meeting

Approved Minutes

September 19, 2022

District Attendees

Randy Marx	Board President
Chris Petersen	Board Member
Misha Sarkovich	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Technical Services Manager

Other Attendees

Tony Barela	SJWD Director of Operations
Paul Helliker	SJWD General Manager
Ted Costa	SJWD Board Member
Roy Westfall	Visitor
Mark Dolby	Visitor via telephone
Brian Chowanier	Visitor

Absent

Michael McRae	Board Vice President
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AGENDA ITEMS

I. CALL TO ORDER

- Board President Marx called the meeting to order at 6:30 p.m.

II. PUBLIC COMMENT

- FOWD Customer inquired about the water conservation lawn rebate program.
- General Manager Gray responded that FOWD reviews the cost of program implementation versus the overall benefit of water savings. These types of programs implement costs, the more programs FOWD introduces the more likely it will impact rates.
- FOWD Customer stated that the average customer could save \$1,000 to \$2,500 by switching to a more conservation friendly landscape. There is a \$75 million grant from the State and the most money a rate payer gets back is \$500 with current FOWD rebate programs. The landscaping rebate program can be added by removing some of the

current programs and it will save much more water.

- General Manager Gray responded the programs are based on cost benefit to customers. Based on this, FOWD has decided not to implement the lawn rebate program.
- FOWD Customer inquired about the cost benefit analysis used to run rebate programs.
- General Manager Gray stated that any state rebate program can be done independently of FOWD by a rate payer.

III. INTERVIEW OF APPLICANTS TO FILL THE DIVISION 3 VACANCY ON THE FOWD BOARD OF DIRECTORS

- Candidates were interviewed by the Board of Directors.

IV. DISCUSSION AND POSSIBLE ACTION ON THE APPOINTMENT OF A DIRECTOR TO REPRESENT DIVISION 3 ON THE FOWD BOARD OF DIRECTORS

- The Board did not propose an action, it will be added to the October meeting agenda. The Board decided to have Director McRae interview the candidates separately. If needed, a Special Board Meeting will be scheduled.

V. CONSENT CALENDAR

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

1. Approval of Minutes
 - a. Regular Board Meeting of August 15, 2022 (not included)
 - b. Special Board Meeting of August 30, 2022
2. Accept and File Treasurer's Report for the month of August 2022
3. Accept and File Investment Report for the month of July 2022
4. Accept and File Financial Expense Reports for the month of August 2022
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of August 2022
7. Approval of Board Expense Report for the month of August 2022

Director Sarkovich moved to approve the consent calendar as presented.

Board President Marx seconded the motion.

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

Absent: Director McRae

VI. PRESENTATION & CORRESPONDENCE

1. Letter dated September 16, 2022 from the FOWD and CHWD to the SJWD on the development of a written and approved Cost Allocation Plan
 - Information only.

VII. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

1. Update and discussion on the SJWD Hinkle Reservoir Project

- General Manager Gray summarized the Board's decision from the August 15, 2022, Board Meeting.
- SJWD General Manager Helliker mentioned they would like to be as prepared as possible during the duration of the project. A direct mailer was sent to the wholesale service area in early August to inform the public of SJWD's plans and provide an update. The mailer also asked customers to minimize their water usage starting in November. SJWD is working with other districts to send a more direct message to customers regarding water usage.
- Director Sarkovich summarized SJWD's request to refrain from outdoor irrigation. As stated at the last meeting, FOWD refuses to ask customers to abstain from outdoor irrigation.
- SJWD General Manager Helliker stated he understands FOWD has extra water supply, but this request is simply for SJWD to be prepared for a worst-case scenario in case of an emergency. He believes the water demand will decrease naturally in the upcoming months. SJWD will stop using the Hinkle Reservoir on November 22, 2022. SJWD's emergency response plan must be in place before this date. SJWD would like to have the mailer done by the 7th or 8th of October.
- General Manager Gray summarized the Board's direction regarding messaging from the August 15, 2022, meeting. FOWD does not endorse any messaging to FOWD customers that would restrict outdoor watering from at least November 2022 through April 2023.
- SJWD Director of Operations Barela asked the Board to allow open communication between SJWD and FOWD's operations staff to plan accordingly.
- The Board agreed to allow open communication between SJWD and FOWD Staff.

2. Update and discussion on the SJWD Wholesale Master Plan Analysis Project

- General Manager Gray stated FOWD met with SJWD's staff and its consultants and reviewed water reliability components of the master plan and provided input. The Wholesale Master Plan is not ready for review yet. Upon completion, a Technical Committee Meeting will be scheduled for reviewing purposes.

3. Update and discussion on the California Avenue Main Replacement Project

- General Manager Gray provided an overview of the project. FOWD's portion of the project is essentially done.

4. Update and discussion on the Northridge Well Property Expansion Project

- General Manager Gray provided an update on the project and stated that there were a lot of staff changes in San Juan School District and facilities. FOWD is currently working with the new director to get a signed agreement.

5. Update and discussion on the FOWD Corporation Yard Redevelopment Project

- General Manager Gray stated that FOWD received preliminary plans and will provide Gutierrez & Associates feedback by the first week of October. The detailed design will begin once FOWD provides feedback.
- Director Sarkovich commented he would like the new building to match FOWD's current building.

6. Update and discussion on FOWD Groundwater Well Projects

- General Manager Gray provided the Board with a copy of the executed agreement with RWA for the groundwater relief grant.
- General Manager Gray mentioned the motor, backup motor and pump for Sky Way is delayed until March 2023.

7. Update and discussion on the 2023 FOWD Budget and Prop 218

- The Board reviewed the Prop 218 packet and provided feedback to staff.

8. Update and discussion on the 2022 FOWD Water Transfer

- General Manager Gray provided a Monthly Financial Reconciliation and Certification for July and August 2022. These documents have been sent to SJWD General Manager Helliker for his review and signature.
- Director Peterson inquired if these reconciliations are only relevant during transfers.
- General Manager Gray responded yes.

VIII. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

1. Update and discussion on FOWD Water Supply for the month of August 2022

- Technical Services Manager Siebensohn provided a summary of the water supply report.

2. Discussion and possible action on additional funding for 2022 expenses

- Finance Manager Ha-Ly asked for authorization to allow General Manager Gray to transfer \$39,446 from contingency to fund the following expenses: SCADA upgrade, equipment repair and maintenance, air quality, gas and oil, and customer bill printing.

Director Sarkovich moved to approve the proposed transfer to cover for additional funding.

Director Petersen seconded the motion.

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

Absent: Director McRae

IX. UPCOMING EVENTS

1. September 21, 2022 – FORPD Meeting at FOWD
 - Information Only.
2. September 27, 2022 – SJWD Finance Meeting at SJWD
 - Information Only.
3. September 28, 2022 – SJWD Board Meeting at SJWD
 - Information Only.
4. November 29 to December 2, 2022 – ACWA 2022 Fall Conference
 - Information Only.

X. REPRESENTATIVE REPORTS

1. **Sacramento Groundwater Authority (SGA)**
 - None.
2. **Regional Water Authority (RWA)**
 - Board President Marx and General Manager Gray attended meeting.
3. **Sacramento Water Forum**
 - None.
4. **Other**
 - None.

XI. DIRECTORS' REPORTS & COMMENTS

1. **Budget Committee – (Sarkovich)**
 - None.
2. **Technical Advisory Committee – (Marx, McRae)**
 - None.
3. **Capital Improvement Committee – (Sarkovich)**
 - None.
4. **Personnel Committee – (McRae, Petersen)**
 - None.

5. Public Relations Committee – (McRae)

- None.

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

- None.

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

- None.

XII. GENERAL MANAGER’S REPORT

1. 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

- None.

7. Water Issues – Update on Regional Involvement

- None.

8. Other

- None.

XIII. PUBLIC COMMENT

- None.

(No closed session)

XIV. ADJOURNMENT

With no further business to come before the Board, President Marx adjourned the meeting at 9:03 p.m.

The Board approved the preceding minutes on October 17, 2022

Tom R. Gray
General Manager/Board Secretary

Date