



District Attendees

Misha Sarkovich	Board President
Gary Page	Board Member
Nadine Reid	Board Member
Tom R. Gray	General Manager
Shawn Huckaby	Operations Manager
Chi Ha-Ly	Finance Manager
Paul Siebensohn	Technical Services Manager
Josh Heavenston	Operations Superintendent

Other Attendees

George Babcock	Visitor
Ted Costa	Director, San Juan Water District
Tim Menezes	Visitor
Sam McGee	Visitor
Mike Rossiter	Vice President, Peterson Brustad, Inc.

Absent

Randy Marx	Board Vice President
Michael McRae	Board Member

AGENDA ITEMS

I. CALL TO ORDER

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

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 on June 14, 2021
2. Accept and File Treasurer's Report for the month of June 2021
3. Accept and File Investment Report for the month of May 2021
4. Accept and File Financial Expense Report for the month of June 2021
5. Approval of Warrants
6. Approval of Cal-Card Statements for the month of June 2021
7. Approval of Board Expense Report for the month of June 2021

President Sarkovich moved to approve the consent calendar as presented.

Director Page seconded the motion.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

IV. PRESENTATION & CORRESPONDENCE

1. June 23, 2021 FOWD Press Release on Water Conservation

- General Manager Gray provided to the Board a summary of the press release on water conservation.
- Mr. Babcock inquired if the 20% reduction is from last year's use or based on 2013.
- General Manager Gray replied that the reduction is purposely vague at this time.
- Operations Manager Huckaby stated that the District is currently conserving 12% compared to 2013.
- Director Reid inquired on the availability of water and the impact on Hinkle Reservoir Project as the drought continues.
- General Manager Gray replied that the Hinkle Reservoir Project has been postponed and that FOWD is pumping groundwater to reduce the reliance on surface water from Folsom Lake.

V. DISCUSSION AND ACTION ITEMS: OLD BUSINESS

1. Discussion on an agreement between FOWD and Fair Oaks Recreation & Park District for funding the replacement of a water main in front of the FO Community Clubhouse

- General Manager Gray provided to the Board an update on the agreement between FOWD and Fair Oaks Recreation & Park District for funding the replacement of a water main in front of the FO Community Clubhouse. The agreement would provide the FOWD a well site at Phoenix Park.
- Director Page inquired about the reason for selecting Phoenix Park as a future well site.

- General Manager Gray replied that based on the drilling for Skyway Well, the location of Phoenix Park may provide similar results and the addition of a well on the East side of the system will benefit the District.
- Mr. Babcock inquired about the Aerojet contamination.
- General Manager Gray replied that when a new site is developed, Aerojet is informed and the groundwater model is updated to determine if the contamination is a concern.

2. Update and discussion on FOWD Corporate Yard Project

- General Manager Gray provided the Board an update on the FOWD Corporate Yard Project. The Architects presented the project to the Fair Oaks Advisory Commission on July 7, 2021. The Fair Oaks Advisory Committee expressed disappointment with the lack of public outreach. After the District engages the public for comment, the building design will be submitted to the Fair Oaks Advisory Committee again.
- President Sarkovich stated that this has been on the agenda for 15 months and there has been no public interest.

3. Update and discussion on FOWD Groundwater Well Projects

- General Manager Gray provided an update on the FOWD Groundwater Well Projects.

4. Update and discussion on the Northridge Elementary School Soccer Field Project

- General Manager Gray provided an update on the Northridge Elementary School Soccer Field Project.

5. Discussion and possible action on the FOWD Transmission Main Master Plan

- General Manager Gray recommended that the Fair Oaks Water District Board of Directors accept the report as complete and use it as a basis for Transmission Main replacements.

President Sarkovich moved to accept report as complete, and for staff use the report as a basis for Transmission Main replacement.

Director Page seconded the motion.

- President Sarkovich inquired if the cost to replace the Transmission Main was for a contractor to complete the work.
- Mike Rossiter from Peterson Brustad, Inc. replied that the cost estimate was determined with the use of a contractor.
- President Sarkovich inquired if it would be cost effective to replace the Transmission Main in-house.
- General Manager Gray replied that, based on pipe size and project scale, the District does not have the resources to complete the project in-house.

- Director Page inquired about the method used to determine the condition of the Transmission Main.
- Mike Rossiter from Peterson Brustad, Inc. replied that they used external electromagnetic bracelet testing.
- Director Reid inquired how the District will pay for the Transmission Main replacement.
- President Sarkovich replied that the District will have to either borrow money or increase rates.
- San Juan Water District Director Ted Costa stated that Congress is about to pass an infrastructure bill. The District may benefit from the funding and rates are low for debt issuance.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

VI. DISCUSSION AND ACTION ITEMS: NEW BUSINESS

1. Update and discussion on FOWD Water Supply for the month of June 2021

- General Manager Gray provided an update on FOWD Water Supply for the month of June 2021. The total system demand for June was 1,306 AC-FT with wholesale connection providing 895 AC-FT, about 68%, and groundwater providing 411 AC-FT, about 31%.

2. Update and discussion on the Urban Water Management Plan

- General Manager Gray provided an update on the Urban Water Management Plan.
- Director Reid inquired about notices to the public.
- Mike Rossiter from Peterson Brustad, Inc. replied that required public notices are sent to the neighboring agencies, notices are published in the Sacramento Bee and the public draft is posted on the FOWD website.

3. Discussion and possible action on the FOWD water shutoff moratorium

- General Manager Gray recommended that the Board authorize the District resume discontinuance of water service for nonpayment of a delinquent account in accordance with normal Fair Oaks Water District operations effective October 1, 2021.

President Sarkovich moved to authorize the District to resume discontinuance of water service for nonpayment of a delinquent account in accordance with normal Fair Oaks Water District operations effective October 1, 2021.

Director Page seconded the motion.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

4. Discussion and possible action on additional funding for 2021

- General Manager Gray recommended that the Board authorize the General Manager to transfer \$329.34 from contingency to cover 2021 property insurance expense.

President Sarkovich moved to authorize the General Manager to transfer \$329.34 from contingency to cover 2021 property insurance expense.

Director Page seconded the motion.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

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

- General Manager Gray stated that historically the Board has elected to pay the minimum of the employer accrued unfunded liability for pension benefits.
- Finance Manager Ha-Ly recommended that the Board authorize payment of \$208,978 for the employer accrued unfunded liability for pension benefits.

President Sarkovich moved to authorize payment of \$208,978 for the employer accrued unfunded liability for pension benefits.

Director Page seconded the motion.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

6. Discussion and possible action on FOWD Resolution No 21-02: “A Resolution Naming A Backup Board Secretary”

- General Manager Gray recommended that the Board approve Resolution No 21-02: “A Resolution Naming A Backup Board Secretary.”

President Sarkovich moved to authorize the Resolution No 21-02: “A Resolution Naming A Backup Board Secretary.”

Director Page seconded the motion.

Motion carried with the following votes: Page – aye, Reid – aye and Sarkovich – aye.

Absent: Marx, McRae

VII. UPCOMING EVENTS

1. SJWD Legal Affairs Meeting – July 13, 2021

- Information Only.

2. SJWD Finance Meeting – July 27, 2021

- Information Only.

3. SJWD Board Meeting – July 28, 2021

- Information Only.

VIII. REPRESENTATIVE REPORTS

1. Sacramento Groundwater Authority (SGA)

- None.

2. Regional Water Authority (RWA)

- General Manager Gray reported that there may be grant funds available to RWA members and it was determined that the Transmission Main Project might qualify for the funding.

3. Sacramento Water Forum

- None.

4. Other

- General Manager Gray reported that Carmichael Water District and Sacramento Suburban Water District will conduct a feasibility study on consolidation of operations.

IX. DIRECTORS' REPORTS & COMMENTS

1. Budget Committee – (Sarkovich, Reid)

- General Manager Gray reported that at the August Regular Board Meeting, staff will be requesting direction from the Board on how to proceed with budget development for 2022.

2. Technical Advisory Committee – (Marx, McRae)

- None.

3. Capital Improvement Committee – (Sarkovich, Reid)

- None.

4. Personnel Committee – (McRae, Page)

- None.

5. Public Relations Committee – (Page, Reid)

- None.

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

- None.

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

- None.

X. 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

- None.

6. Employee Update

- General Manager Gray reported that two new DSOs started working for the District today.

7. Water Issues – Update on Regional Involvement

- None.

8. Other

- None.

XI. PUBLIC COMMENT

- None.

XII. ADJOURNMENT

With no further business to come before the Board, President Sarkovich adjourned the meeting at 8:26 p.m.

The Board approved the preceding minutes on August 9, 2021

Tom R. Gray
General Manager/Board Secretary

Date