

A District Moving Forward

**State of the
Fair Oaks Water
District
Entering 2025**

**Tom R. Gray
General Manager
Fair Oaks Water District**



**FAIR OAKS
WATER DISTRICT**



Net Worth

By definition:

- ❖ Net Worth equals Net Assets
- ❖ Net Assets equals Total Assets minus Total Liabilities



FOWD Net Worth

The Net Worth of the Fair Oaks Water District has increased from \$24M in 2004 to **\$48M entering 2025.**



About Net Worth

Typically, Net Worth Analysis is not important to public agencies, while it is a fundamental financial tool of successful companies.

FOWD attempts to run our operation with the efficiency of a successful private company, not a typical public agency.



FOWD 2024 Key Policy Event

The November 2024 FOWD Board Election basically boiled down to a vote to keep the FOWD in the Fair Oaks Village or move the FOWD.

FOWD ratepayers overwhelming voted to keep FOWD operations in the same location that we have been at for over 100 years.



FOWD 2024 Key Policy Event

Improvement plans and building permit approvals for the new FOWD Field Operations Center are scheduled to be obtained in the first quarter of 2025.

Start of construction will be linked to the completion of the FORPD Community Center Project.

FOWD 2024 Key Operations Event

Mitigated the most impactful water main break in the Sacramento Region and restored water to ALL FOWD Customers within hours.





FOWD 2024 Key Operations Event

On the morning of April 24, 2024, instrumentation monitored by FOWD staff indicated a significant water pressure drop within the FOWD water system at approximately 5:50 AM. Field investigation by FOWD staff found that a 27-inch water transmission main located at the corner of Pershing Avenue and Chestnut Avenue was leaking and causing significant localized flooding and street damage.



FOWD 2024 Key Operations Event

- ❖ By approximately 6:45 AM the main break was stopped and all FOWD customers were receiving water.
- ❖ The water loss was estimated at 1,811,000 gallons.
- ❖ By approximately 7:30 AM FOWD employees, with help from a contractor crew immediately started clean-up.
- ❖ Event mitigation cost \$343,000

FOWD 2024 Key Operations Event



FOWD 2024 Key Operations Event



FOWD 2024 Key Operations Event

27-inch Replacement Tee





FOWD 2024 Key Operations Event

The FOWD was able to prevent this major water main break from causing catastrophic damage due to our location within the FOWD service area and our use of “State of the Art” monitoring of the FOWD water system.



FOWD 2024 Key Capital Improvement

In 2024 the FOWD completed Phase I of the New York Main Replacement Project.

- ❖ This phase of the project included the replacement of 1,810 feet of “at risk” steel water main from north of Lemon Street to Orange Avenue.
- ❖ All plans and specifications for this project were developed by FOWD staff.
- ❖ Project construction cost was just over \$1M.
- ❖ Project was needed to put water from the newly constructed New York well into the water system.

FOWD 2024 Key Capital Improvement



FOWD 2024 Key Capital Improvement





Key FOWD Accomplishments in 2024

As a public water district, the FOWD's primary mission is to provide a safe, reliable and high-quality water supply to FOWD ratepayers.

- ❖ In 2024 all water delivered to FOWD customers met State and Federal drinking water standards without exception.
- ❖ In 2024 the FOWD delivered approximately **3.4B** gallons of water to FOWD ratepayers.



Key FOWD Accomplishments in 2024

In 2024 the FOWD delivered a reliable, high quality water supply to residential customers homes for less than 4¢ per gallon.

FOWD serves approximately 14,000 customers and almost 40,000 people.



Key FOWD Accomplishments in 2024

- ❖ Projected to end 2024 below Board approved Budget by 10%
- ❖ Projected to end 2024 with zero debt
- ❖ Projected to end 2024 with over \$10,000,000 in cash reserve to complete Board approved projects
- ❖ Maintained the Lowest Water rates in the Sacramento Region in 2024



Key FOWD Accomplishments in 2024

- ❖ Obtained a Nearly \$2.5M Grant for a GW Project in 2024
- ❖ Projected Capital Assets of \$41M at the end of 2024; a 300% increase in value since 2004
- ❖ Formally recognized by Local, State, and Federal governments for service to the community in 2024



Key FOWD Accomplishments in 2024

- ❖ Successfully Responded to a Multitude of Information Requests Related to Elections
- ❖ Effectively Protected FOWD Customer Access to SJWD Water Right Water
- ❖ Awarded for Excellence in Financial Reporting for the 23rd Consecutive year in 2024
- ❖ Continued to Answer All Customer Phone Calls In-Person and Within an Average of Three Rings



Key FOWD Accomplishments in 2024

- ❖ As Essential Workers – Continued to have All Staff Ready and Able to Serve FOWD Ratepayers – Working from the Office During Normal Work Hours

Most Importantly, we attempted to respond to all we encountered with grace, respect, and in a reasonable manner.



Looking Forward to 2025

- ❖ Protect Access to SJWD Water Right Water
- ❖ Continue with Zero Debt
- ❖ Continue with the Lowest Water Rates
- ❖ Effectively Manage Resources
- ❖ Complete Board Approved Capital Projects
- ❖ Enhance Customer Outreach to the Entire Service Area
- ❖ Hire an Assistant General Manager



Looking Forward to 2025

We have doubled the value of the Fair Oaks Water District in twenty years.

FOWD attempts to run our operation with the efficiency of a successful private company, not a typical public agency – we intend to continue this in 2025.



Looking Forward to 2025

We have invested over 40% of ratepayer revenue into Capital Improvements for the past twenty years, while entering 2025 with the lowest water rates in the Sacramento Region, zero debt, and \$10M in cash reserve.

The FOWD is not run like a typical public agency, and we are proud of this fact.

Questions?

