

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD JULY 11, 2007**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California on July 11, 2007. Meeting was called to order at 5:00 pm by Board President Jeff Boswell.

DIRECTORS PRESENT

President Jeff Boswell
Vice President Jeff Neely
Eddie Niederfrank
Tom Steffen
Steven Balls

DIRECTORS ABSENT

STAFF PRESENT

General Manager Gary Serrato
Assistant General Manager Laurence Kimura
Watermaster Jim Irwin
Chief Engineer Bill Stretch
HR Director Regina Davis
Controller DeAnn Hailey
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Legal Counsel Dan Dooley
Reporter Don Wright

REVIEW AGENDA

No changes

REVIEW OF FUTURE MEETINGS

PUBLIC PRESENTATION

None

POTENTIAL CONFLICTS OF INTEREST

(Any Board Member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.) [FPPC §87105]

None stated

CONSENT CALENDAR

- a. **Approval of Regular Board Meeting Minutes – June 27, 2007**
- b. **June 2007 Check Register**
- c. **June 2007 Special Check Register**

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- d. June 2007 Payroll Register**
- e. June 2007 Attorney Fees**
- f. June 2007 Consultants Fees**
- g. June 2007 Assessments Collections Report**

M/S/C/(Steffen/Balls) That Board of Directors approve the Consent Calendar by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

380: WATER REPORT

a. Current water conditions

Watermaster Jim Irwin reviewed the current and projected water supply. As of July 10, Pine Flat release was 4,786 cfs. Current storage at Pine Flat is 425,903 acre-feet. On the Kings River, water shed has not been performed due to lack of conditions.

b. 2007 Hardship Run (walk in)

Staff recommends running a Hardship Run for 45 days at a cost of \$14.50 per acre-foot (same as the 2004 price). Staff will publish a public notice to inform water users of costs and timeframe.

M/S/C/(Neely/Balls) That Board of Directors approve the Hardship Run for up to 60 days for the months of August and September at a cost of \$14.50 per acre plus a \$25 service charge per irrigation by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule for 2007/08 Update

Developer Projects – FID is currently processing approximately 15 Developer pipeline projects for the 2007-08 Maintenance Season. Currently there are two projects in progress and four have been completed since April 1, 2007. The two on-going projects impacts the Clovis Canal located southwest of Herndon and Armstrong Avenues and the Dawson Canal located southwest of Shaw and Fowler Avenues.

Agency Projects – FID is currently processing approximately ten Agency projects for the 2007-08 Maintenance Season. Currently, there are no projects in progress and one has been completed since April 1, 2007.

b. Running Horse Development and Kearney Basin Project Update

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The Trump Corporation continues the on-again, off-again negotiations. The latest development is that Donald Trump will now wait to purchase the property when it goes up for auction through the Bankruptcy Court. There is a hearing scheduled for August 8, 2007.

The engineering staff has been mailing letters to land owners who are encroaching on the District's right-of-way. These letters are being mailed as soon as staff is made aware of the problem.

c. Three-Year Maintenance Facility and Upgrade Plan Projects for 2007/08 Maintenance Season-Update (presentation only – no Board action required)

Mr. Stretch gave the Board an update on the Maintenance and Facility Upgrade Plan (MFUP). Staff discussed: Background (cost of refurbishing or updating, cost to maintain new and existing infrastructure, and timeframe); Project Categories and Original Budget; Schedule; Maps of Projects; Cash Flow (Construction Fund activity); and Staffing and Equipment.

ASSISTANT MANAGER'S REPORT

Assistant Manager Laurence Kimura reported on the following:

a. Nielsen Site Rubble Pile Update

There has not been much change in the project status since the last update. The crusher has just been returned to the site. There is still a significant amount of work to be done. President Boswell is concerned about Mr. Erickson making his contracted completion deadline. District's legal council, Dan Dooley, was directed to construct a letter to be sent to Mr. Erickson outlining the District's concerns.

b. Waldron Banking Project Update

The contract with Steve Dovali Construction for the well equipping work is progressing. All of the pumps have been installed. The electrical work is still forth coming. Arthur & Orum indicated that they have ordered the materials for the three wells to be drilled. Drilling is still scheduled to commence sometime in July. An updated construction schedule has been requested from the contractor. There has been no change in the financial status of the project since the last report.

c. District Office Plan

Staff has reviewed the initial office layout for the new office. A meeting with S.I.M. Architects will be scheduled to discuss comments on the initial office floor plan. A revised layout will be requested for review.

d. General Maintenance and Equipment Update

Maintenance crews continue to be busy working on miscellaneous repairs and general maintenance. Backhoe and dump truck operators continue to work on removing some of the sand dredged from FID canals and spreading along the Enterprise Canal. Equipment operators

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have also been filling gopher holes and repairing leaks along canal banks. The trash truck remains busy in the “hot” spots. The wind continues to be a factor in spraying. Magnacide applications will be completed by July 17. Two vehicles were taken to the action at the end of last month.

After a brief recess, the meeting continued with:

MANAGER’S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Upper Kings River Water Forum

A public hearing is scheduled for July 25 to adopt the Integrated Regional Water Management Plan at the next Board Meeting. KRCD will adopt the plan the week after FID holds the hearing. This plan is mandatory to receive any Proposition 84 or 50 funding.

FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY

Sub-committees have been established covering: Water Recovery, Water Transfer, Groundwater Exploration Team, Recirculation, and Hydrograph Interperlation. Staff will be representation the District on the Ground Water Exploration Team Committee.

OTHER ISSUES

Central Unified has given formal notice on leaving the Nielsen Avenue building as of September 1. Possible tenants are being explored.

Staff met with Don Mills, General Manager of Kings County Water District, earlier this week regarding the possible joint ground water banking project. The project’s due diligence and negotiations are going well.

Staff met with City of Fresno staff regarding the Public Utilities District breaking away from the City and become their own special district. This was a preliminary meeting – agreements will need to be renegotiated.

Mr. Serrato met with Assembly Member Juan Armbrula about Proposition 84, Delta pumping issues, and other regional water issues.

Mr. Serrato will be speaking tomorrow on a roundtable panel at a lenders group luncheon.

ADMINISTRATIVE MATTERS

- a. May 2007 Fund Statements
- b. May 2007 Treasurer’s Report
- c. May 2007 Deposits and Investments

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- d. June 2007 Investment Account – General (walk-in)
- e. June 2007 Investment Account – Bond (walk-in)

Ms. Hailey reviewed the above listed financial statements. Several changes have occurred due to the District obtaining the bonding monies this past May. Our existing line of credit has been closed as it conflicted with the bonding requirements.

M/S/C/(Neely/Balls) That Board of Directors approve the listed financial statements as presented by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

DIRECTORS' REPORT

Director Steffen – Albert Molina complained that a leak that was fixed is now leaking worse than before the repair. Staff will follow up. Also, Mr. Molina is unable to receive water on his vineyard at Whitesbridge and Marks. Staff will research this issue. Director Steffen reiterated his concerned about growers who are at the end of the line getting their fair share of water at the end of the month.

Director Niederfrank – discussed the end of the line growers' schedule. Also, Director Niederfrank received a phone call from Bret Massagian regarding his water schedule and inquiring about possible improvements to the FID system that is located on his property – this can take place after the water season.

Director Niederfrank showed pictures of Sam Pallesi property at the Houghton Canal concerning canal bank erosion.

CLOSED SESSION

The Board went into Closed Session at 7:48 pm.

Conference with Legal Counsel–Anticipated Litigation (Government Code Section 54956.9(b)). Conference with Legal Counsel – Anticipated Litigation (G.C. §54956.9. Significant Exposure to Litigation pursuant to subdivision (b)): one potential case.

Natural Resource Defense Council vs. Rodgers (Government Code Section 54956.9). To conferred with counsel on pending litigation.

Conference with Legal Counsel–Anticipated Litigation (Government Code Section 54956.9(b)). Conference with Legal Counsel on potential litigation. Significant Exposure to Litigation pursuant to subdivision (b)): Van Volkinburg.

REPORT OF ACTION TAKEN IN CLOSED SESSION

Closed Session adjourned at 7:55 p.m. with President Boswell stating the Board of Directors had nothing to report from Closed Session.

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ADJOURNMENT

President Boswell adjourned the meeting at 7:56 p.m.

Respectfully Submitted,

Gary R. Serrato
Board Secretary