

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

Fresno Irrigation District's Board of Directors met in special session at the District office located at 2907 South Maple Avenue – Fresno, California on April 11, 2007. Meeting was called to order at 4:00 pm by Board President Jeff Boswell.

**DIRECTORS PRESENT**

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

**DIRECTORS ABSENT**

None

**STAFF PRESENT**

General Manager/Secretary of the Board Gary R. 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  
Sampson & Sampson Representative (Auditor) Bill Patterson  
Wells Fargo Representative Michael Englebrecht  
Bonding Counsel Jeff Stava

**REVIEW AGENDA**

Staff requested that item 9 a. be moved to the beginning of the meeting. Mr. Bill Patterson from Sampson & Sampson is here to review the District's audit report. Staff also requested that items 9 b., c., and d. be moved to the beginning of the meeting after Mr. Patterson completes his report.

**ADMINISTRATIVE MATTERS**

- a. Presentation of 2006 Audit Reports and Audited Financial Statements and Employee's Retirement Plan Reports – Sampson & Sampson**

Mr. Bill Patterson, of Sampson & Sampson presented to the Board the Fresno Irrigation District's 2006 audit report. Mr. Patterson reported that the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis (MD & A) – for State and Local Governments, including special districts such as FID. It was reported that the financial

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statements present fairly, in all material respects, the financial position of Fresno Irrigation District as of December 31, 2006, and the results of its operations, changes in fund equity, and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts. Mr. Patterson stated these reports were issued as unqualified by Sampson & Sampson, which is a favorable type of report.

**M/S/C/(Neely/Balls)** That Board of Directors approve to accept the Auditor's Report as reported by Sampson & Sampson by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

**b. December 2006 Wells Fargo Investment Summary**

**c. Bonding Agreements and Documents**

Mr. Engelbrecht announced that Standard and Poors issued the District an A+ rating. There are five triple A rated insurers in the market. After reviewing the different Bonding Financial Institutions, Mr. Engelbrecht's suggestion is to go with FSA (an AAA rated company) as our bonding insurer.

**d. Adoption of Resolution 2007-07**

Bond Counsel Jeff Stava explained the details of Resolution 2007-07 and the documents that it refers to. The Resolution provides for the General Manager to complete the transaction providing that he stays within the designated parameters.

**M/S/C/(Balls/Niederfrank)** That Board of Directors approve Resolution 2007-07 by a roll call vote. (Ayes Neely, Balls, Boswell, Steffen, Niederfrank, Nays 0, Absent 0, Abstain 0)

**REVIEW OF FUTURE MEETINGS**

Staff reported that the Board of Equalization has been set for June 4, 11 and 13<sup>th</sup>. Staff reminded the Board that the May 9, 2007, meeting is scheduled at the same time as the ACWA Spring Conference. The Board decided to wait until the April 25 meeting before deciding on whether or not to cancel the meeting.

**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 Special Meeting Minutes – March 26, 2007**
- b. March 2007 Check Register**

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- c. March 2007 Payroll Register**
- d. March 2007 Consultants**
- e. March 2007 Attorney Fees**
- f. March 2007 Assessments Collection Report**
- g. Standard Developer Project – The City of Clovis will pipeline the Helm Colonial S. Br. Canal #116 located S/O Herndon and Peach Avenues in accordance with Board Policy. Action Request 2007-07**

**M/S/C/(Neely/Balls)** That Board of Directors approve the Consent Calendar by 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 April 10, Pine Flat release was 345 cfs. Pine Flat precipitation to date is 9.60 inches (average is 17.21 inches) which is 55.8% of average. The Kings River runoff has been updated to 38% of normal for 2007 water season.

**b. Discussion on Start of 2007 Water Season**

Even with the numbers declining to 38% for the 2007 Kings River runoff, Staff's recommendation is to still start on May 1. Cloud seeding over the Kings River water shed is a standard program of KRWA. Cloud seeding is usually done in the winter and spring months. KRWA is proposing extending cloud seeding into the summer months. The cost is estimated at \$100,000 for this program. Historically, the costs have been divided up among KRWA, KRCD, PG&E, and DWR. KRCD has expressed an interest in pursuing cloud seeding in the summer months. There is historical data that supports benefits from summer months seeding. This will be a topic of discussion for the KRWA Executive Committee meeting.

**CHIEF ENGINEER'S REPORT**

Chief Engineer Bill Stretch reported on the following items:

**a. Developer and Agency Project Schedule for 2006/07 – Brief update of on-going projects**

**Developer Projects** –There are four projects in progress with 16 being completed since April 1, 2006. The four on-going projects impact the following canals: Clovis Canal located northeast of Herndon and Tollhouse Road, H-Ditch located southwest of Bullard and Fig Garden Avenues, and two projects on the Dawson Canal located southwest of Shaw and Fowler Avenues.

**Agency Projects** –Currently there are no Agency projects in progress and nine have been completed since April 1, 2006.

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The Engineering Department submitted a proposal for the Water Conservation Field Service Program. The District was informed that it had received one of the highest ratings among those applications submitted and has a possible opportunity to receive a \$50,000 grant or a cooperative agreement.

**b. Running Horse Development & Kearney Basin Project Update**

The proposed basin is still approximately 58% complete (FID's portion is 90% complete).

**ASSISTANT MANAGER'S REPORT**

Assistant Manager Laurence Kimura reported on the following:

**a. Nielsen Site Rubble Pile Update**

There has been no significant change in Mr. Erickson's operation. A significant amount of sorted materials still remains on site. Rubble containing aggregate continues to be brought onto the site. Fresno County has requested a progress report for the project. A request to Mr. Erickson was made for a monthly load count of materials exported and imported and an estimate of percent completion by the end of March. A verbal estimate was given to staff on April 3.

**b. Waldron Banking Project Update**

Dawson-Mauldin continues to work on some miscellaneous electrical work to complete the structures contract for the Waldron Banking Project. Staff is also pursuing getting a cost estimate to complete the electrical work from Steve Dovali Construction.

The contract with Steve Dovali Construction for the well equipping work has been finalized and the equipment has been ordered. A pre-construction meeting was conducted on site on March 1, 2007, with Provost & Pritchard and the contractor.

There has been no significant change in the financial status of the project since the last report. A check from DWR for Pay Estimate No. 7 was received on April 2.

**c. District Office**

Staff has received a scope of work and schedule from SIM Architects for the permitting and design of a new office building. A Building and Grounds Committee has been scheduled for April 18.

**d. General Maintenance and Equipment Update**

Maintenance personnel continue to be busy with winter maintenance projects. Heavy equipment operators have completed removing sediments from the Herndon Canal between Goldenrod and Howard Avenues. Equipment operators are currently working on the Hansen Ditch rebuilding the canal slope and placing rip-rap. The Boom truck certification class has been rescheduled to the week of April 16. Weed spraying continues as weather permits. The sloper crew is done for this season and is currently removing brush with the brushing crew along Dry Creek through old

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Fresno. Pipelines continue to be repaired throughout the District. The trash crew is working on the Houghton West and Central Canals.

**MANAGER'S REPORT**

General Manager Gary Serrato reported on the following:

**KINGS RIVER WATER ASSOCIATION**

**KRWA Legislative Committee Meeting**

KRWA is tracking a number of state bills that will have an impact on KRWA member units:

**Senate Bill 258 (Ducheny) – Water Users Fees**

This bill would require an unspecified amount of funding for the State Water Resources Control Board to be funded by the state general fund.

**Senate Bill 59 (Cogdill) – Water Supply Bond 2008**

**Senate Bill 435 (Cogdill) – Water Districts Public Access**

After meeting with City of Clovis' Mayor, Bob Whalen, it was decided to ask the senator to place this bill on hold.

**FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY**

Friant is continuing to work with the governor's office on specific language on a bond for water storage on the San Joaquin River. Madera Irrigation District has a new general manager.

Discussions continue in both the state and federal levels on funding the San Joaquin River Settlement.

**OTHER ISSUES**

Staff will be attending the State Water Resources Control Board Workshop on "Policy Direction on Water Right Enforcement".

Mr. Serrato has a meeting scheduled with County Board of Supervisor Susan Anderson to discuss county-wide water issues.

Mr. Serrato praised staff's efforts in preparing for the rating meeting. It was a group effort and he thanked them for their diligence.

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**ACWA Region 6 and 7 Meeting**

Director Steven Balls, Gary Serrato, and Laurence Kimura attended a special luncheon meeting in Visalia regarding the water management vision of the Tulare Lake Hydrological Region. Mr. Serrato stated there were several good speakers and that the meeting was worth attending.

**VanVolkenburg Claim**

Staff will be meeting on Friday, April 13, with Fresno Metropolitan Flood Control District's staff and attorneys to discuss the VanVolkenburg claim.

**ADMINISTRATIVE MATTERS**

**e. Annex Areas Assessments**

After a discussion between the Directors and Staff, it was decided to bring this topic back to the April 25 meeting with a draft of a policy on the assessments of our annexed area lands.

**f. Approval of Overnight for the General Manager and Controller to attend Wells Fargo Bank Bond Pricing in Los Angeles on April 16, 2007**

The District's general manager and controller are requesting authorization to attend the Wells Fargo Bank bond pricing meeting on Tuesday, April 17.

**M/S/C/(Neely/Balls)** That Board of Directors approve the overnight stay for the General Manager and Controller by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

**DIRECTORS' REPORT**

**Director Balls** – attended the Region 6 and 7 ACWA meeting in Visalia and found it informative.

**CLOSED SESSION**

After a brief intermission the Board went into Closed Session at 7:03 pm.

**Conference with Legal Counsel–Anticipated Litigation (Government Code Section 54956.9(b)).** The Board met in closed session to confer with counsel on potential litigation arising out of the District's handling of 39 Certificates of Sale resulting from delinquent charges and assessments. On advice of counsel, the Board has concluded that, based on existing facts and circumstances, there is significant exposure to litigation against the District.

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

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**REPORT OF ACTION TAKEN IN CLOSED SESSION**

Closed Session adjourned at 7:35 p.m. with President Boswell stating the Board of Directors had nothing to report.

**ADJOURNMENT**

President Boswell adjourned the meeting at 7:38 p.m.

Respectfully Submitted,

Gary R. Serrato  
Board Secretary