

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE SPECIAL MEETING
HELD MARCH 26, 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 March 26, 2007. Meeting was called to order at 5:03 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
Controller DeAnn Hailey
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Legal Counsel Dan Dooley
Landowner Ron Hardy
Landowner Sally Chavez
Landowner Richard B. Chavez

REVIEW AGENDA

No changes

REVIEW OF FUTURE MEETINGS

No changes at this time

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 Meeting Minutes – March 7, 2007**
- b. **Request for Correction of Charges – 2001-27, 2005-26 and 2006-21, 22 and 28**

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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 March 25, Pine Flat release was 348 cfs. Pine Flat precipitation to date is 9.12 inches which is 57.1% of average.

Forecasts are calling for a quarter to a half inch of rain during the next 24 hours. Heavy snow is expected between Yosemite to Kings Canyon with levels expected to drop to 3,500 feet. Above normal temperatures are expected for the next three months which will effect the snow melt. KRWA has postponed their April 1 snow survey until after tonight's storm.

PUBLIC PRESENTATION

Mr. Richard Chavez inquired on when we are starting water. He stated that if the District starts on April 15 he would loose out on a delivery. He therefore suggested delivering half time to all water users for the remainder of April, that way each user would get one turn. Staff stated there are some operational problems by doing it this way.

Mr. Ron Hardy is also not in favor of starting in the middle of the month. He would prefer to receive half of his normal delivery and start on April 1.

380: WATER REPORT

b. Discussion on Start of 2007 Water Season

Mr. Irwin presented two different scenarios for the start of water. One scenario is to have water start on April 15 with the possibility of not being able to deliver through July. Another option is to have water start on May 1 and deliver through the entire month of July. Mr. Serrato stated that he feels comfortable there will be enough conjunctive storage space among the three Upper River Districts if the District delays deliveries until May 1. It is anticipated that the District will receive only 47% of its normal allotment.

Staff recommends delaying the start of the water season until May 1.

M/S/C/(Niederfrank/Balls) That Board of Directors approve starting water deliveries on May 1 and run for three months by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

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

Developer Projects – FID is currently processing 20 Developer pipeline projects for the 2006-07 maintenance season. There are four projects in progress with 15 being completed since April 1, 2006. The four on-going projects impact the following canals: Clovis Canal located northeast of Herndon and Tollhouse Road, Brown Canal located southeast of Ashlan and Locan Avenues, and two projects on the Dawson Canal located southwest of Shaw and Fowler Avenues.

Agency Projects – FID is currently processing ten Agency bridge/pipeline projects for the 2006-07 maintenance season. Currently there is one Agency projects in progress and eight have been completed since April 1, 2006. The one project in progress is the City of Fresno is constructing a bridge where the Central Canal crosses Minnewawa Avenue north of Church Avenue.

b. Running Horse Development & Kearney Basin Project Update

Staff has not heard from the developer since the meeting held on February 22, 2007, with Alex Peltzer, Tom O’Meara, Ann Austin and David Lencioni, (the two property owners impacted by the new basin) Austin’s attorney, and Bill Stretch. The proposed basin is still approximately 58% complete (FID’s portion is 90% complete).

c. Review Easement/Right-of-Way Requirements for Open Canals

The Chief Engineer reviewed the requirements on the District’s canal of right-of-way. Mr. Stretch provided several examples of different canal configurations on the District’s right-of-way requirements.

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.

b. Waldron Banking Project Update

Dawson-Mauldin is nearing the completion of work on the Waldron project. Dawson-Mauldin has some miscellaneous electrical work to complete the contract.

The contract with Steve Dovali Construction for the well equipping work has been finalized and the equipment has been ordered.

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There has been no significant change in the financial status of the project since the last report.

c. District Office

Pursuant to direction from the Board of Directors, staff is working on getting an architectural firm under contract. Staff is working with SIM Architects to develop a scope-of-work and schedule.

d. General Maintenance and Equipment Update

Maintenance personnel continue to be busy with winter maintenance projects. Heavy equipment operators have completed the base work necessary to place a concrete floor in the Dry Creek Canal near Broadway. Crews are back removing sediments from the Herndon Canal. The instructor of the boom truck training had a medical condition that prevented him from completing the class requirement. The remainder of the class will be rescheduled. Mr. Kimura presented a slideshow reviewing various maintenance work and the concrete work performed on the Dry Creek Canal. The Maintenance Report covering February 16th – March 15th was walked-in.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Kings River Water Association

Director Niederfrank reported on the last KRWA Board Meeting. Mr. Serrato has been assigned to the Fish & Game Committee.

KRWA Legislative Committee Meeting

KRWA is tracking a number of state bills that will have an impact on KRWA member units. AB 1404 (Laird) Water Use Measurement Information – this bill would require water users or suppliers to report water use to the State Water Resources Control Board. The Bill would also require a water meter be installed at each connection and report actual diversions or use.

FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY

Director Boswell and Gary Serrato attended Governor Schwarzenegger's news conference held at Friant Dam this morning in support of a new reservoir at Temperance Flat.

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OTHER ISSUES

Bonding

Directors Balls and Steffen and Staff met with representatives from Standard and Poors and Wells Fargo. The District just received word that it was given an A+ rating. The next bonding meeting will take place on April 10 with the Finance Committee.

Waldron Banking Committee Meeting

Staff met with the Waldron Banking Facility Committee to review the construction and operations of 2006. Site visits were made at all three locations.

Barber/Reitz Claims

Staff announced that the Barbara Barber and Gary Reitz claims have been settled.

Congressional Meetings

While Mr. Serrato was in Washington DC he took the opportunity to meet with area congressional representatives. He presented them with information on a future water banking facility project.

Proposition 50

The State Water Resources Control Board has decided to fund the projects already targeted for construction. There is a small amount of Proposition 50 IRWMP monies remaining for funding.

ADMINISTRATIVE MATTERS

a. Approval of Revised Policy 507 – Investment Guidelines

After a review by the directors, Director Balls proposed a few changes to the policy. An updated policy was passed out at the beginning of the meeting. Controller DeAnn Hailey reviewed the changes with the rest of the Board.

M/S/C/(Niederfrank/Balls) That Board of Directors approve the updated Investment Guidelines Policy No. 507 by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

b. Approval of Revised Policy 512 – Mileage Reimbursement

The Controller performed extensive research on mileage reimbursement policies of different districts, including ACWA (ACWA does not reimburse any of its directors). She located an IRS government code that states if you are traveling from your first job to your second job you can be

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compensated for mileage. Staff suggested looking into an option of compensating directors through normal board meeting payments.

Staff recommends that the Board approve the revised policy as written but to also research board meeting compensations.

M/S/C/(Neely/Niederfrank) That Board of Directors approve the updated Board Members Mileage Reimbursement Policy No. 512 by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

c. Approval of Overnight stay for HR Director to Attend a SDRMA Conference – Sacramento, CA

SDRMA requires a representative of management staff to attend one conference per year in order to obtain our workers compensation discount.

M/S/C/(Neely/Balls) That Board of Directors approve the overnight stay of the HR Director to attend the SDRMA conference in Sacramento, CA by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

d. Central Valley Water Awareness Committee Invoice

Staff's recommendation is to renew the \$300 invoice. This committee is run by KRWA and KRCD and the District is a founding member of this committee.

M/S/C/(Balls/Niederfrank) That Board of Directors approve the payment of the \$300 invoice of the Central Valley Water Awareness Committee by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

e. FID/Kings County Water District (Feasibility Investigation for Joint Water Bank and Conjunctive Use Facility)

The goal is to economically convert excess surface supplies available in wet years to additional supply (i.e. more effectively utilize supplies conjunctively to the mutual benefit of both the FID and KCWD). Funding will come from the City of Clovis. Staff is proposing to start with a feasibility study to be done by Provost & Pritchard on building a banking facility. The District and KCWD will share equally in the \$75,000 cost to develop the study with the District's portion to come from the Water Purchase Fund. Staff recommends proceeding with the banking facility study.

M/S/C/(Neely/Balls) That Board of Directors approve proceeding with the feasibility study done by Provost & Pritchard and share equally in the cost with KCWD in the total amount of \$75,000 (\$37,500 FID / \$37,500 KCWD) and to have the money come from the Water Purchase Fund by an unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

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DIRECTORS' REPORT

Director Boswell – Mr. Serrato and Director Boswell attended a news conference given by Governor Schwarzenegger's that was held this morning at Friant Dam.

At a recent Rotary meeting Supervisor Susan Anderson came over to talk with Director Boswell and mentioned she had spoken with Director Neely about how the county is dealing with developing and purchasing of water. Supervisor Anderson is very interested in speaking with Mr. Serrato. Staff will contact her office to arrange a meeting as soon as possible.

Director Niederfrank – pumps are starting to be used a lot during this warmer weather. Water tables are already starting to drop.

CLOSED SESSION

The Board went into Closed Session at 7:37 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.

Government Code Section 54957. Personnel Matters.

REPORT OF ACTION TAKEN IN CLOSED SESSION

Closed Session adjourned at 7:46 p.m. with President Boswell stating the Board of Directors had nothing to report.

ADJOURNMENT

President Boswell adjourned the meeting at 7:47 p.m.

Respectfully Submitted,

Gary R. Serrato
Board Secretary