

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD SEPTEMBER 24, 2008**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California on September 24, 2008. Meeting was called to order at 5:00 pm by Board President Jeff Boswell.

DIRECTORS PRESENT

President Jeff Boswell
Vice President Jeff Neely
Steven Balls
Tom Steffen
Ryan Jacobsen

DIRECTORS ABSENT

None

STAFF PRESENT

General Manager Gary R. Serrato
Assistant General Manager Laurence Kimura
Chief Engineer Bill Stretch
Human Resources Director Regina Davis
Controller DeAnn Hailey
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Andy Sells, CFO of Joint Powers Insurance Authority (JPIA)
Attorney Alex Peltzer (via conference call starting 6:30 pm)

REVIEW AGENDA

Staff will contact Alex Peltzer via telephone at 6:30 pm for Closed Session.

REVIEW OF FUTURE MEETINGS

No changes

PUBLIC PRESENTATION

Andy Sells, CFO of the Joint Powers Insurance Authority (JPIA), presented the Board with a general understanding and overview of what JPIA is and how it works. JPIA is structured for water agencies only, within the state of California. Formed in 1979 by 83 ACWA Members, JPIA is a pooled program for liability, property and workers' compensation. There are approximately 400 water agencies, 285 of those agencies participate in JPIA. The Fresno Irrigation District was one of JPIA's original members.

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]

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Director Jacobsen stated he would not be able to participate in any discussion/vote dealing with the Lion's Club Turkey Shoot – Director Jacobsen is a member of the Easton branch of Lion's Club that is requesting use of District property for this event.

CONSENT CALENDAR

a. Approval of Regular Board Meeting Minutes – September 24, 2008

M/S/C/(Balls/Neely) 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

General Manager Gary Serrato reviewed the current and projected water supply. As of September 22, Pine Flat release was 362 cfs and storage was 123,589 acre-feet.

Hardship water continues to be delivered on the east side of the District until the end of September. Demands for Reclaim water deliveries on the west side of the District continue to be requested.

CLOSED SESSION

Staff teleconferenced Alex Peltzer at 6:30 pm for Closed Session.

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

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.

REPORT OF ACTION TAKEN IN CLOSED SESSION

President Boswell state there was nothing to report.

Closed Session concluded at 7:00 pm.

After a brief recess, Open Session resumed at 7:16 pm.

380: WATER REPORT

b. Water Sale/Transfer – Peoples Ditch Company

Peoples Ditch Company is interested in purchasing 5,000 acre-feet at \$125 per acre-foot from FID's Kings River water supply.

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M/S/C/(Neely/Balls) That Board of Directors approve the sale of up to 5,000 acre-feet at \$125 per acre-foot to Peoples Ditch Company by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

The Board of Directors discussed the use of the revenues from the water sale and which fund account the revenues are to be placed. The Directors discussed the ability of funding landowner projects, replacement of problem District owned pipelines, and capital improvements. District Engineer, Bill Stretch, reviewed with the Board the original schedule of the three-year plan pipeline projects as approved by the Board in May.

M/S/C/(Neely/Balls) That Board of Directors approve the depositing of funds into the Water Purchase account earmarked to backstop possible shortfall in the construction of the office by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

President Boswell assigned Directors Steffen and Jacobsen to an ad hoc committee to review pipeline Owner/District participation and research a rating system for a new pipeline policy.

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule for 2008/09 Update

Developer Projects – Staff is processing approximately 15 Developer Pipeline projects for the 2008/09 season. One project is taking place that impacts the Tracy Canal located southwest of Clinton and Blythe Avenues. Several more projects will start within the next few weeks.

Agency Projects – Staff is processing approximately ten Agency projects for the 2008-09 season. Two projects are in progress that affect the Grantland Avenue Bridge replacement on Herndon Canal located south of Barstow Avenue and also the Temperance Avenue Bridge replacement on the Gould Canal located south of Ashlan Avenue.

b. Three-Year Maintenance Facility Upgrade Project for 2007/08

Mr. Stretch provided the Board an update on the Maintenance and Facility Upgrade Plan (MFUP) – a new system by the maintenance crew working on the gradeall system is going very well. Mr. Stretch presented updated photographs that showed the progress being made.

c. Running Horse Development and Kearney Basin Project Update

A fence has been installed around the basin. One of the original developers has passed away, leaving the future of the Running Horse Project in question.

ASSISTANT MANAGER'S REPORT

Assistant General Manager Laurence Kimura reported on the following:

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a. Nielsen Site Rubble Pile Update

Work at the site continues. The electrical equipment for the groundwater well was repaired and the pump reconnected by PG&E. To date, Mr. Erickson has not responded to either of our letters requesting him to acknowledge the need to complete the project by the new deadline. Work at the site continues and the rubble pile is shrinking, however a significant amount of work still needs to be performed at the site.

b. Waldron Banking Project Update

The administrative work for closing the Arthur & Orum contract is almost complete. A letter was sent to Mr. Arthur, but some contract issues still need to be resolved. Provost & Pritchard Engineering is working with PG&E for getting electrical power to the new pumps at the Waldron and Lambrecht sites. Vulcan Construction continues to work at the sites. Currently, the pumps, motors, and discharge pipes have been installed and the control panel pads have been placed. Electrical work is in progress.

c. District Office Plan

BMV Construction continues to submit shop drawings for review. SIM Architects has been reviewing the submittals and working with District Staff on the responses. Comments from the County for the metal buildings (plan check review) were provided. A temporary office and some materials have been delivered in preparation for the new construction.

d. General Maintenance and Equipment Update

Winter maintenance and construction activities are taking place. The majority of Staff has moved from water into the maintenance/construction crews. Brush removal crew is currently working on the Enterprise Canal near Academy Avenue. The spray trucks are working in the western part of the District along the Empire, Kennedy-Owens, and Big Sandridge systems while the tractor sprayer works on the Jefferson and Helm systems. The Maintenance Report for August 16, 2008 through September 15, 2008 was made available.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Kings River Fishery Management Program

The Kings River Fishery Management Program put out a news release urging anglers to voluntarily curtail catch and release fishing through October 15. The warmer water is endangering the trout.

Legislative Committee

AB 2175 (Laird) was defeated this year but is expected to be resurrected in a different version next year. ACWA is developing a version of the bill that would address water use efficiency, water measurement, and conservation. In advance of the legislation, KRWA and KRCD

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members have begun to outline the issues that would directly affect the agencies. Items of discussion have included groundwater management, water use efficiency, measurement, and tiered pricing, among others.

State Water Right Fees

The KRWA Watermaster stated that the State Water Right Fees of \$154,000 are the same as last year – the District’s portion is approximately \$29,260 or 19% of the total.

FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY

Friant water matters were discussed during Closed Session.

OTHER ISSUES

Proposition 50

Staff continues to work with Kings River Conservation District and State Board staff on the final language in the Contractual Agreement. A meeting was held earlier in the week to review the agreement.

Kings County Water District Groundwater Bank

As of this date, the study addressing any adverse impacts to the surrounding area has not been completed. Staff continues to stay in touch with Don Mills, General Manager of Kings County Water District for any updates.

City of Kerman Agreement

Staff has completed the conveyance agreement between the City of Kerman and the Fresno Irrigation District; the agreement has now been forwarded to the City of Kerman. Both Agencies will meet to work on final details.

Table Mountain

Mr. Serrato met with representatives of Table Mountain Rancheria Staff and their legal counsel to discuss their water needs. The Rancheria is required to correct the “Municipal and Industrial Place of Use” issue with the Bureau of Reclamation prior to diverting any water from Friant.

ADMINISTRATIVE MATTERS

- a. **August 2008 Fund Activity**
- b. **August 2008 Treasurer’s Report**
- c. **August 2008 Cash on Hand**

Staff reviewed the above financial reports for August and answered questions from the Board.

M/S/C/(Balls/Steffen) That Board of Directors approve the above referenced financial reports as presented by Staff by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

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DIRECTORS' REPORT

Director Neely – City of Clovis is completing the pipeline installation from the Waste Water Treatment Plant in the area of Ashlan/McKinley area.

Director Boswell – Stated that Judge Wanger spoke at their last Rotary Club meeting, saying that there will be more issues in the Delta that will be ruled on in addition to Delta Smelt.

ADJOURNMENT

President Boswell adjourned the meeting at 9:20 p.m.

Respectfully Submitted,

Gary R. Serrato
Board Secretary