

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD MAY 27, 2009**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California on May 27, 2009. 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
George Porter
Ryan Jacobsen

DIRECTORS ABSENT

None

STAFF PRESENT

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

OTHERS PRESENT

None

REVIEW AGENDA

No changes

REVIEW OF FUTURE MEETINGS

Mr. Serrato reminded the Directors that the Board of Equalization meetings (BOE) are on Monday, June 1; Monday, June 8; and Wednesday, June 10. A short explanation was given on the BOE process. The Special Meeting originally scheduled for June 1 after the BOE meeting has been moved to June 8, following the BOE meeting.

PUBLIC PRESENTATION

None scheduled

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

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CONSENT CALENDAR

- a. **Approval of Regular Board Meeting Minutes – May 27, 2009**
- b. **Developer Project – Red Carpet Car Wash is Proposing to Pipeline the H-Ditch Canal No. 128 Located N/E Bullard and Figarden Avenues in Accordance with Board Policy. Action Request 2009-13**

The minutes from the May 13 meeting will be revised and brought back at the June 10 meeting for approval.

M/S/C/(Jacobsen/Balls) That Board of Directors approve item 4 b. of 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 information. As of May 26, Pine Flat release was 1,882 cfs and storage was 725,093 acre-feet. Pine Flat precipitation is 66.2% of normal. The Bureau reported that May 26 would be the last day that uncontrolled Class II water would be made available. Mr. Irwin also stated that Magnacide treatments to address aquatic weeds and algae in the canals began this week.

- b. Water Sales and Transfers
 - i. Consolidated Irrigation District
 - ii. Kings County Water District

Mr. Serrato requested the sale of 2,000 acre feet of water to Kings County Water District and a sale of 1,000 acre feet to Consolidated Irrigation District as a rate of \$50 dollars per acre foot.

M/S/C/(Neely/Balls) That Board of Directors approve the water sale of 1,000 acre-feet to Consolidated Irrigation District and 2,000 acre-feet to Kings County Water at a rate of \$50 per acre foot. District by unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

c. Uncontrolled Water Season

Mr. Serrato stated that he is exploring additional sales, transfer or exchanges of the Class II water that is currently being diverted by FID. Any additional transaction will be brought to the Board for approval.

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d. Annex Water Review

Staff requested a reduced rate of \$75 per acre foot of water to the Annex Areas to reflect the cost of Class II water rates for the diversions from May 1 through 25, 2009. FID obtained "Uncontrolled Season" water from Friant, which provided for the reduced cost.

M/S/C/(Neely/Balls) That Board of Directors approve Staff's recommendation to adjust the annex water price from to \$75 per acre foot for the time period stated by unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

e. Resolution 2009-07 – Section 215 of the Reclamation Reform Act

The Bureau of Reclamation requires 215 contracts to be renewed each year in order for each Friant Contractor to receive 215 water when it becomes available. Staff recommends adopting this resolution in order to be eligible to take part in Section 215 water.

M/S/C/(Balls/Porter) That Board of Directors approve Resolution 2009-07 accepting the renewal contract from the Bureau of Reclamation by the following roll call vote. (Ayes Neely, Balls, Boswell, Porter, Jacobsen; 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 2009/10 Update

Developer Projects – No projects are taking place at this time

Agency Projects – No projects are taking place at this time

b. Three-Year Maintenance and Facility Upgrade Project for 2008/09

Mr. Stretch noted crews are wrapping up a few last minute items on the three-year projects.

c. Grant Application – Approve funds to Prepare Application for USBR American Recovery Act of 2009 – Water Marketing and Efficiency Challenge Grant and Contribute Matching Funds to Brigg Water Banking Facility Project. Resolution 2009-06 and Action Request 2009-12.

Staff is preparing a grant application administered by the US Bureau of Reclamation known as the Recovery Act of 2009 Water Marketing and Efficiency. Available funds are expected to be approximately \$40,000,000 and are available for 2009. USBR's

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share of any one proposed project may be up to 50% of the total project cost with a minimum of \$1,000,000 to a maximum of \$5,000,000. USBR is expecting to award approximately 22 projects. The proposed project from the District includes $\frac{3}{4}$ mile of 30-inch parallel pipeline plus 1,400 of new canal lining and construction of a 20 acre banking facility at the Briggs/Fancher Canal system. Total estimated cost is \$2,193,950 with cost to the District of \$1,193,950 (if the District is awarded the full \$1,000,000 grant). Action Request 2009-12.

M/S/C/(Balls/Porter) That Board of Directors approve Resolution 2009-06 to submit the application for the Recovery Act of 2009 Water Marketing and Efficiency Grant by the following roll call vote. (Ayes Neely, Balls, Boswell, Porter, Jacobsen; Nays 0; Absent 0; Abstain 0)

M/S/C/(Balls/Porter) That Board of Directors approve Action Request 2009-12 as presented by Staff by the following unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

ASSISTANT MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

a. Nielsen Site Rubble Pile Update

There has not been much change since the last report. Attorney Alex Peltzer is working with the City's attorney on the draft of the extension agreement.

b. Waldron Banking Project Update

All pumps are operating at the project. Staff continues to wait on reimbursement from the Department of Water Resources. Mr. Kimura will schedule an advisory committee meeting.

c. District Office Plan

Bid opening for the demolition of the Annex Building and construction of the administrative office building was conducted on May 14. The submitted bids range from 4.73M to 5.75M. The contract will be awarded after a review of the submissions.

d. General Maintenance and Equipment Update

- Repairing gopher and squirrel holes throughout the District
- Working on Bank improvement on the Bullard Canal
- Pipeline repairs along the Los Alamos system
- Spray activities are taking place as weather permits
- Trash truck is working on the Central and American Colony canals

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An Equipment Committee meeting will be scheduled for June 1 at 4 pm. The Maintenance Report covering April 16, 2009 to May 15, 2009 was provided.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

The California Department of Fish & Game last week signed the Framework Agreement Extension. The agreement extends the financial commitment of the CDFG for habitat restoration. CDFG provides \$100,000 and KRWA and KRCD provides a combined \$100,000 to be used for habitat restoration

A signing ceremony is being scheduled to take place at Avocado Lake in mid-June and to celebrate the ten year anniversary.

With the extension of the Framework Agreement, Mr. Serrato is preparing for the renegotiation of the Upper Kings River Agreement with Consolidated Irrigation District and Alta Irrigation District.

FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY

Fresno Irrigation District's attorney, Gary Sawyers, will be meeting on June 8 to participate in the discussions of the status of the mediation process associated with the San Joaquin River Settlement. Mr. Serrato provided a list of the districts within Friant showing their current position on the Implementation Agreement which will be discussed at the meeting.

OTHER ISSUES

Kings County Water District

A meeting with the Kings County Water District Engineers and the representatives of the surrounding landowner including the Scalmanini Engineers reviewed the recent report developed by Scalmanini. The engineers for both sides agreed to develop a groundwater monitoring program that would monitor current conditions in and around the site for the entire year. The two sides will review the data at the end of each year. Mr. Serrato will continue to work with Kings County Water District to develop the final agreement. The Proposition 50 funding that was awarded to FID for this project is in question due to the State's budget woes.

ACWA Conference

Mr. Serrato participated on a panel discussion during the ACWA Conference. He stated it was well attended. A rally at the State Capitol was also held during the conference to continue to keep the state's water crisis in full focus. ACWA attendance seemed lower than normal.

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Miscellaneous

Staff discussed the proposed changes to Proposition 1A which would have a big financial impact to Special Districts. Proposition 1A if implemented would “borrow” 8 to 45% of property revenues assessed by the District, and would require the State to pay back with interest in three years. Currently only enterprise districts are effected – Proposition 1A would include all special districts. 8% of the District’s budget would amount to \$722,000. Mr. Serrato has scheduled a meeting to speak with Assembly Member Juan Arambula on this issue and its impacts to the FID.

ADMINISTRATIVE MATTERS

a. Resolution 2009-08 – Honoring Jim Campbell’s Years of Service

Mr. Campbell has provided 34 years of dedicated service to the District. The Directors wished him many good years of retirement.

M/S/C/(Jacobsen/Balls) That Board of Directors approve Resolution 2009-08 in Honoring Mr. Jim Campbell’s Years of Service by the following roll call vote. (Ayes Neely, Balls, Boswell, Porter, Jacobsen; Nays 0; Absent 0; Abstain 0)

- b. April 2009 Fund Statements**
- c. April 2009 Notes to the Fund Statements**
- d. April 2009 Treasurer’s Report**
- e. April 2009 Deposits and Investments**

Controller DeAnn Hailey reported on the financial statements for April. Staff recommends approving the statements as presented by Staff.

M/S/C/(Balls/Porter) That Board of Directors approve the April financial reports by unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

DIRECTORS’ REPORT

Director Neely – supplied an article for the Directors and Staff on water banks and how they are being operated in Kern County.

Director Porter – attended the JPIA portion of the ACWA conference and stated that he attended the mandatory Sexual Harassment Class.

CLOSED SESSION

There was no closed session called.

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

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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)): KRWA.

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)): Nielsen Avenue Property

Government Code Section 54956.8 Real Property Transactions.

Negotiators: Laurence Kimura and Ardismae Brooks

Properties: Portion of APN 334-320-05

Terms and Conditions: Update

REPORT OF ACTION TAKEN IN CLOSED SESSION

No Closed Session

ADJOURNMENT

President Boswell adjourned the meeting at 7:00 p.m.

Submitted By,

Gary R. Serrato
Board Secretary