

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD MAY 13, 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 13, 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

Bill Patterson, Representing Sampson, Sampson & Partners LLP (Auditor)

REVIEW AGENDA

Staff requested that item 9 a. be moved to the beginning of the meeting. President Boswell stated that Mr. Patterson would give his audit presentation after the Consent Calendar.

Mr. Serrato informed the Board that Staff revised page 36 of the April 8 minutes to include the cost of water per acre plus applicable fees for the water sold to San Luis Water District.

REVIEW OF FUTURE MEETINGS

Mr. Serrato and Mr. Kimura will be attending the Spring ACWA Conference held in Sacramento next week. Director Porter will be attending the JPIA portion of the Conference.

PUBLIC PRESENTATION

None

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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 Revised Regular Board Meeting Minutes – April 8, 2009**
- b. **Approval of Regular Board Meeting Minutes – April 22, 2009**
- c. **April 2009 Check Register**
- d. **April 2009 Payroll Registers**
- e. **April 2009 Unpaid Assessment Report**
- f. **April 2009 Unpaid ISIP Assessment Report**
- g. **April 2009 Investment Account**
- h. **April 2009 COP Investment Account**

M/S/C/(Balls/Porter) That Board of Directors approve the Consent Calendar with revised page 36 for the April 8 minutes by the following vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

ADMINISTRATIVE MATTERS

- a. **Audit Report by Sampson, Sampson & Partners, LLP**
 - i. **December 2008 Audited Financial Statements**
 - ii. **December 2008 Report to Management**
 - iii. **December 2008 Audited Retirement Plan Financial Statement**

Mr. Bill Patterson, of Sampson & Sampson presented to the Board the Fresno Irrigation District's 2008 audit report. Mr. Patterson reported that the District follows 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 statements present fairly, in all material respects, the financial position of Fresno Irrigation District as of December 31, 2008, and the results of its operations, changes in fund equity, and cash flows for the year then ended, in conformity with generally accepted accounting principles as well as accounting principles 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/(Balls/Neely) That Board of Directors approve the audited 2008 financial reports as presented by District auditor Sampson, Sampson & Partners, LLP by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

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380: WATER REPORT

a. Current Water Conditions

Watermaster Jim Irwin reviewed the current and projected water supply and snow pack information. As of May 12, Pine Flat release was 944 cfs and storage was 582,405 acre-feet. Pine Flat precipitation is 67.3% of normal. The Board of Directors for the Consolidated Irrigation District announced they will start their water season on May 15. Above normal Temperatures are expected for the next ten days.

b. Water Transfers

Mr. Serrato reviewed the 2006 Imported Water Agreement procedures for "replacement water". Replacement Water is identified as waters not native to the Kings River Watershed that are imported and substituted for Kings River water that is being diverted. Replacement Water can be stored in Pine Flat Dam in vacant available storage space. FID has prepared a letter requesting the initiation of the Imported Water Agreement.

Staff requested direction from the Board to take advantage of the uncontrolled season water being released from Friant Dam. Directors agreed that Staff should make arrangements to purchase all the uncontrolled water available.

Mr. Serrato requested that the Board allow him to market water to both the Consolidated Irrigation District and to the Kings County Water District. The Board directed Staff to research water sale opportunities.

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 Cal Trans was moving forward on the Hwy 180 project and reviewed the progress of the three-year projects.

c. Informational Items

i. USBR Field Services Grant Update – Item 2009-11

The proposed project is at the Washington-Oleander divide. The project includes the purchase and installation of an automatic canal gate, long crested weir and the

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necessary telemetry equipment required for remote flowrate monitoring. The District was awarded a \$25,000 grant for this project from the USBR. The grant proposal submitted by the District was among those applications receiving the highest ratings – the application was written by the District’s engineer Jennifer Williams.

ASSISTANT MANAGER’S REPORT

General Manager Gary Serrato reported on the following:

a. Nielsen Site Rubble Pile Update

Staff is preparing a two-year extension agreement between the District and the City. This agreement will allow the bringing of aggregate containing material to the site to mix with the materials already there.

b. Waldron Banking Project Update

All pumps are operating at the project. Staff continues to wait on reimbursement from the Department of Water Resources.

Staff reported on the underground water depths at Waldron Banking. Monitoring wells located at the sites and wells on nearby properties for each of the three Waldron facilities are being monitored monthly. The results from some of the levels taken during March, April, and May were presented. It was reported that there were no significant changes in the groundwater levels due to the use of the project extraction wells and in some cases the groundwater levels have risen due to the start of the water delivery season. Monthly reports will be taken.

c. District Office Plan

Bid opening for the demolition of the Annex Building and construction of the office building is scheduled for tomorrow. There appears to be a great deal of interest in this project.

d. General Maintenance and Equipment Update

- Repairing gopher and squirrel holes throughout the District
- Heavy equipment operators have finished bank improvements on the American Colony
- An inlet pipe has been repaired on the Lower Dry Creek Ditch
- Spray rigs are working as weather permits
- Identification of buried water lines around the main office building is taking place
- Trash truck working on the Teilman, Houghton, and Dry Creek this week

Assistant Manager Laurence Kimura, Superintendent Ralph Yockey, and Shop Foremen Tim Pritchard are working on a plan for the 2009 equipment replacement.

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MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Mr. Serrato informed the Board that the Lower River will begin the "Coordinated Run" on June 1. The Coordinated Run helps the Lower River Units minimize channel losses when water diversions are being made.

Mr. Serrato also shared the historical data on flood releases from Pine Flat and the impacts on individual districts.

KRWA announced that they will engage in negotiations with the Running Luck Farming company over riparian rights.

KRWA Legislative Committee

The Legislative Committee is monitoring three state bills dealing with water conservation/water use efficiency: AB 49, SB 261 SB 460. The Legislative Committee is working to combine SB 261 and SB 460 to include key language to define what is ag water.

FRIANT WATER AUTHORITY / FRIANT WATER USERS AUTHORITY

Friant mediation on the impacts and benefits of the San Joaquin Settlement has concluded. Staff met with Lon Martin of the city of Fresno and Steve Ottemoeller of Friant Water Users Authority to review and understand the details of the agreement.

Staff will schedule a special Board Meeting to review the settlement issues in more detail. Probable date for the meeting will be on June 1, immediately following the Board of Equalization Meeting. Friant is requesting a resolution describing the Districts position.

OTHER ISSUES

Kings County Water District

The District received a letter of interest and support from the Kings County Water District to continue with the proposed water banking project.

Kern-Tulare Water District

Staff will respond to a letter sent by Kern-Tulare requesting an interest in the District's Class II water.

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ADMINISTRATIVE MATTERS

- b. February 2009 Fund Statement**
- c. February 2009 Notes to the Fund Statements**
- d. February 2009 Treasurer's Report**
- e. February 2009 Deposits and Investments**
- f. March 2009 Fund Statements**
- g. March 2009 Notes to the Fund Statements**
- h. March 2009 Treasurer's Report**
- i. March 2009 Deposits and Investments**

Controller DeAnn Hailey reviewed the February 2009 financial reports. Staff recommends approving the reports as presented.

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

Controller DeAnn Hailey reviewed the March 2009 financial reports. Staff recommends approving the reports as presented.

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

j. Review of Board of Directors Handbook

The comments/suggestions will be brought back to the Board at the next regular meeting.

k. Review of Directors' Tour Agenda

The tour is expected to leave the District office at 8 am. There are approximately ten stops including a tour of the Surface Water Treatment Plant where lunch will be provided.

l. Approval of Overnight Stay for Chief Engineer Bill Stretch to Attend the USCID's Conference in Reno, NV. Action Request 2009-09

Mr. Stretch requested approval for overnight stay to attend the USCID's Conference in Reno, NV. Mr. Stretch will co-speak at the conference on three different papers that he has co-authored.

M/S/C/(Balls/Porter) That Board of Directors approve the overnight stay of Mr. Stretch to attend the USCID Conference by the following vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

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m. Property Damage Claim – Dominion Courtyard Villas

Due to power outage at the surface water treatment plant, a flooding issue caused \$482.39 worth of damage at the Dominion Courtyard Villas apartment complex.

M/S/C/(Neely/Balls) That Board of Directors approve the damage payment in the amount of \$482.39 and for Staff to obtain a waiver on any further claims by the following vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

DIRECTORS' REPORT

Director Porter – requested the opportunity to discuss changing the date or the time of regular board meetings.

Director Jacobsen – Stated that he and Staff were approached by the Fresno Metropolitan Flood Control District and the Qualls family to inform FID of the Qualls desire to deed the 20 acre property in the vicinity of Annadale and Brawley to FMFCD. Mr. Serrato met with FMFCD and Fresno County Staff to discuss the issues surrounding the Qualls property.

CLOSED SESSION

Closed Session convened at 8:32 p.m.

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)): 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

President Boswell stated that there was nothing to report from Closed Session which concluded at 8:46 p.m.

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ADJOURNMENT

President Boswell adjourned the meeting at 8:47 p.m.

Submitted By,

Gary R. Serrato
Board Secretary