

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD SEPTEMBER 28, 2010**

Fresno Irrigation District's Board of Directors met in regular session in the District office located at 2907 South Maple Avenue – Fresno, California, on September 28, 2010. Meeting was called to order at 5:00 pm by Board Vice President Jeff Neely.

DIRECTORS PRESENT

Vice President Jeff Neely
Steven Balls
Ryan Jacobsen
George Porter

DIRECTORS ABSENT

President Jeff Boswell

STAFF PRESENT

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

OTHERS PRESENT

None

REVIEW AGENDA

Mr. Serrato notified the Board of Directors that Mr. and Mrs. Madrid may appear before the Board to discuss their water service issues off the Silvia Canal No. 47, item 8 c. on the agenda. If the Madrids do attend, Staff asks that their issues be heard out of order.

M/S/C/(Porter/Balls) That the Board of Directors approved the agenda by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

REVIEW OF FUTURE MEETINGS

No changes

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]

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None stated

CONSENT CALENDAR

- a. **Approval of Regular Board Meeting Minutes – September 14, 2010**
- b. **Developer Project – Guardian Group and HCC Surety Group is Proposing to Pipeline the Teilman Canal No. 70 Located S/W Whitesbridge and Marks Avenues. Action Request 2010-19**

M/S/C/(Balls/Porter) That the Board of Directors approved the Consent Calendar by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

380: WATER REPORT

- a. **Current Water Conditions**

Watermaster Jim Irwin reported on the current and projected water supply information. As of September 27, Pine Flat release was 2,081 cfs, and storage was 363,338 acre-feet. Alta Irrigation District, Peoples Ditch Company, Kings River Water District, and Lemoore are the only lower districts running at this time. Mr. Irwin reported that recent projections still indicate water deliveries to the end of October with a carry over of water of approximately 30,000 acre feet.

CONTROLLER'S REPORT

The Controller reported on the following:

- a. **August 2010 Fund Statements**
- b. **August 2010 Notes to Fund Statements**
- c. **August 2010 Treasurer's Report**
- d. **August 2010 Deposits and Investments**

Controller DeAnn Hailey reviewed the District's August financial reports. Ms. Hailey noted that PTO buy out requests by employees have increased this year. Staff requested the reports be approved as presented.

M/S/C/(Balls/Porter) That the Board of Directors approved the financial reports as presented by Staff by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

- e. **Revised Budget for 2010**

Ms. Hailey reviewed the mid-year revised budget. Staff noted that the bottom line numbers remain the same; the adjustments are between line-items. Due to shortages in staffing, additional overtime was incurred.

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M/S/C/(Balls/Porter) That the Board of Directors approved the Revised 2010 Budget as presented by Staff by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

f. Resolution 2010-17 – Approval to Obtain a Line of Credit (Warrants)

Staff informed the Board that the language of the warrant documents has been approved by the District's bond counsel. It was explained that the District, due to its tax-exempt status, will have issuance of warrants and not a line of credit. Documents are expected to be signed on October 5, 2010.

M/S/C/(Balls/Porter) That the Board of Directors approved Resolution 2010-17 by roll call vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

g. Resolution 2010-18 – Designation of the Line of Credit as Qualified Tax-Free Obligations

Staff recommended the approval of Resolution 2010-18.

M/S/C/(Balls/Porter) That the Board of Directors approved Resolution 2010-18 by roll call vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

h. Delinquent Assessments Eligible for Amnesty With the Paid Delinquencies Noted

Staff reported on the progress of the amnesty program. To date, there have been four parties who have taken advantage of the program. Staff stated that it is a little early to see how well the program is working. Staff will report to the Board at the end of the year of the affects of the program.

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule for 2010/11 Update

Developer Projects – There are no on-going developer projects taking place at this time.

Agency Projects – There are no on-going agency projects taking place at this time.

b. Three-Year Maintenance and Facility Upgrade Project for 2010/11

Mr. Stretch reviewed the status of the Three-Year Maintenance Projects. Staff and crews are gearing up for the start of Maintenance Season.

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Pursell Pond is working as expected with minor adjustments to be made after the start of Maintenance Season. The Contractor has started mobilizing his equipment on the Jameson Basin. The Big Sandridge Basin plans and legal paperwork are moving forward with completion expected by Spring 2011.

c. Discussion with Landowners Mr. and Mrs. Madrid Regarding Water Service off the Silvia Canal No. 47 – S/W Shaw and Bryan Avenues

The Madrid's did not appear before the Board.

d. Consideration of Adoption of Negative Declaration for the Big Sandridge Basin No. 580 Located S/E Clinton and Plumas Avenues. Action Request 2010-17 and Resolution 2010-16

The Mitigated Negative Declaration was circulated for review between August 20 and September 20, 2010. Comments were received from the Department of Water Resources and the Native American Heritage Commission – the comments did not require any action. Staff recommends the adoption of Resolution 2010-16.

M/S/C/(Balls/Porter) That the Board of Directors approved Resolution 2010-16 by roll call vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

e. Award Contract – Canal Improvements Contract 112-1672-A on the Jefferson Canal No. 112 and Gunn Canal No. 384 for the City of Fresno's Temporary SWTF. Action Request 2010-18

Jennifer Williams, Staff Engineer, reviewed the Jefferson and Gunn Canal Improvement project with the Directors. The project will include the removal of existing concrete structures and lining, construction of a new headgate structure for the Jefferson Canal, automation of the Jefferson headgates, replacement of a culvert, and canal lining, Gunn headgate automation and installation of flow measurement devices and telemetry. The improvements are needed to divert water to the City of Fresno's temporary Surface Water Treatment Facility. The bids were opened on September 22 with Bill Nelson Construction submitting the low bid for the base amount of \$426,500. The District's contribution will be approximately \$25,000 with the City of Fresno to pay the majority. Staff recommends awarding the contract to Bill Nelson Construction.

M/S/C/(Balls/Porter) That the Board of Directors approved awarding the contract to Bill Nelson Construction as low bidder by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

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f. Sell Portion of Oleander Basin No. 579 Located S/E Lincoln and Chestnut Avenues. Action Request 2010-16

Staff recommends selling the southern portion of the Oleander Basin due to the geotechnical report indicating that operation of both basins could cause severe damage to that area of Lincoln Avenue. Staff recommends selling the property by placing an ad in the Fresno Bee and placing a sign on the property. Deadline for bids will be approximately 30 days after the sign and ad have been posted.

M/S/C/(Balls/Porter) That the Board of Directors approved the selling of the south section of the Oleander Basin with a closing for bids roughly 30 days after the sign and ad have been posted which will be approximately November 1, 2010, by the following vote. (Ayes Neely, Balls, Jacobsen, Porter; Nays 0; Absent Boswell; Abstain 0)

ASSISTANT MANAGER'S REPORT

Assistant General Manager Laurence Kimura reported on the following:

a. Nielsen Site Rubble Pile Update

Mr. Erickson removed some of the concrete debris from the property. The County of Fresno has begun to remove some of the material.

b. Waldron Banking Facility

There is not much new to report. The drainage lines are being cleaned and inspected. The reclamation wells continue to operate.

c. District Office Plan

Work on the site continues with electrical, HVAC, stucco, window framing and roof construction taking place. Contractors are preparing to apply the scratch coat for the stucco portion of the construction. Some of the window installation is being re-done.

d. General Maintenance and Equipment Update

- Heavy equipment operators completed the embankment work on the Houghton Canal near Belmont and Cornelia avenues;
- Sand is being applied on the bank roads at Pursell Pond;
- Backhoes are addressing bank work;
- Equipment operators are grading the Enterprise Canal;
- Crews are busy on standpipe and gate repairs;
- Pipeline repairs have been completed on the Monroe and crews are still working on the Thompson;
- Crews are spraying as weather permits;
- Trash removal is taking place throughout the District.

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The Maintenance/Construction Report covering August 16 through September 15, 2010, was handed out. A catalytic converter was stolen out of one of the District's pickups and a neighboring business was also targeted.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

KRWA is expecting that Pine Flat Dam will have between 350,000-400,000 acre-feet of carry-over. Exhibit "D" flows are at the lower end missing the trigger of the higher end flows by 40,000 acre-feet of run off. Exhibit "D" flows will require 135 cfs to be release from Pine Flat Dam. With the renegotiated Upper River Agreement, Fresno Irrigation District will divert the Exhibit D flows in even number years. However, because of maintenance work that is required, Consolidated Irrigation District has agreed to divert the water until FID maintenance work has been completed,

FRIANT WATER USERS AUTHORITY / FRIANT WATER AUTHORITY

9 (d) Contracts

The discount rate for the 9(d) contracts will be determined on October 1. The original discount rate was projected at 4.06 percent, but recent projections could be in the range below 4 percent.

OTHER

Mr. Serrato pointed out the recent report on water deliveries to the Cities of Fresno and Clovis for groundwater recharge into the Fresno Metropolitan Flood Control District's basins and the Surface Water Treatment Plants.

City of Clovis / FID Jameson Groundwater Banking Project

Mr. Serrato met with Mike Leonardo from the City of Clovis and the attorneys representing both parties. The major points of the project have been agreed upon and the attorneys will now begin the development of the agreement.

Fresno Irrigation District / Consolidated Irrigation District Partnership

Consolidated Irrigation District's (CID) board will meet in October to discuss the study prepared by Provost & Pritchard. Mr. Serrato is optimistic that CID's Board will be in favor of pursuing the partnership.

SBX7-7

The State Department of Water Resources held a meeting last week on the bill. Their position remains the same; measurement will be at the turnout gate and volumetric charges are to be incorporated into the water charges.

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Low Flow Multi-Level Intake

Dave Orth, General Manager of the Kings River Conservation District, informed the KRWA members of the study KRCD will be performing on the feasibility of constructing a low flow multi-level turbine to generate power when water diversions are less than 400 cfs.

Miscellaneous

Mr. Serrato and Mr. Kimura met with Kathy Millison before she left the City of Clovis' City Manager position. Ms. Millison wanted to relay her appreciation to the District's Board for their dedication and hard work. Ms. Millison was presented with Resolution 2010-14 plaque honoring her service with the City of Clovis.

ADMINISTRATIVE MATTERS

a. Claim for Damages – David Brar

Mr. Kimura reported that while maintenance work was being done on the Little Houghton, three vine rows of raisin trays were flooded. Staff's suggested that if Mr. Brar is willing to accept four pounds per tray for settlement then the District would pay the claim; otherwise, it will be denied and sent to JPIA for further review.

M/S/C/(Porter/Balls) That the Board of Directors agreed to settle the claim at four pounds per tray otherwise it will be forwarded to JPIA for further action by the following vote. (Ayes Neely, Balls, Porter, Jacobsen; Nays 0; Absent Boswell, Abstain 0)

b. Property Damage Claim – Jose Rodriquez

Mr. Irwin reported that Mr. Rodriquez's yard, master bedroom, and garages were flooded when crews topped the stand. It is Staff's recommendation to pay the damage in the amount of \$1,574.97.

M/S/C/(Porter/Balls) That the Board of Directors approved paying the claim in the amount of \$1,574.97 submitted by Mr. Rodriquez by the following vote. (Ayes Neely, Balls, Porter, Jacobsen; Nays 0; Absent Boswell, Abstain 0)

DIRECTORS' REPORT

None

CLOSED SESSION

Vice President Jeff Neely adjourned Open Session at 6:49 p.m. The Board went into Closed Session at 7:05 p.m.

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)): Nielsen Avenue Property

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)): County Service Area 51.

Government Code Section 54956.8 Real Property Transactions.

Negotiators: Gary R. Serrato, FID and River Cross, Inc.

Properties: APN 015-330-15S

Terms and Conditions: Agreement for Purchase and Sale of Real Property and Escrow Instructions

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)): Mendrin Property Claim

Government Code Section 54957. Personnel Matters.

REPORT OF ACTION TAKEN IN CLOSED SESSION

Vice President Neely stated there was nothing to report from Closed Session.

ADJOURNMENT

Vice President Neely adjourned Closed Session at 7:45 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board