

**FRESNO IRRIGATION DISTRICT  
MINUTES OF THE REGULAR MEETING  
HELD MAY 11, 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 May 11, 2010. 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  
Ryan Jacobsen  
George Porter

**DIRECTORS ABSENT**

None

**STAFF PRESENT**

General Manager Gary Serrato  
Assistant General Manager Laurence Kimura  
Chief Engineer Bill Stretch  
Watermaster Jim Irwin  
Controller DeAnn Hailey  
Recording Secretary Lynn B. Rowe

**OTHERS PRESENT**

Bill Patterson, Representative from Sampson, Sampson and Partners, LLP

**REVIEW AGENDA**

Staff requested items 7 b., c., and d. to follow the Consent Calendar to accommodate Auditor Bill Patterson's schedule. Director Jacobsen requested that items 11 a. and b. be moved to follow the auditor's report as he needs to leave at 7:20 pm. The Board agreed to the changes

**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]**

None stated

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**CONSENT CALENDAR**

- a. **Approval of Regular Board Meeting Minutes – April 27, 2010**
- b. **April 2010 Check Register**
- c. **April 2010 Payroll Registers**
- d. **April 2010 Unpaid Assessment Report**
- e. **April 2010 Unpaid ISIP Assessment Report**
- f. **April 2010 Investment Account**
- g. **April 2010 COP Investment Account**

**M/S/C/(Balls/Porter)** That Board of Directors approved the Consent Calendar by unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

**CONTROLLER'S REPORT**

- b. **Presentation of the 2009 Audited Financial Statements by the CPA**
- c. **Presentation of the 2009 Manager's Report by the CPA**
- d. **Presentation of the 2009 Audited Retirement Plan Financial Statements by the CPA**

Mr. Bill Patterson, of Sampson, Sampson and Partners presented to the Board the Fresno Irrigation District's 2009 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, 2009, 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 and Partners, LLP which is a favorable type of report.

**M/S/C/(Balls/Porter)** That Board of Directors approve the audited 2009 financial reports as presented by District auditor Sampson, Sampson & Partners, LLP by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

**ADMINISTRATIVE MATTERS**

- a. **Claim Submitted – Jesus De Anda**

Mr. Serrato reviewed the Jesus De Anda claim with the Board and recommended to deny the claim and submit it to Joint Power Insurance Association (JPIA).

**M/S/C/(Neely/Balls)** That Board of Directors denied the claim and instructed Staff to submit it to JPIA by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

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**b. Claim Submitted – Antolin G. Penaflor**

Mr. Serrato reviewed the Antolin G. Penaflor claim with the Board and recommended to deny the claim and submit it to JPIA.

**M/S/C/(Balls/Porter)** That Board of Directors denied the claim and instructed Staff to submit it to JPIA by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

**380: WATER REPORT**

**a. Current Water Conditions**

The current and projected water supply information was given by Watermaster Jim Irwin. As of May 10, Pine Flat release was 3,341 cfs and storage was 690,849 acre-feet. Pine Flat precipitation is at 127% of normal with the season at 23.21” and the average being 18.28”.

There is a 33% chance that Pine Flat could go into flood release during the month of June. Mr. Serrato will be meeting with the KRWA watermaster to discuss several options that could minimize flood releases.

**b. Class II Water Sale**

Staff met with the Westlands Water District representatives to discuss Westlands water purchase and transfer from FID. Westlands had indicated that because of new allocations for the Westside, they would not require the amount of water that they had requested earlier in the year. Staff reminded Westlands of their commitment and suggested an alternate method which involved options for banked water to be taken within a three-year period. After much discussion among the board members, Staff was directed to negotiate a new agreement that would require the taking 10,000 acre feet from the Waldron Banking Facility at the original price and 12,000 acre-feet of Class II water at a discounted price that would equal the original amount.

**CONTROLLER’S REPORT continued**

Controller DeAnn Hailey reported on the following:

**a. Controller’s Report**

The annual audit reports have been filed. All of the furniture for the new building has been purchased.

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**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** – There are no new developer projects since the last meeting.

**Agency Projects** – There are no new developer projects since the last meeting.

**b. Three-Year Maintenance and Facility Upgrade Project for 2009/10**

Chief Engineer Bill Stretch reviewed the Three-year plan. Staff is preparing a list of projects for the next maintenance season and should have it ready by mid June. Telemetry work remains to be completed during the water season.

Mr. Stretch reported on the progress of the following: Pursell, Jameson, Oleander, and Big Sandridge Basins.

**c. Consideration of Adoption of Negative Declaration for the Pursell Pond No. 578 Located S/W Jefferson and Cedar Avenues. Action Request 2010-07 and Resolution 2010-08**

In accordance with CEQA (California Environmental Quality Act), the District hired a consultant to prepare an Initial Study of potential environmental impacts for the Pursell Pond project. The comment period for the Mitigated Negative Declaration concluded on May 3, with only one comment coming from the Department of Water Resources. This comment did not require actions nor delay the adoption of the Mitigated Negative Declaration. Staff request that the Board approve Resolution 2010-08 to allow the expansion of the Jameson Pond.

**M/S/C/(Balls/Neely)** That Board of Directors approved Resolution 2010-08 and Action Request 2010-07 for the Mitigated Negative Declaration of the Jameson Pond Expansion Project by the following roll call vote. (Ayes Neely, Balls, Boswell, Porter, Jacobsen; Nays 0; Absent 0; Abstain 0)

**d. Proposed Canal Abandonment of the Tailend Portion of the Reyburn Canal No. 380, Located Northwest of Barstow and DeWolf Avenues. Action Request 2010-08**

Staff is recommending to the Board that the Secretary sign a Notice of Abandonment and Quitclaim of Easements Agreement for the portion of the Reyburn Canal located northwest of Barstow and DeWolf Avenues. Staff is looking to abandon 1,350 feet of 18-inch diameter mortar jointed concrete pipeline.

**M/S/C/(Neely/Balls)** That Board of Directors approved Action Request 2010-08 to abandon a portion of the Reyburn Canal No 380 with the developer to remove

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or crush the pipe by the following unanimous vote. (Ayes 5; Nays 0; Absent 0; Abstain 0)

**ASSISTANT MANAGER'S REPORT**

Assistant General Manager Laurence Kimura reported on the following:

**a. Nielsen Site Rubble Pile Update**

Mr. Kimura spoke to Fresno County and was informed that the Toxic Substance Department would be allowed to be the lead agency for evaluating whether the materials could be left on-site.

**b. Waldron Banking Facility**

The involved parties are still discussing responsibility for the repairs to the concrete lining that was damaged at Lambrecht.

**c. District Office Plan**

Progress is being made on the new office building. The roof is getting near completion with the rough plumbing and electrical being installed.

**d. General Maintenance and Equipment Update**

- Heavy equipment operators are still moving the spoil piles along the Enterprise Canal;
- Crews are building up the bank on the Armstrong Ditch;
- Earthwork and ripping is taking place at the Lincoln Ponds along Lower Dry Creek;
- Ripping is also taking place at the Lincoln Pond site along the Lower Dry Creek Canal;
- Rodent holes are being addressed throughout the District;
- Pipeline repairs are taking place throughout the District;
- Weed spraying is being performed as weather permits;
- Trash crew is working on hot spots.

Mr. Stretch showed the groundwater readings on the three (3) Waldron Banking Facility sites. There does not appear to be any negative effect from pumping.

Director Jacobsen left at 7:30 pm.

**MANAGER'S REPORT**

General Manager Gary Serrato reported on the following:

**KINGS RIVER WATER ASSOCIATION**

With the recent storms, flow requirements could increase to Exhibit "D" levels of 230 cfs.

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The Water Rights Agreement has stalled. Newly inserted comments have caused conflict among the parties and the agreement will most likely be pulled.

**FRIANT WATER USERS AUTHORITY / FRIANT WATER AUTHORITY**

**9(d) Contract Negotiations**

Staff has almost concluded the negotiations with the Bureau of Reclamation for the renewal of the 9(d) contracts. The last remaining issue of the contract is Article 7 which pertains to the financial component. Negotiations will continue on Friday to address individual District contracts with the Bureau of Reclamation.

Staff is preparing for the financial obligation of converting to a 9(d) contract which may necessitate that the District re-establish its line of credit with Wells Fargo Bank.

**OTHER**

**Spring ACWA Conference – Monterey, CA**

Mr. Serrato reported on the ACWA conference held in Monterey, CA. Mr. Serrato attended pertinent forums discussing items affecting the District. Mr. Serrato also met with Congressman Jim Costa, Damon Nelson (Chief of Staff) for Congressman Devin Nunes, Exchange Contractors and a number of other District Managers.

Mr. Serrato went to the Fresno County Board of Supervisors meeting to answer any questions regarding the Agreement for Water Development with Fresno County. Water development was for County Service Area 51.

Mr. Serrato will be meeting with the City of Clovis representative to start developing the agreement for the Jameson Banking Facility project.

The Department of Water Resources and the State Water Resources Control Board Staff will be visiting the Waldron and Jameson Banking facilities on Wednesday of next week.

The ACWA Board of Directors is expected to visit the Fresno Head Gates on May 20 where Mr. Serrato will be addressing the group on the Kings River Fisheries Management Program. The Directors are invited to attend.

**DIRECTORS' REPORT**

**Director Boswell** – attended the workshop on the Klamath River Settlement. Parties include the local American Indian population, power company, farmers, and public agencies. After many years of litigation, it was finally decided to give authorization to the Department of the Interior as to the future of the seven dams located on the river. The removal of the dams did not take into account what types of dams were being removed or in what order.

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**Director Porter** – attended the JPIA portion of the meeting ACWA Convention. Director Porter complimented the Safety Department on the great job it has done.

**CLOSED SESSION**

The Board went into Closed Session at 8:08 pm.

**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: Gary R. Serrato and Liberty Christian  
Terms and Conditions: Update (Gary R. Serrato)

**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

Closed Session was concluded at 8:25 pm.

**REPORT OF ACTION TAKEN IN CLOSED SESSION**

President Boswell stated there was nothing to report from Closed Session.

**ADJOURNMENT**

President Boswell adjourned the meeting at 8:26 p.m.

Submitted By,

Gary R. Serrato  
Board Secretary