

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD MAY 22, 2012**

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 22, 2012. Meeting was called to order at 5:00 p.m. by Board President Jeff Neely.

DIRECTORS PRESENT

President Jeff Neely
Vice President Ryan Jacobsen
Steven Balls
George Porter
Jerry Rebensdorf

DIRECTORS ABSENT

None

STAFF PRESENT

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

OTHERS PRESENT

Rubicon Water Representative Patrick Campbell

REVIEW AGENDA

No Changes.

REVIEW OF FUTURE MEETINGS

Mr. Serrato reminded the Board of the Board of Equalization meetings that will start on Monday, June 4. Mr. Serrato proposed having a Special Board Meeting on June 11 to begin immediately after the Board of Equalization Meeting. The purpose of the special meeting will be to review and update the Board members on SBX 7-7 and the proposed 218 Election. The June 11 meeting should take approximately two hours. Director Balls stated that he will not be present at the June 4 meeting but will attend the June 11 meeting. Director Porter stated that he may also miss the June 4 meeting.

PUBLIC PRESENTATIONS

None given.

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 24, 2012**
- b. **April 2012 Check Register**
- c. **April 2012 Payroll Registers**
- d. **April 2012 Unpaid Assessment Report**
- e. **April 2012 Unpaid ISIP Assessment Report**
- f. **April 2012 Investment Account**
- g. **Developer Project – Les Schwab Tire Center is Proposing to Pipeline the Jefferson Canal No. 112 Located N/W Shaw and Clovis Avenues in Accordance with Board Policy. Action Request 2012-12**

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

CONTROLLER'S REPORT

- a. **January 2012 Fund Statements**
- b. **January 2012 Notes to the Fund Statements**
- c. **January 2012 Treasurer's Report**
- d. **January 2012 Deposits and Investments**

Controller DeAnn Hailey reviewed the above stated financial reports. The January reports contain no surprises and continue to follow the budget.

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

- e. **Standard & Poor's Credit Rating Report**

The District received its 2012 financial rating from S&P which rated the District with an AA rating. This is the highest rating that a district our size can receive and is beneficial when applying for credit.

- f. **Wells Fargo Bank – Signatory Changes**

Staff request that former Director of Human Resources Regina Davis (now retired) be removed as a signatory on the District's bank accounts and to place current Director of Human Resources September Singh as the newest signatory on the accounts.

M/S/C/(Balls/Porter) That the Board of Directors approved placing September Singh as the new signatory on the Wells Fargo Bank Accounts by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

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g. Limbaugh House Fire Damage - Proposals

Staff mailed out five "Requests for Proposals" (RFP) to contractors experienced in fire restoration on the repairs of the District's house that was damaged by a kitchen fire. Two contractors submitted proposals which were included in the packets. Staff has contacted the Joint Powers Insurance Authority's agent to get further information and direction on our replacement cost policy. The Directors requested additional information and also requested Staff obtains a RFP on the cost to demolish the house.

WATER REPORT

a. Current Water Conditions

Watermaster Jim Irwin reported on the current and projected water supply information. As of May 21, Pine Flat release was 2,213 cfs with storage at 819,216 acre-feet. The Reclamation wells are scheduled to be turned on at the banking facilities on June 1st. A recently released update by the Department of Water Resources dropped the runoff of the Kings River and the San Joaquin River by 10,000 acre-feet. Windy conditions are expected for the remainder of the week with climbing temperatures into the upper 90's starting next week. The new forecast has confirmed that the District will only have enough water available to deliver through the first half of August for the entire District. Consolidated Irrigation District is expected to start their water run on June 1. Bureau of Reclamation said they could possibly increase the allocation by another five percent but that will not happen until mid to late June or early July. The 2012 hydrological year has developed into the 20th driest year on record on the Kings River.

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule Update for 2012-2013

Developer Projects – there are four or five Developer projects being processed at this time.

Agency Projects – there are four to five Agency projects being processed at this time.

City of Fresno's Temporary SWTF – Improvements to the Jefferson and Gunn Canals

The Jefferson has been completed with PG&E energizing the headgate. Minor electrical and SCADA work remain on the Gunn and Staff believes the work will be completed prior to the City's initial testing in June. Staff hopes to have the O&M Agreement over to the City for review within the next few weeks.

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b. FID Project Update for 2012-13

Flowmeters

There is some minor SCADA work left to be completed on the flowmeters. Staff anticipates the grant funds to be distributed in a few months.

Basins

Herndon West Basin – Staff is waiting for the consultant to submit the 95% of the construction plans. Construction is still scheduled for this fall if funds are available.

Boswell Groundwater Banking Facility – Pumps are operating at optimum flow rates and efficiency.

Oleander Basin – There are some minor SCADA and electrical work that needs to be completed. The integrator installed the antenna this week.

The sale of the 17.3 acres is moving slowly. Staff met with the potential buyer to discuss the current pump and well status. A pump contractor submitted an estimate of \$75,000 on replacing the well and pump. Staff discussed several options available including having the potential buyer putting in the new pump; or reduce the price of the sale; or cancel the agreement and look for a new buyer.

Nordstrom Basin – Staff is still negotiating several easements. Escrow opened on May 9 with Mr. Giacolini for the land purchase. Staff is waiting for the consultant to submit the 90% of the construction plans. As with the Herndon West Basin, construction is still scheduled for this fall if funds are available; although this would be the higher priority of the two projects.

Briggs Pipeline – Staff met with the general manager of Consolidated Irrigation District last week to continue discussions on a reimbursement payment schedule to FID. FID Staff is encouraging CID to decide on a timely solution to this matter.

The Directors and Staff discussed Consolidated Irrigation District's proposed upcoming 218 Election. Staff was concerned about the misinformation included in CID's flyer regarding "farm deliveries average" and length of time of the increases.

ASSISTANT MANAGER'S REPORT

Assistant General Manager Laurence Kimura reported on the following:

a. Nielsen Site Rubble Pile Update

Mr. Van Erickson has been working on leveling the land and installing a fence along the west side of the property to meet the security concerns of Fresno County.

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b. District Office Plan

Staff continues to work with legal counsel. Document discovery took place this week from both FID and Applegate Johnson, Inc.

c. General Maintenance and Equipment Update

Maintenance and construction work continues. Heavy equipment operators are working on the South Branch of the Oleander Canal and will then move to the East Branch Canal near Bethel/Belmont. The backhoe operator worked on seepage and gopher hole issues on the Fancher, Saint George, and the South Branch Oleander Canal before moving to the Herndon, Enterprise, and Washington Center Branch. The spray truck operators are busy with rodent control when they are not able to spray due to the wind. Last week Magnacide applications were made to the Gould, Central, Briggs, and Washington Colony. The spray tractor operators are performing brush removal during windy days; otherwise, they have sprayed the Briggs, Benefield, and Wilder canals before moving to the Fresno Colony and Central Waste. Crews are working on gate and pipeline repairs. Trash removal continues throughout the District along with the usual hot spots.

i. Disposal/Auction of District Vehicles

The District needs to dispose of five vehicles that do not meet the Air Resources Board's regulation for on-road diesel equipment. Staff researched the best options for disposing of the equipment. The options are taking the equipment to salvage or to an auction where they will be sold out-of-state. Staff recommends taking the vehicles to the Sacramento area for auction where the estimated auction price would bring a better return to the District.

After little discussion, Staff was directed by the Board to take the vehicles to the Ritchie Bros. Auction in the Sacramento area for their June 6 auction.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Peak inflow into the Pine Flat Dam of 7,956 cfs occurred on April 23. Forecast of peak storage into Pine Flat of 850,000 acre-feet is expected sometime in mid June.

KRWA Legislative Committee

The KRWA Legislative Committee is opposing Senate Bill SB 1146 which would require well log reports to be made public, as well as, all associated data from the well.

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AB 2174 (a fertilizer reduction bill) – This bill would require charging farmers more for fertilizer with the additional funds going to educational programs for farmers on how to use fertilizer more efficiently. AB 2174 will include, but not be limited to, research on groundwater for nitrates. This bill stems from Dr. Thomas Harter’s nitrate report (SBx2-1) where he identifies that 90% of nitrates pollution in groundwater comes from commercial fertilizers and dairies. There is some disagreement with the facts that appear in Dr. Harter’s report.

SBX 7-7 Water Measurement

Staff has been working with representatives from different companies on testing a variety of meters in the District.

Fish and Game Committee

KRWA announced that work on the Piedra building has begun. An incubator for the small fry trout that will be planted into the Kings River is being paid for by a private grant.

State Water Resources Control Board

The Executive Board of Directors of KRWA approved the *Scope of Work and Reimbursement Agreement* to the State Water Resources Control Board (SWRCB) concerning the “Pre-1914 water rights study that will be performed by Mr. Chuck Rich, a retired employee of the SWRCB. The Executive Committee voted a special assessment to the members of the KRWA to pay for the study which is not to exceed \$300,000. The District’s financial obligation for the study will be approximately \$60,000.

Miscellaneous

Mr. Serrato announced that the KRWA Executive Committee adopted a new policy “Operating Plan for Kings River Fisheries Management Program Electro-fishing Activities”. The policy addresses the scheduling of electro-fishing activities.

FRIANT WATER AUTHORITY

The Class I water allocation remains at 50%.

San Joaquin River Restoration

Mr. Serrato reviewed the approved flow schedule (ranging from 1,100 down to 350 cfs) for the remainder of 2012.

Miscellaneous

Two new appointments by Governor Jerry Brown to the State Water Resources Control Board were announced. One appointee was previously on the board of the Natural Resources Defense Council and the other a previous board member of the San Francisco Bay Regional Water Quality Control Board.

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OTHER

Fresno Metropolitan Flood Control District's Spring 2012 publication "Flood Line" had an article on metal theft occurring in their District. FID has also experienced an increase in metal and solar panels theft throughout the District. Staff is looking for ways to prevent and discourage additional theft and vandalism.

Ag Alert ran an article in their May 9 magazine that highlighted the partnership in the development of the groundwater banking facilities and how they help local farmers and cities.

ADMINISTRATIVE MATTERS

a. JPIA Facility Inspection Update

Director of Human Resources September Singh updated the Directors on the most recent inspection of the District's facility by JPIA. The JPIA inspectors toured the FID facilities with Ms. Singh and pointed out some items to be addressed. The inspectors also reviewed the current and future insurance coverage on the old administrative building until it is demolished.

DIRECTORS' REPORT

Director Neely – Bill McFarland passed away. Mr. McFarland was an eastside farmer who served as a director on many boards.

Director Porter – attended the JPIA portion of the ACWA conference and found it interesting.

Director Jacobsen - thanked Bill Stretch and Jim Irwin for coming to the coffee talk held in the Sanger area.

The Directors and Staff broke for recess at 6:54 p.m. followed by the Board going into Closed Session at 7:05 p.m.

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)): Nielsen Avenue Property.

Government Code Section 54956.7. Conference with Labor Negotiators Regarding Terms and Conditions of Employment with Represented Bargaining Groups.

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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)): Applegate Johnston, Inc.

CLOSED SESSION ADJOURNMENT

President Neely adjourned Closed Session at 7:23 pm.

REPORT OF ACTION TAKEN IN CLOSED SESSION

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

ADJOURNMENT

Open Session adjourned at 7:24 pm.

Submitted By,

Gary R. Serrato
Secretary of the Board