

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 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 April 24, 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
HR Director September Singh
Controller DeAnn Hailey
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Representative from Brown Armstrong Accountancy Corp. Brian Henderson

REVIEW AGENDA

No Changes.

REVIEW OF FUTURE MEETINGS

Staff reminded the Board that the May 8 meeting has been canceled due to Staff/Directors attending the 2012 ACWA Spring Conference in Monterey, CA during that week. Staff also stated that a request will be made in the future to cancel the December 25, 2012, Board Meeting.

PUBLIC PRESENTATIONS

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.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

CONSENT CALENDAR

- a. **Approval of Regular Board Meeting Minutes – April 10, 2012**
- b. **Developer Project – Walmart will Pipeline the Ventura Canal #13 Located N/W Kings Canyon and Peach Avenue in Accordance with Board Policy. Action Request 2012-10**

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. **2011 Audited Financial Statements Presented by Brown Armstrong Accountancy Corp.**
- b. **2011 Audited Employee's Retirement Plan Presented by Brown Armstrong Accountancy Corp.**

Mr. Brian Henderson, of Brown Armstrong Accountancy Corporation, presented to the Board, Fresno Irrigation District's 2011 Audited Financial Statements and Audited Employee's Retirement Plan. Mr. Henderson 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, 2011, 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. Henderson stated these reports were issued as unqualified by Brown Armstrong Accountancy Corporation which is a favorable type of report.

M/S/C/(Balls/Porter) That the Board of Directors approved the 2011 Audited Financial Statements and Audited Employee's Retirement Plan as presented by District auditor Brown Armstrong Accountancy Corporation by unanimous vote. (Ayes 5, Nays 0, Absent 0, Abstain 0)

Old Building Auction - The auction for the surplus/discontinued items in the old building was held on April 14. The auctioneer did a very good job in presenting and auctioning off the items. Staff felt the auction was a great success. Funds will go towards the furniture in the new building.

Limbaugh House - Staff has mailed out "Requests for Proposals" (RFP) to contractors experienced in fire restoration for the Limbaugh house. To date, Staff has been contacted by two of the contractors.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

- c. December 2011 Fund Statements**
- d. December 2011 Notes to the Fund Statements**
- e. December 2011 Treasurer's Report**
- f. December 2011 Deposits and Investments**

Controller DeAnn Hailey presented the final 2011 financial reports to the Board. The December Fund Statements represented the entire year of 2011.

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)

WATER REPORT

a. Current Water Conditions

Watermaster Jim Irwin reported on the current and projected water supply information. As of April 23, Pine Flat release was 1,291 cfs with storage at 696,978 acre-feet. Pine Flat Precipitation is 76.3% of normal. Friant water allocation has been increased to 50% Class I. Alta Irrigation District is scheduled to start on May 7 which will assist in increasing the upper river storage space in Pine Flat. As of this reporting, six snow pillows reported; reflecting 44% of average for the higher elevations and 35% for the lower elevations as of the April 1 totals. If the weather continues to be warm, peak snow melt will most likely occur in May.

Mr. Serrato is developing an agreement with the Tulare Lake Basin WSD to help recirculate the City of Fresno's Class I Friant water (which is estimated to be 3,100 acre-feet) for the 2012 water year. The agreement will also include any residual Class II Friant water from the 2011 year. Water will be returned to the District from the Tulare Lake Basin WSD Kings River water supply by the end of September. The agreement is currently being reviewed by the City of Fresno.

CHIEF ENGINEER'S REPORT

Chief Engineer Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule Update for 2011-2012

Developer Projects – there are no Developer projects at this time – several are currently being processed for this coming year.

Agency Projects – there are no Agency projects at this time - several are currently being processed for this coming year.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

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

The Rotork motors have been delivered and are being installed. Minor electrical and SCADA work remain and Staff believes the work will be completed prior to the City's initial testing in June or July 2012.

b. FID Project Update for 2012-13

Flowmeters

The meters funded by the AB 303 grant have been installed and tested – some minor electrical work remains.

Basins

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

Boswell Groundwater Banking Facility – Staff hired a pump testing company to verify the flow rate and pump efficiency.

Oleander Basin – There is still some minor SCADA and electrical work that needs to be completed. The basin is percolating very well. The sale of the 17.3 acres is moving slowly. Staff will continue to meet with the buyer and try to eliminate any additional obstacles prior to closing escrow.

Nordstrom Basin – Staff is still negotiating several easements and a land purchase agreement with Mr. Giacolini but expects to wrap it up in the next few weeks.

Nordstrom Pond – Staff has returned the 50% plans, with their comments, to the consultant.

Briggs Pipeline – The replacement of 1,680 feet of pipe has been completed. Consolidated Irrigation District (CID) has agreed to pay 45% of the project per the O&M Agreement between FID and CID. Staff continues to work with CID on a payment schedule.

c. High Speed Rail Update – Informational Item 2012-11

Staff continues to meet with the Authority's third party consultants at least once a week. Staff and the consultant are working through a MOU so that the District can start to invoice for expenses that have occurred up to this point and through the end of 2012. Staff reviewed key upcoming dates on the project. The District is expecting that 19 of its facilities will be impacted by the high speed rail project. At this time, the estimated start date for construction is early 2013.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

- d. **Resolution to Enter into an Agreement for the Reimbursement of FID Expenses Associated with the High Speed Rail Project. Action Request 2012-09 and Resolution 2012-03**

Staff has been working with the California High Speed Rail Authority (CHSR) to develop a Master Agreement that will allow the invoicing of fees associated with the project. The \$109,000 in FID fees through 2012 is an estimate and can be revised at a later date. Staff recommends that the Board adopt Resolution 2012-03.

M/S/C/(Balls/Rebensdorf) That the Board of Directors approved Resolution 2012-03 by the following roll call vote. (Ayes Rebensdorf, Balls, Neely, Porter, Jacobsen; 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**

There has been no change in the status of this project.

- b. **District Office Plan**

Staff continues to work with legal counsel regarding the items that were not completed by Applegate Johnston as agreed to during binding mediation.

- c. **General Maintenance and Equipment Update**

Crews have been busy with trash removal caused by the recent storms. Heavy equipment operators continue to haul dirt from Kearney Basin to the District's yard and other strategic locations. Work on the Oleander Canal to raise the bank near Lincoln Avenue is taking place before moving on to the Enos Canal near Highway 180 and Howard. The dozer continues to blade down the spoil piles where dredging occurred and is also working on the Washington Colony South Branch Canal and the Oleander Canal embankment work. Backhoe operators work on repairs from seepage and gopher hole issues. As the weather permits, spray crews work throughout the District. Crews continue to work on gate, vent, and pipeline repairs. Trash crews are busy with the usual hot spots and trash racks.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Staff reviewed the forecasted percentage of expected deliveries for the lower Kings Rivers.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

Apex Groundwater Banking Facilities

The Kings County Water District continues to meet with surrounding landowners to work through the groundwater monitoring program as it relates to the groundwater banking facilities. Testing is taking place that will observe the affect of surrounding groundwater levels as the pumps are operating. Participants agree that the discussions are productive.

SBX 7-7 Water Measurement

Detailed information continues to be gathered by Staff for the measurement compliance section of this bill. The first draft of the study has been completed by the District's consultant and will be reviewed by Staff.

Fish and Game Committee

KRWA informed the Board that the negotiations with Fresno County for the 25 year lease of the Piedra building has been completed. The building will serve as an incubator for small fry trout which will be released into the Kings River.

Miscellaneous Legislations

Mr. Serrato reviewed several new State Legislative Bills that were introduced this year and their effects on the District.

A seminar on May 3 will be held at the Kearney Ag Station in Parlier highlighting the nitrates report developed by Dr Thomas Harter of UC Davis. Mr. Serrato encouraged any Director who is available to attend.

FRIANT WATER AUTHORITY

San Joaquin River Restoration

With the additional storms and snow pack, allocation of water for river restoration was increased by approximately 100,000 acre-feet.

A news release put out by the Friant Water Authority on the current complaint that was filed against the Bureau of Reclamation by Friant regarding section 16 (a) of the Settlement Agreement (Recaptured / Recirculated) flows, was handed out to the Directors. Staff will keep the Directors informed as events occur.

ADMINISTRATIVE MATTERS

a. ACWA Health Benefits Authority Resolution 2012-02

The dental and vision coverage that the District receives from the Health Benefits Authority will be transitioning to JPIA. The goal is to reduce redundancy. No change to insurance premiums will occur. The bylaws will be available at the upcoming ACWA/JPIA spring conference in Monterey, CA.

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD APRIL 24, 2012**

M/S/C/(Jacobsen/Balls) That the Board of Directors approved Resolution 2012-02 by the following roll call vote. (Ayes Rebensdorf, Balls, Neely, Porter, Jacobsen; Nays 0; Absent 0; Abstain 0)

b. Consideration of Offer to Purchase Property Located at Orange Avenue and Goldenstate Boulevard

Mr. Kimura reported that the District received an unsolicited offer on the property at 2789 S Orange Avenue. The Board stated that they would be willing to negotiate with whoever purchased the State property but noted that they currently did not have the information necessary to determine what would be a fair price.

DIRECTORS' REPORT

No Director reports.

The Directors and Staff broke for recess at 6:58 p.m. followed by the Board going into Closed Session at 7:10 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.

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 7:25 pm.

REPORT OF ACTION TAKEN IN CLOSED SESSION

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

ADJOURNMENT

Open Session adjourned at 7:26 pm.

Submitted By,

Gary R. Serrato
Secretary of the Board