

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD SEPTEMBER 11, 2012**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California, on September 11, 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
George Porter
Jerry Rebensdorf

DIRECTORS ABSENT

Steven Balls

STAFF PRESENT

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

OTHERS PRESENT

District's Legal Counsel Dave Holland
Educational Water Usage Association Representative Don Brumfield (with spouse)

PUBLIC PRESENTATIONS

Mr. Brumfield addressed the Board regarding his work on educating the public prior to the proposed State Water Bond measure (scheduled for 2014). Areas Mr. Brumfield spoke on were water conservation, education of the public, and the construction of two additional dams in California. Mr. Brumfield is visiting numerous water/irrigation districts and requesting monetary support for his outreach.

REVIEW AGENDA

Mr. Serrato requested that Closed Session start immediately to accommodate FID legal counsel Dave Holland.

CLOSED SESSION

The Board went into Closed Session at 5:15 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)): Nielsen Avenue Property.

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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 5:40 p.m.

REPORT OF ACTION TAKEN IN CLOSED SESSION

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

CONTINUATION OF OPEN SESSION

Open Session continued at 5:41 p.m. with the next order of business.

REVIEW OF FUTURE MEETINGS

Staff proposed canceling the Board Meeting scheduled for November 27, 2012.

M/S/C/(Porter/Jacobsen) That the Board of Directors approved canceling the November 27, 2012, Board Meeting by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

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 Regular Board Meeting Minutes – August 14, 2012**
- b. **Developer Project – Ishkhan Bayrakdarian is Proposing to Replace the Helm Colonial W. Br. Canal No. 116 Located N/W Nees and Peach Avenues in Accordance with Board Policy. Action Request 2012-17**
- c. **August 2012 Check Register**
- d. **August 2012 Payroll Registers**
- e. **August 2012 Unpaid Assessment Report**
- f. **August 2012 Unpaid ISIP Assessment Report**
- g. **August 2012 Investment Account**

Director Jacobsen inquired if the *Unpaid ISIP Assessment Report* was still necessary. Controller Hailey explained the unpaid amount owing is all from one property and that a lien has been attached. Since there have been no changes in some time, it was decided that the ISIP report will not be published until such time as there is a need.

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

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CONTROLLER'S REPORT

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

Ms. Hailey reviewed the financial reports for the Directors. She reported that we are still within this year's budget. Fresno County has been aggressively collecting interest from previous years' assessments and has distributed to the District its portion. Staff continues to wait for the payment from Consolidated Irrigation District for the invoice from the Briggs Pipeline project.

M/S/C/(Rebensdorf/Porter) That the Board of Directors approved the July 2012 financial reports as presented by Staff by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

e. Allocation of Water Revenues

Ms. Hailey reviewed the proposed allocation of water revenues derived from the groundwater banking facilities with the Board for the 2012 – 2013 construction years. Staff had previously reviewed the recommendations with the Finance Committee.

M/S/C/(Jacobsen/Porter) That the Board of Directors approved the use of funds as suggested by Staff by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

f. Limbaugh House Fire Proceeds

Ms. Hailey stated that the District has received the funds from the insurance company for the payoff on the fire damaged house at the Limbaugh site. The payoff also included the funds for the demolition of the house. Staff reviewed the proposed allocation of funds with the Board and recommended utilizing the funds for repairs and improvements of other rental properties that the District owns and improvements at the Fresno Head Gates.

M/S/C/(Jacobsen/Rebensdorf) That the Board of Directors approved Staff's recommendation of improvements for items 1-7 with funds from the Limbaugh House insurance payment by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

WATER REPORT

a. Current Water Conditions

Jim Irwin reported on the current and projected water supply information. As of September 10, Pine Flat release was 764 cfs with storage at 198,845 acre-feet. The remaining WSOs will finish with the end of the 2012 Water Season on September 15 and return to the Maintenance Department.

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Mr. Irwin pointed out that due to higher than normal thunderstorm activities in the higher elevations during August, the District received more entitlements in the month of August than it did in the month of July.

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 no Developer projects going on at this time.

Agency Projects – the City of Fresno has started the extension of the Fowler Avenue Bridge across the Fancher Creek Canal. There are also several utility crossings that will cross under FID canals during the maintenance season.

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

This project is in the final stages and the City has already conducted three weeks of water testing. The plan is to be up and running during the month of October. There is an issue with the magnetic meter that was installed; it has yet to be determined if this is a contractor issue.

b. High Speed Rail Update (HSR)

Staff sent out a letter in June stating that the District did not approve of the Master Agreement developed by the HSR Authority. Included in the letter was an invoice for services rendered by District Staff and consultants. Staff has been working with District's legal counsel and reviewing a revised agreement initiated by CHSR.

c. FID Projects Update for 2012-13

Miscellaneous

Lambrecht Banking Facility – crews are constructing a small French Drain and lift pump at Shaw and Goldenrod avenues to eliminate a seepage problem.

Basins

Herndon West Basin – Due to budget constraints, Staff has made the decision to place this project on hold until the 2013-14 Maintenance Season.

Nordstrom Basin – with the delivery of the pipe, crews have started the enlargement of the basin.

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d. Present Revised List of Construction Projects and Capital Improvements Fund Budget for 2012-13. Action Request No. 2012-16

Staff recommends that two changes to the approved project list be taken under consideration by the Board. Staff proposes to install a new reclamation well at the Waldron Banking Facility and in-turn remove the Herndon West Basin project from this year's list of projects.

M/S/C/(Rebensdorf/Jacobsen) That the Board of Directors approved Action Request 2012-16 and thereby change the Capital Improvement projects as described and presented by Staff at the July 24, 2012, BOD Meeting by the following vote. (Ayes Rebensdorf, Balls, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

ASSISTANT MANAGER'S REPORT

Mr. Serrato reported on the following in the absence of the Assistant General Manager:

a. Nielsen Site Rubble Pile Update

There is nothing new to report on this item.

b. District Office Plan

This item was discussed during Closed Session.

c. General Maintenance and Equipment Update

The heavy equipment and backhoe operators are taking care of bank repairs and a drainage line project at Lambrecht Basin. Spray tractor and truck operators are in the eastern part of the District and in Easton respectively. Crews are taking care of turnout repairs, pipeline repairs, and pumping and gate inspections. The trash crew is currently working on the Herndon Canal.

Staff reported two Ford F-150 trucks will be going to the Fresno Auction Company to be auctioned off as previously directed by the Board. The revenues received from the auction will be placed in the Power Revenue Fund.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Mr. Serrato stated that Lemoore Irrigation District is the only district that was diverting water. Beginning on October 1, Consolidated Irrigation District will be diverting Exhibit "C" Flows for the remainder of the year at the Fresno Weir.

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State Water Resources Control Board

KRWA Watermaster Steve Haugen is waiting to hear from the State Board on the ability to engage Chuck Rich, a State Water Resources Control Board retiree, as a consultant. Mr. Rich would be hired to conduct the pre-1914 water study. Mr. Haugen informed the sub-committee they are waiting to receive the approval from the Governor's office and to be patient. Meanwhile, KRWA continues to explore other options.

Apex Groundwater Banking

KRWA's Executive Committee met to discuss the issues associated with the Kings County Water District (KCWD) groundwater banking facility and the surrounding landowners. Directors Neely and Porter attended the meeting. It was suggested that a groundwater hydrologist (hired by the landowners) be hired by KRWA to review the operations of the project.

Fish and Game Meeting

In lieu of Mr. Serrato, Mr. Stretch attended the Fish and Game meeting held on September 11. Discussions included the planning of future improvements to the habitat and the additional fishing pressure the Kings River will receive with the closing of the San Joaquin River. Also noted was the inability for the Department of Fish and Game to contribute financially to the Kings River Restoration fund due to the State's budget problems.

Bureau of Reclamation Tour

Bill Stretch, Laurence Kimura, and Gary Serrato met with staff from the Department of Water Resources and the Bureau of Reclamation while they were on a tour of irrigation districts in the Central Valley. During the time with them, FID Staff had an opportunity to discuss the issues surrounding the implementation of SBx 7-7 and explain the financial hardship specific to FID.

Dr. Charles Burt, with Cal Poly, organized the field trip so the two agencies could view firsthand the difficulties of implementing SBx 7-7 on open canals. Overall, the DWR and BOR staffs obtained a better understanding of FID's issues and they were able to provide helpful suggestions for developing the "Water Management Plan" that is due on December 31, 2012.

OTHER

Miscellaneous

City of Fresno Conveyance Agreement

The legal counsel for the City of Fresno is reviewing the agreement. Council Member Larry Westerlund met with Mr. Serrato to educate himself on the details of the agreement and other water related issues.

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Fancher Creek and Dry Creek Project

Mr. Serrato, Mr. Kimura, and Mr. Stretch traveled to the Fresno office of the Department of Fish and Game to discuss the issues associated with obtaining a long-term permit to work on the Fancher Creek Canal and Dry Creek Canal which at one time were natural waterways. Staff is requesting a five-year permit.

ADMINISTRATIVE MATTERS

a. Storm Water Agreement – Second Amendment

The County of Fresno, City of Fresno, City of Clovis, Fresno Metropolitan Flood Control District, Alluvial Drainage District, and FID entered into an agreement to share the costs and expenses incurred by FID for use of FID's canals for the disposal of local storm water. The County sought to have its 40% share of the storm water discharge agreement reapportioned to something more in line with their use. The proposed amendment would decrease the County's portion to 20% and reallocate the remaining portion among the other parties. FID's participation level would increase by one percent.

M/S/C/(Jacobsen/Porter) That the Board of Directors approved the Second Amendment to the Storm Water Agreement by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

b. Damage Claim Form – Jeff Badertscher

Mr. Badertscher's orchard was affected when the breach of the American Colony #2 flooded his almonds and caused some of the older trees to fall over. It is Staff's recommendation that this claim be denied and referred over to JPIA.

M/S/C/(Porter/Rebensdorf) That the Board of Directors denied the claim filed by Jeff Badertscher and instructed Staff to forward it to JPIA for handling by the following vote. (Ayes Rebensdorf, Neely, Porter, Jacobsen; Nays 0; Absent Balls; Abstain 0)

c. FID Property at North Sunnyside and East Shepherd Avenue (City of Clovis)

The City of Clovis is still very interested in developing a Trail Terminus Facility site on a portion of the 2.3 acres at Sunnyside and Shepherd. The City would like for the District to consider a long-term lease or easement so they can develop a public respite and informational station that has landscaping, benches, fencing, and a type of "historical" marker (of the canal and/or District). The City is very agreeable to meet the needs and requirements of the District. Direction from the Board is for Staff to pursue developing an agreement for the use of the site.

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DIRECTORS' REPORT

The Directors did not have anything to report on.

ADJOURNMENT

Open Session adjourned at 8:05 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board