

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE SPECIAL MEETING
HELD AUGUST 13, 2013**

Fresno Irrigation District's Board of Directors met in special session at the District office located at 2907 South Maple Avenue – Fresno, California, on August 13, 2013. Meeting was called to order at 4:03 p.m. by Board President Ryan Jacobsen.

DIRECTORS PRESENT

President Ryan Jacobsen
Vice President Steven Balls
Jeff Neely
George Porter
Gregory Beberian

DIRECTORS ABSENT

None.

STAFF PRESENT

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

OTHERS PRESENT

None.

REVIEW AGENDA

No changes.

Mr. Serrato reviewed with the Board various special FID Board meetings that mapped the directions given to Staff beginning with the year 2000 to the present. Mr. Serrato reviewed the following: financial condition of the District; a 2002 strategic planning development meeting; a successful Proposition 218 Election; partnerships with City of Clovis on the development of banking facilities; and Staff's memorandums from 2006 - 2013 that have kept the Board up-to-date on all important issues and plans that would have an significant impacts to the District.

KINGS RIVER WATER ASSOCIATION

A Water Conditions Report was handed out at the meeting. The report showed that the District has gained just over 2,000 acre-feet of pre-project water due to recent thunderstorms that occurred in the upper elevations.

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Mr. Serrato updated the Board on the process of the pre-1914 application by the State Water Resources Control Board, explained pre-1914 water, and emphasized the importance of it to the KRWA members and the Fresno Irrigation District in particular. Other topics of discussion related to KRWA are:

- Working with the State Water Resources Control Board on identifying the volume of pre-1914 water on the Kings River;
- Identifying a volume of pre-1914 water for each KRWA member;
- Review six water right licenses on the Kings Rivers issued by the State Water Resources Control Board;
- Imported Water Agreement and the benefits to FID; and
- Recapture / Recirculated Water and FID's ability to facilitate.

Friant

Friant issues that were reviewed included:

San Joaquin River Restoration Program

- Title III funding;
- Reviewing of the FID program to help recapture / re-circulate water back to the Friant districts; and
- Partnership with the Tulare Lake Basin to help with the program.

Staff requests direction from the Board to meet with the Bureau of Reclamation to begin discussions on the FID program and to approach the Tulare Lake Basin interests/JG Boswell Company to assist with water transfers. Prior to reaching an agreement, Staff will review the benefits and issues of the agreement with the Board.

Board Direction:

Director Jacobsen directed Staff to move forward with the project discussions and to proceed with meetings with the Bureau of Reclamation and the Tulare Lake Basin interests.

Staff was also given direction to negotiate for as much pre-1914 water as possible (450,000 acre-feet minimum) for the District. The District wants to keep the water rates as reasonable as possible but still allow the District to maintain and upgrade its facilities.

JAMES AND FRESNO IRRIGATION DISTRICTS PARTNERSHIP

The James Irrigation District and Fresno Irrigation District obtained the services of the Provost and Pritchard Consulting Group to conduct a study on the opportunity and benefits for both districts to partner in a regional water management plan.

The study included:

- Water recharge / banking;

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- Storage in Pine Flat Dam;
- Water management and supply; and
- Transfers / exchanges.

FID and JID Board members have met to gauge whether an agreement between the two districts can be developed. Any agreement developed will be brought to the FID Board for review and approval.

Partnerships

Staff continues to look for additional sites for future groundwater banking facilities and believes that JID may be a suitable partner. Staff believes water stored in FID's banking facilities is most beneficial when it has both long and short term agreements tied to it.

CONSOLIDATED IRRIGATION DISTRICT

a. Briggs Pipeline Agreement

Mr. Serrato and Mr. Irwin reviewed the issues associated with the shared section of the Briggs Pipeline with the Consolidated Irrigation District. Staff reviewed the agreement and the development of the maintenance formula for the future repairs of the pipeline. Staff suggested the possibility of taking over the entire operations of the Briggs on a trial basis of one to two years (but not the pipeline at Peach and Lincoln). The Directors were concerned about the condition of the pipeline, the possibility of a major break, and any liability issues.

Director Jacobsen was concerned about the condition of the pipeline that is currently owned by CID and the possibility of a potential break. Director Neely was not interested in taking on CID's portion of the pipeline.

Board Direction:

Mr. Serrato stated he will schedule a meeting with the general manager of CID and work through the issues concerning the Briggs Canal.

b. Partnership

Staff is exploring a partnership with CID on a banking project. Staff recommends using the Semitropic Water Storage District model.

Board Direction:

Staff will research the possibility of a partnership with CID for groundwater banking and the ability of FID to assist in transfers and exchanges of CID's water.

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CITY OF FRESNO NEGOTIATIONS WITH THE CONVEYANCE AGREEMENT

Staff referred back to the memo dated July 24, 2012, dealing with the Conveyance Agreement. Staff has started meeting with the City to review the agreement. At this point, the City and FID have different views of the agreement but both parties are willing to continue discussions and try to come to a mutually satisfactory understanding.

The City of Fresno reviewed their water portfolio and their intent to sell water every year. Staff feels there are many issues that still need to be worked through before both parties are satisfied.

Board Direction:

The Board directed Staff to have the District's legal counsel research what FID's legal rights and obligations are as stated in the agreement.

PROPOSITION 218 ELECTION

The Controller provided a spreadsheet that forecasted the budget for the next five years. Mr. Serrato stated that it is his opinion that assessments should support the General Fund budget. At the current rate, if FID does not increase the assessments, the budget for the General Fund in 2018 could be short by approximately \$800,000.

Board Direction:

Director Neely would like to continue to use the banked water to supplement the fund.

Director Jacobsen directed Staff to do the following:

- Conduct an efficiency study of the District's organization/personnel;
 - Use a third party to perform the survey; and
 - Make sure we are maximizing our resources
- Legislative briefing for local reps (include city, county, and state representatives).

SBX 7-7

The deadline for plan submittal to the Department of Water Resources (DWR) has passed. DWR reported that only five percent (5%) of the districts that were suppose to submit their proposals met the deadline date.

Mr. Serrato was contacted by Chris Kapheim, the general manager of Alta Irrigation District about Mr. Serrato taking part on a panel with the Department of Water Resources and a group of other districts from throughout California to discuss the water metering requirements. As of this time, a meeting date has not been scheduled.

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ADJOURNMENT

Open Session adjourned at 7:36 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board