

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD SEPTEMBER 17, 2013**

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 17, 2013. Meeting was called to order at 5:02 p.m. by Board President Ryan Jacobsen.

DIRECTORS PRESENT

President Ryan Jacobsen
Jeff Neely
George Porter
Gregory Beberian

DIRECTORS ABSENT

Vice President Steven Balls

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

Granville Homes Representative Jeff Roberts
Granville Homes Representative Claudia Cazares
Granville Homes Representative Gary Giannetta
Landowner Mark Haupt
Landowner Dennis Haupt
Landowner Gary Christensen
FID Legal Counsel Gary Sawyers (arrived at 6:32 pm)

REVIEW AGENDA

Staff requested that items 8 f. and 11 c. be heard immediately following the Consent Calendar. The Directors approved the request.

REVIEW OF FUTURE MEETINGS

No changes.

PUBLIC PRESENTATIONS

None.

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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]

Director Neely recused himself from the discussion and vote of item 8 f.

CONSENT CALENDAR

- a. **Approval of Special Board Meeting Minutes – August 13, 2013**
- b. **Approval of Equipment Committee Meeting Minutes – August 20, 2013**
- c. **Approval of Regular Board Meeting Minutes – August 20, 2013**
- d. **August 2013 Check Register**
- e. **August 2013 Payroll Registers**
- f. **August 2013 Unpaid Assessment Report**
- g. **August 2013 Investment Account**

Director Jacobsen mentioned that on page 95 of the August 20, 2013 minutes, it should read Henry R. Perea and not Henry T. Perea.

M/S/C/(Neely/Porter) That the Board of Directors approved the Consent Calendar with the one correction to the August 20, 2013 minutes by the following vote. (Ayes – Beberian, Jacobsen, Porter, Neely; Nays – 0; Absent – Balls; Abstain – 0)

ASSISTANT GENERAL MANAGER - OPERATIONS REPORT / ENGINEERING AND MAINTENANCE (formerly known as the Chief Engineer's Report)

Assistant Manager of Operations Bill Stretch reported on the following item:

- f. **Developer Pipeline Project – The Westlake Development by Granville Homes will Pipeline the Silvia Canal No. 47 and the Minor-Thornton Canal No. 459 Located S/W Gettysburg and Grantland Avenues in Accordance with Board Policy. Action Request 2013-12**

Due to a potential conflict of interest, Director Neely recused himself from the discussions of this item.

Mr. Stretch updated the Board on the project and the work the Engineering Staff has done over the past five to six years. This large project will be built in the north-central Fresno area and when completed will have approximately 8,000 residents, commercial property, and a lake feature. Granville is asking to re-align and pipe approximately 8,000 feet of the Silvia and Minor-Thornton canals. Mr. Jeff Roberts from Granville thanked Staff for working on this project for the past six months. An aerial view of the Westlake Development site was displayed. Mr. Roberts also stated that Granville concurs with FID's Staff recommendations. It is Granville's intention to realign the pipeline through an abandoned railroad area and not landowners' backyards as

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originally designed. Granville is also working with the Fresno Metropolitan Flood Control District on a recharge basin that would be located south of Shields Avenue. Mr. Roberts reviewed the history of the project regarding the planning and permits. Director Jacobsen inquired about the timing of the project. Granville hopes to start sometime this fall. Director Beberian inquired about the proposed lake recharge and the ownership of land adjacent to the project. The lake will most likely be clay lined and all ownership of land has been researched. Mr. Roberts eased Director Beberian's concerns about replenishing the lake during dry years; the lake will only receive water from the District when area farmers are able to receive water.

M/S/C/(Porter/Jacobsen) That the Board of Directors approved Action Request 2013-12 as presented by Staff by the following vote. (Ayes – Beberian, Jacobsen, Porter; Nays – 0; Absent – Balls; Abstain – Neely)

Director Neely resumed his seat at the Board table.

ADMINISTRATIVE MATTERS

c. Thompson Canal – Mr. Dennis Haupt and Mr. Gary Christensen to Discuss Privately Owned Bridges

Mr. Mark Haupt, representing himself, Mr. Dennis Haupt, and Mr. Gary Christensen, addressed the Directors on their Thompson bridge concerns. Mr. Haupt stated that they have spoken to an engineer regarding the rebuilding of their bridges. Mr. Haupt stated that the engineer gave his opinion that due to the widening of the canal, damage to the bridges was increased. It is Staff's recommendation to wait until Staff and the Directors have had an opportunity to review the engineer's report before any further discussions. This item will be placed on the agenda at a future meeting once the engineer's report has been received.

CONTROLLER'S REPORT

Controller DeAnn Hailey reviewed the following financial reports:

- a. July 2013 Fund Statement**
- b. July 2013 Notes to the Fund Statement**
- c. July 2013 Treasurer's Report**
- d. July 2013 Deposits and Investments**

The Controller reported that the District is within the 2013 Budget for June. Revenues for the General Fund are at 99%. Wages and salaries are at 58% which is on target. Expenses are at 53% which is 5% under budget as of July.

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

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e. 2013 Revised Budget

Ms. Hailey reviewed the line items that Staff requested to have revised in the General Fund Budget. Ms. Hailey explained each line item that had a change of \$10,000 or greater. Mid-annual review of the budget is performed by Staff and approved by the Board. The Controller anticipates bringing the preliminary 2014 Budget to the October meeting.

M/S/C/(Porter/Neely) That the Board of Directors approved the 2013 Revised Budget as presented by Staff by unanimous vote. (Ayes – Beberian, Jacobsen, Porter, Neely; Nays – 0; Absent – Balls; Abstain – 0)

WATER REPORT

a. Current Water Conditions Report

Watermaster Jim Irwin reported on the current and projected water supply information. As of September 16, Pine Flat release was 304 cfs with storage at 154,196 acre-feet. The pre-project for the Kings River is at 150 cfs with FID's entitlement at 113 cfs. Mr. Irwin reported the individuals purchasing hardship water were pleased with the price of \$50 per-acre foot and thanked the Board for providing the water.

Staff discussed the application of a pre-emergent on the Lower Dry Creek Canal which will shorten the reclaim water deliveries. Staff will review the cost and its effectiveness prior to making a decision on whether to proceed with the applications.

ASSISTANT GENERAL MANAGER - OPERATIONS REPORT / ENGINEERING AND MAINTENANCE (formerly known as the Chief Engineer's Report)

Assistant Manager of Operations Bill Stretch reported on the following items:

a. Developer and Agency Project Schedule Update for 2013-2014

Developer Projects –There are two projects in progress. The first is the on-going replacement of 620 feet of 21-inch PVC with 24-inch RGRCP on the Helm Colonial W. Branch at Nees and Peach avenues which is expected to be completed within a couple of weeks.

The second is an in-house project located at Shields and Madera avenues. Approximately 175 feet of 45 years-old cast-in-place pipeline will be replaced.

Agency Projects – PG&E is conducting a large project which will impact eight of our crossings.

California High Speed Rail Update (CHSR)

Staff met for the first time with CHSR, the project contractor, government agencies, the project management company, and utility companies. It is the CHSR's belief that they

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will receive a limited notice to proceed. Once that happens, weekly meetings with all interested parties will occur. Staff doesn't believe they will start breaking ground until early next year and it is unclear when the project will start impacting the District's canals.

b. Landowner Initiated Projects Update for 2013-14

Currently there are no projects in progress.

c. FID Projects Update for 2013-14

Waldron Recovery Well #104: Equipping – the project is all but completed; however, it is not yet energized. The contractor still needs to fence and gravel the surrounding area. Once PG&E has energized the site, the SCADA portion will be completed.

Staff is reviewing and updating plans for the construction schedule.

d. General Maintenance Update for 2013-14

- Crews have been working on projects around the yard, such as concrete bays (for rocks, dirt, etc.; slabs for lumber storage; gate room organization; and chemical lockers;
- Crews worked on the Nielsen Rubble pile;
- Thompson Canal project – stockpiling rip-rap at the Empire Basin; and
- Crews are using a man-boom to trim trees on the Oleander System and Enterprise Canal.

e. Developer Pipeline Project – Clovis Community Hospital Will Pipeline the Clovis Canal No. 115 Located N/E Herndon and Temperance Avenues in Accordance with Board Policy. Action Request 2013-13

The Clovis Community Medical Center has removed the remaining orange trees and decided to landscape the area. Prior to landscaping, they will move forward with replacing approximately 3,000 feet of 30-inch pipeline. This is the same project that in July 2013 they requested the District to allow them to hold off replacing the pipe for up to ten years.

M/S/C/(Porter/Neely) That the Board of Directors approved allowing Clovis Community Medical Center to replace 3,050 feet of 30-inch cast-in-place pipeline with 30-in Rubber Gasket Reinforced Concrete Pipe by the following vote. (Ayes – Beberian, Jacobsen, Porter, Neely; Nays – 0; Absent – Balls; Abstain – 0)

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g. Landowner Pipeline Project – Landowners Gary Coleman, et al Request to Pipeline the Kennedy #2 No. 366 Located S/E Olive and Jameson Avenues. Action Request No. 2013-14

Mr. Stretch started out by informing the Board that the Kennedy #2 does not have proper drivable paths from the headgates to just south of Olive Avenue. This project would be covered under Policy 200-108. To date, the District has not preformed any projects under this policy since its approval by the Board in November 2011. Mr. Gary Coleman, along with other area landowners, approached Staff about piping 1,450-feet of open canal. Staff proposed that FID crews would perform the work (labor and equipment) while the landowners would pay for the materials. Cost to FID would be approximately \$47,630 with the landowners expected to pay \$57,695.

Director Porter recused himself from the discussion and vote due to personal conflict.

Director Neely stated he was not in favor of this project since there does not seem to be any problems with the canal; demonstrated by the lack of any claims. He would prefer to have FID crews clean up the canal and rebuild the banks.

Board President Jacobsen asked FID's legal counsel for his opinion. Mr. Sawyers stated that it was important to carry out the policy in a uniform manner and to be able to justify choosing one project over another. The District also needs to consider whether it would add value to the landowners' property before deciding on a project.

Staff feels this project to be beneficial to the District and reminded the Board that the landowners approached Staff and are willing to contribute towards the project. Staff stated that if clean-up was to be done, it would cost somewhere between \$10,000-15,000. Director Jacobsen suggested that an Ad-Hoc Committee be formed to review Policy 200-108. Directors Jacobsen and Beberian, along with Staff members will meet as the committee prior to the October's BOD meeting and then report back to the Board.

Break

A short break was taken at 7:18 pm until 7:40 p.m. during which time no District business was discussed.

ASSISTANT GENERAL MANAGER'S REPORT

Assistant General Manager Laurence Kimura reported on the following:

a. Nielsen Site Rubble Pile

Staff implemented the work plan to clean up the remaining rubble pile the week of August 26. A dozer, water truck, and loader were rented while using a water truck, dozer, and motorgrader belonging to FID. Fresno County was kept current on the project and once completed was pleased with the final outcome. Staff is waiting to receive the County's report and post-completion inspection. Staff believes there will be

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future quarterly inspections done on the property. Mr. Kimura showed slides on the different stages of the rubble pile and removal up to the completion of work in September 2013.

b. District Office Plan

The Site Plan Review application and draft plans have been approved by the County of Fresno. The approvals from FMFCD and Cal-Fire have been received. The bid advertising will run for three weeks with the bid opening in early October. Staff plans to present its recommendation at the October's BOD meeting.

c. Mitigated Negative Declaration for Use of Copper & Acrolein to Control Aquatic Vegetation

Staff has been working with Blankinship and Associates to prepare the CEQA document necessary to use copper and acrolein to control aquatic vegetation. The *Notice of Intent* is currently out for public review. Staff will request Board action at the October's BOD meeting.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Pre-1914 Water Rights

The review of the study conducted by the State Water Resources Control Board – Legal Department is expected to be completed by the end of the month.

State Water Right Fees Legal Determination

Mr. Sawyers translated the recent decision of the California Supreme Court concerning the State Water Resources Control Board's (SWRCB) right to impose the Water Right Fees. The California Supreme Court provided a decision that declared that the SWRCB does not have the right to impose Water Right Fees in the manner as currently structured. This decision only addresses the manner on how the fees are collected and SWRCB does still have the right to collect fees. The discussion concerning how the fees will be apportioned still needs to be decided. SWRCB has already spent the revenues so it is unlikely at this time that refunds will be available anytime soon; even when paid by protest.

Fishery Management Meeting

It was reported that once salmon are introduced into the San Joaquin River and begin to spawn, fishing will no longer be allowed on the San Joaquin River. It is believed that when this happens, additional fishing pressure will occur on the Kings River.

Electro-fishing results from last winter showed that there were more fish per mile than the prior year and the fish appeared healthier.

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Irrigated Lands Regulatory Program

The Regional Water Quality Control Board will be hosting a public hearing at the Radisson Hotel on September 19 to adopt the irrigated lands regulatory program.

Groundwater Impacts

The Kings River Water Association is now beginning discussions on the impacts of groundwater pumping within the Kings Basin. The discussion centered on the need to implement self-imposed regulation. There is a concern that the State Water Resources Control Board may become involved in regulating groundwater pumping within the basin. Most Districts believed that we should begin the process of exploring ways to more efficiently manage the groundwater supplies. Districts were very concerned with the significant impact from groundwater pumping on the west side of the valley.

FRIANT WATER AUTHORITY

Friant / Bureau Negotiations

Friant continues to negotiate the following agreements with the Bureau of Reclamation:

- a) Recapture / Recirculation
- b) Groundwater Banking
- c) Rescheduling Guidelines

Mr. Serrato has held discussions with both the Bureau of Reclamation regional director and the San Joaquin River Restoration manager concerning the ability of FID to facilitate "Recapture / Recirculated" water and transfers and exchanges.

OTHER

Homeless Encampment

Staff continues to work with the Fresno Police Department in addressing the homeless encampments within FID easements. Staff attended a meeting at City Hall that included Fresno City Manager Bruce Rudd and Fresno County Supervisor Henry R. Perea and their respective staffs concerning "shopping carts". Supervisor Perea is working on a County ordinance that will make it illegal to be in possession of a shopping cart anywhere other than at a retail establishment's parking lot.

Farm Bureau and Valley PBS

The Fresno County Farm Bureau and Valley PBS are co-hosting a new television show called *Valley Gold* which will focus on valley agricultural. The first show will be aired on Wednesday, September 18 and will be hosted by FID Board President Ryan Jacobsen.

City of Fresno and the Fresno Irrigation District

Mr. Sawyers addressed the Board's questions regarding the Conveyance Agreement in relation to what FID's rights are and the intent of the agreement. Mr. Sawyers clarified each agencies rights and obligations. The Board is concerned with future water sales by the City and the impact it will have to the groundwater supply. President Jacobsen

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stated that he feels that over time the differences can be worked out and a mutually beneficial relationship can be achieved. At some point in the future, the Board may need to decide if the Conveyance Agreement will need to be revised or totally restructured. Mr. Sawyers stated that portions of the agreement have become outdated and should be opened up and revised in the future.

ADMINISTRATIVE MATTERS

- a. **Request of Overnight(s) Stays for Directors and Staff to Attend the ACWA Fall 2013 Conference – December 3-6, 2013, In Los Angeles, CA**

Mr. Serrato reminded the Board that the 2013 Fall ACWA Conference will be held in December and that any Director who would like to attend should inform Staff so reservations can be made.

M/S/C/(Neely/Porter) That the Board of Directors approved the overnight stays for Directors and management Staff who would like to attend the 2013 Fall ACWA Conference by the following vote. (Ayes – Beberian, Jacobsen, Porter, Neely; Nays – 0; Absent – Balls; Abstain – 0)

- b. **Request of Overnight(s) Stay for the Director of Human Resources to Attend a CALPELRA Conference in Monterey, CA on November 18-22, 2013**

Staff recommended that the Director of Human Resources attend the CALPELRA Conference in Monterey, CA from November 18 through the 22.

M/S/C/(Neely/Porter) That the Board of Directors approved sending the Director of Human Resources to the CALPELRA Seminar held in Monterey, CA by the following vote. (Ayes – Beberian, Jacobsen, Porter, Neely; Nays – 0; Absent – Balls; Abstain – 0)

DIRECTORS' REPORT

Director Beberian – requested that the proposed agreement with the JG Boswell Company be placed on the agenda at a future meeting. Director Porter does not want to discuss the proposal until after Staff brings a formal proposal to the Board.

Director Balls – none

Director Jacobsen – none

Director Porter – none

Director Neely – none

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ADJOURNMENT

Open Session adjourned at 9:20 p.m.

CLOSED SESSION

The Board did not conduct a 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.

Conference with Legal Counsel-Anticipated Litigation (Government Code Section 54956.9(b)). Conference with Legal Counsel – Pending Litigation (G.C. §54956.9(a)); Applegate Johnston, Inc. vs. Fresno Irrigation District.

Government Code Section 54956.8 Real Property Transactions.

Negotiators: Gary R. Serrato-FID, Bill Stretch-FID, and the City of Clovis

Properties: APN 560-031-11 & 557-031-05, 39

Terms and Conditions: Negotiations of Purchase and Sale of Real Property.

Conference with Legal Counsel-Anticipated Litigation (Government Code Section 54956.9(b)). Conference with Legal Counsel – Potential Litigation (G.C. §54956.9(a)): Jeremy Hobensack vs. Fresno Irrigation District.

ADJOURNMENT

Open Session adjourned at 9:20 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board